



**STEPHENS  
& LAWSON**  
Certified Public Accountants

October 25, 2013

To the Treasurer  
and Superintendent  
of West Point Independent School District

In planning and performing our audit of the financial statements of West Point Independent School District as of and for the year ended June 30, 2012, in accordance with auditing standards generally accepted in the United States of America, we considered West Point Independent School District's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing an opinion on the financial statements but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the association's internal control.

However, during our audit we became aware of matters that are opportunities for strengthening internal controls and operating efficiency. The memorandum that accompanies this letter summarizes our comments and suggestions regarding those matters and management's responses to those findings. A separate report dated October 25, 2013 contains our report on significant deficiencies or material weaknesses in West Point Independent School District's internal control. This letter does not affect our report dated October 25, 2013 on the financial statements of West Point Independent School District.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various West Point Independent School District personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations.

Sincerely,

*Stephens & Lawson CPAs*

Stephens & Lawson CPAs

**The following is a list of our comments and findings during the course of the audit for the fiscal year ending June 30, 2013:**

1. Insurance is over million short of standard set by the state due to insuring at appraised replacement value. This is a repeat finding.
2. The District needs to start budgeting activity for Debt Service Fund 4.

**Management Responses:**

1. This shortfall in coverage has been approved by KDE.
2. The District will endeavor to correct this situation for future years

**The following is a list of our comments and findings for the fiscal year ending June 30, 2012 with resolutions:**

**Failures to comply with either Department of Education or Kentucky Revised Statutes that did not rise to the level of audit significance were noted in the following areas.**

1. Insurance is over million short of standard set by the state due to insuring at appraised replacement value. This is a repeat finding.
2. The District needs to start budgeting on-behalf payments (usually around 125-140,000)  
Item Corrected
3. The District needs to start budgeting transfers to Fund 2 (usually less than \$2,000)  
Item Corrected
4. Bank reconciliations through June 2012 were not in good order.  
Item Corrected
5. The designation of the district depository was not formally renewed for the current period.  
Item Corrected
6. The Annual Financial Statement for the 2010-2011 fiscal year was not published in the newspaper.  
Item Corrected.