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October 14, 2015

To the Board of Directors
The Particular Council of the Society of St. Vincent de Paul of
Santa Clara County
San Jose, CA

In planning and performing our audit of the financial statements of The Particular Council of the Society of St. Vincent de Paul of Santa Clara County (the Organization) including Council and Conferences as of and for the year ended September 30, 2014, in accordance with auditing standards generally accepted in the United States of America, we considered the Organization'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 the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 certain deficiencies in internal control that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

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 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 Organization's financial statements will not be prevented, or detected and corrected by internal control. In Appendix A, we have noted certain deficiencies we consider to be a material weaknesses in internal control.

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control, which is less severe than a material weakness, yet important enough to merit attention by those charged with governance. In Appendix B, we have noted certain deficiencies we consider to be significant deficiencies in internal control.

Additionally, in Appendix C, we noted certain matters we are required by our professional standards to communicate to those charged with corporate governance. We are available to discuss these matters with you in greater detail if you desire.

This communication is intended solely for the information and use of Board of Directors and management of The Particular Council of the Society of St. Vincent de Paul of Santa Clara County, and should not be used by anyone other than these specified parties.

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We would like to take this opportunity to thank Jim Miller and Jessica Moore for their assistance during our audit.

Very truly yours,

LMGW

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Appendix A – Material Weaknesses

Controls at the Conference Level

Findings

Although entity level and process activity controls are in place at the Council level, the Conferences have no controls or separation of duties in place, and no oversight activites are performed by management. Records are incomplete at the Conference level, and reports submitted by the Conferences to the Council lack reliability.

Recommendations

We recommend the Organization develops standard accounting procedures for Conferences. The Conferences should reconcile bank accounts monthly, have a system to log receipts and expenses accurately, and report monthly to the Council in a standardized format. The management should review the Conferences' records monthly to ensure the Conferences are abiding by the procedures.

Management's Response

The council acknowledges that several Conferences had developed unique methods of tracking expenses, some not as efficient as others which was causing some confusion during the end of year reporting. To address this, the Council has implemented and distributed standard templates for reporting financials within all conferences on a monthly basis. Each Conference will reconcile the general ledger monthly using the standard template and submit it to the council, along with their bank statements, on a monthly basis. This will eliminate any future confusion and discrepencies.

Appendix B – Significant Deficiencies

Review of Accounting Records

Findings

During our audit procedures we noted transactions with incorrect account coding, which caused revenue captions to need adjustment. Furthermore, there is minimal review of the transactions entered into QuickBooks.

Recommendations

We recommend the trial balance and general ledger be reviewed by someone with accounting background to make sure the account coding is correct. Any unusual account balance should be researched and adjusted. Also there should be description added to each transaction so the history is maintained.

Management's Response

There will be an increased review of accounts that automatically post into QuickBooks to ensure they are categorized appropriately and that the description is captured with the entry. Each month the bank reconciliation will be reviewed by the Council Treasurer, the the Council Bookkeeper and the Council President to ensure each entry accurately addresses the items described above.

Appendix C – Required Communications

Significant Accounting Policies

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Organization are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during fiscal year ending September 30, 2014.

Significant or Unusual Transactions

We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus.

Management Judgments and Accounting Estimates

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 estimate affecting the financial statements is depreciation. We evaluated the key factors and assumptions used to develop the estimate in determining that they are reasonable in relation to the financial statements taken as a whole.The financial statement disclosures are neutral, consistent, and clear.

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. Significant adjustment is made in the following area:

- Accrual of audit fee resulting in a $20,500 decrease in net assets.
- Cash balance adjustment resulting in a $5,619 increase in net assets.

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 14, 2015.

Appendix C – Required Communications (continued)

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

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.