
Colorado Office of Public Guardianship

Director, Sophia M. Alvarez

Commissioners

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[Rep letter date assigned by OSA]

Office of the State Auditor
Attn: Kerri Hunter, Deputy State Auditor
1525 Sherman Street, 7th Floor
Denver, CO 80203

This representation letter is provided in connection with your audit of the financial statements of the State of Colorado which comprise the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of Colorado as of June 30, 2020 and the respective changes in financial position and, where applicable, cash flows for the period then ended, and the related notes to the financial statements, for the purpose of expressing opinions as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP). All representations or acknowledgements in this correspondence are for the time period under audit and when indicated from that period until the date of this correspondence. We confirm that we are responsible for the fair presentation of the previously mentioned financial information related to the Office of Public Guardianship, a component of the State of Colorado, in conformity with U.S. GAAP. We are also responsible for adopting sound accounting policies consistent with the State's Fiscal Rules and Fiscal Procedures Manual, establishing and maintaining effective internal control over financial reporting, and establishing internal controls to assist in preventing and detecting fraud.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of [Date of management representation letter], the following representations made to you during your audit(s) regarding the Office of Public Guardianship.

1. We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated **June 15, 2020**, including our responsibility for the preparation and fair presentation of financial information as it relates to the State's financial statements and supplementary information included therein, including providing the auditor with all relevant information and access to financial information.
2. The financial information referred to above is fairly presented in conformity with U.S. GAAP and includes all properly classified funds, information for the notes to the financial statements, and other financial information of the Office of Public Guardianship.
3. We acknowledge our responsibility for the design, implementation, and maintenance of internal controls relevant to the preparation and fair presentation of financial information in support of the State's financial statements that are free from material misstatement, whether due to fraud or error.
4. We acknowledge our responsibility for the design, implementation, and maintenance of programs and internal controls to prevent and detect fraud.
5. We have provided you with—
 - a. Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial information of the Office of Public Guardianship, such as records (including information obtained from outside of the general and subsidiary ledgers), documentation, and other matters ~~[and all audit or relevant monitoring reports, if any, received from funding sources]~~.
 - b. ~~Minutes of the meetings of [Name of Governing Body such as a specific board] and summaries of actions of recent meetings for which minutes have not yet been prepared.~~
 - c. Unrestricted access to persons within the Office of Public Guardianship from whom you determined it necessary to obtain audit evidence.
 - d. Additional information that you have requested from us for the purpose of the audit.
6. There have been no written or official verbal communications from regulatory agencies concerning noncompliance with, or deficiencies in, accounting, internal control, or financial reporting practices.

7. All material transactions have been properly recorded in the accounting records underlying the financial statements ~~[and the Schedule of Expenditures of Federal Awards as it relates to our Exhibit K1 which we provided to the Office of the State Controller]~~.
8. ~~We understand that as part of your audit, you proposed posting the attached adjusting journal entries, and we acknowledge that we have reviewed, approved, and made those entries to the accounting records and accepted responsibility for them. The Office of the State Controller has [approved / rejected the entries in CORE.]~~ Not applicable for the Office of Public Guardianship for Fiscal Year 2020.
9. ~~We have considered the effects of the uncorrected financial statement misstatements which are immaterial, both individually and in the aggregate, to the financial statements as a whole and for each opinion unit. These uncorrected financial misstatements are summarized in the attached schedule.~~ Not applicable for the Office of Public Guardianship for Fiscal Year 2020.
10. We have disclosed to you the results of our assessment of the risk that the Office of Public Guardianship's financial information used for the State's financial statements may be materially misstated as a result of fraud.
11. We have no knowledge of any fraud or suspected fraud that affects the Office of Public Guardianship and involves:
 - a. Management,
 - b. Employees who have significant roles in internal control, or
 - c. Others where the fraud could have a material effect on the financial statements.
12. We have no knowledge of any allegations of fraud or suspected fraud affecting the Office of Public Guardianship's financial information received in communications from employees, former employees, vendors, analysts, regulators, or others.
13. ~~We have taken timely and appropriate steps to remedy fraud or noncompliance with provisions of laws, regulations, contracts, or grant agreements that you have reported to us.~~ Not applicable for the Office of Public Guardianship for Fiscal Year 2020.
14. ~~We have a process to track the status of audit findings and recommendations.~~ Not applicable for the Office of Public Guardianship for Fiscal Year 2020.

15. ~~We are responsible for and have accurately prepared the summary schedule of prior audit findings (Exhibit K3) including all findings required to be included by the Uniform Guidance, and we have provided you with all information on the status of the follow-up on prior audit findings by federal awarding agencies and pass-through entities, including all management decisions.~~ Not applicable for the Office of Public Guardianship for Fiscal Year 2020.
16. We have identified and communicated to you any previous audits, attestation engagements, internal or external monitoring, and other studies related to the audit objectives and whether related recommendations have been implemented.
17. ~~We will provide our views on reported findings, conclusions, and recommendations, as well as our planned corrective actions, for the report.~~ Not applicable for the Office of Public Guardianship for Fiscal Year 2020.
18. The Office of Public Guardianship has no plans or intentions that may materially affect the carrying value or classification of assets, deferred outflows of resources, liabilities, deferred inflows of resources, and fund balance or net position.
19. We have determined there are no related parties for the Office of Public Guardianship.
20. We have determined there are no related parties or guarantees for the Office of Public Guardianship.
 - a. Related party relationships and transactions, including revenues, expenditures/expenses, loans, transfers, leasing arrangements, and guarantees, and amounts receivable from or payable to related parties.
 - b. Guarantees, whether written or oral, under which the Office of Public Guardianship is contingently liable.
21. Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable. The measurement processes we used in determining the accounting estimates are appropriate and consistent. The assumptions appropriately reflect our intent and ability to carry out specific courses of action.
22. The Exhibits submitted to the Office of the State Controller related to accounting estimates are complete and appropriate. No subsequent event has occurred that would require adjustment to the accounting estimates or disclosures included in the financial statements.

23. We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us, including tax or debt limits and debt contracts, and legal and contractual provisions for reporting specific activities in separate funds; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives, including legal and contractual provisions for reporting specific activities in separate funds.
24. We have no knowledge of instances of noncompliance or suspected noncompliance with provisions of laws, regulations, contracts, or grant agreements, or waste or abuse, whose effects should be considered when preparing financial statements.
25. We have determined there was no:
 - a. Fraud and noncompliance with provisions of laws and regulations that we believe have a material effect on the financial statements or other financial data significant to the audit objectives, and any other instances that warrant the attention of those charged with governance.
 - b. Noncompliance with provisions of contracts and grant agreements that we believe have a material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
26. There are no—
 - a. Violations or possible violations of budget ordinances, laws and regulations (including those pertaining to adopting, approving, and amending budgets), provisions of contracts and grant agreements, tax or debt limits, and any related debt covenants whose effects should be considered for disclosure in the financial statements, or as a basis for recording a loss contingency, or for reporting on noncompliance.
 - b. Actual, pending or threatened litigation, claims, assessments, or unasserted claims or assessments that our lawyer has advised us are probable of assertion and must be accounted for and disclosed in accordance with U.S. GAAP.
 - c. Other liabilities or gain or loss contingencies that are required to be accrued or disclosed by U.S. GAAP.

- ~~27. The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed to the Office of the State Controller. Not applicable for the Office of Public Guardianship for Fiscal Year 2020.~~
28. The Office of Public Guardianship has satisfactory title to all owned assets, and, there are no liens or encumbrances on such assets nor has any asset or future revenue been pledged as collateral.
29. The Office of Public Guardianship has complied with all aspects of grant agreements and other contractual agreements that would have a material effect on the financial statements in the event of noncompliance.
- ~~30. The financial information submitted to the Office of the State Controller includes information on all component units, majority equity interests in legally separate organizations, and joint ventures with an equity interest, and we have properly disclosed to the Office of the State Controller all component units, joint ventures, and other related organizations. Not applicable for the Office of Public Guardianship for Fiscal Year 2020.~~
31. All funds and accounting records are properly classified in CORE.
- ~~32. All funds that meet the quantitative criteria in GASB Statement Nos. 34, 37 as amended, and 65 for presentation as major are identified and presented as such and all other funds that are presented as major are considered important to financial statement users. Not applicable for the Office of Public Guardianship for Fiscal Year 2020.~~
33. Components of Net Position (net investment in capital assets; restricted; and unrestricted) and classifications of fund balance (nonspendable, restricted, committed, assigned, and unassigned) are properly classified within CORE and, if applicable, approved.
- ~~34. We are following GASB Statement No. 54, paragraph 18, to determine the fund balance classifications for financial reporting purposes. Not applicable for the Office of Public Guardianship for Fiscal Year 2020.~~
- ~~35. We are following the established accounting policy regarding which resources (that is, restricted, committed, assigned, or unassigned) are considered to be spent first for expenditures for which more than one resource classification is available. That policy determines the fund balance classifications for financial reporting purposes. Not applicable for the Office of Public Guardianship for Fiscal Year 2020.~~

36. Provisions for uncollectible receivables have been properly identified and recorded.
37. We understand that the net pension liability and the other postemployment benefit (OPEB) liability are calculated by a specialist and we are not aware of any facts or circumstances that would impact the calculation of the net pension liability or the OPEB liability.
38. The significant elements of census data reported in the Central Payroll and Personnel System (CPPS) to the Public Employees' Retirement Association of Colorado (PERA) during the calendar years ended December 31, 2018 and 2019 were complete and accurate based on the criteria included in Colorado Revised Statutes (C.R.S.) 24-51-101 (42), 24-51-301 through 24-51-310, 24-51-401, as well as the related PERA Rules. Note: This representation applies only to the data entered into CPPS by the Office of Public Guardianship, and not programmable elements handled by the Office of the State Controller.
39. We are responsible for the completeness and accuracy of all payroll data, including the following that are significant elements: name, payroll period, social security number, PERA includable salary, employee contribution for period and employer contribution for period (calculated on a total basis).
40. All eligible individuals have been correctly reported in the Central Payroll and Personnel System (CPPS) as PERA members and ineligible individuals have been correctly excluded from membership.
41. We have correctly reported in the Central Payroll and Personnel System (CPPS) PERA-includable salary for all individuals.
42. We acknowledge that if it is determined at a later date that membership and/or includable salary were not correctly reported to PERA, we will be liable under C.R.S. 24-51-402 to PERA for employer contributions and interest on the employer and member contributions.
43. ~~With regards to pensions and OPEB, increases in benefits, elimination of benefits and all similar amendments have been disclosed in accordance with U.S. GAAP or disclosed as a subsequent event.~~ Not applicable for the Office of Public Guardianship for Fiscal Year 2020.
44. Expenses, as reported in CORE, have been appropriately classified. ~~Expenses are allocated to functions and programs in the statement of activities or in the statement of~~

- ~~revenues, expenses and changes in fund net position and allocations have been made on a reasonable basis.~~
45. Revenues, as reported in CORE, have been appropriately classified.~~—and are appropriately classified in the statement of activities within program revenues, general revenues, contributions to term or permanent endowments, or contributions to permanent fund principal or in the statement of revenues, expenses and changes in fund net position.~~
46. Interfund (i.e. interaction with other state agencies), internal, and intra-entity activity and balances have been appropriately classified, and reported.
47. ~~Special and extraordinary items are appropriately classified and reported on the appropriate exhibit.~~ Not applicable for the Office of Public Guardianship for Fiscal Year 2020.
48. ~~Deposits and investment securities and derivative instruments, if applicable, are properly classified as to risk, and investments, derivative instruments, and land and other real estate held by endowments are properly valued and disclosed on Exhibits submitted to the Office of the State Controller.~~ Not applicable for the Office of Public Guardianship for Fiscal Year 2020.
49. ~~With regard to investments and other instruments reported at fair value:~~ Not Applicable for the Office of Public Guardianship for Fiscal Year 2020.
- ~~a. The underlying assumptions are reasonable and they appropriately reflect management's intent and ability to carry out its stated courses of action.~~
 - ~~b. The measurement methods and related assumptions used in determining fair value are appropriate in the circumstances and have been consistently applied.~~
 - ~~c. The disclosures related to fair values are complete, adequate, and in accordance with U.S. GAAP.~~
 - ~~d. There are no subsequent events that require adjustments to the fair value measurements and disclosures in the financial statements.~~
50. Capital assets, including infrastructure assets and intangible assets, are properly capitalized, reported, and, if applicable, depreciated or amortized.

51. ~~We acknowledge our responsibility for the required supplementary information (RSI) in accordance with U.S. GAAP. The RSI, including its form and content, is measured and fairly presented within prescribed guidelines and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.~~ Not applicable for the Office of Public Guardianship.
52. We acknowledge our responsibility for the accuracy of information submitted to the Office of the State Controller for use in preparing the Schedule of TABOR Revenue, as required by Article X, Section 20 of the State Constitution.
53. No material events, including instances of noncompliance, have occurred subsequent to the balance sheet date and through the date of this letter that would require adjustment to or disclosure in the aforementioned financial statements ~~(or in the Schedule of Findings and Questioned Costs).~~
54. ~~With respect to the [Identify supplementary information on which an in relation to opinion is issued (e.g., combining statements, individual fund statements).]~~ Not applicable for the Office of Public Guardianship.

Sincerely,

Sophia M. Alvarez, J.D., M.S., Director

Dave Grier, Controller