BT & Co. P.A.

Certified Public Accountants

GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC. & SUBSIDIARY

Report to the Audit Committee

August 28, 2020

BT&Co. P.A.

Certified Public Accountants

4301 SW Huntoon St. Topeka, KS 66604 | t:785.234.3427 | toll-free: 800.530.5526 | f: 785.233.1768 | w: btandcocpa.com

August 28, 2020

Audit Committee
Growth Organization of Topeka/Shawnee County, Inc. and Subsidiary
719 S. Kansas Avenue, 5th Floor
Topeka, Kansas 66603

We are pleased to present this report related to our audit of the consolidated financial statements of Growth Organization of Topeka/Shawnee County, Inc. and Subsidiary (the Organization) for the year ended December 31, 2019. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for Organization's financial reporting process.

This report is intended solely for the information and use of the Audit Committee is not intended to be and should not be used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to the Organization.

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GROWTH ORGANIZATION OF TOPEKA/SHAWNEE COUNTY, INC. AND SUBSIDIARY

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August 28, 2020

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Required Communications

Generally accepted auditing standards (AU-C 260, *The Auditor's Communication with Those Charged with Governance)* require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

Area	Comments
Our Responsibilities with Regard to the Financial Statement Audit	Our responsibilities under auditing standards generally accepted in the United States of America have been described to you in our arrangement letter dated May 5, 2020.
Overview of the Planned Scope and Timing of the Financial Statement Audit	We have issued a separate communication regarding the planned scope and timing of our audit and have discussed with you our identification of and planned audit response to significant risks of material misstatement.
Accounting Policies and Practices	**Preferability of Accounting Policies and Practices** Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. We did not discuss with management any alternative treatments within generally accepted accounting principles for accounting policies and practices related to material items during the current audit period. **Adoption of, or Change in, Accounting Policies** Management has the ultimate responsibility for the appropriateness of the accounting policies used by the Organization. Following is a description of significant accounting policies or their application that were either initially selected or changed during the year: • ASU No. 2014-09, *Revenue from Contracts with Customers (Topic 606)*, as amended, which supersedes or replaces nearly all GAAP revenue recognition guidance, was adopted during the current year. This ASU establishes a new contract and control-based revenue recognition model, changes the basis for deciding when revenue is

Area	Comments
	recognized over time or at a point in time, and expands disclosures about revenue. • ASU No. 2018-08, *Not-for-Profit Entities (Topic 958): Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made* was adopted during the current year. This ASU assists entities in evaluating whether transactions should be accounted for as contributions or exchange transactions and determining whether a contribution is conditional. **Significant or Unusual Transactions** We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus. **Management's Judgments and Accounting Estimates** Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. You may wish to monitor throughout the year the process used to determine and record these accounting estimates.
Audit Adjustments	Audit adjustments proposed by us and recorded by the Organization are summarized in the attached representation letter.
Disagreements with Management	We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.
Consultations with Other Accountants	We are not aware of any consultations management had with other accountants about accounting or auditing matters.

Area	Comments
Significant Issues Discussed with Management	No significant issues arising from the audit were discussed with or were the subject of correspondence with management.
Significant Difficulties Encountered in Performing the Audit	We did not encounter any significant difficulties in dealing with management during the audit.
Communication of Significant Deficiency in Internal Control over Financial Reporting	We have separately communicated the significant deficiency in internal control over financial reporting identified during our audit of the financial statements, and this communication is attached.
Certain Written Communications Between Management and Our Firm	Copies of certain written communications between our firm and the management of the Organization, including the representation letter provided to us by management, are attached.

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August 28, 2020

To the Board of Directors and Management
Growth Organization of Topeka and Shawnee County, Inc. and Subsidiary
Topeka, Kansas

In planning and performing our audit of the consolidated financial statements of Growth Organization of Topeka and Shawnee County, Inc. and Subsidiary (the Organization) as of and for the year ended December 31, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered Growth Organization of Topeka and Shawnee County, Inc. and Subsidiary's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Growth Organization of Topeka and Shawnee County, Inc. and Subsidiary's internal control. Accordingly, we do not express an opinion on the effectiveness of the Growth Organization of Topeka and Shawnee County, Inc. and Subsidiary's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified a deficiency in internal control that we consider to be a significant deficiency.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis. We did not identify any deficiencies in the Organization's internal control that we deem to be material weaknesses.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency in the Organization's internal control to be significant deficiencies:

Segregation of duties

Effective internal controls contemplate an adequate segregation of duties so that no one individual handles, or has access to handle, a transaction from its inception to completion. During our audit, we noted that there is a lack of complete segregation of duties in the Organization's accounting functions. This is due to the small accounting staff. Specifically, the Chief Financial Officer has complete access to the general ledger system, has the ability to generate electronic transfers between bank accounts and performs the bank reconciliation. A lack of segregation of duties could result in misappropriation of assets or a material misstatement in the financial statements.

Recommendations:

- While the Organization's accounting staff may not be large enough to permit an adequate segregation of duties in all respects for effective internal control, it is important that management be aware of this condition and realize that this concentration of duties is not ideal. Under these conditions, the most effective control lies in management and governance's knowledge of matters relating to the Organization's operations and regular and diligent review of transactions and financial reports.
- The bank reconciliation should be either prepared by someone without access to the processing of cash transactions or electronic cash transfers or should be reviewed by someone after preparation by the CFO. That review should ideally include review of the original unaltered bank statement or on-line bank activity.

This communication is intended solely for the information and use of the Board of Directors and management and is not intended to be and should not be used by anyone other than these specified parties.

Finally, we wish to express our appreciation to the Organization's personnel for their assistance and cooperation during our audit, and we look forward to working with you on future engagements.

BT & Co., P.A.

BT&Co., P.A.
4301 SW Huntoon Street
Topeka, Kansas 66604-1659

This representation letter is provided in connection with your audits of the consolidated financial statements of Growth Organization of Topeka/Shawnee County, Inc. and Subsidiary (the "Organization"), which comprise the statements of financial position as of December 31, 2019 and 2018, and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the consolidated financial statements (collectively, the financial statements) for the purpose of expressing an opinion on whether the financial statements are presented fairly in all material respects in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

We confirm, to the best of our knowledge and belief, as of the date of the auditors' report, the following representations made to you during your audits.

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit arrangement letter dated May 5, 2020, for the preparation and fair presentation of the financial statements referred to above in accordance with U.S. GAAP.

2. We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

4. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable and reflect our judgment based on our knowledge and experience about past and current events, and our assumptions about conditions we expect to exist and courses of action we expect to take.

5. Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.

6. All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

7. We have no knowledge of any uncorrected misstatements in the financial statements.

8. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.

9. With respect to the financial statement preparation and tax services performed in the course of the audit:
   a. We have made all management decisions and performed all management functions;
   b. We assigned an appropriate individual to oversee the services;
   c. We evaluated the adequacy and results of the services performed, and made an informed judgment on the results of the services performed;
   d. We have accepted responsibility for the results of the services, and
   e. We have accepted responsibility for all significant judgments and decisions that were made.

10. The following have been properly recorded and/or disclosed in the financial statements:
    a. Investments in debt and equity securities, including their classification.
    b. All liabilities that are subordinated to any other actual or possible liabilities of the Organization.
    c. All significant estimates and material concentrations known to management that are required to be disclosed in accordance with the Risks and Uncertainties Topic of the FASB Accounting Standards Codification. Significant estimates are estimates at the balance sheet date that could change materially within the next year. Concentrations refer to volumes of business, revenues, available sources of supply, or markets for which events could occur that would significantly disrupt normal finances within the next year.
    d. Concentrations of credit risk.
    e. All recordable contributions, by appropriate net asset class.
    f. Allocations of functional expenses based on reasonable basis.
    g. Deferred revenue from exchange transactions.
    h. Assets and liabilities measured at fair value in accordance with the Fair Value Measurements and Disclosures Topic of the FASB Accounting Standards Codification, including split interest agreements.
    i. Tax status.
    j. Board designated net assets without donor restrictions.
    k. Security agreements in effect under the Uniform Commercial Code.
    l. All other liens or encumbrances on assets and all other pledges of assets.
    m. Guarantees, whether written or oral, under which the Organization is contingently liable.

11. We have no plans or intentions that may materially affect the carrying value or classification of assets or liabilities.

12. We are responsible for making the accounting estimates included in the financial statements. Those estimates reflect our judgment based on our knowledge and experience about past and current events and our assumptions about conditions we expect to exist and courses of action we expect to take.

13. There are no:
    a. Violations or possible violations of laws or regulations whose effects should be considered for disclosure in the financial statements or as a basis for recording a loss contingency. In that regard, we specifically represent that we have not been designated as, or alleged to be, a "potentially responsible party" by the Environmental Protection Agency in connection with any environmental contamination.
    b. Other material liabilities or gain or loss contingencies that are required to be accrued or disclosed by the Contingencies Topic of the FASB Accounting Standards Codification.
    c. Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances.
    d. Leases and material amounts of rental obligations under long-term leases.
    n. Assets in amounts needed to comply with all donor restrictions.
    o. Lines of credit or similar arrangements.
    p. Agreements to repurchase assets previously sold.
    q. Amounts of contractual obligations for construction and/or purchase of real property, equipment, other assets and intangibles.
    r. Conditional promises to give.
    e. Reclassifications between net asset classes.
    f. Refundable advances.

14. The Organization has satisfactory title to all owned assets, except as made known to you and disclosed in the footnotes.

15. We have complied with all aspects of contractual agreements that would have a material effect on the consolidated financial statements in the event of noncompliance. In connection therewith, we specifically represent that we are responsible for determining that we are not subject to the requirements of the Single Audit Act and Uniform Guidance, because we have not received, expended or otherwise been the beneficiary of the required amount of federal awards during the period of this audit.

16. In considering the disclosures that should be made about risks and uncertainties, we have concluded disclosure about the COVID-19 global pandemic is required.

Information Provided

17. 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 statements such as records, documentation, and other matters;
    b. Additional information that you have requested from us for the purpose of the audit;
    c. Unrestricted access to persons within the Organization from whom you determined it necessary to obtain audit evidence;
    d. Minutes of the meetings of governing board and committees, or summaries of actions of recent meetings for which minutes have not yet been prepared.

18. All transactions have been recorded in the accounting records and are reflected in the financial statements.

19. We have disclosed to you the results of our assessment of risk that the financial statements may be materially misstated as a result of fraud.

20. We have no knowledge of allegations of fraud or suspected fraud, affecting the Organization's financial statements involving:
    a. Management.
    b. Employees who have significant roles in the internal control.
    c. Others where the fraud could have a material effect on the financial statements.

21. We have no knowledge of any allegations of fraud or suspected fraud affecting the Organization's financial statements received in communications from employees, former employees, analysts, regulators, or others.

22. We have no knowledge of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.

23. We are not aware of any pending or threatened litigation and claims whose effects were considered when preparing the financial statements and we have not consulted legal counsel concerning litigation or claims.

24. We have disclosed to you the identity of the Organization's related parties and all the related-party relationships and transactions of which we are aware.

25. We have informed you of all significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect the Organization's ability to record, process, summarize and report financial data.

26. We are aware of no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

27. With respect to supplementary information presented in relation to the financial statements as a whole:
    a. We acknowledge our responsibility for the presentation of such information.
    b. We believe such information, including its form and content, is fairly presented in accordance with accounting principles generally accepted in the United States of America.
    c. The methods of measurement or presentation have not changed from those used in the prior period.
    d. When supplementary information is not presented with the audited financial statements, we will make the audited financial statements readily available to the intended users of the supplementary information no later than the date of issuance of the supplementary information and the auditor's report thereon.

28. We have received a determination from the Internal Revenue Service that we are exempt from federal income taxes as a Section 501(c)(6) and Section 501(c)(3) not-for-profit corporation, and we have complied with the IRS regulations regarding this exemption.

a. Money market funds: Valued at the carrying value of the accounts due to their short maturity, high liquidity and low risk of default.
b. U.S. Treasury notes and bills are valued at quoted market prices multiplied by the quantity held when quoted market prices are observable.

30. During the course of your audit, you may have accumulated records containing data which should be reflected in our books and records. All such data have been so reflected. Accordingly, copies of such records in your possession are no longer needed by us.

31. We agree with the adjusting journal entries as proposed in the attachment and understand that we do not need to record them into our trial balance, as it is maintained on the cash basis internally.

Very truly yours,

GROWTH ORGANIZATION OF
TOPEKA/SHAWNEE COUNTY, INC.
AND SUBSIDIARY

Natalie Zeller
Chief Financial Officer

Date Signed 8/28/20

Josh Patterson
Senior Accountant

Date Signed 8/28/20

Growth Organization of Topeka/Shawnee County, Inc. & Subsidiary

Year End: December 31, 2019

Adjusting Journal Entries

Number	Date	Name	Account No	Debit	Credit
1	12/31/2019	Accounts Payable	601-3300 GOT		-51,309.00
	12/31/2019	GRANTS	651-8700 GOT	51,309.00	
		BT&CO entry- Correct missing invoice for AP- Improperly excluded at year end.			
2	12/31/2019	LAND-CENTRAL CROSSING	601-3000 GOT	82,426.50	
	12/31/2019	Gain/loss on sale of land	621-7520 GOT		-82,426.50
		Record gain on sale land at Central Crossing			
3	12/31/2019	Deferred Sponser/Program/Event Revenue	601-3670 GOT		-83,857.00
	12/31/2019	SALES TAX REV	610-4910 GOT	83,857.00	
		Adjust deferred JEDO revenue based on revised client schedule			
				83,857.00	-83,857.00