

Feller & Kuester CPAs LLP

Tax - Audit - Bookkeeping

806 Parkland Court, Suite 1 - Champaign, Illinois 61821

Phone - (217) 351-3192 Fax - (217) 351-4135 Email - neal@fellerkuester.com

Board of Directors and Management
Grand Prairie Friends
Urbana, Illinois

In planning and performing our audit of the financial statements of Grand Prairie Friends (the Organization) as of and for the year ended December 31, 2015, 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 that are appropriate in the circumstances 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.

However, during our audit we became aware of several matters that are opportunities for strengthening internal controls and operating efficiency. The items stated below summarize our comments and suggestions regarding those matters. A separate letter dated June 24, 2016 contains our communication of significant deficiencies or material weaknesses in the Organization's internal control. This letter does not affect our report dated June 24, 2016 on the financial statement of the Organization.

We will review the status of these comments during our next audit engagement. We have already discussed many of these comments and suggestions with various Organization personnel, and we will be pleased to discuss them in further detail at your convenience, to perform any additional study of these matters, or to assist you in implementing the recommendations. Our comments are summarized as follows:

Directors Oversight

It is important for the Directors to continue to review the reports and paid bills at their monthly meetings to help mitigate the lack of segregation of duties. We as auditors have to rely on this review.

Modified Cash Basis

Per the grant agreement with The Lumpkin Family Foundation for the acquisition of "Hackett Properties," the Organization's books and records should be maintained in accordance with the generally accepted accounting principles (GAAP). However, the Organization's books are currently being maintained on the modified cash basis of accounting. The books and records can be converted to GAAP but it would take extra time and money to do this.

Transaction Fees

Transaction fees are charged on donations and membership dues paid electronically. However, these transaction fees are not being recorded. We recommend that these transaction fees are recorded in the future.

In-Kind Donations

In-kind donations are not required to be recorded under the modified cash basis of accounting. If the Organization, elects to report in-kind donations, all donated property needs to be put on the books at the fair market value at the time of the donation. We did not report the truck or quilt on the financial statements since these items were donated and not purchased.

Real Estate Tax Credit at Closing

The purchaser of real estate is typically credited at closing for accrued real estate tax. This credit should be reported as a current asset (real estate tax credit) rather than a fixed asset.

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

Respectfully submitted,

Feller & Kuester CPAs LLP

Feller & Kuester CPAs LLP
Champaign, Illinois

June 24, 2016