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To the Audit Committee
American Association of Physicists in Medicine
One Physics Ellipse
College Park, MD 20740-3846

We are pleased to present this report related to our audit of the financial statements of American Association of Physicists in Medicine (the Association) for the year ended December 31, 2011. This report summarizes certain matters required by professional standards to be communicated to you in your oversight responsibility for the Association's financial reporting process.

This report is intended solely for the information and use of the Board of Directors, Audit Committee, 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 Association.

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Required Communications

Statement on Auditing Standards No. 114 requires the auditor to communicate certain matters to keep those charged with governance adequately informed about matters related to the financial statement audit that are, in our professional judgment, significant and relevant to the responsibilities of those charged with governance in overseeing the financial reporting process. The following summarizes these communications.

Area	Comments
Auditor's Responsibility Under Professional Standards	Our responsibility under auditing standards generally accepted in the United States of America has been described to you in our arrangement letter dated January 23, 2012.
Accounting Practices	Adoption of, or Change in, Accounting Policies Management has the ultimate responsibility for the appropriateness of the accounting policies used by the Association. The Association did not adopt any significant new accounting policies nor have there been any changes in existing significant accounting policies during the current period 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. Alternative Treatments Discussed with Management We did not discuss with management any alternative treatments within generally accepted accounting principles for accounting policies and practices related to material items during the current audit period.
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 Accounting Estimates."
Audit Adjustments	Audit adjustments recorded by the Association are shown in the attached "Summary of Recorded Audit Adjustments".
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.

Area	Comments
Significant Issues Discussed with Management	No significant issues arising from the audit were discussed or were the subject of correspondence with management
Difficulties Encountered in Performing the Audit	We did not encounter any difficulties in dealing with management during the audit.
Certain Written Communications Between Management and Our Firm	Copies of certain written communications between our firm and the management of the Association are attached as Exhibit A.

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American Association of Physicists in Medicine

Summary of Accounting Estimates

Year Ended December 31, 2011

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 Association's December 31, 2011, financial statements.

Area	Accounting Policy	Estimation Process	Comments
Depreciation	Depreciation is recognized on a straight-line basis over the assets' useful lives.	Useful lives of assets are estimated at 30 years for building and building improvements, and three to ten years for office furniture and equipment.	The estimate process used by management is reasonable.
Postretirement health obligation	Liability is determined by actuarial valuation based on appropriate discount rates and other assumptions.	The discount rate is determined by the estimated return on plan assets in consultation with the plan actuary.	The estimate process used by management is reasonable.
Fair value-U.S. Treasury Obligations	Association's U.S Treasury obligations are priced based on their stated interest rates and quality rating	The Association estimates the fair market value of the U.S. Treasury Obligations based on observable market information rather than market quotes.	The estimate process used by management is reasonable.

American Association of Physicists in Medicine
Summary of Recorded Audit Adjustments
Year Ended December 31, 2011

Description	Effect – Debit (Credit)				
	Assets	Liabilities	Net Assets	Revenue	Expense
To record deferred rent liability	\$ -	\$ (16,634)	\$ -	\$ -	\$ 16,634
To record unrelated business income tax payable*	-	(180,829)	-	-	180,829
To correct accounts payable at year end*	-	(3,878)	-	-	3,878
To properly state accounts receivable at year end*	(11,000)	-	-	11,000	-
	<u>\$ (11,000)</u>	<u>\$ (201,341)</u>	<u>\$ -</u>	<u>\$ 11,000</u>	<u>\$ 201,341</u>

* Entries provided by Management

Exhibit A - Significant Written Communications Between Management and Our Firm

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