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To the Board of Directors of the
The Children's Bereavement Center of South Texas

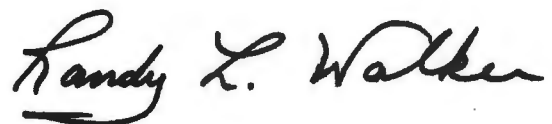
In planning and performing our audit of the financial statements of The Children's Bereavement Center of South Texas (CBCST) as of and for the year ended December 31, 2014, in accordance with auditing standards generally accepted in the United States of America, we considered CBCST's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of CBCST's internal control. Accordingly, we do not express an opinion on the effectiveness of CBCST's internal control.

Our consideration of internal control was for the limited purpose described in the first 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 such deficiencies have been identified. We did not identify any deficiencies in internal control that we consider to be material weaknesses.

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 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 internal control that we consider 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 noted certain matters, including the significant deficiencies in internal control, which we reported to management of CBCST in a separate letter dated April XX, 2015.

This communication is intended solely for the information and use of management, CBCST's Board of Directors and others within the organization, and is not intended to be and should not be used by anyone other than these specified parties.



San Antonio, Texas
April XX, 2015

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March XX, 2015

To the Board of Directors
The Children's Bereavement Center of South Texas

We have audited the financial statements of The Children's Bereavement Center of South Texas (CBCST) for the years ended December 31, 2014 and 2013, and have issued our report thereon dated [REDACTED]. 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 November 21, 2014. Professional standards also require that we communicate to you the following information related to our audit.

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 CBCST are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2014. We noted no transactions entered into by CBCST 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. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management 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. Management has corrected all such misstatements. The attached schedule summarizes significant adjustments we made in accordance with accounting principles generally accepted in the United States of America.

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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 March XX, 2015.

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 CBCST'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

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

Prior Year – Control Deficiencies

1. **Pledge Documentation:** During the audit, we noted that several pledges were not properly supported by a pledge card or donor letter.

Current Year Observation: We noted this issue has been corrected in the current year.

2. **Reconciliation of Subsidiary Ledgers:** During the audit, we noted that the contribution general ledger did not agree to the donation software.

Current Year Observation: We noted this issue has been corrected in the current year.

3. **Reconciliation of PayPal Account:** During the audit, we noted the PayPal account was not reconciled as of year-end.

Current Year Observation: We noted this issue has been corrected in the current year.

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Current Year – Control Deficiencies

1. **Deposit Cash Receipts on a Timely Basis:** During our testing of undeposited funds, we noted a material amount of funds not deposited into the bank account until after year-end.

Recommendation: We recommend management review CBCST’s internal policy regarding weekly deposits of receipts and comply with the policy. In addition, we recommend management consider making more than one deposit the last week of the year, as CBCST receives large contributions before year-end. Timely deposit of checks will mitigate the risk of loss from burglary, misplacement or misappropriation of the checks.

2. **Expense Documentation:** During our testing of expenses, we noted that receipts provided as supporting documentation did not clearly detail the purpose or, in the case of meals, the specific attendees that benefited from the expense.

Recommendation: We recommend all receipts specify the purpose and, if for a meal purchase, the specific attendees that benefited from the expense in order to be in compliance with IRS expense guidelines.

Current Year – Significant Deficiencies

1. **Segregation of Duties:** During our review of internal controls, we noted that one individual is responsible for preparing disbursement checks, recording transactions and reconciling the accounts.

Recommendation: Small non-profits organizations have a difficult time providing proper segregation of duties due to a limited number of people. A potential risk for theft or misuse of funds arises when one person controls the funds and is also responsible for recording and reconciling the transactions. We recommend a second individual review the bank reconciliations on a monthly basis. In addition, we recommend the Board of Directors receive the monthly bank reconciliations and bank statements. This process will help mitigate the lack of segregation of duties. Lastly, we recommend the individual performing this review document their review by dating and initialing beside the ending balance on the statements, as evidence of their review. These steps will help ensure better control over assets and reduce the risk of theft, undetected errors and unauthorized use of funds.

Subsequent to year-end, management implemented a review process whereby a second individual reviews the bank reconciliations and bank statements. In addition, management prepares the bank reconciliations and compiles the bank statements for the Finance Committee’s monthly meetings.

Board of Directors
The Children's Bereavement Center of South Texas

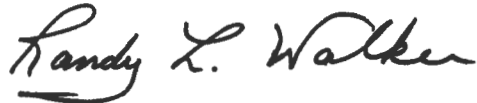
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We would like to express our appreciation for the courtesy and cooperation extended to us by Marian Sokol, Blair Thompson, and their staff.

This information is intended solely for the use of the Board of Directors and management of The Children's Bereavement Center of South Texas, and should not be used for any other purpose.

Please do not hesitate to contact us if you want to discuss any of the matters contained herein.

Very truly,

A handwritten signature in black ink that reads "Randy L. Walker". The signature is written in a cursive style with a prominent underline under the first letter of "Randy".

Randy L. Walker

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Client: *Children's Bereavement of South Texas*
Engagement: *Children's Bereavement Center of South Texas*
Period Ending: *12/31/2014*
Workpaper: *Adjusting Journal Entries Report - 2*

Account	Description	W/P Ref	Debit	Credit
Adjusting Journal Entries JE # 1		ZZ-2		
To roll forward net assets and agree to 2013 audit report.				
3010	Net Assets		873.00	
4024	Uncategorized Income			873.00
Total			873.00	873.00
Adjusting Journal Entries JE # 2		50-2d		
To properly reclass Gala expenses at year end.				
4001.2	Fundraising Events:Hearts in Harmony Gala:Less direct Gala costs		52,179.00	
4620.1	Event Income			42,625.00
6400	Postage & Shipping			378.00
6410	Printing & Publications			809.00
6460.1	Professional Fees			7,513.00
6600.1	Supplies and Food			854.00
Total			52,179.00	52,179.00
Adjusting Journal Entries JE # 3		B-2		
DO NOT POST- To properly record Dec. 2014 investment activity.				
4020.3	Public Contributions:4024 + Individual		118.00	
4835	Unrealized gain on investments		34,064.00	
6200.2	Dues, Fees & Subscriptions:6202 + Bank/Credit Card Service Charge		64.00	
1250	Investments:1255 + Luther King Capital Management			3,992.00
4830	Investment Income			4,331.00
4834	Realized G/L			25,923.00
Total			34,246.00	34,246.00
Adjusting Journal Entries JE # 4		M-2		
To properly adjust depreciation expense and accumulated depreciation at year end.				
1350	Accumulated Depreciation		12,789.00	
6180	Depreciation Expense			12,789.00
Total			12,789.00	12,789.00
Adjusting Journal Entries JE # 5		C-2		
DO NOT POST - To record pledge paid in prior years through the purchase of a gala table.				
6820	Uncollectable Pledges		5,500.00	
1200.2	Accounts Receivable:Capital			5,000.00
1200.3	Accounts Receivable:Operating			500.00
Total			5,500.00	5,500.00

The Children's Bereavement Center of South Texas
205 W. Olmos Drive
San Antonio, TX 78212

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April XX, 2015

Randy Walker & Co.
Certified Public Accountants
7800 IH 10 West, Ste 505
San Antonio, TX 78230

This representation letter is provided in connection with your audit of the financial statements of The Children's Bereavement Center of South Texas (CBCST), which comprise the statements of financial position as of December 31, 2014 and 2013, and the related statements of activities (with comparative totals for 2013), functional expenses (with comparative totals for 2013), and cash flows for the years then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

We confirm, to the best of our knowledge and belief, as of April XX, 2015, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated November 21, 2014, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
- 3) 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- 7) 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.
- 8) We are in agreement with the adjusting journal entries you have proposed, and they have been posted to CBCST's accounts. In this case, no representation about uncorrected misstatements is necessary.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Material concentrations have been appropriately disclosed in accordance with U.S. GAAP.

- 11) Guarantees, whether written or oral, under which CBCST is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.
- 12) As part of your audit, you assisted with preparation of the financial statements and related notes, and the calculation of depreciation. We acknowledge our responsibility as it relates to those nonaudit services, including that we assume all management responsibilities; oversee the services by designating an individual, preferably within senior management, who possesses suitable skill, knowledge, or experience; evaluate the adequacy and results of the services performed; and accept responsibility for the results of the services. We have reviewed, approved, and accepted responsibility for those financial statements and related notes, and the calculation of depreciation.

Information Provided

- 13) 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 CBCST from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the governing board or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 14) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 15) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 16) We have no knowledge of any fraud or suspected fraud that affects CBCST and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 17) We have no knowledge of any allegations of fraud or suspected fraud affecting CBCST's financial statements communicated by employees, former employees, grantors, regulators, or others.
- 18) We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
- 19) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 20) We have disclosed to you the identity of CBCST's related parties and all the related party relationships and transactions of which we are aware.
- 21) CBCST has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 22) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us.

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23) The Children's Bereavement Center of South Texas is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize CBCST's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.

Signed: _____

Signed: _____

Title: _____

Title: _____