To the Board of Directors
Prevent Blindness Wisconsin, Inc.
Milwaukee, Wisconsin

In planning and performing our audit of the financial statements of Prevent Blindness Wisconsin, Inc. (“Organization”) as of and for the year ended March 31, 2020, in accordance with auditing standards generally accepted in the United States of America, we considered Prevent Blindness Wisconsin, Inc.’s internal control over financial reporting (“internal control”) as a basis for designing 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.

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 and correct 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 on a timely basis.

Our consideration of internal control was for the limited purpose described in the first 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 significant deficiencies.

- One or more audit adjustments were required to prevent the Organization’s financial statements from being materially misstated. This is indicative that controls may be inadequate to ensure the proper recording of all of the Organization’s financial transactions in accordance with accounting principles generally accepted in the United States (“U.S. GAAP”). This condition represents a significant deficiency in internal controls. We recommend that management review the nature of these entries in order to determine if these types of adjustments could be made during the year as part of the ordinary financial reporting process. This would reduce the likelihood of this comment in the future and also increase the accuracy of interim financial statements.

We have audited the financial statements of Prevent Blindness Wisconsin, Inc. for the year ended March 31, 2020 and have issued our report thereon dated. June 30, 2020. 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 January 8, 2020. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by Prevent Blindness Wisconsin, Inc. are described in Note 1 to the financial statements, the Organization changed accounting policies during the year related to the following adoptions:

- A new accounting standard was adopted in the current year for Accounting Standards Update (ASU) 2016-14, Financial Accounting Standards Board ("FASB") Update Topic 606 – *Revenue from Contracts with Customers.* Accordingly, the accounting change has been retrospectively applied to prior periods presented as if the policy had always been used

- FASB Update 2018-08 (Topic 958)– *Clarifying the Scope and the Accounting Guidance for Contributions Received and Contributions Made.* Accordingly, the accounting change has been applied on a modified prospective basis

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

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 fixed asset lives and depreciation expense. Depreciation expense is calculated using the straight-line method over the assets' estimated useful lives.

- Management's estimate of allocation of expenses by function. Cost allocations use standard percentages established in the Organization's accounting manual.

We evaluated the key factors and assumptions used to develop the aforementioned estimates in determining that they are reasonable in relation to the financial statements taken as a whole.

Financial Statement Disclosures

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

- The disclosure of the net assets with donor restrictions and the permanently restricted endowment in Notes 7 and 8 to the financial statements, respectively. The Organization must monitor contributions for specific donor restrictions as well as track related expenses to properly release these net assets from restriction as they are used for the donors' intended purpose.

The financial statement disclosures are neutral, consistent, and clear.

Significant Audit Findings (continued)

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 known and likely misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. The audit entries are attached to this letter.

Disagreements with Management

For purposes of this letter, 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.

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

Segregation of Duties

Internal control risks relating to proper segregation of duties will always be higher in an organization with a smaller number of staff. As auditors, we evaluate this risk relative to the size of the Organization. We noted that management has taken certain steps to address these risks such as the implementation of the electronic banking, hiring of an accounting consultant, and the involvement of the board treasurer. However, it is still important for management to be aware that the most effective controls rest in management's knowledge and monitoring of matters relating to the Organization's financial affairs.

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 Directors and management of Prevent Blindness Wisconsin, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Reilly, Penner & Benton LLP

June 30, 2020
Milwaukee, Wisconsin

Client:	***3250 - Prevent Blindness Wisconsin, Inc.***
Engagement:	***3250.000 - Audit 19-20 Prevent Blindness***
Period Ending:	***3/31/2020***
Trial Balance:	***TB-1 - Trial Balance Database***
Workpaper:	

Account	Description	Debit	Credit
Adjusting Journal Entries JE # 1001			
To reverse client entry that recognized pledge receivable from revenue to deferred revenue (should be recognized as revenue in FY20 and reflected as time restricted net assets).			
250	Deferred Revenue	160,000.00	
406.3	Grants:Foundation		160,000.00
Total		**160,000.00**	**160,000.00**
Adjusting Journal Entries JE # 1002			
To move receipts for FY2021 golf outing to deferred revenue.			
403.51	Golf Event:Golf Income	3,800.00	
250	Deferred Revenue		3,800.00
Total		**3,800.00**	**3,800.00**
Adjusting Journal Entries JE # 1003			
To record proper accrual for NACDD grant receivable			
406.4	Grants:Government Grants	29,869.99	
131	Contributions Receivable		29,869.99
Total		**29,869.99**	**29,869.99**
Adjusting Journal Entries JE # 1004			
To adjust CD balances for interest earned.			
119	CD - Ixonia Bank	2,263.33	
123	CD - First Business Bank	1,798.48	
480	Interest Income		4,061.81
Total		**4,061.81**	**4,061.81**
Adjusting Journal Entries JE # 1005			
To record April rent paid prior to 3/31/20 as a prepaid expense.			
140	PRE PAID EXPENSE	2,063.00	
584	Occupancy/Parking		2,063.00
Total		**2,063.00**	**2,063.00**
Adjusting Journal Entries JE # 1006			
To adjust the balance of deferred rent account for FY20.			
584	Occupancy/Parking	2,726.80	
252	Deferred Rent Liability		2,726.80
Total		**2,726.80**	**2,726.80**

Adjusting Journal Entries JE # 1007			
To capitalize software purchases			
180	Office Equipment	9,446.00	
569	Computer Equipment		9,446.00
Total		**9,446.00**	**9,446.00**

Adjusting Journal Entries JE # 1008			
To record CY fixed asset disposals.			
181	Accm Deprec - Office Equip	1,813.34	
180	Office Equipment		1,813.34
Total		**1,813.34**	**1,813.34**

Adjusting Journal Entries JE # 1009			
To record current year depreciation.			
593	Deprec/Amoritization	14,504.33	
181	Accm Deprec - Office Equip		14,504.33
Total		**14,504.33**	**14,504.33**

Adjusting Journal Entries JE # 1010			
To adjust accrued vacation balance to actual.			
570	Salaries	156.35	
220	Accrued Sick & Vacation		156.35
Total		**156.35**	**156.35**

Passed Adjusting Journal Entries

The effect of the passed adjustment is immaterial to the financial statements as a whole.

Proposed JE # 3001			
Passed adjusting entry - to account for copier lease as a capital lease.			
180	Office Equipment	3,915.12	
593	Deprec/Amoritization	1,067.76	
255	Capital Lease		3,915.12
586	EquipRental/Maint		1,067.76
Total		**4,982.88**	**4,982.88**