

September 25, 2020

Western Texas College
6200 College Avenue
Snyder, TX 79549

Attention: Board of Trustees

The Objective and Scope of the Audit of the Financial Statements

We will audit the Western Texas College's (the "College") basic financial information as of and for the year ended August 31, 2020, which includes the statement of net position as of August 31, 2020, the related statements of revenue, expenses and changes in net position, and cash flows for the year then ended and the accompanying notes to the financial statements.

Accounting standards generally accepted in the United States of America provide for certain required supplementary information (RSI), such as management's discussion and analysis (MD&A), to supplement Western Texas College's basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. As part of our engagement, we will apply certain limited procedures to Western Texas College's RSI in accordance with auditing standards generally accepted in the United States of America. These limited procedures will consist of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We will not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance. The following RSI is required by generally accepted accounting principles and will be subjected to certain limited procedures, but will not be audited.

Management's Discussion and Analysis
Schedule of the College's Proportionate Share of Net Pension Liability
Schedule of the College's Contributions for Pensions
Schedule of the College's Proportionate Share of Net OPEB Liability
Schedule of the College's Contribution for OPEB

We have also been engaged to report on supplementary information other than RSI that accompanies Western Texas College's financial statements. We will subject the following supplementary information to the auditing procedures applied in our audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America and we will provide an opinion on it in relation to the financial statements as a whole, in a report combined with our auditors' report on the financial statements.

Supplementary Schedules A through F (as listed in the Annual Financial Reporting Requirements for Texas Public Community and Junior Colleges that includes a Schedule of Expenditures of Federal and State Awards)

The Introductory Section (Organization Data) and Statistical Supplementary Schedules that accompany the financial statements will not be subjected to the auditing procedures applied in our audit of the

financial statements, and our auditors' report will not provide an opinion or any assurance on that other information.

We will also perform the audit of Western Texas College as of August 31, 2020, so as to satisfy the audit requirements imposed by the Single Audit Act and Subpart F of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance).

Our audit will be conducted with the objective of our expressing an opinion on the financial statements.

We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

The Responsibilities of the Auditor

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (GAAS); "Government Auditing Standards" issued by the Comptroller General of the United States; the provisions of the Single Audit Act; Subpart F of Title 2 U.S. CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*; and the U.S. Office of Management and Budget's *Compliance Supplement*. Those standards, supplements, and guides require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Because of the inherent limitations of an audit, together with the inherent limitations of internal control, an unavoidable risk that some material misstatements may not be detected exists, even though the audit is properly planned and performed in accordance with GAAS. Also, an audit is not designed to detect errors or fraud that are immaterial to the financial statements. The determination of abuse is subjective; therefore, Government Auditing Standards do not expect us to provide reasonable assurance of detecting abuse.

In making our risk assessments, we consider internal control relevant to the College's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. However, we will communicate to you in writing concerning any significant deficiencies or material weaknesses in internal control relevant to the audit of the financial statements that we have identified during the audit.

We will also communicate to the Board of Trustees (a) any fraud involving senior management and fraud (whether caused by senior management or other employees) that causes a material misstatement of the financial statements that becomes known to us during the audit, and (b) any instances of noncompliance with laws and regulations that we become aware of during the audit (unless they are clearly inconsequential).

The component unit whose financial statements you have told us are to be included as part of the College's basic financial statements are listed here:

Western Texas College Foundation

The federal financial assistance programs and awards that you have told us that Western Texas College participates in and that are to be included as part of the single audit are listed here:

U.S. Department of Labor - YouthBuild
U.S. Department of Education - Student Financial Assistance Cluster
U.S. Department of Education - TRIO Cluster
U.S. Department of Education - Higher Education Institutional Aid – STEM

U.S. Department of Education - Career and Technical Education – Basic Grants to States
U.S. Department of Education – Coronavirus Aid, Relief, and Economic Security (CARES) Act
U.S. Department of Health and Human Services - Childcare and Development Fund CCDF

We are responsible for the compliance audit of major programs under the Uniform Guidance, including the determination of major programs, the consideration of internal control over compliance, and reporting responsibilities.

Our report on internal control will include any significant deficiencies and material weaknesses in controls of which we become aware as a result of obtaining an understanding of internal control and performing tests of internal control consistent with requirements of the standards identified above. Our report on compliance matters will address material errors, fraud, abuse, violation of compliance obligations, and other responsibilities imposed by state and federal statutes and regulations or assumed contracts, and any state or federal grant, entitlement, or loan program questioned costs of which we become aware, consistent with requirements of the standards identified above.

The Responsibilities of Management and Identification of the Applicable Financial Reporting Framework

Our audit will be conducted on the basis that management and when appropriate, those charged with governance, acknowledge and understand that they have responsibility:

- a. For the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America;
- b. To evaluate subsequent events through the date the financial statements are issued or available to be issued, and to disclose the date through which subsequent events were evaluated in the financial statements. Management also agrees that it will not evaluate subsequent events earlier than the date of the management representation letter referred to below;
- c. For the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error;
- d. For establishing and maintaining effective internal control over financial reporting and for informing us of all significant deficiencies and material weaknesses in the design or operation of such controls of which it has knowledge;
- e. For report distribution; and
- f. To provide us with:
 - (1) Access to all information of which management is aware that is relevant to the preparation and fair presentation of the financial statements such as records, documentation, and other matters;
 - (2) Additional information that we may request from management for the purpose of the audit; and
 - (3) Unrestricted access to persons within the entity from whom we determine it necessary to obtain audit evidence.

As part of our audit process, we will request from management and when appropriate, those charged with governance, written confirmation concerning representations made to us in connection with the audit including among other items:

- a. That management has fulfilled its responsibilities as set out in the terms of this letter; and
- b. That it believes the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Management is responsible for identifying and ensuring that the College complies with the laws and regulations applicable to its activities, and for informing us about all known material violations of such laws or regulations. In addition, management is responsible for the design and implementation of programs and controls to prevent and detect fraud or abuse, and for informing us about all known or suspected fraud or abuse affecting the entity involving management, employees who have significant roles in internal control, and others where the fraud or abuse could have a material effect on the financial statements. Management is also responsible for informing us of its knowledge of any allegations of fraud or abuse or suspected fraud or abuse affecting the entity received in communications from employees, former employees, analysts, regulators, or others.

Management is responsible for the preparation of the required supplementary information (RSI) and supplementary information presented in relation to the financial statements as a whole in accordance with accounting principles generally accepted in the United States of America. Management agrees to include the auditor's report on the RSI and supplementary information in any document that contains the supplementary information and that indicates that the auditor has reported on such RSI and supplementary information. Management also agrees to present the supplementary information with the audited financial statements or, if the supplementary information will not be presented with audited financial statements, to make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance of the supplementary information and the auditor's report thereon.

Because the audit will be performed in accordance with the Single Audit Act and the Uniform Guidance, management is responsible for (a) identifying all federal awards received and expended; (b) preparing the schedule of expenditures of federal awards (including notes and noncash assistance received) in accordance with Uniform Guidance requirements; (c) internal control over compliance; (d) compliance with federal statutes, regulations, and the terms and conditions of federal awards; (e) making us aware of significant vendor relationships where the vendor is responsible for program compliance; (f) following up and taking corrective action on audit findings, including the preparation of a summary schedule of prior audit findings and a corrective action plan; and (g) submitting the reporting package and data collection form.

The Board of Trustees is responsible for informing us of its views about the risks of fraud within the entity, and its knowledge of any fraud or suspected fraud affecting the entity.

Our association with an official statement is a matter for which separate arrangements will be necessary. Western Texas College agrees to provide us with printer's proofs or masters of such offering documents for our review and approval before printing and with a copy of the final reproduced material for our approval before it is distributed. In the event our auditor/client relationship has been terminated when Western Texas College seeks such consent, we will be under no obligation to grant such consent or approval.

Western Texas College agrees that it will not associate us with any public or private securities offering without first obtaining our consent. Therefore, Western Texas College agrees to contact us before it includes our reports or otherwise makes reference to us, in any public or private securities offering.

We agree that our association with any proposed offering is not necessary, providing Western Texas College agrees to clearly indicate that we are not associated with the contents of any such official statements or memorandum. Western Texas College agrees that the following disclosure will be prominently displayed in any such official statement or memorandum:

Condley and Company, L.L.P., our independent auditor, has not been engaged to perform, and has not performed, since the date of its report included herein, any procedures on the financial statements addressed in that report. Condley and Company, L.L.P. also has not performed any procedures relating to this official statement.

Because Condley and Company, L.L.P. will rely on Western Texas College and its management and Board of Trustees to discharge the foregoing responsibilities, Western Texas College holds harmless and releases Condley and Company, L.L.P., its partners, and employees from all claims, liabilities, losses, and costs arising in circumstances where there has been a knowing misrepresentation by a member of Western Texas College's management which has caused, in any respect, Condley and Company, L.L.P.'s breach of contract or negligence. This provision shall survive the termination of this arrangement for services.

Records and Assistance

If circumstances arise relating to the condition of the College's records, the availability of appropriate audit evidence, or indications of a significant risk of material misstatement of the financial statements because of error, fraudulent financial reporting, or misappropriation of assets, which in our professional judgment, prevent us from completing the audit or forming an opinion, we retain the unilateral right to take any course of action permitted by professional standards, including declining to express an opinion, issue a report, or withdraw from the engagement.

During the course of our engagement, we may accumulate records containing data that should be reflected in the College's books and records. The College will determine that all such data, if necessary, will be so reflected. Accordingly, the College will not expect us to maintain copies of such records in our possession.

The assistance to be supplied by College personnel, including the preparation of schedules and analyses of accounts, has been discussed and coordinated with Patricia Claxton, Chief Financial Officer. The timely and accurate completion of this work is an essential condition to our completion of the audit and issuance of our audit report.

In connection with our audit, you have requested us to perform certain non-audit services necessary for the preparation of the financial statements, including drafting the audit report and accompanying notes, proposing adjusting entries, providing assistance with certain account reconciliations, and providing assistance with depreciation schedules. The independence standards of the *Government Auditing Standards* issued by the Comptroller General of the United States ("GAS") require that the auditor maintain independence so that opinions, findings, conclusions, judgments, and recommendations will be impartial and viewed as impartial by reasonable and informed third parties. Before we agree to provide a non-audit service to the Western Texas College, we determine whether providing such a service would create a significant threat to our independence for GAS audit purposes, either by itself or in aggregate with other non-audit services provided. A critical component of our determination is consideration of management's ability to effectively oversee the non-audit services to be performed. Western Texas College has agreed that Patricia Claxton, Chief Financial Officer possesses suitable skill, knowledge, or experience and that the individual understands the services (drafting the audit report and accompanying notes, proposing adjusting entries, providing assistance with certain account reconciliations, and providing assistance with depreciation schedules) to be performed sufficiently to oversee them. Accordingly, the management of the College agrees to the following:

1. Western Texas College has designated Patricia Claxton, Chief Financial Officer as a senior member of management who possesses suitable skill, knowledge, and experience to oversee the services;
2. Patricia Claxton, Chief Financial Officer will assume all management responsibilities for subject matter and scope of the services (drafting the audit report and accompanying notes, proposing adjusting entries, providing assistance with certain account reconciliations, and providing assistance with depreciation schedules);
3. Western Texas College will evaluate the adequacy and results of the services performed; and
4. Western Texas College accepts responsibility for the results and ultimate use of the services.

GAS further requires we establish an understanding with the Western Texas College management and those charged with governance of the objectives of the non-audit services, the services to be performed, the entity's acceptance of its responsibilities, the auditor's responsibilities, and any limitations of the non-audit services. We believe this letter documents that understanding.

Other Relevant Information

Condley and Company, L.L.P. may mention the College's name and provide a general description of the engagement in Condley and Company, L.L.P.'s client lists and marketing materials.

In accordance with GAS, a copy of our most recent peer review report is enclosed for your information.

Fees, Costs, and Access to Workpapers

Our fees for the services described above are based upon the value of the services performed and the time required by the individuals assigned to the engagement, plus directly billed expenses, including report processing, travel and meals. Our fee estimate and completion of our work is based upon the following criteria:

- a. Anticipated cooperation from College personnel
- b. Timely responses to our inquiries
- c. Timely completion and delivery of client assistance requests
- d. Timely communication of all significant accounting and financial reporting matters
- e. The assumption that unexpected circumstances will not be encountered during the engagement

If any of the aforementioned criteria are not met, then fees may increase. Interim billings will be submitted as work progresses and as expenses are incurred. We expect our fees to be between \$40,000 and \$42,000. Billings are due upon submission.

Our professional standards require that we perform certain additional procedures, on current and previous years' engagements, whenever a partner or professional employee leaves the firm and is subsequently employed by or associated with a client in a key position. Accordingly, the College agrees it will compensate Condley and Company, L.L.P. for any additional costs incurred as a result of the College's employment of a partner or professional employee of Condley and Company, L.L.P.

In the event we are requested or authorized by Condley and Company, L.L.P. or are required by government regulation, subpoena, or other legal process to produce our documents or our personnel as witnesses with respect to our engagement for Western Texas College, Western Texas College will, so long as we are not a party to the proceeding in which the information is sought, reimburse us for our professional time and expenses, as well as the fees and expenses of our counsel, incurred in responding to such requests.

The documentation for this engagement is the property of Condley and Company, L.L.P. However, you acknowledge and grant your assent that representatives of the cognizant or oversight agency or their designee, other government audit staffs, and the U.S. Government Accountability Office shall have access to the audit documentation upon their request and that we shall maintain the audit documentation for a period of at least five years after the date of the report, or for a longer period if we are requested to do so by the cognizant or oversight agency. Access to requested documentation will be provided under supervision of Condley and Company, L.L.P. audit personnel and at a location designated by our Firm.

Claim Resolution

Western Texas College and Condley and Company, L.L.P. agree that no claim arising out of services rendered pursuant to this agreement shall be filed more than two years after the date of the audit report issued by Condley and Company, L.L.P. or the date of this arrangement letter if no report has been issued. Western Texas College waives any claim for punitive damages. Condley and Company, L.L.P.'s liability for all claims, damages and costs of Western Texas College arising from this engagement is limited to the amount of fees paid by Western Texas College to Condley and Company, L.L.P. for the services rendered under this arrangement letter.

Information Security Miscellaneous Terms

Condley and Company, L.L.P. is committed to the safe and confidential treatment of Western Texas College's proprietary information. Condley and Company, L.L.P. is required to maintain the confidential treatment of client information in accordance with relevant industry professional standards which govern the provision of services described herein. Western Texas College agrees that it will not provide Condley and Company, L.L.P. with any unencrypted electronic confidential or proprietary information, and the parties agree to utilize commercially reasonable measures to maintain the confidentiality of Western Texas College's information, including the use of collaborate sites to ensure the safe transfer of data between the parties.

Condley and Company, L.L.P. may terminate this relationship immediately in its sole discretion if Condley and Company, L.L.P. determines that continued performance would result in a violation of law, regulatory requirements, applicable professional standards or Condley and Company, L.L.P.'s client acceptance or retention standards, or if Western Texas College is placed on a verified sanctioned entity list or if any director or executive of, or other person closely associate with, Western Texas College or its affiliates is placed on a verified sanctioned person list, in each case, including but not limited to lists promulgated by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the U.S. State Department, the United Nations Security Council, the European Union or any other relevant sanctioning authority.

If any term or provision of this Agreement is determined to be invalid or unenforceable, such term or provision will be deemed stricken, and all other terms and provisions will remain in full force and effect.

Reporting

We will issue a written report upon completion of our audit of Western Texas College's financial statements. Our report will be addressed to the Board of Trustees of Western Texas College. We cannot provide assurance that an unmodified opinion will be expressed. Circumstances may arise in which it is necessary for us to modify our opinion, add an emphasis-of-matter or other-matter paragraph(s), or withdraw from the engagement.

In addition to our report on Western Texas College's financial statements, we will also issue the following types of reports:

1. A report on the fairness of the presentation of Western Texas College's schedule of expenditures of federal awards for the year ending August 31, 2020;
2. Reports on internal control related to the financial statements and major programs. These reports will describe the scope of testing of internal control and the results of our tests of internal control;
3. Reports on compliance with laws, regulations, and the provisions of contracts or grant agreements. We will report on any noncompliance that could have a material effect on the financial statements and any noncompliance that could have a material effect, as defined by Subpart F of Title 2 U.S. CFR Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, on each major program; and
4. An accompanying schedule of findings and questioned costs.

This letter constitutes the complete and exclusive statement of agreement between Condley and Company, L.L.P. and Western Texas College, superseding all proposals, oral or written, and all other communications, with respect to the terms of the engagement between the parties.

Electronic Signatures and Counterparts

Each party hereto agrees that any electronic signature of a party to this agreement or any electronic signature to a document contemplated hereby (including any representation letter) is intended to authenticate such writing and shall be as valid, and have the same force and effect, as a manual signature. Any such electronically signed document shall be deemed (i) to be "written" or "in writing," (ii) to have been signed and (iii) to constitute a record established and maintained in the ordinary course of business and an original written record when printed from electronic files. Each party hereto also agrees that electronic delivery of a signature to any such document (via email or otherwise) shall be as effective as manual delivery of a manual signature. For purposes hereof, "electronic signature" includes, but is not limited to, (i) a scanned copy (as a "pdf" (portable document format) or other replicating image) of a manual ink signature, (ii) an electronic copy of a traditional signature affixed to a document, (iii) a signature incorporated into a document utilizing touchscreen capabilities or (iv) a digital signature. This agreement may be executed in one or more counterparts, each of which shall be considered an original instrument, but all of which shall be considered one and the same agreement. Paper copies or "printouts," of such documents if introduced as evidence in any judicial, arbitral, mediation or administrative proceeding, will be admissible as between the parties to the same extent and under the same conditions as other original business records created and maintained in documentary form. Neither party shall contest the admissibility of true and accurate copies of electronically signed documents on the basis of the best evidence rule or as not satisfying the business records exception to the hearsay rule.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit of the financial statements including our respective responsibilities.

Condley and Company, L.L.P.

Certified Public Accountants
Jeff Graham, CPA, Audit Partner

Confirmed on behalf of Western Texas College:

Name:

Patricia Claxton

Date:

October 1, 2020

** The additional communication is attached for the benefit of the Board of Trustees. This letter is intended to communicate certain matters related to the planned scope and timing of our audit of West Texas Colleges financial statements and compliance as of and for the year ended August 31, 2020.

Communication

Effective two-way communication between our Firm and the Board of Trustees is important to understanding matters related to the audit and in developing a constructive working relationship.

Your insights may assist us in understanding Western Texas College and its environment, in identifying appropriate sources of audit evidence, and in providing information about specific transactions or events. We will discuss with you your oversight of the effectiveness of internal control and any areas where you request additional procedures to be undertaken. We expect that you will timely communicate with us any matters you consider relevant to the audit. Such matters might include strategic decisions that may significantly affect the nature, timing, and extent of audit procedures, your suspicion or detection of fraud or abuse, or any concerns you may have about the integrity or competence of senior management.

We will timely communicate to you any fraud involving senior management and other fraud that causes a material misstatement of the financial statements, illegal acts, instances of noncompliance, or abuse that come to our attention (unless they are clearly inconsequential), and disagreements with management and other serious difficulties encountered in performing the audit. We also will communicate to you and to management any significant deficiencies or material weaknesses in internal control that become known to us during the course of the audit. Other matters arising from the audit that are, in our professional judgment, significant and relevant to you in your oversight of the financial reporting process will be communicated to you in writing after the audit.

Independence

Our independence policies and procedures are designed to provide reasonable assurance that our firm and its personnel comply with applicable professional independence standards. Our policies address financial interests, business and family relationships, and non-audit services that may be thought to bear on independence. For example, without our permission no partner or professional employee Condley and Company, L.L.P. is permitted to have any direct financial interest or a material indirect financial interest in a client or any affiliates of a client. Also, if an immediate family member or close relative of a partner or professional employee is employed by a client in a key position, the incident must be reported and resolved in accordance with Firm policy. In addition, our policies restrict certain non-audit services that may be provided by Condley and Company, L.L.P. and require audit clients to accept certain responsibilities in connection with the provision of permitted non-attest services.

The Audit Planning Process

Our audit approach places a strong emphasis on obtaining an understanding of how your entity functions. This enables us to identify key audit components and tailor our procedures to the unique aspects of your operations. The development of a specific audit plan will begin by meeting with you and with management to obtain an understanding of business objectives, strategies, risks, and performance.

We will obtain an understanding of internal control over financial reporting and compliance with laws, regulations, and provisions of contracts and grant agreements to assess the impact of internal control on determining the nature, timing, and extent of audit procedures, and we will establish an overall materiality limit for audit purposes. We will conduct formal discussions among engagement team members to consider how and where your financial statements might be susceptible to material misstatement due to fraud or error or to instances of noncompliance.

We will use this knowledge and understanding, together with other factors, to first assess the risk that errors or fraud may cause a material misstatement at the financial statement level. The assessment of the risks of material misstatement at the financial statement level provides us with parameters within which to design the audit procedures for specific account balances and classes of transactions. Our risk assessment process at the account-balance or class-of-transactions level consists of:

- An assessment of inherent risk (the susceptibility of an assertion relating to an account balance or class of transactions to a material misstatement, assuming there are no related controls); and
- An evaluation of the design effectiveness of internal control over financial reporting and our assessment of control risk (the risk that a material misstatement could occur in an assertion and not be prevented or detected on a timely basis by the entity's internal control).

Similar assessments will also be made relative to compliance with laws, regulations, and provisions of contracts and grant agreements.

We will then determine the nature, timing, and extent of tests of controls and substantive procedures necessary given the risks identified and the controls as we understand them.

The Concept of Materiality in Planning and Executing the Audit

In planning the audit, the materiality limit is viewed as the maximum aggregate amount, which if detected and not corrected, would cause us to modify our opinion on the financial statements. The materiality limit is an allowance not only for misstatements that will be detected and not corrected but also for misstatements that may not be detected by the audit. Our assessment of materiality throughout the audit will be based on both quantitative and qualitative considerations. Because of the interaction of quantitative and qualitative considerations, misstatements of a relatively small amount could have a material effect on the current financial statements as well as financial statements of future periods. At the end of the audit, we will inform you of all individual unrecorded misstatements aggregated by us in connection with our evaluation of our audit test results.

Our Approach to Internal Control and Compliance Relevant to the Audit

Our audit of the financial statements will include obtaining an understanding of internal control sufficient to plan the audit and to determine the nature, timing, and extent of audit procedures to be performed. An audit is not designed to provide assurance on internal control or to identify significant deficiencies or material weaknesses. Our review and understanding of the Entity's internal control is not undertaken for the purpose of expressing an opinion on the effectiveness of internal control.

We will issue reports on internal control related to the financial statements and major programs. These reports describe the scope of testing of internal control and the results of our tests of internal controls. Our reports on internal control will include any significant deficiencies and material weaknesses in the system, of which we become aware as a result of obtaining an understanding of internal control and performing tests of internal control consistent with the requirements of the Government Auditing Standards issued by the Comptroller General of the United States.

We will issue reports on compliance with laws, regulations, and the provisions of contracts or grant agreements. We will report on any noncompliance which could have a material effect on the financial statements and any noncompliance which could have a direct and material effect on each major program. Our reports on compliance will address material errors, fraud, abuse, violations of compliance requirements, and other responsibilities imposed by state and federal statutes and regulations and assumed contracts; and any state or federal grant, entitlement or loan program questioned costs of which we become aware, consistent with the requirements of the standards and circular identified above.

Timing of the Audit

We will coordinate audit field work with Patricia Claxton, Chief Financial Officer. Management's adherence to its closing schedule and timely completion of information used by us in performance of the audit is essential to timely completion of the audit.

Closing

We will be pleased to respond to any questions you have about the foregoing. We appreciate the opportunity to be of service to Western Texas College.

This communication is intended solely for the information and use of the Board of Trustees and is not intended to be and should not be used by anyone other than these specified parties.

Condly and Company, L.L.P.

Certified Public Accountants
Jeff Graham, CPA, Audit Partner