



To the Members of the Council
Dover/Kent County Metropolitan Planning Organization (Dover/Kent County MPO)
Camden, Delaware

We have audited the financial statements of Dover/Kent County Metropolitan Planning organization (Dover/Kent County MPO) as of and for the year ended June, 30, 2022, and have issued our report thereon dated March 8, 2023. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Financial Statement Audit

As communicated in our engagement letter dated November 8, 2021, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of Dover/Kent County MPO solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

We have provided our findings and recommendations in a separate management letter noted during our audit in a separate letter to you dated March 8, 2023.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by Dover/Kent County MPO is included in Note 2 to the financial statements. There have been no initial selection of accounting policies and no changes in significant accounting policies or their application during 2022. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimate affecting the financial statements is management's indirect cost allocation.

Management's estimate of the indirect cost allocation is based on an annually approved Unified Planning Work Program (UPWP) and a review performed monthly during the monthly billing cycle. We evaluated the key factors and assumptions used to develop the indirect cost allocation and determined that it is reasonable in relation to the basic financial statements taken as a whole and in relation to the applicable opinion units.

Qualitative Aspects of the Entity's Significant Accounting Practices (Continued)

Financial Statement Disclosures

Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting Dover/Kent County MPO's financial statements relate to intergovernmental receivables.

Significant Unusual Transactions

For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. No significant or unusual items were noted during the audit.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards also require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all identified misstatements. Uncorrected misstatements or matters underlying those uncorrected misstatements could potentially cause future-period financial statements to be materially misstated, even though the uncorrected misstatements are immaterial to the financial statements currently under audit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. The following material misstatements that we identified as a result of our audit procedures were brought to the attention of, and corrected by, management: See attached schedule of adjusting journal entries.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to Dover/Kent County MPO's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in the letter dated March 8, 2023.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings, or Issues

In the normal course of our professional association with Dover/Kent County MPO, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as Dover/Kent County MPO's auditors.

This report is intended solely for the information and use of the management, Members of the Council, and others within Dover/Kent County MPO and is not intended to be and should not be used by anyone other than these specified parties.

Whisman Giordano & Associates, LLC

Newark, Delaware
March 8, 2023

Client: **4162 - Dover Kent County MPO**
 Engagement: **AUD - Dover Kent County MPO**
 Period Ending: **6/30/2022**
 Trial Balance: **3000.01 - Database Trial Balance**
 Workpaper: **3700.01 - Adjusting Journal Entries Report**
 Fund Level: **All**
 Index: **All**

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries				
Adjusting Journal Entries JE # 2				
To remove prior year accounts payable entry.				
5000	Reimbursed Expenses		91,838.00	
1101	Accounts Receivable (Other)			91,838.00
Total			91,838.00	91,838.00
Adjusting Journal Entries JE # 3				
To remove prior year accounts payable entry				
3001	Accounts Payable (Other)		55,015.00	
6170	EXPENSES:Plan/Eng Consultants			55,015.00
Total			55,015.00	55,015.00
Adjusting Journal Entries JE # 4				
To reverse prior year deferred revenue entry.				
3025	Deferred Revenue		15,574.00	
5000	Reimbursed Expenses			15,574.00
Total			15,574.00	15,574.00
Adjusting Journal Entries JE # 5				
To record unrecorded revenue.				
1101	Accounts Receivable (Other)	4200.20	119,910.00	
5000	Reimbursed Expenses			119,910.00
Total			119,910.00	119,910.00
Adjusting Journal Entries JE # 6				
To record unrecorded liabilities				
6170	EXPENSES:Plan/Eng Consultants	5100.20	52,578.00	
3001	Accounts Payable (Other)			52,578.00
Total			52,578.00	52,578.00
Adjusting Journal Entries JE # 7				
To record accrual of sick days and vacation.				
3007	Accrued Sick Leave	5200.20	2,348.00	
6550	Payroll Salary-Payroll Accrual Adjustment		2,882.00	
3006	Accrued Vacation			5,230.00
Total			5,230.00	5,230.00
Adjusting Journal Entries JE # 8				
To adjust accrued payroll.				
6550	Payroll Salary-Payroll Accrual Adjustment	5200.10	1,640.00	
3005	Accrued Payroll			1,640.00
Total			1,640.00	1,640.00
Adjusting Journal Entries JE # 9				
To adjust opening equity balance from prior year audited financial statements.				
4000	Retained Earnings	6100.11	93.00	
6145	EXPENSES:Office Supplies - General			93.00
Total			93.00	93.00
Adjusting Journal Entries JE # 10				
To record unspent cash advance as a refundable advance.				
5000	Reimbursed Expenses	5100.10	20,055.00	
9999	Refundable Advance			20,055.00
Total			20,055.00	20,055.00
Total Adjusting Journal Entries			361,933.00	361,933.00
Total All Journal Entries			361,933.00	361,933.00