

January 7, 2019

The Board of Directors  
Girl Scouts of Western Ohio  
4930 Cornell Road  
Cincinnati, OH 45242

We have audited the financial statements of Girl Scouts of Western Ohio (the "Council") for the year ended September 30, 2018, and have issued our report thereon dated January 7, 2019. 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 discussion with you on October 31, 2018. Professional standards also require that we communicate to you the following information related to our audit.

### Significant Audit Matters

#### *Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Girl Scouts of Western Ohio 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 FY18. We noted no transactions entered into by the Council 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:

- Management's estimate of the fair values of level 3 investments is based on the fair value of the future distributions expected to be received over the term of the trust agreements and a discounted cash flow methodology. We evaluated the key factors and assumptions used to develop the fair values in determining that they are reasonable in relation to the financial statements taken as a whole.
- Management's estimate of the potential impact of multiemployer retirement plans is based on information provided by the plan sponsors. We evaluated the key factors and assumptions used to develop the estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements was the disclosure of multiemployer retirement in Note 9 to the financial statements.

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 misstatements identified during the audit, other than those that are clearly trivial, and communicate them to the appropriate level of management. There were no adjustments noted during the audit.

### *Disagreements with Management*

For purposes of this letter, a disagreement with management is 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 January 7, 2019.

### *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 Council'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 Council's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Based on our industry knowledge and observations at Girl Scouts of Western Ohio, we offer this consideration as the Council works to continually improve. This observation is not considered to be a control deficiency.

### Development and Accounting Reconciliation

In prior years, we noted the development and accounting departments met regularly to maintain open communication regarding contribution revenue and to perform detailed reconciliation between the departments' reporting software. Due to staff turnover, this process was not consistently applied during the current year. We recommend resuming this process as soon as possible to ensure all contributions are properly recorded and tracked. For pledge payments and verbal pledges, we recommend they are appropriately noted in the development software to allow for an efficient reconciliation process. We believe this to be an important reconciliation process on an ongoing basis and is especially important during a capital campaign.

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

Very truly yours,

*Clark, Schaefer, Hackett & Co.*