

December 10, 2019



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

MEMORANDUM

TO: Florida ABLE, Inc. Board Members

FROM: John D. Rood, Chairman

RE: Board Meeting, December 10, 2019

DATE: November 26, 2019

As per previous notification from the Board office, the next quarterly Board meeting for Florida ABLE, Inc. is scheduled for December 10, 2019. The meeting will be held via webinar.

The webinar will be held on Tuesday, December 10, 2019, 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

December 10, 2019 1:00 p.m.

Florida State Alumni Center – Rendina Room Tallahassee, Florida

Welcome and Call to Order	Chairman Rood	
Approval of Minutes of the September 25, 2019, Board Meeting	g	Tab 1
Investment Performance	Kristen Doyle Dave Keil	Tab 2
Financial Statements	Michael Carter	Tab 3
Director's Report	John Finch	Tab 4
Other		
Adjourn		

TAB 1

Minutes Florida ABLE, Inc. Board Meeting September 25, 2019

A meeting of the Florida ABLE, Inc. Board was held at 1:03 p.m. on September 25, 2019, via webinar, in Tallahassee, Florida.

Members Present

Chairman John D. Rood, Patrick Hogan, Camille Gardiner, Representative Ray Rodrigues

Call To Order

Chairman Rood called the September 25, 2019, meeting of the Florida ABLE, Inc. Board to order at 1:03 p.m.

Approval Of The Minutes

The Board unanimously approved the minutes from the June 25, 2019 meeting.

ABLE Testimonial

Ms. Tina Williams, with Social Security Disability Programs, explained how Social Security Disability Insurance (SSDI), and Supplemental Security Income (SSI), program works in conjunction with an ABLE Account.

Investment Performance

Mr. Michael McCormick, with Aon Hewitt, provided an update of the Investment Performance. The Board unanimously accepted the second quarter 2019 investment reports 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 December 10, 2019, in Tallahassee.

<u>Adjourn</u>

There being no further business to come before the Board, the meeting was adjourned at 1:46 p.m.

TAB 2



Florida ABLE Plan Discussion Guide

September 30, 2019

Aon

Retirement and Investment



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Section 1: Economic & Capital Market Update



Market Highlights

Global equities saw mixed results during the quarter

- Slowing global growth and trade wars rattled equity markets mid quarter
- Monetary stimulus helped bolster stocks some

U.S. Economy's slowdown continued over the third quarter

- Unemployment in the U.S. fell to a fresh record low of 3.5%
- ISM's manufacturing Index fell 47.8, its weakest reading since 2009

U.S. and non-U.S. bond yields continued to decline

 Yields have fallen due to weakening economic data and more conservative messaging following two rate cuts

Returns of the Maior Capital Markets

	Third Quarter	YTD	1-Year	3-Year ¹	5-Year ¹	10-Year ¹
Equity						
MSCI All Country World IMI	-0.18%	15.87%	0.48%	9.36%	6.61%	8.45%
MSCI All Country World	-0.03%	16.20%	1.38%	9.71%	6.65%	8.35%
Dow Jones U.S. Total Stock Market	1.14%	20.05%	2.81%	12.78%	10.40%	13.09%
Russell 3000	1.16%	20.09%	2.92%	12.83%	10.44%	13.08%
S&P 500	1.70%	20.55%	4.25%	13.39%	10.84%	13.24%
Russell 2000	-2.40%	14.18%	-8.89%	8.23%	8.19%	11.19%
MSCI All Country World ex-U.S. IMI	-1.72%	11.38%	-1.84%	6.10%	3.05%	4.66%
MSCI All Country World ex-U.S.	-1.80%	11.56%	-1.23%	6.33%	2.90%	4.45%
MSCI EAFE	-1.07%	12.80%	-1.34%	6.48%	3.27%	4.90%
MSCI EAFE (Local Currency)	1.75%	15.67%	1.56%	8.30%	6.02%	7.04%
MSCI Emerging Markets	-4.25%	5.89%	-2.02%	5.97%	2.33%	3.37%
Fixed Income						
Bloomberg Barclays Global Aggregate	0.71%	6.32%	7.60%	1.59%	1.99%	2.34%
Bloomberg Barclays U.S. Aggregate	2.27%	8.52%	10.30%	2.92%	3.38%	3.75%
Bloomberg Barclays U.S. Long Gov't	7.83%	19.61%	24.58%	4.11%	6.73%	6.86%
Bloomberg Barclays U.S. Long Credit	5.62%	21.92%	19.91%	6.46%	6.90%	7.78%
Bloomberg Barclays U.S. Long Gov't/Credit	6.58%	20.93%	21.88%	5.56%	6.81%	7.42%
Bloomberg Barclays U.S. TIPS	1.35%	7.58%	7.13%	2.21%	2.45%	3.46%
Bloomberg Barclays U.S. High Yield	1.33%	11.41%	6.36%	6.07%	5.37%	7.94%
Bloomberg Barclays Global Treasury ex U.S.	0.07%	5.07%	7.10%	0.33%	1.35%	1.28%
JP Morgan EMBI Global (Emerging Markets)	1.34%	12.08%	10.74%	3.84%	5.10%	6.51%
Commodities						
Bloomberg Commodity Index	-1.84%	3.13%	-6.57%	-1.50%	-7.18%	-4.32%
Goldman Sachs Commodity Index	-4.18%	8.61%	-16.31%	1.54%	-11.74%	-5.43%
Hedge Funds						
HFRI Fund-Weighted Composite ²	-0.39%	6.81%	0.40%	3.78%	2.90%	3.97%
HFRI Fund of Funds ²	-0.90%	5.21%	0.01%	3.16%	1.95%	2.67%
Real Estate						
NAREIT U.S. Equity REITS	7.80%	26.96%	18.42%	7.36%	10.26%	13.04%
NCREIF NFI - ODCE	1.31%	3.78%	5.59%	7.30%	9.34%	10.86%
FTSE Global Core Infrastructure Index	2.83%	21.70%	17.23%	11.35%	8.32%	11.02%
Private Equity						
Burgiss Private iQ Global Private Equity ³			11.96%	14.28%	11.83%	14.11%

MSCI Indices show net total returns. 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 March 31, 2019



Section 2: Performance Summary



3Q 2019 Investment Performance Executive Summary

- Plan assets increased from \$16.1 million to \$18.0 million due to inflows and market returns over the quarter
- Asset allocation reflected market movement and active elections by participants; September 30, 2019 top 5 allocation as follows:
 - 24.4% Conservative Portfolio
 - 19.5% Growth Portfolio
 - 17.5% Money Market Fund
 - 16.8% Moderate Portfolio
 - 11.3% US Stock Fund
- Allocation Options had positive returns across the board with the exception of International Stock Fund which returned
 -1.10%
- Top absolute and relative performer of allocation options for the quarter is the US Bond Fund returning 2.36%
- 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 September 30, 2019

	Market Value (\$)	0/				Performance(%)				
		%	1 Quarter	Year To Date	1 Year	2 Years	3 Years	5 Years	Since Inception	Inception Date
Allocation Options	17,989,275	100.00								
US Stock Fund Russell 3000 Index Difference	2,037,923	11.33	1.02 1.16 -0.14	19.74 20.09 -0.35	2.57 2.92 -0.35	9.67 10.00 -0.33	12.47 12.83 -0.36		11.89 12.26 -0.37	08/01/2016
International Stock Fund MSCI EAFE Index (Net) Difference	475,429	2.64	-1.10 -1.07 -0.03	12.75 12.80 -0.05	-1.31 -1.34 0.03	0.52 0.68 -0.16	6.14 6.48 -0.34		6.41 6.56 -0.15	08/01/2016
US Bond Fund Blmbg. Barc. U.S. Aggregate Difference	697,111	3.88	2.36 2.27 0.09	8.46 8.52 -0.06	10.16 10.30 -0.14	4.20 4.38 -0.18	2.63 2.92 -0.29		2.42 2.71 -0.29	08/01/2016
FDIC Savings Fund Federal Funds Upper Limit Difference	693,105	3.85	0.54 0.54 0.00						1.13 1.13 0.00	04/01/2019
Money Market Fund 90 Day U.S. Treasury Bill Difference	3,150,164	17.51	0.60 0.56 0.04	1.91 1.81 0.10	2.59 2.38 0.21	2.22 1.99 0.23	1.84 1.54 0.30		1.78 1.47 0.31	08/01/2016
Conservative Portfolio Custom Conservative Benchmark Difference	4,393,606	24.42	1.45 1.46 -0.01	11.57 11.85 -0.28	5.75 6.50 -0.75	5.39 5.70 -0.31	5.96 6.25 -0.29		5.70 5.97 -0.27	08/01/2016
Moderate Portfolio Custom Moderate Benchmark Difference	3,028,458	16.83	1.25 1.31 -0.06	14.18 14.52 -0.34	4.78 5.61 -0.83	6.23 6.61 -0.38	7.70 8.07 -0.37		7.40 7.73 -0.33	08/01/2016
Growth Portfolio Custom Growth Index Difference	3,513,480	19.53	0.75 0.85 -0.10	15.71 16.05 -0.34	2.97 3.58 -0.61	6.35 6.70 -0.35	9.00 9.38 -0.38		8.71 9.04 -0.33	08/01/2016

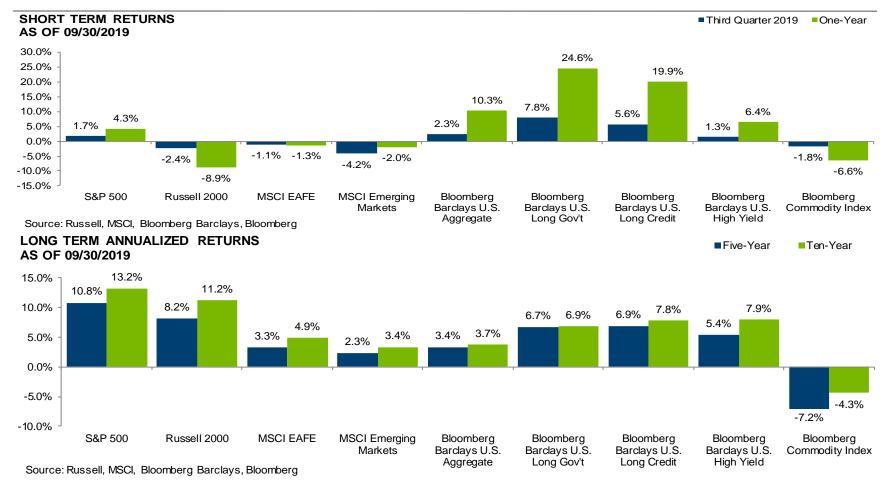




Appendix



Market Highlights

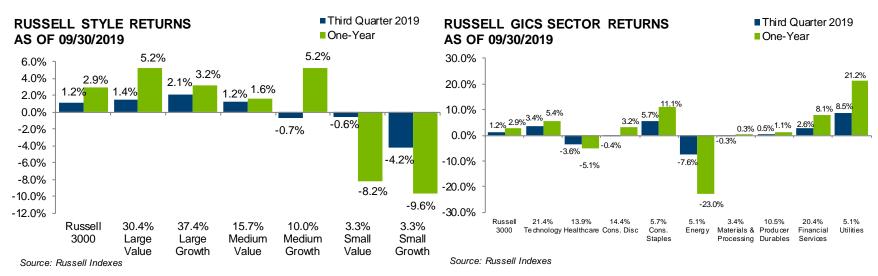


Despite short term volatility long term investment results remain positive across most asset classes

- Falling yields have resulted in significant returns across the fixed income segments, particularly long duration bonds
- In general, less economically-sensitive sectors outperformed over the quarter
- Commodity returns have been negative, due to slowing global growth concerns



U.S. Equity Markets



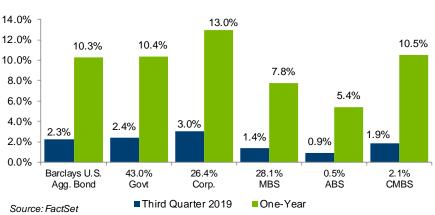
U.S. Equity returns varied by market capitalization and sector over the quarter

- With expectations of corporate earnings turning lower, the positive return for U.S. equities was primarily driven by multiple expansion. In general, less economically-sensitive sectors outperformed which is not too surprising given the deteriorating outlook. The Russell 3000 Index rose 1.2% during the third quarter and 2.9% over the one-year period. Relative to their international peers, U.S. stocks broadly outperformed with particularly resilience from the Financials sector.
- Energy (-7.6%) and Healthcare (-3.6%) were the worst performers over the quarter. Meanwhile, Utilities (8.5%) and Consumer Staples (5.7%) were the best performing sectors in Q3 2019.
- Performance was mixed across the market capitalization spectrum over the quarter. In general, small cap stocks underperformed both large and medium cap stocks over the quarter. Growth stocks generally underperformed their Value counterparts in Q3 2019 and over the last year.



U.S. Fixed Income Markets

BLOOMBERG BARCLAYS AGGREGATE RETURNS BY SECTOR AS OF 09/30/2019



Bonds continue to produced strong returns due to falling interest rates

- The Bloomberg Barclays U.S. Aggregate Bond Index rose by 2.3% over the quarter. Corporate bonds were the best performers, returning 3.0%, while Securitized debt underperformed with a return of 0.9%.
- Strong underlying government bond returns supported corporate bonds returns across all credit grades. Within investment grade bonds, Baa bonds rose the most at 3.3%.
- Long-maturity bonds outperformed intermediate and short-maturity bonds. Long-maturity bonds returned 6.6% while short-maturity bonds returned only 0.7%.

BLOOMBERG BARCLAYS AGGREGATE RETURNS BY MATURITY AS OF 09/30/2019

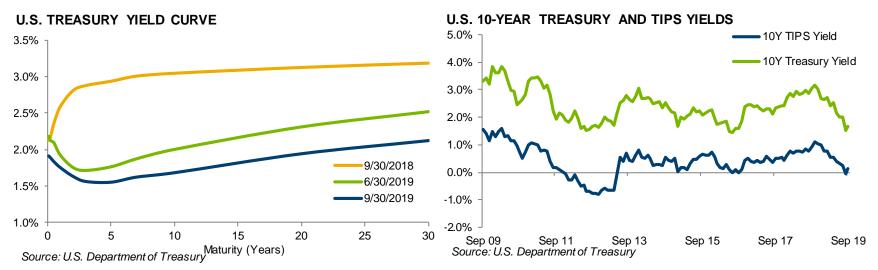


BLOOMBERG BARCLAYS AGGREGATE RETURNS BY QUALITY AND HIGH YIELD RETURNS AS OF 09/30/2019





U.S. Fixed Income Markets



Low inflation and low interest rates has led to a flattening of the yield curve over the quarter

- The U.S. nominal yields fell across all maturities with the yield curve flattening over the quarter as longer-term yields decreased by more than short-term yields.
- The 10-year U.S. Treasury yield ended the quarter at 1.68%, 32bps lower than at the start of the quarter in which the U.S. Federal Reserve (Fed) twice cut the interest rate by 25bps each to 1.75%-2.00%.
- Despite the two rate cuts, the Fed made it clear that it was not the beginning of a sustained easing cycle. This more
 conservative messaging was maintained at the September Fed meeting although the Federal Open Market Committee
 (FOMC) appeared to be divided on the future direction of rates with a member arguing for more aggressive cuts to be
 made.
- TIPS yields fell by 16bps over the quarter and ended the period at 0.15%, while lower inflation expectations led breakeven inflation lower by 16bps to 1.54%.



Financial Reconciliation

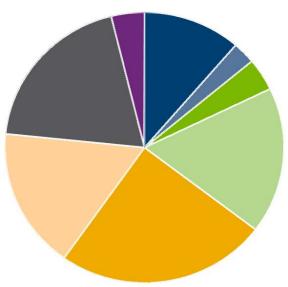
	Market Value As of 09/30/2019 \$	Net Transfers \$	Investment Return \$	Market Value As of 06/30/2019 \$
Vanguard Total Stock Market	6,648,873	502,875	68,839	6,077,159
BlackRock International Index	2,214,015	187,750	-19,160	2,045,425
Vanguard Total Bond Index	4,850,169	442,104	109,201	4,298,863
Florida Prime	3,585,859	243,702	20,758	3,321,399
FDIC Savings Fund	693,105	320,211	2,845	370,048
Underlying Investments	17,992,021	1,696,642	182,484	16,112,895
Individual Fund Options	7,053,731	691,764	53,083	6,308,884
US Stock Fund	2,037,923	87,481	20,706	1,929,736
International Stock Fund	475,429	28,502	-4,422	451,348
US Bond Fund	697,111	56,750	15,708	624,653
FDIC Savings Fund	693,105	320,211	2,845	370,048
Money Market Fund	3,150,164	198,819	18,245	2,933,099
Predesigned Portfolio Options	10,935,543	1,007,217	126,730	9,801,596
Conservative Portfolio	4,393,606	352,745	61,790	3,979,071
Moderate Portfolio	3,028,458	332,382	37,262	2,658,814
Growth Portfolio	3,513,480	322,091	27,678	3,163,711
Clearing Account	-	-	-	-
Total Investment Options	17,989,275	1,698,982	179,812	16,110,481



Asset Allocation by Investment Options As of September 30, 2019

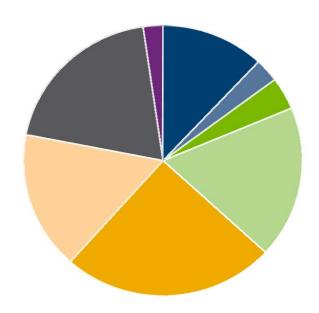


June 30, 2019 : \$16,110,481



	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



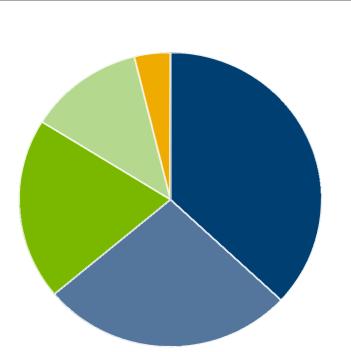
	Market Value	Allocation
	(\$)	(%)
■ US Stock Fund	1,929,736	12.0
■ International Stock Fund	451,348	2.8
US Bond Fund	624,653	3.9
Money Market Fund	2,933,099	18.2
■ Conservative Portfolio	3,979,071	24.7
Moderate Portfolio	2,658,814	16.5
■ Growth Portfolio	3,163,711	19.6
Clearing Account	-	0.0
■ FDIC Savings Fund	370,048	2.3

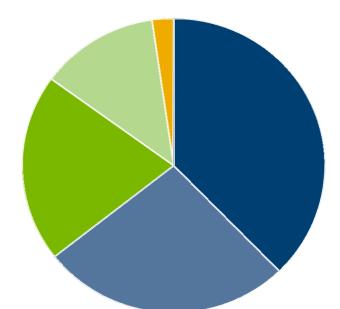
693,105

3.9

Asset Allocation by Underlying Investments As of September 30, 2019

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





June 30, 2019 : \$16,112,895

	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

	Market Value	Allocation
	(\$)	(%)
■ Vanguard Total Stock Market	6,077,159	37.7
■ Vanguard Total bond Index	4,298,863	26.7
■ Florida Prime	3,321,399	20.6
■ BlackRock International Index	2,045,425	12.7
FDIC Savings Fund	370,048	2.3



Asset Allocation & Performance As of September 30, 2019

	Market					Perfor	mance(%)			
	Value (\$)	%	1 Quarter	Year To Date	1 Year	2 Years	3 Years	5 Years	Since Inception	Inception Date
Underlying Investments	17,992,021	100.00								
Vanguard Total Stock Market	6,648,873	36.95	1.09	20.00	2.88	10.00	12.81		12.25	08/01/2016
Russell 3000 Index			1.16	20.09	2.92	10.00	12.83		12.26	
Difference			-0.07	-0.09	-0.04	0.00	-0.02		-0.01	
BlackRock International Index	2,214,015	12.31	-1.04	13.44	-0.61	1.02	6.63		6.89	08/01/2016
MSCI EAFE Index (Net)			-1.07	12.80	-1.34	0.68	6.48		6.56	
Difference			0.03	0.64	0.73	0.34	0.15		0.33	
Vanguard Total Bond Index	4,850,169	26.96	2.43	8.68	10.43	4.45	2.90		2.67	08/01/2016
Blmbg. Barc. U.S. Aggregate			2.27	8.52	10.30	4.38	2.92		2.71	
Difference			0.16	0.16	0.13	0.07	-0.02		-0.04	
Florida Prime	3,585,859	19.93	0.60	1.96	2.63	2.24	1.85		1.80	08/01/2016
90 Day U.S. Treasury Bill			0.56	1.81	2.38	1.99	1.54		1.47	
Difference			0.04	0.15	0.25	0.25	0.31		0.33	
FDIC Savings Fund	693,105	3.85	0.54						1.13	04/01/2019
Federal Funds Upper Limit			0.54						1.13	
Difference			0.00						0.00	



Fee Schedule As of September 30, 2019

	Fee Schedule	Market Value As of 09/30/2019 \$	% of Portfolio	Estimated Annual Fee \$	Estimated Annual Fee (%)
Allocation Options		\$17 ,989, 27 5	100.00	\$41 ,028	0.23
Individual Fund Options		\$ 7,053,731	39.21	\$1 0,413	0.15
US Stock Fund	0.29 % of Assets	\$2,037,923	11.33	\$5,910	0.29
International Stock Fund	0.29 % of Assets	\$475,429	2.64	\$1,379	0.29
US Bond Fund	0.29 % of Assets	\$697,111	3.88	\$2,022	0.29
FDIC Savings Fund	0.00 % of Assets	\$693,105	3.85	-	0.00
Money Market Fund	0.04 % of Assets	\$3,150,164	17.51	\$1,103	0.04
Predesigned Portfolios		\$1 0,935,543	60.79	\$30,615	0.28
Conservative Portfolio	0.27 % of Assets	\$4,393,606	24.42	\$11,643	0.27
Moderate Portfolio	0.29 % of Assets	\$3,028,458	16.83	\$8,783	0.29
Growth Portfolio	0.29 % of Assets	\$3,513,480	19.53	\$10,189	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 secuirties 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.



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Aon Hewitt Investment Consulting, Inc. 200 E. Randolph Street Suite 1500 Chicago, IL 60601

ATTN: AHIC Compliance Officer

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TAB 3

Florida ABLE, Inc.

FINANCIAL STATEMENTS

June 30, 2019



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INDEPENDENT AUDITORS' REPORT

Board of Directors and Management Florida ABLE, Inc. Tallahassee, Florida

Report on the Financial Statements

We have audited the accompanying financial statements of Florida ABLE, Inc., which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Florida ABLE, Inc. as of June 30, 2019, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 8 to the financial statements, management has adopted Financial Accounting Standards Board ASU 2016-14, Not-for-Profit Entities (Topic 958); this new standard requires changes to be made in how net assets are classified based on donor restrictions and has added multiple new disclosures. Our opinion is not modified with respect to this matter.

CARR, RIGGS & INGRAM, LLC

Can, Rigge & Ingram, L.L.C.

Tallahassee, Florida

December 9, 2019

Florida ABLE, Inc. Statement of Financial Position

June 30, 2019

Assets	
Current assets	
Investments	\$ 3,183,200
Other assets	244
Cash and cash equivalents - restricted	363,049
Accounts receivable - restricted	79,960
Investments - restricted	15,725,416
Total assets	\$ 19,351,869
Liabilities and Net Assets	
Current liabilities	
Accounts payable	358,543
Due to other funds	519
Amounts held in trust for participants	16,126,443
Total liabilities	16,485,505
Net assets	
Net assets without donor restrictions	2,866,364
Total liabilities and net assets	\$ 19,351,869

Florida ABLE, Inc. Statement of Activities

Year ended June 30, 2019

Revenues and other support		
Governmental support	\$	1,624,500
Interest income		63,929
Other income		32,788
Total revenues and other support		1,721,217
Expenses		
Supporting services - general and administrative		1,737,926
Total expenses		1,737,926
Change in net assets		(16,709)
Net assets, beginning of year		2,870,068
Adjustment to net assets, beginning of year		13,005
Net assets, beginning of year as adjusted		2,883,073
Net assets, end of year	\$	2,866,364

Florida ABLE, Inc. Statement of Functional Expenses

Year ended June 30, 2019	Supporting Services - General and Administration	
Marketing	\$ 1,055,503	
Records administration	331,318	
Service charges	245,000	
Trustee fees	35,000	
Consulting	30,000	
Legal and professional	22,651	
Travel	7,108	
Miscellaneous	11,346	
Total expenses	\$ 1,737,926	

Florida ABLE, Inc. Statement of Cash Flows

Year ended June 30, 2019

Cook flows from an autima activities		
Cash flows from operating activities		(4.6.700)
Change in net assets	\$	(16,709)
Adjustments to reconcile change in net assets to net		
cash provided by operating activities:		
(Increase) decrease in:		
Accounts receivable		(79,960)
Other receivable		4,866
Due from/to other funds		5,505
Due from State Agencies		2,166,000
Increase (decrease) in:		
Accounts payable		(178,944)
Amounts held in trust for participants		7,015,903
Net cash provided by operating activities		8,916,661
Cash flows from investing activities		
Purchase of investments		(14,026,327)
Proceeds from the sale of investments		5,353,167
Net cash used in investing activities		(8,673,160)
Net change in cash and cash equivalents		243,501
Cash and cash equivalents, beginning of year		119,548
Cash and cash equivalents, end of year	\$	363,049

Florida ABLE, Inc. Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Organization

Florida ABLE, Inc. (ABLE) was created on July 1, 2015 as a not-for-profit organization doing business in the State of Florida. ABLE was established under Section 1009.986(1) of the Florida Statutes to encourage and assist the saving of private funds in tax-exempt accounts in order to pay for the qualified disability expenses of eligible individuals with disabilities. The Florida Prepaid College Board (the Board), a component unit of the State of Florida, administers ABLE in accordance with a Direct-Support Organization Contract. ABLE is included in the Florida Prepaid College Board's financial statements as a private-purpose trust fund. As such, assets in excess of liabilities are presented as "held in Trust for individuals and program administration."

Basis of Accounting

The accounts of ABLE are maintained on the accrual basis in accordance with the principles of not-for-profit accounting. Financial statement presentation follows the recommendations of the Financial Accounting Standards Board (FASB) ASC 958, Not-for-Profit Entities. Under FASB ASC 958, the ABLE is required to report information regarding its financial position and activities according to two classes of net assets: net assets without donor restrictions and net assets with donor restrictions.

<u>Net Assets Without Donor Restriction</u> – Net assets that are not subject to or are no longer subject to donor-imposed stipulations.

<u>Net Assets With Donor Restriction</u> – Net assets whose use is limited by donor-imposed time and/or purpose restrictions. As of June 30, 2019, ABLE does not have net assets with donor restrictions.

Cash and Cash Equivalents

Cash and cash equivalents include certain investments in highly liquid instruments with original maturities of three months or less when purchased. ABLE routinely invests its surplus operating funds in money market funds.

Florida ABLE, Inc. Notes to Financial Statements

NOTE 1 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Investments

In accordance with FASB ASC 958-320, *Investments-Debt and Equity Securities*, investments in equity and debt securities with readily determinable market values are measured at fair value in the statement of financial position. Investment income represents interest earned on funds for ABLE's general operations. Realized and unrealized gains and losses, interest and dividends earned on participant accounts are allocated to participant accounts and included as a change in amounts held in trust for participants on the statement of financial position. Investments held on behalf of participants are classified as "investments-restricted" on the statement of financial position.

Amounts Held in Trust for Participants

Participants retain ownership of all accounts on deposit with ABLE up to the dates of distribution on behalf of the designated beneficiaries. Participant contributions and the earnings derived therefrom are held in trust for the participants.

Revenue Recognition

The Florida Legislature appropriated \$1,624,500 to ABLE that was recognized as revenue when received during the year ended June 30, 2019. This amount is presented as governmental support within the statement of activities.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

Subsequent Events

ABLE evaluates subsequent events through the date of the independent auditors' report, which is the date the financial statements were available to be issued.

Florida ABLE, Inc. Notes to Financial Statements

NOTE 2 – CONCENTRATION

Credit Risk

Custodial credit risk for deposits is the risk that in the event of a bank failure, ABLE's deposits may not be returned to them. Cash deposits consisted of interest bearing demand accounts at one financial institution which is entirely insured by collateral pursuant to The Florida Security for Public Deposits Act (the Act). The Act establishes guidelines for qualification and participation by banks and savings associations, procedures for the administration of the collateral requirements and characteristics of eligible collateral. Under the Act, ABLE's deposits in qualified public depositories are totally insured.

At June 30, 2019, ABLE had \$363,049 on deposit with BNY Mellon. These deposits include the FDIC Savings Fund which is insured by the FDIC on a pass-through basis to each ABLE participant investing in the fund. FDIC insurance generally protects up to \$250,000 per participant.

At June 30, 2019, ABLE also had \$6,504,622 on deposit with the Florida State Board of Administration held in the Florida PRIME account, included in investments within the Statement of Financial Position. Florida PRIME represents a pool of investments whereby ABLE owns a share of the respective pool, not the underlying securities. Cost approximates fair market value. While Florida PRIME is not registered under the 1940 Act or regulated by the SEC, ABLE believes the credit risk related to these balances is minimal. The Florida PRIME is rated by Standard and Poor's as AAAm, and provides ABLE with daily liquidity.

Funding Source

ABLE received funding of \$1,624,500 from the State of Florida to organize its operations and establish its investment structure. ABLE is reliant on third party funding until investment returns and generated fees are sufficient to support its operations.

NOTE 3 – RELATED PARTY TRANSACTIONS

In accordance with 1009.986, Florida Statues, the chair of the Florid Prepaid College Board serves on the Board of Directors of ABLE along with another appointee made by the Florida Prepaid College Board.

For the year ended June 30, 2019 the Florida Prepaid College Board provided certain administrative expenses to ABLE under a contractual agreement with no date of expiration or termination. Under this agreement, ABLE paid administration fees totaling \$225,000 to the Board for the year ended June 30, 2019. Additionally, ABLE owed certain reimbursable expenses to the Florida Prepaid College Board and its component units totaling \$519 at June 30, 2019.

Florida ABLE, Inc. Notes to Financial Statements

NOTE 4 – INCOME TAXES

ABLE is a non-profit organization intended to be exempt from federal and state income taxes under Section 501(c)(3) of the Internal Revenue Code. ABLE received its 501(c)(3) status on July 1, 2017. Accordingly, no provision for income taxes is shown in the accompanying financial statements.

ABLE follows accounting requirements associated with uncertainty in income taxes using the provisions of Financial Accounting Standards Board (FASB) ASC 740, *Income Taxes*. Using that guidance, tax positions initially need to be recognized in the financial statements when it is more likely-than-not the positions will be sustained upon examination by the tax authorities. It also provides guidance for derecognition, classification, interest and penalties, accounting in interim periods, disclosure and transition. As of June 30, 2019, ABLE has no uncertain tax provisions that qualify for recognition or disclosure in the financial statements. Management and legal counsel determined federal income tax returns were not required to be filed.

NOTE 5 – INVESTMENTS

Investments consist of the following:

June 30, 2019	Cost	Fair Value
Money market funds	\$ 6,504,622	\$ 6,504,622
Commingled fixed income fund	4,177,240	4,307,412
Commingled domestic equity fund	5,401,431	6,059,298
Commingled international equity fund	1,995,016	2,037,284
Total	\$ 18,078,309	\$ 18,908,616

NOTE 6 – FAIR VALUE MEASUREMENTS

FASB ASC 820, Fair Value Measurements and Disclosures, establishes a framework for measuring fair value. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under FASB ASC 820 are described as follows:

Level 1 – Quoted prices in active markets for identical assets or liabilities.

<u>Level 2</u> – Significant other observable inputs that reflect the assumptions market participants would use in pricing the asset or liability developed based on market data obtained from sources independent of the reporting entity.

Florida ABLE, Inc. Notes to Financial Statements

NOTE 6 – FAIR VALUE MEASUREMENTS (CONTINUED)

Level 3 – Significant unobservable inputs.

The asset's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Fair values of investments measured on a recurring basis are as follows:

	Fair Value	Level 1	Level 2		Level 3	
Commingled fixed income fund	\$ 4,307,412	\$ 4,307,412	\$	- \$		-
Commingled domestic equity fund	6,059,298	6,059,298		-		-
Commingled international equity fund	2,037,284	2,037,284		-		
Total	\$ 12,403,994	\$ 12,403,994	\$	- \$		-

NOTE 7 – AMOUNTS HELD IN TRUST FOR PARTICIPANTS

The activity related to amounts held in trust for participants for the year ended June 30, 2019 was as follows:

Amounts held in trust for participants, beginning of year	\$ 9,110,540
Deposits	8,646,370
Investment earnings	888,893
Withdrawals	(2,495,161)
Administrative fees	(24,199)
Amounts held in trust for participants, end of year	\$ 16,126,443

NOTE 8 – ACCOUNTING STANDARDS UPDATE 2016-14

In August 2016, the FASB issued ASU 2016-14, *Not-for-Profit Entities (Topic 958): Presentation of Financial Statements of Not-for-Profit Entities,* which addresses financial reporting for not-for-profit organizations. Management has implemented ASU 2016-14 for the year ended June 30, 2019. The key elements of the ASU are as follows:

- Net asset classifications have been reduced from three to two categories: with donor restrictions and without donor restrictions. Expanded disclosures about the nature and amount of any donor restrictions and on any board designations of net assets without donor restrictions have been included as required.
- The placed-in-service approach is required for determining when restrictions have been met for all capital gifts, eliminating the over-time option for expirations of capital restrictions.

Florida ABLE, Inc. Notes to Financial Statements

NOTE 8 – ACCOUNTING STANDARDS UPDATE 2016-14 (CONTINUED)

- Additional disclosures, both qualitative and quantitative, have been included as required to communicate information useful in assessing liquidity within one year of the statement of financial position date.
- The indirect or direct method of presenting the statement of cash flows is allowed. However, the presentation or disclosure of indirect method reconciliation is not required when using the direct method.
- When an organization derives net investment return from several different sources, such as donor endowments and unrestricted operating endowments, it may present the net investment return in multiple line items in the statement of activities.

Several reporting requirements related to expenses are included, as follows:

- Disclosure of expenses by both nature and function (excluding investment expenses that have been netted with investment return)
- Disclosure of expenses netted with investment return
- Enhanced disclosures regarding cost allocations

ASU 2016-14 eliminates the requirement to disclose the unrealized gains and losses for the period related to equity securities held at the report date.

NOTE 9 – FINANCIAL ASSET AVAILABILITY

ABLE maintains its financial assets in cash and cash equivalents, Florida PRIME accounts, and mutual funds held at a third party brokerage to provide liquidity to ensure funds are available as ABLE's expenditures come due. The following reflects the ABLE's financial assets as of the statement of financial positon date, reduced by amounts not available for general use within one year of the statement of financial positon date because of contractual or donor-imposed restrictions.

As of June 30, 2019

, ,	
Cash and cash equivalents	\$ 363,049
Accounts receivable	79,960
Investments	18,908,616
Total financial assets	19,351,625
Less amounts held in trust for participants	16,126,443
Financial assets available to meet cash needs for expenditures within one year	\$ 3,225,182

As discussed with the Board of Directors and management during our planning process, our audit plan represented an approach responsive to the assessment of risk for ABLE. Specifically, we planned and performed our audit to:

- Perform audit services, as requested by the Board of Directors, in accordance with auditing standards generally accepted in the United States of America, in order to express an opinion on ABLE's financial statements for the year ended June 30, 2019;
- Communicate directly with the Board of Directors and management regarding the results of our procedures;
- Address with the Board of Directors and management any accounting and financial reporting issues;
- Anticipate and respond to concerns of the Board of Directors and management; and
- Other audit-related projects as they arise and upon request.

We have audited the financial statements of the Florida ABLE, Inc. for the year ended June 30, 2019, and have issued our report thereon dated December 9, 2019. Professional standards require that we provide you with the following information related to our audit:

MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
Auditors' responsibility under Generally Accepted Auditing Standards	As stated in our engagement letter dated September 11, 2019 , our responsibility, as described by professional standards, is to express an opinion about whether the financial statements prepared by management with your oversight are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America (GAAP). Our audit of the financial statements does not relieve you or management of your responsibilities. As part of our audit, we considered the internal
	control of ABLE. Such considerations were solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.
Client's responsibility	Management, with oversight from those charged with governance, is responsible for establishing and maintaining internal controls, including monitoring ongoing activities; for the selection and application of accounting principles; and for the fair presentation in the financial statements of financial position, results of operations, and cash flows in conformity with the applicable framework. Management is responsible for the design and implementation of programs and controls to prevent and detect fraud.
Planned scope and timing of the audit	Our initial audit plan was not significantly altered during our fieldwork.
Management judgments and accounting estimates The process used by management in forming particularly sensitive accounting estimates and the basis for the auditors' conclusion regarding the reasonableness of those estimates.	Please see the following section titled "Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality."
Potential effect on the financial statements of any significant risks and exposures Major risks and exposures facing ABLE and how they are disclosed.	No such risks or exposures were noted.

MATTER TO BE COMMUNICATED

Please see Note 1 in the Notes to Financial Statements.

AUDITORS' RESPONSE

Significant accounting policies, including critical accounting policies and alternative treatments within generally accepted accounting principles and the auditors' judgment about the quality of accounting principles

- The initial selection of and changes in significant accounting policies or their application; methods used to account for significant unusual transactions; and effect of significant policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.
- The auditor should also discuss the auditors' judgment about the quality, not just the acceptability, of ABLE's accounting policies as applied in its financial reporting. The discussion should include such matters as consistency of accounting policies and their application, and clarity and completeness of statements, financial includina disclosures. Critical accounting policies and practices applied by ABLE in its financial statements and our assessment of management's disclosures regarding such policies and practices (including any significant modifications to such disclosures rejected proposed us but management), the reasons why certain policies and practices are or are not considered critical, and how current and anticipated future events impact those determinations;
- Alternative treatments within GAAP for accounting policies and practices related to material items, including recognition, measurement, presentation and disclosure alternatives, that have been discussed with client management during the current audit period, the ramifications of the use of such alternative disclosures and treatments, and the treatment preferred by the auditor. Furthermore, if the accounting policy selected by management is not the policy preferred by us, discuss the reasons why management selected that policy, the policy preferred by us, and the reason we preferred the other policy.

MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
Significant difficulties encountered in the audit Any significant difficulties, for example, unreasonable logistical constraints or lack of cooperation by management.	None.
Disagreements with management Disagreements, whether or not subsequently resolved, about matters significant to the financial statements or auditors' report. This does not include those that came about based on incomplete facts or preliminary information.	None.
Other findings or issues Matters significant to oversight of the financial reporting practices by those charged with governance. For example, an entity's failure to obtain the necessary type of audit, such as one under Government Auditing Standards, in addition to GAAS.	None.
Matters arising from the audit that were discussed with, or the subject of correspondence with, management Business conditions that might affect risk or discussions regarding accounting practices or application of auditing standards.	None.
Corrected and uncorrected misstatements All significant audit adjustments arising from the audit, whether or not recorded by ABLE, that could individually or in the aggregate have a significant effect on the financial statements. We should also inform ABLE about uncorrected misstatements aggregated by us during the current engagement and pertaining to the latest period presented, that were determined by management to be immaterial, both individually and in the aggregate, to the financial statements taken as a whole. Any internal control deficiencies that could have prevented the misstatements.	None.
Major issues discussed with management prior to retention Any major accounting, auditing or reporting issues discussed with management in connection with our initial or recurring retention.	None.

MATTER TO BE COMMUNICATED	AUDITORS' RESPONSE
Consultations with other accountants When management has consulted with other accountants about significant accounting or auditing matters.	None of which we are aware.
Written representations A description of the written representations the auditor requested (or a copy of the representation letter).	See "Management Representation Letter" section.
Internal control deficiencies Any significant deficiencies or material weaknesses in the design or operation of internal control that came to the auditors' attention during the audit.	See "Internal Control Findings" section.
Fraud and illegal acts Fraud involving ABLE's management, or those responsible for internal controls, or causing a material misstatement of the financial statements, where the auditor determines there is evidence that such fraud may exist. Any illegal acts coming to the auditors' attention involving ABLE's management and any other illegal acts, unless clearly inconsequential.	We are unaware of any fraud or illegal acts involving management or causing material misstatement of the financial statements.
Other information in documents containing audited financial statements The external auditors' responsibility for information in a document containing audited financial statements, as well as any procedures performed and the results.	Our responsibility related to documents (including annual reports, websites, etc.) containing the financial statements is to read the other information to consider whether: • Such information is materially inconsistent with the financial statements; and
	We believe such information represents a material misstatement of fact. We have not been provided any such items to date and are unaware of any other documents that contain the audited financial statements.

Accounting Policies, Judgments and Sensitive Estimates & CRI Comments on Quality

We are required to communicate our judgments about the quality, not just the acceptability, of ABLE's accounting principles as applied in its financial reporting. We are also required to communicate critical accounting policies and sensitive accounting estimates. ABLE may wish to monitor throughout the year the process used to compute and record these accounting estimates. The table below summarizes our communications regarding these matters.

AREA	ACCOUNTING POLICY	CRITICAL POLICY?	JUDGMENTS & SENSITIVE ESTIMATES	COMMENTS ON QUALITY OF ACCOUNTING POLICY & APPLICATION
Investments	Management follows the provisions of ASC 820, Fair Value Measurements, when reporting investments.	Yes	ABLE relies on valuations from the custodian for 100% of the asset values.	Policy appears to be in accordance with U.S. GAAP.

Summary of Audit Adjustments

During the course of our audit, we accumulate differences between amounts recorded by ABLE and amounts that we believe are required to be recorded under GAAP. Those adjustments are either recorded (corrected) by ABLE or passed (uncorrected).

There were no adjustments, either corrected or uncorrected, as a result of our audit procedures.

QUALITATIVE MATERIALITY CONSIDERATIONS

In evaluating the materiality of audit differences when they do arise, we consider both quantitative and qualitative factors, for example:

- Whether the difference arises from an item capable of precise measurement or whether it arises from an estimate, and, if so, the degree of imprecision inherent in the estimate.
- Whether the difference masks a change in earnings or other trends.
- Whether the difference changes a net decrease in assets to addition, or vice versa.
- Whether the difference concerns an area of ABLE's operating environment that has been identified as playing a significant role in ABLE's operations or viability.
- Whether the difference affects compliance with regulatory requirements.
- Whether the difference has the effect of increasing management's compensation for example, by satisfying requirements for the award of bonuses or other forms of incentive compensation.
- Whether the difference involves concealment of an unlawful transaction.

Management Representation Letter



The Honorable John D. Rood

Ander Crenshaw

Camille Gardiner
Co Founder/Board Member Down
Syndrome Foundation of Flor da

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

December 9, 2019

Carr, Riggs & Ingram, LLC 2633 Centennial Boulevard Suite 200 Tallahassee, Florida 32308

This representation letter is provided in connection with your audit of the financial statements of Florida ABLE, Inc., which comprise the statement of financial position as of June 30, 2019, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States (U.S. GAAP).

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of December 9, 2019, the following representations made to you during your audit.

Financial Statements

- We have fullilled our responsibilities, as set out in the terms of the audit engagement letter dated September 11, 2019, including our responsibility for the preparation and fair presentation of the financial statements in accordance with U.S. GAAP.
- The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
- 3) We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- Related-party relationships and transactions have been appropriately accounted for and disclosed in accordance with U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.
- 8) The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.
- Material concentrations have been appropriately disclosed in accordance with U.S. GAAP.
- 10) Guarantees, whether written or oral, under which the Organization is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.

Information Provided

11) We have provided you with:

1801 Hermitage Boulevard Suite 210 Tallahassee, FL 32308-7743 P: 850-488-8514 F: 850-488-3555 www.ableunited.com

Management Representation Letter



- Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.
- b) Additional information that you have requested from us for the purpose of the audit.
- Unrestricted access to persons within the Organization from whom you determined it necessary to obtain audit evidence.
- d) Minutes of the meetings of the governing board or summaries of actions of recent meetings for which minutes have not yet been prepared.
- 12) All material transactions have been recorded in the accounting records and are reflected in the financial statements.
- 13) We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.
- 14) We have no knowledge of any fraud or suspected fraud that affects the Organization and involves:
 - a) Management,
 - b) Employees who have significant roles in internal control, or
 - c) Others where the fraud could have a material effect on the financial statements.
- 15) We have no knowledge of any allegations of fraud or suspected fraud affecting the Organization's financial statements communicated by employees, former employees, grantors, regulators, or others.
- 16) We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.
- 17) We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.
- 18) We have disclosed to you the identity of the Organization's related parties and all the related-party relationships and transactions of which we are aware.
- 19) The Organization has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.
- 20) We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us.
- 21) Florida ABLE, Inc, is an exempt organization under Section 501(c)(3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Organization's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required fillings with tax authorities are up-to-date.
- 22) In regard to the financial statement preparation services performed by you, we have
 - a) Assumed all management responsibilities.
 - Designated Bert Wilkerson, Director of Finance and Accounting, who has suitable skill, knowledge, or experience to oversee the services.
 - Evaluated the adequacy and results of the services performed.
 - d) Accepted responsibility for the results of the services.

Signature:	Signature: But w		
Title: Exec Dr	Title: DIRECTUR OF FLARICE AND INVESTMENTS		

Internal Control Findings

The Board of Directors and Management of Florida ABLE, Inc.

In planning and performing our audit of the financial statements of Florida ABLE, Inc. as of and for the year ended June 30, 2019, in accordance with auditing standards generally accepted in the United States of America, we considered Florida ABLE, Inc.'s internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of Florida ABLE, Inc.'s internal control. Accordingly, we do not express an opinion on the effectiveness of Florida ABLE, Inc.'s internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency or a combination of deficiencies in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected, on a timely basis.

Our consideration of internal control was for the limited purpose described in the first paragraph and was not designed to identify all deficiencies in internal control that might be material weaknesses. Given these limitations during our audit, we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

This communication is intended solely for the information and use of management, Board of Directors, others within Florida ABLE, Inc., and is not intended to be, and should not be, used by anyone other than these specified parties.

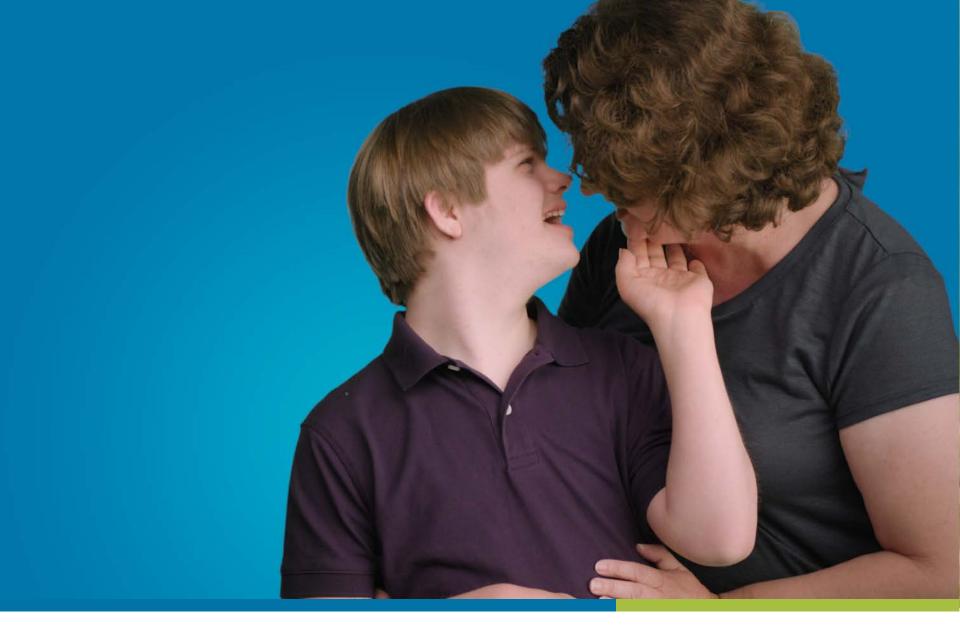
CARR, RIGGS & INGRAM, LLC

Can, Rigge & Ingram, L.L.C.

Tallahassee, Florida

December 9, 2019

TAB 4





Agenda

- Statistics
- Key Activities
- System Updates
- Education Spotlight Special Needs Trusts
- Legislative Update
- Budget Status



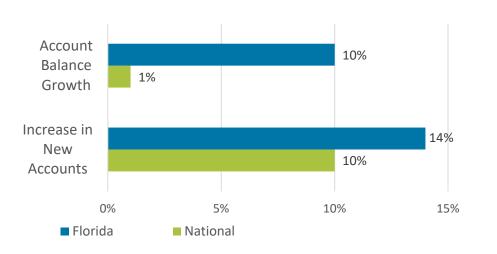




ABLE United Key Statistics

	Q3 – 2018	Q3 – 2019	Diff
Enrollments	288	473	64% 🛊
Average Account Balance*	\$5,079	\$5,620	11% 🛊
Net Transactions	\$1,208,670	\$1,698,982	41% 🛊
Total Market Value	\$10,639,400	\$17,989,275	69% 🛊

National Q3-2019 Comparison



Florida Key Statistics			
Average Bene Age 31			
Eligibility	40% SSI		
Investments	50% Conservative		
Active Accounts	3,593 (10/31)		



Website Activity



Description	Q3 – 2018	Q3 – 2019	Diff
New Website Visitors	13,431	20,709	54%
Sought Beyond Landing Page	6,838	10,541	54%
Likely Eligible	2,175	3,259	50%
Clicked on Enrollment	992	2,601	162%
Started Application	506	957	89%
Enrolled	288	473	64%
Contribution to New Account	248	356	44%

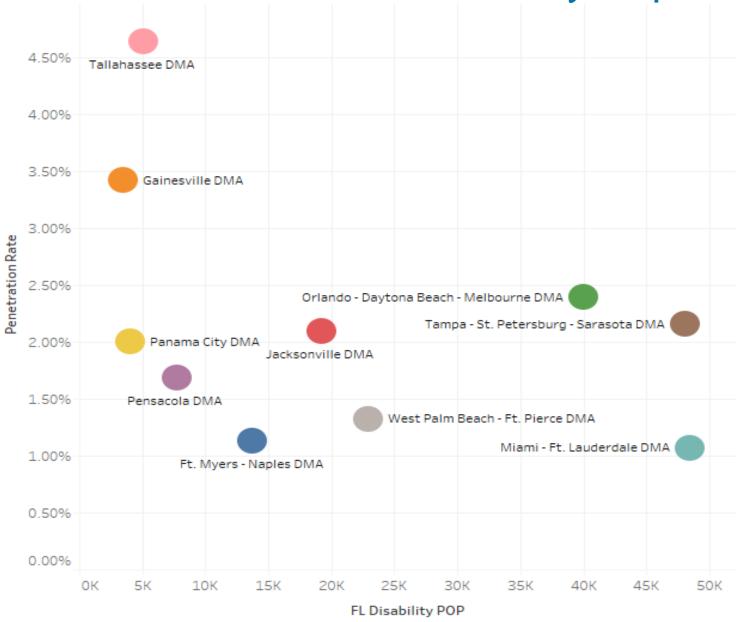


Enrollment Breakdown by Designated Marketing Area

DMA Markets	Enrollment as of September 2019		
Tampa - St. Petersburg - Sarasota	1,015		
Orlando - Daytona - Melbourne	942		
Miami - Ft. Lauderdale	501		
Jacksonville	394		
West Palm Beach - Ft. Pierce	296		
Tallahassee	231		
Ft. Myers - Naples	151		
Pensacola	127		
Gainesville	115		
Panama City	81		
TOTAL	3,853		



Penetration Rate vs FL Disability Pop.



South Florida Efforts (deployed July – October)

Marketing and Public Relations in the Miami DMA

- Dedicated paid effort in the Miami DMA implemented in August
 - Digital display, video, and paid social
 - Goal to ensure a proportional delivery to this population
 - ABLE South Florida video with Spanish captions and new voiceover
- Meetings with several key advocacy organizations and niche audiences, in South Florida – 13 in-person engagements
- Recruited four new brand ambassadors in Miami DMA final onboarding took place first week of October



Website Activity: Miami DMA



Description	Q3 – 2018	Q3 – 2019	Diff
New Website Visitors	2,008	3,461	72%
Continued Beyond Landing Page	979	1,539	57%
Likely Eligible	208	475	128%
Clicked on Enrollment	114	381	234%
Started Application	61	106	74%
Completed Application	43	69	60%
Contribution to New Account	23	51	122%







Agency for Persons with Disabilities Website

ABLE United Integration to Website

Integrated information about ABLE United on APD's enrollment page and footer of website.

 Averages around 50,000 website users per month

Application Download

- Application for Services
 DOC | PDF
- Solicitud español
 DOC | PDF
- Aplikasyon Pou Mande Sèvis
 DOC I PDF
- 1. The Bill of Rights of All Persons with Developmental Disabilities
- 2. Resident Rights for Individuals Living in APD Licensed Facilities
- 3. Family Care Council Brochure
- 4. Guide to Services Brochure Serving Floridians with Developmental Disabilities
- 5. Agency for Persons with Disabilities Guide to Administrative Hearings Brochure
- 6. HIPAA Notice of Privacy Practice
- 7. Consent to Obtain/Release Information
- Download Adobe Acrobat Reader

Save Without Impacting Eligibility for Benefits

ABLE United, Florida's qualified ABLE program, provides savings and investment accounts that allow individuals with disabilities to save up to \$15,000 annually without impacting eligibility for benefits like Supplemental Security Income and Medicaid. Anyone can contribute to an account, funds have the potential to grow tax-free, and can be used any time to pay for expenses that help improve or maintain health, independence or quality of life. To learn more and open an account, visit www.ableunited.com





Recent Key Activities

National Savings Day

Goal to highlight importance of saving across multiple channels.

Individuals were encouraged to enter into a week-long contest in which eligible account holders were asked to submit a photo of what they are saving for. Three winners received an iPad and a \$50 contribution.

Key highlights include:

- 323 total contest entries (with more than
 100 photos submitted)
- Secured 112 media hits in 10 markets
- Personal email to 58 with no account, added to marketing email database



CONTEST: 2019 ABLE UNITED NATIONAL SAVINGS DAY CONTEST

Enter the ABLE United 2019 National Savings Day Contest for your chance to win! Three grand prize winners will be randomly selected to receive an iPad and a \$50 ABLE United account contribution.









Recent Key Activities

LinkedIn B2B Campaign

In conjunction with a landing page designed for professionals, we launched a pilot awareness campaign on LinkedIn targeting legal professionals and driving them to this page.

Though the campaign launched on 10/1/19, preliminary performance shows an 80% higher click-thru rate than LinkedIn's median click-thru rate.



Your clients deserve the best. Here's how they can save beyond the \$2,000 asset limit while maintaining their government benefits. https://lnkd.in/dZ_d9sD



A New Financial Planning Tool for Individuals with Disabilities

ableunited.com



Recent Key Activities

Outreach Efforts

- Held 11 webinars, topics included: How to Manage Account, Best Buddies staff training and Special Needs Trusts from July – October: Total 899 registered / 440 attended
- 17 events in Q3 took place across the state, such as: University of Miami CARD Center, Low Down on Law day in Central Florida, Orange County Bar Association CLE, and Florida State Guardianship Conference in Miami
- Recruited nine additional brand ambassadors (total of 17), including one in Miami-Dade, two in Broward and one in Palm Beach (statewide, three individuals who are bilingual in Spanish and one in Haitian-Creole)
- Expanded advocacy database to 408. Added niche organizations that serve those with mental illness, visual impairment and disability related private schools

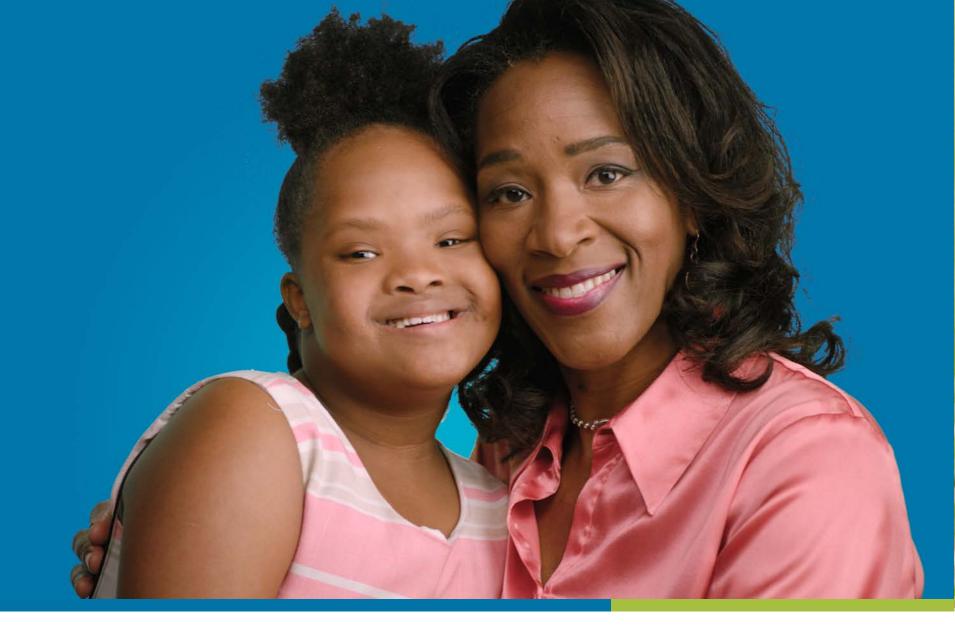


Ongoing and Future Activities

Efforts across the state

- Development of Q1 2020 "No Limits" Campaign to be utilized across all marketing channels
 - Coordinate statewide in-studio TV interviews with current account holders (emphasis on Miami-Fort Lauderdale, Naples-Fort Myers)
 - Month long new account contribution promotion
 - Focus on abilities not disabilities
- Recruit and onboard four additional Brand Ambassadors in Pensacola, Fort Walton/Panama City, Fort Myers and Naples
- One-on-one engagement with advocacy database to request in-person meeting, event presence, printed material distribution, and/or informative email to membership
- Add events calendar to website for individuals to find ABLE United presence in their community







System Updates / Enhancements

Future Features and Enhancements

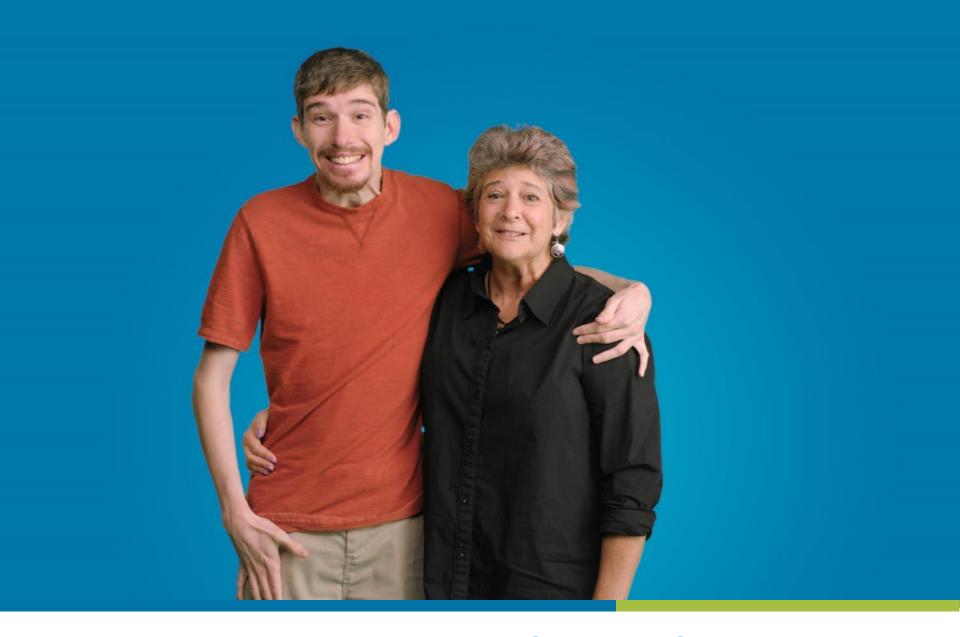
Prepaid Card Update

- BNY has signed agreement with True Link
- In progress:
 - Development work to support prepaid cards & platform
 - Marketing materials with new card and logos
- Goal to be ready to launch January 2020

Entity Authorized Legal Representative (ALR) Support through Beta Phase

- Allows organizations to maintain ABLE accounts on behalf of the clients they serve, similar to Social Security's Rep Payee service
- Ability to support additional account registration for Entity ALR online
 - Currently three organizations enrolled, serving as Entity ALR for 30 clients
- Added ABLE Entity account type to back end system







ABLE and Special Needs Trusts

What is a Special Needs Trust (SNT)?

- The purpose of a SNT is to benefit individuals with disabilities by enhancing quality of life while maintaining eligibility for public assistance (SSI, Medicaid, etc.)
- Two types of SNT
 - First Party (Self-Settled)
 - Funded with beneficiaries money: inheritance, personal injury award, lottery winnings, etc.
 - Must be irrevocable and have mandatory Medicaid payback provision
 - Third Party someone other than the beneficiary or spouse
 - Set up by a family member or friend
 - No Medicaid payback on death



Comparison of SNT to ABLE Accounts

Category	Special Needs Trust	ABLE Account
Eligibility	Individual with any disability, setup prior to age 65	Individual with severe disability, setup at any age as long as diagnosed prior to age 26
Number of Accounts	Unlimited	One
Oversight	Trustee or Trust administrator	Administrator or Beneficiary
Contributions	No annual or maximum limit	\$15,000 annual \$418,000 maximum
Cost	\$2,000+ set-up and recurring 1%-2% annual fees on assets	\$0 set-up and minimal investment advisor fees (up to 29 basis points)
Access	Approval for funds release	Online and anytime
SSI Benefits Impact	Reduction if used for housing or food	No reduction if housing expense takes place in same month as withdrawal; first \$100,000 not a resource
Taxes on Earnings	Subject to individual or trust tax rates	No taxes if used for Qualified Disability Expenses







Update on ABLE – Federal Legislation

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

- If passed, would increase the diagnosis age requirement from 26 to 46
- Support of 16 cosponsors in Senate
- Support of 46 in House
- Prognosis of passing: 3%*

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

- If passed, would increase SSI asset limit to \$10,000 and allow families to assist financially without penalty
- Could have the potential to impact ABLE account enrollment for those receiving SSI benefits
- Not new, several bills have been filed in past significant cost if passed (i.e. more individuals become eligible for SSI)
- Prognosis of passing: 3%*



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. Below are two Senate bills filed by Senator Benacquisto. House bills are soon to follow.

Florida ABLE Program (SB 828)

Language to repeal expiration date of Florida ABLE Program

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









2019/20 Budget Update

As of 9/30/19

Description	Approved	Budget	E	xpenses	Balance	% Spent
OTHER PERSONAL SERVICES						
Financial Audit	\$	15,000	\$	3,188	\$ 11,812	21%
Banking Services		2,000		-	2,000	0%
Investment Consultant		30,000		-	30,000	0%
Legal Services		30,000		1,452	28,548	5%
Marketing		1,206,200		202,610	1,003,590	17%
Other Consulting Services		25,000		-	25,000	0%
Records Administration		200,000		-	200,000	0%
Administrative Service Charge - SBA		20,000		5,000	15,000	25%
HR Service Charge - Florida Prepaid		225,000		-	225,000	0%
Total Other Personal Services	\$	1,753,200	\$	212,249	\$ 1,540,951	12%
EXPENSES						
Travel	\$	25,000	\$	1,087	\$ 23,913	4%
Communications/Toll-Free Telephones		5,000		-	5,000	0%
Freight / Postage		1,000		-	1,000	0%
General Liability Claims		1,500		-	1,500	0%
Office Materials & Supplies (< \$1,000)		2,000		-	2,000	0%
Other Charges & Obligations		4,000		-	4,000	0%
Printing		2,500		21	2,479	1%
Total Expenses		41,000		1,108	39,892	3%
TOTAL BUDGET	\$	1,794,200	\$	213,357	\$ 1,580,843	12%



Trust Fund Cash Balance

As of 9/30/19

Fiscal Year	Description		Balance	
FY 2019-20	Starting Balance	\$	2,866,364	
	Appropriation Release 2019-20		442,500	
	Expenses		(213,357)	
	Other Deposits ¹		25,518	
	Balance as of September 2019	\$	3,121,025	
	Projected Expenses		(1,580,843)	
	Planned Appropriation Release		1,327,500	
	Projected Deposits ¹		79,500	
FYE 2019-20	Projected Balance	\$	2,947,182	

¹ Includes Investment Advisor Fee revenue (estimated income for FY19-20: \$33,500) and interest earned from balance of Florida Prime Trust Fund account (estimated income for FY19-20: \$71,518)





Customer Statistics

Beneficiary Relationship	Percent
Guardian	57%
Power of Attorney	9%
Self	34%

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

Disability Type

■ 1. Developmental Disorder

■ 2. Intellectual Disability

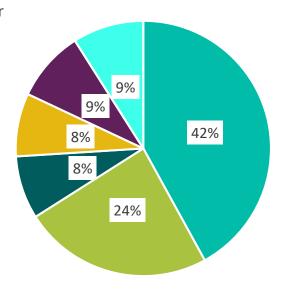
■ 3. Psychiatric Disorder

4. Nervous Disorder

■ 5. Congenital Anomalies

■ 6. Respiratory Disorder

■ 7. Other





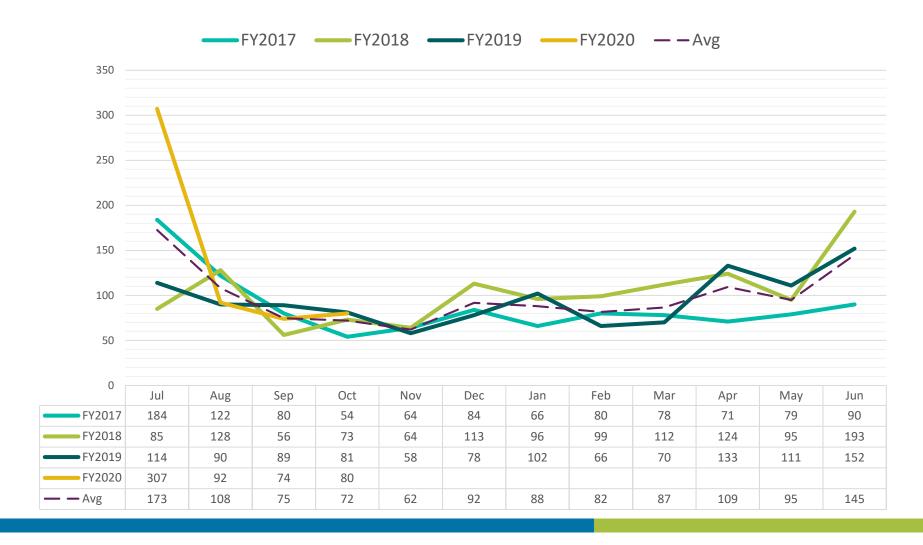
Designated Market Area (DMA)

Description	Enrollment September 2019	Penetration Q3-2018	Penetration Q3 -2019	Year-Over-Year Penetration Change
Tampa - St. Petersburg - Sarasota	1,015	1.43%	2.07%	0.64%
Orlando - Daytona - Melbourne	942	1.42%	2.21%	0.79%
Miami - Ft. Lauderdale	501	0.71%	1.04%	0.33%
Jacksonville	394	1.64%	2.29%	0.66%
West Palm Beach - Ft. Pierce	296	0.91%	1.40%	0.48%
Tallahassee	231	2.85%	4.73%	1.87%
Ft. Myers - Naples	151	0.73%	1.10%	0.37%
Pensacola	127	1.32%	1.82%	0.51%
Gainesville	115	1.85%	3.37%	1.52%
Panama City	81	1.70%	2.11%	0.41%
TOTAL	3,853	1.22%	1.82%	0.60%

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

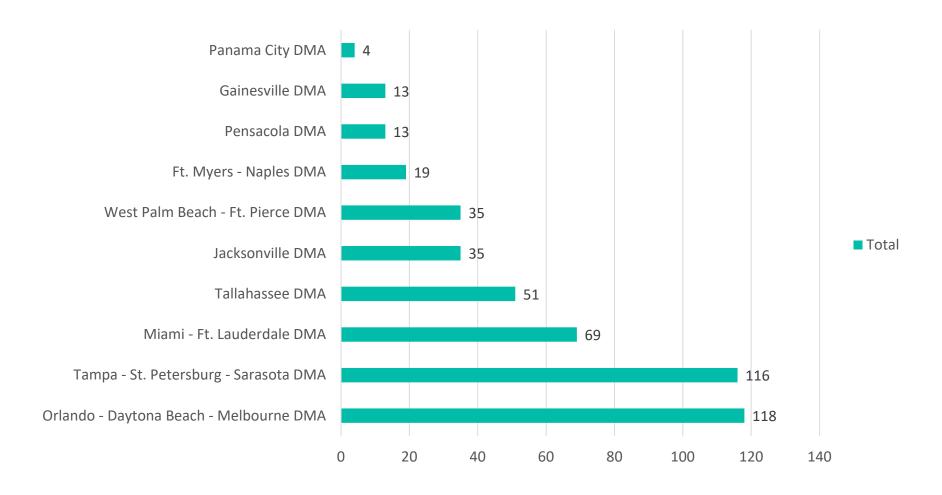


Enrollment Statistics





Q3 Enrollment by DMA





Optional Information – How did you hear about us?

Options	Q3 – 2019	Change	Q2 – 2019
Advocacy or Community Organization	28%	-12%	40%
Other (Event, School, Work, etc.)	23%	10%	13%
Media - Digital/Print	20%	11%	9%
Service Provider	12%	5%	7%
Friend/Family	6%	-1%	7%
Legal/Financial Professional	6%	-13%	19%
Website	5%	-	5%
Number of Responses	67		43

Discussion of survey to better grasp on how individuals heard about the program taking place in Q4-2019

