Florida ABLE, Inc.

FINANCIAL STATEMENTS

June 30, 2021



Florida ABLE, Inc.
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REPORT

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INDEPENDENT AUDITORS' REPORT

Board of Directors and Management
Florida ABLE, Inc.
Tallahassee, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of Florida ABLE, Inc. (a not-for-profit organization incorporated in the State of Florida), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from 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 auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Florida ABLE, Inc. as of June 30, 2021, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Tallahassee, Florida
December 22, 2021

FINANCIAL STATEMENTS

Florida ABLE, Inc.
Statement of Financial Position

June 30, 2021

Assets		
Current assets		
Investments	$	2,657,339
Accounts receivable - unrestricted		522,150
Cash and cash equivalents - restricted		6,105,971
Accounts receivable - restricted		397,029
Investments - restricted		41,932,761
Total assets	$	51,615,250
Liabilities and Net Assets		
Current liabilities		
Accounts payable	$	626,135
Amounts held in trust for participants		48,109,713
Total liabilities		48,735,848
Net assets		
Net assets without donor restrictions		2,879,402
Total liabilities and net assets	$	51,615,250

The accompanying notes are an integral part of these financial statements.

Florida ABLE, Inc.
Statement of Activities

For the year ended June 30, 2021

Revenues and other support		
Governmental support	$	1,770,000
Interest income		5,963
Account maintenance fees		69,828
Total revenues and other support		1,845,791
Expenses		
Supporting services - general and administrative		1,713,455
Total expenses		1,713,455
Change in net assets		132,336
Net assets, beginning of year		2,747,066
Net assets, end of year	$	2,879,402

The accompanying notes are an integral part of these financial statements.

Florida ABLE, Inc.
Statement of Functional Expenses

For the year ended June 30, 2021		Supporting Services - General and Administration
Marketing	$	1,264,286
Service charges		245,000
Records administration		152,939
Consulting		30,000
Legal and professional		18,368
Travel		1,955
Miscellaneous		907
Total expenses	$	1,713,455

The accompanying notes are an integral part of these financial statements.

Florida ABLE, Inc.
Statement of Cash Flows

For the year ended June 30, 2021

Cash flows from operating activities		
Change in net assets	$	132,336
Adjustments to reconcile change in net assets to net cash provided by (used in) operating activities:		
(Increase) decrease in:		
Accounts receivable		(392,198)
Due from/to other funds		(57,814)
Increase (decrease) in:		
Accounts payable		(113,880)
Amounts held in trust for participants		21,423,301
Net cash provided by (used in) operating activities		20,991,745
Cash flows from investing activities		
Purchase of investments		(20,602,696)
Proceeds from the sale of investments		3,470,900
Net cash provided by (used in) investing activities		(17,131,796)
Net change in cash and cash equivalents		3,859,949
Cash and cash equivalents, and restricted cash, beginning of year		2,246,022
Cash and cash equivalents, and restricted cash, end of year	$	6,105,971

Cash and cash equivalents, and restricted cash, consist of the following:

Cash and cash equivalents	$	-
Cash and cash equivalents - restricted		6,105,971
Cash and cash equivalents, and restricted cash, end of year	$	6,105,971

The accompanying notes are an integral part of these financial statements.

Note 1: DESCRIPTION OF THE ORGANIZATION

Organization

Florida ABLE, Inc. (ABLE) was created on July 1, 2015 as a not-for-profit organization doing business in the State of Florida. ABLE was established under Section 1009.986(1) of the Florida Statutes to encourage and assist the saving of private funds in tax-exempt accounts in order to pay for the qualified disability expenses of eligible individuals with disabilities. The Florida Prepaid College Board (the Board), a component unit of the State of Florida, administers ABLE in accordance with a Direct-Support Organization Contract. ABLE is included in the Florida Prepaid College Board's financial statements as a private-purpose trust fund. As such, assets in excess of liabilities are presented as "held in trust for individuals and program administration" within the Florida Prepaid College Board's financial statements.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Accounting

The accompanying financial statements have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP). The Financial Accounting Standards Board (FASB) provides authoritative guidance regarding U.S. GAAP through the Accounting Standards Codification (ASC) and related Accounting Standards Updates (ASUs).

Cash and Cash Equivalents

Cash and cash equivalents include certain investments in highly liquid instruments with original maturities of three months or less when purchased. ABLE routinely invests its surplus operating funds in money market funds. Restricted cash and cash equivalents include the amounts held in trust for participants.

Investments

In accordance with FASB ASC 958-320, *Investments-Debt and Equity Securities*, investments in equity and debt securities with readily determinable market values are measured at fair value in the statement of financial position. Investment income represents interest earned on funds for ABLE's general operations. Realized and unrealized gains and losses, interest and dividends earned on participant accounts are allocated to participant accounts and included as a change in amounts held in trust for participants on the statement of financial position. Investments held in trust for participants are classified as "investments-restricted" on the statement of financial position.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Amounts Held in Trust for Participants

Participants retain ownership of all accounts on deposit with ABLE up to the dates of distribution on behalf of the designated beneficiaries. Participant contributions and the earnings derived therefrom are held in trust for the participants.

Net Assets

ABLE reports information regarding its financial position and activities according to two classes of net assets that are based upon the existence or absence of restrictions on use that are placed by its donors: net assets without donor restrictions and net assets with donor restrictions.

Net assets without donor restrictions are resources available to support operations and not subject to donor restrictions. The only limits on the use of net assets without donor restrictions are the broad limits resulting from the nature of ABLE, the environment in which it operates, the purposes specified in it corporate documents and its application for tax-exempt status, and any limits resulting from contractual agreements with creditors and others that are entered into in the course of its operations.

Net assets with donor restrictions are resources that are subject to donor-imposed restrictions. Some restrictions are temporary in nature, such as those that are restricted by a donor for use for a particular purpose or in a particular future period. Other restrictions may be perpetual in nature; such as those that are restricted by a donor that the resources be maintained in perpetuity.

When a donor's restriction is satisfied, either by using the resources in the manner specified by the donor or by the passage of time, the expiration of the restriction is reported in the financial statements by reclassifying the net assets from net assets with donor restrictions to net assets without donor restrictions.

At June 30, 2021, ABLE has no net assets with donor restrictions.

Revenue Recognition

The Florida Legislature appropriated $1,770,000 of funds for ABLE for the year ended June 30, 2021. ABLE requested $1,770,000 of available appropriations and recognized it as revenue during the year ended June 30, 2021. This amount is presented as governmental support within the statement of activities.

Note 2: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

Management has evaluated subsequent events through the date that the financial statements were available to be issued, December 22, 2021, and determined there were no events that occurred that required disclosure. No subsequent events occurring after this date have been evaluated for inclusion in these financial statements.

Recent Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842). The guidance in this ASU and its amendments supersedes the leasing guidance in Topic 840, entitled Leases. Under the guidance, lessees are required to recognize lease assets and lease liabilities on the statement of financial position for all leases with terms longer than 12 months. Leases will be classified as either finance or operating, with classification affecting the pattern of expense recognition in the statement of activities. For nonpublic entities, the standard is effective for fiscal years beginning after December 15, 2020. Early adoption is permitted. ABLE is currently evaluating the impact of the guidance on its financial statements.

Note 3: FINANCIAL ASSET AVAILABILITY

ABLE maintains its financial assets in cash and cash equivalents, Florida PRIME accounts, and mutual funds held at a third party brokerage to provide liquidity to ensure funds are available as ABLE's expenditures come due. The following reflects the ABLE's financial assets as of the statement of financial positon date, reduced by amounts not available for general use within one year of the statement of financial positon date because of contractual or donor-imposed restrictions.

For the year ended June 30, 2021

Cash and cash equivalents	$	6,105,971
Accounts receivable		919,179
Investments		44,590,100
Total financial assets		51,615,250
Less amounts held in trust for participants		48,109,713
Financial assets available to meet cash needs for expenditures within one year	$	3,505,537

Note 4: INVESTMENTS

Investments consist of the following:

June 30, 2021		Fair Value
Local government investment pool	$	9,317,001
Commingled fixed income fund		11,626,030
Commingled domestic equity fund		18,035,281
Commingled international equity fund		5,611,788
Total	$	44,590,100

Investments are presented on the statement of financial position as:

June 30, 2021		Fair Value
Investments	$	2,657,339
Investments - restricted		41,932,761
Total	$	44,590,100

Note 5: AMOUNTS HELD IN TRUST FOR PARTICIPANTS

The activity related to amounts held in trust for participants for the year ended June 30, 2021 was as follows:

Amounts held in trust for participants, beginning of year	$	26,686,412
Deposits		21,342,512
Investment earnings		5,914,872
Withdrawals		(5,764,255)
Administrative fees		(69,828)
Amounts held in trust for participants, end of year	$	48,109,713

Note 6: FAIR VALUE MEASUREMENTS

FASB ASC 820, *Fair Value Measurements and Disclosures*, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

Level 2 – Significant other observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity.

Note 6: FAIR VALUE MEASUREMENTS (Continued)

Level 3 – Significant unobservable inputs.

Certain investments, such as money market funds and government investment pools, are not included in the table below because they are carried at cost or amortized cost and not priced at fair value.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Fair values of investments measured on a recurring basis are as follows:

	Fair Value	Level 1	Level 2	Level 3
Commingled fixed income fund	$ 11,626,030	$ 11,626,030	$ -	$ -
Commingled domestic equity fund	18,035,281	18,035,281	-	-
Commingled international equity fund	5,611,788	5,611,788	-	-
Total	$ 35,273,099	$ 35,273,099	$ -	$ -

Note 7: INCOME TAXES

ABLE is a non-profit organization intended to be exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. ABLE received its 501(c)(3) status on July 1, 2017. Accordingly, no provision for income taxes is shown in the accompanying financial statements.

ABLE follows accounting requirements associated with uncertainty in income taxes using the provisions of FASB ASC 740, *Income Taxes*. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of June 30, 2021, ABLE has no uncertain tax provisions that qualify for recognition or disclosure in the financial statements. Management and legal counsel determined federal income tax returns were not required to be filed.

Note 8: CREDIT RISK AND CONCENTRATIONS

Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, ABLE's deposits may not be returned to them. Cash deposits consisted of interest bearing demand accounts at one financial institution which is entirely insured by collateral pursuant to The Florida Security for Public Deposits Act (the Act). The Act establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under the Act, ABLE's deposits in qualified public depositories are totally insured.

Note 8: CREDIT RISK AND CONCENTRATIONS (Continued)

***Credit Risk* (Continued)**

At June 30, 2021, ABLE had $6,105,971 on deposit with BNY Mellon. These deposits include the FDIC Savings Fund which is insured by the FDIC on a pass-through basis to each ABLE participant investing in the fund. FDIC insurance generally protects up to $250,000 per participant.

At June 30, 2021, ABLE also had $9,317,001 on deposit with the Florida State Board of Administration held in the Florida PRIME account, included in investments within the Statement of Financial Position. Florida PRIME represents a pool of investments whereby ABLE owns a share of the respective pool, not the underlying securities. Cost approximates fair market value. While Florida PRIME is not registered under the 1940 Act or regulated by the SEC, ABLE believes the credit risk related to these balances is minimal. The Florida PRIME is rated by Standard and Poor's as AAAm, and provides ABLE with daily liquidity.

Funding Source

ABLE received funding of $1,770,000 from the State of Florida to support ongoing operations. ABLE is reliant on third party funding until investment returns and generated fees are sufficient to support its operations.

Note 9: RELATED PARTY TRANSACTIONS

In accordance with 1009.986, Florida Statues, the chair of the Florid Prepaid College Board serves on the Board of Directors of ABLE along with another appointee made by the Florida Prepaid College Board.

For the year ended June 30, 2021 the Florida Prepaid College Board provided certain administrative expenses to ABLE under a contractual agreement with no date of expiration or termination. Under this agreement, ABLE paid administration fees totaling $225,000 to the Board for the year ended June 30, 2021.

Note 10: RISKS AND UNCERTANTIES

In March 2020, the World Health Organization made the assessment that the outbreak of a novel coronavirus (COVID-19) can be characterized as a pandemic. As a result, uncertainties have arisen that may have a significant negative impact on the operating activities and results of ABLE. The occurrence and extent of such an impact will depend on future developments, including (i) the duration and spread of the virus, (ii) government quarantine measures, (iii) voluntary and precautionary restrictions on travel or meetings, (iv) the effects on the financial markets, and (v) the effects on the economy overall, all of which are uncertain.

REQUIRED COMMUNICATIONS

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 ABLE. 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 ABLE's financial statements for the year ended June 30, 2021;

- 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

- Other audit-related projects as they arise and upon request.

We have audited the financial statements of the Florida ABLE, Inc. for the year ended June 30, 2021, and have issued our report thereon dated December 22, 2021. Professional standards require that we provide you with the following information related to our audit:

MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
Auditors' responsibility under Generally Accepted Auditing Standards	As stated in our engagement letter dated **August 3, 2021**, 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. As part of our audit, we considered the internal control of ABLE. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.
Client's responsibility	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.
Planned scope and timing of the audit	Our initial audit plan was not significantly altered during our fieldwork.
Management judgments and accounting estimates *The process used by management in forming particularly sensitive accounting estimates and the basis for the auditors' conclusion regarding the reasonableness of those estimates.*	Please see the following section titled "Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality."
Potential effect on the financial statements of any significant risks and exposures *Major risks and exposures facing ABLE and how they are disclosed.*	No such risks or exposures were noted.

MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
Significant accounting policies, including critical accounting policies and alternative treatments within generally accepted accounting principles and the auditors' judgment about the quality of accounting principles • *The initial selection of and changes in significant accounting policies or their application; methods used to account for significant unusual transactions; and effect of significant policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.* • *The auditor should also discuss the auditors' judgment about the quality, not just the acceptability, of ABLE's accounting policies as applied in its financial reporting. The discussion should include such matters as consistency of accounting policies and their application, and clarity and completeness of the financial statements, including disclosures. Critical accounting policies and practices applied by ABLE in its financial statements and our assessment of management's disclosures regarding such policies and practices (including any significant modifications to such disclosures proposed by us but rejected by management), the reasons why certain policies and practices are or are not considered critical, and how current and anticipated future events impact those determinations;* • *Alternative treatments within GAAP for accounting policies and practices related to material items, including recognition, measurement, presentation and disclosure alternatives, that have been discussed with client management during the current audit period, the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the auditor. Furthermore, if the accounting policy selected by management is not the policy preferred by us, discuss the reasons why management selected that policy, the policy preferred by us, and the reason we preferred the other policy.*	Please see Note 2 in the Notes to Financial Statements.

MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
Significant difficulties encountered in the audit *Any significant difficulties, for example, unreasonable logistical constraints or lack of cooperation by management.*	None.
Disagreements with management *Disagreements, whether or not subsequently resolved, about matters significant to the financial statements or auditors' report. This does not include those that came about based on incomplete facts or preliminary information.*	None.
Other findings or issues *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 Generally Accepted Auditing Standards (GAAS).*	None.
Matters arising from the audit that were discussed with, or the subject of correspondence with, management *Business conditions that might affect risk or discussions regarding accounting practices or application of auditing standards.*	None.
Corrected and uncorrected misstatements *All significant audit adjustments arising from the audit, whether or not recorded by ABLE, that could individually or in the aggregate have a significant effect on the financial statements. We should also inform ABLE 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. Any internal control deficiencies that could have prevented the misstatements.*	None.

MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
Major issues discussed with management prior to retention *Any major accounting, auditing or reporting issues discussed with management in connection with our initial or recurring retention.*	None.
Consultations with other accountants *When management has consulted with other accountants about significant accounting or auditing matters.*	None of which we are aware.
Written representations *A description of the written representations the auditor requested (or a copy of the representation letter).*	See "Management Representation Letter" section.
Internal control deficiencies *Any significant deficiencies or material weaknesses in the design or operation of internal control that came to the auditors' attention during the audit.*	See "Internal Control Findings" section.
Fraud and illegal acts *Fraud involving ABLE's management, 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 ABLE's management and any other illegal acts, unless clearly inconsequential.*	We are unaware of any fraud or illegal acts involving management or causing material misstatement of the financial statements.
Other information in documents containing audited financial statements *The external auditors' responsibility for information in a document containing audited financial statements, as well as any procedures performed and the results.*	Our responsibility related to documents (including annual reports, websites, etc.) containing the financial statements is to read the other information to consider whether: • Such information is materially inconsistent with the financial statements; and • We believe such information represents a material misstatement of fact. We have not been provided any such items to date and are unaware of any other documents that contain the audited financial statements.

Florida ABLE, Inc.
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 ABLE's accounting principles as applied in its financial reporting. We are also required to communicate critical accounting policies and sensitive accounting estimates. ABLE 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 ESTIMATES	COMMENTS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Investments	Management follows the provisions of ASC 820, *Fair Value Measurements*, when reporting investments.	Yes	ABLE relies on valuations from the custodian for 100% of the asset values. The allocation between levels 1-3 under ASC 820 is based on management's review of the underlying investments.	Policy appears to be in accordance with U.S. GAAP.

During the course of our audit, we accumulate differences between amounts recorded by ABLE and amounts that we believe are required to be recorded under GAAP. Those adjustments are either recorded (corrected) by ABLE or passed (uncorrected).

There were no adjustments, either corrected or uncorrected, as a result of our audit procedures.

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 addition, or vice versa.
- Whether the difference concerns an area of ABLE's operating environment that has been identified as playing a significant role in ABLE'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.

FLORIDA PREPAID COLLEGE BOARD

The Honorable John D. Rood
Chairman

Adria D. Starkey
Vice Chair
FineMark National Bank & Trust

Mark Agustin
HealthEdge Investment Partners, LLC

Slater Bayliss
The Advocacy Group at Cardenas Partners

Kathy Hebda
Florida College System

W. Radford Lovett II
Lovett Miller & Co.

Troy Miller
State University System

Kevin Thompson
Executive Director

December 22, 2021

Carr, Riggs & Ingram, LLC
2633 Centennial Boulevard
Suite 200
Tallahassee, Florida 32308

This representation letter is provided in connection with your audit of the financial statements of Florida ABLE, Inc., which comprise the statements of financial position as of June 30, 2021, and the related statements of activities, functional expenses, 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 (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, as of December 22, 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 August 3, 2021, 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.

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FLORIDA PREPAID COLLEGE BOARD

8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.

9) Significant estimates and material concentrations have been appropriately disclosed in accordance with U.S. GAAP.

10) 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

11) 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.

12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.

13) 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.

14) 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.

15) 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.

16) 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.

17) We have disclosed to you all known actual or possible litigation, claims, and assessment whose effects should be considered when preparing the financial statements.

18) 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.

19) 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.

20) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.

21) Florida ABLE, Inc. is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Organization's tax-exempt status, and all

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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.

22) In regard to the financial statement preparation services performed by you, we have—

a) Assumed all management responsibilities.

b) Designated Angie Robertson, Director of Accounting and Risk Management, who has suitable skill, knowledge, or experience to oversee the services.

c) Evaluated the adequacy and results of the services performed.

d) Accepted responsibility for the results of the services.

Thompson_Kevin Digitally signed by Thompson_Kevin Date: 2021.12.22 08:35:29 -05'00'

Kevin Thompson
Executive Director

Robertson_Angie Digitally signed by Robertson_Angie Date: 2021.12.22 06:46:28 -05'00'

Angie Robertson
Dir. of Accounting and Risk Management

INTERNAL CONTROL RECOMMENDATIONS

The Board of Directors and Management of
Florida ABLE, Inc.

In planning and performing our audit of the financial statements of Florida ABLE, Inc. as of and for the year ended June 30, 2021, in accordance with auditing standards generally accepted in the United States of America, we considered Florida ABLE, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Florida ABLE, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Florida ABLE, Inc.'s internal control.

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. A *material weakness* is a deficiency or a 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.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

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

Carr, Riggs & Ingram, L.L.C.

CARR, RIGGS & INGRAM, LLC

Tallahassee, Florida
December 22, 2021