

June 30, _____

ITEMS FOR COMMENT -

[illegible]

I/N = Instances of non-compliance

A = Reasonable possibility a misstatement or noncompliance may occur and not be detected/corrected

B = Magnitude of the potential misstatement is material, either quantitatively or qualitatively

C = Deficiency is less severe than a material weakness, yet merits attention of those charged with governance

When evaluating the above internal controls deficiencies (D/C):

(AU-C 265.09) Did the auditor determine whether multiple deficiencies affect the same

- | | | |
|----|---|-----|
| 1) | significant account or disclosure, relevant assertion, or component of internal control (if applicable), may, in combination, constitute a significant deficiency or a material weakness? | Yes |
|----|---|-----|

(AU-C 265.10) For a deficiency or combination of deficiencies not considered a material

- 2) weakness by the auditor, did the auditor consider whether prudent officials having knowledge of the same facts or circumstances, would likely reach the same conclusion? Yes