

Financial Statements
and Other Financial Information

**The Florida Endowment Foundation for Vocational Rehabilitation, Inc.
d/b/a The Able Trust**

*Years ended June 30, 2023 and 2022
with Report of Independent Auditors*



The Florida Endowment Foundation for Vocational Rehabilitation, Inc.
d/b/a The Able Trust

Financial Statements
and Other Financial Information

Years ended June 30, 2023 and 2022

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Report of Independent Auditors

Board of Directors

The Florida Endowment Foundation for Vocational Rehabilitation, Inc. d/b/a The Able Trust

Opinion

We have audited the financial statements of The Florida Endowment Foundation for Vocational Rehabilitation, Inc. d/b/a The Able Trust (the Foundation) which comprise the statements of net position as of June 30, 2023 and 2022, the related statements of revenues, expenses, and changes in net position, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the Foundation, as of June 30, 2023 and 2022, and the changes in its net position and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States (*Government Auditing Standards*). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and 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.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

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Auditor's Responsibility for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the consolidated financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit 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 Foundation's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Foundation's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management's Discussion and Analysis on pages 5 through 8 be presented to supplement the financial statements. Such information is the responsibility of management and, although not a part of the financial statements, is required by the Government Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic or historical context. We have applied certain limited procedures to the required supplementary information in accordance with GAAS, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the financial statements, and other knowledge we obtained during our audit of the financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Foundation's basic financial statements. The budgetary comparison schedules, the schedule of expenditures of state financial assistance, as required by Chapter 10.650, *Rules of the Auditor General*, and the schedule of findings and questioned costs relating to state financial assistance, are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audits of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedules, the schedule of expenditures of state financial assistance, and the schedule of findings and questioned costs relating to state financial assistance are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

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Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated November 30, 2023 on our consideration of the Foundation's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the Foundation's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering Foundation's internal control over financial reporting and compliance.

Thomas Howell Ferguson P.A.

Tallahassee, Florida
November 30, 2023

MANAGEMENT'S DISCUSSION AND ANALYSIS

The Florida Endowment Foundation for Vocational Rehabilitation, Inc. d/b/a The Foundation's (the Foundation) management's discussion and analysis presents an overview of its financial activities for the fiscal year ended June 30, 2023. Please read it in conjunction with the Foundation's financial statements. This section of the report is intended to provide a brief, objective, and easily readable analysis of the Foundation's financial performance for the year and its financial position at fiscal year end June 30, 2023.

Overview of the Financial Statements

The Foundation is considered an enterprise fund and utilizes the accrual basis of accounting. The basic financial statements for an enterprise fund include a statement of net position; a statement of revenues, expenses and changes in net position; and a statement of cash flows. The basic financial statements provide readers with a broad view of the Foundation's finances, in a manner similar to a private-sector business. The notes provide additional information that is essential to a full understanding of the data provided in the basic financial statements.

Financial Analysis

A comparison summary of the statement of net position is presented below:

	<u>FY 2023</u>	<u>FY 2022</u>	<u>% Change</u>
Current Assets	\$ 19,873,341	\$ 19,964,253	(0.4%)
Restricted Assets	3,126,279	2,879,803	8.5%
Other Assets	660,191	786,167	(16.0%)
Capital Assets	2,281	3,421	(33.3%)
Lease, Right-of-Use Asset	76,639	127,732	(40.0%)
Total Assets	<u>\$ 23,738,731</u>	<u>\$ 23,761,376</u>	<u>(0.1%)</u>
Current Liabilities	\$ 136,369	\$ 172,856	(21.1%)
Noncurrent Liabilities	22,085	74,379	(70.3%)
Total Liabilities	<u>158,454</u>	<u>247,235</u>	<u>(35.9%)</u>
Deferred Inflows of Resources	558,241	684,217	(18.4%)
Net Position			
Invested in Capital Assets, Net	2,281	3,421	(33.3%)
Nonexpendable Contributions	3,126,279	2,879,803	8.6%
Unrestricted	19,893,476	19,946,700	(0.3%)
Total Net Position	<u>23,022,036</u>	<u>22,829,924</u>	<u>0.8%</u>
Total Liabilities and Net Position	<u>\$ 23,738,731</u>	<u>\$ 23,761,376</u>	<u>(0.1%)</u>

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

Current assets comprised primarily of cash, investments, and funds receivable from state agencies decreased by \$90,912 from the prior year.

Restricted assets increased by \$246,476 from the prior year due to an increase in unrealized gains on investments.

Other assets are comprised of contributions receivable from deferred gifts and premium advances on a life insurance policy of a former executive.

A comparative summary of changes in fund net position is presented below:

	<u>FY 2023</u>	<u>FY 2022</u>	<u>% Change</u>
Operating Revenues	\$ 1,256,379	\$ 786,889	59.7%
Operating Expenses	<u>2,929,189</u>	<u>2,920,938</u>	<u>0.8%</u>
Operating Loss	<u>(1,672,810)</u>	<u>(2,134,049)</u>	<u>21.6%</u>
Nonoperating Revenues (Expenses)	<u>1,814,922</u>	<u>(3,030,313)</u>	<u>159.9%</u>
Endowment Contributions	<u>50,000</u>	<u>50,000</u>	<u>0%</u>
Change in Net Position	<u>\$ 192,112</u>	<u>\$(5,114,362)</u>	<u>(103.8%)</u>

Net Position

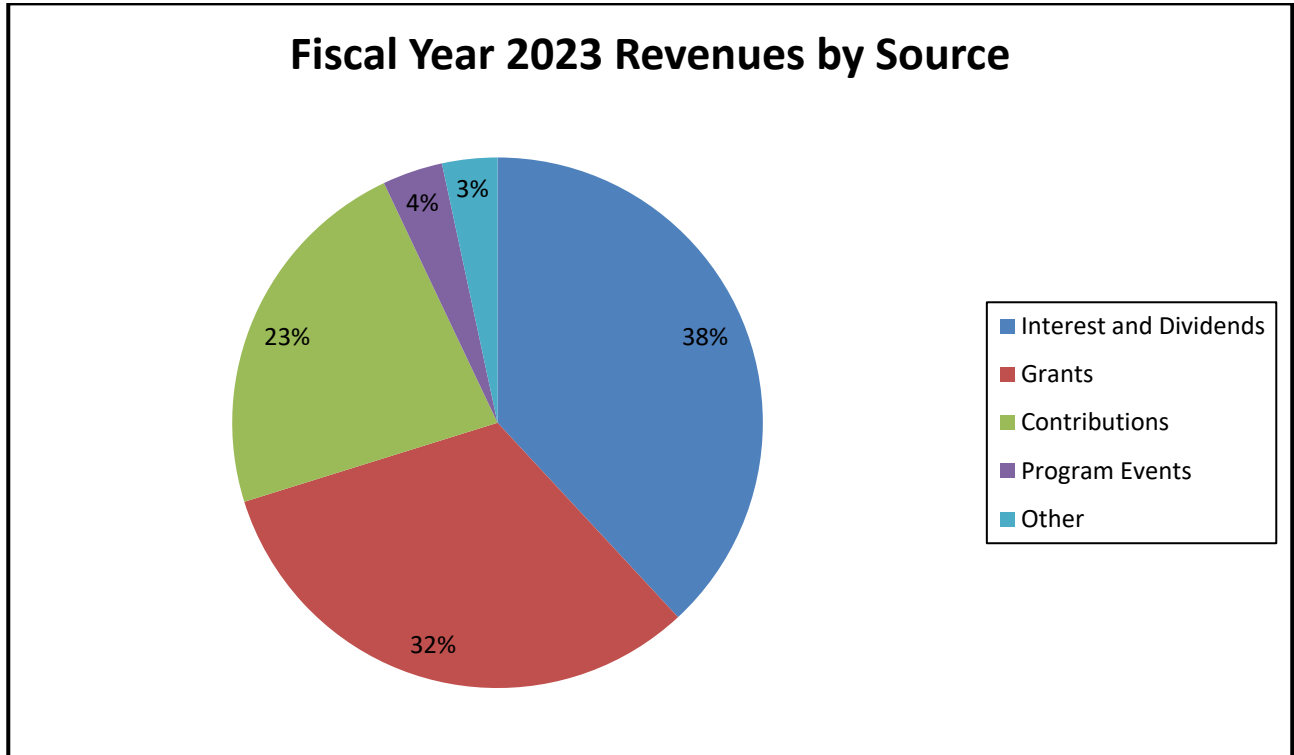
The increase in net position during the current year is primarily due to an increase in investment income and an increase in unrealized gains/losses on investments.

Nonoperating Revenues

Nonoperating revenues for the fiscal year ended June 30, 2023, primarily consist of net realized losses on investments of (\$237,610), interest and dividends of \$773,208, and net unrealized gains on investments of \$1,279,324. The Foundation uses interest and dividends to cover operating expenses.

MANAGEMENT'S DISCUSSION AND ANALYSIS (continued)

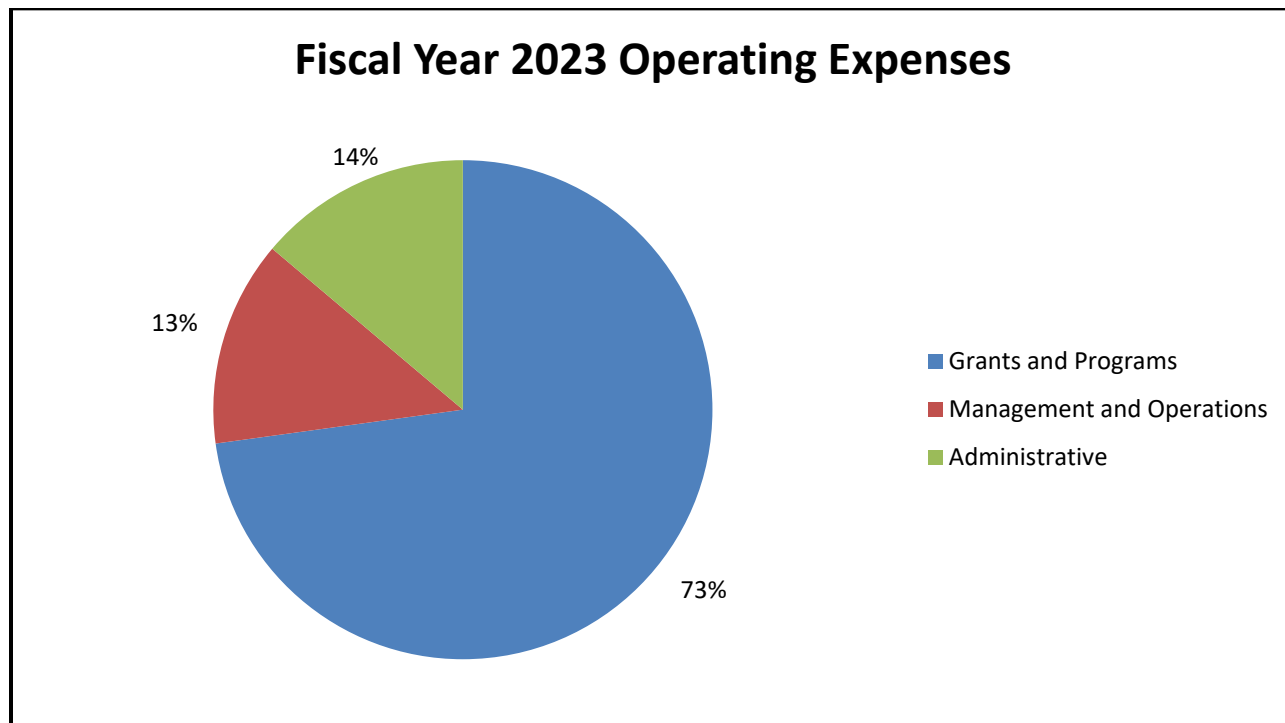
Graphic presentation of revenues follows to assist in the analysis of the Foundation's activities for fiscal year 2023.



As graphically portrayed above and discussed earlier, the Foundation received a portion of its income during the fiscal year ended June 30, 2023, from grants from the State of Florida. Income on investments provided 70% of total revenues. Grants from DOE/DVR made up 27% of total revenues. The balance of the revenues are from contributions and fundraising events.

MANAGEMENT’S DISCUSSION AND ANALYSIS (continued)

Graphic presentation of operating expenses follows to assist in the analysis of the Foundation’s activities for fiscal year 2023.



Operating expenses increased \$8,251 from the prior year.

Budgetary Highlights

The Foundation’s revenue budget for fiscal year 2023 was \$3,227,831. This was an increase of \$171,261 from the previous year budget.

Contacting the Foundation’s Financial Management

This financial report is designed to provide a general overview of the Foundation’s accountability for the money it receives. If you have questions about this report or need additional financial information, contact Allison Chase at Allison@abletrust.org or 850-224-4493.

The Florida Endowment Foundation for Vocational Rehabilitation, Inc.
d/b/a The Able Trust

Statements of Net Position

	June 30,	
	2023	2022
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,400,297	\$ 1,458,486
Investments	18,279,813	18,344,580
Due from DOE/DVR for High School/High Tech Program	137,456	137,456
Accounts receivable - other	55,775	23,731
Total current assets	19,873,341	19,964,253
Restricted assets:		
Restricted cash	261,706	109,200
Restricted assets	2,864,573	2,770,603
Total restricted assets	3,126,279	2,879,803
Noncurrent assets:		
Contributions receivable from deferred gifts, net	558,241	684,217
Capital assets, net	2,281	3,421
Lease, right-of-use asset	76,639	127,732
Deposits and other noncurrent assets	101,950	101,950
Total noncurrent assets	739,111	917,320
Total assets	\$ 23,738,731	\$ 23,761,376
Liabilities		
Current liabilities:		
Accounts payable	\$ 67,500	\$ 62,423
Accrued expenses	16,576	10,210
Unearned revenue	-	50,000
Lease liability, current	52,293	50,223
Total current liabilities	136,369	172,856
Noncurrent liabilities:		
Lease liability, noncurrent	22,085	74,379
Total noncurrent liabilities	22,085	74,379
Total liabilities	158,454	247,235
Deferred inflow of resources		
Contributions from deferred gifts, net	558,241	684,217
Total deferred inflow of resources	558,241	684,217
Net position:		
Invested in capital assets, net	2,281	3,421
Restricted - nonexpendable contributions	3,126,279	2,879,803
Unrestricted	19,905,476	19,946,700
Total net position	23,034,036	22,829,924
Total liabilities and net position	\$ 23,750,731	\$ 23,761,376

See accompanying notes.

The Florida Endowment Foundation For Vocational Rehabilitation, Inc.
d/b/a The Able Trust

Statements of Revenues, Expenses, and Changes in Net Position

	Years ended June 30,	
	2023	2022
Operating revenues		
Public support:		
DOE/DVR High School/High Tech	\$ 549,823	\$ 549,823
Other grants	101,375	-
Program events	74,650	56,500
Contributions	462,237	120,875
Other revenue	68,294	59,691
Total operating revenues	1,256,379	786,889
Operating expenses		
Program services:		
Grant and program expenses	2,133,426	2,004,862
Total program services	2,133,426	2,004,862
Supporting services:		
Management and operations	390,337	664,253
Administrative	405,426	251,823
Total supporting services	795,763	916,076
Total operating expenses	2,929,189	2,920,938
Operating loss	(1,672,810)	(2,134,049)
Nonoperating expenses:		
Investment gain (loss)	1,814,922	(3,030,313)
Total nonoperating expenses	1,814,922	(3,030,313)
Gain (loss) before endowment contributions	142,112	(5,164,362)
Endowment contributions	50,000	50,000
Change in net position	192,112	(5,114,362)
Net position at beginning of year	22,829,924	27,944,286
Net position at end of year	\$ 23,022,036	\$ 22,829,924

See accompanying notes.

The Florida Endowment Foundation for Vocational Rehabilitation, Inc.
d/b/a The Able Trust

Statements of Cash Flows

	Years ended June 30,	
	2023	2022
Cash flows from operating activities		
Receipts from public support	\$ 1,138,085	\$ 667,198
Other cash receipts	36,250	54,838
Payments for grants and related expenses	(2,133,426)	(1,554,713)
Cash payments for operating expenses	(346,976)	(244,369)
Cash payments for program services	-	(180,026)
Cash payments to employees	(383,971)	(695,878)
Net cash used in operating activities	(1,690,038)	(1,952,950)
Cash flows from investing activities		
Interest and dividends	526,806	928,275
Net proceeds from the sale of investments	1,258,913	1,187,510
Net cash provided by investing activities	1,785,719	2,115,785
Cash flows from capital financing activities		
Lease payments	(51,364)	(28,677)
Net cash used in capital financing activities	(51,364)	(28,677)
Cash flows from noncapital financing activities		
Contributions for long-term endowments	50,000	50,000
Net cash provided by noncapital financing activities	50,000	50,000
Net change in cash and cash equivalents	94,317	184,158
Cash and cash equivalents, beginning of year	1,567,686	1,383,528
Cash and cash equivalents, end of year	\$ 1,662,003	\$ 1,567,686
Reconciliation of operating loss to net cash used in operating activities:		
Operating loss	\$ (1,672,810)	\$ (2,134,049)
Adjustments to reconcile operating loss to net cash used in operating activities:		
Depreciation and amortization	52,233	30,289
Loss on disposal of capital asset	-	112,100
Change in assets and liabilities:		
Accounts receivable, net	-	(4,653)
Prepaid expenses	-	20,379
Accounts payables	5,077	34,220
Accrued expenses	6,366	(11,036)
Deposits and other noncurrent assets	95,072	(200)
Other liabilities	(175,976)	-
Net cash used in operating activities	\$ (1,690,038)	\$ (1,952,950)
Supplemental disclosures of cash flow information:		
Increase (decrease) in fair value of investments	\$ 1,279,324	\$ (4,916,172)

See accompanying notes.

The Florida Endowment Foundation for Vocational Rehabilitation, Inc.
d/b/a The Able Trust

Notes to Financial Statements

Years ended June 30, 2023 and 2022

1. Nature of Operations and Significant Accounting Policies

The Florida Endowment Foundation for Vocational Rehabilitation, Inc. d/b/a The Able Trust (the Foundation) was created by the 1990 Florida Legislature and was incorporated on February 25, 1991, as a not-for-profit corporation. The Foundation was established as a direct support organization for the Florida Department of Education, Division of Vocational Rehabilitation (DOE/DVR) for the purpose of raising funds to support public and private nonprofit vocational rehabilitation programs and services and for providing public awareness, education, and grants, all of which promote the employment of Florida citizens with disabilities.

In prior years, funding for the Foundation was primarily provided under Florida Statutes through surcharges on both noncriminal moving traffic violations (received from the Department of Revenue (DOR)) and temporary handicap parking permits (received from the Department of Transportation (DOT)), and by an annual appropriation from the Division of Vocational Rehabilitation. Effective July 1, 2017, revisions were made to the statutes governing the Foundation and its funding by the Florida Legislature, which provided only the funding from the High School/High Tech grant program of DOE/DVR. In addition, the Foundation receives revenue through corporate support, grants, and private gifts and donations.

Financial statements of the Foundation are an integral part of the financial statements of the State of Florida (the primary government). There are no component units for the Foundation to consider for inclusion in its financial statements.

Basis of Accounting

The Foundation follows financial reporting requirements for enterprise funds, which use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recognized when they are incurred.

Cash and Cash Equivalents

Cash and cash equivalents include demand deposits with financial institutions and deposits in highly-liquid money market funds.

The Florida Endowment Foundation for Vocational Rehabilitation, Inc.
d/b/a The Able Trust

Notes to Financial Statements

1. Nature of Operations and Significant Accounting Policies (continued)

Investments

Investments consist of certain mutual funds and fixed maturity investments and are carried at market value, which is based on quoted market values for these or similar instruments.

Restricted investments consist of permanently restricted endowment funds. Earnings on restricted investments are recorded as unrestricted revenues unless its use is limited by donor restrictions. Investment earnings received with donor-imposed restrictions that expire during the fiscal year are recorded as unrestricted income.

Endowments

The Foundation's endowments consist of multiple funds established for a variety of purposes, and include both donor-restricted endowment funds and funds designated by the Board of Directors to function as endowments. These endowments are a result of Foundation fundraising and development efforts since the creation of the Foundation in 1991. The Board of Directors requires the preservation of the fair value of the original gift as of the gift date of the donor-restricted endowment funds, absent explicit donor stipulations to the contrary. The Foundation classifies the original value of the gifts donated to the permanent endowment and the original value of subsequent gifts to the permanent endowment as restricted-nonexpendable contributions net position. Any investment earnings or losses from the permanently restricted endowment fund are classified as unrestricted earnings to be used to fund the operations of the Foundation, unless there are specific donor restrictions regarding the use of investment earnings.

The general investment objectives of the Foundation are to achieve a competitive long-term rate of return and marketability within reasonable and prudent levels of risk.

The Foundation's investment goal is to earn an average annual rate of return over seven (7) years, which exceeds the average rate of inflation (CPI) by 3.5% net of all investment management expenses.

To achieve the goals and objectives of the Foundation, the following target asset allocation for the Foundation's investment portfolio has been established:

	<u>Target Allocation</u>
Equities	60%
Fixed income securities	30%
Alternative investments	10%

The Florida Endowment Foundation for Vocational Rehabilitation, Inc.
d/b/a The Able Trust

Notes to Financial Statements

1. Nature of Operations and Significant Accounting Policies (continued)

Endowments (continued)

As of June 30, 2023, the investment portfolio asset allocation is as follows:

Domestic large capitalization equities	42%
Domestic small capitalization equities	4%
Foreign equities	18%
Fixed income securities	29%
Global alternative investments	7%

Accounts Receivable

Accounts receivable are reported at the amount management expects to collect from outstanding balances. Differences between the amount due and the amount management expects to collect, are reported in the results of operations of the year in which those differences are determined, with an offsetting entry to a valuation allowance for accounts receivable. Balances that are still outstanding after management has used reasonable collection efforts are written off through a charge to the valuation allowance and a credit to accounts receivable. As of June 30, 2023, the valuation allowance was \$60,000, as management deems a portion of the balance to be uncollectible.

Capital Assets

Capital assets are stated at cost, net of accumulated depreciation. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. The estimated useful life for furniture and equipment is three to ten years. Leasehold improvements are amortized over the lesser of the useful life or the lease term (10 years). The Foundation capitalizes all capital assets with a purchase price over \$2,500.

Contributions

Annual contributions and gifts are recorded as revenue at the time they are received, or when all eligibility requirements are met, whichever is first. Contributions received with permanent restrictions are presented as nonexpendable contributions on the Statements of Net Position. In-kind contributions are estimated based on the nature of the asset contributed and are recorded at fair market value. When both restricted and unrestricted resources are available for use, it is the Foundation's policy to use restricted resources first, and then unrestricted resources, as they are needed.

The Florida Endowment Foundation for Vocational Rehabilitation, Inc.
d/b/a The Able Trust

Notes to Financial Statements

1. Nature of Operations and Significant Accounting Policies (continued)

Income Taxes

Pursuant to a determination letter received from the IRS, the Foundation is exempt from federal income taxes under Section 501(c)(3) of the Internal Revenue Code. It is, however, subject to corporate income taxes on net income earned from unrelated business activities (Note 11).

Operating Revenues

Operating revenues consist of funds received from public dollars, fundraising and development, grants, special events, and public support programs that are used by the Foundation to carry out its exempt purpose. Revenues from these sources are recorded in the period in which they are earned.

Contributions Receivable from Deferred Gifts

Contributions receivable from deferred gifts consist of amounts receivable from various irrevocable charitable remainder and life insurance trust agreements and are considered promises to give. Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on the charitable remainder trusts are based on the Internal Revenue Service (IRS) Applicable Federal Rate (AFR) for determining the present value of remainder interests as of the fiscal year end. The discounts on the life insurance trusts are based on the Foundation's average rate of investment earnings for the fiscal year.

Subsequent Events

The Foundation has evaluated subsequent events through November 30, 2023, the date the financial statements were available to be issued. During the period from June 30, 2023 to November 30, 2023, the Foundation did not have any material recognizable subsequent events.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America 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. Accordingly, actual results could differ from those estimates.

The Florida Endowment Foundation for Vocational Rehabilitation, Inc.
d/b/a The Able Trust

Notes to Financial Statements

1. Nature of Operations and Significant Accounting Policies (continued)

Functional Allocation of Expenses

The costs of providing the various programs and supporting services have been summarized on a functional basis. Accordingly, certain costs have been allocated among the programs benefited.

2. Cash and Cash Equivalents

Cash and cash equivalents consist of accounts maintained at several commercial financial institutions located in Florida. The carrying amount and bank balances at June 30, 2023, were \$1,662,003 and \$1,772,003, respectively. The carrying amount and bank balances at June 30, 2022, were \$1,567,686 and \$1,608,126, respectively. Cash account balances are secured by the Federal Deposit Insurance Corporation (FDIC), up to \$250,000 per depositor, per FDIC-insured financial institution. Deposits with commercial financial institutions in excess of FDIC limits are covered by the State of Florida's Public Depository Act as described in Chapter 280, Florida Statutes.

3. Investments

The framework for measuring fair value 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) and the lowest priority to unobservable inputs (Level 3). The three levels of the fair value hierarchy under GASB 72 are described as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities that a government can access at the measurement date.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for an asset or liability, either directly or indirectly.
- Level 3: Unobservable inputs for an asset or liability.

The Foundation utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs.

Fair Value on a Recurring Basis

The table below presents the balances of assets and liabilities measured at fair value on a recurring basis.

The Florida Endowment Foundation for Vocational Rehabilitation, Inc.
d/b/a The Able Trust

Notes to Financial Statements

3. Investments (continued)

Investments consist of the following at June 30, 2023:

	<u>Market and Carrying Value</u>	<u>Level 1</u>
Equity securities:		
Large market capitalization	\$ 16,369	\$ 16,369
Mutual funds:		
Fixed income	4,990,675	4,990,675
Large market capitalization	10,637,315	10,637,315
Small/middle market capitalization	822,633	822,633
International	3,816,448	3,816,448
Alternative	<u>860,946</u>	<u>860,946</u>
Total investments	21,144,386	21,144,386
Less: restricted investments	<u>(2,864,573)</u>	<u>(2,864,573)</u>
Unrestricted investments	<u>\$ 18,279,813</u>	<u>\$ 18,279,813</u>

Investments consist of the following at June 30, 2022:

	<u>Market and Carrying Value</u>	<u>Level 1</u>
Equity securities:		
Large market capitalization	\$ 16,369	\$ 16,369
Mutual funds:		
Fixed income	6,072,670	6,072,670
Large market capitalization	8,826,463	8,826,463
Small/middle market capitalization	783,286	783,286
International	3,906,758	3,906,758
Alternative	<u>1,509,637</u>	<u>1,509,637</u>
Total investments	21,115,183	21,131,552
Less: restricted investments	<u>(2,770,603)</u>	<u>(2,770,603)</u>
Unrestricted investments	<u>\$ 18,344,580</u>	<u>\$ 18,344,580</u>

Investment income consists of the following:

	<u>Years ended June 30,</u>	
	<u>2023</u>	<u>2022</u>
Interest and dividend income	\$ 773,208	\$ 928,275
Realized (loss) gains, net	(237,610)	957,585
Unrealized gains (losses)	<u>1,279,324</u>	<u>(4,916,173)</u>
	<u>\$ 1,814,922</u>	<u>\$ (3,030,313)</u>

The Florida Endowment Foundation for Vocational Rehabilitation, Inc.
d/b/a The Able Trust

Notes to Financial Statements

3. Investments (continued)

Custodial Credit Risk

Custodial credit risk is the risk that, in the event of the failure of the counterparty, the Foundation will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. Custody of the Foundation's investments is maintained in the Foundations name by two brokerage firms pursuant to custodial agreements. All of the Foundation's brokerage firms are members of the Securities Investor Protection Corporation (SIPC). The SIPC protects the securities and cash in brokerage accounts up to \$500,000, which includes up to \$250,000 protection for cash balances. The Foundation believes custodial credit risk related to these accounts is minimal.

Endowment activity for the year ended June 30, 2023, was as follows:

	Endowments		
	Board Designated	Donor Restricted	Total
Balance at July 1, 2022	\$ 18,601,250	\$ 2,879,803	\$ 21,481,053
Contributions	25,926	171,000	196,926
Distribution of investment income to fund operations	(1,655,064)	(143,978)	(1,799,042)
Investment income, net	650,796	75,013	725,809
Net gain	897,275	144,441	1,041,716
Balance at June 30, 2023	<u>\$ 18,520,183</u>	<u>\$ 3,126,279</u>	<u>\$ 21,646,462</u>

Endowment activity for the year ended June 30, 2022, was as follows:

	Endowments		
	Board Designated	Donor Restricted	Total
Balance at July 1, 2021	\$ 23,592,831	\$ 3,521,244	\$ 27,114,075
Contributions	8,612	50,000	58,612
Distribution of investment income to fund operations	(2,363,878)	(231,535)	(2,595,413)
Investment income, net	753,895	102,268	856,163
Net loss	(3,390,210)	(562,174)	(3,952,384)
Balance at June 30, 2022	<u>\$ 18,601,250</u>	<u>\$ 2,879,803</u>	<u>\$ 21,481,053</u>

The Florida Endowment Foundation for Vocational Rehabilitation, Inc.
d/b/a The Able Trust

Notes to Financial Statements

3. Investments (continued)

Interest Rate Risk

To limit exposure to fair value losses resulting from rising interest rates, the Foundation's investment policy provides for all investments to be highly liquid. Each investment is monitored by management on at least a monthly basis for performance in comparison to benchmarks set by the Foundation.

Credit Risk

Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligation. As of June 30, 2023, all mutual funds had ratings of two stars to five stars by Morningstar.

4. Capital Assets

Capital assets consist of the following:

	<u>June 30, 2022</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2023</u>
Furniture and fixtures	\$ 94,080	\$ -	\$ -	\$ 94,080
Computer equipment	<u>19,830</u>	<u>-</u>	<u>-</u>	<u>19,830</u>
	113,910	-	-	113,910
Less: accumulated depreciation	<u>(110,489)</u>	<u>(1,140)</u>	<u>-</u>	<u>(111,629)</u>
	<u>\$ 3,421</u>	<u>\$ (1,140)</u>	<u>\$ -</u>	<u>\$ 2,281</u>
	<u>June 30, 2021</u>	<u>Additions</u>	<u>Deletions</u>	<u>June 30, 2022</u>
Furniture and fixtures	\$ 132,880	\$ -	\$ (38,800)	\$ 94,080
Leasehold improvements	164,921	-	(164,921)	-
Computer equipment	<u>33,438</u>	<u>-</u>	<u>(13,608)</u>	<u>19,830</u>
	331,239	-	(217,329)	113,910
Less: accumulated depreciation and amortization	<u>(210,978)</u>	<u>(4,742)</u>	<u>105,231</u>	<u>(110,489)</u>
	<u>\$ 120,261</u>	<u>\$ (4,742)</u>	<u>\$ (112,098)</u>	<u>\$ 3,421</u>

Depreciation expense totaled \$1,140 and \$4,742 for the years ended June 30, 2023 and 2022, respectively.

The Florida Endowment Foundation for Vocational Rehabilitation, Inc.
d/b/a The Able Trust

Notes to Financial Statements

5. Net Position

At June 30, 2023 and 2022, the Board has designated a portion of unrestricted net position for the following purposes:

	2023	2022
Board designated for endowments	18,520,182	18,601,250
Unrestricted, undesignated	<u>1,373,294</u>	<u>1,345,450</u>
	<u>\$ 19,893,476</u>	<u>\$ 19,946,700</u>

Unrestricted net position that is Board designated grant reserves represents resources designated for the payment of grants approved but not yet paid at year end. Certain agreements are subject to funding availability, based on State of Florida Legislative approval and appropriation. Unrestricted net position that is Board designated endowments represents resources earmarked by the Foundation to increase endowment principal.

Net position reported as nonexpendable contributions represents endowment contributions received from donors to be invested in perpetuity.

6. Leases

The Foundation entered into a three year lease agreement for office space beginning January 1, 2022. The right-to-use lease asset for office space was originally valued at \$153,279. Accumulated amortization for the right-to-use lease asset for office space as of June 30, 2022 is \$25,547. The Foundation entered into a five year lease agreement for office space beginning January 1, 2019. The Foundation exercised its early termination right, which became effective January 31, 2022. Future minimum lease payments and the net present value of the minimum lease payments for office space lease is as follows:

June 30,	Payment	Interest	Principal
2024	\$ 52,820	\$ 526	\$ 52,294
2025	<u>22,142</u>	<u>57</u>	<u>22,085</u>
	<u>\$ 74,962</u>	<u>\$ 583</u>	<u>\$ 74,379</u>

	June 30, 2023	Additions	Deletions	June 30, 2022
Lease, right-of-use asset, office space	<u>153,279</u>	<u>-</u>	<u>-</u>	<u>153,279</u>
	153,279	-	-	153,279
Less: accumulated amortization	<u>(25,546)</u>	<u>(51,093)</u>	<u>-</u>	<u>(76,639)</u>
	<u>\$ 127,733</u>	<u>\$ (51,093)</u>	<u>\$ -</u>	<u>\$ 76,640</u>

Amortization expense totaled \$51,093 and \$25,547 for the year ended June 30, 2023 and 2022, respectively.

The Florida Endowment Foundation for Vocational Rehabilitation, Inc.
d/b/a The Able Trust

Notes to Financial Statements

7. Commitments and Contingencies

As previously discussed in Note 5, the Foundation had no unpaid grants as of June 30, 2023 and 2022.

8. Retirement Plan

Effective January 31, 1998 and amended effective June 28, 2008, the Foundation adopted The Able Trust 401(k) Plan (Plan), a defined contribution pension plan that covers substantially all employees. Effective July 1, 2014, the plan is administered by American Funds (previously Raymond James & Associates, Inc.). Employees are 100% vested in employer contributions to the plan after five years of service to the Foundation. The employer contributions to the plan are contingent upon a minimum contribution by the participant. The Plan may be amended by the Foundation. Contributions charged to expense for the years ended June 30, 2023 and 2022 were \$28,240 and \$8,840, respectively. Employee voluntary contributions during the years ended June 30, 2023 and 2022, totaled \$27,740 and \$25,058, respectively. Forfeitures for the years ended June 30, 2023 are none and 2022 is \$11,100, respectively.

9. Deferred Gifts

The Foundation is a beneficiary of various charitable remainder and life insurance trusts. A charitable remainder trust provides for the payment of distributions to the donor or other designated beneficiary over the trust's term (usually the designated beneficiary's lifetime). At the end of the trust's term, the remaining assets will be transferred to the Foundation. The present value of the future benefits is determined using the fiscal year end AFR, established by the IRS for determining the present value of remainder interests. A life insurance trust is an irrevocable, non-amendable trust which is both the owner and beneficiary of one or more life insurance policies. The present value of the future benefits of life insurance trusts is determined using the Foundation's average rate of earnings for the fiscal year.

The portion of the trusts attributable to the present value of the future benefits to be received by the Foundation is recorded in the Statement of Revenues, Expenses and Changes in Net Position as contributions in the period the trust is terminated. The present value of the contributions at June 30, 2023, net of unamortized discounts of \$263,174 totaled \$558,241. There were no new charitable remainder or life insurance trusts received during the fiscal year ended June 30, 2023.

Contributions receivable from deferred gifts and the related deferred inflows of resources are recorded on the Statements of Net Position, and the portions from the charitable remainder and life insurance trusts are expected to be received in more than five years. No provision for uncollectible contributions has been recorded for the year ended June 30, 2023.

The Florida Endowment Foundation for Vocational Rehabilitation, Inc.
d/b/a The Able Trust

Notes to Financial Statements

10. Deposits and Other Noncurrent Assets

Deposits and other noncurrent assets consists primarily of premium advances that will be collected by the Foundation from life insurance proceeds pursuant to a collateral assignment provision of an insurance policy on the life of the former executive.

11. Income Taxes

For the years ended June 30, 2023 and 2022, the Foundation has no unrelated business income and, accordingly, has incurred no income tax liability from unrelated business activities. The Foundation has filed all required tax returns in all jurisdictions in which it operates. Tax years after 2019 remain subject to examination by the applicable taxing authorities.

12. Risk Management

The Foundation is exposed to various risks of loss including, but not limited to, general liability, property and casualty, auto and physical damage, and workers' compensation. Coverage is provided through independent commercial carriers to insure against such risks and minimize the Foundation's financial exposure to such risks.

Other Financial Information

The Florida Endowment Foundation for Vocational Rehabilitation, Inc.
d/b/a The Able Trust

Schedule of Budget and Actual Revenues

Year ended June 30, 2023

	Budget	Actual	Variance Favorable (Unfavorable)
DOE/DVR High School/High Tech Program	\$ 549,523	\$ 549,823	\$ 300
Program events	150,000	74,650	(75,350)
Gifts and contributions	500,000	563,612	63,612
Investment income	1,976,837	1,814,922	(161,915)
Other revenue	51,471	68,294	16,823
	<u>\$ 3,227,831</u>	<u>\$ 3,071,301</u>	<u>\$ (156,530)</u>

See report of independent auditors.

The Florida Endowment Foundation for Vocational Rehabilitation, Inc.
d/b/a The Able Trust

Schedule of Budget and Actual Expenses

Year ended June 30, 2023

	Grants and Program Expenses	Management and Operations	Administrative	Total	Budget	Variance Favorable (Unfavorable)
Non-officer salaries	\$ 411,446	\$ 81,130	\$ 86,925	\$ 579,501	\$ 594,196	\$ 14,695
Officer salaries	-	-	135,804	135,804	135,804	-
Payroll taxes	36,290	6,404	10,442	53,136	66,928	13,792
Employee benefits	18,267	3,224	6,750	28,241	36,456	8,215
Payroll processing	-	-	486	486	1,200	714
Able network	316,751	-	-	316,751	480,000	163,249
Auditing and accounting fees	49,624	9,785	39,751	99,160	99,950	790
Board meetings	2,412	476	510	3,398	17,000	13,602
CEO program management	-	-	16,512	16,512	17,000	488
Depreciation and amortization	37,085	7,313	7,835	52,233	64,500	12,267
DOE/DVR staff events	26,791	26,791	-	53,582	118,000	64,418
Endowment department	-	3,638	-	3,638	-	(3,638)
Insurance	-	75,761	-	75,761	95,768	20,007
Investment advisory fees	-	156,866	-	156,866	203,201	46,335
Information technology	30,881	6,089	6,524	43,494	36,500	(6,994)
Legislative consultants	-	-	71,571	71,571	52,500	(19,071)
Membership dues	-	-	16,550	16,550	15,000	(1,550)
Office supplies	2,086	411	441	2,938	3,000	62
Printing	3,473	685	734	4,892	5,000	108
Postage	398	79	84	561	-	(561)
Disability employment awareness	43,211	-	-	43,211	25,000	(18,211)
Staff education	-	7,479	-	7,479	8,000	521
Telephone and internet	2,346	463	496	3,305	9,000	5,695
Grant awards - current year	112,371	-	-	112,371	70,000	(42,371)
Grants - HS/HT	904,117	-	-	904,117	946,000	41,883
High school/high tech other expenses	104,888	-	-	104,888	102,000	(2,888)
Other	30,989	3,743	4,011	38,743	42,800	4,057
Total	\$ 2,133,426	\$ 390,337	\$ 405,426	\$ 2,929,189	\$ 3,244,803	\$ 315,614

See report of independent auditors.

Other Reports

Report of Independent Auditors on Internal Control Over Financial Reporting and
on Compliance and Other Matters Based on an Audit of Financial Statements
Performed in Accordance with *Government Auditing Standards*

Board of Directors

The Florida Endowment Foundation for Vocational Rehabilitation, Inc.

d/b/a The Able Trust

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*), the financial statements of the Florida Endowment Foundation for Vocational Rehabilitation, Inc. d/b/a The Able Trust (the Foundation) which comprise the statement of net position as of June 30, 2023, and the related statement of revenues, expenses, and changes in net position, and cash flows for the year ended June 30, 2023, and the related notes to the financial statements, which collectively comprise Foundation's basic financial statements, and have issued our report thereon dated November 30, 2023.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Foundation'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 the Foundation's internal control. Accordingly, we do not express an opinion on the effectiveness of the Foundation'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. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. 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 or significant deficiencies may exist that were not identified.

Page Two

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Foundation's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Thomas Howell Ferguson P.A.

Tallahassee, Florida
November 30, 2023

Report of Independent Auditors on Compliance for the Major State Project
and on Internal Control Over Compliance Required by Chapter 10.650,
Rules of the Auditor General

Board of Directors
The Florida Endowment Foundation for Vocational Rehabilitation, Inc.
d/b/a The Able Trust

Report on Compliance for the Major State Project

Opinion on the Major State Project

We have audited the Florida Endowment Foundation for Vocational Rehabilitation, Inc. d/b/a The Able Trust (the Foundation) compliance with the types of compliance requirements identified as subject to audit in the *Florida Department of Financial Service's State Projects Compliance Supplement* that could have a direct and material effect on the Foundation's major state project for the year ended June 30, 2023. The Foundation's major state project is identified in the summary of auditor's results section of the accompanying Schedule of Findings and Questioned Costs.

In our opinion, the Foundation complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on its major state project for the year ended June 30, 2023.

Basis for Opinion on the Major State Project

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Chapter 10.650, *Rules of the Auditor General*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of the Foundation and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for the major state project. Our audit does not provide a legal determination of the Foundation's compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to the Foundation's major state project.

Auditor's Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on the Foundation's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and Chapter 10.650, *Rules of the Auditor General*, will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material, if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about the Foundation's compliance with the requirements of the major state project as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the audit requirements of Chapter 10.650, *Rules of the Auditor General*, we:

- exercise professional judgment and maintain professional skepticism throughout the audit.
- identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the Foundation's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- obtain an understanding of the Foundation's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the audit requirements of Chapter 10.650, *Rules of the Auditor General*, but not for the purpose of expressing an opinion on the effectiveness of the Foundation's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Page Three

Report on Internal Control Over Compliance

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a state project on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a state project will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a state project that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the Auditor's Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance. Given these limitations, during our audit we did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above. However, material weaknesses or significant deficiencies in internal control over compliance may exist that were not identified.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of Chapter 10.650, *Rules of the Auditor General*. Accordingly, this report is not suitable for any other purpose.

Thomas Howell Ferguson P.A.

Tallahassee, Florida
November 30, 2023

The Florida Endowment Foundation for Vocational Rehabilitation, Inc.
d/b/a The Able Trust

Schedule of Expenditures of State Financial Assistance

Year ended June 30, 2023

<u>State Agency and Program Title</u>	<u>CSFA No.</u>	<u>Contract Number</u>	<u>Expenditures</u>
State of Florida, Department of Education			
High School High Tech	48.075	19-181	\$ 549,823
Able Include Florida	48.133	L0351	\$ 250,000
TOTAL STATE FINANCIAL ASSISTANCE EXPENDED			<u>\$ 799,823</u>

Note 1 - This Schedule of State Financial Assistance (the Schedule) includes the State grant activity of The Florida Endowment Foundation for Vocational Rehabilitation, Inc. d/b/a The Able Trust for the year ended June 30, 2023, and is presented on the accrual basis of accounting. The information in this Schedule is presented in accordance with the requirements of Chapter 10.650, *Rules of the Auditor General*.

Note 2 - Amounts included on this Schedule include only the expenditures of State Financial Assistance received directly from an awarding agency. The amounts on the accompanying statements of activities and changes in position include additional expenditures associated with other resources committed by the Foundation for purposes of fulfilling the grant program.

Note 3 - There were no state awards expended in non-cash assistance.

Note 4 - The amount transferred to subrecipients during the year was \$549,823.

See report of independent auditors.

The Florida Endowment Foundation for Vocational Rehabilitation, Inc.
d/b/a The Able Trust

Schedule of Findings and Questioned Costs Relating to State Financial Assistance

Year ended June 30, 2023

Section I -- Summary of Auditor's Results

Financial Statements

Type of auditor's report issued:	Unmodified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified?	No
Noncompliance material to financial statements noted?	No

State Project

Type of auditor's report issued on compliance for major state projects?	Unmodified
Internal control over state projects:	
Material weakness(es) identified?	No
Significant deficiency(ies) identified not considered to be material weaknesses?	No
Any audit findings disclosed that are required to be reported in accordance with Chapter 10.650, <i>Rules of the Auditor General</i> ?	No

Identification of the major state project:

<u>CSFA Number</u>	<u>Name of state project</u>
48.075	High School High Tech

Dollar threshold used to distinguish between Type A and Type B programs:	\$300,000
Auditee qualified as low risk auditee?	Yes

Section II -- Financial Statement Findings

We noted no matters involving internal control over financial reporting and its operation that we considered to be material weaknesses, significant deficiencies and/or control deficiencies required to be reported in accordance with *Government Auditing Standards*.

Section III -- State Financial Assistance Findings and Questioned Costs

We noted no matters involving noncompliance that are required to be reported in accordance with *Rules of the Auditor General* of the State of Florida, Chapter 10.650.

See report of independent auditors.

Management Letter

Board of Directors
The Florida Endowment Foundation for Vocational Rehabilitation, Inc.
d/b/a The Able Trust

Report on the Financial Statements

We have audited the financial statements of the Florida Endowment Foundation for Vocational Rehabilitation, Inc. d/b/a The Able Trust (the Foundation), as of and for the fiscal year ended June 30, 2023, and have issued our report thereon dated November 30, 2023.

Auditors' Responsibility

We conducted our audit in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Other Reporting Requirements

We have issued our Report of Independent Auditors on Internal Control over Financial Reporting and Compliance and Other Matters Based on an Audit of the Financial Statements Performed in Accordance with *Government Auditing Standards; Independent Auditor's Report on Compliance for State Project and Report on Internal Control over Compliance; Schedule of Findings and Questioned Costs*. Disclosures in those reports, which are dated November 30, 2023, should be considered in conjunction with this management letter.

In connection with our current audit, we did not have any such recommendations as of June 30, 2023.

Prior Audit Recommendations

Documentation of Allocation Methodology for Functional Expenses

Management has taken corrective action for this recommendation. This corrective action is complete as of June 30, 2023.

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Purpose of this Letter

Our management letter is intended solely for the information and use of the Florida Commissioner of Education, the Florida Department of Vocational Rehabilitation, and the Board of Directors and management of the Florida Endowment Foundation for Vocational Rehabilitation, Inc. d/b/a The Able Trust and is not intended to be and should not be used by anyone other than these specified parties.

Thomas Howell Ferguson P.A.

Tallahassee, Florida
November 30, 2023