May 13, 2022

Tony Matson, CPA
Partner
Hayden Ross, PLLC
315 South Almon Street
Moscow, Idaho 83843

Dear Mr. Matson:

The Office of Inspector General is committed to improving the quality of non-federal audits. In accordance with our responsibilities for audit work performed by non-federal auditors on federal programs, attached is the quality control review (QCR) of the audit of Panhandle Area Council, Inc., as of and for the year ended September 30, 2020. The single audit was performed by your firm, Hayden Ross, PLLC. On our behalf, McBride, Lock & Associates, LLC, performed this QCR to ensure that the audit was conducted in accordance with generally accepted auditing standards (GAAS), Generally Accepted Government Auditing Standards (GAGAS), the requirements of federal regulations at Title 2 C.F.R. Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) including its Compliance Supplement.

Please see the enclosed review performed by McBride, Lock & Associates, LLC, for further details on the QCR’s scope and methodology.

Firms can receive a QCR rating of pass, pass with deficiency(ies), or fail. McBride, Lock & Associates, LLC, identified no deficiencies related to the audit report, for the audit for the year ended September 30, 2020, and recommended a QCR rating of a pass. An audit with a QCR rating of pass is an audit for which the audit documentation contains no quality deficiencies or only minor quality deficiencies that do not require corrective action.

In our opinion—based on the review of McBride, Lock & Associates, LLC, QCR report—the QCR rating of the audit for the year ended September 30, 2020, is a pass.

We are sending this letter and the accompanying McBride, Lock & Associates, LLC, QCR to officials at the other federal agencies with direct expenditures listed on the Schedule of Expenditures of Federal Awards to inform them of the results of this review.

We appreciate the cooperation and courtesies your staff extended to McBride, Lock and Associates, LLC, during the QCR. Please direct any inquiries regarding this report to me at (202) 482-2877 or Belinda Riley, Supervisory Auditor, at (202) 527-0544.

Sincerely,

Richard Bachman
Assistant Inspector General for Audit and Evaluation

Enclosure

cc: Wally Jacobson, Executive Director, Panhandle Area Council, Inc.
    Robert Lock, Partner, McBride, Lock & Associates, LLC
    Marbie Baugh, National Single Audit Coordinator, U.S. Department of Agriculture OIG
    Barry Berkowitz, Senior Procurement Executive and Director of the Office of Acquisition Management, U.S. Department of Commerce
    John Geisen, Director, Financial Assistance Policy and Oversight Division, U.S. Department of Commerce
    William Bethel, Supervisor, Operations-Policy-Compliance, Economic Development Administration (EDA)
    Sheba Person-Whitley, Seattle Regional Office Director, EDA
    Deborah Haynes, Audit Liaison, EDA
    MaryAnn Mausser, Audit Liaison, Office of the Secretary
    Rehana Mwalimu, Risk Management Officer and Primary Alternate Department GAO/OIG Liaison, Office of the Secretary
April 13, 2022

Mr. Tony Matson
Hayden Ross, PLLC
315 S. Almon St.
Moscow, Idaho 83843

Subject: **Quality Control Review of the Panhandle Area Council, Inc.**

Dear Mr. Matson,

We are pleased to submit the report of our Quality Control Review (QCR) of the audit of Panhandle Area Council, Inc. as of and for the year ended September 30, 2020 performed by Hayden Ross, PLLC in accordance with generally accepted auditing standards published by the American Institute of Certified Public Accountants and generally accepted government auditing standards issued by the Government Accountability Office.

**Scope of Services**

The objective of our review was to perform a QCR:

1. To determine whether the financial statement audit work, compliance audit work, and the associated review of internal controls over both financial reporting and compliance were conducted in accordance with applicable standards, including GAGAS and the published guidance of the OIG, the American Institute of Certified Public Accountants standards as well as Title 2 U.S. Code of Federal Regulations (CFR) Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and including its Compliance Supplement.

2. To identify any issues that may require additional attention or any additional audit work by the Independent Public Accountant who performed the audit.

**Methodology**

We performed our review using the *Guide for Quality Control Reviews of Single Audit Reports* (the Guide) issued by the Council of Inspectors General on Integrity and Efficiency (2021 Edition) as adapted to consider the guidance required for the Uniform Guidance. In performing the review we met with the engagement partner and obtained supporting audit workpapers.
Overview of Procedures Performed and Related Findings

We reviewed the audit report issued on Panhandle Area Council, Inc. as of and for the year ended September 30, 2020. We reviewed the audit report, using the Guide, to ensure that it included and met the requirements of Government Auditing Standards and the standards for financial audits issued by the AICPA. We reviewed the audit workpapers using the Guide and the evidence documented in the audit workpapers. In each area, we evaluated whether or not the testing performed, results documented, financial statements presented, and findings reported were consistent with and supported the independent accountants report identified in the first paragraph of this report.

Results

Based upon our review, the overall rating assigned to the auditor’s work is Pass.

This report is intended solely for the Department of Commerce Office of Inspector General.

Very truly yours,

McBride, Lock & Associates, LLC