Williams Overman Pierce, LLP
Certified Public Accountants and Consultants

July 17, 2015

Board of Directors
Employee Political Action Committee

We have completed our audits of the financial statements of Employees Political Action Committee as of and for the years ended December 31, 2014, 2013, and 2012, and have issued our report dated July 17, 2015. We are required to communicate certain matters to you in accordance with auditing standards generally accepted in the United States of America that are related to internal control and the audits. The appendices to this letter set forth those communications as follows:

1. Communication of Internal Control Matters Identified During the Audits

2. Auditors' Communication of Significant Matters with Those Charged With Governance

We discussed these matters with various personnel in the Organization during the audits. We would also be pleased to meet with you to discuss these matters at your convenience.

These communications are intended solely for the information and use of management, the board of directors, others within the Organization, and are not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

Williams Overman Pierce, LLP

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APPENDIX 1

COMMUNICATION OF INTERNAL CONTROL MATTERS IDENTIFIED DURING AN AUDITS

In planning and performing our audits of the financial statements of Employees Political Action Committee as of and for the years ended December 31, 2014, 2013, and 2012, in accordance with auditing standards generally accepted in the United States of America, we considered Employees Political Action Committee's internal control over financial reporting (internal control) as a basis for designing auditing 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 the Organization's internal control. Accordingly, we do not express an opinion on the effectiveness of the Organization'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 material weaknesses or significant deficiencies, and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control that we consider to be material weaknesses.

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 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 that following deficiencies in Employees Political Action Committee's internal control to be material weaknesses:

Lack of Expertise in Financial Accounting and Reporting

A system of internal control over financial reporting includes controls over financial statement preparation, including footnote disclosures. Although the Organization is able to prepare financial statements sufficient for internal reporting purposes, the Organization does not have a person with the skills and knowledge to prepare financial statements and all required disclosures required by generally accepted accounting principles. Management is aware of this matter and is exploring ways to resolve this as soon as practical.

Segregation of Duties

There are generally four phases for an accounting process or operation: authorization, custody, record keeping and reconciliation. A well-designed system of internal control contemplates the allocation of duties among personnel such that each of these four functions would be performed by a different person. Management is aware of this and is exploring ways to resolve this as soon as practical.

Erroneous Finance Reports Submitted to the North Carolina State Board of Elections

The North Carolina State Board of Elections requires the Organization to file finance reports on a regular basis. The Organization has filed such reports in a timely fashion for the periods under audit but the reports contained material errors. Management has advised us that they are aware of the errors and will amend the reports with the North Carolina State Board of Elections upon the completion of the audits.

Failure to Submit Required Tax Documents

Political action committees are generally granted tax exempt status by the Internal Revenue Service ("IRS") under Section 527 of the Internal Revenue Code. In order to receive this status, an organization must file an application for exempt status with the IRS. After exempt status is granted, an organization is required to file annual tax returns with the IRS. The Organization is not able to determine if an exempt status application was made and if any annual returns have been filed with the IRS. The Organization could be subject to income taxes and/or penalties for late filings and possibly late payment of taxes. Management has informed us that they are aware of this matter and intend to correct the oversight.

APPENDIX 2

COMMUNICATION TO THOSE CHARGED WITH GOVERNANCE

We have audited the financial statements of Employees Political Action Committee for the years ended December 31, 2014, 2013, and 2012, and have issued our report thereon dated July 17, 2015. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards as well as certain information related to the planned scope and timing of our audits. We have communicated such information in our letter to you dated April 20, 2015. Professional standards also require that we communicate to you the following information related to our audits.

<u>Significant Audit Findings</u>

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Organization are described in Note 1 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during the audited years. We noted no transactions entered into by the Organization during these years 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.

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.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The financial statement disclosures are neutral, consistent, and clear.

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audits.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all misstatements identified during the audits, other than those that are clearly trivial, and communicate them to the appropriate level of management. The attached schedule summarizes uncorrected misstatements of the financial statements. Management has determined that their effects are immaterial, both individually and in the aggregate, to the financial statements taken as a whole.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditors' report. We are pleased to report that no such disagreements arose during the course of our audits.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated July 17, 2015.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditors' opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Employees Political Action Committee
Summary of Audit Differences

	Effect of Misstatement Overstatement (Understatement)				
	Assets	**Liabilities**	**Beginning Net Assets**	**Change in Net Assets**	**Ending Net Assets**
Year ended 12/31/12:					
Understatement of accounts receivable	$ (2,205)	$	$	$ (2,205)	$ (2,205)
Understatement of accounts payable		(5,565)		5,565	5,565
Cumulative financial statement adjustment at December 31, 2012:	$	$ (5,565)	$	$ 3,360	$ 3,360
Year ended 12/31/13:					
Effect of prior year audit differences	$	$	$ 3,360	$ (3,360)	$
Understatement of accounts receivable	(1,541)			(1,541)	(1,541)
Cumulative financial statement adjustment at December 31, 2013:	$ (1,541)	$	$ 3,360	$ (4,901)	$ (1,541)
Year ended 12/31/14:					
Effect of prior year audit differences	$	$	$ (1,541)	$ 1,541	$
Understatement of accounts receivable	(1,822)			(1,822)	(1,822)
Cumulative financial statement adjustment at December 31, 2014:	$ (1,822)	$ -	$ (1,541)	$ (281)	$ (1,822)