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Board of Directors
Poultry Science Association, Inc.
Champaign, Illinois

In planning and performing our audit of the financial statements of the Poultry Science Association, Inc. (Association) as of and for the year ended December 31, 2009, in accordance with auditing standards generally accepted in the United States of America, we considered the Association's internal control over financial reporting (internal control) as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Association's internal control. Accordingly, we do not express an opinion on the effectiveness of the Association's internal control.

Our consideration of internal control was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control that might be significant deficiencies or material weaknesses and, therefore, there can be no assurance that all such deficiencies have been identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses and other deficiencies that we consider to be significant deficiencies.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis.

MATERIAL WEAKNESS

A material weakness is a deficiency, or combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. We consider the following deficiency in Poultry Science Association, Inc.'s internal control to be a material weakness.

Material Journal Entries

Our audit procedures identified a material misstatement of certain financial statement amounts provided to us by management. Management was not aware of the noted misstatement prior to identification of the error. In addition, the Association does maintain sufficient accounting records to support amounts in accordance with accounting principles generally

accepted in the United States of America. Subsequent to identifying this misstatement, we proposed, and management approved, adjusting journal entries, which have corrected the identified misstatement. However, as the Association's system of internal control failed to prevent or detect the misstatement, we consider there to be a material weakness in the Association's internal controls over the preparation of financial statements. In order to address this material weakness we suggest promises to give (pledges receivable) be recorded and adjusted accordingly on a regular basis.

SIGNIFICANT DEFICIENCY

A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance. We consider the following deficiency in the Association's internal control to be a significant deficiency.

Segregation of Duties

During audit procedures, we noted the Administrative Assistant receives checks, prepares the bank deposit slip, and posts the receipts to the IMIS system. The combination of these duties provides the individual in this position with the opportunity to misappropriate checks and record payments to the IMIS system to cover the defalcation.

While the Assistant Executive Director processes the mail, he does not list receipts. To adequately address this segregation of duties situation, we recommend that an individual who has no access to the IMIS system or the general ledger open the mail, list the receipts, and prepare the bank deposit.

We understand that management and the Board of Directors have determined that the costs of initiating such segregation of duties would exceed the benefit derived. That is a valid decision. We are, however, required under professional standards to report the lack of segregation of duties in this area.

OTHER ITEMS

Although this issue is not considered a significant deficiency or material weakness, the following item was identified during the audit:

- The Association pays their Executive Director as an independent contractor. Per review of IRS guidelines, the Executive Director is truly more of an employee role and should be treated as such. Should the Association experience a payroll tax audit and it is determined that the Executive Director is an employee, the Association will be responsible for fines and penalties associated with the misclassification.

This report is intended solely for the information and use of the Board of Directors, management, and others within the Association and is not intended to be and should not be used by anyone other than these specified parties.

Martin, Hood, Friese & Associates, LLC

June 14, 2010