



September 17, 2014

To the Finance Committee and Board of Trustees
Habitat for Humanity of Summit County, Inc.
2301 Romig Road
Akron, Ohio 44320

Re: SAS 114 – Communication with Those Charged with Governance

We have audited the financial statements of Habitat for Humanity of Summit County, Inc. (“the Organization”) for the year ended March 31, 2014, and have issued our report thereon dated September 17, 2014. 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 February 15, 2014. 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 the Organization are described in Note 1 to the financial statements.

The policy for valuing ReStore inventory was reviewed and an estimate of retail value based on subsequent sales and inventory turnover was used to estimate the value of ReStore inventory at year end. Restore inventory will be adjusted annually to be in conformity with general accepted accounting principles.

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:

1. Management’s estimate of the discount on current mortgage receivables is based on a present value calculation using the prevailing interest rates, as determined by Habitat for Humanity International, Inc., in the period of origination and payment terms defined in the mortgage. A portion of the discount is amortized as interest income each year the mortgage is outstanding. We evaluated the key factors and assumptions used to develop the discount on current mortgage receivables in determining it is reasonable in relation to the financial statements taken as a whole.

2. Management's estimate of the value of in-kind donations, excluding ReStore Inventory, is based on an estimated fair market value, as determined by management, at the time of receipt. ReStore inventory is evaluated at year end and estimated based on subsequent sales and estimated inventory turnover. We evaluated the key factors and assumptions used to develop the value of in-kind donations in determining it is reasonable in relation to the financial statements taken as a whole.

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. Management has corrected all such misstatements.

The attached schedule summarizes material misstatements detected as a result of audit procedures, corrected by management.

Disagreements with Management

For purposes of this letter, professional standards define 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.

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.

Habitat for Humanity of Summit County, Inc.
September 17, 2014
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This information is intended solely for the use of the body charged with governance and management of the Organization and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

A handwritten signature in blue ink that reads "Meaden & Moore Ltd." in a cursive script.

Meaden & Moore, Ltd.