



KOSITZKA, WICKS & COMPANY  
*Certified Public Accountants*

September 14, 2012

To the Board of Directors  
College Savings Foundation  
2111 Wilson Boulevard  
Suite 700  
Arlington, Virginia 22201

We have audited the financial statements of College Savings Foundation (the Foundation) for the year ended December 31, 2011, and have issued our report thereon dated September 14, 2012. Professional standards require that we provide you with the following information related to our audit.

Our Responsibility under U.S. Generally Accepted Auditing Standards

As stated in our engagement letter dated May 25, 2012, our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with U.S. generally accepted accounting principles. Our audit of the financial statements does not relieve you or management of your responsibilities.

Planned Scope and Timing of the Audit

We performed the audit according to the planned scope and timing previously communicated to you.

Significant Audit Findings

*Qualitative Aspects of Accounting Practice*

Management is responsible for the selection and use of appropriate accounting policies. In accordance with the terms of our engagement letter, we will advise management about the appropriateness of accounting policies and their application. The significant accounting policies used by the Foundation are described in Note 2 to the financial statements. 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.

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.

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The most sensitive estimate affecting the financial statements was:

Allocation of Expenses

The allocation of expenses by program or administration is based on management's estimates of the use of resources and service efforts during the year. Expenses are charged to program, administration or fundraising based on a combination of specific identification and allocation by management. We evaluated the key factors and assumptions used to develop the statement of functional expenses in determining that it is reasonable in relation to the financial statements taken as a whole.

The disclosures in the financial statements are neutral, consistent, and clear. Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. No significant disclosures were identified.

*Difficulties Encountered in Performing the Audit*

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

*Corrected 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. A schedule of adjustments is attached.

*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 Representation*

We have requested certain representations from management that are included in the management representation letter dated September 14, 2012.

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*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.

*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 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.

This information is intended solely for the use of the Board of Directors and management of College Savings Foundation and affiliate and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,

Kositzka, Wicks and Company

By: *Cynthia B. Laporta*  
Cynthia B. Laporta, CPA

Client: **12084-001 - College Savings Foundation**  
 Engagement: **12084-001 - 2011 College Savings Foundation Audit Binder**  
 Period Ending: **12/31/2011**  
 Trial Balance: **WTB - Working Trial Balance**  
 Workpaper: **AJE - Adjusting Journal Entries Report**

Account	Description	W/P Ref	Debit	Credit
<b>Adjusting Journal Entries JE # 1</b>		<b>NN-01/1</b>		
To tie retained earnings to PY balance				
4010	Reconciling Discrepancies		2,425.00	
4102	Board Membership Renewal		22,500.00	
5001	2011 Conference: Hotel and Catering		6,625.00	
5630.42	Internet Website: Professional Fees		305.00	
3900	Retained Earnings			30,355.00
4001	2011 Conference: Ads			500.00
4002	2011 Conference: Registration			1,000.00
<b>Total</b>			<b>31,855.00</b>	<b>31,855.00</b>
<b>Adjusting Journal Entries JE # 2</b>		<b>315-03</b>		
To record December 2011 Davis & Harman expenses as a payable, incorrectly recorded as 2012 expenses				
5201	Davis & Harman: Other		10,000.00	
5202	Davis & Harman: Reimbursable Travel		30.00	
5203	Davis & Harman: Food and Beverage		456.93	
2010	Accounts Payable			10,486.93
<b>Total</b>			<b>10,486.93</b>	<b>10,486.93</b>
<b>Adjusting Journal Entries JE # 3</b>		<b>GG-1, E-1</b>		
To reverse PY entries PDW Bob Stocker				
1450	Prepaid Expenses		6,625.00	
2070	Deferred Conference Income		1,400.00	
4001	2011 Conference: Ads		500.00	
4002	2011 Conference: Registration		1,000.00	
2070	Deferred Conference Income			1,500.00
4007	2010 Conference: Registration			1,400.00
5001	2011 Conference: Hotel and Catering			6,625.00
<b>Total</b>			<b>9,525.00</b>	<b>9,525.00</b>
<b>Adjusting Journal Entries JE # 4</b>		<b>AA-2</b>		
To record 2011 expenses from RomneyCom invoice				
5501	Public Relations: Misc. Reimbursables		182.54	
5502	Public Relations: Reimbursable Travel		588.63	
2010	Accounts Payable			771.17
<b>Total</b>			<b>771.17</b>	<b>771.17</b>
<b>Adjusting Journal Entries JE # 5</b>		<b>GG-2</b>		
To record deferred dues at 12/31/11				
4101	Board Membership New		13,333.33	
4102	Board Membership Renewal		60,000.00	
4104	General Membership Renewal		9,166.67	
4105	Sustaining Membership New		812.50	
4106	Sustaining Membership Renewal		3,333.33	
4107	Associate Membership New		625.00	
4108	Associate Membership Renewal		3,333.33	
2060	Deferred Dues			90,604.16
<b>Total</b>			<b>90,604.16</b>	<b>90,604.16</b>
<b>Adjusting Journal Entries JE # 6</b>		<b>F-01</b>		
To write-off undeposited funds never cleared				
4010	Reconciling Discrepancies		2,300.00	
0010	Undeposited Funds			2,300.00
<b>Total</b>			<b>2,300.00</b>	<b>2,300.00</b>