



September 13, 2019

To the Board of Directors
c/o Mr. Kurt Ferguson
Lower Makefield Community Foundation
1100 Edgewood Road
Yardley, PA 19067

You have requested that we prepare the financial statements of Lower Makefield Community Foundation, which comprise the statement of assets, liabilities and net assets—cash basis as of June 30, 2019, and the related statements of support, revenue and expenses—cash basis, for the year then ended, and perform a compilation engagement with respect to those financial statements. We are pleased to confirm our acceptance and our understanding of this engagement by means of this letter.

OUR RESPONSIBILITIES

The objective of our engagement is to:

1. Prepare financial statements in accordance with the cash basis of accounting based on information provided by you; and
2. Apply accounting and financial reporting expertise to assist you in the presentation of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements in order for them to be in accordance with the cash basis of accounting.

We will conduct our compilation engagement in accordance with Statements on Standards for Accounting and Review Services (SSARs) promulgated by the Accounting and Review Services Committee of the AICPA and comply with the AICPA's Code of Professional Conduct, including the ethical principles of integrity, objectivity, professional competence and due care.

A compilation differs significantly from a review or an audit of financial statements. A compilation does not contemplate performing inquiry, analytical review procedures, or other procedures performed in a review. Consequently, the information provided by management will not be verified, corroborated, reviewed, or audited. Additionally, a compilation does not contemplate obtaining an understanding of the entity's internal control; assessing fraud risk; tests of accounting records by obtaining sufficient appropriate audit evidence through inspection, observation, confirmation, the examination of source documents; or other procedures ordinarily performed in an audit. Therefore, a compilation does not provide a basis for expressing any level of assurance on the financial statements being compiled. Because we are performing our compilation work as accountants rather than as auditors, Lower Makefield Community Foundation should not record or describe our services as an "audit" or "auditing" in its minutes or books of record.

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Our engagement cannot be relied upon to identify or disclose any financial statement misstatements, including those caused by fraud or error, or to identify or disclose any wrongdoing within the entity or noncompliance with laws and regulations.

YOUR RESPONSIBILITIES

The engagement to be performed is conducted on the basis that you acknowledge and understand that our role is to prepare financial statements in accordance with the cash basis of accounting and assist you in the presentation of the financial statements in accordance with the cash basis of accounting. You have the following overall responsibilities that are fundamental to our undertaking the engagement in accordance with SSARs:

1. The selection of the cash basis of accounting as the financial reporting framework to be applied in the preparation of the financial statements.
2. The preparation and fair presentation of financial statements in accordance with the cash basis of accounting.
3. The inclusion of all informative disclosures that are appropriate for the cash basis of accounting. This includes:
 - a. A description of the cash basis of accounting, including a summary of significant accounting policies and how the cash basis of accounting differs from accounting principles generally accepted in the United States of America, the effects of which need not be quantified; and
 - b. Informative disclosures similar to those required by accounting principles generally accepted in the United States of America.
4. The design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements.
5. The prevention and detection of fraud.
6. To ensure that the entity complies with the laws and regulations applicable to its activities.
7. The accuracy and completeness of the records, documents, explanations and other information, including significant judgments, you provide to us for the engagement.

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8. To provide us with:
 - a. Access to all information of which you are aware is relevant to the preparation and fair presentation of the financial statements, such as records, documentation and other matters.
 - b. Additional information that we may request from you for the purpose of the compilation engagement.
 - c. Unrestricted access to persons within the entity with whom we determine it necessary to make inquiries.

You are also responsible for all management decisions and responsibilities and for designating an individual with suitable skills, knowledge and experience to oversee our preparation of your financial statements. You are responsible for evaluating the adequacy and results of the services performed and accepting responsibility for such services.

OUR REPORT

As part of our engagement, we will issue a report stating that we did not audit or review the financial statements and that, accordingly, we do not express an opinion, a conclusion, nor provide any assurance on them.

You agree to include our accountant's compilation report in any document containing financial statements indicating that we have performed a compilation engagement on such financial statements and, prior to inclusion of the report, ask our permission to do so.

OTHER RELEVANT INFORMATION

As part of our engagement, we will also perform the following nonattest services:

1. Prepare financial statements based on your trial balances.
2. Prepare tax returns, as outlined in a separate engagement letter.

With respect to any nonattest services we perform, Lower Makefield Community Foundation's management is responsible for (a) making all management decisions and performing all management functions; (b) assigning a competent individual to oversee the services; (c) evaluating the adequacy of the services performed; (d) evaluating and accepting responsibility for the results of the services performed; and (e) establishing and maintaining internal controls, including monitoring ongoing activities.

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If, for any reason, we are unable to complete the compilation of your financial statements, no report will be issued on such statements as a result of this engagement.

Edward J. Furman, CPA, is the engagement partner for the compilation services specified in this letter. His responsibilities include supervising Maillie LLP's services performed as part of this engagement and signing or authorizing another qualified firm representative to sign the accountants' report.

OTHER

Our fee for these services will be based upon the number of hours required by the staff assigned to complete the engagement. Our invoices for these fees will be rendered as work progresses and are payable upon presentation. In accordance with our firm policies, work may be suspended if your account becomes 30 days or more overdue and will not resume until your account is paid in full. Lower Makefield Community Foundation further acknowledges and agrees that in the event we stop work or withdraw from this engagement as a result of Lower Makefield Community Foundation's failure to pay on a timely basis for services rendered as required by this engagement letter, we will not be liable for any damages that occur as a result of our ceasing to render services.

If we elect to terminate our services for nonpayment, our engagement will be deemed complete upon written notification of termination, even if we have not completed our report. You will be obligated to compensate us for all time expended and to reimburse us for all out-of-pocket expenditures through the date of termination.

It is our policy to keep records related to this engagement for seven years. Original client records will be returned to you at the completion of the services rendered under this engagement. When records are returned to you, it is your responsibility to retain and protect your records for any future use, including potential examination by government or regulatory agencies. By your signature below, you acknowledge and agree that upon the expiration of the seven year period, Maillie LLP shall be free to destroy our records related to this engagement.

You agree to release, indemnify, defend and hold us harmless from any liability or costs, including attorney's fees, resulting from management's knowing misrepresentations to us.

We look forward to a continued relationship with your organization. We are available to discuss the contents of this letter or other professional services you may desire.



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Please sign and return the attached copy of this letter to indicate your acknowledgement of, and agreement with, the arrangements for our engagement to prepare the financial statements described herein and to perform a compilation engagement with respect to those same financial statements, and our respective responsibilities.

Respectfully,

MAILLIE LLP

Edward J. Furman, CPA

RESPONSE:

This letter correctly sets forth our understanding.

LOWER MAKEFIELD COMMUNITY FOUNDATION

Acknowledged and agreed on behalf of **Lower Makefield Community Foundation** by:

Title: ~~CPA~~ 9-13-19