



16112 Wake Street NE
Anoka, MN 55304
Ph. 763-413-0669
Fx. 763-413-1131
asamn@msn.com
www.asamn.org
AMERICAN SUBCONTRACTORS
ASSOCIATION NATIONAL AFFILIATION

Please Join Us for an ASA-MN Special Event
8th Annual General Contractor T.O.P.S. Award and Membership Excellence Dinner, January 24, 2008,
Hillcrest Golf Club of Saint Paul

Visits us at www.asamn.org

ROUTING	



SUB-NEWS

The Voice of Subcontractors

Volume 11, Issue 34

Quarter 4, 2007

ASA-MN Attends National Champions Academy in D.C.

October 9, 2007
Washington D.C.

On the last day of ASA's Champion Academy, John Lloyd, Lloyd's Construction Services, Elaine Erickson, Viracon, and Executive Director Rocci Lueck made several stops on Capitol Hill to share the subcontractors perspective on three very important issues: The 3% Tax Withholding, Immigration Reform, and Bid Shopping on Federal Contracts. Elaine has provided a brief summary.



The first visit was Congressman Tim Walz in the Longworth Building. We met with Chris Schmitter, from Rochester, MN. He was very interested in the American Subcontractor's Association and our positions. John Lloyd did an excellent job of presenting the ASA bid shopping policy position and Chris took notes and asked many questions. Chris was also interested in ASA policy position on the 3% tax withholding requirement and we pointed out that Walz also co-sponsored the legislation to repeal section 511 of TIPRA act.

Second stop was to Senator Norm Coleman's office in the Hart Building. Anna Kopperud from Jordan, MN met with us. She works on Defense contracts and was particularly inquisitive about the bid shopping on Federal construction contracts. We stressed that ASA feels it unethical to endorse this practice and John answered many questions to clarify our position. On Immigration Reform, Anna mentioned that Norm Coleman has co-sponsored a bill with Senator Stabenow from MI.

Lastly, we visited Michele Bachmann's office in the Cannon Building. Jessica Taylor met with us as we stressed that bid shopping is more than dollar and cents...it's an ethical issue. She was interested in figures showing tax savings and that Bachmann was in support of saving money. It appeared that Bachmann was not in support of immigration reform



Welcome New Members...

Adjustable Joist Company
Mark Dalbey, President
2240 Edgewood Avenue South
St Louis Park MN 55426
952-352-0960 Fax 952-352-0919
mdalbey@adjustablejoist.com-www.adjustablejoist.com
Concrete framework

Claude M. Anderson Electric Co., Inc.
Tim Holmberg, Project Manager
1551 Payne Ave
St Paul MN 55130
651-287-3136 Fax 651-771-9119
tholmberg@cmaelectric.com
www.cmaelectric.com - Electrical

Commercial Flooring Services
Rick Batts, Vice President
940 Apollo Road, STE 110
Eagan MN 55121
651-681-8100 Fax 651-681-1385
rbatts@cfs-floors.com - www.cfs-floors.com
Flooring

North Country Concrete
Mary Babcock, Controller
7040 143rd Avenue NW
Ramsey MN 55303
763-576-8602 Fax 763-576-8636
mary@northcountryconcrete.com
www.northcountryconcrete.com - Concrete

RJ Ahmann Company
Mary Cave, Client Executive
7555 Market Place Drive
Eden Prairie MN 55344
952-947-9700 Fax 952-947-9793
mcave@rja.com - www.rja.com
Insurance, bonding

The Blue Book Of Building & Construction
Kevin Douglas, Regional Manager
PO Box 500 (local office being prepared)
Jefferson Valley NY 10535
630-464-8501 Fax 914-243-4936
kdouglas@mail.thebluebook.com -
www.thebluebook.com - Construction directories

ASA-MN Member Spotlight

KREMER DAVIS inc.
www.KremerDavis.com

Kremer Davis was just awarded an Inc. 5000 Award by Inc. Magazine. The award is made to the top growth company's in the private sector. Kremer Davis management feels the award is directly related to its broader focus on the entire building enclosure industry, its work in the LEED area, significant focus on roof top gardens and closer relationships with its customer base.

Established: 1945. Employees: 25.

Business scope: Water proofing, damp-proof, vapor barriers, roof top gardens, floor coatings, deck coatings, parking ramp coatings, decks and tunnel waterproofing.

Kremer Davis is proud to be the Midwest market leader for the past 5 years in commercial and residential waterproofing applications for new construction and renovation, and are committed to expanding into other areas of barrier protection that serve our customer base.

Recent projects of interest include: Mayo Clinic, Regions Hospital, St. Thomas, Guthrie and Best Buy.



MARK Your Calendars... 07-08 Events at a Glance

Education: Contracts and Negotiation
December 11, 2007 8:00-10:00 am, Mendakota Country Club

8th Annual General Contractor T.O.P.S. Award & Membership Excellence Dinner
January 24, 2008, 5:30 pm, Hillcrest Golf Club

Education: General Contractor Panel Discussion
February 28, 2008 4:30-6:00 pm, Majors Sports Café, Roseville

ASA National Business Forum & Convention 2008
March 6-8, 2008 Charleston, South Carolina

Education: Tax Planning and Accounting Practices
March 27, 2008 8:00-10:00 am

Education: TBD
April 24, 2008 8:00-10:00 am

10th Annual Golf Tournament
June 16, 2008 at StoneRidge Golf Club, Stillwater



Thank You Members of ASA!

Adjustable Joist Company	H & B Specialized Products, Inc	NewMech Companies, Inc.
Advance Shoring Companies	Haldeman-Homme, Inc.	North Country Concrete
American Subcontractors Assn. MN	Harris Companies	Parsons Electric LLC
API Group, Inc.	Harty Mechanical	Premier Restaurant Equipment Co.
Artcraft, Inc.	HLB Tautges Redpath, LTD.	Protouch Painting, Inc.
Builders Insulation	Homeco Insulation, Inc.	Ramsey Excavating Co., Inc.
CECO Concrete Construction	Hufcor Minnesota	RJ Ahmann Company
Cedarleaf Cedarleaf & Cedarleaf, Inc.	John A. Knutson & Co., PLLP	RJF Agencies, Inc.
Claude M. Anderson Electric Co., Inc.	Klamm Mechanical Contractors, Inc.	Schaefer Hardwood Floors
Cobb Strecker Dunphy & Zimmermann	Kraus-Anderson Insurance	Software Consultants
Collins	Kremer & Davis, Inc.	St. Paul Linoleum & Carpet Co.
Commercial Flooring Services	Langford Tool & Drill Company	Structural Wood Corporation
County Materials Corporation	Lloyd's Construction Services, Inc.	The Blue Book Of Building & Construction
Dispatch Trucking L.L.C.	Mavo Systems, Inc.	The Trane Company
Donnelly STucco	Max Steining Inc.	Tri-State Drilling, Inc.
Erickson Plumbing Heating & Cooling, Inc.	Medina Electric, Inc.	Twin City Tile & Marble Company
Fabyanske, Westra, Hart & Thomson, P.A.	Minnesota Elevator, Inc.	VIRACON, Inc.
Faegre & Benson LLP	Molin Concrete Products Company	Wenger Corporation
Frattalone Companies	Moss & Barnett P.A.	Willis of Minnesota
Gilbert Mechanical Contractors, Inc.	Nat. Fire Sprinkler Association	



ASA Champions Academy, Highlights by Executive Director, Rocci Lueck

October 6-9, 2007, Alexandria VA—ASA National held its first “Champions Academy.” This gathering of key leaders of ASA and its affiliated chapters is essential to develop and fine-tune management skills of the association. The agenda for the meeting includes the Officers' Council and the Executive Directors' (ED) Council, a joint meeting of the two councils, ED SHARE as well as several membership seminars focused on member involvement, growth, retention and leadership development. These tracks were presented by Mark Levin, CAE, SCP, BAI Inc. of Columbia MD. In addition, there were many other seminars offered covering topics from immigration, payment reform, government relations and the political environment.

Overall, I thought it was a very valuable experience. This was a new venture for national to combine the fall leadership forum with the legislative institute usually held separately in the spring. The new format was great. Content was 100% on the mark for ED and chapter growth than in past leadership forums. Plus a trip to capitol hill was very informative and something I thoroughly enjoyed with veteran and board member Elaine Erickson and board member John Lloyd.

A full report is available, just call the ASA office to have a copy emailed to you.

Thank you National Staff for putting on such a well planned and informative event. We all sincerely appreciate all the work and effort you provide to help us grow nationally and locally!



Increased Costs on Financial Statement Audits

Article provided by ASA Member, Jeff Meek, John A. Knutson & Co., PLLP

The Changes

The Auditing Standards Board (ASB) of the American Institute of Certified Public Accountants (AICPA) has issued eight new Statements on Auditing Standards (SASs) collectively referred to as the Risk Assessment Standards.

The primary objective of these standards is to enhance the auditors' assessment of risks that could cause the financial statements to be materially misstated. These standards require the auditor to obtain an increased understanding of the entity and its environment, including internal control, and to modify audit procedures based on that understanding and the assessed risks.

The Results

The affect of these standards is increased efforts by both the audited company and the auditors. This increased effort on the part of the auditors has been estimated to lead to increases in audit fees ranging from 30% to 80%. Companies that have sufficient documentation of their internal controls, policies, and procedures can expect to have smaller increases in fees. Those who do not should expect larger increases.

The Options

It is important to understand that there are three levels of service that can be performed by a qualified CPA. The cost associated with each of the levels corresponds with the amount of assurance that the CPA must provide about whether the financial statements are free of material misstatements.

An **audit**, which provides reasonable assurance, is the most extensive level of service which requires verification with parties outside the organization and an in-depth understanding of the entity and its environment. A **review**, which provides limited assurance, is the next level of service which relies primarily on inquiry of company personnel and analytical review of the financial information. A **compilation**, which provides no assurance, is a service which requires the CPA to present the company's financial information in the form of financial statements and address obvious errors in the financial information.

Fortunately, most subcontractors are not required to have financial statement audits. An audit is generally required for subcontractors who have significant bonding requirements, volume, debt, or absentee owners who want additional assurance on the financial statement information.

These levels of service need to be understood when dealing with bonding companies, banks, and other outside parties. Often line of credit and other debt agreements have standard terms which require audits of financial statements. If this issue is discussed as part of the negotiations the terms can often be changed to a review or compilation.

A quality CPA firm having a solid reputation with bonding companies and bankers can save you money by working to reduce the level of service required by outside parties. If you are currently receiving an audit, evaluate the reasons why. You may find that you can save significant accounting fees by ensuring you are receiving the appropriate level of service.

Plan Now To Participate at the ASA Business Forum & Convention 2008!

Scheduled for March 6-8, in Charleston, S.C., the ASA Business Forum & Convention 2008 features a host of programming tailored especially to ASA chapter leaders and members. These meetings are opportunities for chapter leaders to exchange ideas on association activities with peers from throughout the country. Other programming of interest to ASA chapter leaders includes task force meetings and educational workshops scheduled throughout the three-day convention.