



Office of the Inspector General
The Florida Endowment Foundation for Vocational Rehabilitation, Inc.,
dba The Able Trust

Report # A-2223DOE-001

February 2023

Executive Summary

In accordance with the Department of Education’s fiscal year (FY) 2022-2023 audit plan, the Office of the Inspector General (OIG) conducted an audit of the Memorandums of Understanding, SA-519 and IA-865, between the Division of Vocational Rehabilitation (DVR) and the Florida Endowment Foundation for Vocational Rehabilitation, dba The Able Trust. The purpose of this audit was to determine compliance with the MOUs; Section 413.615, Florida Statutes; and any other policies or procedures established by the Division. During this audit we noted that The Able Trust generally operated within statutory compliance and adhered to the MOUs with the Division. However, we noted that The Able Trust Board of Directors has not conducted annual formalized evaluations of its funded programs as required by statute, although it has conducted extensive monitoring for its High School High Tech program. The Audit Results section below provides details of the instances noted during our audit.

Scope, Objectives, and Methodology

The scope of our audit included a review of the Memorandums of Understanding (MOUs) and amendments in order to determine the compliance with the MOUs; Section 413.615, Florida Statutes; and other policies established by the Division from July 1, 2021, through the end of fieldwork. We established the following objectives for our audit:

1. Determine if The Florida Endowment Foundation for Vocational Rehabilitation, Inc., dba The Able Trust is complying with Section 413.615, Florida Statutes, and Memorandums of Understanding (MOUs) SA-519 and IA-865; and
2. Determine if The Florida Endowment Foundation for Vocational Rehabilitation, Inc., dba The Able Trust is providing direct support to the Division of Vocational Rehabilitation (DVR) to enhance vocational rehabilitation activities.

To accomplish our objectives we reviewed applicable laws, rules, and regulations; reviewed Memorandums of Understanding SA-519 and IA-865; reviewed Section 413.615, Florida Statutes; interviewed appropriate department and Able Trust staff; reviewed policies, procedures, and related documentation; reviewed the Able Trust bylaws; and reviewed the goals of the three-year Strategic Plan of The Able Trust.

Our methodology also included:

- Reviewing published information on The Able Trust’s website to determine if the information is in compliance with requirements specified in s. 413.615(9)(k) F.S.;
- Reviewing Board and committee meeting minutes for discussion of monitoring of funded programs;
- Reviewing expenditures from the operating account, direct support funding levels, and budget requirements;
- Reviewing grants and contracts the Board entered into for fiscal year 2021-22;
- Reviewing gifts and donations made and received by the board for fiscal year 2021-22;
- Reviewing program support outlined in The Able Trust’s strategic plan established to assist persons with disabilities; and
- Reviewing the calculated percentage of administrative costs, as a component of the total Able Trust operating expenses, to confirm statutory compliance.

Background

The Able Trust was created as a direct support organization for the Division of Vocational Rehabilitation, to encourage public and private support to enhance vocational rehabilitation and employment for citizens with disabilities. Section 413.615(b) F.S., stipulates that an endowment fund account is established within the Florida Endowment Foundation for the Division of Vocational Rehabilitation (DVR) within the Department of Education (DOE) to provide a continuing and growing source of revenue for vocational rehabilitation efforts. According to The Able Trust’s annual report summarizing fiscal year 2021-2022, the endowment fund amounted to \$18,334,925 as of June 30, 2022, given a loss of 15 percent during the year due to “volatile market conditions.” The annual report from the previous year – fiscal year 2020-2021 – illustrates a value of \$22,846,320 as of June 30, 2021. Despite its large endowment fund, The Able Trust serves a limited number of Floridians with disabilities through its grant programs.

The Able Trust’s mission is to provide opportunities for gainful employment for Floridians with disabilities. Section 413.615(9)(b), F.S., states the Able Trust board may solicit and receive grants. The statute further stipulates, in s. 413.615(9)(e) F.S., that the board may make gifts or grants to various parties including “any public agency of state or local government” or “any citizen who has a documented disability.” Section 413.615(9)(f) F.S., states, “The board may advertise and solicit applications for funding and shall evaluate applications and program proposals submitted thereto.” The Able Trust offers few grant programs that serve Floridians with disabilities beyond the High School High Tech program. Per its annual report for fiscal year 2020-2021, The Able Trust provided general training and support services “to thousands of Floridians across the state and helped 263 individuals with disabilities participate in established grants programs that provided targeted employment skills development and training...” For fiscal year 2021-2022, The Able Trust served 1,076 total students through HSHT and 226 individuals with disabilities per the annual report.

The Able Trust’s Memorandum of Understanding with the Division of Vocational Rehabilitation states the purpose of The Able Trust is to encourage public and private support to enhance vocational rehabilitation and employment of citizens who are disabled. The latter stipulation could include assisting Floridians with disabilities through grant programs. The Able Trust has determined not to offer new grants in the near future as they work to implement a three-year strategic planning process aimed at developing impact models and programming. The fiscal year

2020-2021 Able Trust annual report states that, “new grants were not issued for Fiscal Year 2021 as its new board was appointed in the second quarter of the year and felt it prudent to go through the 3-year strategic planning process prior to issuing new grants.” Aside from the contract for High School High Tech, The Able Trust served a limited number of students with disabilities in both FY 2020-2021 and FY 2021-2022.

Direct contributions to the Division of Vocational Rehabilitation from The Able Trust in fiscal year 2021-2022 amounted to \$87,566 for staff training and development for DOE/DVR staff. This is more than double the \$38,281 contributed to DVR in fiscal year 2020-2021. However, this represents less than three percent of their total expenditures. We recommend DVR provide greater guidance to The Able Trust to enhance the opportunities to provided increased direct support to DVR.

Fundraising activities and revenue has accelerated through The Able Trust’s efforts from just over \$383,736 for fiscal year 2021-2022 to a projected figure of \$600,000 for fiscal year 2022-2023. This represents a small portion of The Able Trust’s total endowment, and DVR could provide additional guidance to The Able Trust regarding specific fund raising programs and opportunities.

Finally, as required by statute, Able Trust’s administrative costs cannot exceed 15 percent of its total operating expenses. Since its last review by the FDOE Office of the Inspector General, The Able Trust has lowered this percentage through reductions in three expenditure areas that include officer salaries and related payroll costs, legislative consultant costs, and board-related expenditures. Administrative costs from our review fell just below the statutory limit of 15%. Finding opportunities for additional direct support spending would further reduce the percentage of administrative expenses.

Audit Results

Finding 1: The Able Trust Board of Directors did not provide effective annual evaluations of funded programs pursuant to statutory requirements.

Section 413.615(9)(g), Florida Statutes states, “The Board shall monitor, review, and annually evaluate funded programs to determine whether funding should be continued, terminated, reduced, or increased.” While we observed evidence of monitoring of the High School High Tech (HSHT) program through quarterly reporting submitted to the Division, we found no formal annual evaluation by the Board of Directors for Able Trust funded programs. The Able Trust has included summary information on its grant programs in its required annual reports for both fiscal years 2020-2021 and 2021-2022, but they have not provided a comprehensive evaluation, by the Board, of all of its funded programs. There was no particular reason provided, for the absence of an annual evaluation of funded programs.

While Able Trust’s HSHT monitoring sufficiently documents the number of persons served through this program, there is no formalized reporting of this program’s full impact for assisting high school youth in obtaining relevant job skills and experiences and replicating program outcomes toward serving other individuals with disabilities. Information on strategic outcomes,

made by recipients of its programs, becomes limited absent an annual evaluation. Not performing the required annual evaluation hinders The Able Trust's ability to make decisions on how funding should be allocated in order to provide direct support to the Division of Vocational Rehabilitation and individuals with disabilities. Further, the annual program evaluation should provide a means of determining the best impact models that would serve Florida's individuals with disabilities seeking gainful employment. The Able Trust is currently developing models for programming aimed at assisting Floridians with disabilities and is developing this through contracts with private consultants and through its strategic plan.

Recommendation

We recommend The Able Trust Board of Directors conduct an annual evaluation of funded programs pursuant to Section 413.615(9)(g), Florida Statutes.

Able Trust Management Response

Concur. The Able Trust Board of Directors will address this finding in the following ways:

1. Establish a formalized process with the Board Grant Committee for providing effective annual evaluations of funded programs pursuant to statutory requirements. This process will include a means of determining the best impact models that would serve Florida's individuals with disabilities seeking gainful employment. The anticipated completion date is February 28, 2023.
2. Conduct annual evaluations of funded programs for FY 2022 – 2023. Use the evaluation data to select/award grants for FY 2023- 2024. The anticipated completion date is June 30, 2023, and ongoing for future fiscal years.¹

Closing Comments

The Office of the Inspector General would like to recognize and acknowledge The Able Trust and Division of Vocational Rehabilitation for their assistance during the course of this audit. Our fieldwork was facilitated by the cooperation and assistance extended by all personnel involved.

To promote accountability, integrity, and efficiency in state government, the OIG completes audits and reviews of agency programs, activities, and functions. Our audit was conducted under the authority of section 20.055, F.S., and in accordance with the International Standards for the Professional Practice of Internal Auditing, published by the Institute of Internal Auditors, and Principles and Standards for Offices of Inspector General, published by the Association of Inspectors General. The audit was conducted by James Russell and supervised by Bradley Rich, Audit Director.

Please address inquiries regarding this report to the OIG's Audit Director by telephone at 850-245-0403. Copies of final reports may be viewed and downloaded via the internet at <https://www.fldoe.org/about-us/office-of-the-inspector-general/audit-reporting-products.stml>. Copies may also be requested by telephone at 850-245-0403, by fax at 850-245-9419, and in person or by mail at the Department of Education, Office of the Inspector General, 325 West Gaines Street, Suite 1201, Tallahassee, FL 32399.

¹ The Able Trust included a cover letter to their management response. Please see Attachment A.



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February 6, 2023

Bradley Rich, MS
Audit Director
Office of the Inspector General
325 West Gaines Street, Suite 1201
Tallahassee, Florida 32399

Dear Mr. Rich,

Thank you for the opportunity to respond to the Office of Inspector General Report # A-223DOE-001 concerning the audit of the Memorandums of Understanding, SA-519 and IA-865 between the Division of Vocational Rehabilitation (DVR) and the Florida Endowment Foundation for Vocational Rehabilitation d/b/a The Able Trust.

We concur with the finding that The Able Trust Board of Directors did not provide effective annual evaluations of funded programs pursuant to statutory requirements. We have responded with our corrective action plan contained in the attached Management Response Table. We intend to have these actions complete no later than June 30, 2023.

Additionally, we appreciate the guidance provided by your team with regard to our grant making and other supports to DVR. We are currently working with FDOE and DVR leadership to ensure our work is closely aligned and supports their needs and priorities. We project dedicating a minimum of \$600,000 in FY 2023 – 2024 to support the work of DVR including grants and other special projects. Further, we anticipate increasing this amount by 50% each year to align with increases in our fundraising targets.

On behalf of The Able Trust Board of Directors and staff, I would like to thank you and your team for the professional nature of the audit and opportunity for continuous improvement.

Please do not hesitate to let me know if further information is required at this time.

Sincerely,

A handwritten signature in black ink, appearing to read "Allison S. Chase".

Allison S. Chase
President & CEO

enclosure