

**The Florida Senate**  
**BILL ANALYSIS AND FISCAL IMPACT STATEMENT**

(This document is based on the provisions contained in the legislation as of the latest date listed below.)

---

Prepared By: The Professional Staff of the Appropriations Committee on Education

---

BILL: CS/SB 936

INTRODUCER: Education Pre-K -12 Committee and Senator DiCeglie

SUBJECT: Economic and Vocational Development

DATE: March 20, 2023

REVISED: \_\_\_\_\_

	ANALYST	STAFF DIRECTOR	REFERENCE	ACTION
1.	Jahnke	Bouck	ED	<b>Fav/CS</b>
2.	Gray	Elwell	AED	<b>Favorable</b>
3.			FP	

**Please see Section IX. for Additional Information:**

COMMITTEE SUBSTITUTE - Substantial Changes

**I. Summary:**

CS/SB 936 extends the repeal date to July 1, 2027, for future review and repeal of the Florida Development Finance Corporation.

The bill also extends the repeal date to October 1, 2027, for future review and repeal of the Florida Endowment for Vocational Rehabilitation (The Able Trust), which is a direct-support organization for the Division of Vocational Rehabilitation in the Department of Education.

The bill has no fiscal impact on state revenues or expenditures.

This bill is effective July 1, 2023.

**II. Present Situation:**

**Florida Development and Finance Corporation**

The Florida Development Finance Corporation (FDFC) was formed by the Florida Development Finance Corporation Act of 1993 and is designated as a state-wide, special development financing authority for economic development purposes.<sup>1</sup> Its purpose is to assist new and existing businesses and organizations (for-profit and not-for-profit) with access to capital through financing that promotes business activity, job creation, and an improved standard of

---

<sup>1</sup> Section 288.9604, F.S.

living for the citizens of Florida.<sup>2</sup> The primary mechanism for accessing the capital markets is through tax-exempt and taxable bonds.<sup>3</sup>

The FDFC was conceived through the efforts of the Enterprise Florida Capital Partnership, whereby the newly created Enterprise Florida would be a public-private partnership to address the needs outlined in a report by the Florida Department of Commerce and the Florida Chamber of Commerce titled Cornerstone. The four main areas of focus would include:

- The commercialization of university research and development.
- Job training.
- Access to capital (Capital Partnership).
- Distribution systems.<sup>4</sup>

The FDFC is governed by a Board of Directors (Board). The FDFC Board consists of seven directors with the Secretary of Economic Opportunity serving as the chair of the Board and the director of the Division of Bond Finance of the State Board Administration serving as the director of the Board. The remaining five directors are appointed by the Governor, subject to the confirmation of the Senate. The appointed directors serve a four-year term of office and can be reappointed. At three of the appointed directors must have experience in finance, and one of the directors must have experience in economic development.<sup>5</sup>

The FDFC has been helping Florida business for 30 years, created over 8,900 jobs, and has over 180 closings.<sup>6</sup>

The authorizing statute for the FDFC is scheduled for repeal on July 1, 2023, unless reviewed and reenacted by the Legislature.<sup>7</sup>

### **Citizen Support Organizations and Direct-Support Organizations**

Citizen support organizations (CSOs) and direct-support organizations (DSOs) are statutorily created private entities that are generally required to be non-profit corporations, and are authorized to carry out specific tasks in support of public entities or public causes. The functions and purpose of a CSO or DSO are prescribed by its enacting statute and, for most, by a written contract with the agency the CSO or DSO was created to support.

### ***CSO and DSO Transparency and Reporting Requirements***

In 2014, the Legislature created s. 20.058, F.S., establishing a comprehensive set of transparency and reporting requirements for CSOs and DSOs that are created or authorized pursuant to law or

---

<sup>2</sup> Florida Development Finance Corporation, FDFC History, <https://www.fdfcbonds.com/history> (last visited March 13, 2023).

<sup>3</sup> Florida Development Finance Corporation, About Us, <https://www.fdfcbonds.com/about> (last visited March 13, 2023).

<sup>4</sup> Florida Development Finance Corporation, FDFC History, <https://www.fdfcbonds.com/history> (last visited March 13, 2023).

<sup>5</sup> Section 288.9604(2), F.S.

<sup>6</sup> Florida Development Finance Corporation, *Home, FDFC Economic Development*, <https://www.fdfcbonds.com/> (last visited March 13, 2023).

<sup>7</sup> Section 288.9604(5), F.S.

executive order and created, approved, or administered by a state agency.<sup>8</sup> Specifically, the law requires each CSO and DSO to annually submit, by August 1, the following information related to its organization, mission, and finances to the agency it supports:<sup>9</sup>

- The name, mailing address, telephone number, and website address of the organization;
- The statutory authority or executive order that created the organization;
- A brief description of the mission of, and results obtained by, the organization;
- A brief description of the organization's plans for the next three fiscal years;
- A copy of the organization's code of ethics; and
- A copy of the organization's most recent federal Internal Revenue Service (IRS) Return of Organization Exempt from Income Tax form (Form 990).<sup>10</sup>

Each agency receiving the above information must make the information available to the public through the agency's website. If the CSO or DSO maintains a website, the agency's website must provide a link to the website of the CSO or DSO. Additionally, any contract between an agency and a CSO or DSO must be contingent upon the CSO or DSO submitting and posting the information. If a CSO or DSO fails to submit the required information for two consecutive years, the agency must terminate the contract with the CSO or DSO. The contract must also include a provision for ending operations and returning state-issued funds to the state if the authorizing statute is repealed, the contract is terminated, or the organization is dissolved.

By August 15 of each year, the agency must report to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the Office of Program Policy Analysis and Government Accountability (OPPAGA) the information provided by the CSO or DSO. The report must also include a recommendation by the agency, with supporting rationale, to continue, terminate, or modify the agency's association with each CSO or DSO.

Finally, a law creating or authorizing the creation of a CSO or DSO must state that the creation or authorization for the CSO or DSO is repealed on October 1 of the fifth year after enactment, unless reviewed and saved from repeal by the Legislature.<sup>11</sup>

### ***CSO and DSO Audit Requirements***

Section 215.981, F.S., requires each CSO and DSO created or authorized pursuant to law with annual expenditures in excess of \$100,000 to provide for an annual financial audit of its accounts and records.<sup>12</sup> The audit must be conducted by an independent certified public accountant in accordance with rules adopted by the Auditor General and the state agency that created, approved, or administers the CSO or DSO. The audit report must be submitted within nine months after the end of the fiscal year to the Auditor General and to the state agency the CSO or DSO supports.

---

<sup>8</sup> Ch. 2014-96, s. 3, Laws of Fla.

<sup>9</sup> Section 20.058(1), F.S.

<sup>10</sup> Section 20.058(1), F.S.

<sup>11</sup> Section 20.058, F.S.

<sup>12</sup> The independent audit requirement does not apply to a CSO or DSO for a university, district board of trustees of a community college, or district school board. Additionally, the expenditure threshold for an independent audit is \$300,000 for a CSO or DSO for the Department of Environmental Protection and the Department of Agriculture and Consumer Services.

Additionally, the Auditor General may conduct audits or other engagements of the accounts and records of the CSO or DSO, pursuant to his or her own authority, or at the direction of the Legislative Auditing Committee. The Auditor General is authorized to require and receive any records from the CSO or DSO, or its independent auditor.<sup>13</sup>

### ***CSO and DSO Ethics Code Requirement***

Section 112.3251, F.S., requires a CSO or DSO created or authorized pursuant to law to adopt its own ethics code. The ethics code must contain the specified standards of conduct and disclosures provided in ss. 112.313 and 112.3143(2), F.S. A CSO or DSO may adopt additional or more stringent standards of conduct and disclosure requirements and must conspicuously post its code of ethics on its website.<sup>14</sup>

### **Division of Vocational Rehabilitation**

Vocational Rehabilitation (VR) is a federal-state program that helps people who have physical or mental disabilities get or keep a job. VR is committed to helping people with disabilities find meaningful careers.<sup>15</sup>

The Division of Vocational Rehabilitation (DVR) is one of several divisions within the Department of Education (DOE).<sup>16</sup> The DVR is the administrative unit designated at the state level to ensure compliance with the Vocational Rehabilitation Act of 1973, as amended.<sup>17</sup> The DVR's mission is "to help people with disabilities find and maintain employment and enhance their independence."<sup>18</sup>

### **Florida Endowment Foundation for Vocational Rehabilitation**

In 1990, the Legislature created the Florida Endowment Foundation for Vocational Rehabilitation (Foundation or The Able Trust<sup>19</sup>) as a direct-support organization of the DVR within the DOE for the purpose of encouraging public and private support to enhance vocational rehabilitation and employment of citizens who are disabled.<sup>20</sup> The Able Trust endowment fund was created as a long-term, stable, and growing source of revenue to be administered by the Foundation as a direct-support organization of the DVR.<sup>21</sup>

The Foundation operates under contract with the DVR to exclusively raise funds; submit requests and receive grants from the Federal Government, the state, private foundations, and individuals; and to receive, hold, and administer property.

---

<sup>13</sup> Section 11.45, F.S.

<sup>14</sup> Section 112.3251, F.S.

<sup>15</sup> Florida Division of Vocational Rehabilitation, New Providers, *New Provider FAQs*, <https://www.rehabworks.org/providers/providers-new-faqs.html> (last visited March 6, 2023).

<sup>16</sup> Section 20.15(3)(e), F.S.

<sup>17</sup> Section 413.202, F.S.

<sup>18</sup> Florida Division of Vocational Rehabilitation, About, *About Us*, <https://www.rehabworks.org/about/about-us.html> (last visited March 6, 2023).

<sup>19</sup> The Foundation conducts business as The Able Trust. The Able Trust, <http://www.abletrust.org/> (last visited March 6, 2023).

<sup>20</sup> Ch. 90-330, s. 9, Laws of Fla., codified as s. 413.615(5), F.S.

<sup>21</sup> Section 413.615(4), F.S.

The authorizing statute for the Foundation is scheduled for repeal on October 1, 2023, unless reviewed and reenacted by the Legislature.<sup>22</sup>

### **Legislative Findings and Recommendations**

Senate professional staff reviewed documents related to the Foundation for compliance with accountability and authorizing statutes. The Foundation appears to be substantially in compliance with such statutes. Findings and recommendations are summarized below.

#### ***Foundation Compliance with Accountability Requirements***

- The Foundation must submit specified information to the Department of Education (DOE) by August 1.<sup>23</sup>  
Finding: The Foundation submitted the information by the specified deadline.<sup>24</sup>
- The DOE must make the information received from the Foundation available to the public through the agency's website. If the Foundation maintains a website, the DOE's website must provide a link to the Foundation's website.<sup>25</sup>  
Finding: The DOE includes a link to The Able Trust on the Division of Vocational Rehabilitation (DVR) webpage, but the required report is only available through the Florida Fiscal Portal.<sup>26</sup>  
Recommendation: Provide a link to the required report<sup>27</sup> directly on the DOE website.
- The DOE must report, by August 15 of each year, to the Governor, Legislature, and OPPAGA the information provided by the Foundation. The report must also include a recommendation by the DOE, with supporting rationale, to continue, terminate, or modify the DOE's association with the Foundation.<sup>28</sup>  
Finding: The DOE has complied with the requirement to report this information and include specified information.<sup>29</sup>
- The contract between the Foundation and the DVR must include a provision for the orderly cessation of operations and reversion to the state of state funds held in trust by the organization within 30 days after its authorizing statute is repealed, the contract is terminated, or the organization is dissolved.<sup>30</sup>

<sup>22</sup> Section 413.615(14), F.S.

<sup>23</sup> Section 20.058(1), F.S.

<sup>24</sup> Florida Fiscal Portal, Education, *Required Report Pursuant to Chapter 2014-096 Citizen Support and Direct Support Organizations* (Aug. 5, 2022) available at <http://floridafiscalportal.state.fl.us/Document.aspx?ID=24364&DocType=PDF>.

<sup>25</sup> Section 20.058(2), F.S.

<sup>26</sup> The Florida Fiscal Portal is maintained by the Executive Office of the Governor to house a collection of documents that detail the fiscal status of the State of Florida. Florida Fiscal Portal, <http://floridafiscalportal.state.fl.us/> (last visited March 6, 2023).

<sup>27</sup> Florida Fiscal Portal, Education, *Required Report Pursuant to Chapter 2014-096 Citizen Support and Direct Support Organizations* (Aug. 5, 2022) available at <http://floridafiscalportal.state.fl.us/Document.aspx?ID=24364&DocType=PDF>.

<sup>28</sup> Section 20.058(3), F.S.

<sup>29</sup> Florida Fiscal Portal, Education, *Required Report Pursuant to Chapter 2014-096 Citizen Support and Direct Support Organizations* (Aug. 5, 2022) available at <http://floridafiscalportal.state.fl.us/Document.aspx?ID=24364&DocType=PDF>, at 44.

<sup>30</sup> Section 20.058(4), F.S.

Finding: The current contract includes a provision regarding the orderly cessation of operations and includes a provision regarding the reversion of state funds within 45 days.<sup>31</sup>

Recommendation: The contract should include a provision specifying 30 days, rather than 45 days, for the reversion of state funds.

- The Foundation’s Code of Ethics must be conspicuously posted on the Foundation’s website,<sup>32</sup> and must address specified standards of conduct.<sup>33</sup>

Finding: The Able Trust Code of Ethics is posted and includes required provisions.<sup>34</sup>

- The Foundation must provide for an annual financial audit of its accounts and records to be conducted by an independent certified public accountant in accordance with rules adopted by the Auditor General and the DOE. The audit report must be submitted within 9 months after the end of the fiscal year to the Auditor General and to the DOE.<sup>35</sup>

Finding: The Able Trust has provided for an audit for the 2021-2022 fiscal year within the specified timeframe.<sup>36</sup>

### ***Foundation Compliance with Authorizing Requirements***

- The Foundation must separately account for funds received from state sources<sup>37</sup> from bequests, gifts, grants, and donations. Earnings on funds received from state sources and funds received from public or private sources must also be accounted for separately.<sup>38</sup>

Finding: The Able Trust has separately accounted for revenues<sup>39</sup> and earnings on funds<sup>40</sup> between state and private sources.

- The Foundation must have a contract with the DVR, and must:
  - Be a Florida corporation not for profit.
  - Be organized and operated exclusively to raise funds; to submit requests and receive grants from the Federal Government, the state, private foundations, and individuals; to receive, hold, and administer property; and to make expenditures to or for the benefit of the VR programs approved by the Foundation board of directors.<sup>41</sup>

<sup>31</sup> The Able Trust, *Memorandum of Understanding for The Able Trust, SA-519*, available at <https://www.abletrust.org/wp-content/uploads/2022/07/SA-519-Executed-Contract-1.pdf>, at 3.

<sup>32</sup> Section 112.3251, F.S.

<sup>33</sup> Section 112.313, F.S.

<sup>34</sup> The Able Trust, *Ethics Policy* (Dec. 12, 2014), available at <https://www.abletrust.org/wp-content/uploads/2022/04/Ethics-Policy-12-2014.pdf>; also The Able Trust, *Conflict of Interest Policy* (June 15, 2012), available at <https://www.abletrust.org/wp-content/uploads/2022/04/Conflict-of-Interest-as-revised-6-15-2012.pdf>.

<sup>35</sup> Section 215.981(1), F.S.

<sup>36</sup> Thompson, Howell, Ferguson, P.A., *The Florida Endowment Foundation for Vocational Rehabilitation, Inc. d/b/a The Able Trust, Financial Statements and Additional Information, Years ended June 30, 2022* (Nov. 8, 2022), available at <https://www.abletrust.org/wp-content/uploads/2023/01/0622-Issued-Financial-Statements-The-Able-Trust-FINAL.pdf>.

<sup>37</sup> The ABLE Trust receives state funds only from general revenue for the DOE/DVR High School/High Tech Program. Specific Appropriation 28, ch. 2022-156, Laws of Fla., appropriates \$549,823 in recurring funds for 2022-2023.

<sup>38</sup> Section 413.615(4)(d), F.S.

<sup>39</sup> The Able Trust, *2022 Annual Report*, available at <https://www.abletrust.org/wp-content/uploads/2023/01/FY2022-DSO-Annual-Report-Cover-Letter-Report-FINAL-FOR-WEBSITE.pdf>.

<sup>40</sup> The Able Trust (March 9, 2023). Earnings from the state investments for the year were \$753,895, and earnings for the private investments were \$102,268. Thompson, Howell, Ferguson, P.A., *The Florida Endowment Foundation for Vocational Rehabilitation, Inc. d/b/a The Able Trust, Financial Statements and Additional Information, Years ended June 30, 2022* (Nov. 8, 2022), available at <https://www.abletrust.org/wp-content/uploads/2023/01/0622-Issued-Financial-Statements-The-Able-Trust-FINAL.pdf>. (last visited March 16, 2023).

<sup>41</sup> Section 413.615(5), F.S.

Finding: The Able Trust contract with the DVR meets this requirement.<sup>42</sup>

- The Able Trust contract with the DVR must provide information relating to the articles of incorporation, governance, conditions for expenditures of state revenues, and a reversion of state funds following a cessation of operations. In addition, as a part of the contract, the Foundation must submit an annual budget for approval to the DVR, which may not approve such annual budget that does not comply with requirements relating to administrative costs.<sup>43</sup>

Finding: The Able Trust contact with the DVR complies with this requirement.

Additionally, the annual budget for Fiscal Year 2022 was approved by the DVR and complies with the requirement that administrative costs be limited to 15 percent of total expenditures.<sup>44</sup>

- The Foundation must comply with requirements relating to confidential and exempt donor records and client information and exemptions from public meetings at which donor or client information is discussed.<sup>45</sup>

Finding: The Able Trust has not had any donations since 2019 which were confidential and/or exempt. However, the Able Trust has ensured that donor confidentiality is respected by asking donors to indicate their preference to remain anonymous on their donor form.<sup>46</sup> On May 8, 2023, the Able Trust Bylaws, Ethics, and Policy Committee will meet to begin a comprehensive review of statutory requirements and determine gaps in existing Able Trust policy.<sup>47</sup>

- The Foundation is administered by a 9-member board of directors (board) qualified for membership on the board and appointed by the Governor to two 3-year terms.<sup>48</sup>

Finding: The composition of the Able Trust board meets this requirements.<sup>49</sup>

- The Foundation board must monitor, review, and annually evaluate funded programs to determine whether funding should be continued, terminated, reduced, or increased.<sup>50</sup>

Finding: The Able Trust board has enacted mechanisms to evaluate funded programs, which include outcome measurement requirements in each grant award contract.<sup>51</sup>

- The board is required to limit administrative costs to the minimum amount necessary for the efficient and effective administration of the foundation; such costs are limited to 15 percent

<sup>42</sup> The Able Trust, *Memorandum of Understanding for The Able Trust, SA-519*, available at <https://www.abletrust.org/wp-content/uploads/2022/07/SA-519-Executed-Contract-1.pdf>, at 1.

<sup>43</sup> Section 413.615, F.S.

<sup>44</sup> *The Florida Endowment Foundation for Vocational Rehabilitation, Inc. d/b/a The Able Trust, Financial Statements and Additional Information, Years ended June 30, 2022* (Nov. 8, 2022), available at <https://www.abletrust.org/wp-content/uploads/2023/01/0622-Issued-Financial-Statements-The-Able-Trust-FINAL.pdf>. (last visited March 16, 2023).

Administrative costs were \$248,570, which was 8.5% of total expenses.

<sup>45</sup> Section 413.615(7), F.S.

<sup>46</sup> The Able Trust, *Donation Page*, available at

<https://abletrust.ejoinme.org/MyPages/DonationPage/tabid/5364/Default.aspx>.

<sup>47</sup> *Email*, The Able Trust (March 9, 2023) (on file with Senate Committee on Education).

<sup>48</sup> Section 413.615(8), F.S.

<sup>49</sup> The Able Trust, *By-Laws* (Adopted Feb. 21, 1991, last amended Sept. 21, 2017), available at

[https://www.abletrust.org/wp-content/uploads/2022/05/BY-LAWS-REVISED-10\\_6\\_2017.pdf](https://www.abletrust.org/wp-content/uploads/2022/05/BY-LAWS-REVISED-10_6_2017.pdf). See also, The Able Trust, *Board of Directors, Officers, & Ambassadors*, <https://www.abletrust.org/board-of-directors/> (last visited March 7, 2023).

<sup>50</sup> Section 413.615(9)(g), F.S.

<sup>51</sup> The Able Trust, *Grant Policies* (May 2021), available at

[http://www.abletrust.org/sites/default/files/media/images/documents/Able%20Trust-](http://www.abletrust.org/sites/default/files/media/images/documents/Able%20Trust-Able%20Charitable%20Grant%20Policy%20-%20final%2011-30-2018.pdf)

[Able%20Charitable%20Grant%20Policy%20-%20final%2011-30-2018.pdf](http://www.abletrust.org/sites/default/files/media/images/documents/Able%20Trust-Able%20Charitable%20Grant%20Policy%20-%20final%2011-30-2018.pdf). The Able Trust, *Grant Award Contract – Attachment Two Grant Performance Measures* (May 2021), available at <https://www.abletrust.org/wp-content/uploads/2022/04/Grants-Performance-Measures-May-2021.pdf>.

of total estimated expenditures in any calendar year. For the 2021-2022 fiscal year, administrative costs may be paid from interest and earnings on the endowment principal.<sup>52</sup>

Finding: Administrative costs in 2021-2022 were \$248,570, or 8.5 percent of expenses.<sup>53</sup> Additionally, for 2021-2022, The Able Trust used interest and dividends to cover operating expenses.<sup>54</sup>

- The Foundation is required to publish on its website:
  - The required annual audit and annual report.
  - For each position filled by an officer or employee, the position's compensation level.
  - A copy of each contract into which the foundation enters.
  - Information on each program, gift, or grant funded by the foundation, including specified information.
  - The foundation's contract with the DVR.<sup>55</sup>

Finding: The Foundation has posted its annual audit,<sup>56</sup> the annual report,<sup>57</sup> compensation policy<sup>58</sup> and officer compensation,<sup>59</sup> contracts,<sup>60</sup> grant information,<sup>61</sup> and the Foundation's contract.<sup>62</sup>
- The Foundation board must establish an operating account,<sup>63</sup> which must provide for purposes specified in law.<sup>64</sup>

Finding: The Foundation board has established an operating account. For 2021-2022, The Able Trust used interest and dividends to cover operating expenses.<sup>65</sup>
- Any allocation of funds for research, advertising, or consulting is subject to a competitive solicitation process.<sup>66</sup>

Finding: The Able Trust policy regarding competitive bidding is to require that purchases \$20,000 and higher must be subject to competitive bidding. As well as, any allocation o

<sup>52</sup> Section 413.615(9)(j), F.S.

<sup>53</sup> The Able Trust, *2022 Annual Report*, available at <https://www.abletrust.org/wp-content/uploads/2023/01/FY2022-DSO-Annual-Report-Cover-Letter-Report-FINAL-FOR-WEBSITE.pdf>, at 5. Total expenses were \$2,920,938.

<sup>54</sup> Thompson, Howell, Ferguson, P.A., *The Florida Endowment Foundation for Vocational Rehabilitation, Inc. d/b/a The Able Trust, Financial Statements and Additional Information, Years ended June 30, 2022* (Nov. 8, 2022), available at <https://www.abletrust.org/wp-content/uploads/2023/01/0622-Issued-Financial-Statements-The-Able-Trust-FINAL.pdf>, at 6.

<sup>55</sup> Section 413.615(9)(k), F.S.

<sup>56</sup> Thompson, Howell, Ferguson, P.A., *The Florida Endowment Foundation for Vocational Rehabilitation, Inc. d/b/a The Able Trust, Financial Statements and Additional Information, Years ended June 30, 2022* (Nov. 8, 2022), available at <https://www.abletrust.org/wp-content/uploads/2023/01/0622-Issued-Financial-Statements-The-Able-Trust-FINAL.pdf>.

<sup>57</sup> The Able Trust, *2022 Annual Report*, available at <https://www.abletrust.org/wp-content/uploads/2023/01/FY2022-DSO-Annual-Report-Cover-Letter-Report-FINAL-FOR-WEBSITE.pdf>

<sup>58</sup> The Able Trust, *Compensation Policy: Officers and Directors* (June 15, 2012), available at <https://www.abletrust.org/wp-content/uploads/2022/04/Compensation-Policy-Revisions-6-15-2012-Current-7-29-14.pdf>.

<sup>59</sup> The Able Trust, *Salary Posting*, <https://www.abletrust.org/salary-listing/> (last visited March 7, 2023).

<sup>60</sup> The Able Trust, *Active Contracts*, <https://www.abletrust.org/active-contracts/> (last visited March 7, 2023).

<sup>61</sup> The Able Trust, *Grant Award Contracts*, <https://www.abletrust.org/grant-award-contracts/> (last visited March 7, 2023).

<sup>62</sup> The Able Trust, *Memorandum of Understanding for The Able Trust, SA-519*, available at <https://www.abletrust.org/wp-content/uploads/2022/07/SA-519-Executed-Contract-1.pdf>.

<sup>63</sup> The Able Trust board of directors is required to establish an operating account to deposit non-principal funds from investment and reinvestment transmitted from the State Board of Administration. Section 413.615(4)(c), F.S.

<sup>64</sup> Section 413.615(10), F.S.

<sup>65</sup> Thompson, Howell, Ferguson, P.A., *The Florida Endowment Foundation for Vocational Rehabilitation, Inc. d/b/a The Able Trust, Financial Statements and Additional Information, Years ended June 30, 2022* (Nov. 8, 2022), available at <http://www.abletrust.org/sites/default/files/media/docs/FINAL%20-%202018%20Audited%20Financial%20Statements.pdf>, at 6.

<sup>66</sup> Section 413.615(10), F.S.



- funds for research, advertising, or consulting is subject to a competitive solicitation process per statutory law.<sup>67</sup>
- State funds may not be used to fund events for private sector donors or potential donors or to honor supporters.<sup>68</sup>

Finding: The Able Trust has not held any private sector donor/prospective donor/support events since 2019. On May 8, 2023, the Able Trust Bylaws, Ethics, and Policy Committee will meet to begin a comprehensive review of statutory requirements and determine gaps in existing Able Trust policy.<sup>69</sup>
  - The Foundation board must provide for an annual financial audit of the foundation in accordance with Florida law.<sup>70</sup> The auditor's report must maintain the anonymity of donors and prospective donors who desire to remain anonymous.<sup>71</sup>

Finding: The Foundation board provided for an audit for the 2021-2022 fiscal year, which does not contain specific donor information.<sup>72</sup>
  - The Foundation board must issue a report by December 30 each year summarizing the performance of the endowment fund for the previous fiscal year. The report must summarize the Foundation's fundraising activities, and detail those activities and programs supported by the endowment principal or earnings on the endowment principal and those activities and programs supported by private sources, bequests, gifts, grants, donations, and other valued goods and services received. The report must also include:
    - Financial data, by service type, including expenditures for administration and the provision of services.
    - The amount of funds spent on administrative expenses and fundraising and the amount of funds raised from private sources.
    - Outcome data, including the number of individuals served and employment outcomes.<sup>73</sup>

Finding: The Foundation issued its annual report in the required timeframe. The annual report includes financial data related to administration and expenditures, fundraising, program outcomes, and programs supported by endowment principal or earnings and those supported by private sources.<sup>74</sup>

### III. Effect of Proposed Changes:

#### The Florida Development Finance Corporation

CS/SB 936 extends the repeal date to July 1, 2027, for future review and repeal of the Florida Development Finance Corporation (FDFC). The extenuation of the repeal date will provide for the continuation of FDFC's support of Florida's economic development.

<sup>67</sup> Email, The Able Trust (March 9 2023) (on file with Senate Committee on Education).

<sup>68</sup> Section 413.615(10), F.S.

<sup>69</sup> Email, The Able Trust (March 9 2023) (on file with Senate Committee on Education).

<sup>70</sup> Section 215.981, F.S.

<sup>71</sup> Section 413.615(11), F.S.

<sup>72</sup> Thompson, Howell, Ferguson, P.A., *The Florida Endowment Foundation for Vocational Rehabilitation, Inc. d/b/a The Able Trust, Financial Statements and Additional Information, Years ended June 30, 2022* (Nov. 8, 2022), available at <http://www.abletrust.org/sites/default/files/media/docs/FINAL%20-%202018%20Audited%20Financial%20Statements.pdf>.

<sup>73</sup> Section 413.615(12), F.S.

<sup>74</sup> The Able Trust, *2022 Annual Report*, available at <https://www.abletrust.org/wp-content/uploads/2023/01/FY2022-DSO-Annual-Report-Cover-Letter-Report-FINAL-FOR-WEBSITE.pdf>.

## **The Florida Endowment for Vocational Rehabilitation**

The bill extends the repeal date to October 1, 2027, for future review and repeal of the Florida Endowment for Vocational Rehabilitation (The Able Trust). This extenuation of the repeal date will provide for the continuation of programs administered by The Able Trust, which include, but are not limited to, the following programs.

### ***High School High Tech Program***

The Able Trust High School High Tech (HSHT) program is designed to provide high school students with all types of disabilities the opportunity to explore jobs or postsecondary education leading to technology-related careers. HSHT programming is based on the nationally recognized and evidenced-based Guideposts for Success. Students are provided a wide variety of opportunities to explore in-demand industries and careers through education tours, work-based experiences, workshops, and career mentoring.

During the 2021-2022 school year, HSHT served 1,076 students with disabilities in 39 Florida counties. 756 students participated in career-based work experiences. The HSHT program achieved a graduation rate of 99 percent of all participating seniors with 80 percent of graduates attaining post-secondary education or employment.<sup>75</sup>

### ***Project Venture***

Project Venture is a competition for high school students with disabilities who participate in The Able Trust High School High Tech program. Project Venture teams prepare and present a comprehensive business plan to promote and sell a new product or service.

Students who participate in this competition gain important skills they will need as they transition out of high school into post-secondary education or training, or go directly into the workforce:

- Introduce students to entrepreneurship and the entrepreneurial spirit.
- Facilitate students working in teams on real-world applications.
- Allow students to develop workplace communication skills and other soft skills.
- Enable students to learn by doing.<sup>76</sup>

### ***Work Experiences and Relationships with the Business Community***

Disability Employment Awareness Month (DEAM) is part of a national initiative highlighting career paths and industries for students and job seekers with disabilities. The Able Trust promotes DEAM with Florida businesses as an opportunity to:

- Participate in career exploration workshops and conduct job site tours to provide persons with disabilities the opportunity to explore the daily life of their career interest.

---

<sup>75</sup> The Able Trust, 2022 Annual Report, available at <https://www.abletrust.org/wp-content/uploads/2023/01/FY2022-DSO-Annual-Report-Cover-Letter-Report-FINAL-FOR-WEBSITE.pdf>, at 6.

<sup>76</sup> The Able Trust, 2023 Project Venture, <https://www.abletrust.org/2023projectventure/> (last visited March 9, 2023).

- Introduce other businesses and organizations to the capabilities and profitability of this talented labor market.<sup>77</sup>

This bill is effective July 1, 2023.

#### **IV. Constitutional Issues:**

A. Municipality/County Mandates Restrictions:

None.

B. Public Records/Open Meetings Issues:

None.

C. Trust Funds Restrictions:

None.

D. State Tax or Fee Increases:

None.

E. Other Constitutional Issues:

None.

#### **V. Fiscal Impact Statement:**

A. Tax/Fee Issues:

None.

B. Private Sector Impact:

By extending the repeal dates of the Florida Development Finance Corporation and the Florida Endowment for Vocational Rehabilitation direct-support organization, this bill will sustain a source of business access to capital for project financing, as well as financial and other direct assistance for individuals who are disabled.

C. Government Sector Impact:

The bill has no impact on state revenues or expenditures.

#### **VI. Technical Deficiencies:**

None.

---

<sup>77</sup> The Able Trust, *Inclusive Florida Strategic Plan FY 2023-2025*, available at <https://www.abletrust.org/wp-content/uploads/2022/07/Inclusive-Florida-Strategic-Plan-2023-2025-FINAL.pdf>, at 9.

**VII. Related Issues:**

None.

**VIII. Statutes Affected:**

413.615, 288.9604

This bill substantially amends sections 288.9604 and 413.615 of the Florida Statutes.

**IX. Additional Information:**

- A. **Committee Substitute – Statement of Substantial Changes:**  
(Summarizing differences between the Committee Substitute and the prior version of the bill.)

**CS by Education Pre-K -12 on March 14, 2023:**

The committee substitute retains the provisions in the bill saving from repeal the ABLE Trust, and saves the Florida Development Finance Corporation from repeal by extending the repeal date to July 1, 2027.

The committee substitute also updates the title of the bill to an act relating to economic and vocational development.

- B. **Amendments:**

None.