

Diehl Banwart Bolton

Certified Public Accountants P.A.

October 11, 2013

Communications with Management

To the Board of Trustees
Treece Relocation Assistance Trust

We have audited the financial statements of Treece Relocation Assistance Trust, for the period ended June 30, 2013, and have issued our report thereon dated October 11, 2013. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated August 29, 2013. Professional standards also require that we communicate to you the following information related to our audit.

COMMUNICATION OF SIGNIFICANT AUDIT ISSUES

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Treece Relocation Assistance Trust are described in Note 1 to the audited financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the year. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's 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 significantly from those expected. The most sensitive estimates affecting the financial statements were:

- Deferred revenue is recorded as the difference between grant revenue and grant expenditures.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. There are no sensitive disclosures affecting the financial statements.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management and in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. We have made management aware of adjustments needed to accrue liabilities and record deferred revenues.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated October 11, 2013.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

The Trust is the beneficiary of EPA grant money passed through the Kansas Department of Health and Environment (KDHE). We have been informed by KDHE representatives that a single audit is not required for this entity.

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

COMMUNICATION OF INTERNAL CONTROL ISSUES

In planning and performing our audit of the financial statements of Treece Relocation Assistance Trust as of and for the fiscal year ended June 30, 2013, in accordance with auditing standards generally accepted in the United States of America, we considered the Trust's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Trust's internal control.

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.

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 significant deficiencies or material weaknesses and therefore, there can be no assurance that all deficiencies, significant deficiencies, or material weaknesses have been identified. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses as defined above. However, as discussed below, we identified a deficiency in internal control over financial reporting that we consider a significant deficiency in internal control over financial reporting as described in the following paragraph.

PREPARATION OF FINANCIAL STATEMENTS

It is the responsibility of management of the Treece Relocation Assistance Trust, to prepare the Trust's financial statements and the related notes to the financial statements. It is not uncommon for our firm to assist entities in the preparation of their financial statements because they lack personnel resources with appropriate technical skills, training and experience. We often prepare significant adjustments as well as assist the Trust to determine which disclosures are required. Under new revised professional standards, we are still allowed to perform these services as part of our audit. However, we are required to report them as significant deficiencies in internal control. Simply put, our new standards require us to inform the Trust and management in writing if your personnel are not quite capable of preparing the financial statements and all the required disclosures.

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It is important to note that relying on us, as your auditor, to identify material misstatements in your financial statements and correct them before the audited financial statements are issued, does not eliminate a significant deficiency or material weakness. Simply stated, if you are unable to prepare the financial statements and all the required disclosures without auditor assistance we are required to report this under our professional standards.

This communication is intended solely for the information and use of management, the Board of Trustees, and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties. If you have any questions regarding this letter, the audit, or any other matter, please feel free to contact our office.

Very truly yours,

DIEHL, BANWART, BOLTON, CPAs PA


Randall D. Phillips
Certified Public Accountant