

Board of Directors Meeting Agenda

FEB. 13, 2019 • 9:00 A.M. – 12 P.M. ET

UNIVERSITY CENTER CLUB AT FLORIDA STATE UNIVERSITY
403 STADIUM DRIVE, TALLAHASSEE, FL 32306
MEETING ROOM: BALLROOM WEST – 3RD FLOOR

Chairman's Welcome & Remarks

Kevin Doyle

Mission Moment — *PGT Industries*

Bayne Beecher
PGT Industries
Ted Ehrlichman
CareerSource Suncoast

Consent Agenda

Kevin Doyle

1. December 2018 Meeting Minutes
2. Selection of Firm for Audit and Tax Preparation Services

President's Report

Michelle Dennard

Driving Competitiveness and Prosperity Through Florida's Training Grants

Andra Cornelius, CEcD

Council Reports

- Strategic Policy and Performance Council

Brittany Birken

Action Items

1. Apprenticeship Strategic Policy
2. Career and Professional Education Act (CAPE) 2019-2020
Industry Certifications

Mary Lazor
Warren Davis

Open Discussion/Public Comment

Chairman's Closing Remarks

Kevin Doyle

UPCOMING MEETINGS

Executive Committee Meeting – April 9, 2019
Board of Directors and Related Meetings – May 22-23, 2019

Presenter Bio

Bayne Beecher



Bayne Beecher is production control leader for PGT Industries. Mr. Beecher's previous experience includes working for several prominent manufacturing companies including the Eaton Corporation, Delphi Mechatronics and the Stoneridge Corporation. He has more than 20 years of manufacturing experience specializing in product development, new product launches and process and continuous improvement.

Mr. Beecher serves on the FloridaMakes Board of Directors and as president of the Sarasota-Manatee Area Manufacturers Association.

He is a Lean Six Sigma Black Belt, a certification earned by those with mastery-level knowledge of the Six Sigma method, a data-driven approach and methodology for eliminating defects in a process.

Mr. Beecher is a graduate from the University of Illinois Champaign-Urbana and earned a master's degree from Webster University.



Consent Item 1

Approved _____
Disapproved _____

Consent Item 1

DECEMBER 2018 BOARD MEETING MINUTES

In accordance with Article VII, Section 7.3 of the approved bylaws, the corporation is required to keep correct and complete books and records of accounts and shall keep minutes on the proceedings of the board of directors.

FOR CONSIDERATION

Approval of December 2018 Board Meeting Minutes, to include any modifications or changes noted by the board.

**DRAFT MINUTES
CAREERSOURCE FLORIDA
BOARD OF DIRECTORS MEETING
December 12, 2018**

CALL TO ORDER

Chairman Kevin Doyle called the meeting of the CareerSource Florida Board of Directors to order at approximately 2:31 p.m. ET on December 12, 2018, by welcoming board members and partners to the meeting. Chairman Doyle asked Lisa Cramer to call roll. Roll was called.

ROLL CALL/QUORUM

A quorum was present with the following board members in attendance:

Kevin Doyle	Elisha Gonzalez
Robert Campbell	Taylor Hatch*
Steve Capehart	Elli Hurst
Tim Center	Rick Matthews
Rose Conry	Tony McGee
Duane De Freese	Mike Myhre
Robert Doyle	Todd Rebol
Rod Duckworth*	Stephanie Smith
Arnie Girnun	

Board members not in attendance were: Gov. Rick Scott, Brittany Birken, Bill Johnson, Camille Lee-Johnson, Sen. Bill Montford, Alex Moseley, Bryan Nelson, James Nolan, Rep. Elizabeth Porter, Joe York.

*Designees

CHAIRMAN'S WELCOME & REMARKS

Chairman Doyle provided a recap of activities for the last quarter.

- On Oct. 10, Hurricane Michael made landfall on Northwest Florida's Gulf Coast, forever changing the landscape and the lives of thousands of Floridians.
- The CareerSource Florida Executive Committee held an emergency meeting on Oct. 22 and voted to approve a \$1 million Disaster Recovery Fund to help coordinate and continue the work of the initial state responses.
- Governor-elect Ron DeSantis will lead Florida into the next decade.

MISSION MOMENT

Chairman Doyle stated throughout the month of November, the CareerSource Florida network, led by the Florida Department of Economic Opportunity and in partnership with the Florida National Guard and the Florida Department of Veterans' Affairs, hosted Paychecks for Patriots hiring events for veterans and their families. Also, he noted the Florida Department of Economic Opportunity honors three local workforce development boards annually for outstanding

work to connect veterans and their families with employment opportunities. This year's Veterans Performance Incentive Awards were presented to:

- CareerSource Northeast Florida,
- CareerSource Flagler Volusia, and
- CareerSource Polk.

Chairman Doyle invited CareerSource Flagler Volusia President & CEO Robin King and CareerSource Okaloosa Walton Executive Director Michele Burns to share more about their local boards' *Paychecks for Patriots* events and efforts to support veterans and their families.

Ms. King reported to the board the event is making an impact in her area. Veterans were provided many needed services during her board's event. She said the past year proved to be a pivotal year for forming community relationships and strong partnerships with local agencies, all with a mission of improving the lives of veterans.

Ms. Burns introduced Local Veterans Employment Representative Terry Cowan. Mr. Cowan highlighted some of the unique programs CareerSource Okaloosa Walton offers the veteran community.

CONSENT AGENDA

Chairman Doyle introduced the Consent Agenda:

Consent Item 1 – September 2018 Board of Directors Meeting Minutes

Motion: Arnie Girnun

Second: Rose Conry

Chairman Doyle opened the floor for discussion and corrections. Hearing none, Chairman Doyle opened the floor for public comment. Hearing none, Chairman Doyle called for a vote. The motion passed. None were opposed. President Michelle Dennard will sign and annotate the meeting minutes for the official record.

PRESIDENT'S REPORT

Chairman Doyle introduced President Dennard for her report.

President Dennard stated the CareerSource Florida network's goal as outlined in the Workforce Innovation and Opportunity Act: increase the prosperity of workers and employers, reduce welfare dependency, increase economic self-sufficiency, meet employer needs, and enhance productivity and competitiveness.

She then outlined CareerSource Florida's corporate goals:

Communicate the Vision
Leverage Strategic Partnerships
Keep the System Accountable

Communicate the Vision

In alignment with the first corporate goal, President Dennard noted Vice President of External Affairs Adriane Grant had attended the Lumina Foundation's 2018 State Policy Retreat in Minneapolis. With the theme of "One Goal, Many Pathways," leaders representing higher education, elected offices, workforce and economic development, community-based organizations and philanthropy gathered from 25 states with national experts to share best practices, hear states' progress toward increasing the number of residents who hold high-quality postsecondary credentials and identify actionable frameworks for strengthening partnerships that lead to credential attainment.

President Dennard said she, along with Adrienne Johnston, DEO's Bureau Chief of Workforce Statistics & Economic Research, had the opportunity to discuss the results of the CareerSource Florida Skills Gap and Job Vacancy Survey with the Higher Education Coordinating Council last month. The Council has requested additional information, looking at how to integrate additional opportunities in the higher education space.

President Dennard reported Bruce Ferguson of CareerSource Northeast Florida has been named to the Transition Advisory Committee for Education and Workforce Development.

Leverage Strategic Partnerships

CareerSource Florida's second corporate goal is to leverage strategic partnerships to cultivate local, regional and state capacity building that increases economic opportunity.

President Dennard reported this year, CareerSource Florida has already received more proposals for local strategic initiatives than there is funding. The proposals are being evaluated in partnership with DEO. This year's funding supports the following board priorities:

- Soft skills training opportunities
- Apprenticeship expansion
- Sector strategy implementation efforts

Keeping the System Accountable

President Dennard said the board discussed in September providing additional training opportunities for local workforce development boards and partners. This year, at least three opportunities for Workforce Innovation and Opportunity Act performance training have been provided and more are planned. Additional training will be offered to our board and local board leaders at the February Board of Directors meeting, during which National Association of Workforce Boards CEO Ron Painter will provide an overview of the important roles of workforce boards in strategic policy development as well as governance and fiduciary responsibilities.

Hurricane Michael Update

President Dennard thanked the Chairman and board members for allocating additional funding for recovery efforts after Hurricane Michael.

President Dennard said she recently spoke with CareerSource Gulf Coast Executive Director Kim Bodine, and Ms. Bodine stated in Bay county alone, more than 3,800 school children are still homeless.

The local boards have helped many individuals apply for Disaster Unemployment Assistance and Disaster Dislocated Worker Assistance.

President Dennard extended a special thank you to the entire CareerSource Florida network for sending people, equipment, supplies, mobile units and support to the Panhandle.

President Dennard stated the local boards serving affected areas are operational and their work is critical to rebuilding. She noted CareerSource Gulf Coast has moved to a temporary facility in Bay County because of damage but continues to serve the community.

Chairman Doyle asked for questions and comments for President Dennard.

Tim Center stated he received a letter regarding allegations against CareerSource Northeast Florida and wanted to understand what CareerSource Florida has done to address the questions raised. President Dennard said all allegations are taken seriously and noted that CareerSource Northeast Florida provided its response to both the Florida Department of Economic Opportunity and CareerSource Florida.

FINANCE COUNCIL REPORT

Chairman Doyle introduced Finance Council Chairman Arnie Girnun and asked Mr. Girnun to provide a recap of today's meeting. Mr. Girnun stated the council reviewed and voted to accept the 2018 Annual CareerSource Florida Inc. Audit, prepared by Purvis, Gray and Company. Mr. Girnun noted this is the 18th consecutive year the state board has received an audit with no findings.

SECURING FLORIDA'S FUTURE: THE FLORIDA 2030 BLUEPRINT

Chairman Doyle stated Florida is expected to have 26 million residents and one of the most diverse populations in the world by 2030. Chairman Doyle introduced Tony Carvajal, executive vice president of the Florida Chamber Foundation, to present an overview of the Florida 2030 Project to the board.

Mr. Carvajal provided an overview of the Foundation's strategic blueprint for achieving Florida's potential. He said the Florida 2030 Project defines goals and strategies to guide private, public and civic partners as they work together to shape Florida's economic future. Based on three years of research and input from more than 10,000 Floridians, including leaders in the CareerSource Florida network, this initiative provides a plan for the transformation of Florida into a top 10 global economy that attracts and retains talent and provides a path to prosperity for every community. A copy of the report may be viewed within the agenda packet [here](#).

OPEN DISCUSSION/PUBLIC COMMENT

Chairman Doyle opened the floor for public comment.

Arnie Girnun asked the CareerSource Florida Executive Committee to use the Florida 2030 Blueprint as a guide for the spring planning session.

CHAIRMAN'S CLOSING REMARKS

Chairman Doyle thanked the board and local partners for their participation and engagement. Chairman Doyle reminded board members of the upcoming meetings:

- February 12, 2019 – Strategic Policy and Performance Council Meeting
- February 13, 2019 – Board of Directors Meeting

The meeting, held via webinar, adjourned at approximately 3:45 p.m. ET. Refer to the CareerSource Florida December 2018 meeting agenda packet and PowerPoint presentation on the [CareerSource Florida website](#) for more information.

BOARD SECRETARY CERTIFICATION

In accordance with Article VII, Section 7.3, I hereby certify these minutes reflect the proceedings by the Board of Directors of CareerSource Florida, have been reviewed by the Board, and approved or approved with modifications which have been incorporated herein.

Michelle Dennard
Board Secretary

Date

Consent Item 2

Approved _____
Disapproved _____

Consent Item 2

2018-2019 Audit & Tax Services

On January 4, 2019, CareerSource Florida issued a Request for Proposals for audit and tax preparation services. This RFP solicited proposals for the selection of an independent certified public accounting firm to provide external independent auditing and tax return preparation services to the company for a period of three years, beginning with the fiscal year ending June 30, 2019, and ending after the completion and submission of the audit report and tax returns for the fiscal year ending June 30, 2021.

After receiving and evaluating four proposals, the independent evaluation team scored the Carr, Riggs & Ingram submission as highest and selected their proposal.

FOR CONSIDERATION

Approval of the selection of Carr, Riggs & Ingram, the highest-scoring firm following a Request for Proposals, for audit and tax services for a period of three years, beginning with the audit report and tax returns for 2018-2019 and ending after the completion and submission of the audit report and tax returns for the fiscal year ending June 30, 2021.



REQUEST FOR PROPOSAL (RFP)
2018-19-RFP-AUDIT-TAX
FOR
AUDIT AND TAX PREPARATION SERVICES

ISSUED ON JANUARY 4, 2019

RESPONSES DUE BY: JANUARY 18, 2019, 5:00 pm, EST

RESPONSES DUE TO:
CareerSource Florida
ATTN: Jamaal R. Dickens, Contracts Director
2308 Killearn Center Blvd.
Bldg. B, Suite 1
Tallahassee, Florida 32309

Any alteration of the language of this RFP or any representation of modified language as the officially released RFP will not be permitted and will be sufficient cause for rejection of a proposal. In case of any dispute concerning the terms or language in this document, the CareerSource Florida printed file copy of this RFP will prevail.

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SECTION A - INTRODUCTION

A.1 STATEMENT OF PURPOSE/NEED

This is a Request for Proposal (“RFP”) for an independent certified public accounting firm (the “proposer”, “contractor”, “contractor”, or “respondent”) to provide external independent auditing and tax return preparation services for CareerSource Florida, Inc. referred to as (the “Company” or “CSF”). Audit and tax return services will be performed for the fiscal year ending June 30th for the Company. An Evaluation Team for this RFP will review the proposals received in response to this RFP and the winning independent certified public accounting firm(s) will be recommended to the CareerSource Florida Finance Council.

These documents constitute the complete set of specifications, requirements, and/or proposal forms.

All terms and conditions of this RFP, any addenda, proposer’s submissions and negotiated terms, are incorporated into the contract by reference as set forth herein.

A.2 GENERAL INFORMATION ABOUT THE COMPANY

CareerSource Florida, Inc. (CSF), a blended component unit of the State of Florida, is a not-for-profit corporation created by Chapter 445 of the Florida Statutes. Chapter 2000-165, Laws of Florida, known as the Workforce Innovation Act of 2000, created the corporation, which became effective July 1, 2000.

CSF is required to be registered, incorporated, organized, and operated in compliance with Chapter 617, Florida Statutes, as a nonentity of state government. CSF is the principal workforce policy organization for the state of Florida and the twenty-four local workforce development boards (LWDBs) located throughout Florida. CSF is administratively housed within the Florida Department of Economic Opportunity (DEO). CSF operates under a performance-based contract negotiated with DEO that defines the administrative roles and responsibility for federal and state workforce programs and initiatives. CSF is governed by a Board of Directors (the “Board”), whose membership and appointment is determined by the Governor of the State of Florida and must be consistent with Public Law No. 105-220, Title I, section 111(b) since it serves as the state’s Workforce Investment Board pursuant to public law. Due to the nomination of the Board members by the Governor and the dependency of CSF on the state for operating grants, CSF is considered a blended component unit of the State of Florida and as such is included in the State of Florida’s financial statements. Using the component unit criteria for GASB Statement No. 39, CSF has no component units. CSF was created with the purpose and mission to design and implement strategies that help Florida residents enter, remain in, and advance in the workplace, becoming more highly skilled and successful, benefiting these Floridians, Florida businesses, and the entire state, and to assist in developing the state’s business climate. CSF receives an appropriation from the State of Florida, which constitutes approximately ninety-nine percent of its revenue. The remaining revenue is generated mainly through sponsorships, other state of Florida grants, corporate contributions, and private revenue sources.

For the fiscal year ending June 30, 2019, the total budget of CSF is \$18 million, including \$4 million in Incumbent Worker Training Federal Grant Funds and \$9 million in Quick Response Training State Grant Funds.

CSF utilizes a third-party processor to produce its financial statements and another third-party processor to handle human resources tasks and payroll. The third-party processor for financial statements is located in Gainesville, FL, and the third-party processor for CSF's human resources tasks is located in Orlando, FL. For the first year, respondent may deem it necessary to travel as needed to Gainesville, Florida, to perform cash and accounts payable testing in addition to performing testing procedures in CSF's office in Tallahassee. However, if respondent is capable, testing for both third-party processors may be completed electronically.

Copies of the company's prior year audit reports and tax returns are available upon request and proposers are encouraged to contact Lisa Wiggins, Director of Finance-Controller, lwiggins@careersourceflorida.com for copies. Proposers are encouraged to thoroughly review the information contained therein in order to become familiar with the company and its operations.

A.3 AUDIT AND TAX RETURN PREPARATION SERVICES

The company wishes to receive proposals for selection of an independent certified public accounting firm to provide external independent auditing and tax return preparation services to the company for a period of three (3) years, beginning with the fiscal year end June 30, 2019 and ending after the completion and submission of the audit report and tax returns for the fiscal year ending June 30, 2021.

A.4 SCHEDULE OF EVENTS

All times listed reflect Eastern Standard Time (EST). These dates are estimates only and are subject to change by CSF without recourse.

Release of Request for Proposals	Friday, January 4, 2019
Period for technical questions/inquiries and CSF's response to technical questions/inquiries	Monday, January 7, 2019 – Wednesday, January 16, 2019
RFP Responses due	Friday, January 18, 2019 (no later than 5:00pm, EST)
Evaluation Team Conducts Proposal Reviews	Monday, January 21, 2019 – Monday, January 28, 2019
RFP Respondent Interviews if necessary	Wednesday, January 30, 2019 – Friday, February 1, 2019
CSF selects Contractor(s) for services	Week of February 4 – 8, 2019
Summary of Proposal Tabulation Available	Available upon request

A.5 QUALIFICATIONS OF THE PROPOSER

In order to be considered for evaluation, a proposer:

1. Shall be licensed to practice public accounting within the State of Florida;
2. Shall be a member in good standing of the American Institute of Certified Public Accountants and the Florida Institute of Certified Public Accountants; and

3. Shall have performed continuous CPA services in the not-for-profit/governmental industry for a minimum of five (5) years.
4. The individuals who will be primarily responsible for the audit must have 24 hours of governmental accounting and auditing CPE.
5. The firm should indicate its approach to peer review and provide a report of the most recent peer review. Indicate whether that peer review included a review of local government client activities.
6. The firm should indicate any disciplinary actions that have been instituted or proposed against the firm during the last three (3) years.
7. The firm should describe the results of any State or Federal reviews during the past three years of the firm's governmental client audit work.

SECTION B – SCOPE OF WORK

CSF is requesting proposals from contractors, CPA firms who are experienced with federal/state grant programs, to utilize their professional expertise to provide audit and tax return preparation services for 2018-19, 2019-20, 2020-21.

B.1 ANNUAL EXAMINATIONS

The proposer selected as a result of this RFP shall provide external independent auditing services to the company to examine the financial statements of the company, beginning with the financial statements for fiscal year ending June 30, 2019.

The annual examinations by the proposer shall include, but not be limited to, the following:

B.1.1 Financial Audit

The examination will be a financial and compliance audit made in accordance with generally accepted auditing standards and government auditing standards (AICPA's Audit Guide). The primary purpose of this audit is to express opinions on the financial statements of the company as defined in section 1.04 – *Government Auditing Standards*. The audit procedures used should be enough to enable the proposer to express an opinion on the fairness with which the financial statements present the financial position of the company and the results of its operations and cash flows in accordance with accounting principles generally accepted in the United States. In addition, such procedures should be adequate to determine whether the operations of the company were properly conducted in accordance with legal and regulatory requirements, including Florida Statutes, 2 CFR Part 200, and the Florida Single Audit Act.

B.1.2 Review of Internal Controls

An evaluation is to be made of the system of internal controls, including the control environment, accounting systems and specific control procedures, to assess the extent to which the controls can be relied upon to ensure accurate information, to ensure compliance with the law and regulations, and to provide for efficient and effective operations. In order to assess the control risk, the proposer is to perform tests of controls and properly document its assessment. Reportable conditions shall be communicated in writing in accordance with generally accepted auditing standards.

B.1.3 Data Processing Review

The proposer will perform a review of internal controls used in the computer environment to ensure (a) the proper development and implementation of applications, (b) the integrity of program and data files, (c) the completeness and accuracy of the accounting records, and (d) the integrity of computer operations.

The proposer shall communicate periodically to management if reportable conditions in data process review are identified during the engagement. As part of the Management Letter, the proposer shall report the following information it deems appropriate:

- Specific comments in the above areas for the company's major computer systems
- Overall conditions of internal control in computer environment
- Significant weakness in internal control in data processing

B.1.4 Management Letter

A management letter will be issued that will contain significant audit findings that, among other matters, may include the following material items noted during the performance of the audit:

- Whether errors or irregularities reported in the preceding audit report have been corrected;
- Whether recommendations made in the preceding audit report have been implemented;
- If applicable, whether any errors or irregularities reported by or any recommendations made by the State of Florida Office of the Auditor General concerning the preceding fiscal year have been corrected or implemented;
- Violation of the laws, rules and regulations applicable to the company discovered within the scope of the audit;
- Illegal expenditures discovered within the scope of the audit;
- Improper or inadequate accounting procedures;
- Failure to properly record financial transactions;
- Other inaccuracies, irregularities, shortages or defalcations, if any, discovered by the firm; and
- Recommendations to improve management, accounting procedures and internal controls and to increase efficiency.

The successful proposer shall be required to make an immediate written report to the company's Finance Council of all significant irregularities and any illegal acts, as they become known to the proposer.

B.1.5 Financial Reports

At the completion of the financial audit, an audit report package shall be prepared by proposer for the company consisting of the:

- Transmittal cover letter to the Board of Directors;
- Independent Auditor's Report on the fair presentation of the financial statements in conformity with GAAP, and including an opinion of the financial statements and on the schedule of expenditures of federal awards and state financial assistance;
- Management's Discussion and Analysis;
- Financial Statements;
- Notes to the Financial Statements;
- Compliance Requirement: Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Performed in Accordance with Government Auditing Standards;
- Compliance Requirement: Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Federal Program and State Project and on Internal Control Over Compliance in Accordance with OMB Circular A-133 and Chapter 10.650, Rules of the Auditor General, State of Florida;
- Schedule of Expenditures of Federal Awards and State Financial Assistance.
- Schedule of Findings and Questioned Costs
- Auditor's Comments and Recommendations
- Any other required reports and schedules required by Federal and State Single Audit Acts
- Copies of the audit package will be prepared and bound by the proposer and provided as follows:

Copies Required: 4 bound copies to CSF
- An electronic copy shall also be provided to the CSF Contracts Director.

B.1.6 Other Issues

Auditors will assure themselves that the CSF Board is informed of each of the following:

1. The auditor's responsibility under generally accepted auditing standards;
2. Significant accounting policies;
3. Management judgments and accounting estimates;
4. Significant audit adjustments;
5. Other information in documents containing audited financial statements;
6. Disagreements with management;
7. Management consultation with other accountants;
8. Difficulties encountered in performing the audit;
9. Other reports and/or certifications mandated by Florida Statutes and the Florida Administrative Code.

B.2 TAX RETURNS

A Form 990 tax return for CSF shall be prepared and delivered to the company at least two weeks before the filing deadline each year in this proposal. An electronic copy shall also be provided to the CSF Finance Director/Controller and executive management. The company's staff shall prepare all the information and documents needed by the proposer to enable the preparation of the tax returns. The proposer shall also advise the company regarding specific tax or reporting issues it may encounter, as well as planning issues.

B.3 SINGLE AUDIT

Where applicable, the proposer will perform a Single Audit in accordance with the Florida Single Audit Act, generally accepted auditing standards, Government Auditing Standards issued by the Comptroller General of the United States, and the provisions of 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in order to report on the Schedule of Expenditures of Federal Awards and State Financial Assistance, on the compliance of the company with laws and regulations and on internal controls, as required by the above standards.

B.4 DATA COLLECTION FORM

An SF-SAC Data Collection Form for Reporting on Audits of States, Local Governments, and Non-Profit Organizations shall be prepared by the proposer, who shall also certify the electronic submission of the SF-SAC form and audit report to the Federal Audit Clearinghouse (FAC) website. The CSF Finance Director/Controller will assist as needed.

B.5 TIME REQUIREMENTS

B.5.1 Commencement of the Audit and Tax Return Preparations

The company will meet with the successful proposer to discuss commencement of the audit and tax return preparation upon acceptance of the proposal and execution of a professional services contract between the company and the proposer.

B.5.2 Schedule of the Fiscal Year Audit

Each of the following shall be completed no later than the date indicated:

1. Fieldwork

Fieldwork should commence sufficiently before the end of the fiscal year to ensure that the reporting deadlines outlined below can be met. It is understood that the first year audit may require interim work to commence at a later date than would be expected in future audits. See **B.11 - Tasks, Timelines, and Deliverables**.

2. Reporting Deadlines

The auditor reports, in its final form with audited financials including the management letter, shall be completed each year no later than September 15th. The report will be presented to the Finance Council at the next regularly scheduled meeting. The preceding deadlines are subject to change upon agreement of both the proposer and the company. However, under no circumstances will audit deadlines extend beyond the time required by Florida Statutes for submission. See **B.11 - Tasks, Timelines, and Deliverables**.

B.5.3 Schedule of Tax Returns Preparation

The company and proposer shall subsequently come to an agreement on the commencement of the date the returns shall be prepared. Completion of these returns will not exceed the required IRS filing dates.

B.6 INVOICING FOR WORK/PROGRESS BILLING

Progress billing will be permitted on a percentage of completion basis and may be rendered during the course of the engagement. The final payment will be paid upon resolution of any open issues or delivery of any remaining items. See section **B.12 - Method of Payment**.

B.7 SUPPORT PERSONNEL

Support personnel will be made available by the company to provide assistance, such as identifying locations of required records, gathering needed documentation and supporting information and such other tasks that will serve to expedite the audit and tax returns, with the understanding that support personnel

must be given consideration to effectively perform the day-to-day requirements of their positions. CSF staff will be available to the Contractor(s) between the hours of 8:00 a.m. and 5:00 p.m. eastern standard time, Monday through Friday, excluding CSF recognized holidays or office closures. The contractor must send all electronic correspondence to CSF no later than 5:00 pm, EST.

B.8 CLIENT ASSISTANCE LISTING

A client assistance listing for both audit and tax services is included as an attachment to this RFP to inform the proposer(s) of the level of service to be expected by the company and/or third-party accounting services firm. (Attachment 13)

B.9 ADDITIONAL SERVICES

If, during the contractual period, additional services are needed as a result of changes in legislation or other regulatory requirements, the proposer may, at the option of the company, be engaged to perform these services.

All additional work will be documented by engagement letters to be approved by the company management. The proposer will be compensated in accordance with the schedule of fees established as a result of the RFP. The fee for additional services shall be separately negotiated at the time of the engagement for a not-to-exceed amount.

Auditors will attend, via telecom or in person, any meetings with the CSF Board or Councils as directed by the Board or CSF.

B.10 PLANNED PROJECT SCHEDULE (for First Year)

Draft Contract released to contractor(s)	March 29, 2019
Draft Contract returned by contractor(s)	April 5, 2019
CSF approves subcontractors (if any)	April 9, 2019
Final Contract edits from CSF to contractor(s)	April 10, 2019
Final Contract returned by contractor(s)	April 12, 2019
Final Contract signed by CSF	April 12, 2019
Start of Fieldwork by contractor(s)	Between June 10, 2019 and June 28, 2019
CSF close year-end books	August 9, 2019
Complete all fieldwork	September 1, 2019
Submit audit reports to CSF	September 15, 2019
Submit tax return to CSF	Per IRS filing deadlines, including extensions

B.11 TASKS, TIMELINES, AND DELIVERABLES

The Contractor agrees to perform the following tasks:

TASK NUMBER	TASK TITLE	DESCRIPTION OF TASKS	DUE DATE
1	Start of field work	Contractor will contact the CSF Finance Director-Controller to schedule a date for field work to begin, conduct an entrance interview and will begin field work.	Between June 10 th and June 30 th
2	Complete field work	Contractor will complete fieldwork and conduct an exit interview.	September 1st
3	Deliver audit report	Contractor will deliver copies of the audit report as specified within this RFP in Section B.1.5 – Audit Report .	September 15th
4	Deliver corporate tax return	Contractor will deliver corporate tax return as specified within this RFP	Per IRS filing dates

B.12 METHOD OF PAYMENT

Payment for audit and tax preparation services described herein will be made once CSF determines the total work effort (see tasks and deliverables described in **Section B.11** of this RFP) has been satisfactorily completed.

Progress payments will be allowed to the extent that CSF can determine satisfactory progress is being made. The Contractor(s) must submit monthly invoices for all expenses to the CSF Finance Director/Controller and will be compensated for the requested 2018-19 services as follows:

- 25% (maximum) of the total audit portion of the contract price will be paid upon start of fieldwork;
- 25 % (maximum) of the total audit portion of the contract price will be paid upon completion of fieldwork;
- 50% (maximum) of the total audit portion of the contract price will be paid upon delivery of the audit reports as stipulated in **Section B.1.5**;
- 100% of the total tax return preparation portion of the contract price will be paid upon delivery of the completed tax return.

Fiscal years ending 2020 and 2021 will follow the same compensation schedule for satisfactory progress made.

B.13 CONTRACTOR(S) RESPONSIBILITIES

B.13.1 Staffing

The Respondent’s reply must reflect the actual structure of the proposed audit and tax preparation teams. The Contractor(s) shall also ensure all staff is qualified to deliver services under the terms and conditions of this RFP. Qualifications must include not only appropriate educational background based upon job duties, but experience in similar or like employment. Staff qualifications must be in writing for all team members for each year this contract

remains in effect. Submission of this information is required prior to CSF executing any contracts for the services described.

Although not all team members for the selected Contractor(s) have to be CPAs, the education, internal control, quality assurance and self-monitoring standards sought by CSF will only be met by CPA firms currently doing business in the State of Florida. CSF anticipates preference will be given to responses that demonstrate assigned team leaders are CPAs and that other assigned staff members have prior work experience similar to the tasks described in this RFP. CSF prefers all team leaders to remain onsite during the on-site fieldwork and in conducting the entrance and exit conference meetings. CSF retains the right to disapprove proposed team members if they fail to satisfy all indicated standards at the time their qualifications are submitted.

Proposed use of subcontractors for staffing the audit and tax preparation engagements must be included in the Respondent's reply. The Contractor(s) is responsible for ensuring subcontractor(s) performing any of the work tasks described herein comply with the requirements described in **Section B.13.4 - Subcontractor(s)**, of this RFP.

The Contractor(s) shall notify the CSF Finance Director/Controller as soon as possible, but no later than ten (10) calendar days of any changes in the staff assigned to this engagement. Such notification shall be in writing, and shall include information related to replacement staff assigned to this engagement. Replacement team members are subject to review and approval by CSF based on the staffing qualifications described above. Failure to comply with the requirements of this section will activate the contract termination provisions described in **Section B.17** of this RFP.

B.13.2 Experience with Applicable Laws and Regulations

The following laws and regulations are applicable to CSF. Team members for the selected Contractor(s) should be familiar with the provisions of the following laws and regulations:

- 2 CFR Part 200 – Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards
- 48 CFR 731.770 (OMB Circular A-122), "Cost Principles for Non-Profit Organizations,"
- Government Auditing Standards (Yellow Book),
- 5 United States Code (USC) 552a, Records Maintained on Individuals
- Chapter 119, Florida Statutes, Public Records
- Chapter 445, Florida Statutes, Workforce Services
- Section 215.97, Florida Statutes, Florida Single Audit Act
- Programs covered in Section 445.004(5)(b), Florida Statutes
- Information pertaining to the Workforce Innovation and Opportunity Act (20 CFR 683.210 and 20 CFR 685.140), and
- 29 CFR Parts 95, 96, 97 and 99

B.13.3 Submission of Deliverables

As described in **Section B.11 – Tasks, Timeline, and Deliverables**, the Contractor(s) will submit the deliverables listed based on the terms and conditions of this RFP. If the Contractor(s) fails to provide the deliverables within the specified time schedules, or if the Contractor(s) submits deliverables that do not conform to all of the provisions of the contract, CSF may, by written notice of default to the Contractor(s), terminate the whole or any part of the contract.

The CSF Finance Director/Controller may extend the delivery schedules upon written request of the Contractor(s) with sufficient justification. Such requests must be submitted to the CSF Finance Director/Controller for consideration immediately upon discovering that the terms for services will not be met for a particular task. Any exceptions not submitted and approved in writing, as specified herein, will activate the provisions described in **Section B.17** of this RFP.

The Contractor(s) will receive notice from the CSF Finance Director/Controller within ten (10) calendar days of any liquidated damages assessed for failing to submit the deliverables on a timely basis. CSF Management reserves the right to waive the first assessment of liquidated damages as specified in **Section B.17** of this RFP, if all subsequent deliverables are submitted on time.

B.13.4 Subcontractor(s)

The Contractor(s) will provide the scoped services and shall be responsible for all work performed and all contract deliverables. The Contractor(s) shall not enter into any subcontracts for the delivery of any services described in this contract without the prior written approval of CSF. Proposed use of subcontractors must be included in the Respondent's reply. Requests for use of subcontractors received subsequent to the RFP process are subject to review and approval by CSF based on the terms described here and in **Section B.13.2** of this RFP.

It is the intent of CSF to maintain the quality standards applicable for all engagement team members as described in **Section B.13.2** of this RFP. The Contractor(s), as the prime service provider, retains sole responsibility for the qualifications of all team members, whether CPA firm employees or subcontractor(s).

B.13.5 Service Times

Services at CSF shall be provided between the hours of 8:00 a.m. and 5:00 p.m. local time (or locally established business hours) Monday through Friday, excluding CSF recognized holidays or office closures.

B.13.6 Records and Retention

In all cases, the Contractor(s) shall maintain accurate and current audit and tax preparation records related to the operations of CSF as agreed upon in the terms of this engagement. The Contractor(s) shall maintain electronic supporting documentation of all testing procedures performed and all resolutions of findings from current and prior years as determined for CSF. This list is not all-inclusive and additional documentation may be required to support the audit findings.

The Contractor(s) shall maintain all audit and tax preparation work papers, at the proposer's expense, for a minimum of five (5) years, in accordance with federal and state guidelines. CSF reserves the right to request at any time, that supporting documentation be submitted (in electronic or hard copy format) or made available for examination by authorized representatives of the cognizant federal or state audit agency, the General Accounting Office (GAO) or by CSF staff, free of charge. All records, documentation and work product of the Contractor(s) shall be the property of CSF upon termination of the contract.

B.13.7 Notification of Instances of Fraud

Items noted by the Contractor(s) indicating operational fraud or criminal activities should be reported to the CSF Finance Director-Controller or appropriate level of management immediately.

B.13.8 Confidentiality and Safeguarding Information

CSF and all selected Contractor(s) may have access to confidential information during the course of performing the services described in this RFP. The Contractor(s) must implement procedures to ensure protection and confidentiality of all data, files and records involved with this contract. The Contractor(s) and all team members must sign and return to CSF a confidentiality statement, which will be provided by CSF upon awarding the services described in this RFP.

B.13.9 Compliance with Laws

The selected Contractor(s) shall comply with all laws, rules, codes, ordinances, licensing and bonding requirements that are applicable to the conduct of its business, including those of Federal, State, and local agencies having jurisdiction and authority. By way of non-exhaustive example, the Contractor(s) shall comply with the Immigration and Nationality Act, the Americans with Disabilities Act, the Clean Air Act, and all prohibitions against discrimination on the basis of race, religion, sex, creed, national origin, handicap, marital status, or veteran's status. Violation of such laws shall be grounds for Contract termination.

B.13.10 Convicted Contractors

A person or affiliate placed on the convicted contractor list pursuant to Section 287.133 of the Florida Statutes following a conviction for a public entity crime is prohibited from submitting a proposal on a contract to provide any goods or services to a public entity for a period of 36 months from the date of being placed on the convicted contractor list.

B.13.11 Discriminatory Contractors

An entity or affiliate placed on the discriminatory contractor list pursuant to section 287.134 of the Florida Statutes may not submit a proposal on a contract to provide any goods or services to a public entity for a period of 36 months from the date of being placed on the discriminatory contractor list.

B.13.12 Disputes

Decisions by CSF regarding the selected contractor(s) are final. Any party potentially adversely affected by the intended decision made by CSF to award a contract or to reject all proposals must submit such dispute in writing, signed by the official who signed the original proposal and must state the specificity of the nature of the dispute and the requested disposition. Questions to the CSF Finance Director-Controller or any other CSF employee shall not constitute such dispute in writing. The President and the Chief Operating and Financial Officer of CSF will determine if the written dispute meets the criterion of specificity. Their determination will be final, and any dispute that does not meet this requirement may be dismissed without further consideration.

Such disputes must be received by the Chief Operating and Financial Officer of CSF, no later than close of business (5:00 PM, Eastern), five (5) working days from the date of issuance of the notice of award. 'Working days'

means Monday through Friday, excluding official CSF holidays. Parties filing a written dispute are required to ensure timely delivery. Facsimiles that have the appropriate signature and meet all other requirements stated herein may be accepted. Any dispute not received in this manner within this specified period will be rejected without further consideration.

Within five (5) working days after the receipt of any such valid dispute, the Chief Operating and Financial Officer of CSF will issue a final decision regarding the dispute notifying the party that filed the dispute and a member of the CSF Executive Committee.

Nothing in this dispute process is intended to imply nor should it be construed to mean such filing of a dispute places any constraint on the ability of CSF to proceed with its disputed procurement action, either in whole or in part.

B.13.13 Contractor's Representation and Authorization

In submitting a proposal, each Contractor understands, represents, and acknowledges the following (If the Contractor cannot so certify to any of the following, the Contractor shall submit with its proposal a written explanation of why it cannot do so).

- To the best of the knowledge of the person signing the proposal, the Contractor, its affiliates, subsidiaries, directors, officers, and employees are not currently under investigation by any governmental authority and have not in the last ten (10) years been convicted or found liable for any act prohibited by law in any jurisdiction, involving conspiracy or collusion with respect to bidding on any public contract.
- To the best of the knowledge of the person signing the proposal, the Contractor has no delinquent obligations to the State, including a claim by the State for liquidated damages under any other contract.
- The proposal is made in good faith and not pursuant to any agreement or discussion with, or inducement from, any firm or person to submit a complementary or other noncompetitive proposal.
- The prices and amounts in the proposal have been arrived at independently and without consultation, communication, or agreement with any other Contractor or potential Contractor; neither the prices nor amounts, actual or approximate, have been disclosed to any Contractor or potential Contractor, and they will not be disclosed before the opening of the proposals.
- The Contractor has fully informed CSF in writing of all convictions of the firm, its affiliates (as defined in section 287.133(1)(a) of the Florida Statutes), and all directors, officers, and employees of the firm and its affiliates for violation of any Federal or State law involving fraud, bribery, collusion, conspiracy or material misrepresentation with respect to a public contract. This includes disclosure of the names of current employees who were convicted of contract crimes while in the employ of another company.
- Neither the Contractor nor any person associated with it in the capacity of owner, partner, director, officer, principal, investigator, project director, manager, auditor, or position involving the administration of Federal funds:
 1. Has within the preceding three (3) years been convicted of or had a civil judgment rendered against them or is presently indicted for or otherwise criminally or civilly charged for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a Federal, State, or local government transaction or public contract; violation of Federal or State antitrust statutes; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property; or

2. Has within the preceding three (3) years of this certification had one (1) or more Federal, State, or local government contracts terminated for cause or default.

- If an award is made to the Contractor, the Contractor agrees that it intends to be legally bound to the Contract that is formed with CSF.
- The Contractor shall indemnify, defend, and hold harmless CSF and its employees against any cost, damage, or expense which may be incurred or be caused by any error in the Contractor's preparation of its proposal.
- All information provided by, and representations made by, the Contractor are material and important and will be relied upon by CSF in awarding the Contract.

B.14 CONTRACT PERIOD

This solicitation will result in a fixed price contract with the original contract period beginning upon execution of the contract. The original term of this contract shall be from the date of the award through the date the audit and returns are completed for the period June 30, 2019, June 30, 2020, and June 30, 2021. All prices shall be firm for the term of this contract.

B.15 CONTRACT RENEWAL

At the discretion of CSF, this initial 3-year contract can be renewed for two additional years. Such renewal(s) shall be made by mutual agreement and shall be contingent on satisfactory performance evaluations as determined by CSF and shall be subject to the availability of funds. Any renewal shall be in writing and shall be subject to the same terms and conditions as set forth in the initial contract. Any modifications to expand or enhance the planned scope of audit and tax preparation services of the contract in future years that may necessitate additional funds beyond the original prices submitted shall be made by mutual agreement. The awardee agrees to this condition by signing its proposal.

B.16 LICENSES, PERMITS AND TAXES

The contractor(s) awarded a contract pursuant to this RFP shall pay for and obtain all licenses, permits, taxes, or other fees required for this engagement. In addition, the Contractor(s) shall comply with all federal, state and local codes, laws, ordinances, regulations and other requirements applicable to the work specified all at no additional cost to CSF.

B.17 LIQUIDATED DAMAGES FOR FAILURE TO COMPLETE ENGAGEMENT ON TIME

Failure to complete the engagement in accordance with instructions described in **Section B.11 – Tasks, Timelines, and Deliverables** herein will result in substantial injury to CSF and damages arising from such failure cannot be calculated with any degree of certainty. Therefore, it is hereby agreed that if the engagement is not completed by contract completion date, the Contractor(s) shall pay to CSF liquidated damages for such delays. Liquidated damages will be due to CSF of \$1,000.00 dollars for each calendar day until completion of the tasks listed in **Section B.11**.

This provision for liquidated damages for delay shall in no manner affect CSF's right to terminate the Contract as provided elsewhere in the Contract Documents. CSF's exercise of the right to terminate shall not release the Contractor(s) from the obligation to pay said liquidated damages.

B.18 DAMAGES WHEN CONTRACT IS TERMINATED

CSF is entitled to completion of the engagement within the time schedules fixed in **Sections B.11** hereof or within such further time, if any, as may be allowed in accordance with the provisions of the RFP. In the event of termination of the Contract prior to completion as provided in **Section B.14** or elsewhere in the RFP, the Contractor(s) shall be liable to CSF for the expenses for additional managerial and administrative services required to complete the engagement.

SECTION C - INSTRUCTIONS TO RESPONDENTS

C.1 REPLY FORMAT

In responding to this RFP, each Respondent should review and account for all the requirements contained within this RFP.

C.1.1 Technical Reply Format

The Respondent's technical reply must be submitted in a sealed envelope, separate from the price reply and clearly marked on the outside with the solicitation number, date and time of the RFP reply opening for which this reply is intended. CareerSource Florida shall not open any envelope, which is not properly marked. Respondents must submit four (4) copies of each technical response.

Submitted documents should use 12-point Times New Roman font and page numbers. Respondents shall also submit one electronic PDF copy of their reply to Jamaal R. Dickens, Contracts Director, at jdickens@careersourceflorida.com simultaneously.

The technical reply will consist of the following and follow the format listed:

Tab 1 – Title Page

The title page must include, at a minimum:

- The title and number of the RFP;
- The Respondent's name (person, organization and firm);
- The name, title, phone number and address of the person who can respond to inquiries regarding the reply; and
- The signature of the Respondent with authorized signatory.
- The date
- The FEID/FEIN of Respondent

Tab 2 – Table of Contents

Include a clear identification of the material included in the proposal by section and page number.

Tab 3 - Executive Overview

Statement of the Identified Need

Responses must include information showing the Respondent's understanding of the needs specified in this RFP and must include a positive commitment to perform the work within the specified time period.

Company Qualifications

- Describe the Respondent's experience in performing financial procedures as specifically represented in this solicitation;

- Respondents should provide detailed evidence that the Respondent's organization has previous experience with engagements of similar scope and range as the engagement specified in this RFP;
- Give the location of the office from which the work is to be done and the number of partners and other professional staff employed at that office;
- Describe the range of services offered by the firm, such as audit, accounting or tax services;
- Describe the computer auditing capability of the firm, including the numbers and classifications of skilled personnel;
- Describe the experience of the firm in performing grant audits under 2 CFR Part 200 and the Florida Single Audit Act;
- Indicate the length of time that the proposer has provided the services described above.

Resumes and Experience

As part of the technical reply, the Respondent must submit resumes on the personnel including partners and managers assigned to this engagement describing their education, training, and work experience as detailed on the attached form, **Attachment 5 - Resume Template**. Upon acceptance by CSF, the selected Respondent may not otherwise substitute personnel for those listed without the prior written approval of the CSF. The Respondent should provide evidence that each person submitted for this project has previous experience with similar tasks on other equivalent engagements. Respondent should identify the specific individuals who would serve on a day-to-day basis as a primary point of contact and be responsible for the work product of the proposer. The individual identified shall be available within 24 hours (or one business day) notice by telephone or email to accomplish the following:

- Attend meetings
- Respond to telephone calls
- Respond to specific inquiries

Disciplinary Actions

The firm should indicate any disciplinary actions that have been instituted or proposed against the firm during the last three (3) years.

State or Federal Review

The firm should describe the results of any State or Federal reviews during the past three years of the firm's governmental client audit work.

Tab 4 – Engagement Planning and Execution

The Respondent must submit a comprehensive description of their engagement work plan(s) as part of their technical reply. The plans may include narratives, work programs, tables, or other illustrative disclosures that demonstrate aptitude for management and completion of this engagement. Minimum disclosures required by CSF are detailed in **Section B - Scope of Work** of this RFP.

Tab 5 - Attachments

Replies to this RFP must include the following documents and certifications:

- **Reference Form (Attachment 2)**. A representative who is authorized to contractually bind the Respondent must complete, sign and attach this form.
- **Disclosure Statement/Conflict of Interest (Attachment 3)**. Completed, signed, and attached by authorized individual for Respondent.

- **List of Subcontractor(s) (Attachment 4).** Attach a list of subcontractor(s) who will perform work on this engagement under your organization's direction and supervision. Form should be completed, signed and attached by authorized individual for Respondent.
- **Resume Template (Attachment 5).** A Resume Template should be completed for each team member that will be assigned to this engagement including those of subcontractor(s).
- **Operating Size and CFDA/CSFA Information (Attachment 6).** This attachment is for informational purposes and is not to be included in the reply to the RFP.
- **Price Reply (Attachment 7).** A representative who is authorized to contractually bind the Respondent must complete, sign and submit this form as instructed in Section C.1.2., Price Reply.
- **Drug Free Workplace (Attachment 8).** A representative who is authorized to contractually bind the Respondent must complete, sign and attach this form.
- **Debarment/Suspension Certification (Attachment 9).** A representative who is authorized to contractually bind the Respondent must complete, sign and attach this form.
- **Lobbying Certification (Attachment 10).** A representative who is authorized to contractually bind the Respondent must complete, sign and attach this form.
- **Peer Review (Attachment 11, if applicable).** The firm should indicate its approach to peer review and provide a report of the most recent peer review. Indicate whether that peer review included a review of local government client activities. See Attachment 11 for information that must be included in the peer review report.
- **CMBE Certification (Attachment 12, if applicable).** Attach a copy of your Certified Minority Business Enterprise (CMBE) Certification, if certified with the Department of Management Services. Whenever possible, CSF shall make positive efforts to utilize small businesses, minority-owned firms, and women's business enterprises, in procuring audit services as stated in 2 CFR 200, Section 200.321 – Contracting with Small and Minority Businesses, Women's Business Enterprises, and labor surplus area firms, or the FAR (48 CFR part 42), as applicable.
- **Client Assistance Listing (Attachment 13).** This attachment is for informational purposes and is not to be included in the reply to the RFP.

C.1.2 Price Reply Submittal

As part of the reply submission, the Respondent must submit a price reply using **Attachment 7 – Price Reply Form. Separate price proposals for performing audit services and tax preparation services are required.** Price replies must include the total price for all procedures planned for CSF. In addition, the price replies must include the total price for services in stated fiscal years 2018-19, 2019-20, and 2020-21 separately. The total price submitted for each fiscal year must be all-inclusive and shall include all travel, report production and other miscellaneous expenses, as applicable.

Respondents shall submit an original and one (1) copy of **Attachment 7 – Price Reply**, in a sealed envelope separate from the Technical Reply. The face of the price reply envelope shall clearly state CSF's address, the RFP number and title, and date and time that replies are due to the CSF. The sealed envelope must be clearly marked to indicate that it is the Price Reply and not the Technical Reply. (If a courier service is used, the Price Reply must be in a sealed marked envelope inside the shipping envelope.) It is suggested that the Price Reply be hand delivered or sent "Certified Mail," to ensure receipt by the date and time indicated. Each Respondent is responsible for ensuring that their Price Reply is delivered at the proper time and to the proper place. **Failure to complete any or all blanks on the Price Reply sheet may result in rejection of the Respondent's reply.**

C.1.3 Additional Data

Since data not specifically requested must not be included in the foregoing proposal sections, provide any additional information you consider to be helpful in the selection process in this section. If there is no additional information to present, state in this section, "There is no additional information that we wish to present."

C.1.4 Reply Submission

Respondents shall submit all data in the formats specified in this RFP. The forms furnished must be used when submitting the reply. Forms are to be filled out in pen and ink or typewritten with alterations, changes or amendments initialed. All forms must be signed and dated.

REPLIES MUST BE RECEIVED ON OR BEFORE THE DATE reflected on the timeline in the Schedule of Events of this RFP. It is the Respondent's responsibility to assure their reply submittal is delivered at the proper place and time as required in this RFP. **The official date and time of receipt is the date and time the reply is stamped by CareerSource Florida.** Late replies will not be accepted. **Respondents should not include marketing materials in their RFP submission.** Respondent's replies must state that their reply constitutes an offer that remains valid for at least 120 days after receipt of the reply. Replies can be sent via U.S. Mail, Courier, or Hand Delivered to the location and individual indicated below:

CareerSource Florida
ATTN: Jamaal R. Dickens, Contracts Director
2308 Killlearn Center Blvd, Bldg. B
Tallahassee, Florida 32309

C.1.5 Inquiries

The contact person listed below by the date indicated in the Schedule of Events must receive questions related to this RFP in writing. The questions may be sent via e-mail to the point of contact listed below. **No telephone calls will be accepted.** Inquiries submitted after the period specified in **A.4 - Schedule of Events** will not be addressed. All attempts will be made to post questions received by the due date and the corresponding answers on the CSF website prior to the proposal due date. No verbal or written information that is obtained other than by information in this document or by addendum to this RFP will be binding on CSF. All addenda will be posted on the CSF website.

NOTE – Submit questions in writing to:
Info@careersourceflorida.com

C.1.6 Prior Year Reports

Copies of audit reports and tax returns for CSF's fiscal years ending June 30, 2017 and June 30, 2018 will be made available upon request.

SECTION D – EVALUATION AND SELECTION

D.1 PROCESS

The RFP process is in three (3) sequential phases: first, the Reply Preparation Phase, second, the Evaluation Phase, and third, the Selection Phase.

- (1) **In the Reply Preparation Phase**, the respondents will prepare and submit replies based on the requirements identified previously in **Section C** of this RFP and any addenda to the RFP.
- (2) **In the Evaluation Phase**, CSF will receive, open, and evaluate the replies according to the criteria described in **Section D.5 - Evaluation**.
- (3) **In the Selection Phase**, the ranking of the respondents' replies will be based on the best interests of CSF and the state, as described in **Section D.6** of this RFP. Replies determined to provide the best value to the state will be awarded the contract for tasks identified in **Section B.11 – Tasks, Timelines, and Deliverables** of the RFP.

D.2 PUBLIC RECORDS

- (1) All materials submitted in response to this RFP become the property of CSF and the State of Florida, and will be a public record and open for inspection by any person in accordance with the provisions of Chapter 119, F.S. The State of Florida shall have the right to use such ideas or adaptations of those ideas contained in any proposal without cost or charge. Selection or rejection of a proposal will not affect this right.

D.3 COST OF PREPARATION OF CONTRACTOR REPLY

CSF is not liable for any costs incurred by a contractor in responding to this RFP.

D.4 DUTY OF CONTINUING DISCLOSURES OF LEGAL PROCEEDINGS

- (1) Commencing after the effective date of any contract resulting from this RFP, the contractor must disclose any pending or prior civil or criminal litigation, investigations, arbitration or proceedings ("Proceeding") involving the contractor (and each subcontractor) in a written statement to CSF's Finance Director-Controller within fifteen (15) calendar days of occurrence.
- (2) This duty of disclosure applies to the contractor's officers and directors when the proceeding relates to the office or directors' business or financial activities. This duty must extend to all proceedings disclosed in the contractor's reply to this RFP as well. Details of settlements that are prevented from disclosure by the terms of the settlement may be annotated as such.
- (3) The successful contractor shall promptly notify CSF of any civil or criminal litigation, investigation, arbitration, or administrative proceeding relating to or affecting the contractor's business. If the existence of such proceeding, during the term of this contract for services causes the state concern or the contractor's ability or willingness to perform the contract is jeopardized, the contractor shall be required to provide CSF all reasonable assurances requested by CSF to demonstrate that:
 - a. The contractor will be able to perform the contract resulting from this RFP in accordance with its terms and conditions, and
 - b. The contractor and/or its subcontractor(s) has not and will not engage in conduct in performing services for CSF which is similar in nature to the conduct alleged in such Proceeding.

D.5 EVALUATION

D.5.1 Evaluation Team

An Evaluation Team may convene, review and discuss all proposals submitted. The Evaluation Team also:

- Assigns points in the evaluation and recommendation process in accordance with the evaluation criteria listed in **Section D.5.2 - Evaluation Criteria**;
- Reserves the right to interview any or all proposers;
- Reserves the right to further negotiate terms and conditions, including price with the highest ranked proposer. If the Evaluation Team cannot reach a mutually beneficial agreement with the first selected proposer, the Team reserves the right to enter into negotiations with the next highest ranked proposer and continue this process until agreement is reached.
- Will recommend to CSF the award or rejection of any and/or proposals(s).

D.5.2 Evaluation Criteria

The Evaluation Team shall rank all proposals received that meet the submittal requirements. The Award shall be made to the responsible proposer whose proposal is determined to be the most advantageous to the company. The following criteria shall be used in the evaluation, in no particular order:

- Responsiveness, organization and clarity of proposal (15 pts)
- Not-for-profit and grant experience of the firm and the proposing office (15 pts)
- Qualifications and experience of the proposed key engagement team members (20 pts)
- Agreement to meet the company's general terms and conditions (20 pts)
- Technical aspects of the audit approach (10 pts)
- Fees (15 pts)
- Geographic location of the proposer (5 pts)

D.5.3 Evaluation Rights of CSF

CSF reserves the right to accept or reject any or all proposals and reserves the right to:

- Waive any irregularities and technicalities and may, at its sole discretion, request a clarification or other information to evaluate any or all proposals;
- Require proposer(s), before awarding the contract, to submit evidence of qualifications or any other information the company may deem necessary;
- Cancel the RFP or portions thereof, without penalty;
- Accept the proposals of any or all of the items it deems, at its sole discretion, to be in the best interest of the company;
- Reject any and/or all items proposed;
- Rank the proposal with the highest number of points first; however, nothing herein will prevent the company from making multiple awards and to deem all proposals responsive and to assign work to any firm deemed responsive.

D.6 SELECTION

The proposals will be evaluated and awarded to the Respondent(s) whose proposal submittals have been determined to meet the minimum requirements of this RFP and provide the best value to CSF and the State of Florida. "Best value," as defined in Section 287.012(4), F.S., means the highest overall value to the state based on factors that include, but are not limited to, price, quality, design and workmanship. CSF reserves the right to award any or all parts of the solicitation to a single or to multiple Contractors.

D.6.1 Identical Tie Responses

In accordance with Section 287.087, if two or more responses, which are equal with respect to price, quality and service, are received for the procurement of commodities or contractual services a response received from a business that certifies that it has implemented a drug-free workplace program shall be given preference in the award process. Contractor(s) must complete the Drug Free Workplace form provided (Attachment 8) and return it with their response. In the event that all tied respondents submitted the Drug Free Workplace Certification, award shall be determined by using 60A-1.011 F.A.C. Identical Evaluations of Responses.

D.7 TRADE SECRETS

Any bid content submitted to CSF which is asserted to be exempt under Chapter 119, Florida Statutes, shall be set forth on a page or pages separate from the rest of the bid, and clearly marked "exempt," "confidential," or "trade secret" (as applicable), with the statutory basis for such claim of exemption, confidentiality, or trade secret specifically identified in writing on each and every such page. Failure to segregate and so identify any such content shall constitute a waiver of any claimed exemption, confidentiality, or trade secret as applied to the portion of the bid or other document in which the content is set forth.

Any claim of confidentiality is waived upon submission, unless addressed as set forth above. The State of Florida shall have the right to use such ideas or adaptations of those ideas contained in any reply without cost or charge. Selection or rejection of the bid will not affect this right. CSF will attempt to afford protection from disclosure of any trade secret as defined in Section 812.081(1)(c), Florida Statutes, where identified as such in the reply, to the extent permitted under Section 815.045, Florida Statutes and Chapter 119, Florida Statutes. Any prospective bidder acknowledges that the protection afforded by Section 815.045, Florida Statutes, is incomplete, and it is hereby agreed by the bidder that no remedy for damages may arise from any disclosure by CSF.

D.8 CONFIDENTIAL, PROPRIETARY OR TRADE SECRET MATERIAL

CSF takes its public records responsibilities as provided under Chapter 119, Florida Statutes and Article I, Section 24 of the Florida Constitution, very seriously. If respondent considers any portion of the documents, data or record submitted in response to this solicitation to be confidential, trade secret or otherwise not subject to disclosure pursuant to Chapter 119, Florida Statutes, the Florida Constitution or other authority, respondent must also simultaneously provide CSF with a separate Highlighted Copy of its response. This Highlighted Copy shall contain CSF's solicitation name, number, and the name of the respondent on the cover, and shall be clearly titled "Highlighted Copy." The Highlighted Copy shall highlight any material considered to be confidential, proprietary or trade secret by the respondent. The Highlighted Copy shall be provided to CSF at the same time respondent submits its response to the solicitation and must only exclude or obliterate those exact portions, which are claimed confidential, proprietary, or trade secret.

Respondent shall protect, defend, and indemnify CSF for defending any and all claims made against CSF regarding portions of its Highlighted Copy being confidential, proprietary, trade secret or otherwise not subject to disclosure.

Notwithstanding compliance with the first paragraph of **Section D.7**, if respondent fails to submit a Highlighted Copy with its response, CSF may produce the entire document(s), data or records submitted by respondent in answer to a public records request.

D.9 AGREEMENT

After notification to the successful proposer of the award for services, the successful proposer shall complete an engagement letter(s) setting forth the terms and conditions of the services to be provided which shall be agreed upon by both the proposer and the company.

D.10 CSF CONTINGENCY DISCLOSURE

CSF is a not-for-profit corporation as defined by Chapter 445.004, Florida Statutes. CSF currently follows GASB Statements/Pronouncements for its financial reporting and accounting and has done so since its formation in 2000. CSF complies with accounting principles generally accepted in the United States of America (GAAP). CSF is accounted for as a proprietary type enterprise fund. Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed to the extent that those standards do not conflict with or contradict guidance of GASB.

If CSF were to change its reporting format, it would not expect the scope of its audit to significantly change from what is currently done, nor would it expect to change any of its accounting practices or policies. The proposer(s) on this RFP would be expected to perform all services outlined herein regardless of what CSF's reporting format is.

D.11 LEGAL REQUIREMENTS

- (1) It shall be the responsibility of the Contractor(s) to be knowledgeable of all federal, state, county and local laws, ordinances, rules and regulations that in any manner affect the items covered herein which may apply. Lack of knowledge by the proposer(s) will in no way be a cause for relief from responsibility.
- (2) Proposer(s) doing business with the company are prohibited from discriminating against any employee, applicant, or client because of race, creed, color, national origin, sex or age with regard to but not limited to the following: employment practices, rates of pay or other compensation methods, and training selection.

D.12 SUMMARY OF PROPOSAL TABULATION

The Summary of Proposal Tabulation with recommended award will be available for review by interested parties per email request.

ATTACHMENT 1

DEFINITIONS

AICPA: American Institute of Certified Public Accountants.

Business Days: Monday through Friday, excluding official CSF holidays

Contract Manager/Project Manager: An employee responsible for enforcing the performance of contract terms and conditions, responsible for administrative tasks related to the CSF's primary point of contact through which all contracting information flows between CSF and the successful Contractor, responsible for coordination of all contractor efforts to ensure scoped goods and/or services are provided in accordance with contract terms and conditions, responsible for approval/disapproval recommendations to CSF management for extending deliverable due dates. At CSF, the Finance Director-Controller is the contract manager for this resulting contract.

Contractor(s): The entities that will be awarded the project described in this RFP. Such entities will be CPA firms licensed to operate in the state of Florida.

GAAP: Generally Accepted Accounting Principles

LWDB: CareerSource Florida (CSF) charters 24 Local Workforce Development Boards and is responsible for the planning, management and delivery of local workforce services throughout the state.

Subrecipient: A non-state entity that receives federal/state financial assistance directly from CSF to provide goods and/or services that demonstrate the contract relationship characteristics described in OMB Circular A-133 Subpart B, Section .210.

CSF: CareerSource Florida, Inc. d/b/a Career Source Florida is a not-for-profit 501(c)(3) corporation established under Florida Statutes as the principle workforce policy organization in the State. CSF consists of a 45-member Board responsible for the state's workforce policy, programs and services.

WIOA: The Workforce Innovation and Opportunity Act is legislation designed to strengthen and improve the United States' public workforce system and help get Americans, including youth and those with significant barriers to employment, into high-quality jobs and careers and help employers hire and retain skilled workers. WIOA replaced the previous Workforce Investment Act of 1998.

Working Days: see Business Days

ATTACHMENT 2

REFERENCE FORM

Respondent's Name: _____

Respondent(s) are required to submit with their response six (6) references: three (3) former clients and three (3) current clients, with which they have provided similar services as requested in this solicitation. Respondent(s) shall use this attachment to provide the required reference information. CSF reserves the right to contact all references in the course of this solicitation and make a responsibility determination, not subject to review or challenge. Please provide at least 2 Contact Names for each client reference provided.

FORMER CLIENTS - Provide Three (3)	
Company Name:	
Address:	
Contact Name:	
Alternate Contact Name:	
Phone:	
Email:	
Description of Work:	
Service Dates:	

Company Name:	
Address:	
Contact Name:	
Alternate Contact Name:	
Phone:	
Email:	
Description of Work:	
Service Dates:	

Company Name:	
Address:	
Contact Name:	
Alternate Contact Name:	
Phone:	
Email:	
Description of Work:	
Service Dates:	

ATTACHMENT 2

REFERENCE FORM (Continued)

CURRENT CLIENTS - Provide Three (3)	
Company Name:	
Address:	
Contact Name:	
Alternate Contact Name:	
Phone:	
Email:	
Description of Work:	
Service Dates:	

Company Name:	
Address:	
Contact Name:	
Alternate Contact Name:	
Phone:	
Email:	
Description of Work:	
Service Dates:	

Company Name:	
Address:	
Contact Name:	
Alternate Contact Name:	
Phone:	
Email:	
Description of Work:	
Service Dates:	

Authorized Signature: _____

Title: _____

ATTACHMENT 3

DISCLOSURE STATEMENT

CONFLICT OF INTEREST DISCLOSURE

The award hereunder is subject to the provisions of Chapter 112, Florida Statutes. Respondents must disclose with their bids whether any officer, director, employee or agent is also an officer or an employee of CSF, the State of Florida, or any of its Agencies. All firms must disclose the name of any state officer or employee who owns, directly or indirectly, an interest of five percent (5%) or more in the Respondent's firm or any of its branches or affiliates. All respondents must also disclose the name of any employee, agent, lobbyist, previous employee of CSF, or other person, who has received or will receive compensation of any kind, or who has registered or is required to register under Section 112.3215, Florida Statutes, in seeking to influence the actions of CSF in connection with this procurement.

The following persons are officers, director, employee, etc., have a 5% interest in the Contractor's firm:

_____	_____
_____	_____

The following persons are a state officer or employee who owns 5% or more in the Contractor's firm:

_____	_____
_____	_____

The following persons have sought to influence CSF in this procurement on behalf of the Contractor.

_____	_____
_____	_____

The Contractor has no interest to disclose and has had no person seeking to influence CSF in connection with this procurement.

***Authorized Signature (Manual)**

***Authorized Signature (Typed), Title**

***This individual must have the authority to bind the respondent.**

ATTACHMENT 4

LIST OF SUBCONTRACTORS

Each Respondent shall submit with their response a list of the subcontractors who will perform work under the contract(s), as a result of this RFP. The Respondent shall have determined to their own complete satisfaction that a listed subcontractor has been successfully engaged in providing qualified certified public accounting services with specific proven experience in the area of internal controls. The successful Respondent and their subcontractor must utilize professional judgment and expertise to conduct services.

In the event that no subcontractor will be used, this form shall be returned indicating, “No Subcontractors will be used.”

NO SUBCONTRACTORS WILL BE USED: _____
Signature and Date of Authorized Representative

Subcontractor Name:	
Business Type:	
Address:	
City and Zip	
Phone #	
Licenses #	

Subcontractor Name:	
Business Type:	
Address:	
City and Zip	
Phone:	
License #	

Subcontractor Name:	
Business Type:	
Address:	
City and Zip	
Phone #	
Licenses #	

Subcontractor Name:	
Business Type:	
Address:	
City and Zip	
Phone:	
License #	

Signature

Date

Name of Authorized Individual

Name of Company/Organization

Address of Company/Organization

ATTACHMENT 5

RESUME TEMPLATE

Each Respondent should use their own resume template for all team members proposed for this project. For all resumes submitted for this project, the following disclosures must be provided for all proposed team members:

- For all team members indicate if individual is a CPA firm employee, a contracted individual or a subcontractor.
- For all team members describe (1) education, (2) professional certifications, (3) professional and business affiliations, (4) previous work experience (in general) and (5) years of specifically-related work experience.
- For all team members provide the number/type of CPE hours earned since July 1, 2017 and a statement that CPE does or does not currently confirm to Yellow Book CPE requirements.
- For all team members indicate the type of project duties they will perform using one of these six categories:
 1. Planning
 2. Directing (Team Leader)
 3. Performing Fieldwork
 4. Report Preparation
 5. Administrative Support
 6. File Review/Partner/Management Approval
- For team members that are CPA firm employees, provide a current position title and description of duties.
- For team members that are contracted individuals or subcontractors, provide a list of current employers and clients.
- For team members that are contracted individuals or subcontractors, describe any current relationships (professional or personal) with the CPA firm or its employees.

ATTACHMENT 6

OPERATING SIZE AND CFDA/CSFA INFORMATION

CAREERSOURCE FLORIDA, INC. d/b/a CAREERSOURCE FLORIDA

2017-18 EXPENDITURES

CareerSource Florida, Inc.	14,902,112
TOTAL CSF 17-18 EXPENDITURES	\$ 14,902,112

**CFDA INFORMATION
PROGRAM TITLE**

CFDA NUMBER

State Administrative Matching Grants for Supplemental Nutrition Assistance Program	10.561
Employment Service / Wagner-Peyser	17.207
Workforce Innovation Opportunity Act Adult Program	17.258
Workforce Innovation Opportunity Act Youth Activities	17.259
Workforce Innovation Opportunity Act Dislocated Workers	17.278
Temporary Assistance for Needy Families (TANF)	93.558

**CSFA INFORMATION
PROGRAM TITLE**

CSFA NUMBER

Florida Dept. of Economic Opportunity / Quick Response Training (QRT)	40.026
---	--------

ATTACHMENT 7

PRICE REPLY FORM

AUDIT AND TAX RETURN PREPARATION SERVICES

Respondent may bid on one or both services.

Annual Audit:

Fiscal Year Ending	Price
June 30, 2019	
June 30, 2020	
June 30, 2021	

Annual Tax Preparation:

Fiscal Year Ending	Price
June 30, 2019	
June 30, 2020	
June 30, 2021	

Hourly rates used to provide the above prices:

Professional Level	1st Year Hourly Rate	2nd Year Hourly Rate	3rd Year Hourly Rate
Partner/Principal			
Senior Manager			
Manager			
In-Charge/Senior			
Staff			
Administrative			

**ATTACHMENT 8
DRUG FREE WORKPLACE CERTIFICATION**

Preference shall be given to businesses with drug-free workplace programs. Whenever two or more responses, which are equal with respect to price, quality, and service, are received by the State or by any political subdivision for the procurement of commodities or contractual services, a response received from a business that certifies that it has implemented a drug-free workplace program shall be given preference in the award process. Established procedures for processing tie responses will be followed if none of the tied respondents has a drug-free workplace program. In order to have a drug-free workplace program, a business shall:

- 1) Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the workplace and specifying the actions that will be taken against employees for violations of such prohibition.
- 2) Inform employees about the dangers of drug abuse in the workplace, the business's policy of maintaining a drug-free workplace, available drug counseling, rehabilitation, and employee assistance programs, and the penalties that may be imposed upon employees from drug abuse violations.
- 3) Give each employee engaged in providing the commodities or contractual services that are under this solicitation a copy of the statement specified in subsection (1) above.
- 4) In the statement specified in subsection (1), notify the employees that, as a condition of working on the commodities or contractual services that are under this solicitation, the employee will abide by the terms of the statement and will notify the employee of any conviction of, or plea of guilty or nolo contendere to, any violation of Chapter 893, Florida Statutes, or of any controlled substance law of the United States or any state, for a violation occurring in the work place no later than five (5) days after such conviction.
- 5) Impose a sanction, on, or require the satisfactory participation in a drug abuse assistance or rehabilitation program if such is available in the employee's community, by any employee who is so convicted.
- 6) Make a good faith effort to continue to maintain a drug-free workplace through implementation of this section.

As the person authorized to sign the statement, I certify that this firm complies fully with the above requirements.

***Authorized Signature (Manual)**

***Authorized Signature (Typed), Title**

***This individual must have the authority to bind the respondent.**

**ATTACHMENT 9
CERTIFICATION REGARDING
DEBARMENT, SUSPENSION, INELIGIBILITY AND VOLUNTARY EXCLUSION
CONTRACTS/SUBCONTRACTS**

This certification is required by the regulations implemented in 2 CFR 200, Appendix II(I.) and 2 CFR 215.13 – Debarment and Suspension (implementing Executive Orders 12549 and 12689, Debarment and Suspension).

INSTRUCTIONS

1. Each provider whose contract/subcontract equals or exceeds \$25,000 in federal monies must sign this certification prior to execution of each contract/subcontract. Additionally, providers who audit federal programs must also sign, regardless of the contract amount. CareerSource Florida cannot contract with these types of providers if they are debarred or suspended by the federal government.
2. This certification is a material representation of fact upon which reliance is placed when this contract/subcontract is entered into. If it is later determined that the signer knowingly rendered an erroneous certification, the Federal Government may pursue available remedies, including suspension and/or debarment.
3. The provider shall provide immediate written notice to the CSF Finance Director/Controller at any time the provider learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
4. The terms "debarred," "suspended," "ineligible," "person," "principal," and "voluntarily excluded," as used in this certification, have the meanings set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact CSF Finance Director/Controller for assistance in obtaining a copy of those regulations.
5. The provider agrees by submitting this certification that, it shall not knowingly enter into any subcontract with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this contract/subcontract unless authorized by the Federal Government.
6. The provider further agrees by submitting this certification that it will require each subcontractor of this contract/subcontract, whose payment will equal or exceed \$25,000 in federal monies, to submit a signed copy of this certification.
7. CareerSource Florida may rely upon a certification of a provider that it is not debarred, suspended, ineligible, or voluntarily excluded from contracting/subcontracting unless it knows that the certification is erroneous.
8. This signed certification must be kept in the CSF Finance Director/Controller's contract file. Subcontractor's certifications must be kept at the contractor's business location.

CERTIFICATION

- (1) The prospective provider certifies, by signing this certification, that neither he nor his principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this contract/subcontract by any federal department, the State or any other governmental agency.
- (2) Where the prospective provider is unable to certify to any of the statements in this certification, such prospective provider shall attach an explanation to this certification.

***Authorized Signature (Manual)**

***Authorized Signature (Typed), Title**

***This individual must have the authority to bind the respondent.**

ATTACHMENT 10

**CERTIFICATION REGARDING LOBBYING
CERTIFICATION FOR CONTRACTS, GRANTS,
LOANS AND COOPERATIVE AGREEMENTS**

The undersigned certifies, to the best of his or her knowledge and belief, that:

No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of congress, or an employee of a member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

The undersigned shall require that language of this certification be included in the award documents for all subcontracts at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by 31 U.S.C. 1352 section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

***Authorized Signature (Manual)**

***Authorized Signature (Typed), Title**

***This individual must have the authority to bind the respondent.**

ATTACHMENT 11

PEER REVIEW TEMPLATE

Each Respondent should use their own peer review template for submission with their reply to this RFP. For all peer review reports submitted for this project, the following disclosures must be provided:

- The firm should indicate its approach to peer review
- The firm should provide a report of the most recent peer review.
- The firm should indicate whether the most recent peer review included a review of local government client activities.

ATTACHMENT 12

CMBE CERTIFICATION

Attach a copy of your Certified Minority Business Enterprise (CMBE) Certification, if certified with the Florida Department of Management Services.

Whenever possible, CSF shall make positive efforts to utilize small businesses, minority-owned firms, and women's business enterprises, in procuring audit services as stated in 2 CFR 200, Section 200.321 – Contracting with Small and Minority Businesses, Women's Business Enterprises, and labor surplus area firms, or the FAR (48 CFR part 42), as applicable.

ATTACHMENT 13

CareerSource Florida, Inc.
FYE: June 30, 2018 (CY 2017)
990 Return Client Assistance Request List

All items to be provided by CareerSource Florida, Inc.

Information Request -Form 990 – FYE 6/30/18

1. Number of voting members of governing body during the fiscal year ending 6/30/18.
2. Number of independent voting members of governing body during the fiscal year ending 6/30/18.
3. Need listing of Board of Directors during the year ending 6/30/18, and the average hours worked per week for each.
4. Number of individuals employed during calendar year 2017 as reported on your W-3.
5. Number reported in Box 3 of Form 1096 for calendar year 2017
6. Number of volunteers during the fiscal year ending 6/30/18.
7. Please review the questions in Part IV, Part V, and Part VI of the prior return and let us know if there are any changes in your response for this year. (you could simply print those pages and mark through the responses as necessary).
8. Need 2017 calendar year compensation information for corporate Officers broken out between regular compensation and benefits as noted below. In addition, for any individuals with compensation that exceeds \$100,000 (per W-2, box 5) in the calendar year 2017, need compensation broken out as noted below:
 - a. Base Salary
 - b. Bonuses
 - c. Other taxable compensation – (vacation/sick payouts, car allowance, excess insurance, taxable stipends)
 - d. Retirement and other deferred compensation (employer contribution only)
 - e. Nontaxable Benefits – employer portion only (examples include: health insurance, life insurance, dental, LTD, and any other nontaxable benefits)
 - f. Note a. plus b. plus c. above should generally agree to Form W-2, box 5 for each employee.
9. Please review the number of average hours per week for each officer or highly compensated employee as reported on last year's return and confirm these amounts for this year. Also, need average hours per week for any new employees that made the list in the current year.
10. For Schedule I Grants and Other Assistance to Organizations, need details of Grants and other Assistance provided for each recipient that received over \$5,000 from WFI during the fiscal year. We will need the Name, Address, EIN#, IRC Section if they are a tax-exempt organization, amount of assistance, and the purpose.

11. Please provide the total number of individual grant recipients and the total of grants awards.
12. Need the name, address, description of services performed, and amount paid for the five highest independent contractors paid more than \$100,000 in the calendar year 2017. (excluding health insurance)
13. Need the total number of contractors paid over \$100,000 for services in the calendar year 2017.
14. Any changes in your mission statement or primary purpose since prior year?
15. Please review the descriptions on Schedule O of the prior year return and let us know if you would like to make any changes.
16. The Governor appoints the Board of Directors of CareerSource. Please provide a listing of organizations that the Governor also appoints the majority of the Board of Directors where there may be common Board members between the two organizations. These organizations will need to be evaluated for possible reporting on Schedule R of Form 990 as Brother/Sister organizations. If there are financial transactions between the two organizations, we would need the amounts paid or received by CareerSource. If this is not considered practical, we could possibly disclose something in Schedule O describing the fact that an exhaustive search was not performed for potential related entities appointed by the Governor. However, any entities that CareerSource has financial transactions with, have been disclosed in Schedule L.
17. Are there any new revenue sources that you think may be considered unrelated to your exempt purpose? If so, please provide the amount of revenues and expenses and a description of the activity.
18. List of Contributors who provided more than \$5,000 in contributions for fiscal year 6-30-18. Please provide name, address, and contribution amount.

ATTACHMENT 13 (continued)

CareerSource Florida, Inc.

FYE: June 30, 2018

Audit Client Assistance Request List

All items to be provided by third-party accounting processor or third-party HR processor unless otherwise noted beside the item.

Cash and Investments

1. Copy of each June 30, 2018 bank reconciliation, including list of outstanding checks and any outstanding deposits, etc. and include the July statement.
2. Schedule of Interest Income for the fiscal year by source.
3. Provide schedule of Restricted Cash as of 6/30/18.

Accounts Payable

4. Detail schedule of open payables balance as of 6/30/18 (preferably in Excel).
5. Check register for all checks written subsequent to 6/30/18 through the first day of fieldwork (preferably in Excel).
6. For checks written subsequent to 6/30/18 pull supporting documentation (invoices) for all checks written > \$15,000.
7. Provide a listing of all AP items open as of the start of field work that have not yet been entered into the A/P system. **CSF**

Payroll & Related

8. Reconciliation of salaries between ADP reports and salaries expense per GL.
9. Monthly PAYCOR Reports for the period of 7/1/17-6/30/18.
10. Schedule of Accrued wages as of 6/30/18. Includes hours accrued, rate of pay, total salary accrued, FICA accrued, retirements accrued, etc.
11. Schedule of Vacation and Sick Leave Accruals as of 6/30/18.
12. Listing of employees hired and terminated during the fiscal year with dates.
13. Schedule of 401K Contributions including employee and employer contributions for the fiscal year, and the 6/30/18 accrual.
14. Schedule of Pension Plan Forfeitures for the year.

Accounts Receivable, Deferred Revenue, and Revenue

15. Detailed schedule of aged accounts receivable.
16. Reconciliation of the State Grant Confirmation to revenues per g/l and SEFA. **CSF**
17. Provide calculation of amount Due To/From the State as of 6/30/18.
18. Roll-forward schedule of Deferred Revenue.

Grants

19. Schedule of expenditures of Federal and State awards. **Audit firm**
20. Provide copies of any executed grant contract extensions or new contracts for FY 2018. **CSF**

21. Provide indirect cost allocation methodology for each grant, if any. **CSF**
22. Provide summary and detail separated by program for account 50200 Program Cost.

Fixed Assets

23. Schedule of Fixed Asset activity rolled forward from 7/1/17 to 6/30/18, including depreciation.
24. Detailed schedule of purchases (additions), if any.
25. Detailed schedule of current year disposals, if any.
26. Depreciation Expense Report as of 06/30/18.
27. Provide documentation or other evidence of physical inventory performed on fixed assets. **CSF**

Debt and Other Liabilities, Operating Leases

28. Schedule of minimum lease payments on operating leases, including equipment and building leases. Provide any new lease agreements available. **CSF**
29. Please provide printout of GL activity by contractor for Rent and Equipment Rental accounts.
30. Copies of new or terminated Lines and Letters of Credit. **CSF**

Miscellaneous Items

31. Final working trial balance reports for 6/30/18 exported to excel. (Please email this as soon as it's complete so we can import the data into our software system)
32. Provide G/L detail for the period 7/1/17-6/30/18 exported to excel.
33. Provide g/l detail for the period 7/1/17 thru the first day of field work. Also, please provide any financial statements issued subsequent to the end of the fiscal year.
34. Provide a copy of the original and final budget for 6/30/18 and any budget amendments approved during the year.
35. Minutes of the Board meetings from 7/1/17 thru the first day of field work. We will also need to review minutes or agendas for meetings thru the date of our auditor's report. **CSF, on website**
36. Minutes of the Executive Committee meetings from 7/1/17 thru the first day of field work. We will also need to review minutes or agendas for meetings thru the date of our auditor's report. **CSF, on website**
37. Summary schedule of transactions with related parties including dollar amounts, if any.
38. Copies of any DEO monitoring reports and correspondence from 7/1/17 thru the date of our auditor's report. **CSF**
39. Provide a schedule of prepaid expenses, indicating amount, purpose, and period covered.
40. Provide year-end reconciliation of significant balance sheet accounts (balance >\$20k) not previously requested above.
41. Please provide a report of all Journal Entries posted to the FYE 6/18 and through first day of fieldwork.
42. Provide an explanation of significant expense variances (over 15%) compared with the prior year.
43. Update internal control narratives for any changes from prior years. **CSF**
44. Provide changes to purchasing policies and accounting policy manual. **CSF**
45. Provide copy of the most recent organizational chart. **CSF**
46. List of the members of the Board and Finance Committee during the fiscal year 7/1/17-6/30/18. **CSF, on website**
47. Listing of top 10 contractors and approximate amount of annual purchases for each contractor.

This listing is not intended to be all-inclusive but will definitely help the audit progress efficiently.

Request for Proposals

2018-2019 Audit Tax Services

FINAL SCORES



Company Name	Price Reply TOTAL	Technical Response TOTAL	TOTAL SCORE
Respondent #1 Carr Riggs & Ingram	15.00	75.00	90.00
Respondent #2 Law, Redd, Crona & Munroe	13.80	75.33	89.14
Respondent #3 Thomas Howell Ferguson	12.70	73.00	85.70
Respondent #4 Cherry Bekaert	12.14	73.33	85.47

RFP Issue Date	1/4/2019
Proposals Due	1/29/2019
Tabulation Date	1/29/2019

Florida Economic Development Program Evaluations – Year 6

Report No. 18-07

Date: December 2018



OPPAGA

Office of Program Policy Analysis and Government Accountability

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Executive Summary

SCOPE

Section 288.0001, *Florida Statutes*, requires the Office of Program Policy Analysis and Government Accountability (OPPAGA) and the Office of Economic and Demographic Research (EDR) to provide a detailed analysis of state economic development programs according to a recurring schedule established in law.¹ The analysis is due to the Legislature by January 1 of each year.

OPPAGA must evaluate each program over the previous three years for effectiveness and value to the state's taxpayers and include recommendations for consideration by the Legislature. The analysis may include relevant economic development reports or analyses prepared by the Department of Economic Opportunity (DEO), Enterprise Florida, Inc. (EFI), or local or regional economic development organizations; interviews with parties involved; or any other relevant data.

The following programs were scheduled for review by January 1, 2019.

1. Qualified Defense Contractor and Space Flight Business Tax Refund Program established under s. 288.1045, *Florida Statutes*, and tax exemption for semiconductor, defense, or space technology sales established under s. 212.08(5)(j) *Florida Statutes*
2. Florida Defense Alliance established under s. 288.980, *Florida Statutes*; Florida Defense Support Task Force and the related grant program established under s. 288.987, *Florida Statutes*; and the Military Base Protection Program and related grant programs established under s. 288.980, *Florida Statutes*
3. Veterans grant and entrepreneur initiative programs established under s. 295.22(3)(d) and (e), *Florida Statutes*
4. Quick Response Training Program established under s. 288.047, *Florida Statutes*, and Incumbent Worker Training Program established under s. 445.003, *Florida Statutes*
5. International trade and business development programs established or funded under s. 288.826, *Florida Statutes*

The review period covers Fiscal Years 2014-15, 2015-16, and 2016-17.

BACKGROUND

The economic development programs OPPAGA examined represent a wide range of benefits for businesses and other entities. For example, space and defense industry incentives include tax refunds and tax exemptions, while military, veterans, workforce training, and international trade programs offer grants. In addition, international trade and development activities include participation in trade missions and shows as well as services provided to businesses by overseas offices. (See Exhibit 1.)

¹ OPPAGA's prior reports are available [here](#), and EDR's prior reports are available [here](#).

Exhibit 1

The Programs Under Review Provide a Wide Variety of Economic Development Incentives and Services

Program

Space and Defense Industry Financial Incentives

- *Qualified Defense Contractor and Space Flight Business Tax Refund Program (QDSC)* was intended to create and retain high quality, high wage jobs for Florida's defense and space industries. The program is administered by EFI and DEO and provides tax refunds for job creation and retention. Program participation is limited to certain defense and space flight contractors. Based on state law, applicants could no longer be certified for the QDSC program after June 30, 2014; the 2015 Legislature did not extend the program. However, existing tax refund agreements continue to be in effect in accordance with contract terms.
- *Semiconductor, Defense or Space Technology Sales Tax Exemption (SDST)* is used to attract and support existing Florida businesses in these technology-based sectors by providing an exemption for all sales and use taxes on new capital investments in certain machinery and equipment used in manufacturing and research. EFI, DEO, and DOR have responsibilities for administering the program.

Military and Defense Programs

- *Defense Reinvestment Grants (DRG)* support host community activities, advocacy, planning, and military community relations. DEO administers the grants.
- *Defense Infrastructure Grants (DIG)* support local infrastructure projects, including transportation, access, and communications. DEO administers the grants.
- *Florida Defense Support Task Force Grants (FDSTF)* fund projects that directly support preserving, protecting, and enhancing Florida's military installations. The taskforce, staffed by EFI, administers the grants.
- *Military Base Protection Grants (MBP)* secure non-conservation lands to serve as buffers to protect military installations against encroachment and to support local efforts to engage in service partnerships with military installations. DEO administers the grants.
- *State-Level Advocacy Efforts* include contracted professional services for Florida military base advocacy, consultant evaluations of Florida's military installations, production of a military economic fact book, and development of a strategic plan. The Florida Defense Support Task Force administers these activities through contracts with third-party vendors.

Veterans Grant and Entrepreneurship Initiative Programs

- *Workforce Training Grant Program (WTG)* provides grant funding for customized, skills-based training for full-time veteran employees at for-profit Florida businesses. Veterans Florida administers the grants.
- *Veterans Florida Entrepreneurship Program (VFEP)* delivers entrepreneurship training to Florida veterans through a variety of training formats, including online training, stand-alone workshops, and an advanced entrepreneurship program.

Quick Response Training and Incumbent Worker Training Programs

- *Quick Response Training Program (QRT)* provides grant funding for customized, skill-based training designed to meet the special requirements of businesses in Florida's qualified target industries. The program is state funded and provides grants to qualifying businesses to train their new full-time employees. CareerSource Florida administers the grants.
- *Incumbent Worker Training Program (IWT)* provides federally funded grants for continuing education and training of incumbent employees at existing Florida businesses. The program provides grants to reimburse businesses for preapproved, direct, training-related costs. CareerSource Florida administers the grants.

International Trade and Development Programs

- *Trade Missions* are coordinated by EFI and are typically led by the Governor or other high-ranking state officials. The missions bring together large business development delegations comprised of private and public sector leaders who visit target markets of high opportunity.
- *Trade Shows* are industry-specific events (e.g., aerospace events) that promote state export activities. Participants exhibit product innovations and identify markets for these goods.
- *Grant Programs* include funds that EFI provides to businesses to help them pay for trade mission and show expenses and to defray the cost of creating an export-marketing plan.
- *Export Education and Counseling* includes free export counseling for businesses and educational seminars and other events where businesses can learn about international trade assistance available to companies seeking to expand to foreign markets.
- *Foreign Offices* in 12 countries perform several functions that support EFI's international trade activities abroad, including recruiting companies and generating foreign direct investment leads.

Source: OPPAGA analysis and Florida Statutes.

FINDINGS

Stakeholders are generally satisfied with the economic incentives and services offered through the programs on this year's review schedule. For example, program recipients believe that the state's defense grant programs are very important to local efforts, and training grant recipients reported that the grants have positively impacted their businesses. However, for some programs, there are concerns related to program administration and the methods used to assess program performance.

Space and Defense Industry Financial Incentives. Thirty-eight businesses participated in the Qualified Defense Contractor and Space Flight Business Tax Refund Program (QDSC) and Space and Technology Sales Tax Exemption (SDST) during the review period.² Only three projects participated in the QDSC program, receiving \$2.3 million in incentive funds during this time. The QDSC program expired on June 30, 2014, and only one business is active and under contract to receive additional tax refunds. Thirty-five businesses had an SDST tax exemption during the period. The value of exempted sales tax reported by SDST program participants was \$26.2 million for calendar years 2014 through 2017.

Businesses receiving QDSC tax refunds met their contractual agreements, creating 74 jobs and retaining 1,208 jobs during the review period. SDST program participants reported approximately \$427 million in tax-exempted purchases and \$3 billion in capital investments. However, businesses participating in the QDSC and SDST programs during our prior and current review periods experienced overall negative employment growth while also experiencing positive wage growth.

Military and Defense Programs. The primary goals of Florida's military and defense programs are to ensure that the state's installations remain open and attract new military missions. These goals are accomplished through grant programs, state-level advocacy activities, and land acquisition.

Military and defense grant programs fund multiple activities that support military bases and surrounding communities. These programs awarded 84 grants totaling \$13 million during our review period; recipients expended \$7.6 million of these grant funds. Grant recipients we surveyed were generally satisfied with the grant application and review processes. The Department of Economic Opportunity and Enterprise Florida have made changes to the grant process that decreased the length of time for grant recipients to receive payments.

The Florida Defense Support Task Force provides federal advocacy using a contract with the Principi Group. Under this contract (\$2.9 million during the review period), the group assisted MacDill Air Force Base in obtaining additional air tankers in 2017. The group also advocated for planned military projects, such as upgrading a runway at Eglin Air Force Base and installing a new fuel cell hanger at Hurlburt Field.

Florida's Military Base Protection Program acquired three non-conservation properties or easements (totaling 39.96 acres) during the review period to buffer military installations against encroachment. The total cost of these acquisitions was \$3.8 million.

² For OPPAGA's prior findings on these programs, see *Florida Economic Development Program Evaluations—Year 3*, [OPPAGA Report No. 15-11](#).

Veterans Grant and Entrepreneurship Initiative Programs. Veterans Florida administers two grant programs to help meet the employment needs of veterans and the business community: the Veterans Workforce Training Grant Program (WTG) and the Veterans Florida Entrepreneurship Program (VFEP). Veterans Florida expended approximately \$3.4 million on the WTG and VFEP programs during the review period.

Participation in the WTG program continues to increase, and new marketing performance metrics require annual increases of 20% in business participation. WTG recipients are generally satisfied with the program, and 86% of respondents reported that the program has a positive impact on their business. Further, businesses receiving WTG grants experienced employment growth of 8% and wage growth of 1% during the review period. Veterans Florida has worked with local and state job creation entities to promote the training grant program, but opportunities for additional outreach remain.

Veterans Florida revised the VFEP program structure in Fiscal Year 2017-18 to provide opportunities to more veterans and increase completion rates for the advanced program. Veterans Florida now more consistently tracks VFEP performance via the final program report that is required of all network partners as well as program graduate surveys that will track graduate business performance over time. VFEP participants are generally satisfied with the program, and 85% of respondents reported that they benefit from participating in VFEP. In addition, business creation by VFEP participants increased after program participation.

Quick Response Training and Incumbent Worker Training Programs. CareerSource Florida administers two grant programs for Florida businesses. The Quick Response Training Program (QRT) provides new or expanding businesses in target industries state grant funding for customized, skills-based training, and the federally-funded Incumbent Worker Training Program (IWT) provides grants for continuing education and training of incumbent employees at existing businesses. More than \$35 million in QRT and IWT grant payments were made during the three-year review period. Grant awards fluctuated between the previous and current review periods. QRT grants increased while IWT grants experienced a large decline, partly due to changes in federal reporting requirements that occurred during the review period. The total number of individuals trained decreased in both programs between the previous and current review periods.

Businesses receiving QRT and IWT grants in the previous and current review periods experienced employment growth, but results for wage growth were mixed. QRT business recipients from the current review period had no change in wages, and QRT business recipients from the previous review period experienced a decline in wages. Wages for IWT recipients in both the current and previous review periods increased. Most QRT and IWT trainees from the previous review period are still employed in Florida, and many are still with the same employer.

For the current review period, OPPAGA analysis also determined that wage increases for QRT and IWT trainees were largely associated with program participation. This is different from findings from OPPAGA's previous review of the programs, which found that wage increases for QRT participants were associated with the program, but increases for IWT participants were not consistently associated with the program.

Most QRT and IWT grant recipients are generally satisfied with the grant programs and reported that the grants have a positive impact on their business. For QRT, 83% reported that employee productivity has improved or greatly improved due to the grant, and for IWT, 25% reported that they have gained new business or that their sales increased due to the grant.

QRT fiscal agents continue to perform a variety of roles and reported several benefits from participating in the grant program. Fiscal agents reported that they frequently interact with local economic development stakeholders and serve as liaisons between businesses and CareerSource Florida. They also reported benefits to their organizations from the stakeholder relationships built through their work with the QRT program. However, some businesses and fiscal agents reported lower levels of satisfaction with the fiscal agents' role in the grant process.

International Trade and Development Programs. Enterprise Florida Inc.'s (EFI) International Trade and Development Unit assists small and medium-sized businesses seeking to export their goods and services and contracts with offices overseas to attract foreign direct investment into the state. EFI staff provides a range of services, including export education and counseling, coordinating trade shows in foreign countries, and administering several grant programs to offset the cost of attending trade events or receiving marketing consultation services. In Fiscal Year 2016-17, EFI received \$6.6 million in state funding to support these activities.

Over the review period, EFI awarded \$1.8 million in grant funds to 373 unique Florida businesses across four grant programs. OPPAGA surveyed grant recipients and found that they were primarily producers of manufactured goods, and businesses reported that the grants have a positive impact on their business. Analysis of grant recipient tax data found that new-to-export businesses showed increased sales over the review period, but the majority of all businesses demonstrated limited growth. Analysis of employment data found that grant recipients demonstrated increased wages over the review period. However, similar to our previous findings, EFI does not collect sufficient data to validate the effects of its assistance on business growth.

CONCLUSIONS AND RECOMMENDATIONS

Several issues could be addressed to improve state agency promotion of Veterans Florida's employment opportunities and enhance the administration of the Quick Response Training Program. Improvements could also be made to the methods used to assess the impact of international trade and development activities. Legislative action would be necessary to implement some of these recommendations.

Veterans Grant and Entrepreneurship Initiative Programs. Despite Veterans Florida's outreach efforts, its programs are still not advertised through key websites of other state-funded agencies that provide employment opportunities for veterans. To maximize reach and limited resources, the Florida Department of Veterans Affairs, which houses Veterans Florida, could expand promotion of Veterans Florida's programs by ensuring that they are referenced by other state agencies that provide opportunities to promote job creation and employment opportunities for veterans, particularly CareerSource Florida, local workforce development boards, Enterprise Florida, and the Department of Economic Opportunity.

Quick Response Training and Incumbent Worker Training Programs. Most QRT business survey respondents reported that fiscal agents play a valuable role in the grant process and that they are very satisfied with fiscal agent services. However, some fiscal agents and businesses reported lower levels

of satisfaction with the fiscal agents' role in the grant process. The Legislature could consider making the use of fiscal agents optional and at the discretion of the business. If the use of fiscal agents were made optional, the funds previously used for their services could be used for additional QRT grants.

International Trade Programs. As a condition of receiving one of the three trade assistance grants, EFI could establish an agreement with grantees to report simple descriptive information about businesses on an annual basis. These annual metrics could include total annual domestic sales, total annual export sales, and total number of countries to which the grantees exported annually. Further, EFI could add conditions to its grant agreements that facilitate provision of the information. These could include requirements that ensure updated points of contact at the organization and reporting timeframes to accommodate a variety of factors that would otherwise prolong or delay reporting.

CHAPTER 1: SPACE AND DEFENSE INDUSTRY FINANCIAL INCENTIVES

BACKGROUND

According to the U.S. Department of Labor's Bureau of Labor Statistics, Florida's aerospace and defense industry employed 47,357 individuals in 887 businesses in calendar year 2017. The average annual wage for the industry was \$92,095, exceeding the state's annual average wage for all industries (\$47,767) by \$44,328 (93%). OPPAGA's economic analyses indicate that Florida's industry is outperforming most other competing states and the nation.

OPPAGA conducted economic analyses of the aerospace and defense industry over a 10-year period to determine how Florida is performing relative to other states and the national economy. Comparison states included Alabama, California, Texas, and Virginia. As in our prior review, we compared common industry codes to determine Florida's aerospace and defense industry employment growth 2008 to 2017.³ In one analysis, OPPAGA used the Aerospace Product and Parts Manufacturing industry code to compare all five states. In another, OPPAGA included additional related aerospace and defense industry codes, but data constraints limited the analysis to California, Florida, and Texas.⁴ The additional codes were

- small arms, ordinance, and ordinance accessories manufacturing;
- radio and television broadcasting and wireless communications equipment manufacturing;
- semiconductor and related device manufacturing;
- search, detection, navigation, guidance, aeronautical, and nautical system and instrument manufacturing; and
- ship building and repair.

Florida's aerospace and defense industry employment declined, but outperformed most other competing states and the nation. From 2008 to 2017, Florida's industry employment growth in aerospace product and parts manufacturing was positive and the second highest of all five comparison states and the nation. When including other related aerospace and defense industries in the analysis, California, Florida, and Texas all experienced declines in employment. However, Florida employment experienced less of a decline than California and Texas. (See Exhibit 1-1.)

Exhibit 1-1

Florida's Employment Growth in Aerospace Products and Parts Manufacturing and the Aerospace and Defense Industry Was Higher Than Most Other States and the National Average

State	Aerospace Products and Parts Manufacturing	Aerospace and Defense Industry
Virginia	25.4%	
Florida	6.1%	-3.1%
California	2.1%	-10.3%
Alabama	-5.8%	
Texas	-8.8%	-20.9%
United States	-3.7%	-9.5%

Source: OPPAGA analysis of U.S. Department of Labor, Bureau of Labor Statistics data.

We also calculated location quotients to compare statewide employment in aerospace and defense industries to national employment in the industry. Location quotients exceeding 1.0 indicate that state levels of industry employment were higher than the national level. Florida’s 2017 location quotient is less than 1.0 in both analyses, which indicates that the state’s industry employment is less than the national level. A positive change in location quotient from 2008 to 2017 indicates that the industry grew in Florida and outpaced growth in most competing states. (See Exhibit 1-2.)

Exhibit 1-2

Florida’s Aerospace Products and Parts Manufacturing and Aerospace and Defense Industry Employment Had Positive Growth Relative to Most Competing States

Industry	State	Location Quotient 2017	Change in Location Quotient 2008-2017
Aerospace Products and Parts Manufacturing	Alabama	2.04	0.11
	Florida	0.73	0.04
	Virginia	0.14	0.03
	California	1.29	0.03
	Texas	1.10	-0.15
Aerospace and Defense Industry	Florida	0.82	0.02
	California	1.52	-0.07
	Texas	1.04	-0.24

Source: OPPAGA analysis of U.S. Department of Labor, Bureau of Labor Statistics data.

We also conducted a shift-share analysis of aerospace and defense industries for Florida and the comparison states. Shift-share represents the change in jobs in a particular industry or group of industries over a specified period and identifies what portions of the growth or decline in employment were due to industry trends, state or national economic trends, or unique state characteristics.

Our shift-share analysis shows that Florida’s regional shift is positive and greater than most other states, which indicates that Florida’s aerospace and defense industries had greater competitive advantage than most comparison states from 2008 to 2017. (See Exhibit 1-3.)

Exhibit 1-3

Florida Was More Competitive Than Most Comparison States in Total Industry Employment Growth From 2008 to 2017

Industry	State	Employment Change 2008-2017	National Share	Industry Mix	Regional Shift
Aerospace Products and Parts Manufacturing	California	1,514	5,946	-8,645	4,213
	Florida	1,234	1,647	-2,395	1,982
	Virginia	344	110	-160	394
	Alabama	-779	-1,098	-1,597	-281
	Texas	-4,235	3,931	-5,716	-2,450
Aerospace and Defense Industry	Florida	-1,522	3,974	-8,622	3,127
	California	-19,724	15,534	-33,706	-1,551
	Texas	-21,781	8,460	-18,357	-11,884

Source: OPPAGA analysis of U.S. Department of Labor, Bureau of Labor Statistics data.

Florida Space and Defense Financial Incentives

The Legislature established Florida's space and defense industry incentives to create and retain high quality, high wage jobs as well as to make capital investments in manufacturing and research. The incentives include tax refunds based on the number of jobs created or retained and sales tax exemptions for machinery and equipment purchases by qualified businesses. The Department of Economic Opportunity (DEO) is primarily responsible for administering the two programs, with Enterprise Florida, Inc. and Department of Revenue (DOR) also having program responsibilities.

Tax Refund. The Qualified Defense Contractor and Space Flight Business Tax Refund Program (QDSC) began in 1996 and expired on June 30, 2014. DEO reports that it certified one applicant since our last review, before the program expired. While DEO can no longer certify new applicants, existing program participants can continue to receive tax refunds in accordance with their contractual agreements.

DEO awarded QDSC tax refunds to qualified businesses bidding on new competitive contracts or consolidating existing defense and space contracts. Qualified businesses met several requirements, including deriving not less than 60% of gross receipts in the state from defense or space flight business contracts.^{5,6} The program provided tax refunds for job creation similar to those awarded through the Qualified Target Industry Tax Refund Program (QTI). QDSC projects also follow the same application, approval, and monitoring process as QTI. However, the programs differ in that businesses under the QDSC program also receive tax refunds for retained jobs. DEO records indicate that three projects received tax refunds during our review period.

Tax Exemption. The 2000 Legislature created the Semiconductor, Defense, or Space Technology Sales Tax Exemption (SDST) Program and the program remains in effect. Qualified businesses must apply to Enterprise Florida, Inc. and be certified by DEO as a semiconductor, defense, or space technology facility. Once DEO has certified the business, it notifies DOR, which issues a tax exemption permit to the business. The permit entitles the certified business to a sales and use tax exemption on certain items for two calendar years.^{7,8}

DEO records show that 35 businesses had an exemption certificate during at least one year of our review period. This amount is a decrease of five businesses since our last review. DEO staff cites the use of other tax exemptions (e.g., the sales tax exemption on manufacturing equipment) as a reason for the lower program participation.

⁵ Qualifying businesses also include those converting defense production jobs to nondefense production jobs or reusing defense-related facilities. Gross receipts from contracts are calculated over the last fiscal year and over the five years preceding the date an application was submitted.

⁶ Qualifying businesses receive refunds for corporate income, sales and use, ad valorem, intangible personal property, excise, and state communication services taxes. A qualified applicant may not receive refunds of more than 25% of the total tax refunds awarded in a single fiscal year. No more than \$2.5 million in tax refunds may be received by one business in any fiscal year. DEO currently uses a third-party auditor to review documentation submitted by businesses for tax refunds.

⁷ Certain industrial machinery and equipment purchased and used by certified production facilities is tax exempt, including molds, machine tools, and testing equipment. Building materials purchased for use in manufacturing or expanding clean rooms in semiconductor manufacturing facilities are also tax exempt.

⁸ The SDST exemption also allows recipients to claim refunds for sales and use taxes paid on eligible purchases made during the previous three years. DEO reported that seven companies applied for and received retroactive certification.

Incentive Funding

Three projects in the review period received \$2.3 million in state QDSC tax refunds for Fiscal Years 2014-15 through 2016-17. To examine program costs and performance, OPPAGA requested data for projects that received a QDSC tax refund during the three-year review period. Three projects or companies received \$2.3 million in state tax refund payments during the period.⁹ (See Exhibit 1-4.) Two of the projects are completed; they have met their contract terms and received all eligible incentive payments.¹⁰ The remaining project is active and contracted to receive an additional \$1.8 million in state funds by June 30, 2020.

Exhibit 1-4

Three Projects Received Nearly \$2.3 Million in QDSC Tax Refunds During the Review Period

Project Name	County	Award Date	Status	Payments
Lockheed Martin Mission Systems and Training	Pinellas	12/16/2011	Complete	\$1,308,000
Lockheed Martin Corporation	Palm Beach	12/29/2014	Active	760,187
Sparton Electronic Florida, Inc.	Volusia	7/9/2009	Complete	187,200
Total				\$2,255,387

Source: OPPAGA analysis of Department of Economic Opportunity data.

Sales taxes exempted were valued at \$26.2 million during our review period. SDST program participants that renew their certification are required to report the total value of taxes exempted for the two calendar years preceding the renewal application date. Program participants reported \$26.2 million in taxes exempted from calendar years 2014 through 2017. (See Exhibit 1-5.) The reported amounts presented below are an underestimate because DEO receives the data when a business requests to renew their exemption, which could be up to two years after they made the exempted purchases. The total value of taxes exempted ranged from approximately \$2 million to \$10.6 million over each year of the review period.

Exhibit 1-5

Reported Sales Tax Exempted Was Valued at \$26.2 Million for Calendar Years 2014 Through 2017

	2014	2015	2016	2017	Total
Total Value of Taxes Exempted	\$9,698,037	\$10,640,408	\$3,848,811	\$1,963,514	\$26,150,770

Source: OPPAGA analysis of Department of Economic Opportunity data.

FINDINGS

The three businesses that received QDSC tax refunds created 74 jobs and retained 1,208 jobs. QDSC tax refund recipients are contractually required to create or retain a certain number of jobs that pay an annual average wage of at least 115% of the average private sector wage in the area where the project is located. Though not contracted to create jobs in the review period, the three QDSC projects

⁹ Under state law, a tax refund may not be approved for any qualified applicant unless local financial support has been paid for that refund. Local financial support means funding from local sources, public or private, that is equal to 20% of the annual tax refund. The three projects received \$563,847 in local financial support during our review period.

¹⁰ DEO uses a four-category classification system to reflect the status of QDSC projects: active, complete, inactive, and terminated. Three projects were inactive and did not receive tax refunds during our review period.

created 74 jobs during this time. They also retained 1,208 jobs, which is equal to the number that they were contracted to retain. (See Exhibit 1-6.)

Exhibit 1-6

Projects Receiving QDSC Incentive Payments in Fiscal Years 2014-15 Through 2016-17 Created 74 Jobs and Retained 1,208 Jobs

Project Name	Contracted New Jobs	Confirmed New Jobs	Contracted Retained Jobs	Confirmed Retained Jobs
Lockheed Martin Mission Systems and Training	0	53	545	545
Lockheed Martin Corporation	0	0	401	401
Sparton Electronic Florida, Inc.	0	21	262	262
Total	0	74	1,208	1,208

Source: OPPAGA analysis of Department of Economic Opportunity data.

Employment declined but wages increased for businesses receiving QDSC incentives. We analyzed employment and wage growth for six businesses receiving QDSC incentives in our current and previous review periods.¹¹ These six businesses had 21,309 employees and paid total wages of about \$131 million in Fiscal Year 2016-17. For both the current and previous business cohort, we compared the change in annual average employment and wages for Fiscal Year 2016-17 to the year before the review period. Of the five businesses that received incentives in our previous review period (Fiscal Year 2011-12 through Fiscal Year 2013-14), two had positive employment growth. However, the negative growth of the remaining businesses resulted in overall negative employment growth. Of the three businesses in our current review period (Fiscal Year 2014-15 through Fiscal Year 2016-17), only one had positive employment growth, with overall growth being negative. All businesses had positive wage growth. (See Exhibit 1-7.)

Exhibit 1-7

Businesses Receiving QDSC Incentives Had Decreases in Annual Average Employment but Experienced Increases in Annual Average Wages

Review Period	Businesses ¹	Change in Annual Average Employment ²	Change in Annual Average Wages ²
Fiscal Years 2011-12 through 2013-14	5	-76 (-5%)	\$9,524 (17%)
Fiscal Years 2014-15 through 2016-17	3	-107 (-7%)	\$17,623 (8%)

¹ Some businesses had multiple locations. These businesses represented three companies at six locations. Two of the businesses that received QDSC incentives in our current review period (Fiscal Years 2014-15 through 2016-17) also received them in our prior review period (Fiscal Years 2011-12 through 2013-14).

² We calculated the percentage change from Fiscal Year 2016-17 to one year prior to the respective review period. (See footnote 11 for further explanation.)

Source: OPPAGA analysis of Department of Economic Opportunity data.

¹¹ We requested employment and wage data from DEO for seven businesses receiving a QDSC incentive during two periods: 1) Fiscal Years 2011-12 through 2013-14; and, 2) Fiscal Years 2014-15 through 2016-17. Data were available for six of the seven businesses. We compared the change in annual average employment and wages for Fiscal Year 2016-17 to one year before their particular review period. For example, for the businesses in our previous review period, we compared the change in the annual average employment and wages between Fiscal Year 2010-11 and Fiscal Year 2016-17. We made the same comparison for businesses in our current period using data for Fiscal Year 2013-14 and Fiscal Year 2016-17.

SDST program participants reported about \$427 million in tax-exempted purchases and \$3 billion in capital investments during the review period. The Legislature created the SDST tax exemption to assist existing Florida businesses in making new capital investments in machinery and equipment. Businesses that submit exemption renewal requests are required to report the total investments in real and tangible property and the total value of tax-exempt purchases on a calendar year, rather than a fiscal year basis. Program participants reported about \$427 million in tax-exempted purchases and \$3 billion in investments for calendar years 2014 through 2017. (See Exhibit 1-8.) The reported amounts in Exhibit 1-8 are underestimates, due to the two-year lag noted earlier.

Exhibit 1-8

SDST Program Participants Reported \$427 Million in Tax Exempted Purchases and \$3 Billion in Capital Investment for Calendar Years 2014 Through 2017

	2014	2015	2016	2017	Total
Total Value of Tax Exempted Purchases	\$160,765,121	\$172,881,083	\$60,673,988	\$32,636,289	\$426,956,480
Total Investment Made in Real and Tangible Personal Property	\$1,314,889,915	\$1,279,733,994	\$282,371,802	\$168,201,833	\$3,045,197,545

Source: OPPAGA analysis of Department of Economic Opportunity data.

Employment for some SDST program participants declined, but wages for many participants increased. We also analyzed employment and wage growth for 29 businesses receiving the SDST tax exemption in our current and previous review periods.¹² These businesses had 139,370 employees and total wages of approximately \$1.22 billion in Fiscal Year 2016-17. For both the current and previous business cohort, we compared the change in annual average employment and wages for Fiscal Year 2016-17 to the year before the review period. Of the 27 businesses that received tax exemption in our previous review period (Fiscal Year 2011-12 through Fiscal Year 2013-14), 13 (48%) had negative employment growth and overall employment growth was negative. Of the 24 in our current review period (Fiscal Year 2014-15 through Fiscal Year 2016-17), 11 (46%) had negative employment growth. However, the growth of the remaining businesses was positive, resulting in overall positive employment growth. Overall, annual average wages increased for businesses in both review periods. (See Exhibit 1-9.)

Exhibit 1-9

Businesses Receiving SDST Incentives Had Decreases in Annual Average Employment

Review Period	Businesses ¹	Change in Annual Average Employment ²	Change in Annual Average Wages ²
Fiscal Years 2011-12 through 2013-14	27	-926 (-7%)	\$23,918 (29%)
Fiscal Years 2014-15 through 2016-17	24	425 (5%)	\$11,823 (13%)

¹ Some businesses had multiple locations. These businesses represented 28 companies at 29 locations. Nineteen of the businesses that received the SDST tax exemption in our current review period (Fiscal Years 2014-15 through 2016-17) also received the exemption during our prior review period (Fiscal Years 2011-2012 through 2013-14).

² We calculated the percentage change from Fiscal Year 2016-17 to one year prior to the respective review period. (See footnote 12 for further explanation.)

Source: OPPAGA analysis of Department of Economic Opportunity data.

¹² We requested employment and wage data from the Department of Economic Opportunity for 42 businesses receiving an SDST incentive during two periods: 1) Fiscal Years 2011-12 through 2013-14; and, 2) Fiscal Years 2014-15 through 2016-17. We were able to analyze data for 29 businesses.

CONCLUSION

Participation in space and defense financial industry incentive programs remains relatively low. Despite growth in the aerospace and defense sectors, relatively few businesses participated in the Qualified Defense Contractor and Space Flight Business Tax Refund (QDSC) and Semiconductor, Defense or Space Technology Sales Tax Exemption (SDST) programs during our review period. Specifically, three businesses received a tax refund during our review period, only one of which is eligible to receive additional funds until June 30, 2020. The number of businesses with active SDST exemptions dropped from 40 to 35 since our last review.

QDSC businesses met their contractual agreements to create and retain jobs in the review period. The SDST program also made capital investments in the same period. However, businesses participating in the QDSC and SDST programs during our prior and current review periods experienced overall negative employment growth, but positive wage growth.

CHAPTER 2: MILITARY AND DEFENSE

BACKGROUND

Protecting Florida’s military installations is crucial to the state’s economy because defense activities and spending have long been a major source of employment and revenues for state and local governments. Defense is one of largest contributors to the state economy along with agriculture and tourism. Defense spending was directly or indirectly responsible for \$84.9 billion (9.2%) of Florida’s gross state product in 2016, with Florida’s defense contractors supplying \$14 billion in defense-procured goods and services.¹³ Military-related employment accounts for 800,000 jobs statewide, and Florida ranks among the top states in the number of active and civilian military personnel in 2018.¹⁴ (See Exhibit 2-1.)

Exhibit 2-1

Florida Ranks Sixth in the Nation in Number of Active and Civilian Military Personnel

State	Active	Civilian	Total
California	157,583	61,430	219,013
Virginia	123,341	93,483	216,824
Texas	119,272	46,777	166,049
North Carolina	100,606	21,336	121,942
Georgia	63,645	33,146	96,791
Florida	63,456	30,710	94,166
Washington	60,794	31,173	91,967
U.S. Total	1,161,042	697,538	1,858,580

Source: U.S. Department of Defense March 2018 data.

Florida has several military installations, including 20 major military bases, 3 unified commands, and a Coast Guard district headquarters. (See Exhibit 2-2.) These installations have various duties and missions, including providing or supporting

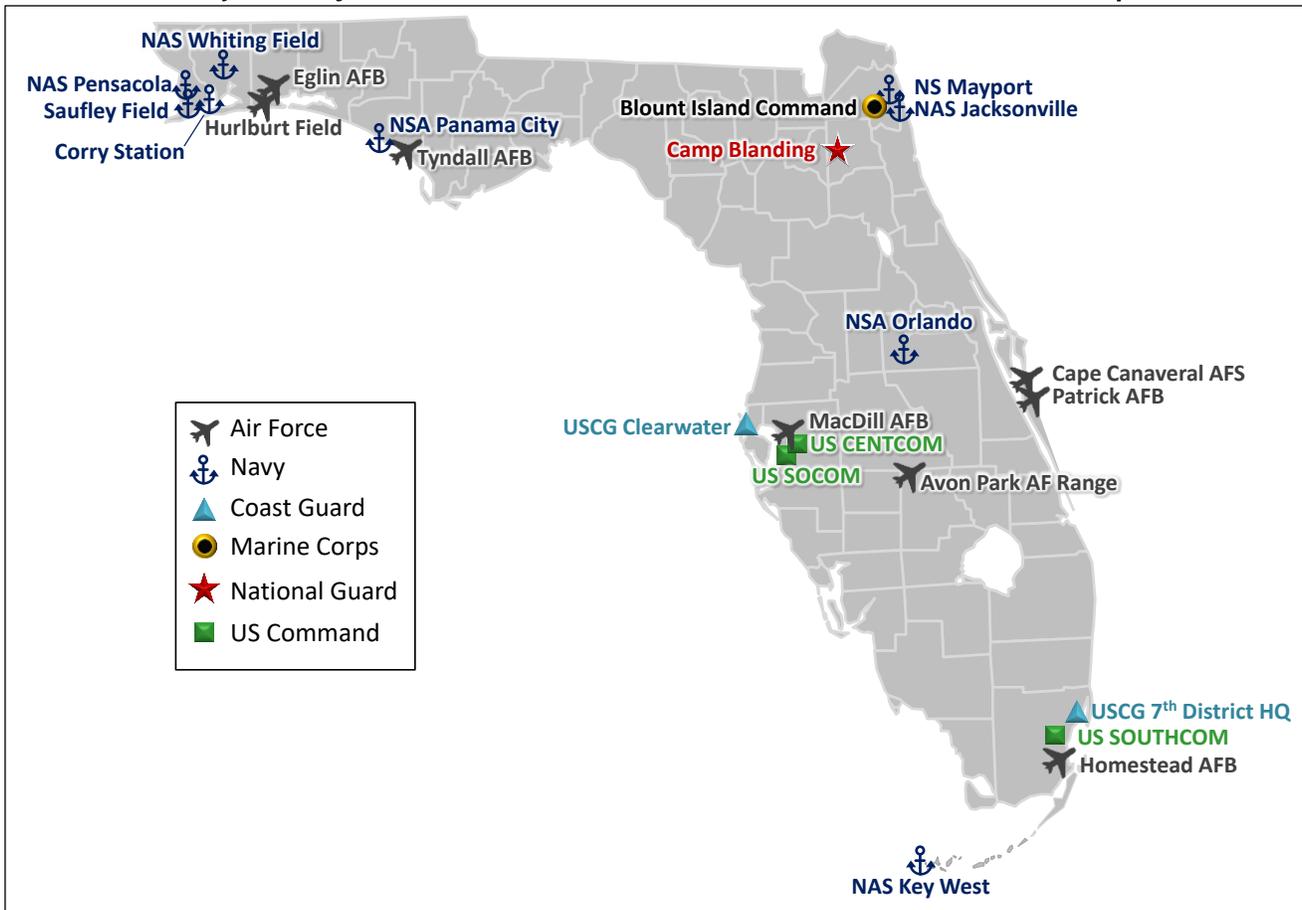
- advanced training for pilots, air traffic, and weapon controllers;
- aviation flight and maintenance training;
- homeported naval vessels;
- research, development, testing, and evaluation for military diving, maritime special operations, simulation technology, and air-to-ground weapons development;
- space and space launch activities;
- U.S. commands for the Middle East, Central and South America, and the Caribbean; and
- U.S. worldwide command for special operations.

¹³ *Florida Defense Industry Economic Impact Analysis 2017 Update*, Matrix Design Group for the Florida Defense Support Task Force, December 2017. The 2016 data presented in this report are the most recent available.

¹⁴ [Florida Defense Factbook, Enterprise Florida, December 2017.](#)

Exhibit 2-2

Florida Has 20 Major Military Bases, 3 Unified Commands, and 1 Coast Guard District Headquarters



Source: Enterprise Florida, Inc.

Program Administration

Two state entities administer Florida's military and defense programs: Enterprise Florida, Inc. (EFI) and the Department of Economic Opportunity (DEO). (See Exhibit 2-3.) EFI provides staff support to the Florida Defense Alliance and Florida Defense Support Task Force and administers the task force's grant program. DEO administers two other military and defense statutory grant programs: Defense Reinvestment Grants and Defense Infrastructure Grants. The department also identifies and recommends non-conservation land purchases in an effort to limit development and encroachment near military bases. The Department of Environment Protection (DEP) is responsible for purchasing the land recommended by DEO.¹⁵

Florida Defense Alliance. The alliance is a non-profit partnership among the Governor, local congressional delegations, state legislators, base commanders, community leaders, and business executives that coordinates efforts to increase and promote the military's value and enhance base capabilities, while enhancing the quality of life for military families.

¹⁵ This activity is subject to annual appropriations, see s. 288.980(1)(c), *F.S.*

Florida Defense Support Task Force. The task force’s mission is to

- make recommendations to preserve and protect military installations;
- support the state’s position in research and development related to or arising out of military missions and contracting; and
- improve the state’s military friendly environment for service members, military dependents, military retirees, and businesses that bring military and base related jobs to the state.¹⁶

The task force accomplishes its mission by providing grants that support Florida’s military installations, such as projects to prevent base encroachment, economic and product research and development, and planning with host communities to accommodate military missions. In addition, the task force contracts with the Principi Group to provide advocacy services. The group conducts a variety of activities, including monthly updates on ongoing federal defense budget negotiations; coordinates meetings between Florida and federal officials; collects information on proposed realignments; and promotes Florida’s installations in meetings with the Department of Defense, Congress, and defense industry representatives.

Statutory grant programs. The Florida Defense Reinvestment Grant Program (DRG) funds community activities that support military installation missions and alternative economic diversification strategies to transition from a defense economy to a non-defense economy. The Defense Infrastructure Grant Program (DIG) supports local infrastructure projects deemed to have a positive impact on the military value of installations within the state. Military Base Protection Grants fund acquisitions of land or development rights to prevent base encroachment and support community engagement with military installations.

Beginning in 2015, the Legislature and DEO modified grant program administration in several ways.¹⁷

- DEO is now solely responsible for disbursing funds for DRG and Military Base Protection Grants. Previously, DEO disbursed grant funds to EFI, which would then distribute the funds to grant award recipients.
- DEO can disburse funds for DRG and Military Base Protection Grants only when it certifies that a project has met all contractual performance requirements. Prior to this change, EFI had the ability to issue periodic payments to grantees.
- DEO now requires both DRG and DIG grant recipients to match at least 30% of any grant awarded. This is a change from the previous practice of requiring a match only for DIG grants.

Exhibit 2-3

Several State Entities Are Responsible for a Range of Military and Defense Program Activities

Activity	Department of Economic Opportunity	Enterprise Florida, Inc.		Department of Environmental Protection
		Defense Support Task Force	Defense Alliance	
Grant Programs	✓	✓		
Land	✓	✓		✓
Advocacy		✓	✓	

Source: Florida Statutes.

¹⁶ Its 13 members are charged with coordinating the message on military issues from the executive and legislative branches of government, congressional members, and defense communities. The DEO executive director (or his designee) serves as the ex officio, non-voting executive director of the task force. The Speaker of the House and Senate President each designate one of their appointees to serve as chair of the task force in alternating years. If the Governor, instead of his designee, participates in the activities of the task force, he will serve as chair.

¹⁷ The 2015 General Appropriations Act (Ch. 2015-232, *Laws of Florida*) and subsequent general appropriations acts.

Funding

During the review period, the Legislature appropriated \$15.3 million (\$7.8 million to the Department of Economic Opportunity and \$7.5 million to Enterprise Florida, Inc.) to fund military and defense program activities.¹⁸ The Florida Defense Support Task Force may spend up to \$250,000 annually to fund its administrative costs. EFI receives no additional administrative funds to manage the grant programs. (See Exhibit 2-4.)

Exhibit 2-4

The Legislature Appropriated \$15.3 Million for Military and Defense Programs From Fiscal Year 2014-15 Through Fiscal Year 2016-17

Funding Category	Military and Defense Protection Program Appropriations			Total
	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	
Florida Defense Support Task Force	\$3,500,000	\$2,000,000	\$2,000,000	\$7,500,000
Defense Reinvestment Grants	850,000	850,000	850,000	2,550,000
Defense Infrastructure Grants	1,600,000	1,600,000	1,600,000	4,800,000
Military Base Protection Grants	150,000	150,000	150,000	450,000
Total	\$6,100,000	\$4,600,000	\$4,600,000	\$15,300,000

Source: General Appropriations Acts.

FINDINGS

The primary goals of Florida’s military and defense programs are to ensure that the state’s installations remain open and attract new military missions. These goals are accomplished through grant programs funding various activities, including infrastructure improvement and local advocacy to support military bases and communities, federal advocacy on current and future projects, and land acquisition to address military base encroachment. To assess these program activities, we interviewed program staff and representatives from Florida’s military installations and commands, surveyed grant recipients, and analyzed agency grant data.¹⁹

Grant programs awarded \$13 million to assist military bases; grant recipients are generally satisfied with the grant process and payment time has decreased

Grants fund a variety of activities to assist military bases, including local advocacy, improving infrastructure into bases, and buffering against encroachment. During the review period, three grant programs—Defense Reinvestment, Defense Infrastructure, and Florida Defense Support Task Force—awarded funds for 84 projects.²⁰ The number of grants awarded declined during our review period in

¹⁸ Beginning in Fiscal Year 2015-16, DEO took over administration of DRG and DIG grants.

¹⁹ We interviewed eight representatives from Florida’s military installations and bases. Additionally, we received 41 survey responses from recipients of either Defense Infrastructure Grants (11 complete responses out of 17 surveys sent out), Defense Reimbursement Grants (15 complete responses out of 20 surveys sent out), or Florida Defense Support Task Force Grants (15 complete responses out of 20 surveys sent out) for a total response rate of 72%.

²⁰ No Military Base Protection grants were awarded during the review period.

part due to reductions in appropriations. (See Exhibit 2-5.) See Appendix A for additional information about each grant awarded during the review period.

Exhibit 2-5

Military and Defense Grants Awarded in Fiscal Year 2016-17 Declined From Previous Years

Grant	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Total
Defense Reinvestment	12	11	10	33
Defense Infrastructure	10	9	5	24
Florida Defense Support Task Force	13	11	3	27
Total	35	31	18	84

Source: Department of Economic Opportunity and Enterprise Florida, Inc.

Grant recipients were awarded \$13 million in grant funds during our review period but expended \$7.6 million of these funds. Not all funds have been fully expended due to multi-year contract terms and reimbursement delays.²¹ (See Exhibit 2-6.)

Exhibit 2-6

Three Military and Defense Grant Programs Provided \$13 Million for 84 Projects From Fiscal Year 2014-15 Through Fiscal Year 2016-17¹

Grant	Number of Grants	Amount Awarded	Amount Expended
Defense Reinvestment	33	\$2,540,836	\$2,118,042
Florida Defense Support Task Force	27	5,887,964	4,059,177
Defense Infrastructure	24	4,575,000	1,450,112
Total	84	\$13,003,800	\$7,627,331

¹ Amounts are for grants that were awarded during the three-year review period. Not all grant recipients received payments during this time.

Source: Department of Economic Opportunity and Enterprise Florida, Inc.

Grant recipients and base representatives reported that the grants fund a variety of activities to assist military bases. OPPAGA surveyed grant recipients about their experiences with the grant programs.²² Grantees are typically county governments, chambers of commerce, development authorities, or private advocacy organizations.

A majority of the respondents (64%) reported using the grants to prevent base encroachment through either purchasing restrictive use easements or acquiring properties. Twenty respondents (51%) also reported using grants for activities such as diversifying the economy of defense-dependent communities (e.g., encouraging use of a local sea port), improving transportation access to the bases, and joint planning with local bases to accommodate current and additional military missions. Grant applications are typically submitted in coordination with local military bases. Almost all (87%) survey respondents reported consulting with local base commands about the grants prior to application submission.

²¹ The 2015 Legislature changed the process for paying grantees by providing that funds for Military Base Protection and Defense Reinvestment grants may only be disbursed from DEO directly to grant recipients. Projects must be certified that contractual performance requirements have been met prior to disbursement.

²² OPPAGA received 41 survey responses from recipients of either Defense Infrastructure Grants (11 complete responses out of 17 surveys sent), Defense Reimbursement Grants (15 complete responses out of 20 surveys sent), or Florida Defense Support Task Force Grants (15 complete responses out of 20 surveys sent) for a total response rate of 72%.

Approximately half (56%) of the survey respondents reported tracking the impact of the grants. Respondents reported impacts such as protecting bases from encroachment, advocating to military and defense officials regarding increasing local awareness of military presence, and acquiring new missions for Florida bases.

Survey respondents were satisfied with the grant programs’ effectiveness in helping meet military installation needs. Most grant recipients were positive about the processes used to apply, approve, obtain reimbursement, and report on the grants (66%). A few survey respondents (11%) reported that they were dissatisfied with these processes, expressing concern about the time it took to be reimbursed and the amount of paperwork involved in the grant process. However, almost all survey respondents were either satisfied or very satisfied with their interactions with EFI (79%) and DEO (73%) staff.

Base representatives we interviewed reported positive results of grant-funded advocacy efforts of local military support organizations.²³ For example, base representatives reported that the City of Jacksonville used a Defense Reinvestment Grant to lobby on the behalf of Naval Station Mayport to gain the homeporting of a three ship Amphibious Ready Group, additional Littoral Combat Ships, and a Triton UAV unit at the naval station. Additional advocacy helped Naval Air Station Jacksonville receive the designation as the east coast center of excellence for P-8 anti-submarine planes. The Bay Alliance was also successful in helping recruit an additional mission with Tyndall Air Force Base and its designation as the preferred base for a MQ-9 drone squadron.

The length of time for recipients to receive grant payments decreased during the review period.

The payment process for the grant programs generally involves receiving the reimbursement request from the grant recipient, agency review and approval of the request, and processing the invoice for payment. While there are no specific criteria for issuing payments for these grants, state agencies are statutorily bound to a timeframe on invoice processing and payment; the timeframe does not begin until an agency approves the required documentation.²⁴

OPPAGA measured the timeliness of the grant payment process by examining payment data provided by DEO and EFI for grants awarded during the three-year review period. The data shows that the median time (in days) between reimbursement requests and payments to grantees decreased for all grant programs during the review period. (See Exhibit 2-7.)

Exhibit 2-7

The Number of Median Days to Receive Grant Payments Generally Decreased During The Review Period

Grant	Reimbursement Request to Payment (Days)		
	Fiscal Year 2014-15	Fiscal Year 2015-16 ¹	Fiscal Year 2016-17
Defense Reinvestment	88	36	46
Defense Infrastructure	86	43	16
Florida Defense Support Task Force	55	44	9

¹ DEO assumed responsibility of Defense Reinvestment and Defense Infrastructure grants during this fiscal year.

Source: OPPAGA analysis of Department of Economic Opportunity and Enterprise Florida, Inc. data.

²³ Members of the Florida Defense Alliance received Defense Reinvestment Grants during this review period for activities including advocacy at the local and national level.

²⁴ Specifically, s. 215.422, F.S., requires state agencies to approve invoices for payment and file this information with the Department of Financial Services within 20 days after receipt of a proper invoice and approval of the goods or services. The state agency has the responsibility to assure that all payment vouchers filed with the Department of Financial Services are properly executed, certified, accurate, in proper form, and properly documented. Once the state agency has filed an approved invoice, the Department of Financial Services has 10 days to approve payment of the invoice.

As previously stated, DEO took over DRG and DIG grant administration from EFI at the beginning of Fiscal Year 2015-16, while EFI continued to administer the Florida Defense Support Task Force Grants. After DEO assumed these duties, the department found that grantees were not initially submitting all required paperwork to receive payment; DEO found that incomplete and late reimbursement requests contributed to delayed payments in prior years. Specifically, during the reimbursement process, DEO has back and forth communication with grantees to obtain relevant documentation.

For grants that DEO administers, recent process changes may explain the decreased payment processing time, as the department's workload (number of grants) remained relatively stable during the review period. To improve timeliness, DEO solicited information from grant recipients to identify potential application and reimbursement changes. The department then revised the grant process from an Invitation to Negotiate to a Request for Proposal, which streamlined interaction between parties to the grant agreements. DEO reported eliminating mandatory in-person meetings and having an open process that takes a shorter time to complete when the entity is engaged in the process. Additionally, DEO continues to work with the grantees, including hosting a webinar for grantees in December 2017 on invoicing requirements of cost reimbursement grants.

EFI was also able to reduce the payment processing time for grants that it administers. With DEO taking over responsibility for the DIG and DRG grant programs, EFI's sole grant responsibility within the Military Base Protection Program is the Florida Defense Support Task Force Grants. With this workload decrease, the addition of a new grant manager, a streamlined process, and a reduction in number of FDSTF grants, EFI was able to reduce the median time to reimburse FDSTF grantees from 55 days in Fiscal Year 2014-15 to 9 days in Fiscal Year 2016-17 (84% reduction).

Federal advocacy efforts sought to add resources and upgrade infrastructure at Florida's military bases

During the review period, the Florida Defense Support Task Force contracted with the Principi Group to advocate for Florida's military interests on the national level; the value of the contract during this time was \$2,933,983.²⁵ EFI staff reported that Principi conducted several advocacy activities for military projects during the review period. For example, Principi assisted MacDill Air Force Base in obtaining eight KC-135 tankers in 2017 and advocated for future, not yet approved, military projects such as

- upgrading an Eglin Air Force Base runway to replace an outdated arresting barrier system;
- upgrading communications for Cape Canaveral;
- obtaining helicopters and staff from the Army Reserve for MacDill Air Force Base; and
- installing a new fuel cell hanger at Hurlburt Field.

EFI's contract with Principi contains several reporting requirements, including briefings with EFI staff via bi-weekly conference calls to provide updates on the status of their activities. Principi also briefs the task force on current military and defense issues in Washington, D.C. that may impact Florida and describes visits by Principi staff to Florida military bases. EFI reported that while its staff evaluates

²⁵ The Alliance's initial contract with Principi was in 2012, and has since been renewed until 2019. This contract is currently being re-procured.

the work conducted by Principi through contract management and administrative oversight, it is difficult to assign credit to the group for gains to Florida’s military installations.

The Military Base Protection Program purchased land to help mitigate base encroachment

Florida’s Military Base Protection Program is used to secure non-conservation lands to serve as buffers to protect military installations against encroachment. Florida military base representatives we interviewed cited buying development and conservation easements as well as buying lands as ways Florida was reducing encroachment.

Under the Military Base Protection Program, DEO annually submits a tiered list of potential non-conservation land purchases to the Board of Trustees of the Internal Improvement Trust Fund.²⁶ The department develops this list with input from military bases, with the Florida Defense Support Task Force reviewing and approving the list prior to submission to the Board of Trustees of the Internal Improvement Fund.²⁷ In 2016, DEO submitted a list of 15 potential sites consisting of more than 7,200 acres for purchase in Fiscal Year 2016-17. Four of these sites were ranked as the highest priority for recommended purchase.

Over the review period, DEP acquired three properties or easements on three of the highest ranked sites (totaling 39.96 acres) at a cost of \$3,779,989 to prevent encroachment. (See Exhibit 2-8) These properties were located near MacDill Air Force Base, Naval Support Activity Panama City, and Naval Station Mayport. For example, the restrictive use easement for the parcel of land near MacDill Air Force Base prevents residential development on the property, thus buffering the base from encroachment.

Exhibit 2-8 Three Bases Benefitted From Land Acquisitions During the Review Period

Land Location	Number of Acres	Amount Expended
MacDill Air Force Base	25.56	\$1,403,924
Naval Support Panama City	8.40	\$1,716,392
Naval Station Mayport	6.00	\$659,673
Total	39.96	\$3,779,989

Source: Florida Department of Economic Opportunity.

²⁶ DEP’s Division of State Lands serves as staff to the Board of Trustees of the Internal Improvement Trust Fund, which are the Governor and Cabinet.

²⁷ Chapter 2018-159, *Laws of Florida*, revised the selection criteria on military base buffering by requiring that DEO annually request military installations in the state to provide the department with a list of base buffering encroachment lands, with the department submitting this list to FDSTF. FDSTF, in turn, will review the list and provide recommendations for ranking the lands for acquisition back to the department. The department will annually submit the list of FDSTF recommendations to the Board of Trustees of the Internal Improvement Fund that may acquire the lands.

APPENDIX A

Military and Defense Program Grants Funded a Wide Range of Projects During the Review Period

The primary goals of Florida’s military and defense programs are to ensure that the state’s installations remain open and attract new military missions. These goals are supported in part by federal advocacy and state land acquisition activities, as well as grant programs. The grant program goals are similar to the program’s broader activities: grants fund state-level advocacy activities and local infrastructure development, including land purchases. Below are descriptions of the three grants and details on grants awarded in communities across the state.

Defense Reinvestment Grants are one-year grants awarded to military alliances, city and county economic development organizations, and defense-related industries. Grant funding is generally used to support activities that foster strong community relationships with installation leadership. Twelve DRG grants were awarded in Fiscal Year 2014-15, with 11 awarded in Fiscal Year 2015-16 and 10 awarded in Fiscal Year 2016-17. (See Exhibit A-1.)

Defense Infrastructure Grants are three-year grants that support infrastructure and technology projects that provide improvements outside of military bases; installation leadership must support such projects. Ten DIG grants were awarded in Fiscal Year 2014-15, with nine awarded in Fiscal Year 2015-16 and five awarded in Fiscal Year 2016-17. (See Exhibit A-2.)

Florida Defense Support Task Force Grants are one-year grants that support projects sponsored by a task force member. The task force selects projects that meet its goals as outlined in the strategic plan and that target mitigating risks to installations.²⁸ Thirteen FDSTF grants were awarded in Fiscal Year 2014-15, with 11 awarded in Fiscal Year 2015-16 and 3 awarded in Fiscal Year 2016-17. (See Exhibit A-3.)

Exhibit A-1 Defense Reinvestment Grants

Recipient	Purpose	Grant Amount	Expenditures for Fiscal Years 2014-15, 2015-16, and 2016-17
Bay Defense Alliance	Advocate for Bay County military installations, including travel to meet senior military officials, conduct community outreach activities, and redesign and host the Alliance’s website	\$95,000	\$95,000
Bay Defense Alliance	Develop and implement strategies and approaches to help support Bay County military installations and transition from a defense economy to a non-defense economy	\$96,980	\$96,980
Bay Defense Alliance	Support the Tyndall Air Force Base and Naval Support Activity Panama City military missions and foster local economic growth by developing strategic partnerships	\$97,925	\$97,925

²⁸ Legislators who are task force members do not vote on projects.

Recipient	Purpose	Grant Amount	Expenditures for Fiscal Years 2014-15, 2015-16, and 2016-17
Beacon Council (Miami-Dade)	Advocate and support 7 th District Coast Guard activities; promote use of Port of Miami as a port of call for visiting U.S. and foreign military ships; encourage local businesses interested in contracting with local military installations; increase public awareness of local military missions	\$80,000	\$40,459
Beacon Council (Miami-Dade)	Continue to focus on and support the local military industry in Miami-Dade County as a means of retaining and creating new jobs and to increase the level of local business activities with local military installations	\$97,761	\$64,154
Beacon Council (Miami-Dade)	Develop and implement strategies and approaches that will help communities support the missions of military installations and alternative economic diversification strategies to transition from a defense economy to a non-defense economy	\$80,000	\$61,633
Clay County Economic Development	Develop and implement strategies and approaches to help communities support Camp Blanding Joint Training Center and transition from a defense economy to a non-defense economy	\$48,000	\$41,276
Clay County Economic Development	Provide a five-year strategic plan for economic development that will create more high-wage jobs in Clay County; produce and publish advertorial promoting Camp Blanding Joint Training Center; improve and upgrade existing website	\$70,000	\$67,796
Clay County Economic Development	Aggressively strengthen and diversify the non-defense economy of Clay County while promoting the Camp Blanding Joint Training Center	\$89,000	\$73,129
Florida's Space Coast Economic Development Commission	Advocate for local military bases, including travel to meet with military leadership	\$75,000	\$74,992
Florida's Space Coast Economic Development Commission	Continue to build strong relationships and working partnerships to create positive impacts for the local military installation and the local community	\$97,925	\$71,094
Florida's Space Coast Economic Development Commission	Develop and implement strategies and approaches to help communities support missions of military installations and transition from a defense economy to a non-defense economy	\$50,270	\$50,270
Greater Pensacola Chamber	Travel to meet governmental officials concerning area military installations along with producing a Strength, Weakness, Opportunities, and Threats report on tenant commands at Naval Air Station Pensacola	\$70,000	\$6,030
Greater Pensacola Chamber	Advocate for Northeast Florida military installations, including travel to an advocacy-related meeting with military leadership	\$97,925	\$86,438
Greater Tampa Chamber of Commerce	Support MacDill Air Force Base and local defense-oriented industrials	\$109,950	\$105,545
Greater Tampa Chamber of Commerce	Develop and implement the Thunderdome Initiative as well as prepare a MacDill Base Access Congestion Study and advocate for MacDill Air Force Base and the military community	\$90,000	\$52,564
Jacksonville (City of)	Facilitate and host meetings to advocate for Northeast Florida military installations, including travel to an advocacy-related meeting with military leadership	\$89,000	\$86,695
Jacksonville (City of)	Advocate to preserve and increase the economic impact of the U.S. Military to the City of Jacksonville and the State of Florida	\$97,925	\$97,456
Jacksonville (City of)	Support military and alternative economic diversification strategies for transition from a defense economy to a non-defense economy	\$51,000	\$51,000

Recipient	Purpose	Grant Amount	Expenditures for Fiscal Years	
			2014-15, 2015-16, and 2016-17	
Okaloosa County Economic Development Council	Team Eglin and Military Veteran Collaborative Community Support Program	\$110,000	\$109,673	
Okaloosa County Economic Development Council	Sustain and enhance Okaloosa's military installations and missions by ensuring protection from closures, realignments, or sequestration, while concurrently expanding and diversifying the community's economic base	\$100,000	\$99,990	
Okaloosa County Economic Development Council	Continue sustained enhancement of Okaloosa County's military installations and missions with an approach that ensures protection from base closure or realignments concurrent with expanding community diversification	\$97,925	\$86,966	
Orange County Research and Development Authority	Develop and implement strategies and approaches that will help communities support the missions of military installations and alternative economic diversification strategies to transition from a defense economy to a non-defense economy	\$85,000	\$85,000	
Orange County Research and Development Authority	Support initiatives that will help protect, grow, and enhance the simulation business base and create additional high-technology jobs; promote crossover and technology transfer between defense and non-defense sectors; and to help the defense-dependent technology business community to diversify and grow	\$83,000	\$77,959	
Orange Economic Development Commission	Increase community advocacy and awareness to protect NSA Orlando; attend key simulation showcase conferences to encourage greater investments in Florida; support Science, Technology, Engineering, and Math (STEM) education initiatives to support technology transfer/spin-off of simulation technologies into the non-defense economy	\$81,400	\$72,241	
Pensacola Bay Area Chamber of Commerce	Promote defense economic growth and investment and improve the quality of life for area military members	\$66,000	\$24,569	
Pinellas Board of County Commissioners	Develop and implement strategies and approaches that will help communities support the missions of military installations and alternative economic diversification strategies to transition from a defense economy to a non-defense economy	\$50,000	\$49,995	
Santa Rosa County	Secure a consultant to represent the county to protect, sustain, and enhance military missions, to reduce the county's dependence on the military, and to reinforce positive relations between the community and the military	\$54,700	\$47,399	
Santa Rosa County Board of County Commissioners	Secure a consultant to represent the county to protect, sustain, and enhance military missions, to reduce the county's dependence on the military, and to reinforce positive relations between the community and the military	\$46,050	\$31,341	
Santa Rosa County	Develop and implement strategies and approaches that will help communities support the missions of military installations and alternative economic diversification strategies to transition from a defense economy to a non-defense economy	\$50,000	\$46,373	
Walton Area Chamber of Commerce	Develop and implement strategies and approaches that will help communities support the missions of military installations and alternative economic diversification strategies to transition from a defense economy to a non-defense economy	\$52,800	\$20,820	

Recipient	Purpose	Grant Amount	Expenditures for Fiscal Years 2014-15, 2015-16, and 2016-17
Walton Area Chamber of Commerce	Build a more economically diverse employment base, creating jobs for residents of the community with and without association to the regional installations	\$38,000	\$14,655
Walton Area Chamber of Commerce	Build a more economically diverse employment base, creating jobs for residents of the community with and without association to the regional installations to support the local community needs and regional military installation's missions	\$42,300	\$30,625
Total		\$2,540,836	\$2,118,042

Source: Compiled by OPPAGA using information provided by Enterprise Florida, Inc. and Department of Economic Opportunity.

**Exhibit A-2
Defense Infrastructure Grants**

Recipient	Purpose	Grant Amount	Expenditures for Fiscal Years 2014-15, 2015-16, and 2016-17
Bay County Board of County Commissioners	Design and construct a turn lane off Magnolia Beach Road	\$175,000	\$67,916
Bay County Board of County Commissioners	Install traffic signal system equipment for five intersections at Tyndall Air Force Base	\$185,000	\$182,755
Bay County Board of County Commissioners	Extend the current Bay County Intelligent Transportation System by approximately 1.45 miles to allow more efficient ingress and egress at Naval Support Activity Panama City	\$175,000	\$155,811
Clay County Development Authority	Security camera and associated equipment installation at selected locations at Camp Blanding Joint Training Center Assessment and Surveillance System	\$40,000	\$40,000
Clay County Development Authority	Construction/installation activities for Camp Blanding Joint Training Center Commercial Security Facility utility improvements	\$90,000	\$89,602
Clay County Development Authority	Construct and install two driving lanes, 30 feet wide and 1.5 miles long, of asphalt road service on existing roads at Cape Blanding Joint Training Center	\$300,000	\$297,905
Escambia County Board of County Commissioners	Density reduction in the Airfield Influence Planning Districts	\$200,000	\$0
Escambia County Board of County Commissioners	Acquisition of property and/or easements in the Airfield Influence Planning Districts	\$100,000	\$0
Florida's Space Coast Economic Development Council	Naval Ordnance Test Unit Restore Poseidon Study	\$175,000	\$0
Highlands County Board of County Commissioners	Encroachment prevention and sustainability of Avon Park Air Force Bombing Range	\$110,000	\$6,223
Jacksonville (City of)	Purchase restricted use easement on a property in the Military Influence Zone of Naval Air Station Jacksonville (Outlying Landing Field Whitehouse)	\$200,000	\$0
Jacksonville (City of)	Conduct property assessments, negotiations, surveys, and appraisals for targeted properties located in the Accident Potential Zones of Outlying Landing Field Whitehouse	\$200,000	\$0
Jacksonville (City of)	Construction of right turn lane extension	\$175,000	\$175,000
Jacksonville (City of)	Take steps to acquire land parcels or restricted use easements on lands within the Military Influence Area around NAS Jacksonville/OLF Whitehouse/NS Mayport	\$300,000	\$0
Okaloosa County	Shoal River Military Installation Buffering Project (15-06)	\$200,000	\$0
Okaloosa County	Land survey, property appraisal, site assessment, and acquisition of property in Shoal River Buffer Area	\$200,000	\$0

Recipient	Purpose	Grant Amount	Expenditures for Fiscal Years	
			2014-15, 2015-16, and 2016-17	
Okaloosa County	Purchase property in the Shoal River Buffer Area to protect Eglin Air Force Base and Duke Field from encroachment and other non-compatible development	\$300,000		\$0
Orange County Research and Development Authority	Installing network equipment and software to enhance cyber security for the Federal, State University Network	\$200,000		\$195,819
Pinellas County	Design, repair, and construction of aircraft paving an apron for Coast Guard Air Station Clearwater	\$250,000		\$239,080
Polk County	Acquisition of land or development rights for areas surrounding Avon Park Air Force Range as conservation easements	\$100,000		\$0
Polk County	Encroachment Prevention and Sustainability of Avon Park Air Force Range	\$100,000		\$0
Santa Rosa County	Acquisition of property or development rights that protect Naval Air Station Whiting Field and its Naval Outlying Landing Fields from encroachment and incompatible development	\$300,000		\$0
Santa Rosa County	Acquisition of property or development rights that protect Naval Air Station Whiting Field and its Naval Outlying Landing Fields from encroachment and incompatible development	\$200,000		\$0
Santa Rosa County	Acquisition of property or development rights that protect Naval Air Station Whiting Field and its Naval Outlying Landing Fields from encroachment and incompatible development	\$300,000		\$0
Total		\$4,575,000		\$1,450,112

Source: Compiled by OPPAGA using information provided by Enterprise Florida, Inc. and Department of Economic Opportunity.

**Exhibit A-3
Florida Defense Support Task Force Grants**

Recipient	Purpose	Grant Amount	Expenditures for Fiscal Years 2014-15, 2015-16, and 2016-17
Air Force Enlisted Village	Provide assistance in construction of veterans housing in the Ft. Walton Beach area	\$135,000	\$135,000
Bay County	Expand Bay County Intelligent Transportation System to synchronize traffic lights on access roads to Tyndall Air Force Base	\$200,000	\$200,000
Bay County	Conduct feasibility study of dredging turning basin to allow safe transit for larger Navy vessels	\$120,000	\$111,814
Clay County Economic Development Authority	Installation encroachment land acquisition	\$400,000	\$399,176
Clay County Economic Development Authority	Purchase of 159 acres adjacent to Camp Blanding to provide buffer from incompatible land development and encroachment	\$400,000	\$394,726
Clay County Economic Development Authority	Purchase acreage adjacent to Camp Blanding to buffer from incompatibility development and encroachment	\$400,000	\$0
Clay County Economic Development Authority	Purchase 410 acres adjacent to Camp Blanding to buffer from incompatible development and encroachment	\$400,000	\$390,176
Doolittle Institute	Technology transfer initiative	\$100,000	\$100,000
Florida 8(a) Alliance	Develop defense industry and veteran-owned small business growth and job creation	\$100,000	\$99,680
Florida's Great Northwest	Implement marketing program to aerospace and defense industries to bring veterans jobs to NW Florida	\$25,000	\$25,000
Greater Pensacola Chamber of Commerce	Naval Air Station Pensacola directional signage	\$250,000	\$0
Highlands County	Encroachment prevention and sustainability of Avon Park Air Force Range in Highlands County	\$500,000	\$0
Key West (City of)	Road access via Truman Waterfront Park	\$100,000	\$0
Key West (City of)	Truman Annex seawall refurbishment	\$150,000	\$0
Military Child Education Coalition	Comprehensive plan to support military and veteran-connected children and families in the state of Florida	\$225,000	\$46,175
National Center for Simulation	Implement strategic plan to retain Team Orlando and address office space shortage	\$240,000	\$240,000
National Math + Science Initiative	College readiness program for military families	\$175,000	\$54,604
Okaloosa Economic Development Council	Continue development of public-private partnerships to improve the military value of Eglin Air Force Base and Hurlburt Field	\$285,000	\$285,000
Okaloosa Economic Development Council	Benchmarking for success: Expanding Florida's military test range capacity through innovative land use partnerships	\$250,000	\$237,647
Polk County	Protect Avon Park from incompatible land use through acquisition of land or specific property rights. (15-14)	\$500,000	\$500,000

Recipient	Purpose	Grant Amount	Expenditures for Fiscal Years 2014-15, 2015-16, and 2016-17
Santa Rosa County	Site clearing to improve force protection at NAS Whiting Field	\$20,654	\$20,654
Santa Rosa County	Update 2003 land acquisition study and complete phased plan to limit encroachment at NAS Whiting Field	\$41,310	\$41,310
South Florida Progress Foundation	The establishment of the South Florida Defense Alliance (SFDA)	\$115,000	\$28,750
Tampa Bay Defense Alliance	Execute strategic plan (MacDill 2025) to champion MacDill Air Force Base	\$175,000	\$168,578
Tampa Bay Defense Alliance	Execute strategic plan (MacDill 2025) to champion MacDill Air Force Base. (15-02)	\$150,000	\$149,887
University of West Florida	Implement program to identify and train military and veterans in information technology and cybersecurity skills	\$350,000	\$350,000
Work Force Florida	Conduct an economic impact analysis of Florida's Military and Defense Industry	\$81,000	\$81,000
Total		\$5,887,964	\$4,059,177

Source: Compiled by OPPAGA using information provided by Enterprise Florida, Inc.

CHAPTER 3: VETERANS FLORIDA WORKFORCE TRAINING AND ENTREPRENEURSHIP GRANT PROGRAMS

BACKGROUND

The Legislature created Veterans Florida in 2014 to promote Florida as a veteran-friendly state that seeks to provide veterans with employment opportunities and that promotes the hiring of veterans by the business community.^{29,30} Veterans Florida is charged with administering two grant programs to help meet the employment needs of veterans and the business community: the Veterans Workforce Training Grant Program (WTG) and the Veterans Florida Entrepreneurship Program (VFEP).³¹

The Workforce Training Grant Program provides grant funding for customized, skills-based training for full-time veteran employees.³² WTG applicants must be for-profit businesses (or not-for-profit in certain fields, determined on a case-by-case basis) and provide permanent, full-time jobs for veterans (new hires or existing employees) requiring customized, high-level, non-degree skills training. Businesses must produce a good or service, demonstrate training need and economic impact, and provide trainee documentation deemed pertinent to Veterans Florida. While applications are funded on a first-come, first-served basis, funding priority is given to businesses that provide full-time, permanent, high-quality jobs in targeted industries or in the defense supply, cloud virtualization, or commercial aviation manufacturing industries. Priority is also given to businesses whose applications have the greatest potential for economic impact.³³

WTG recipients choose their own training and training provider, which can be an educational institution, private training company, a company employee, or a combination of these providers. The training can be provided at the company's or training provider's facility, or at a combination of locations. Training subject matter may focus on business operations strategies, occupational skills, professional development, or technical skills and may be delivered in person or online. Several types of general workplace trainings are disallowed, such as CPR and first aid and new hire orientation. Businesses pay for pre-approved, direct training-related costs and are reimbursed upon submission of required documentation.

²⁹ Section 295.21, *F.S.*

³⁰ Veterans Florida is a non-profit corporation housed within the Florida Department of Veterans Affairs but not subject to the department's control, supervision, or direction.

³¹ See *Veterans Florida Promotes Florida as a Veteran-Friendly State and Provides Numerous Services; Performance Measurement and Outreach Could Be Improved*, OPPAGA [Report No. 18-04](#), February 2018, for additional information on Veterans Florida and its programs.

³² A veteran employee for the purposes of this program is defined as an individual who is eligible to legally work in the U.S., is a Florida resident working at a physical location in Florida, and has verifiable military service with a DD-214 or is a current or former member of the Florida National Guard with a letter from their commander.

³³ Florida's targeted industries include aviation and aerospace, cleantech, defense and homeland security, financial and professional services, headquarters, information technology, life sciences, logistics and distribution, and manufacturing.

The Veterans Florida Entrepreneurship Program delivers entrepreneurship training to veterans through a variety of training formats. The VFEP is an entrepreneurship training program implemented by Veterans Florida and a network of partner entities located throughout the state. Network partners may be public or private entities that have demonstrated experience working with veteran entrepreneurs and have been recognized for their performance in assisting entrepreneurs to launch successful businesses in the state.³⁴ Current network partners include Action Zone, Inc., Florida Atlantic University, Florida Gulf Coast University, Tallahassee Community College, University of Central Florida, and University of West Florida.

The VFEP consists of several components, including self-paced online training, in-person workshops, and an advanced program. The online and workshop training components are open to any veteran interested in entrepreneurship and do not have specific completion criteria, whereas the advanced program has specific criteria for program admission and completion. The advanced program is an intensive, multi-week program of instruction designed for a cohort of 10 to 15 veterans with vetted business ideas or existing early stage companies that need to accelerate growth. To be admitted to the advanced program, a veteran must have a well-developed business concept and must have demonstrated commitment to their business idea through participation in other entrepreneurship training or tangible evidence of business activity (e.g., development of a product prototype or creation of a website). (See Appendix A for more detail on advanced program criteria.) To graduate from the advanced program, each participant must complete a business model and business plan and provide proof of corporate entity registration. (See Exhibit 3-1.)

Exhibit 3-1

The Veterans Florida Entrepreneurship Program Consists of Multiple Components; Selection and Completion Criteria Vary by Component

VFEP Component	Description	Implementing Entity	Selection Criteria	Completion Criteria
Online Training	Self-paced, online course for early stage entrepreneurs	Veterans Florida	Any veteran interested in entrepreneurship	None
In-Person Workshops	Two- to three-hour workshops for early stage entrepreneurs	VFEP Network Partners	Any veteran interested in entrepreneurship	None
Advanced Program	Intensive multi-week entrepreneurship training for veterans with vetted business ideas or young companies that need to accelerate growth	VFEP Network Partners	Honorably discharged veteran and Florida resident with demonstrated commitment to a well-developed business concept	Completed business model, business plan, and registration as a corporate entity

Source: Veterans Florida.

Activities

The primary activities of the Veterans Florida Workforce Training Grant Program include reviewing and managing grants, matching veteran job-seekers with employers, and marketing the program. The primary activities of the Veterans Florida Entrepreneurship Program include administering the contracts with network partner entities and promoting the program.

³⁴ Prior to July 1, 2018, only public or private universities were eligible to serve as VFEP network partners. Chapter 2018-7, *Laws of Florida*, revised VFEP eligibility criteria for network partners to extend eligibility to any type of private entity.

Veterans Florida staff reviews and approves WTG applications on a rolling basis. Businesses that meet basic program requirements are invited to apply and are assisted with the online application process by Veterans Florida staff.³⁵ The corporation's executive director reviews applications and approves businesses to be certified as WTG recipient businesses. Certified businesses receive funding via performance-based, reimbursable grant certification contracts, under which businesses are reimbursed on a rolling basis within the same fiscal year and are subject to an annual reimbursement cap of \$100,000.³⁶ Applications are reviewed on a first-come, first-served basis until available funding has been awarded. Businesses that demonstrate the ability to hire additional veterans during the period of their grant certification may be eligible for additional funding, and businesses may request extensions for their annual certifications.

Veterans Florida no longer allows fiscal agents as third parties to WTG contracts. The Quick Response Training Grant (QRT) program, upon which the WTG program was initially modelled, uses fiscal agents to receive and administer grant funds on behalf of the business.^{37,38} Veterans Florida staff reported that during the WTG program's initial years, Fiscal Years 2015-16 and 2016-17, they used fiscal agents in the grant process. However, Veterans Florida began to bypass the fiscal agent role more frequently in recent years, instead contracting directly with grant recipients. Veterans Florida now has staff members dedicated to employer outreach and staff reported that they have been able to streamline the grant reporting and reimbursement processes due to staff members' direct interactions with WTG recipients. As of Fiscal Year 2018-19, WTG contracts are two-party agreements between Veterans Florida and the business grant recipient.³⁹ Several businesses, however, continue to use the services of a private training provider to assist with WTG application and reporting processes, but the training provider is not a party to the grant contracts.

A certified business will complete an online hiring report upon hiring a veteran for which the business will seek training reimbursement. The hiring report contains information on the veteran employee that Veterans Florida staff reviews and approves for eligibility for grant funds (e.g., veteran status and job title). Once the reported new hire completes training, the business completes an online training report, which Veterans Florida staff reviews and makes a final determination of cost reimbursement to the business.⁴⁰ The program reimburses eligible companies for 50% of training costs associated with new veteran hires. Funding is provided on a per-veteran hired and trained basis, with a maximum of \$8,000 per employee trained. Allowable costs include tuition and fees, instructor salaries, textbooks and other materials, online training, and training lab rental fees. As of July 1, 2018, reimbursement is no longer allowable for curriculum development.⁴¹

³⁵ Ineligible businesses include not-for-profit agencies or organizations (excluding certain industries determined on a case-by-case basis); retail establishments; volunteer organizations; workforce development boards and their administrative entities; labor unions; and federal, state, county, or city governmental entities.

³⁶ Prior to Fiscal Year 2016-17, WTG grants were awarded in the form of legacy contracts, which were two-year contracts for a maximum reimbursement of \$200,000 and quarterly reimbursements for veterans trained and hired. All legacy contracts will expire at the end of Fiscal Year 2018-19.

³⁷ QRT is a state-funded business training grant program administered by CareerSource Florida. See Chapter 4 of this report for more information.

³⁸ A fiscal agent is a designated educational institution that may receive program funds and administer the grants on behalf of the businesses.

³⁹ Chapter 2018-7, *Laws of Florida*.

⁴⁰ Veterans Florida also randomly audits WTG recipient businesses and certification agreements to verify that veterans were trained and hired. As of October 2018, Veterans Florida had conducted six audits to verify trainer salaries, invoices, and veteran hiring and found no outstanding issues.

⁴¹ Chapter 2018-7, *Laws of Florida*.

Veterans Florida markets the WTG program, recruits qualified veterans through its career portal, and provides services to businesses. The marketing content for the WTG program and other Veterans Florida programs is developed by a private marketing firm with input from Veterans Florida staff on a regular basis. Veterans Florida, in coordination with the marketing firm, markets the WTG program through monthly emails to a distribution list, traditional media (e.g., print, television, radio), and digital media (e.g., social media, website). Veterans Florida staff also works with state and local entities to promote the program, such as the Department of Economic Opportunity, CareerSource Florida, local workforce development boards, and Enterprise Florida, Inc. For example, Veterans Florida staff reported that they have individual contacts with personnel at several local workforce development boards who deal specifically with veterans' employment, and that they have regular contact with local economic development councils to keep them informed about the WTG program. Staff also regularly attends events such as job fairs, trade shows, and human resources conferences to distribute program materials, gather resumes from veterans, and recruit businesses to apply for the program.

Veterans Florida also administers a career portal that helps match qualified candidates to WTG-funded positions at companies across the state. Through the Career Services site, any veteran can register and receive assistance with preparing their resume and determining their employment goals. Employers can post job listings on the site, and additional services are available to businesses that receive WTG grants, including free job postings, job referrals, and employee candidate recruitment and screening services.

Veterans Florida reviews network partner VFEP applications and awards contracts through a competitive process. Veterans Florida issued a new Request for Proposals for VFEP network partners during Fiscal Year 2017-18. Veterans Florida staff reviewed and scored applications and made recommendations that were approved by the board of directors. Six network partners entered into annual contracts to provide entrepreneurship training services at their institution starting in Fiscal Year 2018-19. Veterans Florida compensates network partners for their services through cost reimbursable contracts in maximum amounts of \$75,000 per network partner. Contracts are awarded for approximately one-year terms and may be renewed for up to three years from the first contract award date. During the contract period, each network partner must implement program activities at their institutions that include

- holding at least one monthly networking event to provide information to veterans interested in entrepreneurship;
- developing, organizing, staffing, and executing bi-monthly workshops (two to three hours each) covering topics relevant to early stage veteran entrepreneurs; and
- conducting at least two cohorts (10–15 veterans per cohort) of the advanced VFEP.

VFEP network partners recruit participants, provide educational and mentoring resources, and report performance information. Each network partner is responsible for recruiting veteran entrepreneur candidates to participate in the advanced program. Candidates register and apply through Veterans Florida's website. Veterans Florida staff reviews and approves applications in collaboration with each network partner. Each approved participant is required, as of Fiscal Year 2018-19, to pay a \$250 enrollment fee for the course, payable directly to Veterans Florida.

Network partners are responsible for implementing the advanced VFEP curriculum provided by Veterans Florida, or they may use their own curriculum, as approved by Veterans Florida. Network partners must also recruit a pool of qualified mentors to be matched with participants in the advanced program and serve as resources at monthly and workshop events. Mentors must be business leaders

able to dedicate time to helping veteran entrepreneurs achieve success. Network partners are required to connect veterans with additional local resources and to be available to them throughout the duration of coursework and after program completion. Such resources may include referrals to Small Business Development Centers, local incubators and accelerators, co-working spaces, and/or small business or entrepreneur networking groups. To provide these resources, network partners are expected to leverage their institutions' existing resources, such as providing access to business incubators, computer labs, and research facilities, and recruiting student and faculty volunteers whose skills match participant needs.

Network partners provide monthly reports to Veterans Florida that include information on program activities that occurred during the reporting month, and partners may invoice monthly for reimbursement of approved program expenses. As of Fiscal Year 2017-18, Veterans Florida also requires an annual final program report from network partners that must include a list of local resources to which participants were referred, total number of participants, and proof of completion for advanced program participants (business models, business plans, and proof of corporate entity registration). As of Fiscal Year 2018-19, Veterans Florida also requires network partners to report final participant performance data, including whether the business started, amount of revenue generated, number of employees hired, and capital invested.

Veterans Florida and network partners jointly promote the VFEP. It is the primary duty of Veterans Florida to market the VFEP to military veterans statewide, and network partners are required to conduct local marketing activities to participants and media outlets in their area of the state. Veterans Florida markets the VFEP through multiple forms of media, including digital advertising through social media and search engines, as well as traditional radio and print ads targeted to the respective region of each network partner. Network partners must promote the benefits of the program to the community and state through marketing and communications to the general public, local government, and other regional stakeholders. To assist the network partners in doing this, customized marketing materials have been developed, including email blast templates, media toolkits, videos, and social media post recommendations that each partner can use to promote the VFEP program and workshops during Fiscal Year 2018-19.

Funding

The WTG and VFEP programs are funded by state general revenue funds, which are appropriated by the Legislature to the Florida Department of Veterans Affairs and transferred to Veterans Florida. Overall, state funding for Veterans Florida's WTG and VFEP programs has remained fairly stable during the last several fiscal years. However, varying amounts of appropriated funds for each program have been reverted or returned to the department each fiscal year. (See Exhibit 3-2.) This is primarily because these programs were created in Fiscal Year 2014-15, but the WTG and VFEP programs did not have funding until January 2016. In addition, by initially relying on third party fiscal agents for employer outreach during the remainder of Fiscal Year 2015-16, the WTG program was initially slow to gain interest and momentum among business participants. Veterans Florida staff reported that the program faced initial challenges because businesses did not always know where to find veterans to hire, and it can be difficult to identify the right decision makers at large Fortune 500 companies who work with economic incentives. Veterans Florida reported that its new business outreach specialist staff will help address these issues by working directly with more businesses, which will help increase participation in the program, thereby maximizing the use of funds.

Exhibit 3-2

Appropriations for the WTG and VFEP Were Fairly Stable From Fiscal Year 2014-15 Through Fiscal Year 2017-18; Reverted Fund Amounts Have Fluctuated for Both Programs

Veterans Florida Program	Fiscal Year 2014-15		Fiscal Year 2015-16		Fiscal Year 2016-17		Fiscal Year 2017-18	
	Appropriation	Percent Reverted						
Workforce Training Grant Program	\$2,000,000	100%	\$2,000,000	75%	\$2,500,000	76%	\$2,910,918	69%
Veterans Florida Entrepreneurship Program	1,000,000	100%	1,000,000	7%	566,302	50%	783,152	3%
Total	\$3,000,000	100%	\$3,000,000	52%	\$3,066,302	72%	\$3,694,070	55%

Source: Veterans Florida.

In addition to the funding described above, the Legislature appropriates \$1 million annually to VISIT FLORIDA, the state’s destination marketing organization, to market the state to veterans.⁴² VISIT FLORIDA contracts with a private firm and manages the contract on behalf of Veterans Florida.⁴³ Veterans Florida, in turn, works with the marketing firm to develop the campaign’s focus and advise the design of marketing and media materials. A large portion of the marketing contractor’s budget is allocated to media placement. This includes maintaining alignment between media strategy and Veterans Florida’s strategic marketing plan and securing traditional and digital media to advertise Veterans Florida’s programs, including but not limited to the WTG and VFEP programs.

Veterans Florida expenditures have steadily increased during the past four fiscal years. As the WTG and VFEP programs have become more established, more funds have been expended for payments to grant recipients and for program-related administrative costs. Through Fiscal Year 2017-18, Veterans Florida had expended approximately \$1.2 million in WTG reimbursements and approximately \$1.6 million on VFEP network partner contracts. (See Exhibit 3-3.) Veterans Florida reported that administrative costs for each program have increased due to growing staff, program-specific software and supply needs, increased travel for new programmatic staff, and increased time spent by the executive director and budget staff on each program. Veterans Florida’s staff has grown from 3 FTEs in 2015 to 12 FTEs and 4 part-time employees as of October 18, 2018.

Exhibit 3-3

WTG and VFEP Expenditures and Program-Related Administrative Costs Increased From Fiscal Year 2014-15 Through Fiscal Year 2017-18

Veterans Florida Program	Fiscal Years			
	2014-15	2015-16	2016-17	2017-18
WTG Reimbursements	\$0	\$37,186	\$542,405	\$610,794
WTG Program-Related Administrative Costs	0	0	35,230	333,771
VFEP Network Partner Reimbursements	0	580,804	539,631	434,559
VFEP Program-Related Administrative Costs	0	0	49,810	276,092
Total WTG and VFEP Expenditures	\$0¹	\$617,990	\$1,167,077	\$1,655,217

¹ This was Veterans Florida’s first fiscal year of operation, during which the WTG and VFEP programs were still being developed and no program-specific expenditures were made.

Source: Veterans Florida.

⁴² Section 295.23, F.S.

⁴³ The current marketing contract was entered into in July 2018 with BowStern, LLC.

FINDINGS

WTG participation continues to increase and recipients are satisfied with the program; marketing partnerships with other state jobs agencies could be improved

Participation in the Veterans Workforce Training Grant program continues to increase; new marketing contract requires an annual 20% increase in business participation. As of August 1, 2018, Veterans Florida has awarded WTG contracts to 36 businesses that have either already trained and hired veterans and/or have active grant agreements. These businesses are distributed across the state and have largely been in areas that also have a strong military presence. (See Appendix B for map of WTG recipient locations and Exhibit 2-2 in Chapter 2 of this report for a map of major military installations.) Of these 36 businesses, 26 have hired 327 veterans at an average salary of \$35,587, representing over \$11 million in cumulative salaries for veterans trained and hired under the WTG program since its inception in Fiscal Year 2014-15.⁴⁴ The remaining 10 businesses have active certifications but have not yet hired or trained veterans with grant funds.

The total number of contracted businesses and reimbursements made by Veterans Florida to those businesses has been steadily increasing. As of July 1, 2018, cumulative reimbursements totaled approximately \$1.2 million. (See Exhibit 3-4.) The number of contracts awarded also continues to increase. The current marketing contract requires the vendor to increase WTG business participation by 20% each year, beginning in 2018. This is a new performance measure that was not required under the previous marketing contract.

Exhibit 3-4

WTG Participants and Reimbursements Increased From Fiscal Year 2014-15 Through Fiscal Year 2017-18

Veterans Florida Program	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Fiscal Year 2017-18	Total for Fiscal Years 2014-15 Through 2017-18
Number of WTG Contracts Awarded	0	10	13	25	48
Total WTG Reimbursements	\$0 ¹	\$37,186	\$542,405	\$610,794	\$1,190,385

¹ This was Veterans Florida's first fiscal year of operation, during which the WTG and VFEP programs were still being developed and no program-specific expenditures were made.

Source: Veterans Florida.

WTG recipients are generally satisfied with the program. OPPAGA surveyed the 34 businesses that had received a WTG and had trained and hired veterans and/or had active grant agreements as of May 1, 2018.⁴⁵ Half of the survey respondents represented small businesses, and half represented businesses started within the last 20 years. Of those that responded to the survey, 83% were existing Florida firms. Businesses responding to the survey represented a variety of industries, including aerospace, food service distribution, information technology, insurance, and logistics. Most businesses (61%) reported they did not receive training grants from other sources during the review period. However, of the few that did receive training grants from other sources (28%), the most frequently

⁴⁴ Veterans Florida has made grant awards to 48 businesses since the beginning of the program, 12 of which were awarded contracts but never hired veterans and were never paid. These 12 contracts are now expired.

⁴⁵ Of the 34 businesses surveyed, 18 responded for a response rate of 53%.

reported other training program was Quick Response Training, which provides training grants to businesses in many of the same industry sectors as Veterans Florida's WTG program.⁴⁶

Most businesses (71%) responding to the survey reported that the grant-funded training was used to provide training on technical or trade skills for employees, such as training in sales, customer service, specialized equipment, etc. Most businesses (71%) reported that the training provider was an employee of the business, while 36% reported that a private provider conducted training. The most frequently reported effect of the grant on businesses' training decisions was that the grant allowed the businesses to offer more extensive and/or in-depth training (57%), while a few businesses reported that they would have conducted the training regardless of whether they received the grant (29%).

Most businesses (56%) learned about the WTG program from Veterans Florida, while several reported they learned about it from other sources, such as regional workforce boards, economic development organizations, and community colleges. None of the business that responded to the survey reported that they had learned about the WTG program from Enterprise Florida, Inc. Less than half of the businesses that responded to the survey reported that they use Veterans Florida's recruitment and hiring services to hire veterans. Of these businesses, the most frequently reported services included job referrals from Veterans Florida staff (71%) and the Veterans Florida Career Services Program website (57%).

The majority of grant recipients reported satisfaction with the grant application (71%), approval (86%), and reimbursement processes (100%); reporting requirements (86%); and Veterans Florida staff communication (93%). Most respondents (86%) reported that the WTG program had a positive impact on their businesses. The three most frequently reported benefits of the WTG to businesses included that the grants increased their employees' knowledge and skills (92%), facilitated the hiring of veterans (58%), and helped the business maintain competitiveness (33%). Half of the businesses reported that they were more likely to hire veterans based in Florida in the future because of the WTG program. Most respondents (71%) reported that they would seek another Veterans Florida WTG in the future.

Veterans Florida has worked with local and state job creation entities to promote the training grant program, but opportunities for additional outreach remain. Although Veterans Florida staff reported that they continue to work successfully on an individual basis with representatives of various state jobs agencies, some opportunities for advertising their grant programs with these same agencies remain underutilized. For example, while the WTG program is a business incentive that can be combined with other economic incentives widely advertised by Enterprise Florida, Inc. (EFI), the state's principal economic development marketing organization, there is no information about the WTG program on EFI's website.⁴⁷ Further, despite efforts to coordinate with veterans' contacts at the workforce development boards, Veterans Florida's programs are not advertised through local workforce development board websites, which is a missed opportunity for veterans who may go to such sites to search for employment. Similarly, if veterans are already aware of Veterans Florida, they may access its site from the Florida Department of Veterans Affairs main webpage; however, if veterans reach the department's employment resources webpage, they will not see information about Veterans Florida and its programs but are instead directed to a different state jobs search portal.

⁴⁶ See Chapter 4 for an evaluation of CareerSource Florida's Quick Response Training (QRT) Program. Businesses are eligible to receive funding simultaneously from both the QRT and WTG programs.

⁴⁷ Section 295.22(4), *F.S.*, directs EFI to provide information about Veterans Florida and its services to prospective, new, expanding, and relocating businesses seeking to conduct business in Florida. It also directs EFI to collaborate with Veterans Florida to the greatest extent possible to meet the employment needs, including meeting job-creation requirements, of any business receiving assistance or services from EFI.

Businesses receiving WTG grants experienced varying levels of wage and employment growth

Employment and wage growth varied from the statewide average for businesses that received WTG training grants during the review period. To assess the economic growth of these businesses, OPPAGA compared economic outcomes from Fiscal Year 2014-15 through Fiscal Year 2016-17; Fiscal Year 2014-15 was the year before recipients provided employees grant-funded training in the current review period.⁴⁸ (See Exhibit 3-5.)

Our analysis found that employment increased by 8% for WTG recipients, which was slightly higher than the statewide average of 7% for the same period. An employment increase is consistent with WTG goals, given that the grants in part fund the hiring of new employees.

However, wage growth was 1% for grant recipients, which was lower than the statewide wage growth of 7% during this period. While this may suggest that WTG trainees are not employed by high wage growth businesses, the two-year period of analysis is a relatively short time frame to see wage growth. In addition, while these results represent aggregate wage growth for the group of businesses for which data were available, some individual grant recipients experienced higher levels of wage growth during this period, ranging from 21% to 48%.

Exhibit 3-5

Companies That Received Veterans Workforce Training Grants in the Current Review Period Experienced Varying Degrees of Employment and Wage Growth From Fiscal Year 2014-15 Through Fiscal Year 2016-17

Program	Number of Businesses for Which Data Were Available	Employment Growth	Wage Growth
Veterans Workforce Training Grant	14	8%	1%
Statewide	648,915 ¹	7%	7%

¹ This number represents the average number of total establishments in Florida in Fiscal Years 2014-15 and 2016-17.

Source: OPPAGA analysis of Department of Economic Opportunity data.

Veterans Florida has enhanced VFEP; past participants are generally satisfied but have suggestions for additional improvement

The Veterans Florida Entrepreneurship Program revised its structure to provide opportunities to more veterans and increase advanced program completion rates; VFEP performance information has improved. At its inception, the program had one main component, the advanced program, and attrition rates were relatively high in the first year of the program. In response to network partner concerns, Veterans Florida revised the program to create additional opportunities for veterans at any stage of entrepreneurship through the online and in-person workshop opportunities, thereby increasing the reach of the program at a relatively low cost. In addition, more rigorous admission and completion criteria, including having a well-developed business idea and demonstrated commitment to starting a business, were instituted in Fiscal Year 2017-18. These new requirements

⁴⁸ The period of analysis is one year shorter than the time frame used in employment and wage analyses in other chapters of this report due to the recent inception of the WTG program.

are likely to attract more participants who are able and motivated to complete the program and over time may lead to lower program attrition rates. The completion rate for the advanced program increased slightly from 49% in Fiscal Year 2016-17 to 50% in Fiscal Year 2017-18.

In addition, advanced program graduate performance information was initially tracked informally and in varying ways by the partner institutions. Information is now tracked more consistently with the final program report requirements of all network partners. Veterans Florida has also begun implementing a survey of program graduates for each class that it plans to continue to update to track graduate business performance over time and has begun reporting improved performance information on VFEP participants. Overall, the VFEP has graduated 396 veterans who have generated \$22 million in revenue, started 121 businesses, and hired 171 people as of October 8, 2018.

Entrepreneurship program participants most frequently chose on-campus workshops; the majority are separated from the military and have been Florida residents for five or more years. OPPAGA surveyed 442 veterans who participated in VFEP during Fiscal Year 2017-18.⁴⁹ Veterans may choose to participate in one or more of the following components of the VFEP: online courses, on-campus workshops, and/or the advanced program. Of the veterans that responded to the survey, 26% participated in the online course, 56% participated in the on-campus workshops, and 49% participated in the advanced program. Several respondents (26%) reported participating in some combination of program components, with the most frequently reported combination being on-campus workshops and the advanced program (16%). Only a few individuals (5%) had participated in all three program components. The most frequently reported ways veterans learned about the program include Veterans Florida's website (28%), other veteran resource websites (20%), and a family member, friend, or co-worker (18%).

Prior to participating in VFEP, 62% of survey respondents had been separated from the military for 5 or more years and 58% served in the military for 10 years or less. Several respondents reported that they served in the Army (41%), Navy (27%), and Air Force (26%); 5% reported having served in the Marine Corps, and one respondent served in the Coast Guard. Most VFEP participants who responded to the survey are male (78%), have lived in Florida for over five years (68%), and are employed full or part time (68%). Most participants (68%) are between the ages of 35 and 54, and the highest level of education achieved for most participants responding to the survey was a Bachelor's or Master's degree (65%).

Eighty-five percent of respondents reported that they benefited from participating in VFEP; advanced program participants reported several advantages of program participation. The most frequently reported benefits of participating in VFEP include improved connections and networks with other veteran entrepreneurs (54%), improved connections and networks with business leaders (46%), and learning the basics of entrepreneurship (46%). A few (8%) respondents reported they did not benefit from program participation, and some reasons include that VFEP did not pertain to particular business models or did not provide the expected level of mentorship.

In addition to the reported benefits, a majority of respondents who participated in one or more components of VFEP agree that the program helped them to improve in entrepreneurial competencies that included

⁴⁹ OPPAGA received complete survey responses from 74 veterans for a response rate of 17%; 11 surveys were undeliverable.

- general knowledge of the business start-up process (85%);
- familiarity with the process of business entry and stages of setting up an organization (83%);
- understanding of relationships needed with key stakeholders when starting a business (86%);
- knowledge of resources available for veteran business owners (80%);
- entrepreneurial skills and competencies (80%);
- awareness of the daily life of entrepreneurs (74%);
- awareness of core entrepreneurial values (83%); and
- vision of themselves as entrepreneurs (82%).⁵⁰

Of the 49% of survey respondents who reported participating in the advanced program, 88% completed the program. Of the remaining 12% who did not complete the program, the most frequently reported reason was other life events. Most respondents (67%) who participated in the advanced program had not participated in other entrepreneurship training prior to their participation in VFEP. However, of the 33% that did report prior entrepreneurship training, all reported that the VFEP provided value that other entrepreneurship training programs did not. For example, it provided them with networking opportunities with businesses and other veterans and provided mentorship resources.

Most (60%) advanced program participants had used the post-program mentoring resources provided by VFEP network partners and Veterans Florida. The most frequently reported post-program resources are consultation with VFEP faculty and staff (83%), followed by consultation with local business leaders (50%). Additional post-program resources respondents reported using included business incubator services (39%) and financial information and advice (28%). Of the 40% who reported not using post-program resources, the most frequently reported reasons included lack of clarity on how to access the resources (33%) and lack of awareness of available resources following program participation (25%).

Survey respondents made several suggestions for VFEP program improvement. While most survey respondents reported satisfaction with the VFEP program, many made a variety of suggestions for program improvement (52%). The most frequently reported suggestion for improvement was to enhance mentorship resources and expertise available to program participants, both during and after the program (16%). Additional suggestions included improving marketing of the program to reach a wider audience, providing participants with more information about finance and funding, offering the course to more veterans upon transition from the military, and focusing less on business start-up and more on day to day and business expansion activities.

VFEP participants reported increased business growth after program participation

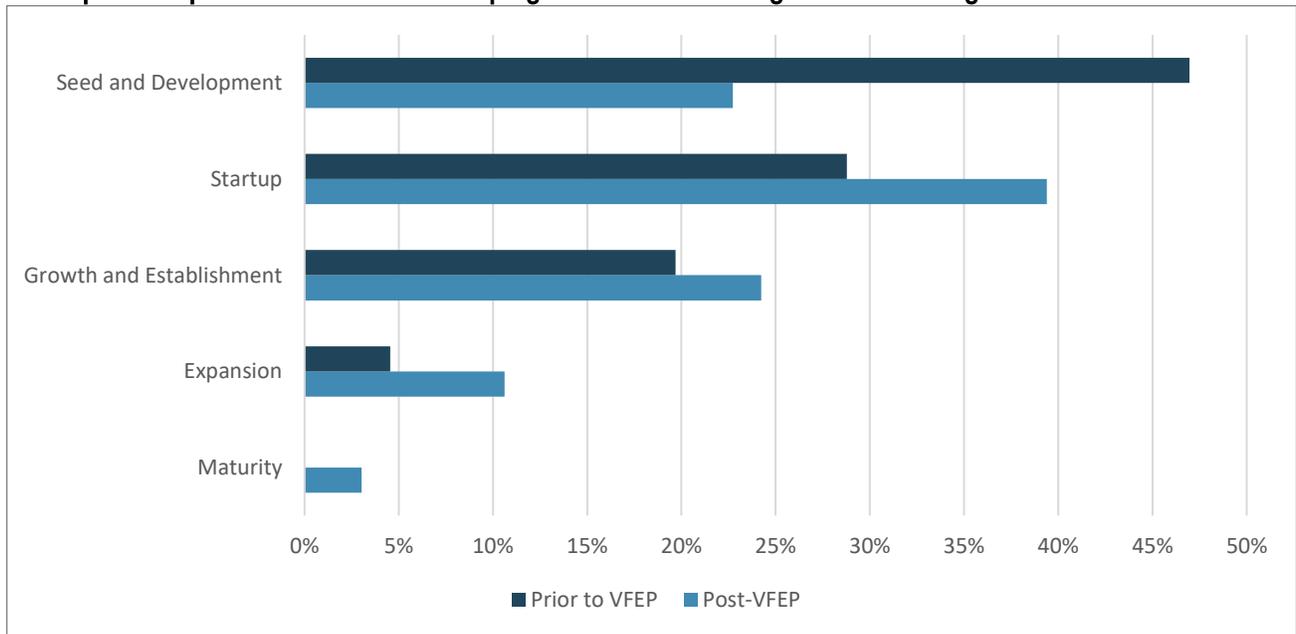
The business lifecycle includes five stages: seed and development, startup, growth and establishment, expansion, and maturity. The VFEP is designed to help veterans with early stage ideas or early stage companies open and operate their own business. Prior to VFEP participation, 47% of respondents

⁵⁰ Entrepreneurial competencies adapted from D.M. Cumberland, *Training and Educational Development for "Vetpreneurs,"* *Advances in Developing Human Resources*, Vol 19(1), 2017.

reported that they were in the seed and development stage, 29% were in the startup stage, 20% were in the growth and establishment stage, and 5% were in the expansion stage. After VFEP participation, 24% fewer respondents reported that they were in the seed and development stage, and the number that reported being in the startup stage increased by 11%; the number of respondents who reported being in the growth, expansion, and maturity phases also increased. (See Exhibit 3-6.) These results suggest that the VFEP is achieving its mission of helping veterans with early stage ideas or early stage companies to open and operate their own businesses.

Exhibit 3-6

Participants Report That the VFEP Is Helping Them Move Through Business Stages



Source: OPPAGA analysis of VFEP participant survey data.

After participating in the VFEP, 77% of survey respondents reported that they had an active business, compared to 53% that had a business prior to VFEP participation. The majority of these businesses are small businesses with fewer than five employees (92%) that were started within the last three years (75%). Most of these businesses are Limited Liability Corporations (65%) providing services and whose principal activities represent a variety of industries, including information, manufacturing, professional and business services, and trade. Most reported they conduct their business from home (57%) and that their business is not their only source of employment (57%). Most respondents (78%) reported investing less than \$50,000 in their businesses, with 48% investing less than \$10,000.

RECOMMENDATIONS

In OPPAGA’s February 2018 report, we recommended that Veterans Florida implement consistent, specific metrics for its major program areas and strengthen its coordination with other state and local entities. Since our prior review, Veterans Florida has developed and implemented performance metrics for both the WTG and VFEP programs that will allow improved, consistent assessment of program progress over time. However, improvements are still needed in coordination of efforts with other state and local entities, particularly economic development and employment agencies.

Despite Veterans Florida's outreach, their programs are still not advertised through key websites of other state-funded agencies that provide employment opportunities for veterans. To maximize reach and limited resources, the Florida Department of Veterans Affairs, which houses Veterans Florida, could expand promotion of Veterans Florida's programs by ensuring that they are referenced by other state agencies that provide opportunities to promote job creation and employment opportunities for veterans, particularly CareerSource Florida, local workforce development boards, Enterprise Florida, and the Department of Economic Opportunity. Because the WTG program can be combined with other economic development programs, CareerSource Florida and EFI could play particularly helpful roles in promoting the program to businesses seeking other state economic development programs, such as Quick Response Training.

In addition, Veterans Florida may wish to strengthen the support it provides to veterans graduating from the VFEP. Veterans Florida staff reported that access to post-program resources provided by the network partners has been a key for success of past VFEP classes. However, our survey results suggest that one third of participants are not sure how to access community resources that network partners are required to provide. To address this concern, Veterans Florida may wish to conduct additional annual follow-up with each network partner to ensure that available resources are clearly and frequently communicated to all VFEP advanced program participants and graduates.

APPENDIX A

Veterans Florida Entrepreneurship Program Advanced Class Selection Criteria

Exhibit A-1

Certification Criteria Include Detailed Reimbursements for a Business Idea

Program	Certification Criteria
Veterans Entrepreneurship Program Advanced Class	<ul style="list-style-type: none">▪ Florida resident▪ Honorably discharged veteran, currently serving in the guard/reserve, or active duty within one year of end term of service▪ Able to articulate a well thought out business concept that meets the following criteria<ul style="list-style-type: none">○ Realistic, achievable, and potentially profitable○ Business concept is able to be launched within 6 to 12 months of completion of the class○ Leverages the veteran's or co-founder's experience, education, skills, knowledge, or abilities○ Can be scaled to generate enough revenue and profit to support the entrepreneur and/or employees○ Demonstrated commitment to his or her business idea, measured through one or more of the following<ul style="list-style-type: none">- Completion of a self-paced online course, attendance at VFEP workshops or other entrepreneurship programs or courses such as the Entrepreneurship Bootcamp for Veterans, National Veterans Entrepreneurship Program, Boots to Business, Bunker Labs, Venture Hive, etc.- Has compiled research, developed a product prototype, model, drawings, website, or other tangible evidence of business activity

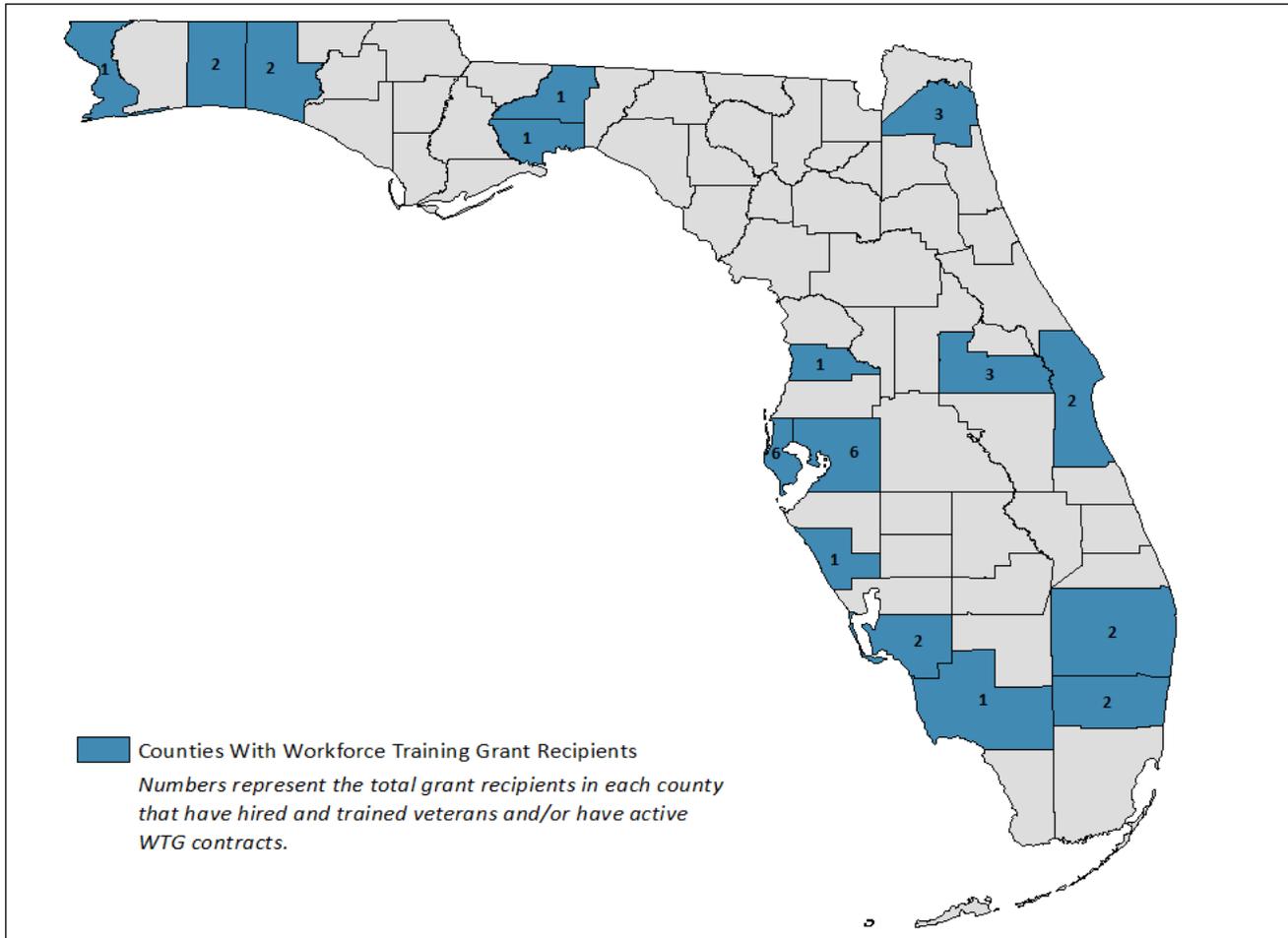
Source: Veterans Florida.

APPENDIX B

Florida Workforce Training Grant Locations

Exhibit B-1

Veterans Florida Awarded Workforce Training Grants to 36 Businesses Located Across Several Florida Counties During Fiscal Years 2015-16, 2016-17, and 2017-18



Source: OPPAGA analysis of Veterans Florida data.

CHAPTER 4: QUICK RESPONSE TRAINING AND INCUMBENT WORKER TRAINING PROGRAMS

BACKGROUND

The Quick Response Training and Incumbent Worker Training grant programs are state-administered training grant programs available to Florida businesses.⁵¹ The QRT program provides new or expanding businesses in Florida’s target industries state grant funding for customized, skills-based training. The IWT program is a federally funded program that provides grants for continuing education and training to employees already employed at existing Florida businesses. (See Exhibit 4-1.) CareerSource Florida, the business-led statewide workforce investment board, administers the programs.^{52,53}

Exhibit 4-1

Quick Response Training and Incumbent Worker Training Programs Have Different Characteristics

Characteristic	Quick Response Training	Incumbent Worker Training
Funding source	State appropriation	Federal appropriation
Type of training funded	Customized and skill based	Any occupational or technical skills
Qualifying industries	State qualified target industries	Any industry ¹
Qualifying businesses	New or expanding	Existing and in operation for at least one year
Employee status	New employees ²	Current employees
Company match	Required ³	Required

¹ Retail establishments are ineligible for grant funding, although their corporate headquarters may be eligible.

² Grant funds can be used for current employees if the project is for company retention in Florida.

³ Eligible matching contributions may be counted toward the private sector support of Enterprise Florida, Inc., under s. 288.904, *F.S.*

Source: OPPAGA analysis.

QRT is state funded and targeted to new employees in particular industries. The Legislature established the QRT Program to meet the workforce needs of existing, new, and expanding industries.^{54,55} The program is state funded and provides grants to qualifying businesses to train their new full-time employees; grants are performance based and reimbursable. Eligible businesses are in high-skill targeted industries with wages of 125% above state or local private sector wages.⁵⁶ QRT applicants must be for profit businesses and create new, permanent, full-time jobs requiring

⁵¹ An additional state-administered training grant program available to Florida businesses is the Veterans Workforce Training Grant program. (See Chapter 5 of this report.)

⁵² Prior to 2014, CareerSource Florida was known as Workforce Florida, Inc. It is administratively housed within the Department of Economic Opportunity.

⁵³ In addition to administering these training programs, CareerSource Florida provides policy oversight and designs strategies to address statewide workforce needs and oversees 24 regional workforce boards around the state.

⁵⁴ Section 288.047, *F.S.*

⁵⁵ Chapter 93-187, *Laws of Florida*.

⁵⁶ Florida’s targeted industries include aviation and aerospace, clean technology, corporate headquarters, defense and homeland security, emerging technologies, financial and professional services, information technology, life sciences, and other manufacturing.

customized skills training not available at the local level. Businesses must produce an exportable good or service and demonstrate financial viability. (See Appendix A for detailed QRT eligibility criteria.)

Grant recipients pay for pre-approved direct training-related costs, including instructor wages, curriculum development, and textbooks/manuals, and are reimbursed for a portion of the expenses upon submission of required documentation. Program funds are allocated to a local fiscal agent, which can be a community or state college, area technical center, or state university. The fiscal agents manage grant contracts between CareerSource Florida and grant recipients. As of August 2018, there are 33 fiscal agents to assist local businesses in the application, reporting, and reimbursement processes; fiscal agents may keep up to 5% of the grant award amount for performing these tasks.⁵⁷ The majority of fiscal agents are community or state colleges, while a few are local school boards and state universities (e.g., Suwanee County School Board, the University of North Florida).

IWT is federally funded and can be used for current employees. Florida's IWT program is administered by CareerSource Florida pursuant to the federal Workforce Innovation and Opportunity Act (WIOA), which provides annual funding and establishes administrative and programmatic requirements.⁵⁸ The purpose of the program is to address current employee training needs by providing grant funding for continuing education and training of incumbent employees at existing Florida businesses.⁵⁹ The program provides grants to reimburse businesses for preapproved, direct, training-related costs. Businesses receive reimbursement directly from CareerSource Florida, and there is no fiscal agent involved in the process as there is with the QRT program.

IWT grant applicants must be for profit companies operating in Florida for a minimum of one year prior to application. As of Fiscal Year 2015-16, companies must describe how the training is related to the competitiveness of the business and the employee receiving the training, and must demonstrate a commitment to retain or avert the layoff of employees receiving the training. Applicants must also demonstrate financial viability, have at least one full-time employee, and have not received an award in the previous or current program year. (See Appendix A for detailed IWT eligibility criteria.)

Training options are generally similar across both grant programs, but some differences exist in allowable trainings. Both grant programs offer flexibility regarding the types of trainings and training providers. QRT and IWT grant recipients choose their own training and training provider, which can be an educational institution, private training company, a company employee, or a combination of these. The training can be provided at the company's or training provider's facility, or at a combination of locations. Training subject matter may focus on occupational skills, professional development, business operations strategies, or technical skills, and may be delivered in person or online in both programs.

Several types of trainings are disallowed under both grant programs, including CPR and first aid, English as a second language, and new hire orientation. There are also some differences in allowable trainings between the programs. For example, QRT disallows OSHA and safety training, which is allowed under IWT, and training that includes costs for equipment is allowed under QRT but not IWT. (See Appendix B for detailed training options by program.)

⁵⁷ Section 288.047(5)(c), *F.S.*

⁵⁸ Section 445.003(3)(a)3.b., *F.S.*

⁵⁹ Section 445.003(a)3, *F.S.*

Training content and delivery mechanisms varied across the two programs. Most QRT companies provided industry-specific training, while the most frequently reported trainings by IWT grant recipients included certification and continuing education trainings. Both QRT and IWT companies used grants for a variety of trainings, including leadership and management, computer skills, and customer service training. QRT grantees more frequently utilized internal trainers than IWT grantees. Seventy percent of the QRT grants executed during the review period used only company employees for trainers and 12% used a combination of employees and external trainers, while 83% of IWT grantees used only external trainers and 9% used a combination of company employees and external trainers.

Activities

The primary activities of the QRT and IWT programs consist of providing grants to Florida businesses and marketing the grant programs. Because QRT is a state-developed program and IWT is a federal program, the programs have slightly different administrative processes and recipient requirements. (See Exhibit 4-2.) CareerSource Florida has implemented some programmatic changes to both programs since OPPAGA's last review.

Program administration continues to include a due diligence review by CareerSource Florida, but some processes are now streamlined. As of Fiscal Year 2015-16, applications for both QRT and IWT are completed entirely through an online application system.⁶⁰ A business can apply online for either QRT, IWT, or both programs. Businesses applying for QRT are required to select a fiscal agent to assist with the application process, and a portion of the application is completed and submitted by the fiscal agent. IWT applications are submitted directly by the business applicants.

CareerSource Florida has changed the application workload of individual staff. Currently, one CareerSource Florida staff member is assigned to each of the four business and workforce development territories to review all QRT and IWT applications in their respective territory. Each of these territories consists of 6 of the state's 24 local workforce development boards.⁶¹ During the previous review period, one CareerSource Florida staff member was responsible for all QRT applications and another staff member for all IWT applications statewide. CareerSource Florida staff members review grant applications for proposed training plans, budgetary analysis, and the business's financial viability. QRT grants are also reviewed by CareerSource Florida staff for external support letters from local economic development organizations and local workforce development boards.

Upon completing their due diligence review and approval of grant applications, CareerSource Florida staff informs business applicants that they have been approved for a certain number of dollars and employees. CareerSource Florida staff then creates contracts that set forth the processes for administering and completing the grant-funded trainings. QRT and IWT grant recipients may begin training upon application approval. QRT grant contracts are prepared and sent electronically to fiscal agents for signature by the fiscal agent and business representative. IWT contracts are sent directly to the business for electronic signature. Final contracts for both programs are stored electronically by CareerSource Florida staff. Prior to Fiscal Year 2015-16, CareerSource Florida stored grant documentation in paper format.

⁶⁰ Prior to Fiscal Year 2015-16, businesses submitted email applications for both the QRT and IWT programs.

⁶¹ The state's 24 local workforce development boards work collaboratively with the Department of Economic Opportunity and CareerSource Florida to administer the statewide workforce system.

There is some variation across the two programs in eligible reimbursement costs and grant award determination. Both QRT and IWT allow several of the same reimbursable expenses, such as instructor wages, curriculum development, and textbooks and manuals. However, QRT allows reimbursement for domestic travel for trainers and trainees, whereas IWT does not allow for this expense. IWT allows reimbursement for individual training course costs, but QRT does not include this in its reimbursable expenses. Neither QRT nor IWT allow trainee wages to be reimbursed. IWT program guidelines specify several additional disallowed costs, including capital improvements, travel or food, and test and exam fees.

In addition, total grant award amounts are determined differently for the two grant programs. For QRT, grant awards are based on the total number of projected new hires and an approved amount per trainee that is determined by CareerSource Florida staff based on the industry, wages, location, and reimbursable expense amount. IWT award amounts are based on the estimated total projected direct training costs of the grant recipient. (See Appendix B for more detail.)

Reporting and reimbursement frequency vary across the two grant programs. QRT recipients must submit quarterly reports whether or not training occurs but may report and request reimbursement more frequently if they choose. Reimbursements are made in proportion to the recipient's hiring and training progress, i.e., the percentage of funds reimbursed equals the percentage of employees hired and trained to date. In contrast, IWT recipients are required to submit monthly reports while training is occurring but also may request reimbursement as frequently as needed. Similar to QRT, reimbursements are made in direct proportion to the business's training progress. IWT recipients also complete one mandatory status report at six months; the same is not required of QRT recipients.

Businesses receiving grants from either program have 60 days after the contract end date to submit closeout paperwork for their grants. Both QRT and IWT recipients must submit a final training evaluation within 60 days from the end of training. While grant recipients do not have to document specific outcomes related to the substance of the training, grant recipients are required to provide certain information to CareerSource Florida on all employees who received the grant-funded training.⁶² Required information for QRT trainees includes legal name, social security number, date of hire, and job title, and for IWT trainees includes legal name, social security number, citizenship verification, hourly wage, and date of hire.

⁶²Section 288.047(5)(e), *F.S.*

Exhibit 4-2

Florida's Training Grant Administrative Processes Vary Slightly by Program

Requirements	Quick Response Training	Incumbent Worker Training
Application review process	<ul style="list-style-type: none"> Review proposed training plans Budgetary analysis Review external support letters Due diligence review using Department of State and Department of Revenue information 	<ul style="list-style-type: none"> Review proposed training plans Budgetary analysis Due diligence review using Department of State and Department of Revenue information
Award cap	<ul style="list-style-type: none"> None¹ 	<ul style="list-style-type: none"> \$50,000²
Maximum contract term	<ul style="list-style-type: none"> 12 months 	<ul style="list-style-type: none"> 12 months
Reporting requirements	<ul style="list-style-type: none"> Quarterly reports End of contract evaluation Trainee information 	<ul style="list-style-type: none"> Monthly reports (quarterly if no training is occurring) 6-month status report Final training evaluation Trainee information Federal WIOA reporting requirements
Reimbursement basis	<ul style="list-style-type: none"> Pre-approved per-trainee amount 	<ul style="list-style-type: none"> 50% of approved, direct training costs
Reimbursement requests	<ul style="list-style-type: none"> At least quarterly while training is occurring 	<ul style="list-style-type: none"> At least monthly while training is occurring

¹ As of Fiscal Year 2017-18, QRT grants are subject to a maximum cap of \$500,000 per grant.

² The cap increased from \$30,000 per grant to \$50,000 per grant in Fiscal Year 2014-15. As of Fiscal Year 2017-18, IWT grants are subject to a maximum cap of \$200,000 per grant.

Source: OPPAGA analysis of CareerSource Florida information.

During the current review period, CareerSource Florida shortened the contract length for QRT grants to encourage the use of program funds at a faster rate. Contract terms for QRT grants during the previous review period ranged from 12 to 24 months, depending on the number of new employees trained.⁶³ However, in Fiscal Year 2016-17, CareerSource Florida reduced the contract length of QRT grants from 24 to 12 months for all grants; CareerSource Florida staff reported that this change has led to more rapid use of program funds. Staff reported that, previously, companies would execute a grant contract but hold the training further in the future. However, with the shorter contract period, grant recipients are holding the training sooner and are paid sooner. CareerSource Florida staff also reported that under the new contract period, they have observed fewer instances where a business applies for and receives a grant but never actually uses the grant money.

Programmatic changes at the federal level affected IWT reporting requirements and program participation during the review period. The federal Workforce Innovation and Opportunity Act provides annual funding and establishes programmatic requirements for the IWT grant program.⁶⁴ WIOA took effect on July 1, 2015, and Florida's state WIOA plan took effect on July 1, 2016. CareerSource Florida staff reported that as of July 2016, WIOA enacted new reporting requirements for IWT, which included requiring businesses to report over 60 new data elements on each trainee, including various demographic and employment-related factors (e.g., age, ethnicity, disability status, industry of employment, veteran status, and education).⁶⁵

⁶³ During the previous review period, businesses that created 25 or fewer net new jobs would have a grant term of up to 12 months, and those that created 26 or more net new jobs would have a grant term of up to 24 months.

⁶⁴ Section 445.003(3)(a)3.b., *F.S.*

⁶⁵ Prior to July 2016, businesses were only required to submit each training participant's social security number and their first and last date of training.

CareerSource Florida staff reported that businesses and employees perceived these changes as very cumbersome, which may have discouraged businesses from applying for IWT funds. In particular, staff reported that a high number of businesses that were awarded grants in Fiscal Year 2016-17 simply dropped out of the program and did not seek reimbursement for completed trainings; 58% fewer employees received training with IWT grant funds in Fiscal Year 2016-17, compared to the prior fiscal year. The number trained in Fiscal Year 2016-17 was also 73% lower than the prior three-year average. The number of IWT grant awards increased by 6% during the same time period, supporting the claim that many businesses that received grants never sought reimbursement. CareerSource Florida shared their concerns about the burdensome requirements with the U.S. Department of Labor, and staff reported that as of January 1, 2018, these additional reporting elements are no longer required of IWT participants. Staff reported they are hopeful that grant participation will increase as a result, and in Fiscal Year 2017-18, IWT grant awards had increased by 21% from the prior fiscal year, indicating a recent upward trend in use of IWT grant funds.

Funding

State funds support QRT, and federal funds support IWT. In Fiscal Year 2016-17, the Legislature appropriated \$12 million for QRT and \$3 million for IWT.⁶⁶ Annual funding for QRT and IWT from Fiscal Year 2014-15 through Fiscal Year 2016-17 remained stable at around \$15 million. (See Exhibit 4-3.)

Exhibit 4-3

From Fiscal Year 2014-15 Through Fiscal Year 2016-17, QRT and IWT Funding Remained Stable

Program	Appropriations			Total for Fiscal Years 2014-15 Through 2016-17
	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	
Quick Response Training	\$12,000,000	\$12,000,000	\$12,000,000	\$36,000,000
Incumbent Worker Training	3,000,000	2,000,000	3,000,000	8,000,000
Total Appropriations	\$15,000,000	\$14,000,000	\$15,000,000	\$44,000,000

Source: OPPAGA analysis of CareerSource Florida data.

Over the last three fiscal years, QRT expenditures increased from \$10.8 million to \$13 million. During this same period, IWT expenditures decreased, from \$1.8 million to a little over \$1 million. CareerSource Florida expenditures for administrative purposes for the two programs averaged about \$169,000 per year. (See Exhibit 4-4.)

⁶⁶The Legislature allocates \$2 million in federal WIOA funds annually to IWT, and any additional annual WIOA funding for IWT is voted on and approved by the CareerSource Florida Board of Directors.

Exhibit 4-4

From Fiscal Year 2014-15 Through Fiscal Year 2016-17, Combined Training Expenditures Ranged From \$13.3 Million to \$14.9 Million

Program	Expenditures			Total for Fiscal Years 2014-15 Through 2016-17
	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	
Quick Response Training	\$10,776,727	\$12,651,146	\$12,974,270	\$36,402,143
Incumbent Worker Training	1,780,177	1,284,030	1,049,786	4,113,993
Quick Response Training fiscal agents	567,196	665,850	682,856	1,915,902
CareerSource Florida administrative costs	202,452	147,463	158,128	508,043
Total Training Expenditures	\$13,326,552	\$14,748,489	\$14,865,040	\$42,940,081

Source: OPPAGA analysis of CareerSource Florida data.

FINDINGS

Grant awards fluctuated between the previous and current review periods; QRT grants increased while IWT grants experienced a large decline

More than \$35 million in QRT and IWT grant payments were made during the review period. From Fiscal Year 2014-15 through Fiscal Year 2016-17, CareerSource Florida awarded 127 QRT grant contracts and 368 IWT grant contracts and made over \$35 million in contract payments. Compared to the prior review period, the number of QRT contracts increased by 20%, and the number of IWT contracts declined by 42%. Total grant payments increased by 37% from the previous review period to the current review period. Further, CareerSource Florida made 88% more grant payments on QRT grants and 62% fewer payments on IWT grants than the prior period. The large increase in QRT payments is in part due to a small group of businesses (9 out of 117 grant recipients) that received relatively large grant contracts (greater than \$800,000) and accounted for 51% of the total grant payments made during the review period. The decline in IWT payments is likely attributable to the federal reporting changes that occurred during the current review period.

The average grant award per company increased for both programs. (See Exhibit 4-5.) Businesses in Brevard County received the most (\$6,237,000) QRT grant funds during this period, and businesses in Broward County received the most (\$552,913) IWT funds. (See Appendix C for grant payments by county.) The average QRT grant award per company was \$305,980 and the average number of employees trained per company was 150; the average IWT grant award was \$18,969 and, on average, 18 employees per company received training.

The total number of employees trained under both programs decreased from the previous review period. From Fiscal Year 2014-15 through Fiscal Year 2016-17, QRT grant recipients trained 18,997 employees, a decline of 11% from our previous review period, and IWT grant recipients trained 6,788 employees, a decline of 72% from our previous review period. The relatively small decline in total employees trained during the review period for QRT grant recipients may be due in part to normal year-to-year fluctuations in the number of people trained, whereas the large decline in IWT trained

employees was likely due to the federal reporting changes instituted during the review period and a decline in IWT funding between the previous and current review periods.

Exhibit 4-5

QRT and IWT Award Numbers, Grant Amounts, and Number of Employees Trained Fluctuated Between the Two Review Periods

	Fiscal Years 2011-12 Through 2013-14	Fiscal Years 2014-15 Through 2016-17	Percent Change Between Review Periods
Quick Response Training Grants			
Number of QRT grant contracts awarded	106	127	20%
Number of employees trained	21,314	18,997	-11%
Average grant award per company	\$289,543	\$305,980	6%
Average number of employees trained per company	220	150	-32%
Total grant payments made	\$17,109,999	\$32,161,311	88%
Incumbent Worker Training Grants			
Number of IWT grant contracts awarded	633	368	-42%
Number of employees trained	24,268	6,788	-72%
Average grant award per company	\$14,483	\$18,969	31%
Average number of employees trained per company	38	18	-53%
Total grant payments made	\$8,719,019	\$3,331,100	-62%

Source: OPPAGA analysis of CareerSource Florida data.

Businesses receiving QRT and IWT grants experienced varying levels of wage and employment growth across two review periods

Employment and wage growth varied widely for businesses that received state training grants during the current review period.⁶⁷ Most QRT businesses that received grants in the current review period were expansions of existing businesses, while only a few were new businesses. To assess the economic growth of these businesses, OPPAGA compared economic outcomes between Fiscal Year 2013-14 and Fiscal Year 2016-17; Fiscal Year 2013-14 was the year before recipients provided employees grant-funded training in the current review period.

Our analysis found that employment levels increased for both IWT and QRT grant recipients, ranging from a 26% increase for IWT recipients to a 60% increase for QRT recipients, which were both higher than the statewide average of 12% for the same period. However, wage increases were mixed, with growth ranging from zero wage growth for QRT recipients and 18% for IWT recipients, compared to a statewide wage growth of 9% during this time period. (See Exhibit 4-6.)

⁶⁷ The two industries most frequently represented by grant recipients in both programs during the current review period included professional, scientific, and technical services; and manufacturing. Both QRT and IWT recipients represented several additional industries, including finance and insurance; transportation and warehousing; wholesale trade; and administrative and support and waste management remediation services.

Exhibit 4-6

Companies That Received Employee Training Grants in the Current Review Period Experienced Varying Degrees of Employment and Wage Growth Between Fiscal Year 2013-14 and Fiscal Year 2016-17

Program	Number of Businesses for Which Data Were Available	Employment Growth	Wage Growth
Quick Response Training	47	60%	0%
Incumbent Worker Training	159	26%	18%
Statewide	642,880 ¹	12%	9%

¹ This number represents the average number of total establishments in Florida in Fiscal Year 2013-14 and Fiscal Year 2016-17.

Source: OPPAGA analysis of Department of Economic Opportunity data.

Employment and wage growth also varied across the two programs for companies that received grants during the previous review period. To assess the economic growth of these businesses, OPPAGA compared economic outcomes for businesses that received grants in the previous review period between Fiscal Year 2010-11 and Fiscal Year 2016-17; Fiscal Year 2010-11 was the year before recipients provided employees grant-funded training in the previous review period.

Our analysis found that businesses that received QRT grants in the previous review period experienced employment growth of 111%, which was much higher than the statewide rate of 21% for the same period. The employment growth for companies that received IWT grants was lower, at 18%. QRT recipients experienced a decrease in wage growth of 8%, while IWT recipients' wages grew by 11%, both lower than the statewide wage growth of 15% during the same period. These results suggest that these businesses have hired a larger number of workers in lower wage positions over time. (See Exhibit 4-7.)

Exhibit 4-7

Companies That Received Employee Training Grants in the Previous Review Period Experienced Varying Degrees of Employment and Wage Growth Between Fiscal Years 2010-11 and 2016-17

Program	Number of Businesses for Which Data Were Available	Employment Growth	Wage Growth
Quick Response Training	17	111%	-8%
Incumbent Worker Training	402	18%	11%
Statewide	622,719 ¹	21%	15%

¹ This number represents the average number of total establishments in Florida in Fiscal Year 2010-11 and Fiscal Year 2016-17.

Source: OPPAGA analysis of Department of Economic Opportunity data.

Most individuals who received grant-funded training during the previous review period are still employed in Florida; training had a positive impact on wages for each program

To describe the impact of the two programs on individuals, OPPAGA reviewed information on trainees from both the previous and current review periods. For the previous review period, OPPAGA reviewed trainees' current employment status; for the current review period, OPPAGA analyzed trainee wage outcomes.

Most QRT and IWT trainees from the previous review period are still employed in Florida, many with the same employer. OPPAGA looked at the employment history of the individuals trained under QRT and IWT programs from the previous review period, Fiscal Year 2011-12 through Fiscal Year 2013-14, to determine how many were still employed in Florida, with the same employer, and/or with the same industry as of calendar year 2017. The majority of QRT (81%) and IWT (82%) trainees from the previous review period were still employed in Florida. Of those still employed in Florida, a little over half of past trainees from both programs were with the same employer, slightly fewer than 10% were with a new employer in the same industry, and more than one-third were with a new employer in a new industry.⁶⁸

QRT and IWT trainee wage increases were largely associated with the programs. CareerSource Florida assesses its performance through an internal assessment of employment and wage outcomes for training recipients. These analyses include a calculation of absolute wage changes and the industry sectors in which trainees are employed. This, along with other information CareerSource collects on its processes, provides a high-level evaluation of the program's success.

Because wages can be affected by a range of factors, OPPAGA conducted a matched pair analysis to determine the specific effects of the Quick Response Training and Incumbent Worker Training programs on the wages of trainees.⁶⁹ The analysis used Florida Education and Training Placement Information Program (FETPIP) data to compare the wages of individuals who received training to similar individuals who did not receive training.⁷⁰ Individual matching was accomplished by selecting characteristics of individuals in FETPIP data that resemble relevant features of individuals who received QRT or IWT training. These characteristics include starting salaries, years in the workforce, and the industry in which they are employed.⁷¹ The matched pair analysis compared the changes in wages for these two groups over the next year. (See Exhibit 4-8.)

The analysis showed that receiving training through a QRT grant had a significant positive effect on wages for two of the three fiscal years of the review period. Specifically, QRT trainee wages increased 14% to 18% a year after training for two of the three fiscal years examined. Moreover, when comparing to similar individuals who did not receive the training, the matched pairs analysis shows that employees who received QRT made more money the year following QRT than did their non-QRT counterparts during two fiscal years.⁷²

For employees who received training through the IWT program, the results were similar. IWT trainee wages increased 4% to 7% a year after training for each of the three fiscal years examined, and these increases were attributable to the training for two of the three fiscal years of the review period.

⁶⁸ The industries in OPPAGA's analysis were tracked by North American Industry Classification (NAICS) codes at the two-digit level.

⁶⁹ Over the three fiscal years, the total number of individuals included ranged from 1,221 to 8,776 in the QRT analysis and from 947 to 4,900 in the IWT analysis.

⁷⁰ FETPIP is a data collection and consumer reporting system established in s. 1008.39, *F.S.*, to provide follow-up data on former students and program participants who have graduated, exited, or completed a public education or training program within Florida. The statute requires any project conducted by Florida's workforce development system that requires placement information to use information provided through FETPIP.

⁷¹ OPPAGA collapsed the industry codes to the two-digit level to increase the number of individuals it could capture for a match.

⁷² OPPAGA's analysis tested whether the difference in wage growth between the groups was statistically significant. The results indicate that the QRT training is associated with higher wage growth, even when comparing to people in the same industry with similar measured characteristics (e.g., starting salaries and years in the workforce). However, it is possible that individuals who entered the QRT training program had unmeasured characteristics that contributed to their wage growth, such as higher motivation or ability.

Exhibit 4-8

QRT and IWT Trainee Wage Increases Were Largely Associated With Training

	Quick Response Training			Incumbent Worker Training		
	Fiscal Years					
	2014-15 ¹	2015-16 ²	2016-17 ³	2014-15 ¹	2015-16 ²	2016-17 ³
Median annual wages of trainees during training	\$33,759	\$43,110	\$39,485	\$46,721	\$51,860	\$46,518
Median annual wages of trainees one year after training	\$39,904	\$49,135	\$46,686	\$48,465	\$54,223	\$49,950
Increase in wages	\$6,145	\$6,025	\$7,201	\$1,744	\$2,363	\$3,432
Percent increase in wages	18%	14%	18%	4%	5%	7%
Does the training have a positive, statistically significant effect on the following year's wages when compared to a group from a similar industry with similar wages and experience?	YES	YES	NO	YES	NO	YES

¹ The Consumer Price Index for Fiscal Year 2014-15 was 236.7.

² The Consumer Price Index for Fiscal Year 2015-16 was 238.3.

³ The Consumer Price Index for Fiscal Year 2016-17 was 242.7.

Source: OPPAGA analysis of Florida Education and Training Placement Information Program data.

QRT and IWT grant recipients report that the grants had a positive impact on their businesses

OPPAGA surveyed Quick Response Training and Incumbent Worker Training grant recipients to obtain their opinion concerning the value and benefits of the grants, as well as to determine what impact the grants had on their businesses. Reported benefits include increased employee knowledge, increased employee value, and attainment of credentials or certifications. In addition, grant recipients expressed satisfaction with all aspects of the grants and reported that they would apply for the grants again.

Companies receiving QRT and IWT grants reported that the program had a positive impact on their business. OPPAGA surveyed businesses that received QRT and IWT grants.^{73, 74} Respondents reported that the program had a range of positive impacts on their businesses and their trained employees. Most (96%) of the QRT survey respondents reported that the training grant had a positive impact on their business, and 83% reported that employee productivity improved or greatly improved. Most IWT survey respondents (91%) also reported that the training grant had a positive impact on their business, and 25% reported that they gained new business or contracts or that their sales increased because of the training grant. The most frequently reported grant benefits to IWT participants were increased employee knowledge (49%) and attainment of credentials or certifications (40%).

Some QRT survey respondents reported that the grant made an impact on their business decisions, but many QRT and IWT respondents reported they would have operated the training in some manner without the grants. Thirty-three percent of responding QRT businesses reported that the grant played a role in the decision to establish or expand in Florida. The most frequently reported grant benefits to QRT businesses were increased employee knowledge (79%) and employee value (54%). According to

⁷³ OPPAGA surveyed 121 businesses that received QRT grants during the current review period and received complete survey responses from 21 businesses; 23 surveys were undeliverable. The response rate was 21%.

⁷⁴ OPPAGA surveyed 368 businesses that received an IWT grant during the current review period and received complete survey responses from 101 businesses; 45 surveys were undeliverable. The response rate was 31%.

QRT survey respondents, if they had not received the grant, 17% would have conducted the training as planned, 63% would have scaled back the training, 13% would have postponed the training, and 8% would not have conducted the training. While a larger proportion of IWT respondents (25%) than QRT respondents said they would not have conducted the training without the grant, most would have taken similar steps if their businesses had not received the grant; specifically, 24% would have conducted the training as planned, 37% would have scaled back the training, and 15% would have postponed the training.

Survey respondents were satisfied with CareerSource Florida’s grant program administration, but a few had concerns about the application process. Many QRT respondents reported that they are satisfied or very satisfied with the fiscal agent’s assistance with reporting (91%) and reimbursement (87%). Moreover, 87% reported that the fiscal agent is valuable or very valuable. Most QRT respondents also reported that they are satisfied or very satisfied with the program application (78%), approval (91%), reimbursement (87%), and reporting (83%) processes. Although IWT recipients do not work with a fiscal agent, most respondents were also satisfied with program administration, reporting that they are satisfied or very satisfied with the program application (74%), approval (83%), reimbursement (80%), and reporting (78%) processes. However, 4 QRT businesses and 10 IWT businesses expressed dissatisfaction with the grant application process, including concerns that the application was too complicated and could not be completed without assistance. Despite these concerns, 83% of QRT survey respondents and 65% of IWT respondents reported that they would seek the same grant in the future.

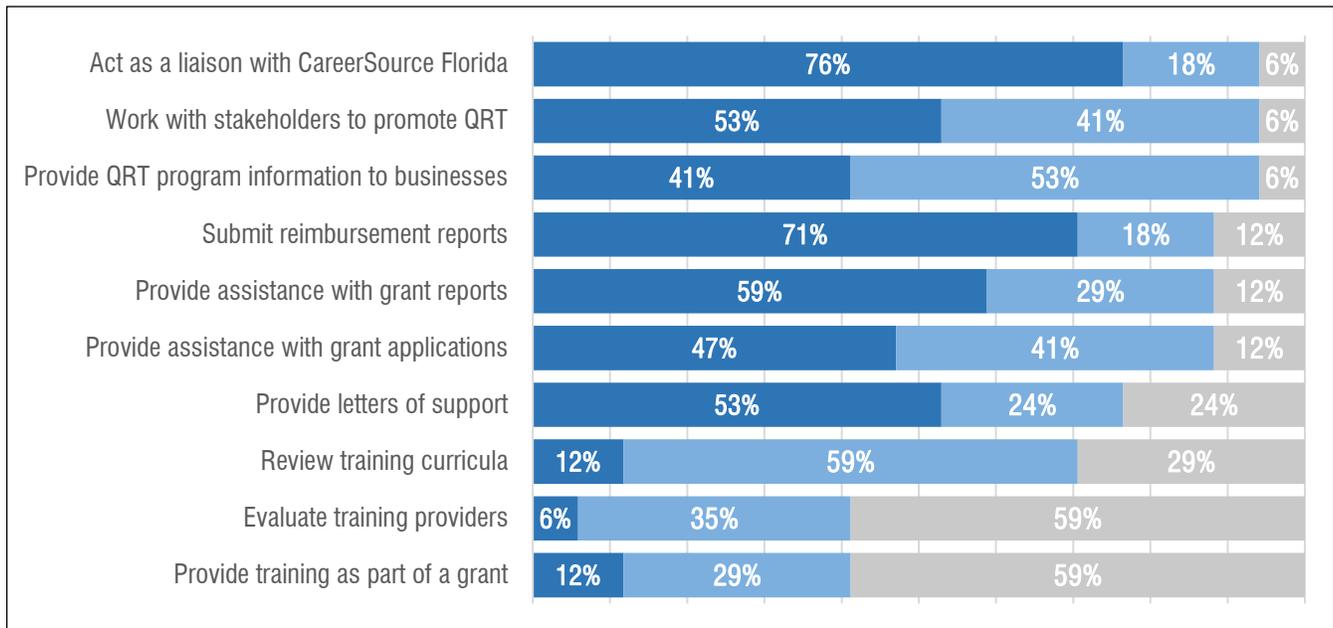
QRT fiscal agents continue to perform a variety of roles and reported several benefits from participating in the grant program

OPPAGA surveyed 36 fiscal agents about their roles in the grant programs; 17 individuals responded to the survey for a response rate of 49%. On average, fiscal agents worked with a total of four grants from Fiscal Year 2014-15 through Fiscal Year 2016-17. The maximum number of grants a fiscal agent reported working with during the review period was 10 and the minimum was 1. Fiscal agents reported several benefits to their organizations, to CareerSource Florida, and to business that result from the functions fiscal agents perform for the QRT grant program. Reported benefits include development of relationships with local business leaders and other stakeholders, which helps the fiscal agents’ organizations meet business and community training and workforce needs.

Fiscal agents reported that they perform a variety of roles for the QRT program, and the frequency with which they perform these roles varies across fiscal agents. The most frequently reported roles that fiscal agents often or sometimes perform relate to interacting with economic development stakeholders (e.g., local economic development organizations) and serving as liaisons between businesses and CareerSource Florida. Fiscal agents also reported that they spend time helping businesses with grant applications and reports. The least frequently reported activities include evaluating training providers and providing training as part of the grant. (See Exhibit 4-9.)

Exhibit 4-9

Fiscal Agents Reported a Variety of Activities, Most of Which Focused on Interacting With Stakeholders to Promote QRT and Helping Businesses With QRT Applications and Reporting



Source: OPPAGA analysis of QRT Fiscal Agent Survey data.

Most fiscal agents reported that they further the stakeholder relationships related to the QRT grant program. Fiscal agents reported several benefits to their organizations, to CareerSource Florida, and to business that result from the functions fiscal agents perform for the QRT grant program. The most frequently reported benefit (69%) to the fiscal agent’s organization is that their role as a fiscal agent helps their organization develop valuable relationships with local business leaders. In addition, 38% of respondents specified that the relationships they build help them continue to meet business and community training and workforce needs. Several respondents (38%) also reported that serving as fiscal agents facilitates their organizations’ connections with and involvement in local economic development efforts, and 31% reported that the fee their organization receives from the QRT program is helpful to them. In addition, 38% of the respondents reported that the fiscal agent role helps CareerSource Florida achieve its mission of assisting businesses in Florida and meeting the state’s workforce needs. Several respondents (31%) also reported that fiscal agents help CareerSource Florida and grant recipients by serving as local points of contact for businesses, providing technical grant assistance and general oversight of the QRT grants. These results are consistent with the results of the survey of businesses discussed in the previous section that reported high levels of satisfaction with fiscal agent services and perceptions by a majority of QRT businesses that fiscal agents play a valuable role in the process.

Fiscal agents reported potential negative effects on stakeholder relationships and the grant process if they were not involved in the QRT program. Most fiscal agents who responded to the survey (75%) reported that they felt there could be negative consequences to various entities if fiscal agents were no longer part of the QRT process. Potential negative outcomes include a loss of or harm to relationships among CareerSource Florida, businesses, and fiscal agents (38%), additional administrative burden placed on CareerSource Florida or other entities (38%), and possible non-compliance or inefficiencies resulting from lack of local oversight (19%). In addition, when asked to

describe the potential effects on the fiscal agent's own organization if fiscal agents were not involved in the QRT program, the most frequently reported response (50%) was the loss of relationships with the business community and with state workforce officials. Some respondents (25%) also reported that their organization would lose opportunities to provide training and to develop curriculum and programs that meet industry and workforce needs. The most frequently reported effect on businesses of not having fiscal agents is that businesses would have difficulty with the application and reporting processes if not assisted by a fiscal agent (50%). Additionally, 25% of respondents reported that businesses would have less financial assistance to help them train workers and meet workforce needs. A few respondents (19%) reported that there would be no effect if fiscal agents were not involved in the process.

Most fiscal agents reported satisfaction with aspects of the QRT grant process; some technical challenges exist, particularly with respect to the application process. Most fiscal agents who responded to the survey reported that they are satisfied or very satisfied with the QRT grant approval process (81%), the grant reimbursement process (94%), and reporting requirements (88%). However, when asked to report the biggest challenges of being a fiscal agent, the most frequently reported responses were working with companies to help them submit applications and reports (56%) and dealing with difficulties that arise during the application and reporting processes (50%), such as technical problems with the online application and confusing reporting requirements. In addition, while 56% of respondents reported they are satisfied or very satisfied with the grant application process, 19% reported dissatisfaction with the application process, indicating that it is confusing to businesses and the website is difficult to navigate. The most frequently suggested areas for improving the grant program, particularly with respect to the role of fiscal agents, included providing more training and information to fiscal agents, especially with respect to the application process (38%) and simplifying the online application process (25%).

RECOMMENDATIONS

The Legislature may wish to consider making the use of fiscal agents for the QRT grant program optional. Although many fiscal agents and businesses reported satisfaction and value for the fiscal agents' role in the grant process, some reported lower levels of satisfaction. Given the increased automation of the grant application and reporting processes, and the additional regional grant management staff that CareerSource Florida now has around the state, businesses who do not wish to work with a fiscal agent could choose to work directly with CareerSource Florida staff to administer their grant award. The funds that are not expended on the administrative costs of fiscal agents could provide additional grant funding to more businesses in the program. The Veterans Workforce Training Grant program, as reported in Chapter 3 of this report, provides an example of a similar training grant program that makes use of a fiscal agent optional in the grant administration process. Veterans Florida now has several staff members dedicated to employer outreach and reported that they have been able to streamline the grant reporting and reimbursement processes due to staff members' direct interactions with WTG recipients.

APPENDIX A

Quick Response Training and Incumbent Worker Training Grant Award Eligibility Criteria

Exhibit A-1

Businesses Must Meet Several Criteria to Qualify for QRT and IWT Grants

Program	Eligibility Criteria
Quick Response Training	<ul style="list-style-type: none"> • Be for profit and create new, permanent, full-time (35+ hours per week) jobs for Florida workers requiring customized high-level skills training not available at the local level • Create new, full-time, permanent, high-quality jobs in qualified target industries • Require non-degree, specialized skill-based training of 12 months or less not available at the local level • Create high-quality jobs paying an average annual wage of at least 125% of local or state private sector wages, whichever is lower, unless the business is located in a distressed urban or rural community, or a brownfield area <ul style="list-style-type: none"> ○ Wages include salaries, commissions, bonuses, drawing accounts (against future earnings), prizes and awards (if given by the employer for the status of employment), vacation pay, sick pay, and other payments paid to employees consistent with the Department of Economic Opportunity’s definition. Benefits are not included. • Produce an exportable (beyond regional markets) good or service • Provide sufficient documentation for identification of all participants that would allow access through the automated student databases pursuant to s.288.047(5)(e), <i>F.S.</i>, or electronic listings by social security number for calculation of performance measures, and any other outcomes as specified in s.1008.39, <i>F.S.</i>, or deemed pertinent to CareerSource Florida • May not qualify for funding if relocating from one Florida community to another Florida community, pursuant to to s. 288.04(7)(2), <i>F.S.</i> • Demonstrate financial viability by providing <ul style="list-style-type: none"> ○ The most recently filed IRS Form 941 (if the business is a Corporation) or the most recently filed 1040 Income Tax Return with Schedule SE (if the business is a Sole Proprietorship)¹ ○ A letter of Tax Clearance from the Department of Revenue dated within 45 days of application submittal¹ <p>Additional funding priority given to businesses:</p> <ul style="list-style-type: none"> • First time applicants¹ • Offer jobs located in a distressed, urban inner city, rural area, or Brownfield area • Submit grant proposals with the greatest potential for economic impact that contribute in-kind and/or cash matches • On a first-come, first-served basis
Incumbent Worker Training	<p>For reimbursement of 50% of training costs</p> <ul style="list-style-type: none"> • Be a for profit company in the state of Florida • Operate for a minimum of one year prior to application date • Provide a description of how the training is related to the competitiveness of both the business and the employee receiving training¹ • Demonstrate a commitment to retain or avert the layoff of employees receiving training¹ • Demonstrate financial viability by providing <ul style="list-style-type: none"> ○ most recently filed IRS Form 941 (if the business is a corporation) or the most recently filed copy of the 1040 Income Tax Return with Schedule SE (if the business is a sole proprietorship); ○ letter of tax clearance from the Department of Revenue dated within 45 days of application submittal; and

Program	Eligibility Criteria
Incumbent Worker Training (continued)	<ul style="list-style-type: none"> ○ letter of credit from a bank the company has done business with for at least six months; the letter must be on bank letterhead ● Comply with the non-discrimination and equal opportunity provisions of Section 188 of the Workforce Investment Act of 1998; Title VI of the Civil Rights Act of 1964; Section 504 of the Rehabilitation Act of 1973; the Age Discrimination Act of 1975; Title IX of the Education Amendments of 1972; and 29 C.F.R. Part 37 ● Have at least one full-time employee (must be Florida resident and W-2 employee); for a sole-proprietor where the business owner is the only employee, the sole-proprietor may be considered as the full-time employee ● Have not received an award in the previous or current program year <p>For reimbursement of 75% of training costs, additional requirements include</p> <ul style="list-style-type: none"> ● Have 50 or fewer employees² ● Be located in a rural area of critical economic concern, rural county, distressed area, enterprise zone, brownfield or historically underutilized business zone

¹ New criterion since last review period.

² Changed criterion – in previous review period criterion was 25 or fewer employees.

Source: CareerSource Florida and s. 288.047, F.S.

APPENDIX B

Quick Response Training and Incumbent Worker Training Grant Guidelines

Exhibit B-1

QRT and IWT Grant Program Guidelines Have Several Similarities and Differences

Quick Response Training	Incumbent Worker Training
Reimbursable Expenses	
<ul style="list-style-type: none"> - Instructor wages - Curriculum development - Textbooks/manuals - Other costs - Customized, skills-based, online training - Domestic travel for trainers and trainees 	<ul style="list-style-type: none"> - Instructor wages - Curriculum development - Textbooks/manuals - Other costs - Tuition/training/course costs
Disallowed Costs	
<ul style="list-style-type: none"> - Trainee wages 	<ul style="list-style-type: none"> - Trainee wages - Compensation or consultant fees not directly related to training - Costs incurred prior to the signing of the contract - Capital improvements - Travel or food - Membership fees/dues - Conferences - Test/exam fees - Company website design and development, website hosting, maintenance, software upgrade, advice on computer selection for purchase and upgrade - Purchase of employee assessment systems or systems usage licenses - Equipment
Award Amount Basis	
<ul style="list-style-type: none"> - Award amount based on number of new hires projected to complete the training and the approved amount per trainee 	<ul style="list-style-type: none"> - 50 to 75% of total projected direct training costs
Disallowed Trainings	
<ul style="list-style-type: none"> - CPR and first aid - New hire orientation - Diversity and sexual harassment - English as a second language - Degree programs - Workplace literacy or soft skills - Conferences - OSHA and safety training 	<ul style="list-style-type: none"> - CPR and first aid - New hire orientation - Diversity and sexual harassment - English as a second language - Degree programs - Workplace literacy or soft skills - Conferences - Training that includes equipment in the cost of the training

Source: CareerSource Florida.

APPENDIX C

Quick Response Training and Incumbent Worker Training Grant Awards, Fiscal Years 2014-15 Through 2016-17

Exhibit C-1

During the Three-Year Review Period, QRT Grants Totaled \$32 Million and IWT Grants Totaled \$3 Million; the Number of Grants Varied Significantly by County

County	Quick Response Training			Incumbent Worker Training		
	Number of Grants	Number of Employees Trained	Cumulative Amount Paid	Number of Grants	Number of Employees Trained	Cumulative Amount Paid
Alachua	6	247	\$506,079	6	22	\$43,881
Bay	1	36	86,940			
Brevard	5	2,680	6,237,000	33	734	383,002
Broward	11	723	1,215,636	64	642	552,913
Charlotte	2	856	1,606,500	2	20	10,688
Clay	1	7	8,132			
Collier	5	527	1,111,708	3	53	15,027
Columbia				2	9	5,379
Dade				5	38	33,333
Desoto				1	4	1,000
Duval	11	2,420	3,085,935	12	462	101,858
Escambia	1	428	449,400	3	20	5,288
Hardee				3	34	24,780
Henry	1	7	22,050			
Hernando	2	95	165,375	1	0	0
Highlands	1	13	24,679			
Hillsborough	16	1,594	2,683,521	36	1339	314,528
Indian River				1	75	30,000
Jackson	2	184	386,925			
Lake				1	22	10,196
Lee	13	2,617	4,442,531	9	173	51,631
Leon	1	0	0	7	135	147,885
Liberty				1	0	0
Manatee	2	152	28,079	8	479	\$77,900
Marion	1	88	184,800	1	5	4,865
Martin				3	90	20,825
Miami-Dade	2	262	52,084	21	405	207,417
Okaloosa				2	25	12,415
Orange	10	835	1,447,027	27	379	346,317
Osceola				1	5	11,850
Palm Beach	5	584	1,081,260	26	556	261,652
Pasco				5	44	49,738
Pinellas	5	559	1,050,412	37	348	228,065

County	Quick Response Training			Incumbent Worker Training		
	Number of Grants	Number of Employees Trained	Cumulative Amount Paid	Number of Grants	Number of Employees Trained	Cumulative Amount Paid
Polk	8	2,521	3,851,271	14	317	103,309
Sarasota	2	261	328,487	9	9	22,020
Seminole	7	478	809,445	9	148	75,385
Statewide	2	225	344,737			
St. Johns	1	100	157,500	2	15	11,925
St. Lucie				3	37	42,488
Sumter				2	27	22,364
Volusia	2	400	588,000	8	117	101,178
Washington	1	98	205,800			
Total	127	18,997	\$32,161,311	368	6,788	\$3,331,101

Source: OPPAGA analysis of CareerSource Florida data.

CHAPTER 5: INTERNATIONAL TRADE AND DEVELOPMENT PROGRAMS

BACKGROUND

To promote continued economic growth, Florida provides international trade and development assistance to businesses through a public-private entity. The Department of Economic Opportunity (DEO) contracts with Enterprise Florida, Inc. (EFI) to provide a range of export assistance activities and to contract with offices in other countries that attract foreign direct investment (FDI) into the state. Exhibit 5-1, below presents the wide range of activities that EFI's International Trade and Development Unit conducts to support small and medium-sized Florida businesses, including

- coordinating trade missions and trade shows in foreign markets;
- providing export education and counseling;
- administering several grants offered as part of the Florida Export Diversification and Expansion Program; and
- contracting with foreign offices to promote the state as a trade partner.

Exhibit 5-1

EFI Offers a Wide Variety of Economic Development Incentives and Services for International Trade

International Trade and Development Programs

- *Trade Missions* are coordinated by EFI and are typically led by the Governor or other high-ranking state officials. The missions bring together large business development delegations comprised of private and public sector leaders who visit target markets of high opportunity. Recent EFI trade missions included trips to Mexico in 2016 and Argentina in 2017.
- *Trade Shows* are industry-specific events (e.g., international medical or aerospace events) that promote state export activities. Participants exhibit product innovations and identify markets for these goods. At these events, EFI organizes a Florida Pavilion that provides designated space for Florida-based companies to display their products or services. For example, businesses assisted by EFI recently attended a life sciences and medical products industry event in Germany called Medica. Another example of an industry-specific trade show attended by EFI and Florida businesses is the Marine Equipment Trade Show in the Netherlands, which is specific to the marine industry.
- *Florida Export Diversification and Expansion Program* consists of three grant programs that provide funds to offset the costs of attending a trade mission or trade show and to help defray the cost of creating an export marketing plan. An export marketing plan includes a thorough export readiness assessment, industry and market analysis with target market recommendations, a review of overseas trade opportunities, and an action plan that may include participation in other EFI activities, such as trade missions or trade shows. EFI contracts with the Florida Small Business Development Center (SBDC) Network to prepare these plans for businesses.
- *Export Education and Counseling* includes free export counseling for businesses and educational seminars and other events where businesses can learn about international trade assistance available to companies seeking to expand to foreign markets.
- *Foreign Offices* perform several functions that support EFI's international trade activities abroad, including recruiting companies and generating foreign direct investment leads in foreign markets and assisting Florida companies attending trade shows or missions in the home country. EFI presently contracts with 11 full-service foreign offices and 2 affiliate offices in 12 countries.¹ The offices work under performance-based contracts that specify their scope of work including networking; handling all official correspondence and business development activities in country; promoting Florida and introducing the country's business community to business opportunities in the state; organizing and participating in promotional events; organizing business development missions; and identifying sponsorships of EFI seminars in the country.

¹ Full-service foreign offices, paid for by EFI, are located in Brazil, Canada, France, Germany, Israel, Japan, Mexico, South Africa, Spain, and the United Kingdom. EFI receives pro-bono representation at the two affiliate offices for Taiwan and the Czech Republic. Without this pro bono support, Florida would not have representation in these markets. EFI discontinued its China foreign offices contract in 2017.

Source: OPPAGA analysis of EFI data.

Florida is highly ranked as an exporter compared to other states; small and medium-sized exporters make up a substantial portion of the state’s total exports, which are mostly to South American markets

OPPAGA analysis of 2016 U.S. Department of Commerce data found that Florida ranks second in the nation for the number of companies that export goods and services. (See Exhibit 5-2.) Comparing the success of states’ international trade activities is challenging due in part to limitations in national export data, and variation in the types of state exports further limit state-to-state comparisons. However, OPPAGA analysis found that Florida ranks eighth in terms of the total number of export-supported jobs and seventh in the total dollar value of all exports.

Exhibit 5-2

Florida Ranks Behind Comparable States for Total Number of Export-Supported Jobs and Value of Exports

	Number of Companies That Export (2015)		Total Jobs Supported by Exports (2016)		SME Jobs Supported by Exports (2016) ¹		Total Value of Merchandise Exports, in millions (2016)	
	Rank	Amount	Rank	Amount	Rank	Amount	Rank	Amount
California	1	63,564	2	683,772	1	61,007	2	\$163,513
Florida	2	41,786	8	232,253	2	40,057	7	\$52,049
Texas	3	30,779	1	910,304	3	28,556	1	\$231,107
New York	4	28,990	5	295,283	4	27,282	4	\$76,720
Illinois	5	17,362	4	325,368	5	15,570	5	\$59,758
New Jersey	6	16,443	16	131,960	6	15,207	16	\$31,223
Ohio	7	13,428	7	248,978	7	11,969	8	\$49,299

¹ SME is a small or medium-sized enterprise.

Source: U.S. Department of Commerce, International Trade Administration data from 2015 and 2016.

Small and medium sized enterprises are an important part of Florida’s total export activity because such businesses make up a significant portion of all of Florida’s export activity. The U.S. Department of Commerce defines a small or medium-sized enterprise (SME) as a business that has less than 500 employees. Of the 41,786 total companies that exported from Florida in 2016, approximately 96% of those exporters are SMEs. Furthermore, total exports by SMEs were approximately \$29.7 billion, which is 63% of all export value from the state in 2016. Large companies comprise the remaining 37% of total export value, which makes up 4% of total exporters from the state.

Florida’s top export markets are located in South America, Central America, and the Caribbean, with the most common exports being manufactured goods. Analysis of U.S. Department of Commerce International Trade Administration data found that Florida exported approximately \$55.5 billion in goods to foreign markets in 2017. Nearly one-half (49%) of all Florida exports were bound for markets in South America, Central America, and the Caribbean. Similarly, when looking at the top-10 countries for Florida exports, 7 were located in these geographic regions: Argentina, Brazil, Chile, Colombia, the Dominican Republic, Mexico, and Paraguay. (See Exhibit 5-3.) The other three top export markets for Florida goods in 2017 were Canada, China, and Germany.

Exhibit 5-3
South American Markets are Important for Florida Exporters

Rank	Country	Region	2017 Total Export Value (in millions)
1	Brazil	South America	\$4,086
2	Canada	North America	\$3,585
3	Mexico	North America	\$3,079
4	Germany	Europe	\$2,368
5	Colombia	South America	\$2,299
6	Paraguay	South America	\$2,114
7	China	Asia	\$1,865
8	Chile	South America	\$1,816
9	Argentina	South America	\$1,670
10	Dominican Republic	Caribbean	\$1,552

Source: OPPAGA analysis of 2017 U.S. Department of Commerce data.

Of the total goods exported from Florida in 2018, a significant majority were manufactured goods. Specifically, OPPAGA analysis of total Florida exports by 3-digit North American Industry Classification System (NAICS) code indicate that all of Florida’s top 10 types of exported goods were related to manufacturing.⁷⁵ Since 2002, at least 8 of Florida’s top 10 exported goods have been related to manufacturing. Furthermore, the total combined export value of these top exported goods made up 78% of all exports from the state in 2018.⁷⁶

EFI received \$6.6 million of state funding in Fiscal Year 2016-17 to support international trade and development activities; foreign office contracts and payroll are the largest expenditures

During the review period, Enterprise Florida, Inc.’s international trade and development unit received funding from a range of sources. (See Exhibit 5-4.) The Legislature allocates state operating assistance funds for the unit from the Florida International Trade and Promotion Trust Fund, which receives 4.25% of the state’s rental car surcharge tax. The Legislature also provides state grant assistance as part of its allocation to the international trade program. This state funding—\$6.6 million—accounted for 89% of the unit’s total budget in Fiscal Year 2016-17. EFI’s second largest source of funds included revenues from EFI-sponsored events, typically in the form of participation fees. Historically, EFI also received funding for grant programs from the federal government. The U.S. Small Business Administration provided federal grant assistance, although the amount of this grant funding declined over the review period.

⁷⁵ NAICs code descriptions for the top 10 types of exported goods in 2018 through August are: Computer and Electronic Parts Manufacturing (334); Transportation Equipment Manufacturing (336); Chemical Manufacturing (325); Machinery, Except Electrical (333); Miscellaneous Manufacturing (339); Primary Metal Manufacturing (331); Food Manufacturing (311); Electrical Equipment, Appliance, and Component Manufacturing (335); Fabricated Metal Product Manufacturing (332); and Paper (322).

⁷⁶ U.S. Census Bureau, data as of August 2018.

Exhibit 5-4

Revenue for International Trade and Development Generally Increased from Fiscal Year 2014-15 to Fiscal Year 2016-17, as State Grants Offset Declining Federal Support

Revenue Source	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17
State Operating Assistance	\$5,800,000	\$5,600,000	\$5,600,000
Event Revenue	894,148	980,487	805,567
State Grant Assistance	350,000	1,000,000	1,000,000
Federal Grant Assistance	155,407	72,708	—
Other Income	41,475	89,375	33,270
Total	\$7,241,030	\$7,742,570	\$7,438,837

Source: Enterprise Florida, Inc.

During the review period, expenditures for the international trade and development unit decreased from nearly \$7 million in Fiscal Year 2014-15 to \$5.5 million in Fiscal Year 2016-17. The top three expense categories during the period were foreign offices fees, payroll for 16 FTEs, and event expenses. (See Exhibit 5-5.)

Exhibit 5-5

Annual Expenditures Decreased by \$1.4 Million From Fiscal Year 2014-15 to Fiscal Year 2016-17 Due to Reductions in Foreign Offices Fees, Payroll, Events, and Travel Expenses

Expense Category	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17
Professional Fees—Foreign Offices	\$ 2,059,183	\$1,947,132	\$1,807,052
Payroll and Related Costs	1,877,301	1,676,632	1,449,602
Event Expenses	1,292,860	1,682,563	957,881
Grants and Program Costs	695,699	815,349	669,280
Rent	272,253	368,915	271,383
Travel	416,561	279,095	191,131
General and Administrative ¹	130,192	140,930	89,010
Professional Fees	103,348	95,525	54,188
Telecommunications	41,150	35,013	23,527
Sponsorships	64,500	41,900	13,551
Total Expenses	\$6,953,047	\$5,135,922	\$5,526,605

¹ As of Fiscal Year 2016-17, General and Administrative costs includes only those expenses directly associated with the International Trade and Development Unit (i.e., membership dues, office supplies, office equipment rental, licenses and subscriptions, and conference registrations). Accounting, data support, contracts, and executive office expenses were no longer included in General and Administrative expenses as of Fiscal Year 2016-17, which explains the decrease in costs.

Source: Enterprise Florida, Inc.

Expenditures during the review period were substantially less than the unit's operating budget. For Fiscal Year 2016-17, EFI reports that unspent state revenues totaled \$665,409 and were appropriated from the Florida International Trade and Promotion Trust Fund. The unspent appropriations are due to spending reductions in International Trade and Development staff, foreign offices, and international events. Per Florida statutes, the remaining state revenues are carried over to the next fiscal year for program expenses specifically authorized in the state budget.

EFI awarded \$1.8 million in grant funds to Florida companies over four fiscal years for export assistance activities

EFI offered three types of grants to help companies seeking to expand to foreign markets during the review period—Target Sector Trade Grants, Gold Key/Matchmaker Grants, and Export Marketing Plan Grants. In 2017, EFI launched a fourth type of grant, the Florida Online Global Website Localization Grant. This new grant program helps a business underwrite the costs of international website localization and digital marketing. While the terms and eligibility for each of the four grant programs vary, they all require that applicants be Florida-based, small-and-medium sized companies that are either new to exporting or infrequent exporters. All grants are paid as reimbursements after the trade event occurs or the service is completed. (See Appendix A for additional details on each grant program.)

From Fiscal Year 2014-15 through Fiscal Year 2016-17, EFI awarded \$1.8 million in grants to 373 unique Florida businesses. Across the three-year review period, EFI’s International Trade and Development unit awarded 616 grants to 373 unique companies; these grants totaled \$1.8 million in financial assistance. (See Exhibit 5-6.) The most commonly awarded grants were Target Sector Trade grants (339), which made up \$1.2 million (71%) of the total grant funds awarded.

During the review period, the number of grants awarded per business varied. Specifically, OPPAGA analysis of EFI grant data found that 226 companies (61%) received just one grant, while 147 companies (39%) received two or more grants. Recipients of multiple grants were awarded 63% of all grants awarded.

Exhibit 5-6

Enterprise Florida Awarded 616 Trade Assistance Grants to 373 Florida Businesses from Fiscal Year 2014-15 Through Fiscal Year 2016-17

Grant Type	Fiscal Year 2014-15		Fiscal Year 2015-16		Fiscal Year 2016-17		Total	
	Number of Grants	Amount Paid	Number of Grants	Amount Paid	Number of Grants	Amount Paid	Number of Grants	Amount Paid
Target Sector Trade	92	\$304,979	129	\$489,018	118	\$475,202	339	\$1,269,199
Export Marketing Plan	23	\$69,480	35	\$115,530	29	\$101,000	87	\$286,010
Gold Key/Matchmaker	69	\$78,635	85	\$102,225	34	\$39,600	188	\$220,460
Website Localization	—	—	—	—	2	\$12,000	2	\$12,000
Grant Total	184	\$453,094	249	\$706,773	183	\$627,802	616	\$1,787,669

Source: OPPAGA analysis of EFI data.

EFI’s international offices generate foreign direct investment leads and assist Florida businesses with export of goods and services to the countries where they are located

Enterprise Florida, Inc. contracts with a network of firms for representation in several foreign countries. These international offices are responsible for attracting foreign direct investment (FDI) capital to the state of Florida and assisting Florida companies with export of their goods or services to the countries where the firms are located, which is accomplished by helping facilitate sales at trade shows or missions in their home country.⁷⁷ EFI reports that each international office has customized

⁷⁷ EFI reported that international offices also perform additional services not captured in these measures, such as assisting EFI’s local economic development organization partners or other Florida public entities, such as Space Florida. Although these are outside the international offices’ main area of responsibility, EFI reported that these efforts still contribute to Florida’s economic growth.

performance measures based on the trade or business development needs of EFI in each country. However, EFI does track several core performance metrics for all international offices, including

- number and value of FDI leads generated;
- total amount of actual and expected sales facilitated at trade shows or missions;
- number of Florida companies assisted that are seeking to export goods or services; and
- number of foreign companies assisted while generating FDI leads.

From Fiscal Year 2014-15 through Fiscal Year 2016-17, EFI annual reports showed that 11 international offices generated 121 announced FDI projects totaling approximately \$319.7 million of anticipated investment. (See Exhibit 5-7.) However, the annual reports do not clearly show what portion of the announced FDI project amounts in a given fiscal year were actualized or how long it took those projects to reach completion. In some instances, the capital investment or job creation figures for announced FDI projects are future estimates. These 11 offices also reported that they helped facilitate \$850.5 million of combined actual and expected sales that occurred at trade shows in their host country.

Exhibit 5-7

International Offices in 11 Countries Generated \$319 Million of Announced FDI Projects From Fiscal Year 2014-15 Through Fiscal Year 2016-17

Country	FDI Announced Project Leads	Total Estimated FDI Project Investment
United Kingdom	22	\$85,520,000
Germany	17	\$71,084,000
France (Italy, Holland & Belgium)	38	\$69,622,000
Spain (Portugal)	26	\$56,285,670
Canada (Montreal & Toronto Offices)	5	\$28,200,000
Brazil	12	\$8,760,000
Israel	1	\$250,000
China (Hong Kong & Shanghai Offices)	0	\$0
Japan	0	\$0
Mexico	0	\$0
Southern Africa	0	\$0
Total	121	\$319,721,670

¹ Announced FDI Project Leads by EFI do not include those projects that were referred to local EDOs for assistance.

Source: Enterprise Florida, Inc.

Program staff reported that in response to a 2017 agency level review, EFI closed the international office in China, significantly reduced the budget for the Japan office, and reduced the contract with the Canada office, which led to a temporary loss of representation in Toronto. EFI felt that these reductions came at an inopportune time, as it was making good progress in establishing increased cargo traffic between Florida and China's ports with expansion of the Panama Canal. EFI noted that it was also in the process of trying to establish direct flights from Florida to Tokyo and Hong Kong, which it found to be necessary for the expansion of trade and foreign direct investment in future years.

FINDINGS

EFI provides export assistance services to Florida businesses that are unique from other local and state efforts

Enterprise Florida, Inc., works with various federal, state, and local organizations to promote increased exports to foreign markets and attract foreign direct investment. EFI's coordination with these entities is important, because they perform many similar activities, including education and counseling services for small- and medium- sized businesses, trade missions, and financial assistance. OPPAGA reviewed local economic organizations to determine if there was any overlap with the services offered by EFI's international trade program. Few of these local economic organizations offer technical or financial assistance that is comparable to EFI's services. Rather, most of these organizations' websites promote the services and grant programs offered by EFI's international trade and development unit.

The services and trade grant programs offered by EFI are unique from those services offered by local economic development organizations. International trade assistance offered by most of Florida's local economic development organizations does not extend beyond technical assistance and referrals to statewide resources, such as EFI. OPPAGA reviewed international trade related services for 96 local economic development organizations (EDOs) and self-governing ports in Florida to determine whether any EDOs duplicate EFI's activities at the local level.⁷⁸

Only one local EDO actively promotes and offers financial assistance that is comparable to EFI's Target Sector Trade Show and Gold Key/Matchmaker grant programs.⁷⁹ One additional local EDO provides financial and logistical support for inbound trade missions and partners with EFI for business matchmaking. However, the organization does not advertise the extent and type of financial support offered.⁸⁰ Five other local EDOs provide technical assistance, such as advice and business networking, but refer businesses to EFI and other external resources for financial assistance. The remaining 89 local EDOs and self-governing ports do not promote any in-house services or assistance for businesses engaging in international trade. Most of these organizations' websites reference the services and grant programs already offered by EFI and link to the EFI international trade and development website.

State level entities and industry stakeholders expressed favorable opinions of EFI's international trade and development efforts. OPPAGA found that stakeholders, including the Florida Chamber of Commerce, the Florida Ports Council, the Florida Export Finance Corporation, and the Manufacturers Association of Florida, support EFI's international trade promotion activities. These stakeholders reported that EFI's services play a critical role in building relationships in other countries.

⁷⁸ OPPAGA reviewed information readily available on agency websites for 96 local economic development organizations and self-governing ports to identify activities related to international trade.

⁷⁹ The Pasco EDC Trade Event Participation Grant provides reimbursable sponsorships of up to \$500 for small to medium-sized businesses. Grant recipients receive reimbursements for expenses related to participating in international trade shows, trade missions, or Gold Key matchmaking services.

⁸⁰ Miami-Dade County Economic Development and International Trade.

EFI is expanding services to exporters and importers

In addition to the services and grant programs already offered by the International Trade and Development Unit, EFI recently implemented initiatives to further decrease barriers for Florida businesses seeking to enter international markets. These new services assist exporters by providing financial assistance for website localization and facilitating product entry into foreign countries requiring Certificates of Free Sale for imports. EFI also collaborated with other Florida organizations to promote direct foreign investment.

EFI launched the Website Localization Grant in July 2017 to assist businesses with website translation services costs. Officially branded as Florida Online Global, the objective of the Website Localization Grant is to help Florida exporters expand their overseas exposure by making it more likely for a company in a foreign market to find Florida exporters online. The grant helps underwrite the costs associated with website localization and digital marketing.⁸¹ EFI offers two options for businesses.

- *Two Market Expansion (Costs \$12,000, with \$8,000 of EFI grant funding and \$4,000 matching funds from the business).* Two country-specific websites are localized, translated, and adapted to the agents, audiences, prospects, partners, distributors, and clients in the target market. This includes search engine optimization and website hosting for 12 months, with an extension option for \$1,000 per year.
- *Multi-Market Web Presence (Cost varies, with up to \$8,000 of EFI grant funding).* This option provides businesses with a multi-market web presence including website design and construction, translation, site launch, and training on how to use the website content management system.

EFI reported that it takes approximately three months to deliver the final product from inception. The value add of the program to Florida businesses are the intellectual property and content that will be owned by the company and the training and access to the website's content management system. At the time of OPPAGA's review, EFI had issued two website localization grants in Fiscal Year 2016-17 for a total of \$12,000 of grant funding assistance.

EFI has begun issuing Certificates of Free Sale to Florida exporters. A Certificate of Free Sale is required by some countries for imports. This document verifies that products exported from Florida are freely marketed without restriction and are approved for sale in the United States. Certificates can be issued by a federal or state entity, city office, or a non-governmental association such as a Chamber of Commerce. Types of imports that would require a Certificate of Free Sale include, among others, biologics, food, drugs, medical devices, and veterinary medicine. Currently, the entities in Florida that issue these certificates include the Florida Chamber of Commerce, Enterprise Florida, Inc., and the Department of Agriculture and Consumer Services (DACs).

In previous years, DACs was the main state entity issuing Certificates of Free Sale to Florida exporters. However, program staff reported that EFI is in the process of taking over this activity from DACs.⁸² EFI manages the complete certificate application process, which begins by informing applicant companies of the process and requirements as well as receiving and reviewing the Request Application Form and

⁸¹ According to EFI staff, website localization involves the translation of a business's web page into the native language of a specific target market.

⁸² EFI is developing an online application system to handle the 24,000 Certificates of Free Sale that DACs currently issues annually. EFI estimates they will completely assume responsibility of this program by the end of 2018.

other application materials. EFI also prepares the certificates, including notarizations, and delivers the documents to the applicant. The total cost for a Certificate of Free Sale is \$30 per document, and EFI must receive payment before it will issue the document. EFI reported that Certificates of Free Sale are important because they can help Florida businesses expand into new markets by facilitating imports to host countries that require this documentation. Another value of this shift is that it is convenient for businesses receiving other EFI services.

EFI partnered with other Florida organizations in 2018 to launch the Venture Bridge Florida program, which will assist foreign investors with market entry into Florida. The Venture Bridge Florida program offers virtual training to foreign companies to prepare them for U.S. market entry in Florida. The program will target proven job-creating companies that have \$500,000 to \$20 million in sales. EFI is one of the main partners for the new program, along with the National Entrepreneurship Center, Florida Business Incubator Association, and Association of Sister Cities of Florida. The program will be promoted by EFI, its foreign trade offices, nearly 90 Consul General Offices, Sister Cities, the Florida Chamber of Commerce, and other major international outreach organizations. EFI reported that its partnership in the Venture Bridge Florida program will not generate additional costs and that no EFI employees will be tasked with duties related to the program.

International trade grant recipients reported that the programs had a positive impact on their businesses

OPPAGA surveyed Export Marketing Plan, Target Sector Trade Show, and Gold Key/Matchmaker grant recipients to obtain their opinions concerning the value and benefits of the programs as well as the impact of the grants on their businesses. The grant programs' reported benefits include industry and market analysis, reduced costs for attending a trade show overseas, and one-on-one appointments with foreign buyers. Grant recipients expressed satisfaction with all aspects of the grants and reported that they would apply for the grants again or recommend them to other business owners; however, some respondents stated that since the grant, their business has not expanded in any other way.

Grant recipients were primarily producers of manufactured goods; most reported some prior level of export experience at the time they received a grant. The majority of survey respondents who participated in any of the three grant programs reported they were producers of goods rather than services. When asked to identify which industry category their business belonged to, the most frequent response was Other Manufacturing for all three surveys. The second most cited industries were Life Sciences (Export Marketing Plan recipients), Marine Industry (Target Sector Trade Grant recipients), and Clean Energy and Life Sciences (Gold Key/Matchmaker Grant recipients). (See Exhibit 5-8.) EFI does not collect NAICS codes from grant applicants, but rather assigns each business a Target Sector and Sub-Sector and, if needed, an Industry Sector and Sub-Sector.⁸³

When OPPAGA asked about businesses' level of export experience at the time they received the grant, most businesses reported already having some level of prior export experience across all three grant programs—as either rare exporters or consistent exporters. Almost two-thirds of Export Marketing Plan recipients reported being rare exporters, approximately 21% had never exported before and just 16% identified their business as already being a consistent exporter. This is consistent with the stated

⁸³ EFI sector assignments suggest that most grant recipients for any of the three programs during the review period were producers of goods rather than services Export Marketing Plan (85%); Reimbursable Gold Key/Matchmaker Grant (84%); Target Sector Trade Show Grant (89%).

intention of the Export Marketing Plan grant, which is intended for new to export businesses that want to identify overseas growth strategies.

In contrast, businesses that received a Target Sector Trade grant or Gold Key/Matchmaker grant reported higher levels of prior export experience. More than half (58%) of Target Sector Trade grant recipients and nearly half (45%) of Gold Key/Matchmaker grant recipients identified themselves as already being consistent exporters seeking to expand to new markets. This is also consistent with the stated goals of the Target Sector Trade grant and Gold Key/Matchmaker grant programs, which is to help Florida businesses expand into overseas markets and to increase their export sales overseas.

Exhibit 5-8

Most OPPAGA Survey Respondents Reported Some Level of Prior Export Experience and Were Producers of Goods Rather Than Services

	Export Marketing Plan Survey Respondents ¹	Target Sector Trade Grant Survey Respondents ²	Gold Key/Matchmaker Grant Survey Respondents ³
Producer of Goods	79%	90%	90%
Provide Services	21%	10%	10%
Top Industries	Other Manufacturing (79%) Life Sciences (16%)	Other Manufacturing (42%) Marine Industry (23%)	Other Manufacturing (71%), Clean Energy (7%), and Life Sciences (7%)
Never Exported Before	21%	14%	17%
Exported Before, but Rarely	63%	29%	38%
Consistent Exporter, but Seeking to Expand	16%	58%	45%

¹ OPPAGA surveyed 95 businesses that received an Export Marketing Plan Grant and received complete survey responses from 18 businesses. Twelve surveys were undeliverable. The response rate was 22%.

² OPPAGA surveyed 227 businesses that received a Target Sector Trade Grant and received complete survey responses from 54 businesses. Forty-seven surveys were undeliverable. The response rate was 30%.

³ OPPAGA surveyed 146 businesses that received a Gold Key/Matchmaker Grant and received complete survey responses from 40 businesses. Twenty-one surveys were undeliverable. The response rate was 32%.

Source: OPPAGA survey results.

Grant recipients identified benefits to each of the three grant programs and reported attending additional trade events after receiving their first trade grant. While the primary benefit of each grant program varied by grant type, OPPAGA survey responses are generally consistent with the stated purpose of each grant program. A majority of survey respondents reported that they attended additional trade events after receiving their first trade grant and most Export Marketing Plan respondents stated that they would recommend the grant programs to other business owners.

Export Marketing Plan grant recipients (61%) reported that the industry and market analysis of target markets was the greatest benefit of this grant. An additional 17% identified the export readiness assessment as the most important benefit. Half of respondents reported attending a trade show with EFI since receiving their Export Marketing Plan and 53% have since made their first export shipment to a foreign market. Furthermore, since receiving this grant, 67% of respondents have attended additional industry events and 11% have opened a foreign office. However, 22% of respondents stated that their business has not expanded in any other way since receiving the grant. Despite this, 89% of respondents would recommend the Export Marketing Plan Grant to other business owners.

Target Sector Trade grant survey respondents reported that the greatest benefit of the grant was the reduced cost of attending trade shows (49%). Nineteen percent of respondents stated that the most important benefit was that their business was able to increase sales of its goods with overseas buyers, while another 19% stated that the most important benefit was that the grant helped their business make important contacts and/or helped them network with overseas buyers. Since receiving their

grant, 67% of respondents have attended additional industry events, and 12% have opened a foreign office. Eighty-nine percent of respondents would apply for another Target Sector Trade Show Grant in the future.

Survey respondents who participated in the Gold Key/Matchmaker grant program reported that one-on-one appointments with prospective buyers were the most important program benefit (88%). Sixty-seven percent of respondents stated that average annual sales (exports) to the target country have increased since receiving the grant, by an average of 19%. Since receiving the grant, 68% of respondents reported attending additional industry events, while 10% have opened a foreign office. However, 22% of respondents stated that their business has not expanded in any other way since receiving the grant. Despite this, 93% of respondents stated that they would apply for another Gold Key/Matchmaker Grant in the future.

Business feedback regarding the grant application process and assistance from EFI staff was generally positive. Almost all survey respondents reported that they were satisfied with the grant application and approval process for the three grant programs. Additionally, businesses reported that they were satisfied with their interactions with, and the assistance provided by, EFI program staff.

While the overall feedback from survey recipients was positive, some respondents did have suggestions for improvement. One Export Marketing Plan recipient reported that additional follow-through assistance from EFI would be beneficial, with one respondent emphasizing the need for assistance with foreign trade shows and advertising in foreign countries. Four recipients of Target Sector Trade Show grants reported that they would like greater flexibility for repeat trade shows, which is something that EFI does have limits on. A few of the Gold Key/Matchmaker respondents reported a need for additional assistance from EFI agents with follow-up to solidify the networking they had done while overseas.

EFI continues to use inadequate metrics to assess the full impact of grant programs

OPPAGA's prior review of EFI's international trade and development programs found that EFI could not accurately assess program performance using existing export sales and foreign investment data. This was because export sales data—actual and anticipated—are largely unverified and reported as a combined aggregate figure, which is not an accurate representation of the impact of grant programs on business growth. In addition, EFI did not collect data from grant recipients that could be used to assess the long-term impacts of their services. These data concerns persist for the current review period.

EFI does not collect any supporting documentation for the actual export sales that occur at trade shows or trade missions and uses unverified figures to estimate expected future sales from that same event. EFI measures export sales that occur when businesses participate in overseas trade shows and EFI-sponsored trade missions. Following the event, participating businesses report actual and expected sales resulting from the event. This information is collected in an export sales report form that businesses submit to EFI representatives immediately following a trade event.

EFI typically reports projected export sales figures that combine both actual and anticipated sales. (See Exhibit 5-9.) For Fiscal Years 2014-15 through 2016-17, EFI reported approximately \$2.6 billion in total export sales. Of this amount, approximately \$216.4 million (8%) was actual sales and more than \$2.4 billion (92%) was anticipated sales.

Exhibit 5-9

Actual Export Sales Make Up Less Than 9% of Total Export Sales Reported From Trade Shows and Missions

Fiscal Year	Actual Export Sales	Expected Export Sales	Combined Actual and Expected Sales	Number of Sales Reported
2014-15	\$90,211,709	\$828,020,910	\$918,232,619	386
2015-16	64,025,442	847,456,398	911,481,840	552
2016-17	62,192,146	676,129,909	738,322,055	545
Total	\$216,429,297	\$2,351,607,217	\$2,568,036,514	1,483

Source: Enterprise Florida.

However, there are limitations to this data. First, a portion of EFI's metrics for trade shows and missions are not directly measurable. EFI typically combines reported actual and expected export sales, even though actual sales only represent a small portion (8.4%) of the combined export sales over the review period. Second, in most cases, EFI does not collect documentation that would allow it to verify actual sales. Each business self-reports both expected and actual export sales, and EFI only requires documentation for expected sales in excess of \$20 million. EFI staff reported that they do not ask for supporting documentation related to sales following a trade show or trade mission unless the expected sales reported is in excess of \$20 million. However, EFI reports that only 1% of all export sales forms submitted by businesses during the review period exceeded this \$20 million threshold for expected sales.

Furthermore, estimates for expected future export sales can be based on largely unverified actual sales. The method used to determine expected export sales is a two-year projection based on the number of qualified buyers a business met with at a given event and the average transaction amount that occurred at this event or, the business' estimate of sales based on projected orders. Thus, EFI's means for estimating expected export sales could be largely subjective.

New-to-export grant recipients show increased sales over the review period; however, the majority of grant recipients experienced limited growth

In lieu of verifiable performance data of grant recipients, OPPAGA assessed the long-term impact of EFI's grant programs on businesses that received grants during the review period by analyzing other indicators of business growth such as employment, wages, and sales taxes. Overall, OPPAGA's analysis found that total sales and employment for Fiscal Year 2013-14 grant recipients increased from Fiscal Year 2013-14 through Fiscal Year 2016-17.

Businesses that are new to exporting experienced growth, but the majority of all businesses that we could track had limited growth. We analyzed tax data from the Florida Department of Revenue (DOR) for 43 businesses receiving international trade grants in Fiscal Year 2013-14.⁸⁴ Average total sales for these businesses increased by 15% from Fiscal Year 2013-14 through Fiscal Year 2016-17. Of these 43 businesses, 29 (67%) reported positive total sales growth during the

⁸⁴ OPPAGA requested data from DOR for 61 businesses receiving Target Sector Trade Show, Gold Key/Matchmaker, and Export Marketing Plan grant incentives in Fiscal Year 2013-2014. DOR returned analyzable data for 43 of these businesses. DOR was unable to locate data for 13 businesses, which may suggest that the businesses do not have active accounts with DOR or the requested FEIN was incorrect. Five businesses returned data with NULL records or no sales during the analysis timeframe. A NULL record may indicate that the business relocated, no longer has an active account with DOR, or went out of business.

analysis timeframe. The five businesses in this cohort that received an Export Marketing Plan had significant average (243%) total sales growth from Fiscal Year 2013-14 through Fiscal Year 2016-17. Businesses receiving an Export Marketing Plan are new-to-export, and expansion into new markets may explain the significant increase in total sales for these grant recipients. The 38 businesses that did not receive an Export Marketing Plan only experienced a 1% increase in their average total sales. (See Exhibit 5-10.)

Exhibit 5-10

Total Sales for Export Marketing Plan Recipients Increased from Fiscal Year 2013-14 Through Fiscal Year 2016-17

Fiscal Year 2013-14 Grant Recipients	Number of Businesses	Fiscal Year	Reported Average Total Sales	Average Total Sales Growth	Sum Total Sales Fiscal Year 2013-14 Through Fiscal Year 2016-17
Received Export Marketing Plan	5	2013-14	\$4,048,885	243%	\$20,244,424
		2016-17	\$13,904,183		\$69,520,917
Did Not Receive Export Marketing Plan	38	2013-14	\$8,788,964	1%	\$333,980,641
		2016-17	\$8,914,751		\$338,760,540
All	43	2013-14	\$8,237,792	15%	\$354,225,064
		2016-17	\$9,494,918		\$408,281,457

Source: OPPAGA analysis of Department of Revenue data.

Employment and wages for grant recipients increased. We also analyzed employment and wage growth data from DEO for 44 businesses that received international trade grants in Fiscal Year 2013-14.⁸⁵ Of these 44 businesses, 31 (70%) had positive wage growth and 29 (66%) had positive employment growth from Fiscal Year 2013-14 through Fiscal Year 2016-17. Overall, the mean annual average wages and employment for grant recipients increased by 8% during the analysis timeframe. This is slightly less than the average statewide annual wage and employment growth rates of 9% and 12% respectively, from Fiscal Year 2013-14 through Fiscal Year 2016-17.⁸⁶ See Exhibit 5-11, below.

Exhibit 5-11

Average Annual Wages and Employment Increased for Fiscal Year 2013-14 Grant Recipients

	Fiscal Year	Mean	Growth
Average Annual Wages	2013-14	\$52,290	8%
	2016-17	\$56,340	
Average Annual Employment	2013-14	45	8%
	2016-17	48	

Source: OPPAGA analysis of business data provided by the Department of Economic Opportunity.

⁸⁵ OPPAGA requested data from DEO for 61 businesses receiving Target Sector Trade Show, Gold Key/Matchmaker, and Export Marketing Plan grant incentives in Fiscal Year 2013-14. DEO returned analyzable data for 44 of these businesses. DEO was unable to locate data for 13 businesses, which may suggest that the businesses are out of business, using a payroll company, or the requested business information was incorrect. OPPAGA excluded four matched businesses from the analysis because DOR records showed no employment and wage reporting for at least six months during the analysis timeframe. This may suggest that the businesses relocated or went out of business.

⁸⁶ OPPAGA calculated the statewide annual average wage and employment growth rates using the U.S. Bureau of Labor Statistics' quarterly census of employment and wages. This data represents businesses from all industries statewide that reported sales and employment data to DEO between Fiscal Year 2013-14 and Fiscal Year 2016-17.

RECOMMENDATIONS

Given the importance of international trade to Florida's economy and the state's ability to compete in global markets, OPPAGA recommends that Enterprise Florida, Inc. improve information collected to assess its international trade and development efforts by establishing annual reporting requirements and verifying sales data reported by businesses.

Establish annual reporting requirements for businesses that receive grants or technical assistance

As a condition of receiving one of the three trade assistance grants, EFI could establish an agreement with grantees to report simple descriptive information about businesses on an annual basis. These annual metrics could include

- total number of FTEs;
- average salary of FTEs;
- total annual domestic sales;
- total annual export sales; and
- total number of countries exported to annually.

Although EFI staff claims that businesses would be hesitant to share this information, EFI would not be required to disclose information collected from businesses that was deemed proprietary. Based on the purpose of EFI as defined in s. 288.901(2), *Florida Statutes*, it qualifies as an economic development agency under s. 288.075(1)(6), *Florida Statutes*. This means that if EFI were to collect the annual business metrics recommended above, such information would be confidential and exempt from s. 119.07(1), *Florida Statutes*, and s. 24(a), Article I, *The Constitution of the State of Florida*.

Therefore, it is possible for EFI to collect these metrics from grant recipients to allow for greater performance evaluation, while at the same time shielding such information from public information requests. Such data would allow the state to more accurately evaluate business growth over time and specific impacts on individual businesses from the assistance provided by the International Trade and Development Unit.

Further, EFI could add conditions to its grant agreements that facilitate provision of the information. These could include requirements that ensure updated points of contact at the organization and reporting timeframes that would accommodate a variety of factors that would otherwise prolong or delay reporting.

Verify actual sales made at trade shows and missions by requesting copies of documentation for sales reported following an event

Currently, a business attending a trade show or mission overseas reports the total actual amount of sales made by filling out a form and providing it to EFI staff. However, EFI staff could instead request a copy of some form of documentation verifying the total sales amount, such as a completed order form, on the condition that EFI would keep said forms confidential. This would allow EFI to verify that the reported actual sales amounts are substantiated and provide a more convincing basis for anticipated future sales calculations for the same company and country.

AGENCY RESPONSES

Rick Scott
GOVERNOR



Cissy Proctor
EXECUTIVE DIRECTOR

December 17, 2018

Mr. R. Philip Twogood
Coordinator
Office of Program Policy Analysis and
Government Accountability
111 West Madison Street, Room 312
Tallahassee, Florida 32399-1475

Dear Mr. Twogood:

Pursuant to Section 11.51(2), Florida Statutes, this letter represents our response to the preliminary report titled: ***Florida Economic Development Program Evaluations- Year 6.***

We thank you and your staff for the review of the state's space and defense industry programs and appreciate the detailed analysis of each program.

If you have any questions or need additional information, please contact Mr. James E. Landsberg, Inspector General, at (850) 245-7141.

Sincerely,

Greg Britton, Director
Division of Strategic Business Development

Florida Department of Economic Opportunity | Caldwell Building | 107 E. Madison Street | Tallahassee, FL 32399
866.FLA.2345 | 850.245.7105 | 850.921.3223 Fax
www.floridajobs.org | [www.twitter.com/FLDEO](https://twitter.com/FLDEO) | www.facebook.com/FLDEO

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December 14, 2018

R. Philip Twogood, Coordinator
The Florida Legislature
Office of Program Policy Analysis and Government Accountability
111 West Madison Street
Room 312
Tallahassee, FL 32399

*Governor Rick Scott,
Chairman*

*Joe York,
Vice Chairman*

Mr. Twogood,

Thank you for allowing us to review and respond to the draft Florida Economic Development Program Evaluations Report No. 18-XX as it pertains to Military & Defense and International Trade and Development units of Enterprise Florida, Inc. (EFI).

ORLANDO
800 North Magnolia Avenue
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Orlando, Florida 32803
T 407-956-5600

MIAMI
201 Alhambra Circle
Suite 610
Coral Gables, Florida 33134
T 305-808-3660

Our teams would like to thank OPPAGA for a fair and comprehensive review of both the Military & Defense and International Trade and Development programs. We appreciate the professionalism and thoroughness of this report and the opportunity to dialogue with OPPAGA as the information contained in this report was compiled.

TALLAHASSEE
101 North Monroe Street
Suite 1000
Tallahassee, Florida 32301
T 850-298-6620

Attached, please find our responses to several findings and recommendations of the report.

Sincerely,

Robert Schlotman
SVP OF ADMINISTRATION & CONTROLLER



Enterprise Florida Inc.
Responses to OPPAGA Draft Report No. 18-XX December 2018

Military and Defense:

1. Executive Summary – Military and Defense Programs

- a. Findings** - (Page iii, first paragraph, last sentence) recommend the following:
These goals are accomplished through grant programs, state military friendly legislation, encroachment protection activities, state and federal level advocacy activities, and land acquisition.
- b. Findings** - (Page iii, paragraph three) recommend the following: *The Florida Defense Support Task Force provides federal advocacy using a contract with the Principi Group. Under this contract (\$2.9 million during the review period), the group assisted MacDill AFB in obtaining new tankers and Naval Station Mayport in acquiring additional ships among many other successes. The group also advocated for stationing of both Guard and Reserve F-35s to Jacksonville and Homestead as well as additional drone assets for both the Navy and Air Force.*

2. Chapter 2: Military and Defense

- a. Findings** – (Page 13 - Exhibit 2-7) displays the number of median days to receive grant payments.

DEO changed the process by which they provided funds to EFI. DEO ceased allowing EFI to draw down funds on a quarterly basis as was done in years prior to those tested, and began to require a review of all reimbursement documentation prior to any funds being released from DEO to EFI. This created a delay in that EFI waited for DEO approval on all individual grant reimbursement requests. The additional steps in the altered DEO reimbursement process created much longer delays in recipients receiving awards of DIG and DRG grants than when processing under EFI's streamlined process.

1. Chapter 5: International Trade and Development Programs

a. Recommendations – (Page 71) Establish annual reporting requirements for businesses that receive grants or technical assistance.

As stated in the original appropriation legislation, the intent of the Florida Export Diversification and Expansion Program is to assist small to medium-sized businesses and companies who are new or infrequent exporters, and/or new to the market they are targeting. Enterprise Florida currently requires grantees to report data on employee size and export status (new-to-export; new-to-market, or infrequent exporter to this market) for each trade grant application. EFI agrees that establishing annual reporting requirements for businesses that receive trade grants could provide for more meaningful performance evaluation over time. EFI is considering an electronic survey in the first quarter of calendar year 2019 to collect information about employment, salaries, sales, and countries exported to in 2018 from companies who received a trade grant during 2018.

Considerations:

- EFI can make this a requirement of the new trade grants approved beginning in January 2019, which results in compliance for this first (2018) survey will be voluntary.
- Based on discussions with several clients, EFI proposes implementing surveys on a calendar year basis to improve compliance and participation from grant recipients.
- Companies also emphasized that the impact of participating in trade shows, trade missions, or taking advantage of trade grants may not be realized for two to four years later; it takes time to turn the leads generated into sales orders, produce the products, to ship orders and get paid. EFI educates companies that they have to be committed and prepared for building long-term relationships before seeing significant results.
- While reviewing the long-term data at the aggregate level should provide insight on growth of the grant recipients overall, analysis at the individual company level could be misguided. Some companies will receive only one grant per year or only one over a company lifetime. EFI trade grant programs may not have much impact on the growth of those companies that participate infrequently. On the other hand, companies who are more active with EFI programs overall (trade shows, trade missions, grant assistance) are much more likely to demonstrate growth over time.

b. Verify actual sales made at trade shows and missions by requesting copies of documentation for sales reported following an event.

As previously stated, EFI strongly objects to this recommendation based on the following:

Self-reporting by client companies is the de facto industry standard for measuring trade results. Though it is an imperfect tool, self-reporting is the best available method. Trade development organizations at the local, state, and federal level have all used similar surveys to evaluate the effectiveness of their programs. The ultimate industry barometer is the U.S. Commercial Service (USCS) who documented the export sales they assisted through the same means until recent years. They discontinued asking clients for that information because of the difficulty in documenting sales and following up with client companies to track results. The USCS currently tracks the following:

- Customer Satisfaction
- Number of Clients Counseled
- “Wins” – which is the number of costumers generating sales and they accept either verbal or written reporting
- New Clients (Accounts) Created
- Administrative Compliance

EFI confirmed with USCS offices around the state that they do not require support or back-up documentation of reported sales. USCS considers that type of scrutiny “highly inappropriate.”

EFI also contacted the SBA’s State Trade & Export Promotion (STEP) grant office and learned that they require similar data from companies, e.g., client’s level of export experience; actual export sales, and projected export sales within the following 12-18 months. They require a statement by the client that “conveys their certification of the reported data,” however; the SBA does not require documentation of a company’s actual sales.

Working with these clients daily, we see no logical reason for them to provide inaccurate sales figures since there is no clear benefit for them to do so. EFI grants are not contingent upon clients achieving specific sales results but, rather, for targeting new markets for entry. In many cases, EFI has found clients are reluctant to share sales information due to confidentiality concerns. The identity of their clients and their business relationships is the most sensitive confidential information for exporters.

Based on decades of experience working with small and medium sized companies, Enterprise Florida’s Trade & Development staff are convinced that an overwhelming majority of companies would outright refuse to share their confidential sales information (actual sales orders) and that such a requirement

would have a tremendous negative impact on the utilization of the grants programs. Many companies have emphasized that requiring such documentation would be grounds to drop out of our trade grants program.

In the case of expected sales, realizing the future sales forecast into actual sales can easily take two to four years. Depending on the industry sector, doing business in international markets can be a very lengthy process, as registering or getting a product licensed in the foreign country is often required; contracts need to be negotiated, and distributors or agents appointed.

Finally, the purpose of the Florida Export Diversification and Expansion Program is to help small to medium-sized companies who are new-to-export to begin exporting and to help current exporters diversify into new markets. EFI tracks data to capture that information. The awarding of grants is not tied to their actual reporting of export sales and is not required as part of the implementing legislation.



December 17, 2018

R. Philip Twogood, Coordinator
The Florida Legislature's Office of Program Policy Analysis and Government Accountability
111 West Madison Street, Room 312
Tallahassee, FL 32399-1475

Dear Mr. Twogood,

Thank you for the opportunity to formally respond to your office's draft report titled, "Florida Economic Development Program Evaluations – Year 6" (the "Report"). We appreciate the diligence and professionalism of your staff thoroughly analyzing our application of our statutory requirements through our Programs. Our responses to the Report's recommendations follows:

1. Improvements are still needed in coordination of efforts with other state and local entities, particularly economic development and employment agencies.

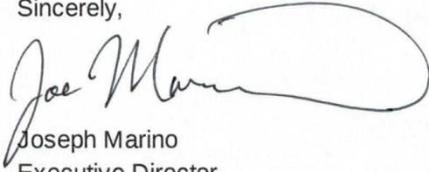
Response: Veterans Florida has given considerable effort to expand our overall outreach and partnerships. This was identified as a recommendation by OPPAGA in the 2017 report titled, "Veterans Florida Promotes Florida as a Veteran-Friendly State and Provides Numerous Services," and we appreciate OPPAGA recognizing the great strides we've made since as noted in the Report. We intend to work with Florida Department of Veterans Affairs and better coordinate our presence on web and media platforms with state and quasi-state entities involved in the areas of economic development, labor and workforce, and veterans resources. One action we've taken towards resolving this recommendation, considering the size of Florida and the number of available platforms for exposure, is hiring a Communications Director to identify and coordinate with all the platforms on which we need to be listed.

2. Strengthen the support [Veterans Florida] provides to veterans graduating from the [Entrepreneurship Program].

Response: We agree; this is both important and a challenge. Due to the decentralized nature of much of the Program's implementation, providing a common, beneficial experience for all veterans who complete the Advanced Course has not been accomplished to the level we would like. However, we will soon enable better communication and coordination of post-Advanced Course resources to veterans, to include available mentors, networking, and other local resources through new software which will allow us to centralize the resources necessary during the post-Advanced Course timeframe.

We truly appreciate the honest and fair assessment of our Programs and commend you and your staff on their hard work in completing this thorough review.

Sincerely,

A handwritten signature in black ink, appearing to read "Joe Marino". The signature is fluid and cursive, with a large, sweeping loop at the end.

Joseph Marino
Executive Director
Veterans Florida



Kevin Doyle
Chairman

Michelle Dennard
President & CEO

December 14, 2018

Mr. R. Philip Twogood, Coordinator
The Florida Legislature's Office of Program Policy Analysis and Government
Accountability
111 West Madison Street, Room 312
Tallahassee, Florida 32399

Dear Mr. Twogood:

CareerSource Florida greatly appreciates the Office of Program Policy Analysis and Government Accountability's thorough review of the Quick Response Training and the Incumbent Worker Training grant programs. As noted, these two training grant programs, administered by CareerSource Florida, provide exceptional value to businesses as well as the Floridians employed by them. A skilled and productive workforce is critical to Florida's economy, serving as a primary reason businesses expand or locate in our great state: Fully 33 percent of responding Quick Response Training grant recipient businesses reported the grant played a role in the decision to establish or expand in Florida, according to your study's findings. Training that enhances skills of new or existing employees boosts business competitiveness and overall workforce quality.

The analysis of the Incumbent Worker Training program documents benefits to existing Florida businesses. During the current review period, both employment growth (26 percent) and wage growth (18 percent) for companies that received training grants increased significantly — doubling the statewide averages (12 percent and 9 percent). Moreover, most Incumbent Worker Training trainees are still employed in Florida (82 percent). As stated in Section 445.003(3)(b), F.S., continuing skills-based training of incumbent employees at existing Florida businesses along with job retention is the emphasis of the Incumbent Worker Training program. This is underscored by the OPPAGA survey that found 91 percent of businesses receiving these grants report a positive impact on the business and 25 percent reported an increase in sales. We appreciate that OPPAGA's comprehensive analysis revealed these positive quantitative and qualitative attributes.

Similarly, OPPAGA's analysis of the Quick Response Training program proves its value as a win-win proposition for Florida's economy — higher wages for individuals receiving customized training and greater productivity for the businesses that employ them. During the review period, employment growth for companies receiving Quick Response Training grants increased 60 percent, well exceeding the statewide average of 12 percent for the same period. Like the Incumbent Worker Training grant, the majority of Quick Response

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careersourceflorida.com    



Training grant trainees are still employed in Florida (81 percent). Further, the OPPAGA analysis shows that receiving training through a Quick Response Training grant has a significant positive effect on wages: Trainee wages increased 14 to 18 percent a year after training. Businesses also reported to OPPAGA that receiving a Quick Response Training grant had a positive impact on their business (96 percent) and 83 percent reported employee productivity improved or greatly improved.

The report provided recommendations to explore joint marketing opportunities among CareerSource Florida, our network's 24 Local Workforce Development Boards and Veterans Florida. We plan to do so. Additionally, in response to fiscal agents' request for more training and information about the Quick Response Training grant program, we began in July 2018 hosting quarterly webinars for these professional staff throughout the state. Your final recommendation to consider making the use of fiscal agents for the Quick Response Training grant program optional also will be explored.

In closing, the OPPAGA report further demonstrates that Quick Response Training and Incumbent Worker Training grants play a vital role in Florida's economy. As reported by most businesses surveyed, both programs encourage growth and prosperity and enable Florida's businesses to be more competitive. CareerSource Florida, through these grant programs and its strategic investment in workforce development statewide, is committed to achieving our vision to make Florida the global leader for talent.

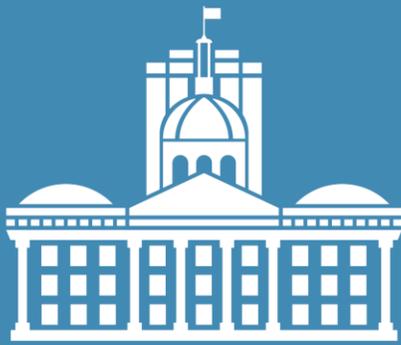
Respectfully,



Michelle Dennard
President and CEO

cc: Ms. Amy Baker, Coordinator, Office of Economic and Demographic Research
Mr. Eric Miller, Chief Inspector General, Executive Office of the Governor
Ms. Andra Cornelius, CECD, Senior Vice President, CareerSource Florida
Ms. Carmen Mims, Director, CareerSource Florida





OPPAGA

Office of Program Policy Analysis and Government Accountability

OPPAGA provides performance and accountability information about Florida government in several ways.

- [Reports](#) deliver program evaluation and policy analysis to assist the Legislature in overseeing government operations, developing policy choices, and making Florida government more efficient and effective.
- Government Program Summaries (GPS), an online encyclopedia, www.oppaga.state.fl.us/government, provides descriptive, evaluative, and performance information on more than 200 Florida state government programs.
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OPPAGA website: www.oppaga.state.fl.us

Project supervised by Emily Leventhal (850/717-0525)

Project conducted by Hunter Hill, Justin Painter, Laila Racevskis,

Alex Regalado, and Richard Woerner

R. Philip Twogood, Coordinator

Action Item 1

APPRENTICESHIP STRATEGIC POLICY 2019.02.13.A.1

Public Law 113-128, the Workforce Innovation and Opportunity Act of 2014 (WIOA), clearly establishes sector strategies as a primary approach for meeting employer needs while simultaneously building and defining career pathways for individuals. In 2016, CareerSource Florida integrated Registered Apprenticeships into its statewide sector strategy initiative. With a focus on building the state's talent pipeline, local workforce development boards are empowered to move from training programs to establishing career pathways that offer apprenticeships as a viable talent development solution.

In January 2017, the U.S. Department of Labor, Employment and Training Administration issued Training and Employment Guidance Letter WIOA, No. 13-16, which provides information on new provisions for Registered Apprenticeships in WIOA. In June 2017, Presidential Executive Order 13801, Expanding Apprenticeships in America, outlined policies to expand apprenticeships and establish Industry-Recognized Apprenticeship Programs. In July 2018, USDOL issued Training and Employment Notice 3-18, Creating Industry-Recognized Apprenticeship Programs to Expand Opportunity in America.

On January 30, 2019, Florida Governor Ron DeSantis issued Executive Order Number 19-31, Charting a Course for Florida to Become No. 1 in the Nation in Workforce Education by 2030 and Ensuring Florida Students are Prepared for the Jobs of the Future. The Governor directs the Florida Commissioner of Education to secure \$10 million in funding for Fiscal Year 2019-2020 for high-quality workforce apprenticeships and other industry-specific learning opportunities for students.

To comply with the President's Executive Order 13801, guidance issued by USDOL, and Governor's Executive Order 19-31, CareerSource Florida drafted Strategic Apprenticeship Policy 2019.02.13.A.1, which defines the state's strategic vision for apprenticeships and provides tools for local boards to incorporate apprenticeships into their local workforce plans. This policy applies to CareerSource Florida, the Department of Economic Opportunity and all 24 local workforce development boards.

The CareerSource Florida network has a variety of activities that support apprenticeships that can be funded through WIOA or other program funds: Individual Training Accounts,

on-the-job training wage reimbursement, customized training, incumbent worker training, pre-apprenticeships, and supportive services. Local workforce development boards may use any allowable activities to support apprenticeships and pre-apprenticeships to supply the talent pipeline needed in their local areas.

FOR CONSIDERATION

- **Approve CareerSource Florida Apprenticeship Strategic Policy 2019.02.13.A.1.**



2019.02.13.A.1

Strategic Policy

Title:	Apprenticeship Policy
Adopted:	
Effective:	

I. PURPOSE AND SCOPE

The Workforce Innovation and Opportunity Act (WIOA) clearly establishes sector strategies as a primary approach for meeting employer needs while simultaneously building and defining career pathways for individuals. This Apprenticeship Policy defines CareerSource Florida's vision for apprenticeship. Apprenticeship expansion presents opportunities for innovation of this time-tested and trusted method of skills development for Florida's targeted industries. Through this policy, the CareerSource Florida Board supports and encourages the continued expansion of apprenticeship opportunities in Florida.

II. BACKGROUND

Apprenticeships combine rigorous, high-quality education with on-the-job training and other services that:

- Provide paid earn and learn opportunities;
- Ensure a talent pipeline and strategies to retain high-skilled employees and promote organizational and industry-specific knowledge;
- Align with the skills needs of industries in state or regional economies;
- Offer individuals a full range of educational options;
- Include counseling to support individuals in achieving education and career goals;

- Include, as appropriate, education offered concurrently with and in the same context as workforce preparation activities and training for a specific occupation;
- Organize education, training and other services to meet the needs of individuals in a manner that accelerates the educational and career advancement of the individual to the extent practicable;
- Enable an individual to attain a secondary school diploma or its recognized equivalent, and at least one nationally recognized credential;
- Help an individual enter or advance within a specific occupation or occupational cluster; and
- Provide opportunities to job seekers with barriers to employment and in underrepresented populations including women, veterans, ex-offenders, minorities, individuals with disabilities, youth and young adults.

There are two distinct approaches for apprenticeship training in Florida that may be used to meet employer needs while simultaneously building and defining career pathways for individuals. The first is the Registered Apprenticeship model and the second is Industry-Recognized Apprenticeship Programs (IRAPs).

Registered Apprenticeships

Registered Apprentices, who successfully complete their apprenticeship, graduate with a nationally recognized Completion of Apprenticeship Certificate issued by the Florida Department of Education that validates proficiency in an apprenticeable occupation. In addition, Registered Apprentices have the opportunity to earn third-party industry certifications. Registered Apprenticeships are registered with the Florida Department of Education, Office of Apprenticeship for federal purposes. These programs must meet parameters established under the National Apprenticeship Act designed to protect the welfare of the apprentice. The Act and its promulgating regulations (29-CFR-29 and 29-CFR-30) are administered by the USDOL Office of Apprenticeship or a State Apprenticeship Agency approved by the Secretary of Labor for federal purposes.

The Florida Department of Education, Office of Apprenticeship, has responsibility for the development of the Registered Apprenticeship and pre-apprenticeship uniform minimum standards for apprenticeable occupations. The department also has responsibility for assisting district school boards and community college district boards of trustees in developing pre-apprenticeship programs. The Registered Apprenticeship program and duties of the department are described in detail in Chapter 446, Florida Statutes and Chapter 6A-23.001-011, Florida Administrative Code.

Industry-Recognized Apprenticeship Programs

Industry-Recognized Apprenticeship Programs (IRAPs) are high-quality apprenticeship programs that include a paid work component and an educational or instructional component with workplace-relevant knowledge and skills. IRAPs are supported or sponsored by trade and professional associations, employers, educational institutions, unions, labor management organizations and other third parties, and may be offered and certified by third parties that receive

a favorable determination from the U.S. Department of Labor. IRAPs are not registered with the Florida Department of Education, Office of Apprenticeship.

Implementation

CareerSource Florida Strategic Policy 2018.02.14.A.2 defines the CareerSource Florida Board's strategic vision for effective sector strategies. Local workforce development boards are required to describe their approach to establishing, implementing and sustaining effective sector strategies, including apprenticeship expansion opportunities, in their local workforce development plans. Pursuant to that policy, and empowered through this Apprenticeship Policy, local workforce development boards should identify opportunities for new or expanded apprenticeships in targeted sectors.

The CareerSource Florida network has a variety of activities to support apprenticeships that can be funded through WIOA or other program funds: Individual Training Accounts, on-the-job training wage reimbursement, customized training, incumbent worker training, pre-apprenticeships, and supportive services. Local workforce development boards may use any allowable activities to support apprenticeships and pre-apprenticeships to supply the talent pipeline needed in their local areas.

This policy applies to CareerSource Florida, the Department of Economic Opportunity and all 24 local workforce development boards.

III. AUTHORITY

- [Public Law 113-128, Workforce Innovation and Opportunity Act \(2014\)](#)
- [29 U.S.C. 50, Promotion of Labor Standards of Apprenticeship](#)
- [Presidential Executive Order 13801 – Expanding Apprenticeships in America](#)
- [Chapter 445.004, Florida Statutes](#)
- [Chapter 446, Florida Statutes](#)
- [Chapter 6A-23.001-011, Florida Administrative Code](#)
- [Training and Employment Guidance Letter No. 13-16](#)
- [Training and Employment Notice No. 3-18 Creating Industry-Recognized Apprenticeship Programs to Expand Opportunity in America](#)
- [29-CFR-29 - Labor Standards for The Registration of Apprenticeship Programs](#)
- [29-CFR-30 - Equal Employment Opportunity in Apprenticeship](#)

IV. HISTORY

Date	Description

V. ATTACHMENTS

- [CareerSource Florida Administrative Policy Number 90 – WIOA Eligible Training Provider List](#)
- [AWI Final Guidance 00-009 On-the-Job Training Program](#)
- [CareerSource Florida Administrative Policy Number 074 – Individual Training Account Expenditure Requirements and Waiver Request Process](#)
- [Using Workforce Funds to Support Apprenticeship](#)

VI. OTHER RESOURCES

- [Apprenticeship.gov](#)
- [Industry-Recognized Apprenticeship Program](#)
- [WorkforceGPS - Apprenticeship](#)
- [Florida Department of Education's Apprenticeship Programs](#)

Approved _____
Disapproved _____

Action Item 2

Career and Professional Education (CAPE) Act 2019-2020 Industry Certification Recommendations

The Career and Professional Education (CAPE) Act was created by the Florida Legislature in 2007 to improve Florida's talent pipeline to better attract and retain targeted, high-value industries and develop a knowledge-based economy. The CAPE Act seeks to ensure education, industry, workforce and economic development partners in every community collaborate to create new and meaningful opportunities for students. CAPE supports diversification of Florida's economy by providing students with cutting-edge training and industry certifications required for high-skill, high-wage jobs in Florida's target and infrastructure industries.

The implementation of the Act requires coordination among CareerSource Florida, the Florida Department of Education (FDOE), the Florida Department of Economic Opportunity (DEO) and the Florida Department of Agriculture and Consumer Services. Each year in August, requests for additions to the approved list of industry certifications are received from Local Workforce Development Boards (LWDBs) and school principals through CareerSource Florida's online submission portal. Upon the closing of the submission process in October 2018, 50 unduplicated requests for new additions to the current list of approved certifications were received from LWDBs and school principals.

A comprehensive analysis of all certifications was conducted by CareerSource Florida, DEO and the FDOE team to determine eligibility and to ensure required endorsements were received. Upon completion of this in-depth review, the following recommendation for 22 certifications is made for consideration and action by the CareerSource Florida Board. In addition, it is recommended that five obsolete certifications be removed from the CAPE Funding List.

Recommendations by the CareerSource Florida Board are forwarded to FDOE by the required deadline date of March 1. FDOE makes its final determination on certifications eligible for 2019-2020 CAPE bonus funding.

The State Board of Education approves the final CAPE Funding List at its meeting in August.

FOR CONSIDERATION

- **Approve recommendations of 22 newly submitted certifications.**
- **Authorize removal of five outdated or obsolete certifications.**
- **Authorize the CareerSource Florida professional team, in collaboration with Department of Education staff, to revise approved certifications due to certifying entities making changes; upgrading existing products; releasing newer versions; or changes that relate to eligibility of certification requirements.**

2019-20 CareerSource Florida Recommendations

Industry Certifications Recommended by the CareerSource Florida Board on February 13, 2019.

DOE Code	Certification/Credential Title	Issuing Organization/Provider
ABAYC003	Marine Electrical Certification	American Boat & Yacht Council
ACSMD002	Certified Personal Trainer	American College of Sports Medicine
ADESK002	Autodesk Certified User - AutoCAD	Autodesk
ADESK008	Autodesk Certified User - Revit Architecture	Autodesk
ADESK011	Autodesk Certified User - Inventor	Autodesk
ADESK021	Autodesk Certified Professional - AutoCAD	Autodesk
ADESK023	Autodesk Certified Professional - AutoCAD Civil 3D	Autodesk
ADESK024	Autodesk Certified Professional - Inventor	Autodesk
ADESK025	Autodesk Certified Professional - Revit Architecture	Autodesk
ADESK029	Autodesk Certified Professional - 3ds Max	Autodesk
ADESK031	Autodesk Certified User - 3ds Max	Autodesk
ADESK032	Autodesk Certified User - Fusion 360	Autodesk
ADOBE003	Adobe Certified Expert (ACE) - Illustrator	Adobe Systems
ADOBE004	Adobe Certified Expert (ACE) - InDesign	Adobe Systems
ADOBE005	Adobe Certified Expert (ACE) - Photoshop	Adobe Systems
ADOBE007	Adobe Certified Expert (ACE) - Premiere Pro	Adobe Systems
ADOBE010	Adobe Certified Associate (ACA) - Dreamweaver	Adobe Systems
ADOBE011	Adobe Certified Associate (ACA) - Flash/Animate	Adobe Systems
ADOBE018	Adobe Certified Associate (ACA) - Premiere Pro	Adobe Systems
ADOBE020	Adobe Certified Associate (ACA) - Illustrator	Adobe Systems
ADOBE021	Adobe Certified Associate (ACA) - InDesign	Adobe Systems
ADOBE022	Adobe Certified Associate (ACA) - Photoshop (Creative Cloud 2015 or later)	Adobe Systems
AHLAE010	Certified Front Desk Supervisor	American Hotel and Lodging Association Educational Institute
AIOPB001	Certified Bookkeeper	American Institute of Professional Bookkeepers
AMAMA001	Certified Medical Assistant (CMA)	American Association of Medical Assistants
AMDDA002	Certified Apprentice Drafter - Architectural	American Design Drafting Association
AMDDA003	Certified Drafter - Architectural	American Design Drafting Association
AMDDA004	Certified Drafter - Mechanical	American Design Drafting Association
AMDDA005	Certified Apprentice Drafter - Mechanical	American Design Drafting Association
AMEDT005	Registered Phlebotomy Technician (RPT)	American Medical Technologists (AMT)
AMSPT002	Certified Phlebotomy Technician	American Society of Phlebotomy Technicians
APPLE002	Apple Certified Technical Coordinator	Apple, Inc.
APPLE018	Apple Certified Pro (ACP) - Logic Pro X	Apple, Inc.
APPLE019	Apple Certified Support Professional	Apple, Inc.
APPLE020	Apple Certified Pro (ACP) - Final Cut Pro X	Apple, Inc.
APPLE021	Apple App Development with Swift Certification Level 1	Apple, Inc.

2019-20 CareerSource Florida Recommendations

Industry Certifications Recommended by the CareerSource Florida Board on February 13, 2019.

DOE Code	Certification/Credential Title	Issuing Organization/Provider
AVIDT001	Avid Media Composer Certified User	Avid
AVIDT002	Avid Pro Tools Certified User	Avid
AWELD003	AWS Certified Welder - FCAW Plate	American Welding Society
AWELD004	AWS Certified Welder - GMAW Plate	American Welding Society
AWELD005	AWS Certified Welder - GTAW Pipe (Carbon Steel)	American Welding Society
AWELD006	AWS Certified Welder - GTAW Pipe (Stainless Steel to Carbon Steel)	American Welding Society
AWELD007	AWS Certified Welder - GTAW Pipe (Stainless Steel)	American Welding Society
AWELD008	AWS Certified Welder - GTAW Plate	American Welding Society
AWELD009	AWS Certified Welder - GTAW/SMAW Pipe (Carbon Steel)	American Welding Society
AWELD010	AWS Certified Welder - GTAW/SMAW Pipe (Chrome PWHT)	American Welding Society
AWELD011	AWS Certified Welder - SMAW Pipe	American Welding Society
AWELD012	AWS Certified Welder - SMAW Plate	American Welding Society
CARCH001	Chief Architect User Certification	Chief Architect, Inc.
CARCH002	Chief Architect Certified Apprentice	Chief Architect, Inc.
CERHB001	Biotechnician Assistant	Center for Excellence for Regenerative Health Biotechnology at University of Florida
CISCO003	Cisco Certified Entry Network Technician (CCENT)	Cisco Systems, Inc.
CISCO004	Cisco Certified Network Associate (CCNA)	Cisco Systems, Inc.
CISCO005	Cisco Certified Network Professional (CCNP)	Cisco Systems, Inc.
CISCO011	Cisco Certified Network Associate Security (CCNA Security)	Cisco Systems, Inc.
CISCO013	Cisco Certified Network Associate Wireless (CCNA Wireless)	Cisco Systems, Inc.
CISCO017	Cisco Certified Network Professional Wireless (CCNP Wireless)	Cisco Systems, Inc.
CISCO018	Cisco Certified Internetwork Expert Routing and Switching (CCIE Routing & Switching)	Cisco Systems, Inc.
CNCISI001	Mastercam Certified Programmer Mill Level 1 (CPgM1)	CNC Software Inc.
CNCISI002	Mastercam Associate Certification - Mill Design and Toolpaths	CNC Software Inc.
COMPT001	CompTIA A+	Computing Technology Industry Association (CompTIA)
COMPT005	CompTIA Linux+	Computing Technology Industry Association (CompTIA)
COMPT006	CompTIA Network+	Computing Technology Industry Association (CompTIA)
COMPT007	CompTIA Project+	Computing Technology Industry Association (CompTIA)
COMPT008	CompTIA Security+	Computing Technology Industry Association (CompTIA)
COMPT009	CompTIA Server+	Computing Technology Industry Association (CompTIA)
COMPT016	CompTIA Cybersecurity Analyst (CySA+)	Computing Technology Industry Association (CompTIA)
COMPT018	CompTIA IT Fundamentals+	Computing Technology Industry Association (CompTIA)
CPREC001	Child Development Associate (CDA)	Council for Professional Recognition
DIGIT001	STARS GIS Technician	DigitalQuest, Inc.
DIGIT002	SPACE Geospatial Certification	DigitalQuest, Inc.
ESRIC001	ArcGIS Desktop Entry	ESRI

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Industry Certifications Recommended by the CareerSource Florida Board on February 13, 2019.

DOE Code	Certification/Credential Title	Issuing Organization/Provider
ETAIN006	Avionics Electronics Technician	Electronics Technician Association International
ETAIN008	Associate Certified Electronics Technician (CETa)	Electronics Technician Association International
FANUC001	FANUC Certified Robot Operator - 1 (FCR-01)	FANUC America Corporation
FDMQA002	Certified Nursing Assistant (CNA)	Florida Department of Health
FDMQA030	911 Public Safety Telecommunicator	Florida Department of Health
FEDAA002	FAA Aviation Maintenance Technician - General	Federal Aviation Administration
FEDAA004	FAA Aviation Mechanic Technician - Airframe	Federal Aviation Administration
FEDAA007	FAA Pilot - Instrument	Federal Aviation Administration
FEDAA010	FAA Aviation Maintenance Technician - Powerplant	Federal Aviation Administration
FEDAA011	FAA Private Pilot	Federal Aviation Administration
FEDAA013	FAA Ground School	Federal Aviation Administration
FEDAA015	FAA Ground Instructor - Basic	Federal Aviation Administration
FLADA001	Florida Automobile Dealers Association (FADA) Certified Technician	Florida Automobile Dealers Association
FLAQA001	Aquaculture Technician	Florida Aquaculture Association
FLDEP003	Wastewater Treatment Plant Operator Level C	Florida Department of Environmental Protection
FLDEP006	Water Treatment Plant Operator Level C	Florida Department of Environmental Protection
FLENG001	Engineering Core certification	Florida Engineering Society
FLFBR001	Agritechnology Specialist Certification	Agricultural Education Services and Technology Inc.
FLFBR002	Agricultural Biotechnology Specialist Certification	Agricultural Education Services and Technology Inc.
FLFBR003	Agricultural Communications Specialist Certification	Agricultural Education Services and Technology Inc.
FLFBR004	Agricultural Mechanics Specialist Certification	Agricultural Education Services and Technology Inc.
FLFBR005	Animal Science Specialist Certification	Agricultural Education Services and Technology Inc.
FLFBR006	Agricultural Unmanned Aircraft Systems Specialist Certification	Agricultural Education Services and Technology Inc.
FLFBR007	Agriculture Associate Certification	Agricultural Education Services and Technology Inc.
FLFBR008	Forestry Specialist Certification	Agricultural Education Services and Technology Inc.
FLFBR009	Agriculture Systems Associate Certification	Agricultural Education Services and Technology Inc.
FLFBR010	Natural Resources Specialist Certification	Agricultural Education Services and Technology Inc.
FLSFM005	Fire Fighter I	Florida Department of Financial Services, State Fire Marshal, Bureau of Fire Standards & Training
FLVMA002	Certified Veterinary Assistant (CVA)	Florida Veterinary Medical Association
FMAIN001	Precision Sheetmetal Operator - Level I (PSMO)	Fabricators & Manufacturers Association, International (FMA)
FNGLA001	Certified Horticulture Professional	Florida Nursery Growers and Landscape Association
GRBCI002	LEED Green Associate	Green Building Certification Institute
HBINS002	Pre-Apprenticeship Certificate Training (PACT), Building Construction Technology	Home Builders Institute
HVACE001	HVAC Excellence Employment Ready - Heat Pump	HVAC Excellence
HVACE002	HVAC Excellence EmploymentReady - Air Conditioning	HVAC Excellence
HVACE011	HVAC Excellence Employment Ready - Electrical	HVAC Excellence

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Industry Certifications Recommended by the CareerSource Florida Board on February 13, 2019.

DOE Code	Certification/Credential Title	Issuing Organization/Provider
ICOEC005	EC-Council Cyber Forensics Associate	EC-Council
ICOEC006	EC-Council Ethical Hacker Associate	EC-Council
IEMSR001	Emergency Medical Responder	International EMS Registry
IHKBZ001	CNC Production Specialist	IHK-Bildungszentrum
IHKBZ002	Electronics Technician for Industrial Engineering	IHK-Bildungszentrum
IHKBZ003	Industrial Mechanic	IHK-Bildungszentrum
IHKBZ004	Mechatronics Fitter	IHK-Bildungszentrum
IHKBZ005	Precision Machinist	IHK-Bildungszentrum
INTUT001	Quickbooks Certified User	Intuit
ISCET002	Electronics System Associate (ESA)	International Society for Certified Electronics Technicians
LINPI001	Linux Essentials 010	Linux Professional Institute
MICRO017	Microsoft Office Specialist Master	Microsoft Corporation
MICRO052	Microsoft Certified Trainer (MCT)	Microsoft Corporation
MICRO069	Microsoft Office Specialist (MOS) Bundle Certification (3 of 6)	Microsoft Corporation
MICRO070	Microsoft Technology Associate (MTA) - Database Administration Fundamentals	Microsoft Corporation
MICRO074	Microsoft Technology Associate (MTA) - Software Development Fundamentals	Microsoft Corporation
MICRO076	Microsoft Technology Associate (MTA) - Windows OS Fundamentals	Microsoft Corporation
MICRO077	Microsoft Technology Associate (MTA) - Security Fundamentals	Microsoft Corporation
MICRO078	Microsoft Technology Associate (MTA) - Networking Fundamentals	Microsoft Corporation
MICRO080	Microsoft Technology Associate (MTA) - HTML5 Application Developer Fundamentals	Microsoft Corporation
MICRO086	Microsoft Certified Solutions Associate (MCSA) - Windows Server 2012	Microsoft Corporation
MICRO102	Microsoft Technology Associate (MTA) - Mobility and Devices Fundamentals	Microsoft Corporation
MICRO103	Microsoft Technology Associate (MTA) - Introduction to Programming Using Block-Based Languages	Microsoft Corporation
MICRO104	Microsoft Technology Associate (MTA) - Introduction to Programming Using JavaScript	Microsoft Corporation
MICRO105	Microsoft Technology Associate (MTA) - Introduction to Programming Using HTML and CSS	Microsoft Corporation
MICRO106	Microsoft Certified Solutions Associate (MCSA) - Windows Server 2016	Microsoft Corporation
MICRO112	Microsoft Technology Associate (MTA) - Introduction to Programming Using Python	Microsoft Corporation
MICRO113	Microsoft Technology Associate (MTA) - Cloud Fundamentals	Microsoft Corporation
MICRO114	Microsoft Technology Associate (MTA) - Introduction to Programming Using Java	Microsoft Corporation
MICRO115	Microsoft Technology Associate (MTA) - Windows Server Administration Fundamentals	Microsoft Corporation
MSSCN001	MSSC Certified Production Technician (CPT)	Manufacturing Skills Standards Council (MSSC)
MSSCN002	MSSC Certified Logistics Technician (CLT)	Manufacturing Skills Standards Council (MSSC)
NACFS001	Modeling & Simulation (M&S) Certification	National Center for Simulation
NAHUC001	Certified Health Unit Coordinator (CHUC)	National Association of Health Unit Coordinators, Inc.

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Industry Certifications Recommended by the CareerSource Florida Board on February 13, 2019.

DOE Code	Certification/Credential Title	Issuing Organization/Provider
NASME001	NASM Certified Personal Trainer (CPT)	National Academy of Sports Medicine
NATEX001	Air Conditioning Service Technician	North American Technician Excellence
NATEX002	Air Conditioning Installation Specialization	North American Technician Excellence
NATEX003	Air to Air Heat Pump Installation Technician	North American Technician Excellence
NATHA002	Certified EKG Technician (CET)	National Healthcareer Association
NATHA003	Certified Medical Administrative Assistant (CMAA)	National Healthcareer Association
NATHA006	Certified Patient Care Technician (CPCT)	National Healthcareer Association
NATHA007	Certified Phlebotomy Technician (CPT)	National Healthcareer Association
NATHA010	Certified Pharmacy Technician (CPhT)	National Healthcareer Association
NATHA011	Certified Electronic Health Record Specialist (CEHRS)	National Healthcareer Association
NCATT001	Aircraft Electronics Technician (AET)	National Center for Aerospace and Transportation Technologies (NCATT)
NCATT003	Aerospace / Aircraft Assembly (AAA)	National Center for Aerospace and Transportation Technologies (NCATT)
NCCER005	NCCER Carpentry - Level 1 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER008	NCCER Construction Technology (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER010	NCCER Electrical - Level 1 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER013	NCCER Electronic Systems Technician - Level 1 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER018	NCCER HVAC - Level 1 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER025	NCCER Masonry - Level 1 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER026	NCCER Plumbing - Level 1 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER032	NCCER Carpentry - Level 2 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER033	NCCER Carpentry - Level 3 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER034	NCCER Carpentry - Level 4 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER036	NCCER Concrete Finishing - Level 1 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER038	NCCER Electrical - Level 2 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER039	NCCER Electrical - Level 3 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER040	NCCER Electrical - Level 4 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER041	NCCER Electronic Systems Technician - Level 2 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER044	NCCER Masonry - Level 2 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER045	NCCER Masonry - Level 3 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER046	NCCER Painting - Level 1 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER047	NCCER Painting - Level 2 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER048	NCCER Painting - Level 3 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER061	NCCER Welding - Level 1 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER062	NCCER Welding - Level 2 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER069	NCCER Plumbing - Level 2 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER070	NCCER Plumbing - Level 3 (Secondary)	National Center for Construction Education & Research (NCCER)

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Industry Certifications Recommended by the CareerSource Florida Board on February 13, 2019.

DOE Code	Certification/Credential Title	Issuing Organization/Provider
NCCER071	NCCER Plumbing - Level 4 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER081	NCCER HVAC - Level 2 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER082	NCCER HVAC - Level 3 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER083	NCCER HVAC - Level 4 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER084	NCCER Industrial Maintenance Mechanic - Level 1 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER085	NCCER Industrial Maintenance Mechanic - Level 2 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER086	NCCER Industrial Maintenance Mechanic - Level 3 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER098	NCCER Manufactured Construction Technology - Level 1 (Secondary)	National Center for Construction Education & Research (NCCER)
NCCER099	NCCER Manufactured Construction Technology - Level 2 (Secondary)	National Center for Construction Education & Research (NCCER)
NCSBN002	National Licensed Practical Nurse (NCLEX-PN)	National Council of State Boards of Nursing
NIASE002	ASE Master Automobile Technician	National Institute for Automotive Service Excellence
NIASE003	ASE Master Medium/Heavy Truck Technician	National Institute for Automotive Service Excellence
NIASE005	ASE Automobile/Light Truck Technician: Automatic Transmission/Transaxle (A2)	National Institute for Automotive Service Excellence
NIASE007	ASE Automobile/Light Truck Technician: Brakes (A5)	National Institute for Automotive Service Excellence
NIASE008	ASE Automobile/Light Truck Technician: Electrical/Electronic Systems (A6)	National Institute for Automotive Service Excellence
NIASE009	ASE Automobile/Light Truck Technician: Engine Performance (A8)	National Institute for Automotive Service Excellence
NIASE010	ASE Automobile/Light Truck Technician: Engine Repair (A1)	National Institute for Automotive Service Excellence
NIASE011	ASE Automobile/Light Truck Technician: Heating and Air Conditioning (A7)	National Institute for Automotive Service Excellence
NIASE012	ASE Automobile/Light Truck Technician: Manual Drive Train and Axles (A3)	National Institute for Automotive Service Excellence
NIASE013	ASE Automobile Service Consultant (C1)	National Institute for Automotive Service Excellence
NIASE014	ASE Automobile/Light Truck Technician: Suspension and Steering (A4)	National Institute for Automotive Service Excellence
NIASE016	ASE Medium/Heavy Truck Technician: Brakes (T4)	National Institute for Automotive Service Excellence
NIASE017	ASE Collision Repair and Refinishing Technician: Mechanical and Electrical Components (B5)	National Institute for Automotive Service Excellence
NIASE018	ASE Collision Repair and Refinishing Technician: Non-structural Analysis and Damage Repair (B3)	National Institute for Automotive Service Excellence
NIASE019	ASE Damage Analysis and Estimating Certification (B6)	National Institute for Automotive Service Excellence
NIASE020	ASE Medium/Heavy Truck Technician: Diesel Engines (T2)	National Institute for Automotive Service Excellence
NIASE021	ASE Medium/Heavy Truck Technician: Drive Train (T3)	National Institute for Automotive Service Excellence
NIASE023	ASE Medium/Heavy Truck Technician: Electrical/Electronic Systems (T6)	National Institute for Automotive Service Excellence
NIASE025	ASE Medium/Heavy Truck Technician: Gasoline Engines (T1)	National Institute for Automotive Service Excellence
NIASE026	ASE Medium/Heavy Truck Technician: Heating, Ventilation, and A/C (HVAC) (T7)	National Institute for Automotive Service Excellence
NIASE029	ASE Collision Repair and Refinishing Technician: Painting and Refinishing (B2)	National Institute for Automotive Service Excellence
NIASE031	ASE Medium/Heavy Truck Technician: Preventive Maintenance Inspection (PMI) (T8)	National Institute for Automotive Service Excellence
NIASE032	ASE Collision Repair and Refinishing Technician: Structural Analysis and Damage Repair (B4)	National Institute for Automotive Service Excellence

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Industry Certifications Recommended by the CareerSource Florida Board on February 13, 2019.

DOE Code	Certification/Credential Title	Issuing Organization/Provider
NIASE033	ASE Medium/Heavy Truck Technician: Suspension and Steering (T5)	National Institute for Automotive Service Excellence
NIASE076	ASE Auto Maintenance and Light Repair (G1)	National Institute for Automotive Service Excellence
NIASE077	ASE Entry-level - Auto: Automatic Transmission/Transaxle (AT)	National Institute for Automotive Service Excellence
NIASE078	ASE Entry-level - Auto: Automobile Service Technology (AS)	National Institute for Automotive Service Excellence
NIASE079	ASE Entry-level - Auto: Brakes (BR)	National Institute for Automotive Service Excellence
NIASE080	ASE Entry-level - Auto: Electrical/Electronic Systems (EE)	National Institute for Automotive Service Excellence
NIASE081	ASE Entry-level - Auto: Engine Performance (EP)	National Institute for Automotive Service Excellence
NIASE082	ASE Entry-level - Auto: Engine Repair (ER)	National Institute for Automotive Service Excellence
NIASE083	ASE Entry-level - Auto: Heating and Air Conditioning (AC)	National Institute for Automotive Service Excellence
NIASE084	ASE Entry-level - Auto: Manual Drive Train and Axles (MD)	National Institute for Automotive Service Excellence
NIASE085	ASE Entry-level - Auto: Suspension and Steering (SS)	National Institute for Automotive Service Excellence
NIASE086	ASE Entry-level - Collision: Mechanical and Electrical (ME)	National Institute for Automotive Service Excellence
NIASE087	ASE Entry-level - Collision: Non-structural Analysis and Damage Repair (NS)	National Institute for Automotive Service Excellence
NIASE088	ASE Entry-level - Collision: Painting and Refinishing (PR)	National Institute for Automotive Service Excellence
NIASE089	ASE Entry-level - Collision: Structural Analysis and Damage Repair (SR)	National Institute for Automotive Service Excellence
NIASE090	ASE Entry-level - Truck: Brakes (TB)	National Institute for Automotive Service Excellence
NIASE091	ASE Entry-level - Truck: Diesel Engines (DE)	National Institute for Automotive Service Excellence
NIASE092	ASE Entry-level - Truck: Electrical/Electronic Systems (TE)	National Institute for Automotive Service Excellence
NIASE093	ASE Entry-level - Truck: Steering & Suspension (TS)	National Institute for Automotive Service Excellence
NIFMS001	NIMS Machining Level I - CNC Milling: Programming Setup & Operations	National Institute for Metalworking Skills (NIMS)
NIFMS002	NIMS Machining Level I - CNC Turning: Programming Setup & Operations	National Institute for Metalworking Skills (NIMS)
NIFMS007	NIMS Machining Level II - Manual Milling Skills II	National Institute for Metalworking Skills (NIMS)
NIFMS008	NIMS Machining Level I - Turning Operations: Turning Between Centers	National Institute for Metalworking Skills (NIMS)
NIFMS010	NIMS Machining Level I - Turning Operations: Turning Chucking Skills	National Institute for Metalworking Skills (NIMS)
NIFMS012	NIMS Machining Level II - Grinding Skills II	National Institute for Metalworking Skills (NIMS)
NIFMS013	NIMS Machining Level I - Drill Press Skills I	National Institute for Metalworking Skills (NIMS)
NIFMS014	NIMS Machining Level I - CNC Milling: Operations	National Institute for Metalworking Skills (NIMS)
NIFMS015	NIMS Machining Level I - CNC Turning: Operations	National Institute for Metalworking Skills (NIMS)
NIFMS016	NIMS Machining Level I - Grinding Skills I	National Institute for Metalworking Skills (NIMS)
NIFMS017	NIMS Machining Level I - Manual Milling Skills I	National Institute for Metalworking Skills (NIMS)
NIFMS018	NIMS Machining Level II - Drill Press Skills II	National Institute for Metalworking Skills (NIMS)
NIFMS019	NIMS Machining Level II - CNC Milling Skills II	National Institute for Metalworking Skills (NIMS)
NIFMS020	NIMS Machining Level II - CNC Turning Skills II	National Institute for Metalworking Skills (NIMS)
NINSC001	Certified LabVIEW Associate Developer (CLAD)	National Instruments Corporation
NRAEF001	Foodservice Management Professional (FMP)	National Restaurant Association Educational Foundation

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Industry Certifications Recommended by the CareerSource Florida Board on February 13, 2019.

DOE Code	Certification/Credential Title	Issuing Organization/Provider
NRAEF002	National ProStart Certificate of Achievement	National Restaurant Association Educational Foundation
NRAEF003	Certified Food Protection Manager (ServSafe®)	National Restaurant Association Educational Foundation
NREMT001	Emergency Medical Technician (EMT)	National Registry of Emergency Medical Technicians
NREMT003	Emergency Medical Responder (EMR)	National Registry of Emergency Medical Technicians
NRFSP001	Certified Food Safety Manager	National Registry of Food Safety Professionals
ORACL001	Oracle Certified Associate (OCA): Database	Oracle Corporation
ORACL004	Oracle Certified Associate (OCA): Java Programmer	Oracle Corporation
ORACL005	Oracle Certified Professional (OCP): Java Programmer	Oracle Corporation
PROSO003	Certified Internet Web (CIW) E-Commerce Specialist	Certification Partners
PROSO006	Certified Internet Web (CIW) Database Design Specialist	Certification Partners
PROSO016	Certified Internet Web (CIW) Internet Business Associate	Certification Partners
PROSO017	Certified Internet Web (CIW) JavaScript Specialist	Certification Partners
PROSO018	Certified Internet Web (CIW) Network Technology Associate	Certification Partners
PROSO020	Certified Internet Web (CIW) Site Development Associate	Certification Partners
PROSO021	Certified Internet Web (CIW) Web Design Professional	Certification Partners
PROSO022	Certified Internet Web (CIW) Web Design Specialist	Certification Partners
PROSO023	Certified Internet Web (CIW) Web Development Professional	Certification Partners
PROSO024	Certified Internet Web (CIW) Web Foundations Associate	Certification Partners
PROSO025	Certified Internet Web (CIW) Web Security Associate	Certification Partners
PROSO027	Certified Internet Web (CIW) Advanced HTML5 & CSS3 Specialist	Certification Partners
PRVA001	Graduate - Certified Appliance Professional (GCAP)	Professional Service Association
PTCBD001	Pharmacy Technician	Pharmacy Technician Certification Board
RECFN001	RECF Pre-Engineering Certification	Robotics Education and Competition Foundation
RECFN002	RECF Robotics Certification	Robotics Education and Competition Foundation
SALES001	Salesforce Certified Administrator	Salesforce
SOCTE004	Broadband Premises Installer (BPI)	Society of Cable Telecommunications Engineers
SOLID003	Certified Solidworks Associate-Academic (CSWA-Academic)	Dassault Systems Solidworks Corporation
SPACE001	Aerospace Technician	SpaceTec
TAFLP001	Accredited Legal Professional (ALP)	NALS...the Association for Legal Professionals
TAFLP002	Professional Legal Secretary (PLS)	NALS...the Association for Legal Professionals
TAFOM001	Certified in Production and Inventory Management (CPIM)	American Production and Inventory Control Society (APICS)
TBOOM001	Toon Boom Certified Associate (Harmony Premium)	Toon Boom Animation
TBOOM003	Toon Boom Certified Associate (Storyboard Pro)	Toon Boom Animation
TBOOM004	Toon Boom Certified Associate (Harmony Advanced)	Toon Boom Animation
USINS001	Small UAS Safety Certification	Unmanned Safety Institute
USINS002	Visual Line of Sight System Operator (VSO)	Unmanned Safety Institute

2019-2020 CAPE Recommendations For Consideration by CareerSource Florida Board of Directors

CAPE New Industry Certification Submissions Recommended for 2019-2020		
DOE Code	Certification Title	Issuing Organization/Provider
ADESK032	Autodesk Certified User - Fusion 360	Autodesk
APPLE021	Apple App Development with Swift Certification Level 1	Apple, Inc.
AVIDT002	Avid Pro Tools Certified User	Avid
COMPT018	CompTIA IT Fundamentals+	Computing Technology Industry Association (CompTIA)
ICOEC005	EC-Council Cyber Forensics Associate	EC-Council
ICOEC006	EC-Council Ethical Hacker Associate	EC-Council
LINPI001	Linux Essentials 010	Linux Professional Institute
MICRO112	Microsoft Technology Associate (MTA) - Introduction to Programming Using Python	Microsoft Corporation
MICRO113	Microsoft Technology Associate (MTA) - Cloud Fundamentals	Microsoft Corporation
MICRO114	Microsoft Technology Associate (MTA) - Introduction to Programming Using Java	Microsoft Corporation
MICRO115	Microsoft Technology Associate (MTA) - Windows Server Administration Fundamentals	Microsoft Corporation
SALES001	Salesforce Certified Administrator	Salesforce

CAPE New Industry Certifications Recommended for 2019-2020 due to Changes made by Certifying Agency		
DOE Code	Certification Title	Issuing Organization/Provider
AWELD003	AWS Certified Welder - FCAW Plate	American Welding Society
AWELD004	AWS Certified Welder - GMAW Plate	American Welding Society
AWELD005	AWS Certified Welder - GTAW Pipe (Carbon Steel)	American Welding Society
AWELD006	AWS Certified Welder - GTAW Pipe (Stainless Steel to Carbon Steel)	American Welding Society
AWELD007	AWS Certified Welder - GTAW Pipe (Stainless Steel)	American Welding Society
AWELD008	AWS Certified Welder - GTAW Plate	American Welding Society
AWELD009	AWS Certified Welder - GTAW/SMAW Pipe (Carbon Steel)	American Welding Society
AWELD010	AWS Certified Welder - GTAW/SMAW Pipe (Chrome PWHT)	American Welding Society
AWELD011	AWS Certified Welder - SMAW Pipe	American Welding Society
AWELD012	AWS Certified Welder - SMAW Plate	American Welding Society

CAPE Submissions Not Recommended for 2019-2020		
	Submission Title	Reason Not Being Recommended
	5G Certification	This credential does not meet the definition of an industry certification, and cannot be linked to an occupation.
	Certified Solidworks Professional (CSWP)	Does not meet the test administration requirements. Exam may be taken in a non-proctored environment.
	Craft Certification Level 1	Certifying agency was unresponsive to calls and emails requesting more information on eligibility requirements.
	Craft Certification Level 2	Certifying agency was unresponsive to calls and emails requesting more information on eligibility requirements.
	Craft certification Level 3	Certifying agency was unresponsive to calls and emails requesting more information on eligibility requirements.
	Craft Certification Level 4	Certifying agency was unresponsive to calls and emails requesting more information on eligibility requirements.
	Craft Certification Level 5	Certifying agency was unresponsive to calls and emails requesting more information on eligibility requirements.
	Entrepreneurship & Small Business	This credential does not meet the definition of an industry certification and cannot be linked to a targeted occupation on the statewide demand list.
	Financial Literacy Certification	This credential is not issued by industry, does not meet the definition of an industry certification, and cannot be linked to an occupation. No information was provided on the issuing organization's website about the exam, test administration procedures, or education/training/experience requirements.
	HACCP Manager	This credential does not meet the required rigor.
	Health Safety Assistant	This credential does not meet the definition of an industry certification, and does not link to an occupation on the statewide demand list.
	LEGO Education Certified User	Documentation to review the certification was not available.
	Marine Transportation Associate	Documentation to review the certification was not available.
	Microsoft Certified Solutions Associate (MCSA): Windows 10	Per notice on the certifying agency website, this certification is retiring.
	MTS Computer-Aided Manufacturing Level 1	Documentation to review the certification was not available.
	National Certified ECG Technician (NCET)	This credential is not issued by industry and does not meet the definition of an industry certification. This credential does not link to an occupation on the statewide demand list.
	National Certified Insurance and Coding Specialist (NCICS)	This credential is not issued by industry and does not meet the definition of an industry certification.

	National Certified Medical Assistant (NCMA)	This credential is not issued by industry and does not meet the definition of an industry certification.
	National Certified Medical Office Assistant (NCMOA)	This credential is not issued by industry and does not meet the definition of an industry certification.
	National Certified Patient Care Technician (NCPCT)	This credential is not issued by industry and does not meet the definition of an industry certification. This credential does not link to an occupation on the statewide demand list.
	National Certified Phlebotomy Technician (NCPT)	This credential is not issued by industry and does not meet the definition of an industry certification.
	Pre-Apprenticeship Certificate Training (PACT), Carpentry	Documentation to review the certification was not available. Information in the application indicated that this certification is not yet available.
	Pre-Apprenticeship Certificate Training (PACT), Electrical	Documentation to review the certification was not available. Information in the application indicated that this certification is not yet available.
	Professional Communications Certification	The credential is not issued by industry, does not meet the definition of an industry certification, is not occupationally specific, and does not link to an occupation on the statewide demand list.
	Remote Pilot - Small Unmanned Aircraft System (i.e., Part 107)	This credential is not linked to employment. No information was provided on the issuing organization's website about the exam, test administration procedures, or education/training/experience requirements.
	Six Sigma Yellow Belt Certification Exam	The credential is not issued by industry, does not meet the definition of an industry certification, and does not link to an occupation on the statewide demand list.
	Tech In Surgery – Certified TS-C (NCCT)	This credential is not issued by industry and does not meet the definition of an industry certification.
	TestOut Network Pro Certification	Does not meet the test administration requirements. Exam may be taken in a non-proctored environment.
	TestOut PC Pro Certification	Does not meet the test administration requirements. Exam may be taken in a non-proctored environment.
	TestOut Routing Pro Certification	Does not meet the test administration requirements. Exam may be taken in a non-proctored environment.
	TestOut Security Pro Certification	Does not meet the test administration requirements. Exam may be taken in a non-proctored environment.
	TestOut Switching Pro Certification	Does not meet the test administration requirements. Exam may be taken in a non-proctored environment.
	The Line of Site Operations Certification	Documentation to review the certification was not available.
	Unity Certified 3D Artist	Per certifying agency, this is a highly advanced exam targeting users who are intermediate with at least 1-2, sometimes 3 years experience with Unity, and should not be on CAPE. This certification offers courseware, but the certifying agency would not confirm if this is a requirement. Business letter provided does not appear to represent industry. Occupation is not on the statewide demand list.
	Unity Certified Associate	This certification offers courseware, but the certifying agency would not confirm if this is a requirement. Business letter provided does not appear to represent industry. Occupation is not on the statewide demand list.
	Unity Certified Expert Gameplay Programmer	Per certifying agency, this is a highly advanced exam targeting those in the industry with at least 3-5 years production experience, and should not be on CAPE. This certification offers courseware, but the certifying agency would not confirm if this is a requirement. Business letter provided does not appear to represent industry. Occupation is not on the statewide demand list.
	Unity Certified Programmer	Per certifying agency, this is a highly advanced exam targeting users who are intermediate with at least 1-2, sometimes 3 years experience with Unity, and should not be on CAPE. This certification offers courseware, but the certifying agency would not confirm if this is a requirement. Business letter provided does not appear to represent industry. Occupation is not on the statewide demand list.
	Unity Certified User	This credential is not available yet.

CAPE Industry Certifications - Removal

	Certification Title	Reason
ADOBE002	Adobe Certified Expert (ACE) - After Effects	Certification is no longer offered.
ADOBE013	Adobe Certified Expert (ACE) - Acrobat	Certification is no longer offered.
AWELD001	Certified Welder	This certification code is to be replaced by those listed under 'CAPE New Industry Certifications Recommended for 2019-2020 due to Changes made by Certifying Agency'.
COMPT002	CompTIA CDIA+	Certification is no longer offered.
IFSEA001	Certified Food Associate (CFA)	Credential is not rigorous. Exam can be taken in an un-proctored environment. Issuing agency does not maintain validity of exam content.