



October 5, 2017

To the Board of Directors
Washington Area Women's Foundation, Inc.
Washington, D.C.

We have audited the financial statements of the Washington Area Women's Foundation Inc. (the Foundation) for the year ended June 30, 2017 and have issued our report thereon dated October 5, 2017. 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 May 9, 2017.

Professional standards also require that we communicate to you the following information related to our audit.

- **Qualitative Aspects of Accounting Practices**

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Foundation 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 the year ended June 30, 2017. We noted no transactions entered into by the Foundation 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.

We noted several new accounting principles:

1. ASU 2015-07, *Fair Value Measurement* (Topic 820), effective for fiscal years beginning after December 15, 2016.
2. ASU 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* (Topic 958), effective for fiscal years beginning after December 15, 2017.
3. ASU 2016-02, *Leases* (Topic 842), effective for fiscal years beginning after December 15, 2019.
4. ASU 2014-09, *Revenue from Contracts with Customers* (Topic 606), effective for the annual periods beginning after December 31, 2018.

While these ASUs will change the presentation of the financial statements in the year of implementation, they are not expected to alter the reported statement of financial position.

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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 allowance for bad debt, which is based on historical collections as well as the current economic conditions.
- Management's estimate of the discount to present value of long-term pledges.
- Management's estimate of the allocation of expenses to programs, which is based on an allocation of the actual time spent on each program.

The most sensitive disclosure affecting the financial statements was the disclosure of net assets released from restrictions in Note 5 to the financial statements.

- **Difficulties Encountered in Performing the Audit**

We encountered no significant difficulties in dealing with management in performing and completing our audit.

- **Discussions Prior to Retention**

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

- **Planned Scope and Timing of the Audit**

We performed our audit according to the planned scope and timing previously communicated to you in our engagement letter and our other letter on planning of the engagement dated May 9, 2017.

- **Management Representations**

We have requested certain representations from management that are included in the management representation letter dated October 5, 2017.

- **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. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole. In addition,

none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

- **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 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 Foundation'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.

- **Independence and Non-Audit Services Provided by Audit Firm**

In accordance with professional standards, during the fiscal year and currently, all members of our firm were independent with respect to the Foundation.

During the year under audit, we provided corporate tax preparation services (IRS Form 990) and additional tax advice. All other time and expenses incurred by us were in connection with our annual audit.

This information is intended solely for the use of the Audit Committee, Board of Directors and management of the Washington Area Women's Foundation Inc., and is not intended to be, and should not be, used by anyone other than these specified parties.

Gelman Rosenberg & Freedman

October 5, 2017