

[Date]

To the Board of Trustees
The College Settlement of Philadelphia
d/b/a College Settlement
600 Witmer Road
Horsham, PA 19044

We have audited the financial statements of The College Settlement of Philadelphia d/b/a College Settlement for the year ended December 31, 2021, and we will issue our report thereon dated [Date]. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards (and, if applicable, *Government Auditing Standards* and the Uniform Guidance), 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 December 10, 2021. 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 The College Settlement of Philadelphia d/b/a College Settlement 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 2021. We noted no transactions entered into by the Organization 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 value of the Organization's investments is based on the fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. We evaluated the key factors and assumptions used to develop the fair value of the investments in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate used to allocate the Organization's functional expenses between program services and management and general and fundraising is based upon time and cost, time and effort or square footage. We evaluated the key factors and assumptions used to develop the allocation in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the useful lives of depreciable assets is based on the expected useful life of the related asset acquired. We evaluated the key factors and assumptions used to

develop the useful lives in determining that it is 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 were:

The disclosure of availability and liquidity of the Organization's financial assets in Note 3 to the financial statements which discloses the Organization's financial assets as well as its goal to generally maintain sufficient financial assets to meet its general expenditures, liabilities and other general obligations over the next twelve months.

The disclosure of fair value measurements of the Organization's investments in Note 4 to the financial statements which discloses the framework for measuring fair value and the fair value hierarchy.

The disclosure of related party transactions in Note 6 to the financial statements which discloses the Organization's transaction with the Henry J. Willemmina B. Kuhn Day Camp d/b/a Summer Camps at College Settlement.

The disclosure of net assets with and without donor restrictions in Note 7 and 8 to the financial statements which discloses amounts that are undesignated, board designated, or subject to donor restrictions.

The disclosure of the Organization's funds in trust in Note 10 to the financial statements which discloses the Organization as an income beneficiary to a portion of assets contained in a trust under control of unrelated trustees as stipulated by terms of the will and codicil to the will of Elizabeth R. England.

The disclosure of board designated capital reserve in Note 11 to the financial statements which discloses the amounts designated by the Organization's board of trustees.

The disclosure of Paycheck Protection program "PPP" loan and forgiveness in Note 12 to the financial statements which discloses the details of the PPP loan and requirements.

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. Management has corrected all such misstatements. No misstatements were identified during the course of the audit.

Disagreements with Management

For purposes of this letter, a disagreement with management is a disagreement on 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 [Date of Management Representation Letter].

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.

This information is intended solely for the use of the Board of Trustees of The College Settlement of Philadelphia d/b/a College Settlement and is not intended to be, and should not be, used by anyone other than these specified parties.

Very truly yours,

Brinker Simpson & Company, LLC