



ABLE United

Save for a better life experience

March 24, 2020

The Honorable John D. Rood
Chairman

Ander Crenshaw

Camille Gardiner
Co-Founder/Board Member Down
Syndrome Foundation of Florida

Patrick T. Hogan
Hogan Legal Services, P.A.

Representative Ray Rodrigues
Florida House of Representatives

Kevin Thompson
Executive Director

John Finch, Jr.
ABLE United Director

M E M O R A N D U M

TO: Florida ABLE, Inc. Board Members

FROM: John D. Rood, Chairman



RE: Board Meeting, March 24, 2020

DATE: March 13, 2020

As per previous notification from the Board office, the next quarterly Board meeting for Florida ABLE, Inc. is scheduled for March 24, 2020. The meeting will be held via webinar.

The webinar will be held on Tuesday, March 24, 2020, at 1:00 p.m. To join telephonically, the number is (888) 585-9008, and the participant passcode is 333-138-006.

In preparation for this meeting, I have enclosed the Board meeting packet, which includes the agenda, minutes, and information on issues to be discussed.

If you have any questions regarding the enclosed materials, please contact Kevin Thompson in the Board office.

Enclosure

cc: Kevin Thompson, Executive Director

**Florida ABLE, Inc.
Board Meeting Agenda**

March 24, 2020
1:00 p.m.

Hermitage Centre – Hermitage Room
Tallahassee, Florida

Welcome and Call to Order

Vice Chairman Crenshaw

Approval of Minutes of the December 10, 2019, Board Meeting

Tab 1

Investment Performance

Mike McCormick
Dave Keil

Tab 2

Executive Director's Report

Kevin Thompson

- Business Continuity Planning
- Annual Certification

Tab 3

Tab 4

Director's Report

John Finch

- Program Update

Tab 5

Other

Adjourn

TAB 1

Minutes
Florida ABLE, Inc. Board Meeting
December 10, 2019

A meeting of the Florida ABLE, Inc. Board was held at 1:01 p.m. on December 10, 2019 via webinar, in Tallahassee, Florida.

Members Present

Chairman John Rood, Patrick Hogan, Representative Ray Rodrigues, Ander Crenshaw

Call To Order

Chairman Rood called the December 10, 2019, meeting of the Florida ABLE, Inc. Board to order at 1:01 p.m.

Approval Of The Minutes

The Board unanimously approved the minutes from the September 25, 2019, Florida ABLE, Inc. Board meeting.

Investment Performance

Ms. Kristen Doyle, with Aon Hewitt, provided an update of the Investment Performance. The Board unanimously accepted the third quarter 2019 investment reports for Florida ABLE, Inc.

Financial Statements

Mr. Michael Carter, with CRI, presented the audited financial statements. The Board unanimously accepted the financial statements for Florida ABLE, Inc.

Director's Report

Mr. John Finch provided the Director's Report which included an update on Program statistics, key activities, system enhancements and a Legislative update.

Other

Chairman Rood announced that the next Florida ABLE, Inc. Board meeting would be held on March 24, 2020, in Tallahassee.

Adjourn

There being no further business to come before the Board, the meeting was adjourned at 1:40 p.m.

TAB 2

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Section 1: Economic & Capital Market Update

Market Highlights

■ Global equity markets rallied over the trailing quarter and 1-year period

- U.S.- China Trade deal, progress on USMCA, and easing Brexit fears boosted equity markets
- Central banks signaled continued monetary accommodation amid market pressures

■ U.S. Economic growth remained moderate over the fourth quarter

- Economic weakness continued to be predominately isolated in the manufacturing sector
- ISM manufacturing data remains weak across developed markets
- Unemployment in the U.S. dipped back down to a historic low of 3.5%
- Consumer confidence remains strong

■ Developed market bond yields rise

- Increasing inflation expectations associated with central bank easing and prospects of debt-financed fiscal stimulus

Returns of the Major Capital Markets

Period Ending 12/31/2019

	Fourth Quarter	1-Year	3-Year ¹	5-Year ¹	10-Year ¹
Equity					
MSCI All Country World IMI	9.05%	26.35%	12.09%	8.34%	8.91%
MSCI All Country World	8.95%	26.60%	12.44%	8.41%	8.79%
Dow Jones U.S. Total Stock Market	9.04%	30.90%	14.52%	11.18%	13.43%
Russell 3000	9.10%	31.02%	14.57%	11.24%	13.42%
S&P 500	9.07%	31.49%	15.27%	11.70%	13.56%
Russell 2000	9.94%	25.52%	8.59%	8.23%	11.83%
MSCI All Country World ex-U.S. IMI	9.20%	21.63%	9.84%	5.71%	5.21%
MSCI All Country World ex-U.S.	8.92%	21.51%	9.87%	5.51%	4.97%
MSCI EAFE	8.17%	22.01%	9.56%	5.67%	5.50%
MSCI EAFE (Local Currency)	5.19%	21.67%	7.66%	6.73%	7.24%
MSCI Emerging Markets	11.84%	18.42%	11.57%	5.61%	3.68%
Fixed Income					
Bloomberg Barclays Global Aggregate	0.49%	6.84%	4.27%	2.31%	2.48%
Bloomberg Barclays U.S. Aggregate	0.18%	8.72%	4.03%	3.05%	3.75%
Bloomberg Barclays U.S. Long Gov't	-4.06%	14.75%	6.95%	4.16%	6.97%
Bloomberg Barclays U.S. Long Credit	1.18%	23.36%	8.88%	6.31%	7.99%
Bloomberg Barclays U.S. Long Gov't/Credit	-1.12%	19.59%	8.07%	5.42%	7.59%
Bloomberg Barclays U.S. TIPS	0.79%	8.43%	3.32%	2.62%	3.36%
Bloomberg Barclays U.S. High Yield	2.61%	14.32%	6.37%	6.13%	7.57%
Bloomberg Barclays Global Treasury ex U.S.	-0.02%	5.04%	4.40%	1.98%	1.49%
JP Morgan EMBI Global (Emerging Markets)	2.09%	14.42%	6.06%	5.88%	6.57%
Commodities					
Bloomberg Commodity Index	4.42%	7.69%	-0.94%	-3.92%	-4.73%
Goldman Sachs Commodity Index	8.31%	17.63%	2.35%	-4.32%	-5.44%
Hedge Funds					
HFRI Fund-Weighted Composite ²	3.50%	10.38%	4.52%	3.55%	4.04%
HFRI Fund of Funds ²	3.04%	8.34%	3.87%	2.36%	2.83%
Real Estate					
NAREIT U.S. Equity REITS	-0.76%	26.00%	8.14%	7.21%	11.94%
NCREIF NFI - ODCE	1.52%	5.35%	7.10%	8.97%	11.42%
FTSE Global Core Infrastructure Index	3.75%	26.26%	13.50%	8.12%	10.74%
Private Equity					
Burgiss Private iQ Global Private Equity ³		11.61%	14.89%	11.58%	13.92%

MSCI Indices show net total returns throughout this report. All other indices show gross total returns.

¹ Periods are annualized.

² Latest 5 months of HFR data are estimated by HFR and may change in the future.

³ Burgiss Private iQ Global Private Equity data is as at June 30, 2019



Section 2: Performance Summary

4Q 2019 Investment Performance Executive Summary

- Plan assets increased from \$18.0 million to \$21.0 million due to inflows and market returns over the quarter
- Asset allocation reflected market movement and active elections by participants; December 31, 2019 top 5 allocation as follows:
 - 23.5% Conservative Portfolio
 - 19.4% Growth Portfolio
 - 17.4% Moderate Portfolio
 - 16.3% Money Market Fund
 - 11.8% US Stock Fund
- Allocation Options had positive returns across the board with the exception of US Bond Fund which returned -0.03%
- Top absolute performer of allocation options for the quarter is the US Stock Fund returning 8.9%
- The average fee across the program is 0.23%
- No changes were made in the investment lineup over the quarter

Asset Allocation & Performance

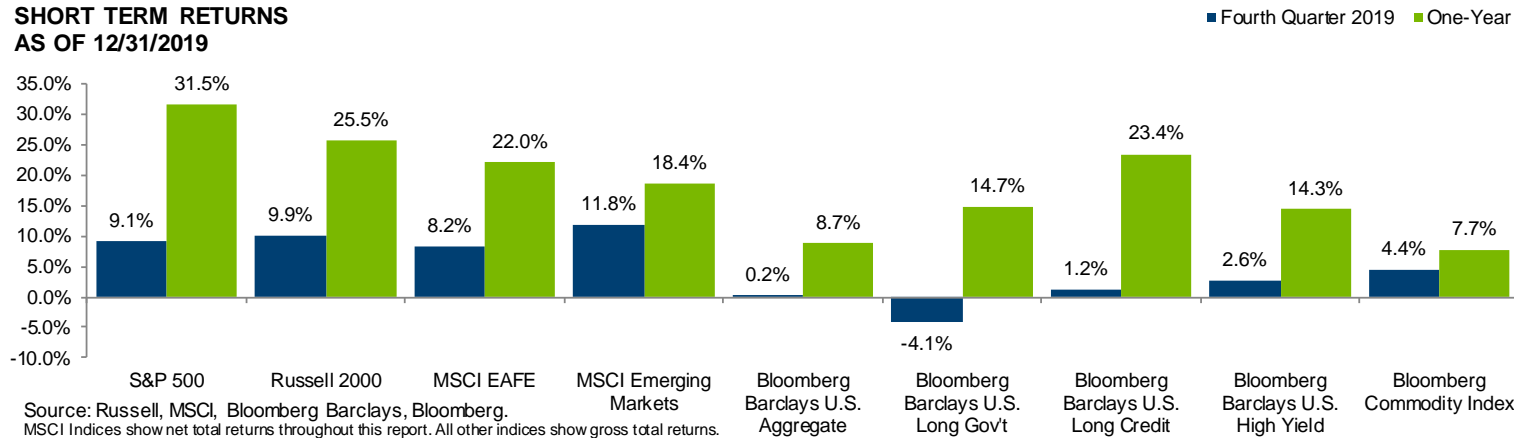
As of December 31, 2019

	Market Value (\$)	%	Performance(%)						Inception Date
			1 Quarter	1 Year	2 Years	3 Years	5 Years	Since Inception	
Underlying Investments	21,035,402	100.00							
Vanguard Total Stock Market	8,034,974	38.20	9.01	30.80	11.37	14.55		14.15	08/01/2016
Russell 3000 Index			9.10	31.02	11.42	14.57		14.19	
Difference			-0.09	-0.22	-0.05	-0.02		-0.04	
BlackRock International Index	2,666,580	12.68	7.90	22.40	3.00	9.91		8.76	08/01/2016
MSCI EAFE Index (Net)			8.17	22.01	2.56	9.56		8.53	
Difference			-0.27	0.39	0.44	0.35		0.23	
Vanguard Total bond Index	5,337,916	25.38	0.03	8.71	4.25	4.02		2.48	08/01/2016
Bimbg. Barc. U.S. Aggregate Float Adjusted			0.14	8.87	4.30	4.08		2.57	
Difference			-0.11	-0.16	-0.05	-0.06		-0.09	
Florida Prime	3,901,581	18.55	0.48	2.45	2.31	1.94		1.81	08/01/2016
90 Day U.S. Treasury Bill			0.46	2.28	2.08	1.67		1.50	
Difference			0.02	0.17	0.23	0.27		0.31	
FDIC Savings Fund	1,094,352	5.20	0.42					1.56	04/01/2019
Federal Funds Upper Limit			0.42					1.55	
Difference			0.00					0.01	

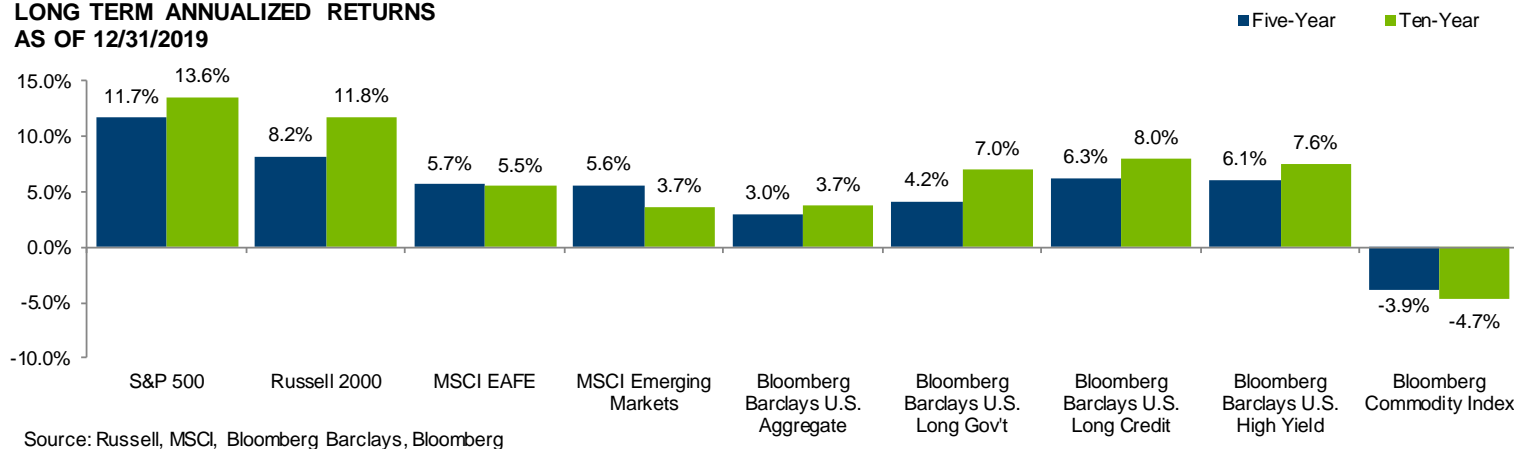


Market Highlights

SHORT TERM RETURNS AS OF 12/31/2019



LONG TERM ANNUALIZED RETURNS AS OF 12/31/2019

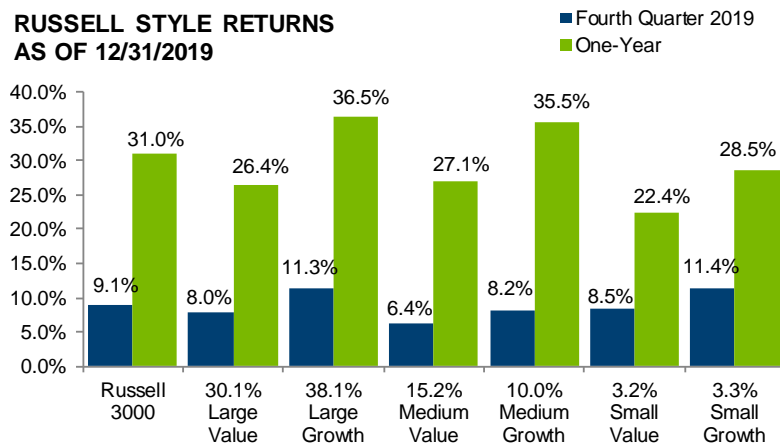


Improved outlook on trade and Brexit, as well as a dovish fed drove returns higher over the quarter

- Equity markets rallied across regions over the trailing quarter and 1-year periods
- Rising yields and tightening credit spreads resulted in muted returns across the fixed income segments

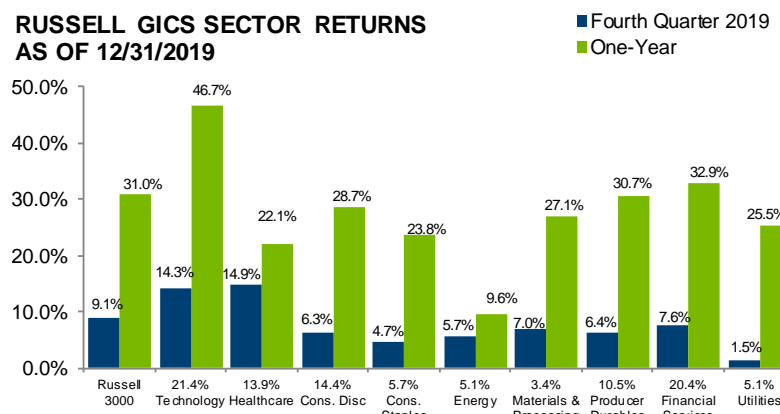
U.S. Equity Markets

**RUSSELL STYLE RETURNS
AS OF 12/31/2019**



Source: Russell Indexes

**RUSSELL GICS SECTOR RETURNS
AS OF 12/31/2019**



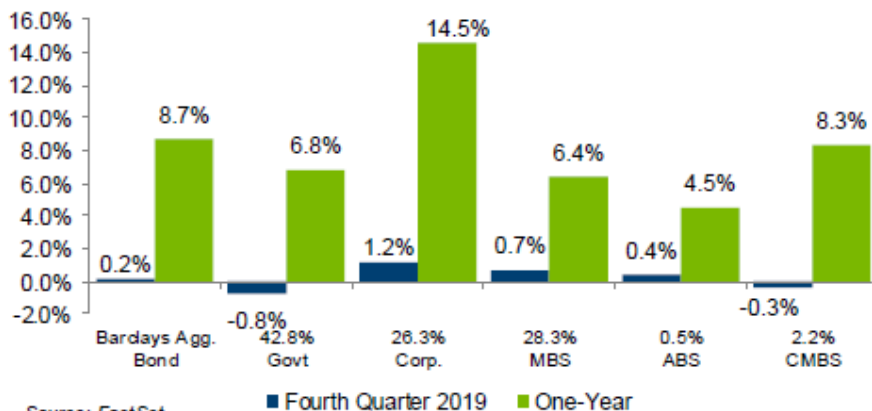
Source: Russell Indexes

U.S. Equity returns were positive across the market capitalization and sector spectrum over the quarter and trailing one-year period

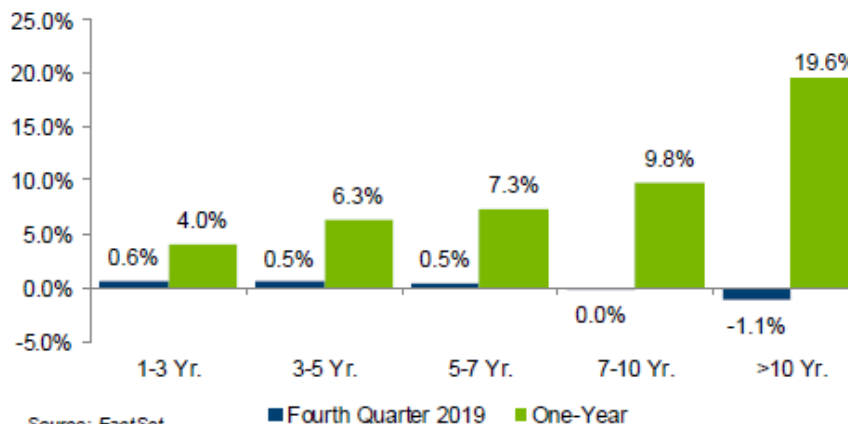
- Three major U.S. equity indices (S&P 500, Dow Jones Industrial Average and Nasdaq Composite) touched record highs over the quarter; the truce in the U.S.-China trade war providing a significant tailwind.
- The Russell 3000 Index rose 9.1% during the fourth quarter and 31.0% over the one-year period.
- Healthcare (14.9%) and Technology (14.3%) were the best performers over the quarter. Whereas more defensive sectors underperformed with Utilities (1.5%) and Consumer Staples (4.7%) the worst performing sectors.
- In general, small cap stocks outperformed both large and medium cap stocks over the quarter. Growth stocks outperformed their Value counterparts in Q4 2019 and over the last year.

U.S. Fixed Income Markets

BLOOMBERG BARCLAYS AGGREGATE RETURNS BY SECTOR AS OF 12/31/2019



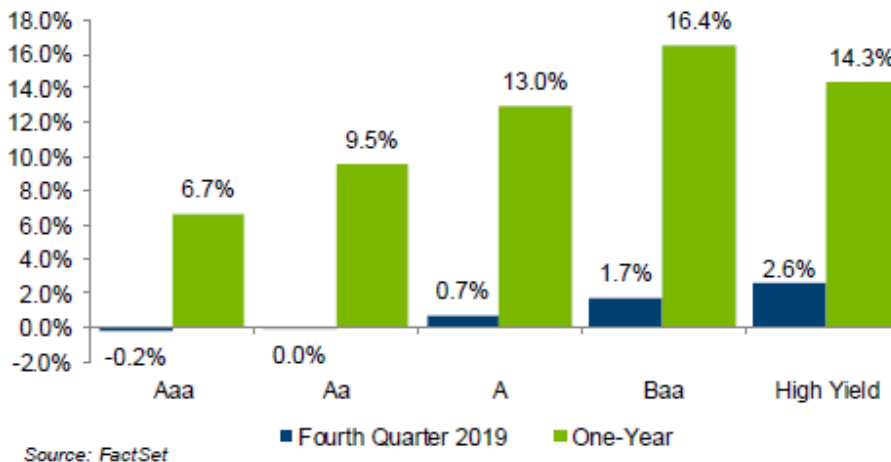
BLOOMBERG BARCLAYS AGGREGATE RETURNS BY MATURITY AS OF 12/31/2019



Economic optimism and reduced recessionary fears drove demand for riskier bonds over the quarter

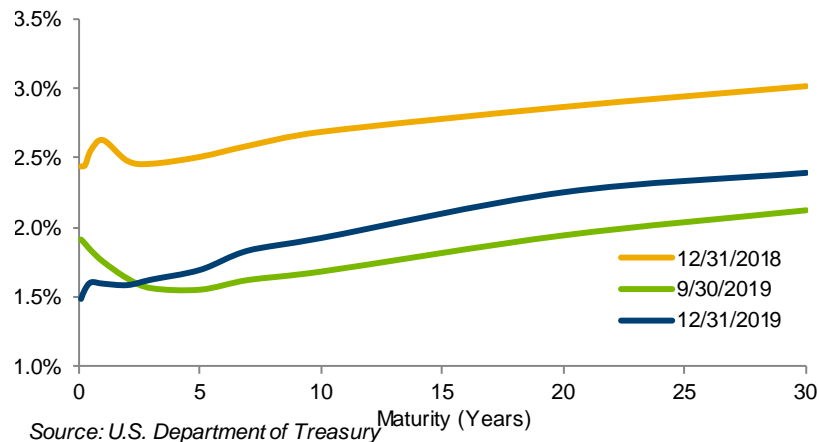
- Bloomberg Barclays U.S. Aggregate Bond Index rose by 0.2% over the quarter. Corporate bonds were the best performers, returning 1.2% while Government bonds underperformed with a return of -0.8%.
- Within credit, greater risk appetite led to outperformance of lower quality corporate bonds. High yield bonds returned 2.6% while AAARated bonds underperformed with a return of -0.2%.
- Short-maturity bonds (returning 0.6%) outperformed intermediate and long-maturity bonds (falling 1.1%) over the quarter.

BLOOMBERG BARCLAYS AGGREGATE RETURNS BY QUALITY AND HIGH YIELD RETURNS AS OF 12/31/2019

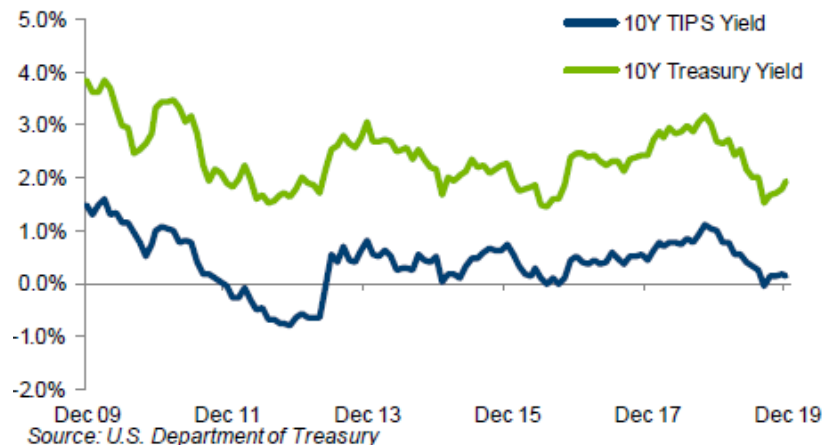


U.S. Fixed Income Markets

U.S. TREASURY YIELD CURVE



U.S. 10-YEAR TREASURY AND TIPS YIELDS



Increasing inflation expectations lifted rates and steepened the yield curve over the quarter

- The U.S. nominal yield curve steepened over the quarter with yields falling at the short end of the curve and rising at longer maturities. As a result, the yield curve is no longer inverted.
- The 10-year U.S. Treasury yield retraced most of the prior quarter's fall with a 24bps increase over the quarter to 1.92%. The 10-year TIPS yield remained unchanged over the quarter at 0.15%.
- With real yields broadly unchanged over the quarter, it became evident that yield movements were triggered not by growth expectations (which remain low) but instead by increasing inflation expectations. This follows sustained central bank easing, prospects of debt-financed fiscal stimulus and potential changes to inflation-targeting policies; all of which are supportive for higher inflation.
- The US Federal Reserve (Fed) cut the interest rate by 25bps to 1.50%-1.75%. Meanwhile, in the latest "dot plot", the majority of the Federal Open Market Committee believed that interest rates will stay at current levels for at least the next year, with the next 25bps hike not anticipated until 2021.

Financial Reconciliation

As of December 31, 2019

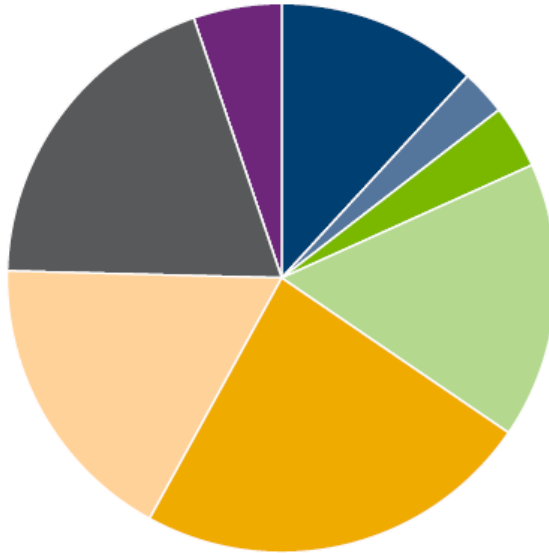
	Market Value As of 12/31/2019 \$	Net Transfers \$	Investment Return \$	Market Value As of 09/30/2019 \$
Vanguard Total Stock Market	8,034,974	761,832	624,269	6,648,873
BlackRock International Index	2,666,580	268,626	183,939	2,214,015
Vanguard Total Bond Index	5,337,916	485,946	1,802	4,850,169
Florida Prime	3,901,581	297,686	18,035	3,585,859
FDIC Savings Fund	1,094,352	397,660	3,587	693,105
Underlying Investments	21,035,402	2,211,750	831,632	17,992,021
Individual Fund Options	8,355,894	1,053,424	248,738	7,053,731
US Stock Fund	2,491,094	262,525	190,646	2,037,923
International Stock Fund	562,842	48,572	38,841	475,429
US Bond Fund	785,661	88,703	-153	697,111
FDIC Savings Fund	1,094,352	397,660	3,587	693,105
Money Market Fund	3,421,945	255,964	15,818	3,150,164
Predesigned Portfolio Options	12,676,129	1,164,074	576,512	10,935,543
Conservative Portfolio	4,936,135	381,362	161,168	4,393,606
Moderate Portfolio	3,662,308	466,362	167,488	3,028,458
Growth Portfolio	4,077,687	316,350	247,856	3,513,480
Clearing Account	-	-	-	-
Total Investment Options	21,032,023	2,217,499	825,250	17,989,275

Asset Allocation by Investment Options

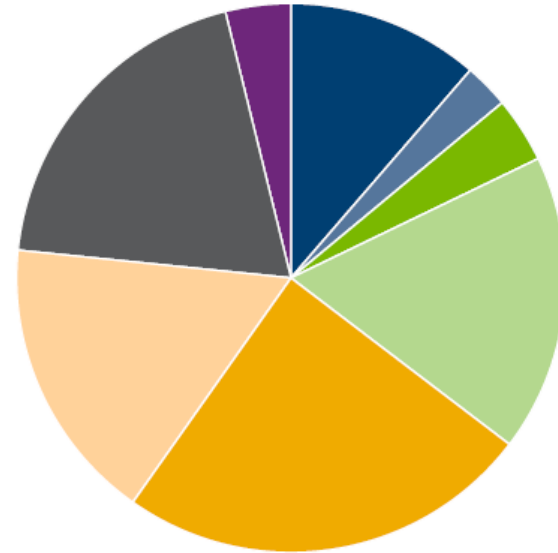
As of December 31, 2019

December 31, 2019 : \$21,032,023

September 30, 2019 : \$17,989,275



	Market Value (\$)	Allocation (%)
US Stock Fund	2,491,094	11.8
International Stock Fund	562,842	2.7
US Bond Fund	785,661	3.7
Money Market Fund	3,421,945	16.3
Conservative Portfolio	4,936,135	23.5
Moderate Portfolio	3,662,308	17.4
Growth Portfolio	4,077,687	19.4
Clearing Account	-	0.0
FDIC Savings Fund	1,094,352	5.2



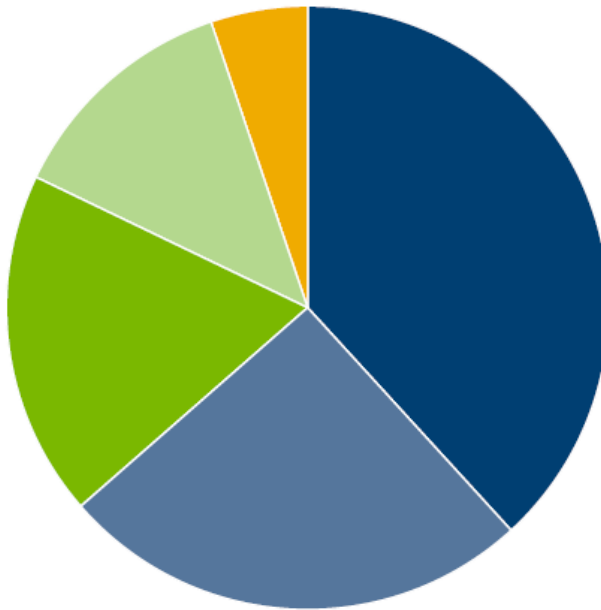
	Market Value (\$)	Allocation (%)
US Stock Fund	2,037,923	11.3
International Stock Fund	475,429	2.6
US Bond Fund	697,111	3.9
Money Market Fund	3,150,164	17.5
Conservative Portfolio	4,393,606	24.4
Moderate Portfolio	3,028,458	16.8
Growth Portfolio	3,513,480	19.5
Clearing Account	-	0.0
FDIC Savings Fund	693,105	3.9

Asset Allocation by Underlying Investments

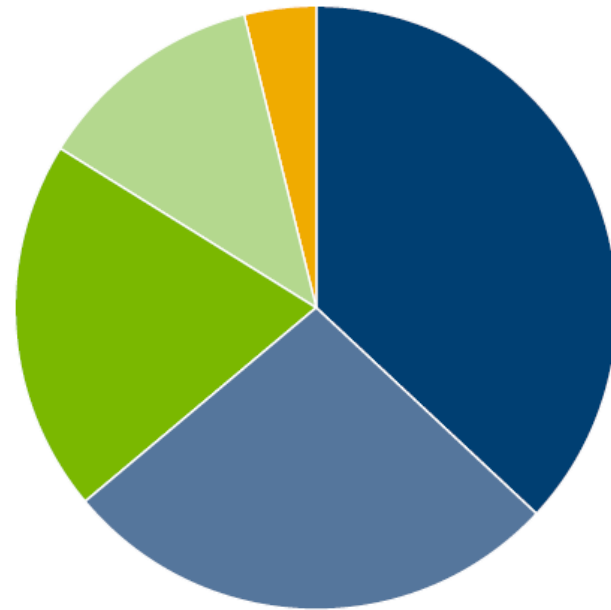
As of Decemeber 31, 2019

December 31, 2019 : \$21,035,402

September 30, 2019 : \$17,992,021



	Market Value (\$)	Allocation (%)
■ Vanguard Total Stock Market	8,034,974	38.2
■ Vanguard Total bond Index	5,337,916	25.4
■ Florida Prime	3,901,581	18.5
■ BlackRock International Index	2,666,580	12.7
■ FDIC Savings Fund	1,094,352	5.2



	Market Value (\$)	Allocation (%)
■ Vanguard Total Stock Market	6,648,873	37.0
■ Vanguard Total bond Index	4,850,169	27.0
■ Florida Prime	3,585,859	19.9
■ BlackRock International Index	2,214,015	12.3
■ FDIC Savings Fund	693,105	3.9

Asset Allocation & Performance

As of December 31, 2019

	Market Value (\$)	%	Performance(%)						Inception Date
			1 Quarter	1 Year	2 Years	3 Years	5 Years	Since Inception	
Allocation Options	21,032,023	100.00							
US Stock Fund	2,491,094	11.84	8.93	30.43	11.04	14.19		13.79	08/01/2016
Russell 3000 Index			9.10	31.02	11.42	14.57		14.19	
Difference			-0.17	-0.59	-0.38	-0.38		-0.40	
International Stock Fund	562,842	2.68	7.79	21.54	2.48	9.39		8.28	08/01/2016
MSCI EAFE Index (Net)			8.17	22.01	2.56	9.56		8.53	
Difference			-0.38	-0.47	-0.08	-0.17		-0.25	
US Bond Fund	785,661	3.74	-0.03	8.42	4.00	3.77		2.23	08/01/2016
Bimbg. Barc. U.S. Aggregate			0.18	8.72	4.27	4.03		2.57	
Difference			-0.21	-0.30	-0.27	-0.26		-0.34	
FDIC Savings Fund	1,094,352	5.20	0.42					1.56	04/01/2019
Federal Funds Upper Limit			0.42					1.55	
Difference			0.00					0.01	
Money Market Fund	3,421,945	16.27	0.49	2.41	2.30	1.93		1.80	08/01/2016
90 Day U.S. Treasury Bill			0.46	2.28	2.08	1.67		1.50	
Difference			0.03	0.13	0.22	0.26		0.30	
Conservative Portfolio	4,936,135	23.47	3.49	15.47	5.88	7.37		6.33	08/01/2016
Custom Conservative Benchmark			3.63	15.91	6.27	7.62		6.62	
Difference			-0.14	-0.44	-0.39	-0.25		-0.29	
Moderate Portfolio	3,662,308	17.41	5.18	20.09	7.03	9.42		8.43	08/01/2016
Custom Moderate Benchmark			5.34	20.63	7.49	9.73		8.79	
Difference			-0.16	-0.54	-0.46	-0.31		-0.36	
Growth Portfolio	4,077,687	19.39	6.85	23.64	7.54	10.99		10.17	08/01/2016
Custom Growth Index			7.05	24.23	7.94	11.32		10.54	
Difference			-0.20	-0.59	-0.40	-0.33		-0.37	

Fee Schedule

As of December 31, 2019

	Fee Schedule	Market Value As of 12/31/2019 \$	% of Portfolio	Estimated Annual Fee \$	Estimated Annual Fee (%)
Allocation Options		\$21,032,023	100.00	\$47,859	0.23
Individual Fund Options		\$8,355,894	39.73	\$12,333	0.15
US Stock Fund	0.29 % of Assets	\$2,491,094	11.84	\$7,224	0.29
International Stock Fund	0.29 % of Assets	\$562,842	2.68	\$1,632	0.29
US Bond Fund	0.29 % of Assets	\$785,661	3.74	\$2,278	0.29
FDIC Savings Fund	0.00 % of Assets	\$1,094,352	5.20	-	0.00
Money Market Fund	0.04 % of Assets	\$3,421,945	16.27	\$1,198	0.04
Predesigned Portfolios		\$12,676,129	60.27	\$35,527	0.28
Conservative Portfolio	0.27 % of Assets	\$4,936,135	23.47	\$13,081	0.27
Moderate Portfolio	0.29 % of Assets	\$3,662,308	17.41	\$10,621	0.29
Growth Portfolio	0.29 % of Assets	\$4,077,687	19.39	\$11,825	0.29

Fund Benchmarks

Custom Conservative Benchmark	Custom Conservative Benchmark – A custom Benchmark composed of 10% 3 month Treasury Bill, 50% Barclays Aggregate, 30% Russell 3000, 10% MSCI EAFE
Custom Moderate Benchmark	Custom Moderate Benchmark – A custom Benchmark composed of 40% Barclays Aggregate, 45% Russell 3000, 15% MSCI EAFE.
Custom Growth Benchmark	Custom Growth Benchmark – A custom benchmark composed of 20% Barclays Aggregate, 55% Russell 3000, 25% MSCI EAFE
S&P 500 Index	S&P 500 Stock Index - A capitalization-weighted index representing stocks chosen by Standard & Poor's, Inc. for their size, liquidity, stability and industry group representation. The companies in the S&P 500 Index are generally among the largest in their industries.
Russell 2000 Index	Russell 2000 Index - A market index comprised of the 2,000 smallest companies in the Russell 3000 Index, representing approximately 10% of the Russell 3000 Index total market capitalization
Russell 1000 Value Index	Russell 1000 Value Index - This contains those Russell 1000 securities with a lower-than-average growth orientation. Securities in this index tend to exhibit lower price-to-book and price-to-earnings ratios, higher dividend yields, and lower forecasted growth values than the Growth Universe
Russell 1000 Growth Index	Russell 1000 Growth Index - This contains those Russell 1000 securities with a greater-than-average growth orientation. Securities in this index tend to exhibit higher price-to-book and price-to-earnings ratios, lower dividend yields, and higher forecasted growth values than the Value Universe
Bloomberg Barclays U.S. Aggregate Bond Index	Bloomberg Barclays U.S. Aggregate Bond Index - A market value-weighted index consisting of government bonds, SEC-registered corporate bonds and mortgage-related and asset-backed securities with at least one year to maturity and an outstanding par value of \$250 million or greater. This index is a broad measure of the performance of the investment grade U.S. fixed income market.
90-Day T-Bill Index	90-Day T-Bill Index - An index that measures the average return of the last three-month U.S. Treasury Bill issues.

Legal Disclosures and Disclaimers

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200 E. Randolph Street
Suite 1500
Chicago, IL 60601
ATTN: AHIC Compliance Officer

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TAB 3



Business Continuity Planning Novel Coronavirus (COVID-19)

Customer Service

Prepaid / Savings / Foundation:

- Call center operations will continue until local incident or state closure.
- Service representatives do not have remote access. Staff has been reduced to comply with social gathering protocols.
- In the event of closure, call center activities will be temporarily discontinued. Customer inquiries will be addressed, on a limited basis, via email.

ABLE United:

- Call center operations will continue without significant service interruption.
- Approximately 50% of service representatives are operating remotely, transitioning to 100% remote activities in April.
- Remote operations required minor adjustments to the call center hours of operation, from 9:00AM-6:00PM to 9:00AM-5:00PM.

Transaction Processing and Messaging

Transaction Processing:

- Online access supports enrollment, viewing, and Plan management.
- Check production will be delayed in the event of office closures.

Financial Hardship:

- Late fees and cancellations on hold.
- 2020 first payment date moved.

Customer Messaging:

- Deploying an online landing page.
- Sending an email to participants.



Board Staff

Remote Access/Operations:

- All staff issued lap tops with VPN connectivity / remote access.
- Most paper processing has been eliminated. Limited staff to address physical mail and school rosters.
- Go-To-Meeting supports remote engagement with periodic touchpoints.

General Precautions:

SBA has adopted CDC guidelines for cleaning, travel, and social distancing.



TAB 4

Florida ABLE, Inc.
Certification by the Florida Prepaid College Board
March 24, 2020

Pursuant to Section 1009.986(3)(b)(6), Florida Statutes, by July 1 of each fiscal year, the Florida Prepaid College Board shall certify that Florida ABLE, Inc. is complying with the terms of the Direct-Support Organization Contract and acting in a manner consistent with Section 1009.986, Florida Statutes, in the best interest of the State of Florida. This certification is to be reported in the official minutes of a Board meeting.

Florida ABLE, Inc.
ABLE United Program Status
March 24, 2020

Contract with Florida Prepaid College Board

Pursuant to Section 1009.986(3), Florida Statutes, Florida ABLE, Inc. operates under contract as a Direct-Support Organization of the Florida Prepaid College Board (Board). The contract became effective July 1, 2015.

Articles of Incorporation and By-laws

In accordance with Section 1009.986(3)(b)1, Florida Statutes, the Articles of Incorporation and By-Laws of Florida ABLE, Inc., are to be approved by the Board. The Articles of Incorporation and By-Laws were both amended and approved in December 2016.

Tax Exempt

Florida ABLE, Inc. filed for a 501(c)(3) tax exempt status on February 22, 2017. The Internal Revenue Service determined Florida ABLE, Inc. to be exempt from federal income tax on July 25, 2017. This effective date of exemption begins the date Florida ABLE, Inc. corporation was created, February 23, 2015.

Conflict of Interest Policy

GrayRobinson, P.A. recommended the adoption of a Conflict of Interest Policy to be consistent with the Internal Revenue Service best practices and protect the interest of Florida ABLE, Inc. when it is contemplating entering into a transaction or arrangement that might benefit the private interest of an officer or director of Florida ABLE, Inc. The Board approved this policy in December of 2016 and subsequently Board members have signed annually a statement of compliance.

Annual Budget

In accordance with Section 1009.986(3)(b)2, Florida Statutes, Florida ABLE, Inc. shall submit an annual budget for approval by the Board. The Board approved the 2019-2020 budget on June 25, 2019 for a total budget amount of \$1,794,200.

Reports

In accordance with Section 1009.986(9), Florida Statutes, Florida ABLE, Inc. provides an annual report of the program to the Governor, the President of the Senate, the Speaker of the House of Representatives, and the minority leaders of the Senate and the House of Representatives on, or before, March 31 of each year. In addition, the annual report is available to each designated beneficiary online at www.ableunited.com/annual-report.

Program Service Providers

Pursuant to the contract between Florida ABLE, Inc. and the Board, the Board has executed contract amendments with mission critical program partners on behalf of Florida ABLE, Inc. for the following services:

- Accounting and audit services
- Administrative services
- Advertising and digital marketing
- Investment consulting
- Investment management
- Legal services
- Project management services
- Public relations services
- Records administration services

Website

The Board has maintained the website, www.ableunited.com, as the marketing website for Florida ABLE, Inc.

Annual Financial Audit

In accordance with Section 215.981, Florida Statutes, Florida ABLE, Inc. received an independent auditors' report from Carr, Riggs, & Ingram, LLC for the statement of financial position as of June 30, 2019. The audit report was presented to the Board at the December 10, 2019 board meeting. The approved report was submitted to the Auditor General as required in December 2019. The Board, the Auditor General, and the Office of Program Policy Analysis and Government Accountability shall have the authority to require and receive from the organization or from the independent auditor any records relative to the operation of the organization.

ABLE United Program Status

Pursuant to Section 1009.986(4), Florida Statutes, Florida ABLE, Inc. shall administer ABLE United. In collaboration with program partners, Florida ABLE, Inc. developed business requirements for a records administration system and operational functions, including a customer contact center, to service ABLE accounts in Florida. The records administration system provides access for participants to establish, monitor, and manage their accounts in real-time through an online portal. ABLE United launched July 1, 2016 and offers the following savings and investment options.

Three Predesigned Portfolios

- Conservative – Money Market Fund 10%, U.S. Bond Fund 50%, U.S. Stock Fund 30%, International Stock Fund 10%
- Moderate - U.S. Bond Fund 40%, U.S. Stock Fund 45%, International Stock Fund 15%
- Growth - U.S. Bond Fund 20%, U.S. Stock Fund 55%, International Stock Fund 25%

Five Individual Funds

- Money Market – Florida Prime
- U.S Bond Fund – Vanguard
- U.S. Stock Fund – Vanguard
- International Stock Fund – BlackRock
- FDIC Insured Fund – Bank of New York Mellon

As of January 31, 2020, 4,298 individuals have opened ABLE United accounts and together have saved and invested \$22,903,739. The average age of a beneficiary is 31. The majority of individuals, 42%, have categorized their disability as a developmental disability. Most accounts, 56%, are managed by parents or guardians.

The ABLE United marketing website, www.ableunited.com, has received over 265,000 unique users since launch. The ABLE United Facebook page, www.facebook.com/ABLEUnited, has 9,653 followers.

In an effort to increase awareness among Floridians with disabilities, ABLE United annually presents and participates at over 160 disability related events across Florida. Over 2,500 different advocacy, legal, and financial organizations have been engaged.

In addition, and pursuant to Section 1009.986(11), Florida Statutes, Florida ABLE, Inc. will continue to work with the following state partners in disseminating information and assisting in outreach efforts about ABLE United:

- Agency for Health Care Administration
- Agency for Persons with Disabilities
- Department of Children and Families
- Department of Education

TAB 5



Agenda

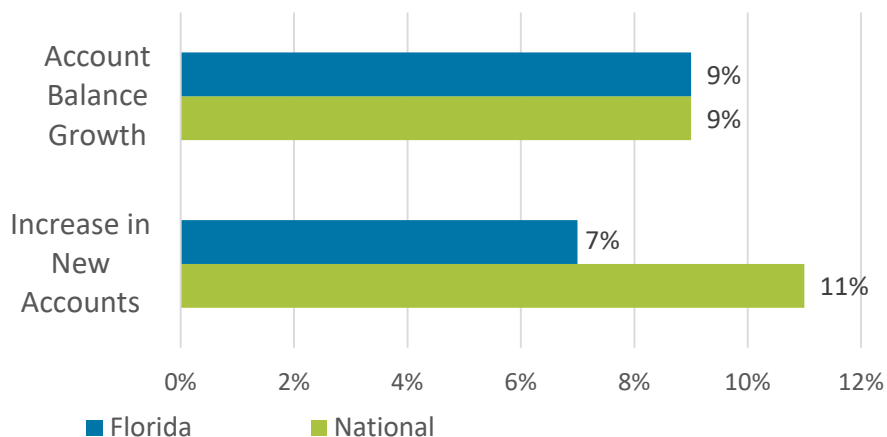
- Statistics
- Key Activities
- System Updates
- Education Spotlight – ABLE Landscape
- Legislative Update
- Budget Status



ABLE United Key Statistics

	Q4 – 2018	Q4 – 2019	Diff
Enrollments	217	270	24% ↑
Average Account Balance*	\$4,096	\$5,667	38% ↑
Net Transactions	\$1,535,645	\$2,217,499	44% ↑
Total Market Value	\$11,436,332	\$21,032,023	84% ↑

National Q4-2019 Comparison



Florida Key Statistics

Average Bene Age	31
Eligibility	40% SSI
Investments	50% Conservative
Active Accounts*	3,711 (12/31/2019)

Website Activity



Description	Q4 – 2018	Q4 – 2019	Diff
New Website Visitors	10,043	18,754	87%
Sought Beyond Landing Page	5,525	9,135	65%
Likely Eligible	2,162	2,634	22%
Clicked on Enrollment	992	1,877	89%
Started Application	506	933	84%
Enrolled	217	270	24%
Contribution to New Account	189	238	26%

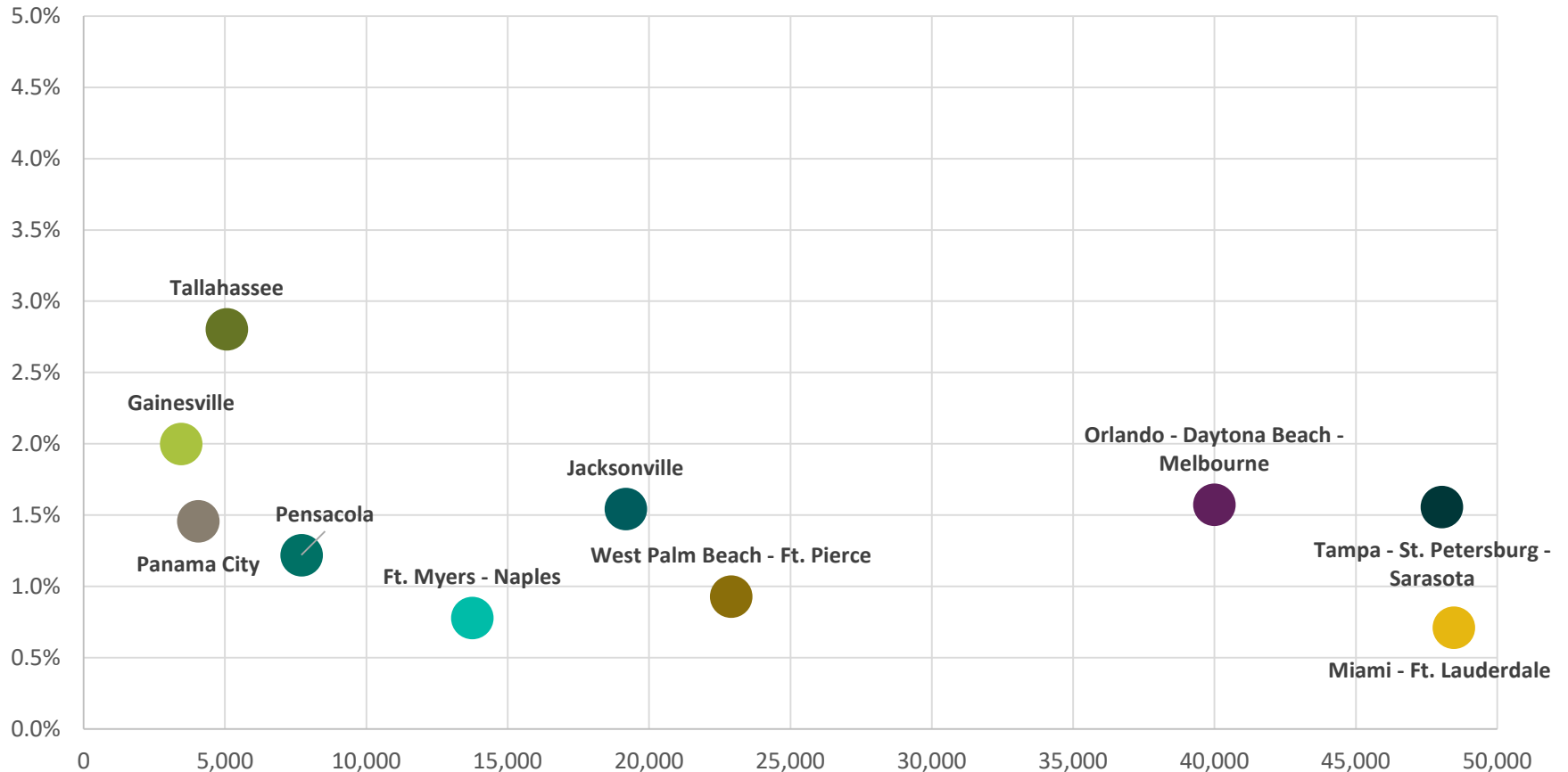
Excluding outbound traffic to account login, people leaving website for other content is down 46% year-over-year

Total Enrollment Breakdown by Designated Marketing Area

DMA Markets	Dec-18	Dec-19	% Growth
Tampa - St. Petersburg - Sarasota	748	1,071	43%
Orlando - Daytona - Melbourne	629	992	58%
Miami - Ft. Lauderdale	345	524	52%
Jacksonville	296	409	38%
West Palm Beach - Ft. Pierce	213	318	49%
Tallahassee	142	242	70%
Ft. Myers - Naples	107	167	56%
Pensacola	94	138	47%
Gainesville	69	124	80%
Panama City	59	76	29%
TOTAL	2,702	4,061	50%

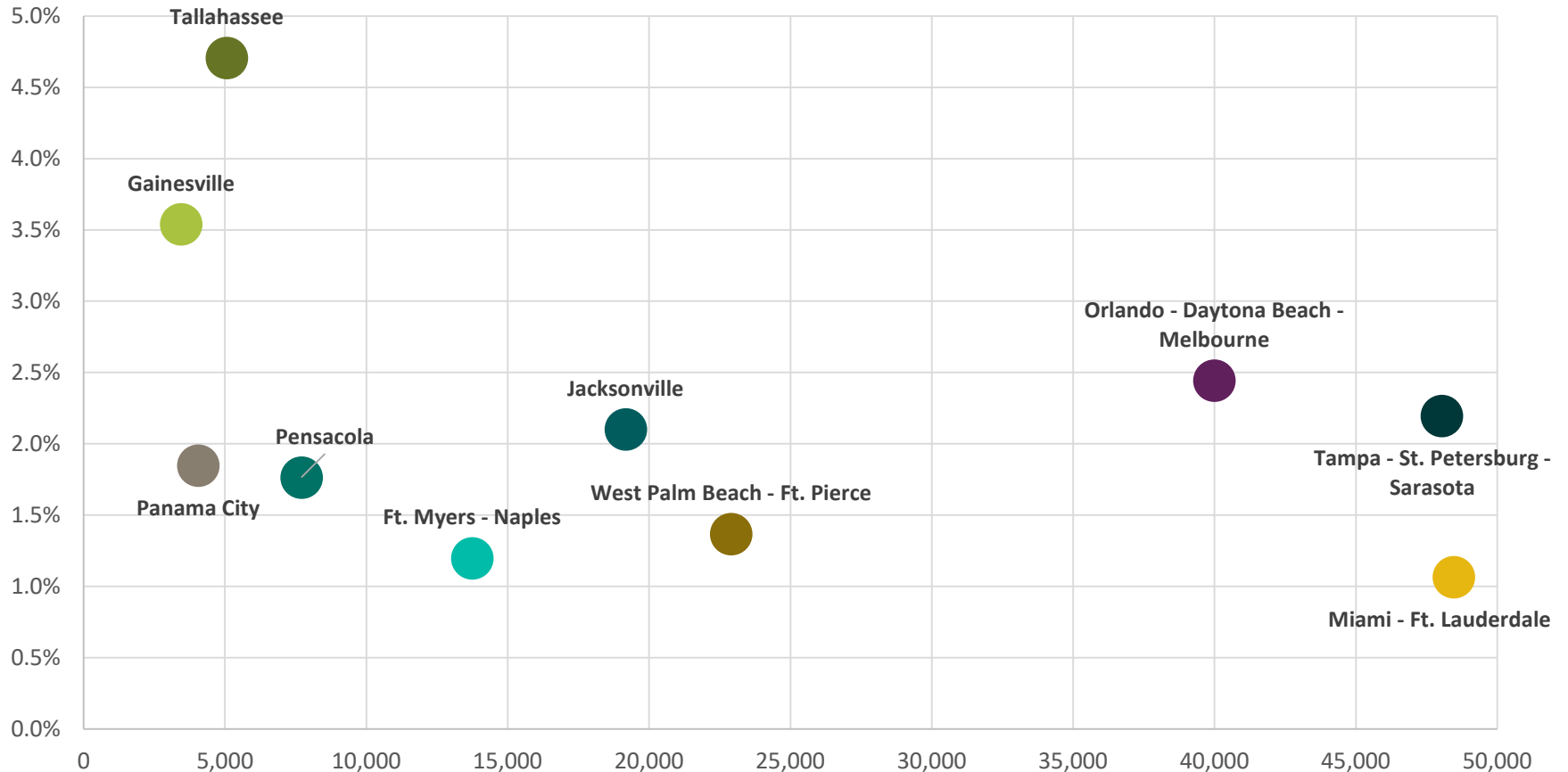
Penetration Rate by Designated Marketing Area

2018 Penetration Rate



Penetration Rate by Designated Marketing Area

2019 Penetration Rate



Website Activity: Miami DMA



Description	Q4 – 2018	Q4 – 2019	Diff
New Website Visitors	1,350	3,564	164%
Continued Beyond Landing Page	731	1,348	84%
Likely Eligible	286	389	36%
Clicked on Enrollment	131	277	111%
Started Application	56	80	42%
Completed Application	19	38	100%
Contribution to New Account	16	34	113%

South Florida Paid Efforts Comparison

A South Florida dedicated paid marketing strategy pilot was approved at the June 2019 board meeting

Goal to reach the South Florida marketing which counts for 25% of the population but only 13% of accounts.

- Launched culturally relevant Hispanic message and creative
- Conducted one-on-one conversations with South Florida disability organizations
- Expanded Brand Ambassador program in South Florida to include bilingual ambassadors
- Dedicate 25% of all paid media to the Miami DMA

Early results in paid efforts show a cost per enrollment at \$986 compared to the rest of Florida at \$510

Will monitor and analyze data at nine month mark before making a recommendation at the June board meeting



ABLE Visa® Prepaid Card Launched February 13

Social Security POMS recognized prepaid card provided by True Link Financial

Connects directly to the ABLE United account.

- Allows individuals easier access to ABLE funds for a \$2.50 monthly fee
- Card may be issued to Beneficiary, Authorized Legal Representative or both
- Manage, track, and upload receipts online
- Through February 29, 61 cards have been issued



Card is issued by Sunrise Banks N.A., St. Paul, MN 55103, Member FDIC, pursuant to a license from Visa U.S.A. Inc. This card can be used everywhere Visa debit cards are accepted. Use of this card constitutes acceptance of the terms and conditions stated in the Cardholder Agreement.

ABLE United Website Enhancements

Events Landing Page

Since launch, ABLE United has participated in over 200 events across the state

- Dedicated page to list all upcoming events with ABLE United presence
- Provides customer service a place to point individuals for in-person engagement
- Integrated form to allow organizations to request ABLE United attendance

Upcoming Events Calendar

Filter By:

EVENTS FROM

02-27-2020

SEARCH

Keyword

NEAR

Location

FIND EVENTS

Events for February 28 - April 3

FEBRUARY 2020

Tools for Success Family Conference

February 28 @ 9:00 am - 2:00 pm

University of Florida at Jacksonville, 4019 Boulevard Center Drive Jacksonville, FL 32
[+ Google Map](#)

The Tools for Success Family Conference helps families gain information on available resources and topics that affect the and well being. Several break out sessions will be presented on topics including: transition, behavior, mental health, autism programs, and many more topics of interest for families of people with disabilities ages birth to 22.

[Find out more »](#)

Invite ABLE United to Your Event

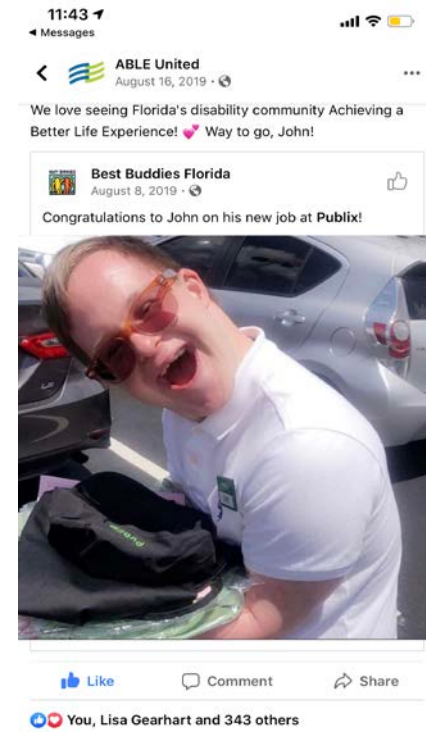
Does your organization have an upcoming event opportunity? Click the link below to request an ABLE United representative for your next event, speaking engagement, conference or staff training.

[Invite ABLE United](#)

Additional Activities and Engagement Results

Efforts across the state

- “No Limits” Campaign launched in February
 - Offered new account holders \$50 for enrolling, 140 enrollments
 - Coordination of eight interviews with current account holders in six markets
 - Focus on abilities not disabilities
- Increase in email marketing has netted positive results year-over-year
 - Database growth up 18% — 9,371 vs. 7,946
 - New users up 225% — 2,193 vs 673
 - Conversions up 15% — 250 vs 217
- Total social enrollments increased year-over-year by 41%





Future Features and Enhancements

Current Projects

- Launch of optional veteran status question during enrollment, help substantiate need to increase age on federal level
- Ethical hack review and if necessary, address any issues that arise
- Online check request
- ABLE Screen Reader fix

Customer Service

- Issue with screen reader raised by customer, BNY/Sumday team took initiative to have customer screen share and recreate specific issue.
- BNY/Sumday will attend and assist at this year's Family Café Conference.



ABLE National Landscape

High Level Overview

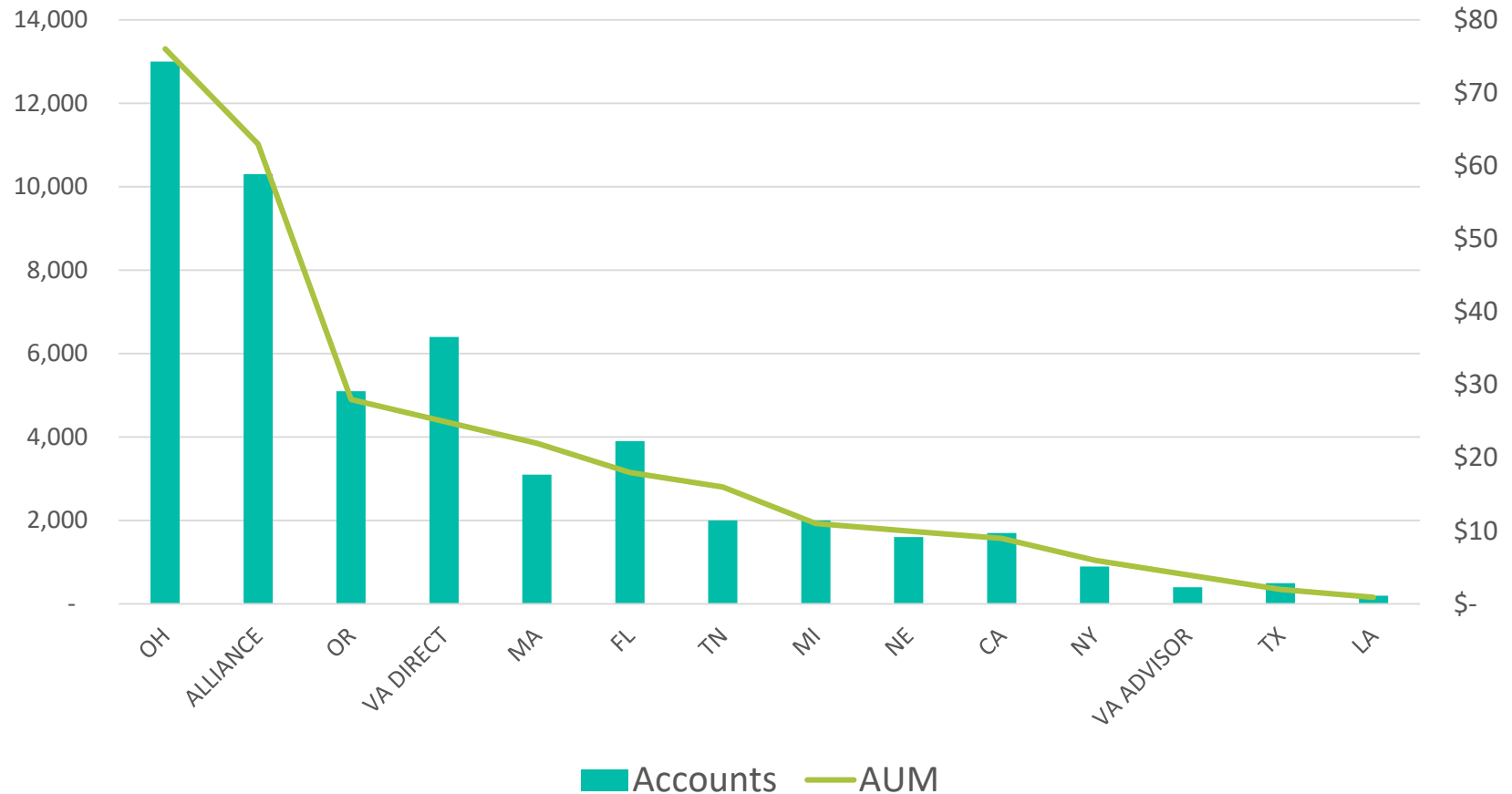
- 42 States and District of Columbia have launched ABLE programs
- 45 different programs
- 39 programs offer nationwide enrollment
- 13 program administrators oversee 15 different ABLE plans

Enrollment	1% Eligible	Accounts	Penetration Rate
United States	3,272,000	56,632	1.73%
ABLE United	213,000	4,177	1.96%

PROGRAM	# of States	Nationwide
ALLIANCE	17	Yes
OH	12	Yes
OR	3	Yes
NE	2	Yes
CA	1	Yes
MA	1	Yes
MI	1	Yes
VA ADVISOR	1	Yes
VA DIRECT	1	Yes
FL	1	No
LA	1	No
NY	1	No
TN	1	No
TX	1	No

ABLE National Landscape as of September 2019

Number of Accounts and Assets Under Management (AUM) by Program





Update on ABLE – Federal Legislation

ABLE Age Adjustment Act Reintroduced (S. 651/H.R. 1814)

- Would increase the diagnosis age requirement from 26 to 46
- Prognosis of passing: 2%*
- Holding period as the bill has not been reviewed by Congressional Budget Office for fiscal impact

Supplemental Security Income Restoration Act of 2019 (H.R. 4280)

- Would increase SSI asset limit to \$10,000 and allow families to assist financially without penalty - potential to impact ABLE account enrollment for those receiving SSI benefits
- Prognosis of passing: 2%*
- Significant cost if passed (i.e. more individuals become eligible for SSI) and lack of bipartisan support

Update on ABLE – State Legislation

Section 20.058, Florida Statutes; dictates that all direct-support organizations created are subject to a repeal on October 1 of the 5th year after enactment, unless reviewed and saved from repeal through reenactment by the Legislature.

Florida ABLE, Inc. has two sections that are set to expire October 1, 2020. Sen. Benacquisto and Rep. Rodrigues filed bills in their respective chambers to address these repeals.

Florida ABLE Program (SB 828)

- Language to repeal expiration date of the Florida ABLE Program
- Passed both chambers and is enrolled, waiting on signature from the Governor

Open Government Sunset Review Act /Certain Personal Financial and Health Information (SB 830)

- Language to repeal expiration of exemption from public records request certain personal, financial, and health information held by Florida ABLE Program
- Passed both chambers and is enrolled, waiting on signature from the Governor

Florida ABLE Program (HB 887)

- Combines both Senate bills into one bill
- House passed March 10, 2020



2019/20 Budget Update

As of 12/31/19

Description	Approved Budget	Expenses	Balance	% Spent
OTHER PERSONAL SERVICES				
Financial Audit	\$ 15,000	\$ 12,751	\$ 2,249	85%
Banking Services	2,000	-	2,000	0%
Investment Consultant	30,000	-	30,000	0%
Legal Services	30,000	4,045	25,955	13%
Marketing	1,206,200	447,820	758,380	37%
Other Consulting Services	25,000	-	25,000	0%
Records Administration	200,000	27,548	172,452	14%
Administrative Service Charge - SBA	20,000	10,000	10,000	50%
HR Service Charge - Florida Prepaid	225,000	56,250	168,750	25%
Total Other Personal Services	\$ 1,753,200	\$ 558,414	\$ 1,194,786	32%
EXPENSES				
Travel	\$ 25,000	\$ 1,547	\$ 23,453	6%
Communications/Toll-Free Telephones	5,000	2,845	2,155	57%
Freight / Postage	1,000	48	952	5%
General Liability Claims	1,500	-	1,500	0%
Office Materials & Supplies (< \$1,000)	2,000	43	1,957	2%
Other Charges & Obligations	4,000	166	3,834	4%
Printing	2,500	43	2,457	2%
Total Expenses	41,000	4,692	36,308	11%
TOTAL BUDGET	\$ 1,794,200	\$ 563,106	\$ 1,231,094	31%

Trust Fund Balance

As of 12/31/19

Fiscal Year	Description	Balance
FY 2019-20	Starting Balance	\$ 2,866,364
	Appropriation Release 2019-20	885,000
	Expenses	(563,106)
	Other Deposits ¹	45,337
	Balance as of December 2019	\$ 3,233,595
	Projected Expenses	(1,231,094)
	Planned Appropriation Release	885,000
	Projected Deposits ¹	48,163
FYE 2019-20	Projected Balance	\$ 2,935,664

¹ Includes Investment Advisor Fee revenue (estimated income for FY19-20: \$29,500) and interest earned from balance of Florida Prime Trust Fund account (estimated income for FY19-20: \$64,000)



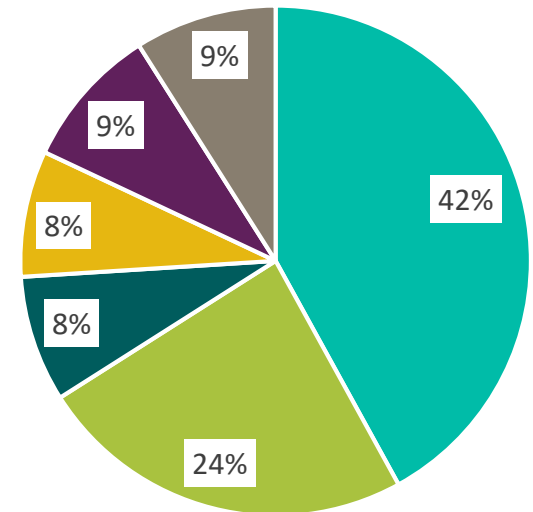
Customer Statistics

Beneficiary Relationship	Percent
Guardian	56%
Power of Attorney	10%
Self	34%

Basis of Eligibility	Percent
SSDI Title II	22%
SSI Title XVI	40%
Other	38%

Disability Type

- 1. Developmental Disorder
- 2. Intellectual Disability
- 3. Psychiatric Disorder
- 4. Nervous Disorder
- 5. Congenital Anomalies
- 6. Respiratory Disorder and Other

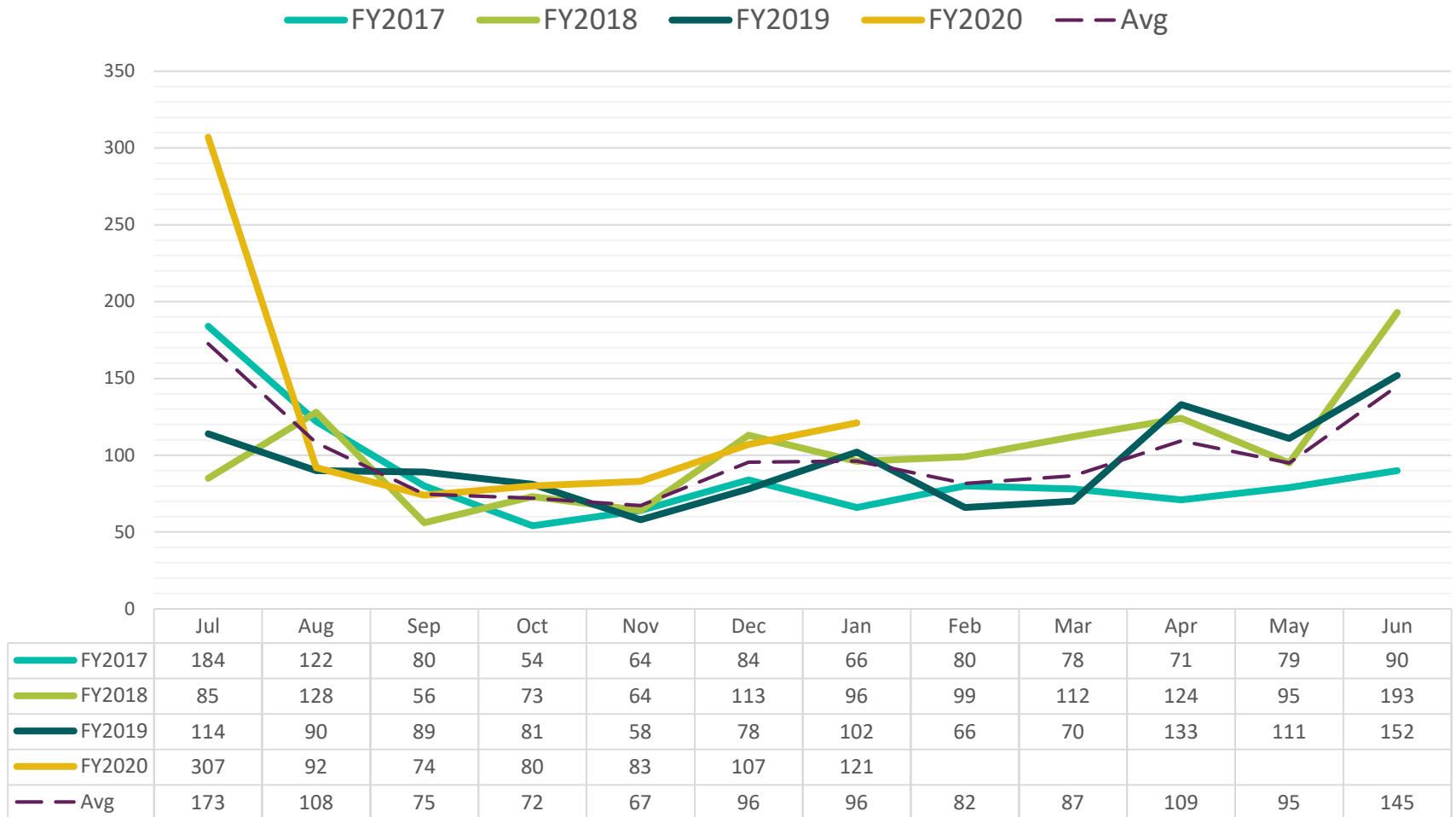


Designated Market Area (DMA)

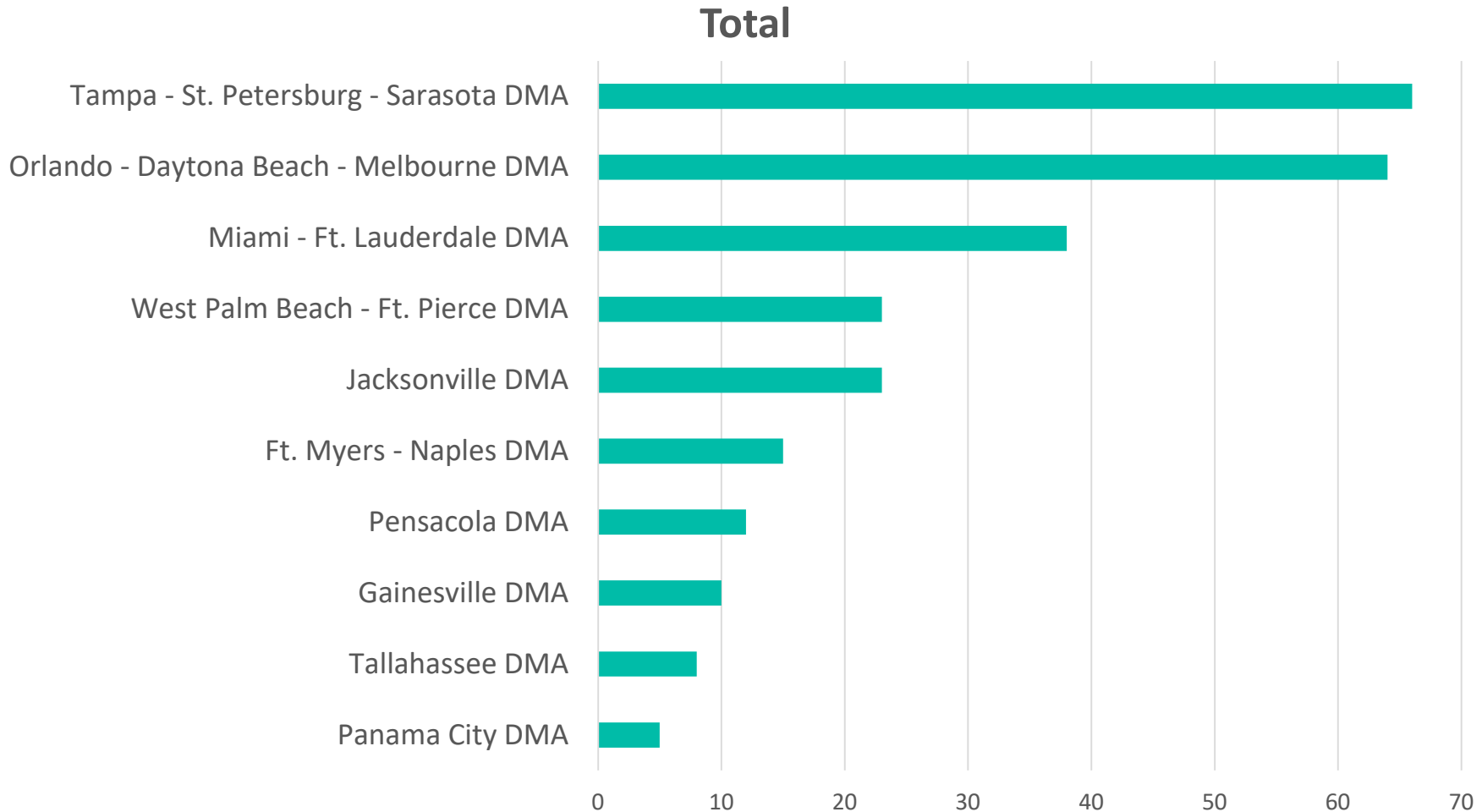
Description	Enrollment December 2019	Penetration Q4-2018	Penetration Q4 -2019	Year-Over-Year Penetration Change
Tampa - St. Petersburg - Sarasota	1,071	1.56%	2.20%	0.64%
Orlando - Daytona - Melbourne	992	1.57%	2.44%	0.87%
Miami - Ft. Lauderdale	524	0.71%	1.06%	0.35%
Jacksonville	409	1.54%	2.10%	0.56%
West Palm Beach - Ft. Pierce	318	0.93%	1.37%	0.44%
Tallahassee	242	2.80%	4.71%	1.90%
Ft. Myers - Naples	167	0.78%	1.10%	0.42%
Pensacola	138	1.22%	1.76%	0.54%
Gainesville	124	2.00%	3.54%	1.54%
Panama City	76	1.46%	1.82%	0.39%
TOTAL	4,061	1.27%	1.88%	0.61%

Assumes that 1% of Floridians are eligible and have the necessary resources to open and maintain an account

Enrollment Statistics

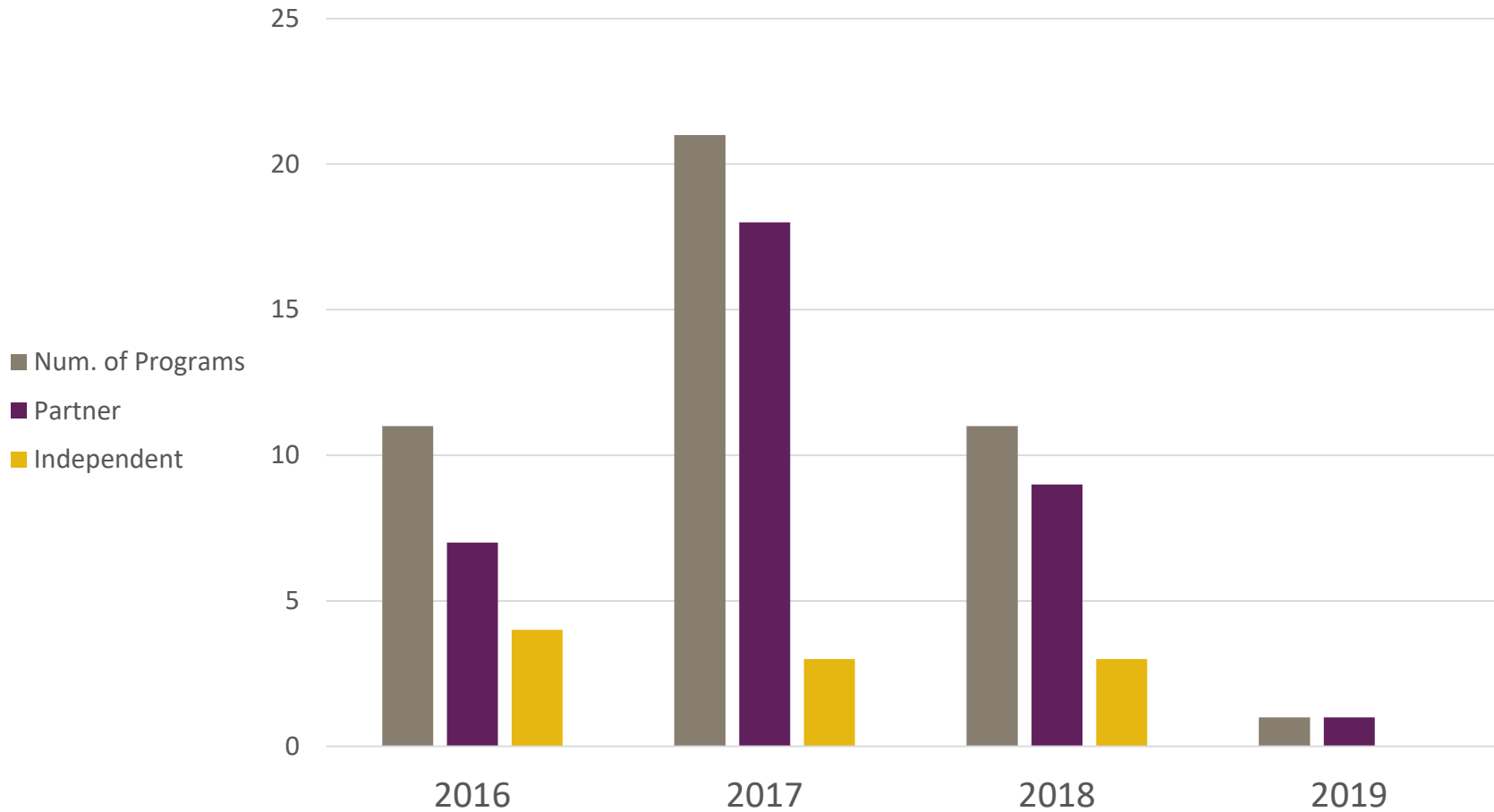


Q4-2019 Enrollment by DMA



ABLE National Landscape

Plan Launch Years



ABLE Program Differences

- States that offer State Income Tax Benefit: 16
- States that have limited Medicaid recovery on ABLE Accounts: 9
- Investment Option Choices: All but Tennessee offer 8 or less options - Florida is one of three programs that allow individuals to select individual funds
- Programs that offer Prepaid or Debit Card: 37
- Fees
 - 39 Plans charge dollar-based account maintenance fees
 - Asset-base fees range from 0 to 93 bps with most options ranging from 30 to 30 bps

ABLE Enrollment March – September 2019

PROGRAM	# of States	Nationwide	New Accounts	Mar-19	Sep-19
ALLIANCE	17	Yes	2,585	7,715	10,300
OH	12	Yes	2,311	10,689	13,000
OR	3	Yes	1,133	3,967	5,100
CA	1	Yes	1,020	680	1,700
FL	1	No	864	3,036	3,900
VA DIRECT	1	Yes	850	5,550	6,400
MA	1	Yes	765	2,335	3,100
MI	1	Yes	388	1,612	2,000
NY	1	No	201	699	900
TX	1	No	173	327	500
NE	2	Yes	164	1,436	1,600
VA ADVISOR	1	Yes	122	278	400
TN	1	No	101	1,899	2,000
LA	1	No	1	199	200

ABLE Assets Under Management (AUM) March – September 2019

PROGRAM	# of States	Nationwide	DIFF	AUM MAR-19	AUM SEP-19
ALLIANCE	17	Yes	16.1	46.9	63
OH	12	Yes	15.8	60.2	76
OR	3	Yes	7.2	20.8	28
CA	1	Yes	5.7	3.3	9
VA DIRECT	1	Yes	5.1	19.9	25
MA	1	Yes	4.4	17.6	22
FL	1	No	4.1	13.9	18
MI	1	Yes	2	9	11
NY	1	No	1.6	4.4	6
TN	1	No	1.5	14.5	16
VA ADVISOR	1	Yes	1.5	2.5	4
NE	2	Yes	1.3	8.7	10
TX	1	No	0.6	1.4	2
LA	1	No	0.3	0.6	0.9

Appendix A: ABLE Landscape Update presentation by AKF Consulting to CalABLE Board - December 19, 2019



**Helping People with Disabilities
Achieve Financial Security
and Independence.**



ABLE Landscape Update

December 17, 2019

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2. ABLE Program Specifics	12
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Appendix

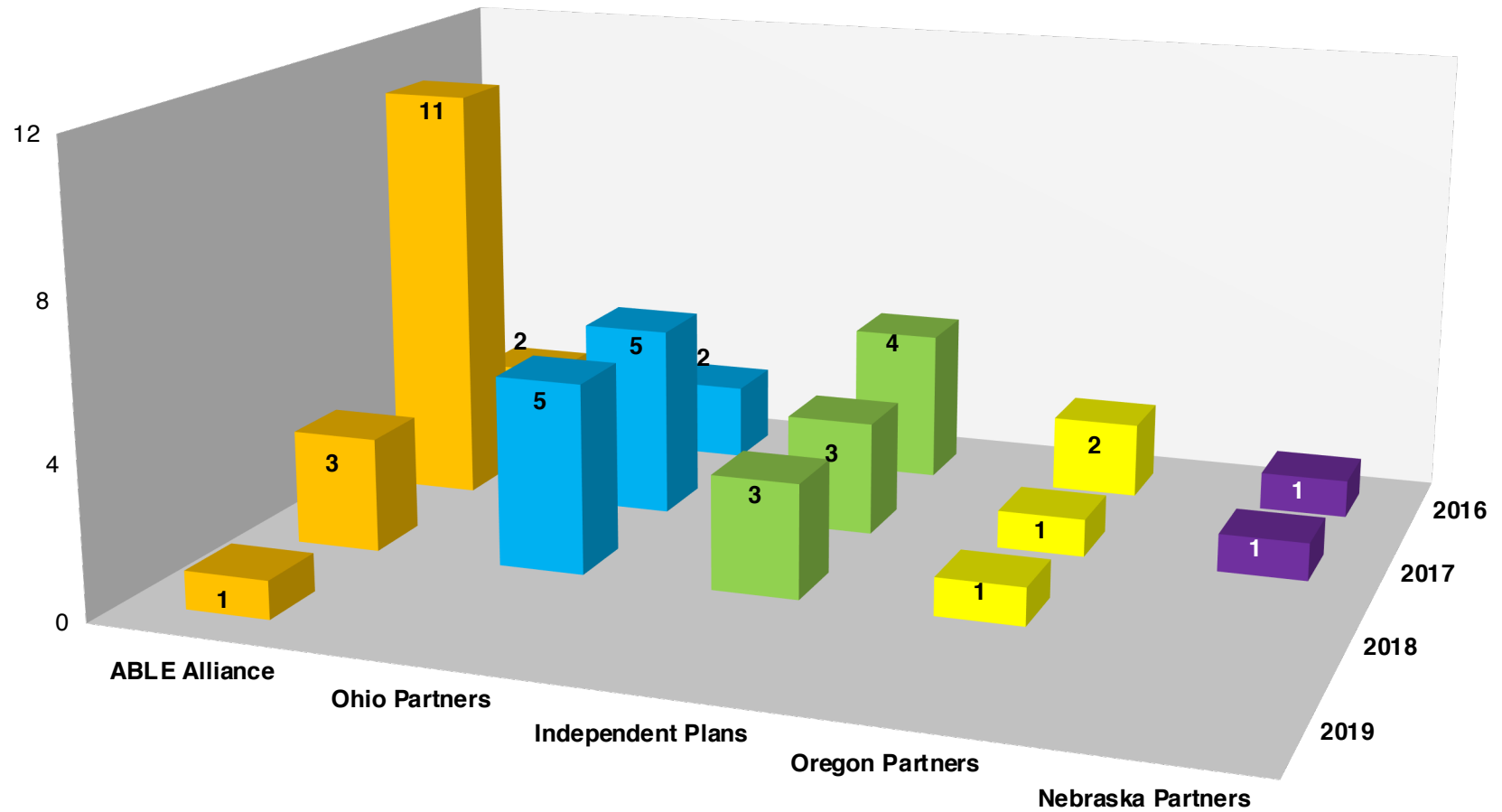
Asset-based Fees

Dollar-based Fees

Section 1.

The Market Today

Overview of Plan Launches



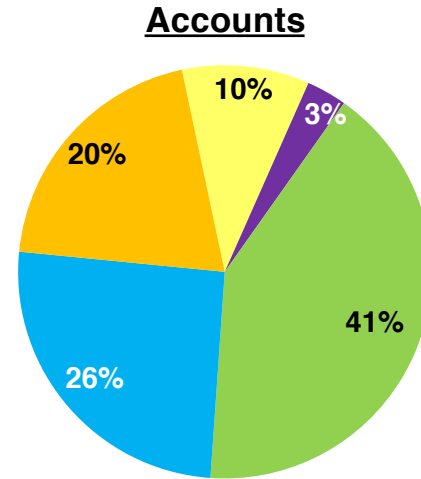
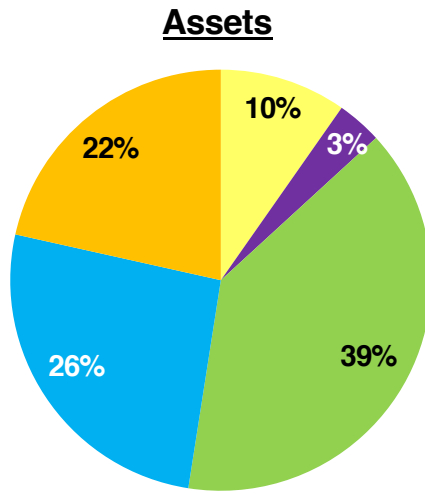
Source: Program Disclosure Statements as of October 11, 2019

Available ABLE Plans

	ABLE Alliance	Ohio Partners	Independent Plans	Oregon Partners	Nebraska Partners
States	Alaska Arkansas Colorado Delaware District of Columbia Illinois Indiana Iowa Kansas Minnesota Mississippi Montana Nevada New Jersey North Carolina Pennsylvania Rhode Island	Arizona Georgia Kentucky Missouri New Hampshire New Mexico Ohio Oklahoma South Carolina Vermont West Virginia Wyoming	California Florida Louisiana Massachusetts Michigan New York Tennessee Texas Virginia (2)	Maryland Oregon (2) Washington	Alabama Nebraska
42 States and DC	17 States	12 States	9 States	3 States	2 States
15 Plans	1 Plan	1 Plan	10 Plans	2 Plans	1 Plan

Information as of October 11, 2019

ABLE Market Snapshot: The Power of Partnerships

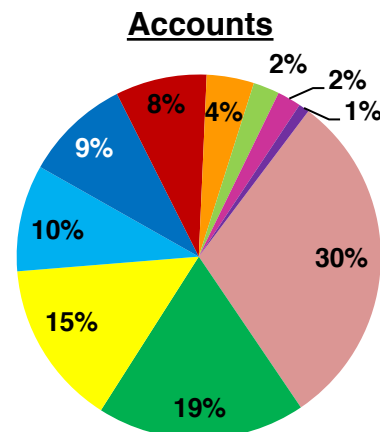
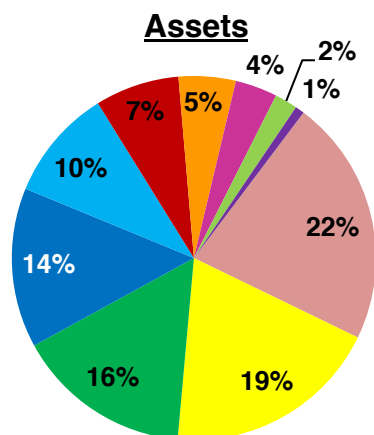


	Assets	Accounts	Average Account Size
Independent Plans	\$114,940,577	21,118	\$5,443
Ohio Partners	\$76,144,868	13,010	\$5,853
ABLE Alliance	\$62,933,636	10,279	\$6,123
Oregon Partners	\$28,470,031	5,099	\$5,583
Nebraska Partners	\$10,129,494	1,613	\$6,280
Industry Total	\$292,618,606	51,119	\$5,724 ¹

Source: **ISS Market Intelligence** as of September 30, 2019

¹Average account size figure represents the ratio of Independent Plan total assets to total accounts

Independent Plan Specifics

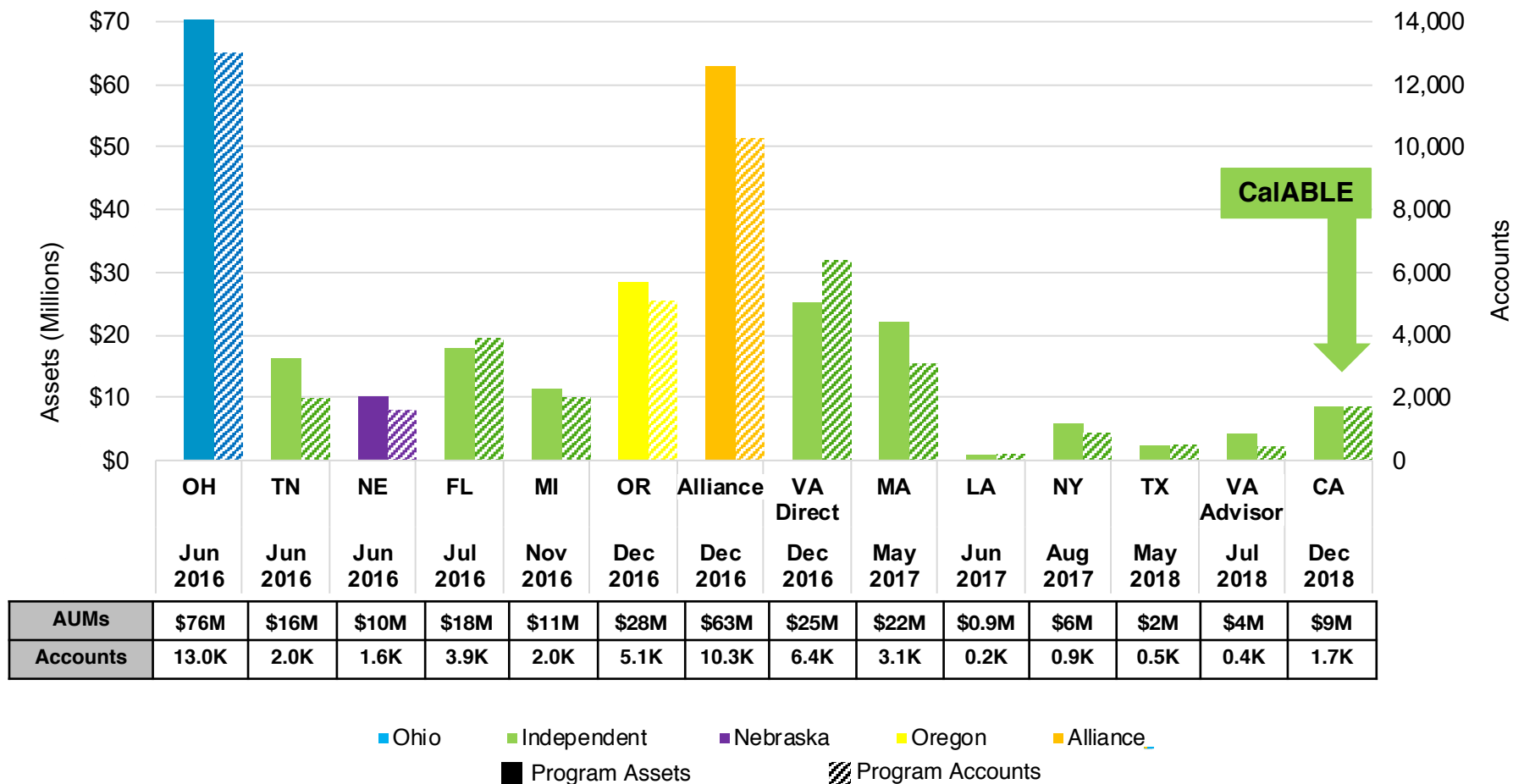


	Assets	Accounts	Average Account Size
Virginia (Direct)	\$25,177,137	6,388	\$3,941
Massachusetts	\$22,119,211	3,101	\$7,133
Florida	\$17,931,536	3,907	\$4,590
Tennessee	\$16,304,086	1,984	\$8,218
Michigan	\$11,439,767	2,001	\$5,717
California	\$8,593,023	1,713	\$5,016
New York	\$5,829,170	888	\$6,564
Virginia (Advisor)	\$4,291,533	446	\$9,622
Texas	\$2,326,504	491	\$4,738
Louisiana	\$928,610	199	\$4,666
Total	\$114,940,577	21,118	\$5,443¹

Source: **ISS Market Intelligence** as of September 30, 2019

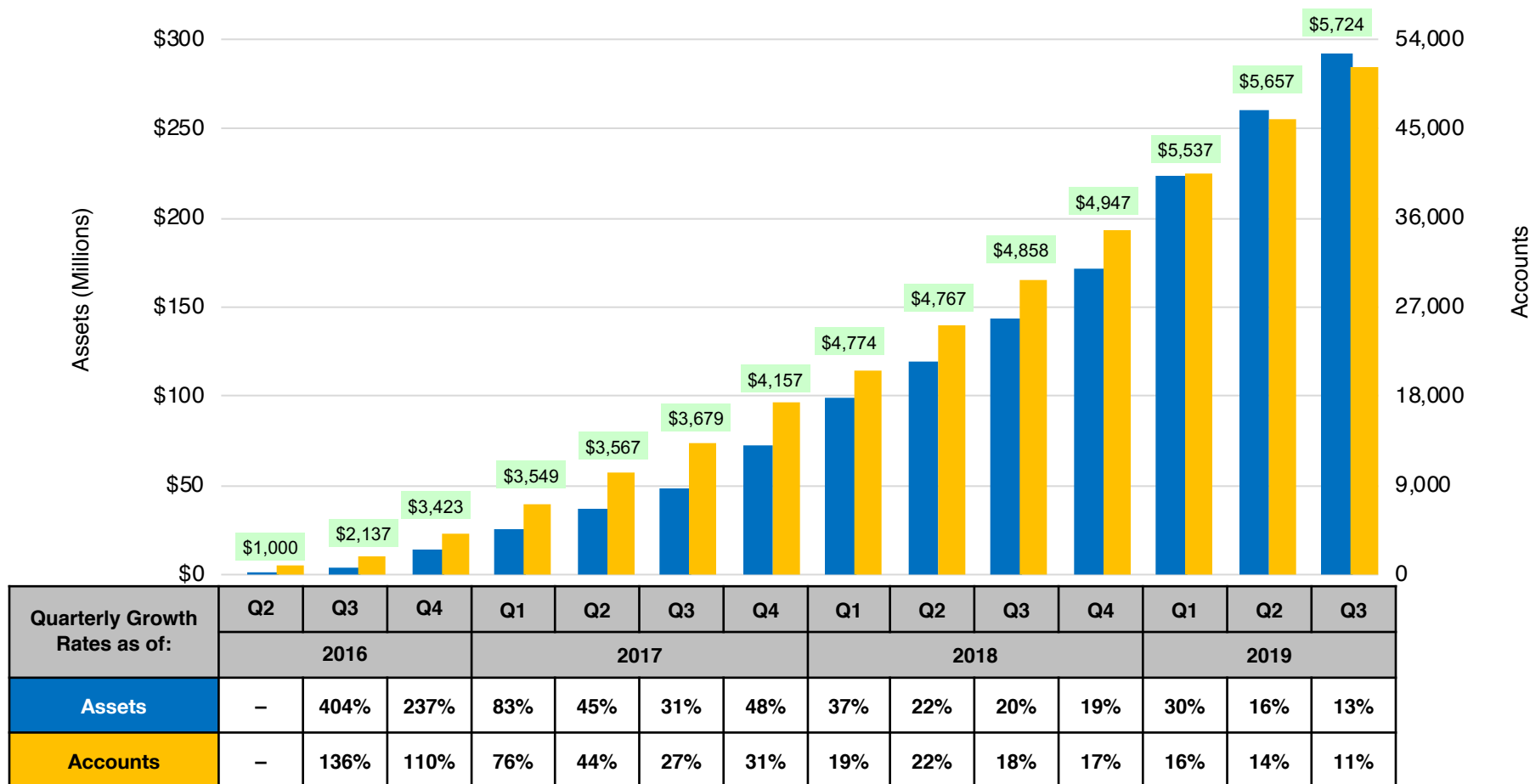
¹Average account size figure represents the ratio of Independent Plan total assets to total accounts

Timing View of the Market



Source: ISS Market Intelligence as of September 30, 2019

Growth of ABLE Market Overall



Source: ISS Market Intelligence as of September 30, 2019

State Tax Benefits

State Income Tax Benefits (Deductions for Contributions)				No Benefit Offered		No State Income Tax
AR	\$5k per taxpayer	MO	\$8k (single) / \$16k (joint)	AL	MA	AK
IL	\$10k (single) / \$20k (joint)	OH	\$4k per account	AZ	MN	FL
IA	\$3,387 per taxpayer	SC	100% of contributions to any ABLE plan	CA	NJ	NV
KS	\$3k (single) / \$6k (joint)	WV	100% of contributions	CO	NM	NH
MS	100% of contributions	MI	\$5k (single) / \$10k (joint)	DE	NY	TN
MT	\$3k (single) / \$6k (joint)	VA	\$2k per account 100% for contributors age >= 70	DC	NC	TX
PA	\$15k (single) / \$30k (joint)	MD	\$2.5k per contributor per beneficiary	GA	OK	WA
		OR ¹	\$2,435 (single) / \$4,865 (joint) for accounts with beneficiary under 21	IN	RI	
		NE	\$5k (single) / \$10k (joint)	KY	VT	
				LA	WY	
Total	16 States			19 States and DC		7 States

Source: Program Disclosure Statements as of September 16, 2019

¹ Represents the Oregon ABLE Savings Plan offered to Oregon residents only. Oregon ABLE for All Plan is Oregon's nationally distributed Plan for non-residents; this Plan does not offer any state tax benefits

State Medicaid Recovery

	Limited		Allowed	
	By State Law	By State Policy		
ABLE Alliance	Delaware Illinois Pennsylvania	Kansas	Alaska Arkansas Colorado District of Columbia Indiana Iowa Minnesota	Mississippi Montana Nevada New Jersey North Carolina Pennsylvania Rhode Island
Ohio Partners	West Virginia	--	Arizona Georgia Kentucky Missouri New Hampshire New Mexico	Ohio Oklahoma South Carolina Vermont Wyoming
Oregon Partners	Maryland Oregon	--	Washington	
Nebraska Partners	--	--	Alabama	Nebraska
Independent Plans	California	Florida	Louisiana Massachusetts Michigan New York	Tennessee Texas Virginia
Total	7 States	2 States	33 States Plus DC	

Section 2.

ABLE Program Specifics

Program Managers / Service Providers

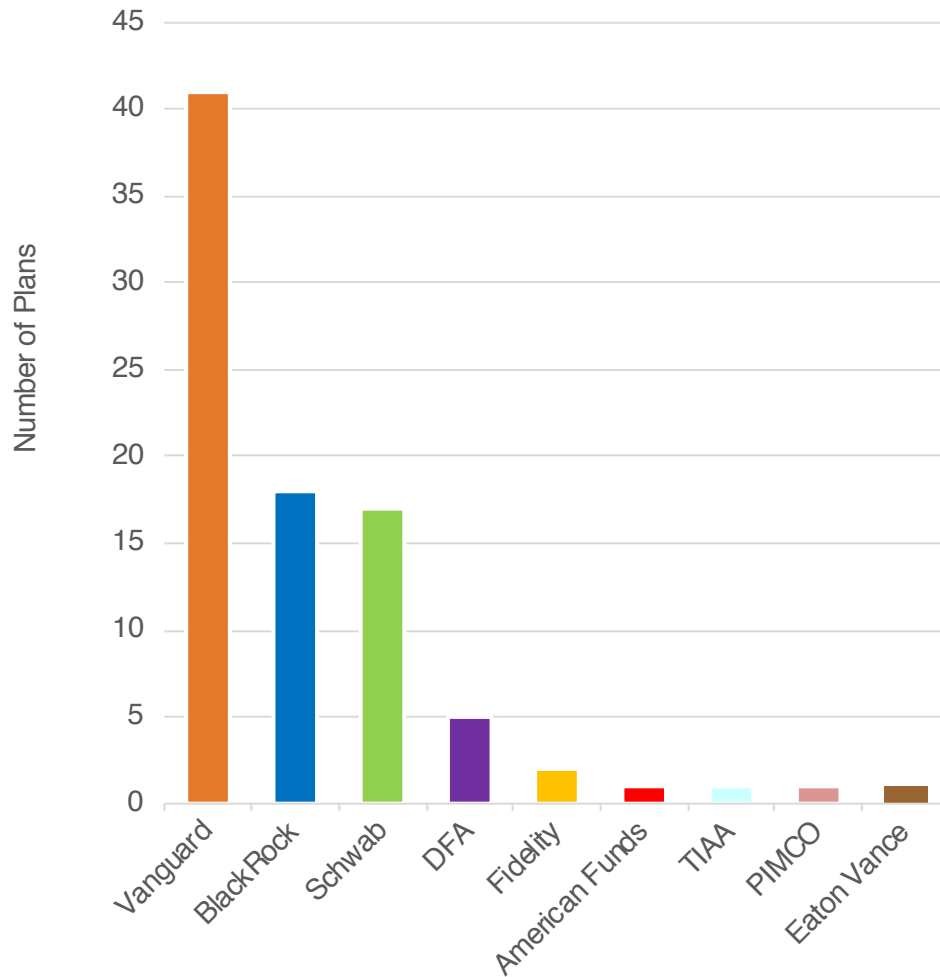
Service Provider	States	# of States	# of Plans	Contract Terminations ¹
Ascensus	National ABLA Alliance (17 States) New York Tennessee	19	3	Alliance: 12/7/21 NY: 5/6/21 TN: Not disclosed
Intuition	OH Partnership (12 States)	12	1	6/30/19
BNY / Sumday	OR Partnership (3 States) Florida	4	2	OR: 11/18/21 FL: Not disclosed
First National Bank of Omaha	NE Partnership (2 States)	2	1	11/16/20
American Funds	Virginia	1	1	2/15/50
Fidelity	Massachusetts	1	1	12/26
NorthStar	Texas	1	1	8/31/19
PNC Bank	Virginia	1	1	Not disclosed
State	Louisiana	1	1	Not applicable
<i>TIAA</i>	<i>California²</i>	<i>1</i>	<i>1</i>	<i>8/31/23</i>
TSA Consulting	Michigan	1	1	8/31/21

Source: Program Disclosure Statements available as of August 13, 2019

¹ Extensions are available on most Plans. Termination dates for Ohio and Texas reflect current Program Descriptions

² Recordkeeping services provided by Intuition

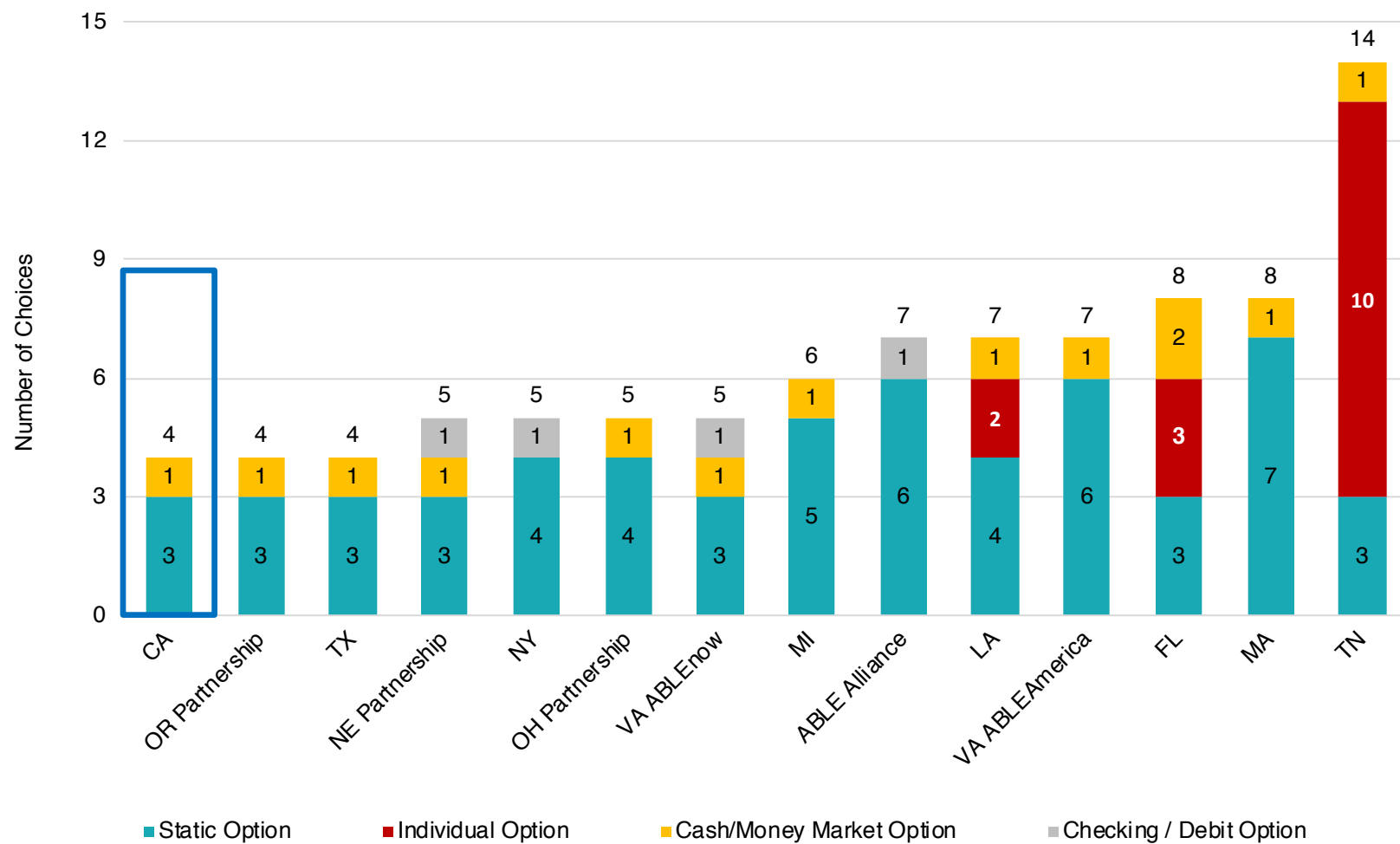
Presence of Investment Managers



Investment Manager	States (Number of States)
Vanguard	ABLE Alliance (17) NE Partnership (2) OH Partnership (12) OR Partnership (3) FL LA MI NY TN TX VA
BlackRock	ABLE Alliance (17) FL
Schwab	ABLE Alliance (17)
DFA	OR Partnership (3) MI TN
Fidelity	MA VA
American Funds	VA Advisor
TIAA	CA
PIMCO	TX
Eaton Vance	TX

Source: Program Disclosure Statements available as of September 30, 2019

Simplicity of Investment Choices



Source: Program Disclosure Statements available as of August 13, 2019

Focus on Cash and Cash Equivalent Options

Option	FDIC-insured Options			Money Market
	Savings Only	Checking Only	Savings + Checking	
States	<i>California</i> Florida Michigan Ohio Oregon Tennessee Texas	ABL Alliance New York Virginia Direct	Nebraska	Florida Louisiana Massachusetts Virginia Direct Virginia Advisor
% of ABL Market Assets ¹	28.6%			3.1%

Source: Program Disclosure Statements as of August 13, 2019

¹ ISS Market Intelligence as of September 30, 2019

Snapshot of Prepaid and Debit Card Offerings

Debit Card	Prepaid Card	No Card
<u>ABLE Alliance</u>	<u>Ohio Partners</u>	<u>Independent Plans</u>
AK AR CO DC DE IL IA IN KS MN MS MT NV NJ NC PA RI	AZ GA KY MO NH NM OH OK SC VT WV WY	FL LA TN TX VA ABLE America
<u>Nebraska Partners</u>	<u>Oregon Partners</u>	
AL NE	MD OH WA No longer offered as of July 1, 2019	
<u>Independent Plans</u>	<u>Independent Plans</u>	
MA MI NY VA ABLEnow	CA ¹	
22 States	15 States	5 States
<i>Coming Soon: FL, OR² and TX</i>		--

Sources: Program Disclosure Statements and Plan websites as of August 13, 2019

¹ California Prepaid Card expected to be launched 2020 Q1

² Oregon closed all prepaid card services as of July 1, 2019; new card is expected to relaunch by year-end

Prepaid and Debit Card Details

Program		Card Name	Bank Provider	Card Network
Debit Card	ABLE Alliance	Debit Card	Fifth Third Bank	Mastercard
	Nebraska Partners			
	New York			
	Massachusetts	Fidelity Cash Management Account Debit Card	PNC Bank ¹	VISA
	Michigan	MiABLE Card	UMB Bank	VISA
	Virginia Direct	ABLEnow Debit Card	PNC Bank	VISA
Prepaid Card	California	CalABLE Visa Prepaid Card	MetaBank	VISA
	Ohio Partners	STABLE Card	Sunrise Banks ²	VISA
	Oregon Partners (No longer offered as of July 1, 2019)	Oregon ABLE Prepaid Card ABLE for All Prepaid Card Maryland ABLE Prepaid Card Washington State ABLE Prepaid Card	Central National Bank	Mastercard

Sources: Program Disclosure Statements, Cardholder Agreements and Plan websites as of August 13, 2019

¹BNY Mellon administers card services but PNC Bank is the custodian bank

²Sunrise Banks replaced Fifth Third as the custodian bank as of September 18, 2019

Card-related Service Fees

Program		Monthly Account Fee	Paper Statement Fee	Other Fees Charged
Debit Card	ABLE Alliance	\$2 ¹	–	Replacement Card: \$0 (standard) / \$30 ² (expedited) Foreign Transaction: 3%
	Nebraska Partners			
	New York			
	Massachusetts	–	–	Foreign Transaction: 1%
	Michigan	–	–	Balance Refund Paper Check: \$10
	Virginia Direct	–	–	Replacement Card: \$0 (standard) / \$25 (expedited) Foreign Transaction: 1%
Prepaid Card	California	\$1.25	\$0 (first) / \$6 (second and thereafter) \$25 additional fee for expedited	Replacement Card: \$10 (standard) / \$25 (expedited) Foreign Transaction Fee: \$2 Balance Refund Paper Check: \$25
	Ohio Partners	–	–	Replacement Card: \$5 (standard) / \$30 (expedited) Foreign Transaction Fee: \$2
	Oregon Partners (No longer offered as of July 1, 2019)	\$1.25	\$25 per statement	Replacement Card: \$10 (standard) Paper Statement: \$25 Balance Refund Paper Check: \$25

Sources: Program Disclosure Statements, Cardholder Agreements, Plan websites and customer service representatives as of November 11, 2019

¹ Monthly Service Charge will be waived if electing e-delivery or maintaining \$250 average monthly balance

² Waived for Fifth Third Private Bank and Preferred Customers

Section 3.

California Fee Comparisons

Overview of Select Plan Fees

Plan	Asset-based Fees	Dollar-based Fees
Massachusetts	0.57 - 0.93%	\$0
Virginia – ABLEAmerica	0.40 - 0.82% ¹	\$10 ²
Michigan	0.67 – 0.78%	\$45
OH Non-Partner (“NP”) States	0.56 - 0.59%	\$42
Nebraska Partnership	0.54 – 0.55%	\$45
<i>California</i>	0.52 – 0.54%	\$37
Virginia – ABLEnow	0.36 – 0.39%	\$39 ³
Oregon – ABLE for All	0.3446 – 0.359%	\$35
National ABLE Alliance	0.34 - 0.37%	\$60 ⁴
OH Partner (“P”) States	0.30 - 0.33%	\$42 for non-residents
OH Residents	0.30 - 0.33%	\$30 for residents

Source: Program Disclosure Statements available as of August 13, 2019. Virginia Advisor fees are from prospectus dated January 1, 2019

Excludes FDIC Options

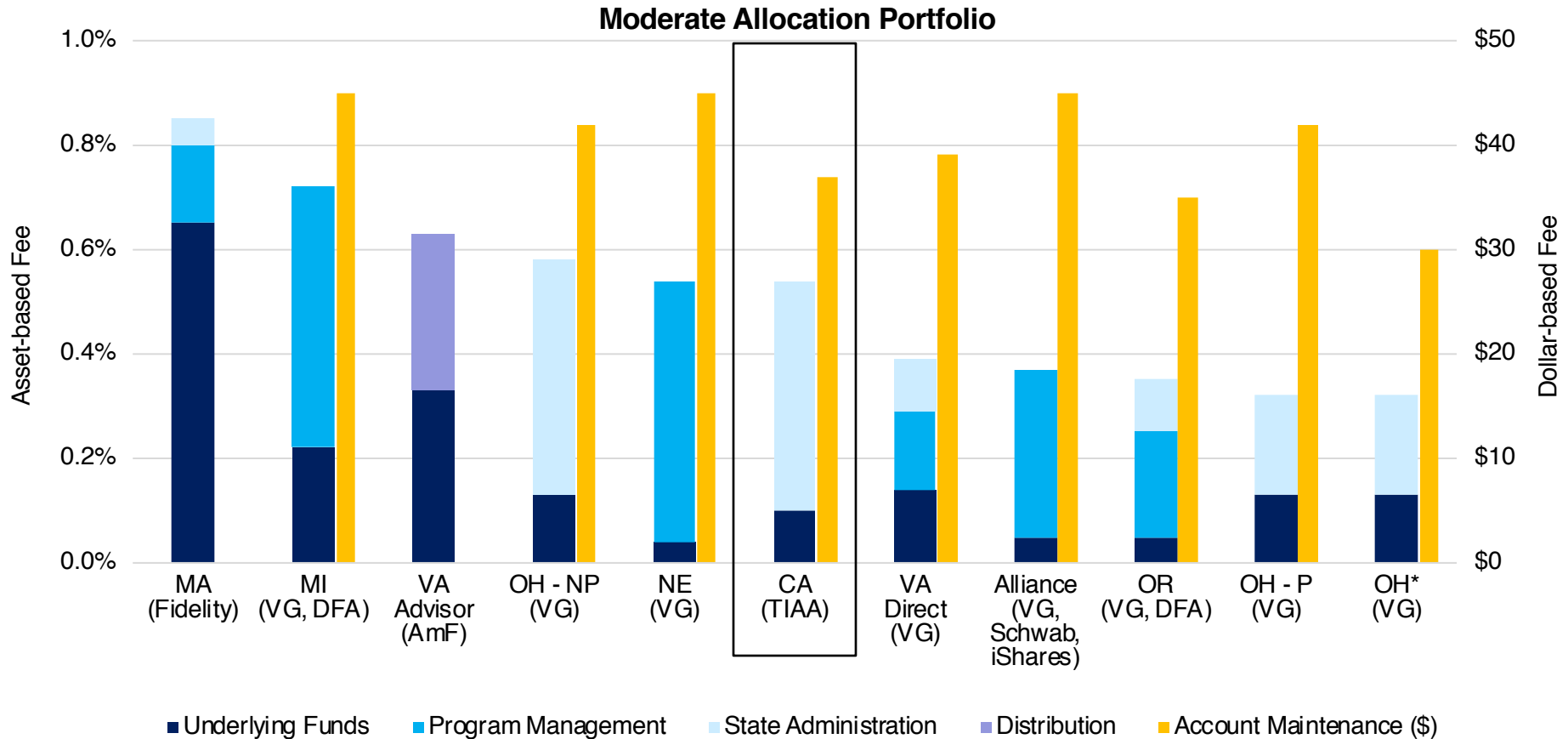
¹ Includes 0.30% in A Share distribution fees; does not include possible sales charges on A Shares

² Waived indefinitely (this mirrors CollegeAmerica, the Virginia 529 Advisor Plan managed by American Funds)

³ Waived for accounts that maintain an average daily balance of \$10,000 in the ABLEnow Deposit Account

⁴ Account maintenance fee reduced by \$15 for e-delivery

Comparison of Select Plan Fees



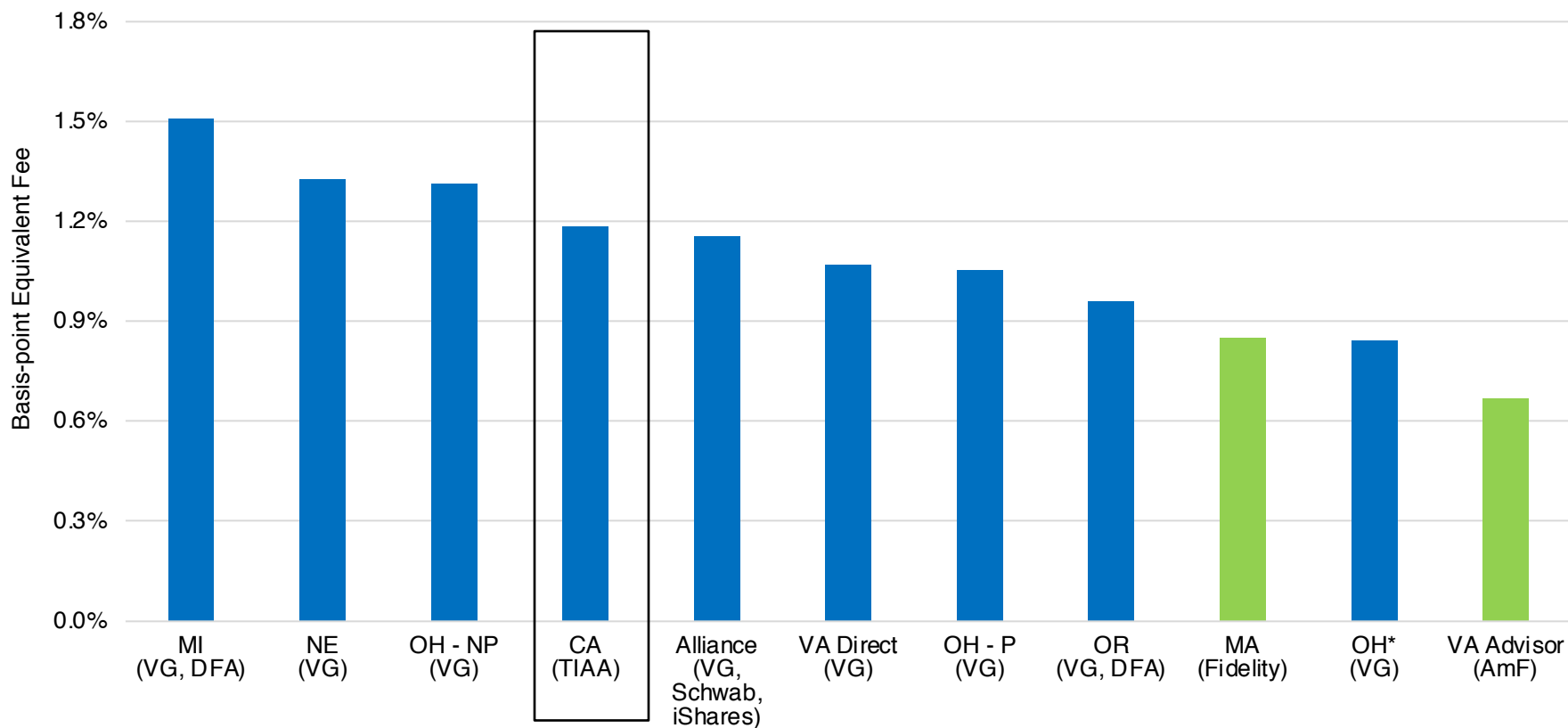
Source: Program Disclosure Statements available as of August 13, 2019. Virginia Advisor fees are from prospectus dated January 1, 2019

Notes:

- (i) For all Plans, Moderate Allocation approximates a 50/50 Portfolio
- (ii) VA Advisor waives 0.07% Virginia529 Fee and \$10 Account maintenance fee, both of which are disclosed in the Program Description
- (iii) VA Direct waves \$39 Account maintenance fee for accounts that maintain an average daily balance of \$10,000 in the ABLEnow Deposit Account
- (iv) Dollar-based fee of \$45 reflects e-delivery option for the Alliance
- (v) Dollar-based fee for Ohio Partner reflects a \$42 fee for non-Ohio residents
- *Ohio residents pay \$30

Basis-point Equivalent Fees

Moderate Allocation Portfolio



Source: Program Disclosure Statements available as of April 15, 2019. Virginia Advisor fees are from prospectus dated January 1, 2019

Notes:

- (i) Basis-point conversion assumes \$4,947 average account balance based upon September 30, 2019 industry data
- (ii) **Blue** shadings demonstrate combined impact of asset- and dollar-based fees
- (iii) **Green** shading shows impact of no dollar-based fees
- (iv) OH* represents the Plan available to Ohio residents with a \$30 account maintenance fee

Hypothetical Cost Comparison

State Plan	MI	NE	OH-NP	CA	Alliance	OR	VA Advisor
Assumed Account Size¹	\$5,724	\$5,724	\$5,724	\$5,724	\$5,724	\$5,724	\$5,724
Asset-based Fee (In basis points)²	0.72%	0.54%	0.58%	0.54%	0.37%	0.35%	0.67%
Asset-based Fee (Converted to \$)	\$41.21	\$30.91	\$33.20	\$30.91	\$21.18	\$20.05	\$38.35
Account Maintenance Fee (\$)³	\$45.00	\$45.00	\$42.00	\$37.00	\$45.00 ⁴	\$35.00	--
Total Cost Paid	\$86.21	\$75.91	\$75.20	\$67.91	\$66.18	\$55.05	\$38.35
Basis-point Equivalent	1.51%	1.33%	1.31%	1.19%	1.16%	0.96%	0.67%

Source: Program Disclosure Statements available as August 13, 2019. Virginia Advisor fees are from prospectus dated January 1, 2019

¹ Based upon September 30, 2019 industry average account balance

² Fee represents Moderate Allocation Portfolios shown on pages 22 and 23

³ Nonresident account maintenance fees for all Plans shown

⁴ Assumes e-delivery election

Section 4.

Outlook

Outlook

- **The overall industry still has constraints:**
 - **Onset of disability age at 26**
 - **One account per participant**
 - **Low annual contribution limits (even when adding ABLE to Work)**
- **Program Managers / Administrators still have concerns about viability generally:**
 - **Slower-than-expected uptake has led to reassessment of costs**
 - **Use of accounts for transactional purposes worries asset managers**
 - **Other investment vehicles offer greater asset accumulation possibilities for wealth managers (e.g., special needs trusts)**
- **Fewer partnership opportunities remain**
- **But, we believe potential opportunities for growth do exist:**
 - **Employer distribution channels**
 - **Advisor-distribution, particularly if Age Adjustment Act passes**
 - **Advocacy partnerships**

Appendix

Detailed Asset-based Fees

Plan	Program Management	State Administration	Underlying Investments	Total
Massachusetts	0.15%	0.05%	0.37% - 0.73%	0.57 - 0.93%
Virginia – ABLEAmerica	--	0.07% ¹	0.33% - 0.52%	0.40 - 0.82% ²
Michigan	0.50%	--	0.17 – 0.28%	0.67 – 0.78%
Texas	0.15%	0.10%	0.14 – 0.40%	0.39 – 0.65%
Tennessee	--	0 - 0.315%	0.035 – 0.64%	0.35 - 0.64% ³
OH Non-Partner States	--	0.45%	0.11 – 0.14%	0.56 - 0.59%
Nebraska Partnership	0.50%	--	0.04 – 0.05%	0.54 – 0.55%
<i>California</i>	<i>--</i>	<i>0.44%</i>	<i>0.08 – 0.10%</i>	<i>0.52 – 0.54%</i>
New York	0.36 - 0.38%	Included, if any	0.02 – 0.04%	0.40%
Virginia – ABLEnow	0.15%	0.10%	0.11 – 0.14%	0.36 – 0.39%
Oregon Partnership	0.10% to Sunday 0.10% to Oregon – MD / WA	0.10% MD / WA 0.20% OR	0.0628 – 0.0781% MD 0.0446 – 0.059% OR 0.0538 – 0.070% WA	0.3628 – 0.3781% MD 0.3446 – 0.359% OR 0.3538 – 0.3702% WA
National ABLE Alliance	0.32%	--	0.02 – 0.05%	0.34 - 0.37%
OH Partner States	--	0.19%	0.11 – 0.14%	0.30 - 0.33%

Source: Program Disclosure Statements available as of August 13, 2019. Virginia Advisor fees are from prospectus dated January 1, 2019

Does not include Florida or Louisiana. Excluded FDIC Options

¹ Virginia529 is currently waiving that portion of its fee attributable to Class ABLE-A shares. Such waiver is expected to remain in effect until the earlier of (a) the date on which total assets invested in ABLEAmerica reach \$300 million or (b) June 30, 2023

² Includes 0.30% in A Share distribution fees; does not include possible sales charges

³ Includes State subsidy

Dollar-based Annual Account Maintenance Fees

Plan	Residents	Non-Residents	Fee Recipient
Texas	\$48	--	NorthStar
National ABLE Alliance ¹	\$55-60	\$60	Ascensus and State
New York ²	\$55	Same	Unclear
Michigan	\$45	Same	Unclear
Nebraska Partnership	\$45	Same	Unclear
Virginia – ABLEnow	\$39 ³	Same	PNC
<i>California</i>	<i>\$37</i>	<i>Same</i>	<i>TIAA</i>
Oregon Partnership	\$35	Same	Sumday - \$27, OR - \$3, MD - \$5, WA - \$5
Ohio Partnership	\$30	\$42 ³	Intuition
Virginia – ABLEAmerica	\$10 ⁵	Same	American Funds
Florida / Louisiana / Massachusetts / Tennessee	--	--	--

Source: Program Disclosure Statements available as of August 13, 2019

¹ Assuming \$60, split is \$5 to State and \$55 to Ascensus. Account maintenance fees reduced by \$15 for e-delivery

² Account maintenance fees reduced by \$10 for e-delivery

³ Waived for accounts that maintain an average daily balance of \$10,000 in the ABLEnow Deposit Account

⁴ Any investor in a Non-Partner State pays \$42

⁵ This fee is waived indefinitely (this mirrors CollegeAmerica, the Virginia 529 Advisor Plan managed by American Funds)



ABLE United

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