



Ascensus Investment Advisors, LLC, Administrator
ABLE Consortium Trust

We have audited the basic financial statements of the **ABLE Consortium Trust** (the Trust), which comprise the statement of fiduciary net position, the statement of changes in fiduciary net position and the notes to the financial statements, as of and for the year ended June 30, 2020, and have issued our report thereon dated September 25, 2020. Professional standards require that we advise you of the following matters relating to our audit.

Our Responsibility in Relation to the Basic Financial Statement Audit

As communicated in our engagement letter dated May 19, 2017, as amended, our responsibility, as described by professional standards, is to form and express an opinion about whether the basic financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the basic financial statements does not relieve Ascensus Investment Advisors, LLC (AIA) and its affiliates of any responsibilities with respect to the Trust.

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the basic financial statements are free of material misstatement. An audit of the basic financial statements includes consideration of internal control over financial reporting as a basis of designing 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 over financial reporting. Accordingly, as part of our audit, we considered the internal control of the Trust solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence.

Compliance with All Ethics Requirements Regarding Independence *(Continued)*

Although we have assisted management in the clerical aspects of drafting the basic financial statements; management's discussion and analysis (MD&A) that accompanies the basic financial statements as required supplementary information (RSI); and supplementary schedules detailing balances and activities related to the Trust's investments, investment options offered to Member Plans participating in the Trust, and the Member Plans themselves that accompany the basic financial statements as other supplementary information (SI) management has reviewed, approved and accepted responsibility for the accuracy and completeness of all information reported therein. In addition, based on information provided to us by the Trust's custodian, we have provided assistance in adjusting investment balances from settlement date to trade date basis for purposes of financial reporting. Management has reviewed, approved and accepted responsibility for the accuracy and completeness of these adjustments.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

The Trust was established as a result of collaborative effort by a consortium of states sponsoring qualified ABLE programs (Member Plans) to effectively and efficiently facilitate the investment of contributions received through those programs. All of the assets of the Member Plans are held in the Trust for the benefit of account owners. Since the Trust holds assets in a fiduciary capacity for Member Plans and the Member Plans are sponsored by governmental entities, the financial statements of the Trust are prepared following accounting and financial reporting standards set forth in GASB Statement No. 34, *Basic Financial Statements – and Management's Discussion and Analysis – for State and Local Governments*, as amended, applicable to fiduciary funds.

Management has the responsibility to select and use appropriate accounting policies. The significant accounting policies used by the Trust are described in Note 2 to the financial statements. There has been no initial selection of accounting policies nor have there been any changes in significant accounting policies or their application during the year ended June 30, 2020. No matters have come to our attention that would require us, under professional standards, to inform you about the methods used to account for significant unusual transactions or the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the basic 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 basic financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Trust's basic financial statements are the fair values of investments. While these fair values are determined based on published market prices, changing economic conditions, such as market fluctuations and changes in interest rates, could significantly impact amounts reported in the Trust's basic financial statements. We evaluated the fair values reported in the Trust's basic financial statements and determined they are reasonable in relation to the basic financial statements taken as a whole.

Qualitative Aspects of the Entity's Significant Accounting Practices (Continued)

Basic Financial Statement Disclosures

Certain financial statements disclosures are particularly sensitive because of their significance to financial statement users. Note 3 to the financial statements discloses information about the Trust's investments, including required disclosures regarding investment policies, credit risk, interest rate risk and foreign currency risk. Note 5 to the financial statements discloses uncertainties surrounding the COVID-19 pandemic and its impact on the Trust.

The disclosures in the basic financial statements are neutral, consistent and clear.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management in performing or completing our audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the basic financial statements as a whole. We have no such misstatements to report.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. There were no misstatements identified by us as a result of our audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting or auditing matter, which could be significant to the Trust's basic financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain representations from AIA, which are included in their management representation letter dated September 25, 2020. A copy of this letter is included in **Attachment A**.

Management's Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings or Issues

In the normal course of our professional association with the Trust, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, conditions affecting the Trust, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the Trust's auditors.

Other Matters

Required Supplementary Information

With respect to MD&A, we have applied certain limited procedures to the information presented therein. Our procedures consisted of inquiries of management regarding the methods of preparing the information in MD&A and comparing the information for consistency with management's responses to our inquiries, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We did not audit the information in MD&A and do not express an opinion or provide any assurance on such information.

Other Supplementary Information

We were engaged to report on the following:

- Supplementary Trust Investment Information – Statements of Fiduciary Net Position
- Supplementary Trust Investment Information – Statements of Changes in Fiduciary Net Position
- Supplementary Investment Option Information – Statements of Fiduciary Net Position and Unit Information
- Supplementary Investment Option Information – Statements of Changes in Fiduciary Net Position
- Supplementary Member Plan Information – Statements of Fiduciary Net Position and Investment Detail
- Supplementary Member Plan Information – Statements of Changes in Fiduciary Net Position

With respect to this supplementary information, we made certain inquiries of management and evaluated the form, content and methods of preparing the information to determine that the information complies with accounting principles generally accepted in the United States of America and the information in these schedules is appropriate and complete in relation to our audit of the basic financial statements. We compared and reconciled the information in these schedules to the underlying accounting records used to prepare the basic financial statements or to the basic financial statements themselves.

Other Matters (Continued)

Underlying Fund Fees

The mutual funds and exchange-traded funds in which the Trust's assets are invested are subject to underlying fund fees, which include investment advisory fees, administrative and other expenses of those funds and are paid to the managers of those funds. These underlying fund fees are not reported as expenses in the Trust's basic financial statements since they reduce the amount of income distributable by the mutual funds and exchange-traded funds to the Trust in the form of dividends and capital gain distributions and are not paid from Trust assets. We did not perform any audit procedures with respect to the underlying fund fees.

Restriction on Use

This information is intended solely for the use of AIA and its affiliates and is not intended to be, and should not be, used by anyone other than these specified parties.

Sincerely,


Certified Public Accountants

September 25, 2020
Little Rock, Arkansas

September 25, 2020

Landmark PLC
201 East Markham Street, Suite 500
Little Rock, Arkansas 72201

Ascensus Investment Advisors, LLC (AIA), as Administrator for the *ABLE Consortium Trust* (the Trust), is providing this representation letter in connection with your audit of the Trust's June 30, 2020 financial statements 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 of America (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 the 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.

To the best of our knowledge and belief, we confirm the following representations, having made reasonable inquiries with respect to the matters therein.

Basic Financial Statements

- 1) We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 19, 2017, as amended.
- 2) The basic financial statements referred to above are fairly presented in conformity with U.S. GAAP applicable to fiduciary fund types of governmental entities and include all assets and liabilities of the Trust, amounts received by the Trust from Member Plans and amounts distributed to Member Plans by the Trust.
- 3) We acknowledge that your audit was undertaken to express an opinion on the Trust's basic financial statements and to provide an opinion in relation to the basic financial statements as a whole on information in the supplementary schedules detailing the Trust's investments, the Member Plans and investment options offered through the Member Plans.
- 4) We acknowledge our responsibility for the design, implementation and maintenance of our internal controls to the extent they are relevant to the preparation and fair presentation of basic financial statements that are free from material misstatement, whether due to fraud or error.
- 5) We acknowledge our responsibility for the design, implementation and maintenance of our internal controls to provide reasonable assurance that fraud is prevented and detected.

Basic Financial Statements (Continued)

- 6) Significant assumptions we used in making accounting estimates are reasonable.
- 7) We have disclosed to you the identities of the Trust's related parties and all the related party relationships and transactions of which we are aware. Related party relationships and transactions, including revenues, expenses and amounts receivable from or payable to related parties have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- 8) No events, circumstances or instances of material noncompliance with laws, regulations, contracts or agreements that are relevant to the Trust have occurred subsequent to June 30, 2020, and through the date of this letter that would require adjustment to or disclosure in the Trust's basic financial statements.
- 9) 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 basic financial statements, and we have not consulted a lawyer concerning litigation, claims or assessments against the Trust or against AIA with respect to its administration of the Trust. There are no guarantees, whether written or oral, under which the Trust is contingently liable.
- 10) We have reviewed the note disclosures regarding the Trust's bank deposit accounts, and we believe them to be appropriate and accurate.
- 11) With regard to investments:
 - a) Mutual funds and exchange-traded funds (ETFs) are reported by Bank of New York Mellon at fair value, based on net asset value per share (mutual funds) or closing market prices (ETFs) determined as of the close of the New York Stock Exchange on the reporting date.
 - b) Disclosures related to fair value as provided by Bank of New York Mellon are complete, accurate and in accordance with U.S. GAAP.
 - c) We are not aware of any litigation pertaining to the mutual funds and ETFs in which the Trust invests that could have a material impact on balances reported in the financial statements or that would require disclosure under U.S. GAAP.
 - d) We are not aware of any subsequent events that require adjustment to fair value measurements or disclosures included in the notes to the financial statements.

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 basic financial statements, such as records, documentation, audit or relevant monitoring reports, if any, received from regulatory agencies.
 - b) Additional information that you have requested from us for the purpose of the audit.
 - c) Unrestricted access to employees of AIA or affiliates from whom you determined it necessary to obtain audit evidence.
- 13) We have provided you with a copy of the *Report on Ascensus Government Savings' Description of its System for Processing Transactions Related to 529, ABLE and State Sponsored Retirement Programs and on the Suitability of the Design and Operating Effectiveness of its Controls* covering the period from January 1, 2019 through December 31, 2019. As of the date of this letter, a new report is not available. We represent that there have been no significant changes in processes, procedures or controls described in this report through the date of this letter.
- 14) All material transactions have been recorded in the accounting records and are reflected in the basic financial statements.
- 15) We have no knowledge of any fraud or suspected fraud affecting the Trust involving—
 - a) Management,
 - b) Employees of AIA or affiliates who have significant roles in internal control or
 - c) Others where the fraud could have a material effect on the basic financial statements.
- 16) We have no knowledge of any allegations of fraud or suspected fraud affecting the Trust's basic financial statements communicated to us by employees or former employees of AIA and its affiliates, regulators, representatives of the Member States or the ABLE Consortium Advisory Committee (the Committee) or others. We have assessed the risk that fraud may occur and have a material impact on the Trust's basic financial statements, and we have disclosed to you any material concerns that may have significance to your audit.
- 17) We are not aware of any known instances of noncompliance or suspected noncompliance with provisions of laws, regulations or contracts applicable to the Trust, nor are we aware of any instances of abuse, whose effects should be considered when preparing the basic financial statements.

Other Specific Representations

- 18) We have no knowledge of any communications from the Committee, the Member States or regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.
- 19) We have identified to you any previous audits, compliance examinations, attestation engagements and other studies related to the objectives of this audit engagement that are relevant to the preparation and fair presentation of the basic financial statements, and have provided our views on reported findings, conclusions and recommendations, as well as our planned corrective actions.
- 20) We are not aware of any plans or intentions that may materially affect the current structure of the Trust that should be disclosed in the notes to the financial statements. We are not aware of any plans, intentions or changes in laws or regulations that would result in discontinuance of the Trust.
- 21) Together, AIA, its affiliates and the Committee are responsible for compliance with the laws, regulations and provisions of contracts and agreements applicable to the Trust; and we have identified and disclosed to you all laws, regulations and provisions of contracts and agreements that we believe have a direct and material effect on the determination of financial statement amounts.
- 22) We are not aware of any violations or possible violations of laws, regulations or provisions of contracts whose effects should be considered for disclosure in the basic financial statements, or as a basis for recording a loss contingency or for reporting on noncompliance.
- 23) The Trust has complied with all aspects of contractual agreements that would have a material effect on the basic financial statements in the event of noncompliance.
- 24) Although we have not requested a determination on tax status from the Internal Revenue Service, we believe that the Trust is exempt from income taxes.
- 25) There have been no Financial Industry Regulatory Authority (FINRA) complaints filed in regard to the Trust during the period from July 1, 2019 through June 30, 2020, and through the date of this letter.
- 26) We have disclosed to you all relevant contracts or other agreements with service organizations, and we have not received any relevant communications from the service organizations relating to control deficiencies or material noncompliance with laws, regulations, contracts or agreements that may impact the basic financial statements of the Trust.

Non-Attest Services

- 27) Although you have assisted us with the preparation of the financial statements and related notes and supplementary schedules and have provided technical advice regarding the contents of management's discussion and analysis (MDA), we have designated one or more individual(s) with suitable skill, knowledge or experience to oversee your services and have made any necessary management decisions and performed all requisite management functions. We have reviewed, approved and accepted responsibility for the financial statements and related notes and supplementary schedules, as well as the MDA.
- 28) We understand that, as part of your audit, you prepared certain adjusting entries necessary to report transactions on a trade-date basis, to report withdrawals payable and to eliminate rounding differences based on information provided by us, the Trust's custodian or the investment managers. We have reviewed and approved those entries and accept responsibility for the accuracy of those entries.
- 29) We acknowledge our responsibility for the MDA, which is required supplementary information (RSI) prescribed by the Governmental Accounting Standards Board (GASB). The RSI is measured and presented within guidelines prescribed by the GASB, and the methods of measurement and presentation have not changed from those used in the prior period. We have disclosed to you any significant assumptions and interpretations underlying the measurement and presentation of the RSI.
- 30) With respect to the supplementary schedules:
- a) We acknowledge our responsibility for presenting the information in these schedules, and we believe the information in these schedules, including its form and content, is fairly presented in accordance with U.S. GAAP. The methods of measurement and presentation of the information in these schedules have not changed from those used in the prior period, and we have disclosed to you any significant assumptions or interpretations underlying the measurement and presentation of the supplementary information.
 - b) We agree that we will not distribute the supplementary schedules separate and apart from the auditor's opinion, financial statements and note disclosures.



Margaret Creonte
President
Ascensus Investment Advisors, LLC