



Required Communications
December 31, 2020

April 9, 2021

To the Board of Directors and Management of
Central Florida Chapter, Associated Builders & Contractors, Inc.

We are pleased to present the results of our audit of the 2020 financial statements of Central Florida Chapter, Associated Builders and Contractors, Inc.

This report to the Board of Directors and Management summarizes our audit, the report issued and various analyses and observations related to the Organization's accounting and reporting. The document also contains the communications required by our professional standards.

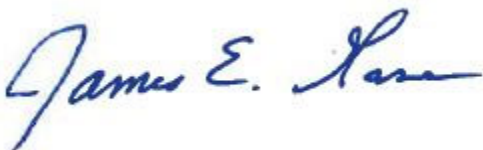
Our audit was designed, primarily, to express an opinion on the Organization's 2020 financial statements. We considered the Organization's current and emerging business needs, along with an assessment of risks that could materially affect the financial statements, and aligned our audit procedures accordingly. We conducted the audit with the objectivity and independence that you, the Board of Directors and Management, expect. We received the full support and assistance of the Organization's personnel.

At Carr, Riggs & Ingram, LLC (CRI), we are continually evaluating the quality of our professionals' work in order to deliver audit services of the highest quality that will meet or exceed your expectations. We encourage you to provide any feedback you believe is appropriate to ensure that we do not overlook a single detail as it relates to the quality of our services.

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

We appreciate this opportunity to work with you. If you have any questions or comments, please contact me at 407-644-7455 or jgase@cricpa.com.

Very truly yours,



James Gase, CPA
Partner



As discussed with the Board of Directors and management during our planning process, our audit plan represented an approach responsive to the assessment of risk for the Organization. Specifically, we planned and performed our audit to:

- Perform audit services, as requested by the Board of Directors, in accordance with auditing standards generally accepted in the United States of America, in order to express an opinion on the Organization's financial statements for the year ended December 31, 2020;
- Communicate directly with the Board of Directors and management regarding the results of our procedures;
- Address with the Board of Directors, and management any accounting and financial reporting issues;
- Anticipate and respond to concerns of the Board of Directors and management; and
- Address other audit-related projects as they arise and upon request.



We have audited the financial statements of Central Florida Chapter, Associated Builders and Contractors, Inc. for the year ended December 31, 2020, and have issued our report thereon dated April 9, 2021. Professional standards require that we provide you with the following information related to our audit:

MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
Auditor's responsibility under Generally Accepted Auditing Standards	<p>As stated in our engagement letter dated November 17, 2020, 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 accounting principles generally accepted in the United States of America (GAAP). Our audit of the financial statements does not relieve you or management of your responsibilities.</p> <p>As part of our audit, we considered the internal control of the Organization. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.</p>
Client's responsibility	<p>Management, with oversight from those charged with governance, is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position, results of operations, and cash flows in conformity with the applicable framework. Management is responsible for the design and implementation of programs and controls to prevent and detect fraud. Management is responsible for overseeing nonaudit services by designating an individual, preferably from senior management, with suitable skill, knowledge, or experience; evaluate the adequacy and results of those services; and accept responsibility for them.</p>
Planned scope and timing of the audit	<p>Our initial audit plan was not significantly altered during our fieldwork.</p>
Management judgments and accounting estimates <i>The process used by management in forming particularly sensitive accounting estimates and the basis for the auditor's conclusion regarding the reasonableness of those estimates.</i>	<p>Please see the following section titled "Accounting Policies, Judgments and Sensitive Estimates and CRI Comments on Quality."</p>



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p>Potential effect on the financial statements of any significant risks and exposures <i>Major risks and exposures facing the Organization and how they are disclosed.</i></p>	<p>No such risks or exposures were noted.</p>
<p>Significant accounting policies, including critical accounting policies and alternative treatments within generally accepted accounting principles and the auditor's judgment about the quality of accounting principles</p>	<p>Significant accounting policies are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2020. We noted no transactions entered into by the Organization 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.</p> <p>ASU 2016-02, Leases (Topic 842), will be effective for the Organization's fiscal year ending December 31, 2021.</p> <p>The financial statement disclosures are neutral, consistent and clear.</p>
<p>Significant difficulties encountered in the audit <i>Any significant difficulties, for example, unreasonable logistical constraints or lack of cooperation by management.</i></p>	<p>We encountered no significant difficulties in dealing with management in performing and completing our audit.</p>
<p>Disagreements with management <i>Disagreements, whether or not subsequently resolved, about matters significant to the financial statements or auditor's report. This does not include those that came about based on incomplete facts or preliminary information.</i></p>	<p>We are pleased to report that no such disagreements arose during the course of our audit.</p>
<p>Other findings or issues <i>Matters significant to oversight of the financial reporting practices by those charged with governance. For example, an entity's failure to obtain the necessary type of audit, such as one under Government Auditing Standards, in addition to GAAS.</i></p>	<p>None noted.</p>



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p>Corrected and uncorrected misstatements</p> <p><i>All significant audit adjustments arising from the audit, whether or not recorded by the Organization, that could individually or in the aggregate have a significant effect on the financial statements. We should also inform the Board of Directors about uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented, that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Also, any internal control deficiencies that prevented the misstatements from being identified and corrected in a timely manner.</i></p>	<p>Please see the following section titled "Summary of Audit Adjustments."</p>
<p>Major issues discussed with management prior to retention</p> <p><i>Any major accounting, auditing or reporting issues discussed with management in connection with our initial or recurring retention.</i></p>	<p>Discussions occurred in the normal course of our professional relationship and our responses were not a condition of our retention.</p>
<p>Written representations</p> <p><i>A description of the written representations the auditor requested (or a copy of the representation letter).</i></p>	<p>See "Management Representation Letter" section.</p>
<p>Fraud and illegal acts</p> <p><i>Fraud involving senior management, the Board of Directors or those responsible for internal controls, or causing a material misstatement of the financial statements, where the auditor determines there is evidence that such fraud may exist. Any illegal acts coming to the auditors attention involving senior management and any other illegal acts, unless clearly inconsequential.</i></p>	<p>We are unaware of any fraud or illegal acts involving management or causing material misstatement of the financial statements.</p>



MATTER TO BE COMMUNICATED	AUDITOR'S RESPONSE
<p>Other information in documents containing audited financial statements</p> <p><i>The external auditors responsibility for information in a document containing audited financial statements, as well as any procedures performed and the results.</i></p>	<p>Our responsibility related to documents (including annual reports) containing the financial statements is to read the other information to consider whether:</p> <ul style="list-style-type: none"> • Such information is materially inconsistent with the financial statements; and • We believe such information represents a material misstatement of fact. <p>We have not been provided any such items to date and are unaware of any other documents that contain the audited financial statements.</p>
<p>Significant unusual accounting transactions</p> <p><i>Auditor communication with governance to include auditors' views on policies and practices management used, as well as the auditors' understanding of the business purpose.</i></p>	<p>No significant unusual accounting transactions were noted during the year.</p>

Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality



We are required to communicate our judgments about the quality, not just the acceptability, of the Organization's accounting principles as applied in its financial reporting. We are also required to communicate critical accounting policies and sensitive accounting estimates. 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. The Board of Directors may wish to monitor throughout the year the process used to compute and record these accounting estimates. The table below summarizes our communications regarding these matters.

AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATE	COMMENTS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Property Plant & Equipment	Useful lives of depreciable assets range from 3-39 years and are depreciated on a straight-line basis.	X	Depreciation expense is a sensitive estimate since it is calculated based on management's estimate of useful lives and the depreciation method used.	The Organization's policies appear to be in accordance with accounting principles generally accepted in the United States of America (GAAP).
Functional Allocation of Expenses	The Organization follows FASB 958 Not-For-Profit Entities for classifying expenses on the statement of activities by program and supporting services.	X	The functional allocation of expenses is based on Management's best estimate of the program and/or supporting activities being benefited.	The Organization's policies appear to be in accordance with accounting principles generally accepted in the United States of America (GAAP).



During the course of our audit, we accumulate differences between amounts recorded by the Company and amounts that we believe are required to be recorded under GAAP. Those adjustments are either recorded (corrected) by the Organization or passed (uncorrected). Uncorrected misstatements or matters underlying them could potentially cause future period financial statements to be materially misstated, even if, in the auditors' judgement, such uncorrected misstatements are immaterial to the financial statements under audit.

QUALITATIVE MATERIALITY CONSIDERATIONS

In evaluating the materiality of audit differences when they do arise, we consider both quantitative and qualitative factors, for example:

- Whether the difference arises from an item capable of precise measurement or whether it arises from an estimate, and, if so, the degree of imprecision inherent in the estimate.
- Whether the difference masks a change in earnings or other trends.
- Whether the difference changes a net decrease in assets to an increase, or vice versa.
- Whether the difference concerns an area of the Organization's operating environment that has been identified as playing a significant role in the Organization's operations or viability.
- Whether the difference affects compliance with regulatory requirements.
- Whether the difference has the effect of increasing management's compensation – for example, by satisfying requirements for the award of bonuses or other forms of incentive compensation.
- Whether the difference involves concealment of an unlawful transaction.

List of corrected journal entries

None.

List of uncorrected misstatements

Proposed JE # 1

To adjust depreciation expense to account for new asset additions

69400	Depreciation	4,740.00	
11400	Accumulated Depreciation		4,740.00
Total		4,740.00	4,740.00



April 9, 2021

Carr, Riggs & Ingram, LLC
1031 W Morse Blvd, Suite 200
Winter Park, FL 32789

This representation letter is provided in connection with your audit of the financial statements of Central Florida Chapter, Associated Builders and Contractors, Inc., which comprise the balance sheet as of December 31, 2020, and the related statements of revenues, expenses, and net assets, functional expenses, and statement of cash flows for the year then ended, and the disclosures (collectively, 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 (U.S. GAAP). We also are providing this letter in connection with your review of the balance sheet of Central Florida Chapter, Associated Builders and Contractors, Inc. as of December 31, 2019 and the related statements of revenues, expenses, and net assets, functional expenses, and cash flows for the year then ended, and the disclosures (collectively, the “financial statements”), for the purpose of expressing a conclusion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, 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, April 9, 2021, the following representations made to you during your audit.

Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated November 27, 2020, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
- 2) The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
- 3) 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.
- 4) We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- 5) Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- 6) Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with U.S. GAAP.



- 7) 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.
- 8) The effects of uncorrected misstatements are immaterial, both individually and in the aggregate, to the financial statements as a whole. A list of the uncorrected misstatements is attached to the representation letter.
- 9) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- 10) Significant estimates and material concentrations have been appropriately disclosed in accordance with U.S. GAAP.
- 11) Guarantees, whether written or oral, under which the Organization is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.

Information Provided

- 12) 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 (including information obtained from outside of the general and subsidiary ledgers), 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 Organization from whom you determined it necessary to obtain audit evidence.
 - d) Minutes of the meetings of the governing board or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 13) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 14) 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.
- 15) We have no knowledge of any fraud or suspected fraud that affects the Organization and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 16) We have no knowledge of any allegations of fraud or suspected fraud affecting the Organization's financial statements communicated by employees, former employees, grantors, regulators, or others.
- 17) 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.
- 18) We have disclosed to you all known actual or possible litigation, claims, and assessment whose effects should be considered when preparing the financial statements.



- 19) We have disclosed to you the names of all of the Organization's related parties and all the related-party relationships and transactions, including any side agreements.
- 20) 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.
- 21) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us.
- 22) Central Florida Chapter, Associated Builders and Contractors, Inc. is an exempt organization under Section 501c6 of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Organization's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.
- 23) In regard to the preparation of The Organization's depreciation schedules, and any necessary adjustments in connection with these services, financial statement preparation and the related notes to the financial statements, prepared by you, we have:
 - a) Assumed all management responsibilities.
 - b) Designated an individual, Francine Conway, Director of Finance, with suitable skills, knowledge, or experience to oversee the preparation of these services.
 - c) Evaluated the adequacy and results of the services performed.
 - d) Accepted responsibility for the results of the services.