

COMPREHENSIVE INVESTMENT PLAN FLORIDA ABLE PROGRAM

Effective Date: April 1, 2019

I. OVERVIEW

Florida ABLE, Inc. is a direct support organization of the Florida Prepaid College Board (“Board”). All investments made under this Comprehensive Investment Plan (“CIP”) are made under the authority granted Florida ABLE, Inc. (“Corporation”) by the Board and Sections 1009.986, Florida Statutes. The Florida ABLE Program (“Program”) provides a medium through which eligible individuals with disabilities and their families may save private funds to help cover costs that support their health, independence and quality of life.

II. GOVERNANCE

The Program is administered by the Corporation, which was created pursuant to Section 1009.986, Florida Statutes.

Section 1009.986(3)(d), Florida Statutes, establishes the Board of Directors of Florida ABLE, Inc.

In accordance with Section 1009.986(5), Florida Statutes, the Corporation has established this CIP, subject to approval by the Board. The CIP for the Program specifies the investment policies to be used by the Corporation in its administration of the Program.

III. CONTRACTUAL RELATIONSHIPS

Florida ABLE, Inc.

The Corporation has the authority and responsibility to:

- Establish and maintain the CIP for the Program in accordance with state and federal law.
- Approve investment managers for the Program in accordance with the CIP.
- Request the Florida Prepaid College Board to solicit proposals, to contract or subcontract, or to amend contractual service agreements for the benefit of the Program.
- Review the investment options and fees for the Program on a periodic basis.
- Review periodically the performance of investment managers/investment options.
- Ensure that investment policies of the Corporation are strictly followed and that investment procedures are in place and properly followed.
- Utilize the services of a professional investment consultant for advice in the pursuit of investment objectives.

Florida Prepaid College Board

The Board has the authority and responsibility to:

- Approve the CIP, and any changes thereto, for the Program.
- Respond to requests from the Corporation made in accordance with the provisions of the CIP.
- Solicit proposals, to contract or subcontract or to amend contractual service agreements of the Florida Prepaid College Board for the benefit of the Program.

Investment Consultant

The Investment Consultant shall review the performance of the Investment Manager and advise the Corporation on investment management, performance matters, portfolio design and structure, asset allocation issues, and investment policy, including the contents of this CIP and the Investment Guidelines.

Trustee

The Trustee is responsible for the safekeeping of Program investment assets.

Investment Managers

Investment managers are responsible for following the provisions of this CIP. However, notwithstanding any provisions to the contrary, with regard to commingled/mutual funds the specific duties and responsibilities of each investment manager are to manage the assets under their supervision in accordance with the guidelines and objectives outlined in their respective prospectuses, participation agreements or other governing documents (e.g., Investment Management Agreement).

The Board will hire duly qualified Investment Managers to carry out the daily investment responsibilities. Investment Managers will have investment discretion as to security selection within the requirements expressed in the CIP and Investment Guidelines.

The Investment Managers shall invest Program assets with care, skill, prudence, and diligence. The Investment Manager shall evidence superior performance while maintaining strict compliance with all applicable provisions of the CIP and Investment Guidelines.

Pursuant to Section 1009.971(5)(d), the Investment Manager shall:

- Be limited to authorized insurers as defined in Section 624.09, banks as defined in Section 658.12, associations as defined in Section 665.012, authorized Securities and Exchange Commission investment advisers, and investment companies as defined in the Investment Company Act of 1940.
- Have their principal place of business and corporate charter located and registered in the United States.

IV. CONFLICTS OF INTEREST

The Board, Executive Director, Corporation, its designees, and any service provider operating on behalf of the Corporation or Board has a duty and obligation to disclose conflicts of interest. The Corporation shall require timely and sufficient disclosure of conflicts of interest that may exist between the Board, Corporation, service providers, potential service providers, investments, potential investments, and other entities or transactions.

The Investment Consultant, Investment Managers, and the Trustee shall annually certify that no conflicts of interest exist relative to the services provided for the Program.

V. INVESTMENT OBJECTIVE AND STRATEGY

The principal objective of the Program is to give participants the opportunity to save in order to help maintain or improve their health, independence and quality of life.

The investment strategy is for the Corporation to provide a diversified range of investment options for participants, with various investment knowledge, risk levels, return expectations, cost requirements and saving goals.

The Corporation establishes and the Board approves the investment options for the Program.

VI. COMPREHENSIVE INVESTMENT PLAN

The CIP includes the investment policies utilized by the Corporation in its administration of the Program. Investment policies included in the CIP provide direction intended to set the framework for the investment options. Per Section 1009.986(5), Florida Statutes, the CIP is subject to approval by the Board.

VII. INVESTMENT GUIDELINES

Investment Guidelines are intended to set forth the specific investment strategies, limitations and targets necessary to implement the CIP. Investment Guidelines are subject to approval by the Board.

VIII. AUTHORIZED INVESTMENTS

Cash or Cash Equivalent

1. FDIC Funds
2. 2a7 (actual or like) money market funds

Commingled Investment Funds

1. Commingled investment funds and mutual funds which are primarily invested in investment vehicles for the approved investment option's benchmark

If the Florida Prepaid College Board utilizes the same investment option as the Program, then the Program will use the Florida Prepaid College Board's investment manager for that investment option unless the Florida Prepaid College Board approves otherwise in advance. Specific commingled/mutual funds offered by the Program must also be approved in advance by the Florida Prepaid College Board.

Investment options, benchmarks, objectives and target allocations are set forth in the Investment Guidelines.

IX. INVESTMENT MANAGERS

The Board may hire one or more Investment Managers for each investment option. Investment Managers will be selected as a result of a competitive procurement process as required by Section 287, Florida Statutes. Selection will be based on best value to the Corporation. Evaluation areas for best value shall include, but not be limited to, experience, strategy, performance and fees. The authority of an Investment Manager is limited to the specified investment option(s).

X. PERFORMANCE MEASUREMENT

The Investment Consultant shall calculate official performance results monthly, pursuant to the recommended guidelines of the CFA Institute, currently Global Investment Performance Standards (GIPS), where applicable, and in accordance with the Investment Guidelines. Performance requirements are set forth in the Investment Guidelines.

XI. REPORTING

The Executive Director shall create, or cause to be created, quarterly reports of investment matters including, but not limited to, investment management, investment performance, asset allocation, and rebalancing.

INVESTMENT GUIDELINES FLORIDA ABLE PROGRAM

Effective Date: April 1, 2019

I. OVERVIEW

Florida ABLE, Inc. (Corporation), subject to approval by the Florida Prepaid College Board (Board), has established the following Investment Guidelines to support implementation of the objective and strategy set forth in the Comprehensive Investment Plan (CIP) for the Florida ABLE Program (Program).

II. INVESTMENT OPTIONS AND BENCHMARKS

To meet the Corporation's investment strategy of providing a sufficient range of investment options for participants, with various investment knowledge and risk, return, and cost objectives, to accumulate savings, the Corporation and Board have approved the following investment options and related benchmarks:

Investment Option	Benchmark
FDIC	Federal Funds Rate less 15 basis points
Money Market	3-Month Treasury Bill
Fixed Income	Bloomberg Barclays Aggregate Bond Index
Domestic Equity	Russell 3000 Index
International Equity	MSCI EAFE
Conservative Balanced Option	Weighted on pro-rata share of benchmarks for included Asset Classes
Moderate Balanced Option	Weighted on pro-rata share of benchmarks for included Asset Classes
Growth Balanced Option	Weighted on pro-rata share of benchmarks for included Asset Classes

III. BALANCED OPTION ASSET CLASS ALLOCATION

The Corporation has established, and the Board has approved, the following asset class allocation ranges and targets for the balanced investment options. The allocation may deviate from the target allocation, only within the allowable range(s).

Conservative Balanced	Target Allocation	Allowable Range
Money Market	10%	5% - 15%
Fixed Income	50%	45% - 55%
Equity	30%	25% - 35%
International	10%	5% - 15%
Moderate Balanced		
Fixed Income	40%	35% - 45%
Equity	45%	40% - 50%
International	15%	10% - 20%
Growth Balanced		
Fixed Income	20%	15% - 25%
Equity	55%	50% - 60%
International	25%	20% - 30%

In order to maintain the target for each respective option, the asset class allocation shall be monitored monthly and rebalanced to the target when the allowable ranges are exceeded. The option should be brought back into compliance within five business days of the allowable ranges being exceeded.

IV. INVESTMENT OPTION FEES

Section 1009.986, Florida Statutes, provides for an administrative fee applicable to an ABLE account. The administrative fee is assessed on funds invested in each investment option. The Corporation and Board have approved the following fees for the Investment Options:

Fund Option	Fee	Balanced Option	Fee
FDIC	0 bps	Conservative	26.5 bps
Money Market	3.5 bps	Moderate	29 bps
Fixed Income	29 bps	Growth	29 bps
Equity	29 bps		
International	29 bps		

V. PERFORMANCE EXPECTATION AND MONITORING

Investment Manager performance will be evaluated using the following metrics:

Money Market Type Funds:

1. Performance, net of fees, shall exceed the benchmark for the rolling 1 year period

Passive Fixed Income and Equity Mutual Funds:

1. Performance, gross of fees, shall meet the benchmark for the rolling 3 and 5 year periods

Active Fixed Income and Equity Mutual Funds:

1. Performance, net of fees, shall exceed the benchmark for the rolling 3 and 5 year periods
2. Performance shall rank at or above the median when compared to a universe of peers managing similar portfolios for the 3 and 5 year periods.

Several non-performance factors may prompt the Board to re-evaluate a manager's retention. Any of the following may warrant immediate termination or further review:

- Significant changes in firm ownership and/or structure
- Loss of one or more key personnel
- Significant loss of clients and/or assets under management
- Shifts in the firm's philosophy or process
- Significant and persistent lack of responsiveness to client requests

If an Investment Manager fails to meet any of these performance objectives, the Investment Consultant will review the situation and make a recommendation as to any action the Corporation should take. Investment Managers serve at the pleasure of the Corporation and may be terminated or have their funds reduced at the Corporation's discretion due to any qualitative or quantitative factor listed or not listed above.