



Proven Expertise and Integrity

December 10, 2021

Andrew S. Haas
Interim Superintendent
Windham Northeast Supervisory Union
5111 US-5
Westminster, Vermont 05158

Dear Andy,

As discussed, this letter will provide you a summary of the audit of Windham Northeast Supervisory Union and its member Districts as of June 30, 2021.

As you are aware we have been working with the business office for over 6 weeks. Information was provided to us unreconciled as we began our audit. In addition, after repeated attempts to get reconciled information, we were assured that everything provided to us was complete and reconciled. As of today, information is still not reconciled.

The following is a summary of our observations to date:

- 1) Material misstatements have been discovered in payroll liabilities. Specifically in the area of health insurance.
- 2) Material misstatements have been discovered in the area of revenue assessments.
- 3) Material misstatements have been discovered in the area of retirement liabilities.
- 4) Material misstatements have been discovered with expense distributions.
- 5) Material misstatements have been discovered in various general ledger accounts.

As also discussed, it is apparent to us the books at the SU and its member districts have regressed in FY 2021. The information provided to us by the business office which we were assured was reconciled, clearly was not.

We look forward to providing you a detailed update of the various issues with amounts by next weeks end. We will continue to work with you and your outside consultant to better understand the misstatements as mentioned above.

If you have any questions, please do not hesitate to call me at 800-300-7708.

Very Best,

A handwritten signature in blue ink, appearing to read "Ron".

Ron H.R. Smith, CPA, CFE