



**DANA F. COLE  
& COMPANY<sup>LLP</sup>**  
CERTIFIED PUBLIC ACCOUNTANTS

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**DANACOLE.COM**

April 11, 2025

Dawn Lewis, Superintendent  
Washington County School District No. 24  
Arlington Public Schools  
705 N. 9<sup>th</sup> Street  
Arlington, NE 68002

Dear Ms. Lewis,

We appreciate this opportunity to provide services to Washington County School District No. 24, Arlington Public Schools.

The enclosed provides information regarding our Firm, including a brief history, services we provide and our proposal to provide services. We take great pride in our Firm and believe we can provide the type of services you may need.

As you review this information, please do not hesitate to call us at 402.479.9300 if you have any questions or need further clarification.

Thank you for allowing us to prepare the enclosed proposal.

Yours truly,

KERRY A. GUSTAFSSON  
For the Firm

e-mail: [gustafsson@danacole.com](mailto:gustafsson@danacole.com)  
direct line: 402.479.9321

KAG:akb

Enclosures

## DANA F. COLE & COMPANY, LLP

Dana F. Cole & Company, LLP is one of the oldest and largest local firms of Certified Public Accountants in the state of Nebraska. Since our founding in 1915 by Mr. Dana F. Cole, we have experienced a strong rate of growth over the years due primarily to our continuing active efforts to meet the needs of our clients. Over the past years, the Firm has expanded and currently maintains 23 registered offices in the following states:

Nebraska • Kansas • Michigan • Minnesota • Missouri • Wyoming

Dana F. Cole & Company, LLP, with 95 professional accountants on our staff, successfully completed our fourteenth peer review in 2023. The Certified Public Accountants within our Firm are active members of the American Institute of Certified Public Accountants and the various state societies. Our Firm is a member of AGN International. This association represents 80 countries, has 200 member firms with approximately 9,559 staff members. The association provides a valuable resource for even the most specialized needs.

The mission of Dana F. Cole & Company, LLP is to provide the most comprehensive professional services while adhering to the highest standards of quality.

Our foundation is built with a singular focus on the client and our basic knowledge of their world. We seek to maintain a long-term professional relationship with our clients. This allows us to provide services that are consistent, beneficial and appropriate for their current goals and needs as well as their lifetime plans. We plan for continued growth to enable us to increase and expand our ability to provide expertise over a broad range of professional services, while becoming more accessible to present and future clients. We strive to meet our employees' needs so they may progress as a member of our firm and our profession and take pride in our ability to achieve the best results possible for our clients.

## PURPOSES & AIMS

Dana F. Cole & Company, LLP provides a broad range of professional services as well as specializes in several industries and technical areas. These services include tax services, estate and financial planning, accounting and auditing, general accounting, data processing, general business service and advice, management consulting, pension and profit sharing plans, and special projects. While we serve clients in virtually every major industry, some of the industries in which we serve a large number of clients are: agri business, colleges and universities, contractors, farming and ranching, financial institutions, governmental units, health care, manufacturing, non-profit organizations, professional and other services, retail, utilities and wholesale.

With our offices located in various communities and trade areas throughout Nebraska, Kansas, Michigan, Minnesota, Missouri and Wyoming, we serve our clients efficiently and effectively, respond to their needs in a timely manner, provide information that is pertinent to them, and are aware of local matters that affect them. When needed, we utilize other offices within our firm to assist with large clients, complex technical matters, and clients requiring special expertise. As a member of AGN International, we are able to call upon other member firms for national and international assistance and special expertise.

Our firm strives to continually improve the quality of service to our clients. We wish to maintain a long-term relationship with our clients and furnish them with the services they want and need. We continue to develop our industry and technical specialties, inform clients of the many services we provide and regularly review with our clients, their present situation, goals, needs and lifetime plans so that we may assist them in meeting the challenges of today and tomorrow.

While we have the expertise and background of a large professional organization, we operate in a personal environment through our local offices. This enables our firm to be more aware of what is happening in our clients' world.

Our firm remains committed to providing services in the best interest of our clients.

## SERVICES WE PROVIDE

Dana F. Cole & Company, LLP provides a full range of accounting, auditing, tax, data processing and management advisory services to more than 18,000 clients. The following is an overview of these services.

Accounting and auditing services are provided to clients of all sizes and specialties. In our work, we acquire intimate knowledge of a client's financial and administrative operation, and use a constructive approach to recommend, where appropriate, procedures to strengthen the organization and provide comments on accounting and administrative controls in operations. These services include the preparation of annual financial statements for an entity as well as personal financial statements for its owners.

General accounting services that we offer also include general accounting assistance and the preparation of compilation reports for interim and annual periods. Our services include bookkeeping services, financial statements (monthly or quarterly), reconciling bank accounts, accounts receivable, accounts payable, and payroll, including the quarterly returns. We regularly assist clients with accounting problems that may be encountered at any time during the year. These services include preparation of various payrolls, personal property and other compliance reports and assistance with budgeting and cash management.

Tax services include constructive and creative tax planning; preparation of various documents and forms for reporting income for individuals, partnerships, corporations, trusts, pension and profit-sharing plans and estates; representation of clients at administrative proceedings before the various taxing authorities and other tax services as needed.

Estate and financial planning are an important part of services that we offer to our clients. Our Firm is regularly involved in the development of long-range family financial plans. These services include personal financial planning, estate planning including establishment of trusts and gifting programs, as well as pension and profit sharing plans.

Data processing services routinely include the processing of payroll, accounts receivable, accounts payable, general ledgers, and financial statements. We offer services to remote terminals, design and write custom programs, develop and install data processing systems including selection of hardware and software and provide consultation and feasibility studies to meet clients' needs. Our accounting expertise, along with our thirty years of data processing experience, provides a major advantage to clients in need of these services.

Management advisory services are offered to clients on a continuing basis. We believe we are our client's business consultant. We are available to review and make recommendations

regarding accounting systems, cost systems, management information systems, operating controls and employee benefit programs. In addition, we provide an ongoing review of management reports to note items of significance, assist in negotiations with banks, provide guidance and assistance in establishing a business, assist with implementation and review of matters related to a specific profession, such as fee schedules.

We provide electronic newsletters describing in non-technical terms, the latest developments in accounting, financial reporting, taxation, and specific items of importance to the particular profession. In addition, we will conduct seminars on current issues affecting these matters.

## QUALITY CONTROL

Our firm is committed to the maintenance of the highest standards of professionalism and quality control. Accordingly, we support the nine elements of quality control as prescribed and adopted by the American Institute of Certified Public Accountants.

Our firm and each one of our partners and staff who are certified public accountants are members of the American Institute of Certified Public Accountants and various State Societies of Certified Public Accountants. In addition, our firm is a member of AGN International. This organization is an association of certified public accounting firms located throughout the world who are dedicated to the development and maintenance of the highest professional standards. Among the requirements for membership in the association is the development of a comprehensive quality control system. We feel our membership in AGN International and our internal quality control system enable us to offer our clients the highest level of quality in professional services.

Our firm is a registered member of the Private Companies Practice Section, the Center for Audit Quality and the Employee Benefit Plan Audit Quality Center. We successfully completed our fourteenth peer review in November of 2023. We have also completed the continuing education qualification requirements of the government auditing standards.

## AUDIT APPROACH

Our firm employs a risk assessment approach in the performance of audit engagements. Through this approach, audit programs are designed around the assessed risk that individual financial statement assertions are materially misstated. This assessment of risk then serves as the basis for the design of further audit procedures.

The first step in the process is to perform “risk assessment procedures” (for example, inquiry, observation, or review of documents) to gather information and to further our understanding of your business and environment, including your internal controls. We place a strong emphasis on gaining an understanding of our clients’ activities and controls. We want to ultimately become familiar with your accounting controls, and your organization as a whole, during our planning phase of the audit. We will then focus our audit procedures to areas where we have assessed higher risk, thereby increasing audit efficiency.

Once we have assessed the risk of material misstatement, we will design “further audit procedures” in response to these risks. There are two types of “further audit procedures” that we will use: test of controls and substantive procedures. Often we will perform a combination of these two types of procedures. At the conclusion of our audit, we will evaluate the results of our procedures and reach a conclusion as to whether the financial statements are presented fairly in all material respects. Finally, we will evaluate identified control deficiencies and determine whether these deficiencies, individually or in combination, are significant deficiencies or material weaknesses.

We will plan the audit work to be performed so as to ensure the maximum in effectiveness while maintaining an optimum level of efficiency.

At the conclusion of our engagement, we will meet with management to review the financial statements, management letter and discuss the results of our audit. We will also meet with the Board of Directors as requested, to present the audit.

## UNDERSTANDING OF THE ENGAGEMENT

We understand the engagement to be an audit of the financial statements of Washington County School District No. 24, Arlington Public Schools for the year ended August 31, 2025.

The audit will be conducted in accordance with auditing standards generally accepted in the United States of America, *Government Auditing Standards* and the requirements of the Single Audit Act Amendments of 1996 and Title 2 U.S. *Code of Federal Regulations* (CFR) Part 200 and *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance), formerly referred to as OMB Circular A-133, if applicable.

## PROPOSED FEES

Our maximum fees, based upon our understanding of the engagement, will be as follows:

<u>Single Audit, If Required</u>		
<u>Audit</u>	<u>First Major Program</u>	<u>Each Additional Major Program</u>
\$15,500	\$5,000	\$2,500

This proposal provides for 10 copies of the report. Additional copies will be provided at a nominal fee.

We will be pleased to meet with you at various times throughout the year to discuss tax, accounting and auditing matters affecting Washington County School District No. 24, Arlington Public Schools. You should feel free to call us at any time in this regard. Our fee for this service would normally be at no charge for a short discussion or telephone response to questions. However, if the matter developed into the preparation of a report, budget, plan or research, it would be billed at our normal rates for the individuals involved ranging from \$75 to \$250 per hour, or a specific fee to be quoted.

Statements would be rendered monthly for any services provided. Payments of said statements are due within thirty days.

Upon acceptance of our proposal, an engagement letter outlining the terms and our understanding of this engagement would be prepared for approval by the appropriate parties.

**KERRY A. GUSTAFSSON, CPA**  
1248 O Street, Suite 500  
Lincoln, NE 68508  
402.479.9300

**EDUCATION &  
CERTIFICATION**

Bachelor of Science Degree.  
University of Nebraska, May 1998.  
Master of Professional Accountancy.  
University of Nebraska, May 1999.  
Nebraska, Kansas, Missouri and South Dakota licensed CPA.

**EXPERIENCE**

Dana F. Cole & Company, LLP since 1999. Staff accountant, senior accountant, manager and currently a partner.

Income tax preparation for individuals, corporations, partnerships and not for profit organizations; fieldwork on compilation, review and audit engagements for commercial and non-profit entities; audits of governmental units including school districts, counties, cities and other entities requiring audits under Government Audit Standards including the Single Audit Act, where applicable.

**PROFESSIONAL  
MEMBERSHIP**

American Institute of Certified Public Accountants  
Nebraska Society of Certified Public Accountants  
Affordable Housing Association of Certified Public Accountants

**PROFESSIONAL  
EDUCATION**

Attends at least 65 hours of professional education classes each year. A minimum of 40 hours each year is directly related to accounting and auditing. 30+ hours of teaching professional education to staff.

- Annual Accounting and Auditing Update Regarding Standards, Procedures, Reporting and Documentation
- Annual Compilation and Review Update Regarding Reporting
- Annual Government Accounting and Auditing Update Regarding Standards, Procedures, Reporting and Documentation, Including the Yellow Book Updates
- Annual Non-Profit Accounting and Auditing Updates Regarding Standards, Procedures, Reporting and Documentation
- Audit Requirements of the Single Audit
- Annual Auditing Update for Employee Benefit Plans
- Annual Update on Audit and Reporting Requirements for School Districts
- Risk Assessment Standards Update
- Workshop on Fraud and Internal Control
- FASC Standards Codification
- Annual Update of Student Financial Aid Audits
- Annual Update of Tax Laws and Regulations
- Accounting and Auditing Professional Ethics
- Audit Engagement Planning
- Understanding SEPS and SIMPLES



## Report on the Firm's System of Quality Control

November 29, 2023

To the Partners of Dana F. Cole & Company, LLP  
and the Peer Review Committee of the Nevada Society of CPA's

We have reviewed the system of quality control for the accounting and auditing practice of Dana F. Cole & Company, LLP (the firm) in effect for the year ended February 28, 2023. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants (Standards).

A summary of the nature, objectives, scope, limitations of, and the procedures performed in a system review as described in the Standards may be found at [www.aicpa.org/prsummary](http://www.aicpa.org/prsummary). The summary also includes an explanation of how engagements identified as not performed or reported on in conformity with applicable professional standards, if any, are evaluated by a peer reviewer to determine a peer review rating.

### Firm's Responsibility

The firm is responsible for designing and complying with a system of quality control to provide the firm with reasonable assurance of performing and reporting in conformity with the requirements of applicable professional standards in all material respects. The firm is also responsible for evaluating actions to promptly remediate engagements deemed as not performed or reported on in conformity with the requirements of the applicable professional standards, when appropriate, and for remediating weaknesses in its system of quality control, if any.

### Peer Reviewer's Responsibility

Our responsibility is to express an opinion on the design of and compliance with the firm's system of quality control based on our review.

### Required Selections and Considerations

Engagements selected for review included engagements performed under Government Auditing Standards, including compliance audits under the Single Audit Act, and an audit of an employee benefit plan.

As a part of our peer review, we considered reviews by regulatory entities as communicated by the firm, if applicable, in determining the nature and extent of our procedures.

### Deficiency Identified in the Firm's System of Quality Control

We noted the following deficiencies during our review:

1. The firm's quality control policies and procedures requiring that engagements be adequately supervised and reviewed, including engagement quality control (EQC) reviews, have not been complied with to provide assurance that engagements are performed in conformity with applicable professional standards. While partners hours indicate involvement on engagements, the partner and EQC reviews do not appear to be comprehensive. During our review, we noted the following: instances where management representation letters did not include all periods referred to in the reports, a contractor engagement did not include industry specific information in the letter, and a review

engagement where the representation letter wasn't obtained; engagements in various industries where financial statement disclosures were incomplete or were omitted; engagements where workpapers weren't maintained to support the testing of investments, another engagement where procedures in addition to comparing to brokerage statements to test the fair values of investments weren't documented, and membership dues were recognized as received versus as earned over time; procedures weren't documented to determine that relevant controls were implemented by procedures in addition to inquiry, risk assessment over a federal program and tests of internal control over compliance wasn't documented on a single audit engagement; and the auditor's report was not modified on a single audit with errors in the SEFA and DCF, the required MD&A was omitted on a governmental single audit engagement, and on a compilation engagement, the report was dated as of the financial statement date versus the compilation procedures completion date, the report omitted language regarding an other comprehensive basis of accounting used to prepare the financial statements, and the financial statement pages referred to the incorrect basis of accounting. As a result, engagements were deemed nonconforming in not-for-profit engagements including those performed in accordance with *Government Audit Standards* and the Single Audit Act, state and local government engagements, a review of a construction contractor, and a compilation engagement. This is a repeat deficiency.

### **Opinion**

In our opinion, except for the deficiency previously described, the system of quality control for the accounting and auditing practice of Dana F. Cole & Company, LLP in effect for the year ended February 28, 2023, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)*, or *fail*. Dana F. Cole & Company, LLP has received a peer review rating of *pass with deficiency*.

*Clark, Schaefer, Hackett & Co.*

Certified Public Accountants

September 27, 2024

Kent Klute  
Dana F. Cole & Company, LLP  
1248 O St. Ste 500  
Lincoln, NE 68508-1498

Dear Mr. Klute:

This letter is to confirm that the firm, ***Dana F. Cole & Company, LLP***, is compliant with the AICPA Peer Review Program, administered by the Nevada Society of CPAs. The review remains in process with an open corrective action. Once the corrective action has been completed to the satisfaction of the Committee, we will be able to provide you with a completion letter.

If I can provide any additional information regarding the status of your review, please contact me at (775) 826-6800 or via email, [karnold@nevadacpa.org](mailto:karnold@nevadacpa.org).

Sincerely,



Kary Arnold  
Finance & Peer Review Program Manager

Firm: 900010013136  
Review: 601718