Unitarian Universalist Organizations Health Plan

Report to the Board of Trustees

January 21, 2015

McGladrey

Assurance ▪ Tax ▪ Consulting

McGladrey LLP

80 City Square
Boston, MA 02129
O 617.912.9000 **F** 617.912.9001
www.mcgladrey.com

January 21, 2015

Board of Trustees
Unitarian Universalist Organizations Health Plan
40 Farnsworth Street
Boston, Massachusetts 02210

Attention: Board of Trustees

We are pleased to present this report related to our audit of the financial statements of the Unitarian Universalist Organizations Health Plan (the Plan) for the year ended June 30, 2014. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the Unitarian Universalist Organizations Health Plan's financial reporting process.

This report is intended solely for the information and use of the Board of Trustees and management and is not intended to be, and should not be, used by anyone other than these specified parties. It will be our pleasure to respond to any questions you have about this report. We appreciate the opportunity to continue to be of service to the Unitarian Universalist Organizations Health Plan.

McGladrey LLP

Contents

Required Communications

Generally accepted auditing standards (AU-C 260, *The Auditor's Communication With Those Charged With Governance*) require the auditor to promote effective two-way communication between the auditor and those charged with governance. Consistent with this requirement, the following summarizes our responsibilities regarding the financial statement audit as well as observations arising from our audit that are significant and relevant to your responsibility to oversee the financial reporting process.

Area	Comments
Our Responsibilities with Regard to the Financial Statement Audit	Our responsibilities under auditing standards generally accepted in the United States of America have been described to you in our arrangement letter dated June 19, 2014.
Overview of the Planned Scope and Timing of the Financial Statement Audit	We have issued a separate communication, dated June 19, 2014, regarding the planned scope and timing of our audit and have discussed with you our identification of and planned audit response to significant risks of material misstatement.
Accounting Policies and Practices	**Preferability of Accounting Policies and Practices** Under generally accepted accounting principles, in certain circumstances, management may select among alternative accounting practices. In our view, in such circumstances, management has selected the preferable accounting practice. **Adoption of, or Change in, Accounting Policies** Management has the ultimate responsibility for the appropriateness of the accounting policies used by the Plan. Following is a description of significant accounting policies or their application that were either initially selected or changed during the year. In October 2012, the FASB issued ASU 2012-04, *Technical Corrections and Improvements* ("ASU 2012-04"). The amendments in this Update cover a wide range of Topics in the Accounting Standards Codification, including plan accounting. These amendments include technical corrections and improvements to the Accounting Standards Codification and conforming amendments related to fair value measurements. The amendments in this update will generally be effective for fiscal periods beginning after December 15, 2013, for non public entities, except for amendments in this update where there was no transition guidance which were immediately effective upon issuance. The adoption of immediately effective amendments was not significant to these financials. The impact of adopting ASU 2012-04 on subsequent periods has not yet been determined. **Significant or Unusual Transactions** We did not identify any significant or unusual transactions or significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus. **Management's Judgments and Accounting Estimates** Summary information about the process used by management in formulating particularly sensitive accounting estimates and about our conclusions regarding the reasonableness of those estimates is in the attached Summary of Significant Accounting Estimates.

Area	Comments
Audit Adjustments	Audit adjustments recorded are shown on the attached Summary of Recorded Audit Adjustments.
Uncorrected Misstatements	Uncorrected misstatements are summarized in the attached Summary of Uncorrected Misstatements.
Other Information in Documents Containing Audited Financial Statements	Our responsibility for other information in documents containing the Plan's audited financial statements is to read the information and consider whether its content or manner of its presentation is materially inconsistent with the financial information covered by our auditor's report or whether it contains a material misstatement of fact. We read the Plan's Form 5500 filing for consistency with information in the financial statements. We have provided our comments to management. We are not aware of other documents that contain the audited financial statements. With respect to the supplemental schedules accompanying the financial statements, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with the United States Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974, the method of preparing it had not changed from the prior period, and the information is appropriate and complete in relation to the financial statements as a whole. We compared and reconciled the supplementary information to the underlying accounting records used to prepare the financial statements, or to the financial statements themselves.
Disagreements with Management	We encountered no disagreements with management over the application of significant accounting principles, the basis for management's judgments on any significant matters, the scope of the audit, or significant disclosures to be included in the financial statements.
Consultations with Other Accountants	We are not aware of any consultations management had with other accountants about accounting or auditing matters.
Significant Issues Discussed with Management	No significant issues arising from the audit were discussed with or the subject of correspondence with management.
Significant Difficulties Encountered in Performing the Audit	We did not encounter any significant difficulties in dealing with management during the audit.
Significant Written Communications between Management and Our Firm	Copies of significant written communications between our firm and the management of the Plan provided to us by management, are attached as Exhibit A.

Unitarian Universalist Organizations Health Plan
Summary of Significant Accounting Estimates
Year Ended June 30, 2014

Accounting estimates are an integral part of the preparation of financial statements and are based upon management's current judgment. The process used by management encompasses their knowledge and experience about past and current events and certain assumptions about future events. You may wish to monitor throughout the year the process used to determine and record these accounting estimates. The following describes the significant accounting estimates reflected in the Plan's June 30, 2014 financial statements.

Estimate	Accounting Policy	Management's Estimation Process	Basis for Our Conclusions on Reasonableness of Estimate
Investment Valuation and Income Recognition	Investments are reported at fair value. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.	Money market funds are valued at quoted net asset value. Certificates of deposit are priced using pricing models which consist of a compilation of inputs from observable market information, including broken quotes, recent trades, supply information, benchmark yields (treasury curves), and security specific historic information, returns and yields. Governmental obligations are valued using bond pricing models consisting of observable market inputs including broken quotes, recent trades, and specific historical information on returns and yields.	We believe that management's policy and estimation process for the valuation of investments is reasonable.
Administrative Expenses	The Plan fully reimburses the Plan Sponsor for allocated costs and overhead incurred by the Plan during the year.	Estimated overhead is allocated to the Plan based on allocated salary and benefit amounts for specific management personnel involved with the Plan and for a percentage of the sponsor budgeted expenses based on square footage usage.	Based on our audit procedures, the method used to estimate overhead appears reasonable.
Incurred but not	The Plan records a	The Plan uses the	Based on our audit

Reported Claims (IBNR)	liability for claims which have been incurred during the plan year but not reported prior to the Plan year end.	services of an actuary to calculate the IBNR liability. The actuary incorporates management lag reports and other historical information to estimate the amount of claims which were incurred but not reported.	procedures, the method used to estimate the IBNR liability appears reasonable at June 30, 2014.

Unitarian Universalist Organizations Health Plan
Summary of Recorded Audit Adjustments
Year Ended June 30, 2014

Description	Effect—Increase (Decrease)				
	Assets	Liabilities	Net Assets	Additions	Deductions
Entry to record accrued interest on Eastern Bank investment account	$ 16,686	$ -	$ 16,686	$ 16,686	$ -
Entry to record uncollectible Accounts Receivable	(25,182)	$ -	$ (25,182)	$ (25,182)	$ -
Total effect				$ (8,496)	$ -
Effect on net assets	$ (8,496)	$ -	$ (8,496)		

Unitarian Universalist Organizations Health Plan
Summary of Uncorrected Misstatements
Year Ended June 30, 2014

During the course of our audit, we accumulated uncorrected misstatements that were determined by management to be immaterial, both individually and in the aggregate, to the statements of net assets available for benefits and changes in net assets available for benefits and to the related financial statement disclosures. Following is a summary of those differences.

	Effect—Increase (Decrease)				
Description	Assets	Liabilities	Net Assets	Additions	Deductions
Prior year unrecorded accrued investment income	$ -	$ -	$ -	$ (15,406)	$ -
Record Accounts Receivable in line with CDS data as of June 30, 2014	(18,845)	-	(18,845)	(18,845)	-
Reclassify credits in Accounts Receivable to Accounts Payable	11,435	11,435	-	-	-
Total effect				$ (34,251)	$ -
Effect on net assets	$ (7,410)	$ 11,435	$ (18,845)		

Exhibit A—Significant Written Communications between Management and Our Firm

McGladrey LLP

80 City Square
Boston, MA 02129
O 617.912.9000 F 617.912.9001
www.mcgladrey.com

June 19, 2014

Board of Trustees
Attn: Mr. Timothy Brennan
Unitarian Universalist Association
24 Farnsworth Street
Boston, Massachusetts 02210

Attention: Timothy

The Objective and Scope of the Audit

You have requested that we audit the financial statements of Unitarian Universalist Organizations Health Plan (the Plan), which comprise the statements of net assets available for plan benefits and of plan obligations as of June 30, 2014 and 2013 and the related statements of changes in net assets available for plan benefits and of changes in benefit obligations for the years then ended and the related notes to the financial statements.

You have also requested that we report on whether the supplemental schedule of assets held at year end required by the Department of Labor's (DOL) Rules and Regulations for Reporting and Disclosure under Employee Retirement Income Security Act of 1974 (ERISA) are fairly stated, in all material respects, in relation to the financial statements as a whole, all of which are to be included in the Form 5500 filed with the DOL. The supplemental schedules are presented for purposes of additional analysis and are not a required part of the financial statements.

We are pleased to confirm our acceptance and our understanding of this audit engagement by means of this letter.

Our audit will be conducted with the objective of our expressing an opinion on the financial statements, and to report on whether the supplemental schedule are fairly stated, in all material respects, in relation to the financial statements as a whole.

The Responsibilities of the Auditor

We will conduct our audit in accordance with auditing standards generally accepted in the United States of America (GAAS). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant

2. That it believes the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Management and the Plan Administrator are responsible for identifying and ensuring that the Plan complies with the laws and regulations applicable to its activities, and for informing us about all known material violations of such laws or regulations. In addition, the management and the Plan Administrator are responsible for the design and implementation of programs and controls to prevent and detect fraud, and for informing us about all known or suspected fraud affecting the Plan involving management, employees who have significant roles in internal control, and others where the fraud could have a material effect on the financial statements. Management and the Plan Administrator are also responsible for informing us of its knowledge of any allegations of fraud or suspected fraud affecting the Plan received in communications from employees, former employees, participants, regulators, beneficiaries, service providers, third-party administrators, or others.

Management is responsible for adjusting the financial statements to correct material misstatements and for affirming to us in the representation letter that the effects of any uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Management and the Plan Administrator are responsible for the preparation of the supplemental schedule in accordance with DOL's Rules and Regulations under ERISA. The Plan Administrator agrees to include the auditor's report on the supplemental schedule in any document that contains the supplemental schedule and that indicates that the auditor has reported on such supplemental schedule. The Plan Administrator also agrees to only present the supplemental schedule together with the audited financial statements and the auditor's report thereon.

Although we may assist in drafting the financial statements and supplemental schedule, in whole or in part, based on information provided to us by management during the performance of the audit, management acknowledges and understands that it maintains responsibility for the preparation and fair presentation of the financial statements and supplemental schedule.

The Board of Trustees is responsible for informing us of its views about the risks of fraud within the Plan, and its knowledge of any fraud or suspected fraud affecting the Plan.

You agree that you will not include our reports, or otherwise make reference to us, in any public or private securities offering without first obtaining our permission. Any such request is also a matter for which separate arrangements will be necessary. After obtaining our permission, you also agree to provide us with printer's proofs or masters of such offering documents for our review and approval before printing and with a copy of the final reproduced material for our approval before it is distributed.

Because the Firm will rely on the Plan Administrator, Plan Sponsor, and its management and Board of Trustees to discharge the foregoing responsibilities, the Plan Sponsor and its management holds harmless and releases the Firm, its partners and employees from all claims, liabilities, losses, and costs arising in circumstances where there has been a knowing misrepresentation by a member of the Plan sponsor's management which has caused, in any respect, the Firm's breach of contract or negligence. This provision shall survive the termination of this arrangement for services.

sufficient nor intended to determine that the Form 5500 is completely and accurately prepared. Further, any suggestions we might make do not constitute tax advice. The preparer of the Form 5500 and you will be responsible for all decisions regarding the Form 5500 and any tax positions reported on that form. In the event that our auditor's report is issued prior to our having read the Plan's Form 5500, you agree not to attach our auditor's report to the financial statements included with the Form 5500 filing until we have read the completed Form 5500.

In the event that an inquiry is received from the DOL or IRS regarding the Form 5500 or the financial statements that are made a part of that filing, you agree to provide a copy of such inquiry to us as soon as possible following its receipt. Further, you agree to provide us with a draft of your response to any such correspondence prior to mailing.

Fees, Costs, and Access to Workpapers

Our fees for the audit and accounting services described above are based on the value of the services performed and the time required by the individuals assigned to the engagement, plus direct expenses. Our fee estimate and completion of our work is based upon the following criteria:

a. Anticipated cooperation from your personnel

b. Timely responses to our inquiries

c. Timely completion and delivery of client assistance requests

d. Timely communication of all significant accounting and financial reporting matters

e. The assumption that unexpected circumstances will not be encountered during the engagement

Our fees for this engagement will be $40,100, plus out-of-pocket expenses. If any of the aforementioned criteria are not met, (including discovery of significant recordkeeping problems, SOC 1 reports that are qualified or otherwise cannot be relied upon, suspected violations of ERISA or DOL regulations, or issues that cause the Plan's qualified tax status to be questioned), then fees may increase. Interim billings will be submitted as work progresses and as expenses are incurred. Billings are due upon submission. The payment schedule for the aforementioned services is as follows:

First progress billing	Engagement Acceptance	$15,000
Second progress billing	Fieldwork Commencement	$15,000
Final billing	Draft Issuance of Financial Statements	$11,100
Total		$41,100

You may terminate the arrangement at any time by written notice to us. Termination for any reason will not affect your obligation to pay us for fees and expenses incurred prior to termination or in transferring files to and otherwise cooperating with any successor auditor. All provisions of this arrangement will survive termination or cancellation, except that *(a)* we will not have any obligation to provide services after termination and *(b)* you will not have any obligation to pay us for any services that we perform after termination, except for costs incurred to cooperate with a successor auditor or regulatory agency subpoena or inquiry.

Please sign and return the attached copy of this letter to indicate your acknowledgment of, and agreement with, the arrangements for our audit including our respective responsibilities.

Sincerely,

McGladrey LLP

Gregory P. Natalucci
Director

Confirmed on behalf of Unitarian Universalist Organizations Health Plan:

Timothy Brennan
Trustee & Plan Administrator

Date 8/21/14

January 21, 2015

McGladrey LLP
80 City Square
Boston, MA 02129

UNITARIAN
UNIVERSALIST
ASSOCIATION

Timothy Brennan

Treasurer and
Chief Financial Officer

This representation letter is provided in connection with your audits of the financial statements of the Unitarian Universalist Organizations Health Plan (the Plan) which comprise the statements of net assets available for benefits and benefit obligations as of June 30, 2014 and June 30, 2013 and the related statements of changes in net assets available for plan benefits and changes in plan benefit obligations for the years then ended, and the related notes to the financial statements, for the purpose of expressing an opinion on whether the financial statements present fairly, in all material respects, the net assets and changes in net assets in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP).

We confirm, to the best of our knowledge and belief, having made such inquiries as we considered necessary for the purpose of appropriately informing ourselves, that as of the date of this letter:

Financial Statements

1. We have fulfilled our responsibilities, as set out in the terms of the audit arrangement letter dated June 19, 2014, for the preparation and fair presentation of the financial statements referred to above in accordance with U.S. GAAP.

2. 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.

3. We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.

4. Significant assumptions used by us in making accounting estimates, including those measured at fair value, are reasonable and reflect our judgment based on our knowledge and experience about past and current events and our assumptions about conditions we expect to exist and courses of action we expect to take.

   In that regard, we are responsible for the estimation methods and assumptions used in measuring assets and liabilities reported or disclosed at fair value, including information obtained from brokers, pricing services or other third parties.

24 Farnsworth Street, Boston MA 02210-1409 | P (617) 742-2100 | F (617) 948-6475

uua.org

The methods and significant assumptions used to determine fair values of the financial instruments are as follows: Money market funds are valued at quoted net asset value. Certificates of deposit are priced using pricing models which consist of a compilation of inputs from observable market information, including broken quotes, recent trades, supply information, benchmark yields (treasury curves), and security specific historic information, returns and yields. Governmental obligations are valued using bond pricing models consisting of observable market inputs including broken quotes, recent trades and specific historical information on returns and yields.

Our valuation methodologies have been consistently applied from period to period. The methods and assumptions used result in a measure of fair value appropriate for financial statement measurement and disclosure purposes.

5. All significant estimates and material concentrations known to management that are required to be disclosed in accordance with the *Risks and Uncertainties* Topic of the Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) have been properly recorded and/or disclosed in the financial statements. Significant estimates are estimates at the statement of net assets date that could change materially within the next year. Concentrations refer to nature and type of investments held by the Plan, or markets in which events could occur that would significantly disrupt normal finances within the next year.
6. Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
7. Transactions with parties-in-interest, as defined in Employee Retirement Income Security Act of 1974 (ERISA) Section 3(14) and regulations there under, including sales, purchases, loans, transfers, leasing arrangements and guarantees, and amounts receivable from, or payable to related parties have been appropriately accounted for and disclosed.
8. All events subsequent to the date of the financial statements and for which U.S GAAP requires adjustment or disclosure have been adjusted or disclosed.
9. The effects of all known actual or possible litigation and claims have been accounted for and disclosed in accordance with U.S. GAAP.
10. We have no intention to terminate the Plan.
11. We believe that the actuarial assumptions and methods used by the actuary are appropriate in the circumstances. We did not give or cause any instructions to be given to the specialist with respect to the values or amounts derived in an attempt to bias their work, and we are not otherwise aware of any matters that have had an impact on the independence or objectivity of the plan's actuary.
12. As of and for the year ended June 30, 2014, we believe that the effects of the uncorrected misstatements aggregated by you and summarized below are immaterial, both individually and in the aggregate to the financial statements taken as a whole. For purposes of this representation, we consider items to be material, regardless of their size, if they involve the misstatement or omission 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.

	Effect—Increase (Decrease)				
Description	Assets	Liabilities	Net Assets	Additions	Deductions
Prior year unrecorded accrued investment income	$ -	$ -	$ -	$ (15,406)	$ -
Record Accounts Receivable in line	(18,845)	-	(18,845)	(18,845)	-

with CDS data as of June 30, 2014					
Reclassify credits in Accounts Receivable to Accounts Payable	11,435	11,435	-	-	-
Total effect				$ (34,251)	$ -
Effect on net assets	$ (7,410)	$ 11,435	$ (18,845)		

Supplementary Information

13. With respect to supplementary information presented in relation to the financial statements as a whole:
    a. We acknowledge our responsibility for the presentation of such information.
    b. We believe such information, including its form and content, is fairly presented in accordance with Department of Labor's (DOL) Rules and Regulations for reporting and disclosure under ERISA.
    c. The methods of measurement or presentation have not changed from those used in the prior period.
    d. There are no underlying significant assumptions or interpretations regarding the measurement or presentation of such information.
    e. We will only present the supplemental schedules together with the audited financial statements and auditor's report thereon and will not separate the supplementary information from the audited financial statements and auditor's report thereon in any document that contains such information.

Information Provided

14. We have provided you with:
    a. 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;
    b. Additional information that you have requested from us for the purpose of the audit;
    c. Unrestricted access to persons within the Plan from whom you determined it necessary to obtain audit evidence.
    d. The currently effective version of the Plan document, the trust agreement or insurance contracts and all related amendments. The Plan was most recently amended effective July 1, 2010.
    e. All correspondence, filings, reports, and determinations with the Internal Revenue Service (IRS) and the DOL relating to the Plan's compliance with ERISA and the maintenance of its tax-exempt status.
    f. All Plan financial records and related data. In that regard, the payroll information we provided you covered all employees that were eligible to participate in the Plan.
    g. All minutes of the meetings of the Plan's Board of Trustees, or summaries of actions of recent meetings for which minutes have not yet been prepared.
15. All transactions have been recorded in the accounting records and are reflected in the financial statements.
16. The Sponsor's management designated an individual with sufficient skills, knowledge and experience to oversee the financial statement preparation process and to take responsibility for the results of the

financial statement preparation services. This individual performed a detailed review of the financial statements consisting of the following procedures:

- Reconciliation of the general ledger accounts to the financial statements.
- Review and approval of all journal entries proposed by you, including review of supporting documentation and explanations.
- Review the adequacy of financial statement disclosure by review and approval of the disclosure checklist completed by you.
- Review and approval of schedules and calculations supporting the amounts included in the notes to the financial statements.
- Applying analytical procedures to financial statements.

17. We have disclosed to you the results of our assessment of risk that the financial statement may be materially misstated as a result of fraud.
18. We have no knowledge of any fraud or suspected fraud affecting the Plan involving:
    a. Management or employees who have significant roles in the internal control.
    b. Others where the fraud could have a material effect on the financial statements.
19. We have no knowledge of any allegations of fraud or suspected fraud affecting the Plan received in communications from employees, former employees, participants, regulators, beneficiaries, service providers, third-party administrators, or others.
20. We are not aware of any pending or threatened litigation and claims, violations or possible violations of laws and regulations, or other matters, including gain or loss contingencies, whose effects should be considered when preparing the financial statements, and neither we, nor the Plan Sponsor, or others acting on behalf of the Plan, have consulted a lawyer concerning litigation and claims or other matters affecting the Plan.
21. We have disclosed to you the identity of the Plan's related parties and parties in interest and all the related-party and party-in-interest relationships and transactions of which we are aware.
22. We are aware of no significant deficiencies, including material weaknesses, in the design or operation of internal controls that could adversely affect the Plan's ability to record, process, summarize, and report financial data.
23. We have no plans or intentions that may materially affect the carrying value or classification of assets and liabilities.
24. The Plan has satisfactory title to all owned assets which are recorded at fair value, and all liens, encumbrances, or security interests have been properly disclosed.
25. With respect to the actuarial liabilities reflected in the financial statements:
    a. The information provided to the Plan's actuary to perform the valuation is accurate and there have been no omissions from the participants' data provided the Plan's actuary for the purpose of determining the liability for claims incurred but not reported and other actuarially determined amounts in the financial statements.
    b. There have been no changes in the actuarial methods or assumptions used in calculating amounts recorded or disclosed in the financial statements other than those disclosed in the actuary's report and financial statements
    c. There have been no changes in Plan provisions between the actuarial valuation date and the date of this letter.

26. We have answered your questions about the Plan's tax compliance to the best of our knowledge and belief.

27. There have been no communications, whether written or oral, from regulatory agencies concerning non-compliance or deficiencies in the operation of the plan.

28. We have complied with *(a)* all aspects of contractual agreements, including provisions of the Plan, that would have a material effect on the financial statements in the event of noncompliance, *(b)* the fidelity bonding requirements of ERISA, *(c)* all participant eligibility and coverage requirements of the Plan, ERISA and the Internal Revenue Code (IRC), and *(d)* the filing requirements of appropriate agencies.

29. We are not aware of any instances of non-compliance or suspected non-compliance with laws and regulations whose effects should be considered when preparing financial statements.

30. With the advice of the Plan's actuary, we have determined that postretirement benefit obligations related to the Plan are the responsibility of subscribing employers and not of the Plan and therefore no postretirement benefit obligation exists at June 30, 2014.

31. The Internal Revenue Service has determined and informed the sponsor, by a letter dated March 12, 2009, that the Plan is qualified and the trust established under the Plan is tax exempt under the appropriate sections of the IRC. The Plan has been amended since receiving the determination letter. We have operated the plan and trust in a manner that did not jeopardize this tax status.

32. We have reviewed the complementary user entity control considerations of the Service Organization Controls (SOC 1) Report for the following:

    a. CDS Administrators, Inc. dated February 7, 2014 for the period ended December 31, 2013, with a gap letter extending coverage through September 23, 2014;

    b. Highmark Inc. dated December 6, 2013 for the period ended September 30, 2013, with a gap letter extending coverage through December 31, 2013 and dated December 4, 2014 for the period ended September 30, 2014;

    c. Express Scripts Holding Co. dated July 15, 2014 for the period ended May 31, 2014, with a gap letter extending coverage through September 30, 2014;

    d. ADP Autopay Payroll Service Systems dated May 9, 2014 for the period ended March 31, 2014, with a gap letter extending coverage through June 30, 2014;

    e. Eastern Bank dated October 10, 2014 for the period ended June 30, 2014.

33. There are no:

    a. Nonexempt (prohibited) party-in-interest transactions that were not disclosed in the financial statements or supplemental schedules. We have obtained legal advice concerning the administrative expenses of the Plan and believe that we are in compliance with DOL regulations. Furthermore, we understand the regulations set forth by the DOL regarding the prohibition and exemptions of certain administrative expenses and we do not believe that we are, or have been in the past, out of compliance.

    b. Reportable transactions that were not disclosed in the supplemental schedules.

    c. Financial instruments with off-balance sheet risk.

    d. Concentrations of credit risk.

    e. Amendments to plan instruments.

34. During the course of your audit, you may have accumulated records containing data that should be reflected in our books and records. All such data have been so reflected. Accordingly, copies of such records in your possession are no longer needed by us.

Timothy Brennan, Plan Administrator

Jim Sargent, Health Plan Director