



January 27, 2016

Frank, Rimerman + Co. LLP  
1801 Page Mill Road  
Palo Alto, California 94304

This representation letter is provided in connection with your audit of the financial statements of Team San Jose (the Organization), which comprise the statements of financial position as of June 30, 2015, and the related statements of activities, and cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America (GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of the date of this letter, the following representations made to you during your audit.

#### **Financial Statements**

- We have fulfilled our responsibilities, as set out in the terms of the audit arrangement letter dated July 10, 2015, including our responsibility for the preparation and fair presentation of the financial statements.
- The financial statements referred to above are fairly presented in conformity with GAAP.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.

Team San Jose  
408 Almaden Boulevard  
San Jose, CA 95110

**Financial Statements (continued)**

- The assumptions and allocation methods used to classify expenses in the statement of activities on a functional basis are reasonable and appropriate and result in an accurate accounting of the Organization's programs and services.
- All related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of GAAP.
- All events subsequent to the date of the financial statements and for which GAAP requires adjustment or disclosure have been adjusted or disclosed.
- We are in agreement with the adjusting journal entries you have proposed, and they have been posted to the company's accounts. The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole.
- We are not aware of an actual or possible litigation, claims, and assessments that would be required to be accounted for or disclosed in accordance with GAAP.
- Material concentrations have been properly disclosed in accordance with GAAP.
- Guarantees, whether written or oral, under which the Organization is contingently liable, have been properly recorded or disclosed in accordance with GAAP.
- Arrangements with financial institutions involving compensating balances or other arrangements involving restrictions on cash balances, line of credit, or other similar arrangements have been properly disclosed.
- Receivables recorded in the financial statements represent valid claims against debtors arising from transactions on or before the date of the statement of financial position and have been appropriately reduced to their estimated net realizable value.
- In-kind donations have been recorded at their estimated fair value in accordance with GAAP.
- The methods and significant assumptions used to determine the fair value of financial instruments result in a measure of fair value appropriate for financial statement measurement and disclosure purposes.
- All common expenses have been properly allocated to the appropriate entity.



### **Financial Statements (continued)**

- We have reviewed long-lived assets for impairment whenever events or changes in circumstances have indicated that the carrying amount of the assets might not be recoverable and have determined that an impairment loss has not been incurred.
- All amounts which have been committed for future subsidies have been disclosed.

### **Information Provided**

- We have provided you with:
  - Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
  - Additional information that you have requested from us for the purpose of the audit.
  - Unrestricted access to persons within the Organization from whom you determined it necessary to obtain audit evidence.
- All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- We have no knowledge of any fraud or suspected fraud that affects the Organization and involves:
  - Management,
  - Employees who have significant roles in internal control, or
  - Others where the fraud could have a material effect on the financial statements.
- We have no knowledge of any allegations of fraud or suspected fraud affecting the Organization's financial statements communicated by employees, former employees, analysts, regulators, or others.

**Information Provided (continued)**

- We have made available to you all minutes from meetings held by the Organization's finance committee and Board of Directors, or committees thereof, and summaries of actions of recent meetings for which minutes have not yet been prepared through the date of this letter.
- We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
- We have disclosed to you all known actual or possible litigation, claims, and assessments whose effects should be considered when preparing the financial statements.
- We have disclosed to you the identity of the Organization's related parties and all the related party relationships and transactions of which we are aware.
- The Organization has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral, except as disclosed in the financial statements.
- The Organization has no plans or intentions that may materially affect the carrying value or classification of assets, liabilities or net assets balances.
- As part of your audit, you assisted with preparation of the financial statements. We have designated an individual with suitable skill, knowledge, or experience to oversee your services and have made all management decisions and performed all management functions. We have reviewed, approved, and accepted responsibility for those financial statements and related notes.
- We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.
- We have complied with all restrictions on resources and all aspects of contractual and grant agreements that would have a material effect on the financial statements in the event of noncompliance. This includes complying with donor requirements to maintain a specific asset composition necessary to satisfy such restrictions.

**Information Provided (continued)**

- The Organization is a tax exempt organization under Section 501(c) (6) of the Internal Revenue Code. There have been no activities of which we are aware that would jeopardize the Organization's tax-exempt status, and there are no activities subject to tax on unrelated business income or excise or other tax. All required filings with tax authorities are up-to-date.
- No events have occurred subsequent to the date of the statement of financial position and through the date of this letter that would require adjustment to, or disclosure in, the financial statements.

Team San Jose



Janette Sutton  
Chief Financial Officer



Naresh Kapahi  
Director of Finance