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Veterans Florida Promotes Florida as a Veteran-Friendly State and Provides Numerous Services; Performance Measurement and Outreach Could Be Improved

at a glance

Veterans Florida administers a nationwide veteran marketing campaign, the Veterans Florida Entrepreneurship Program, and the Veteran Business Training Grant program. The corporation has made recent changes that will improve its programs. However, additional improvements are needed.

Veterans Florida's marketing campaign is well established, but some aspects duplicate other state agency efforts. Participation in the Business Training Grant program has been low but is increasing, and grant recipients are generally pleased with the program. Similarly, completion rates have increased for the entrepreneurship program, and Veterans Florida has made improvements in response to partner concerns.

Veterans Florida lacks information needed to evaluate the effectiveness of its efforts over time, and performance information gathered is not comprehensive or comparable. Moreover, available data on veterans who move to and find work in Florida have limitations.

Veterans Florida may wish to consider implementing consistent, specific performance metrics for all three of its major program areas. In addition, to avoid duplication, improve outreach, and maximize limited resources, Veterans Florida could strengthen its coordination with other state agencies that serve veterans and businesses that hire veterans.

Scope

Chapter [2014-1](#), *Laws of Florida*, directs the Office of Program Policy Analysis and Government Accountability (OPPAGA) to evaluate Florida is for Veterans, Inc., and assess its efforts related to

- marketing the state to veterans;
- administering veteran training and entrepreneurship programs; and
- performing other activities aimed at making Florida a veteran-friendly state.¹

Background

In 2016, Florida's veteran population was 1.5 million, the third highest veteran population in the U.S. after California and Texas. Unemployment remains a persistent issue among veterans in Florida and around the country, with more than half of all separating service members facing a period of unemployment after leaving the military. Because of its extensive military infrastructure and strong defense economy, Florida is uniquely positioned to offer employment opportunities and assistance to transitioning military as well as to businesses interested in hiring veterans.

¹ Veterans Florida is the "doing business as" name of Florida is for Veterans, Inc.

Veterans may experience difficulties obtaining employment and transitioning to the civilian workforce. Although overall unemployment rates have been declining in recent years for both veterans and non-veterans, these trends can understate the challenges that continue to face veterans searching for employment, particularly those in younger age groups. For example, the overall veteran unemployment rate in Florida in 2016 was 4.2%, but the rate for working age veterans (those ages 18 to 64) was 7.1%. Moreover, the unemployment rate for veterans ages 18 to 34 was the highest of all the veteran age groups, at 9.9%. (See Exhibit 1.)

Exhibit 1

The Veteran Unemployment Rate in Florida in 2016 Was Highest Among Veterans Ages 18 to 34

Cohort	2016 Unemployment Rate (%)
Veterans, ages 18 to 34	9.9
Veterans, ages 35 to 54	6.4
Veterans, ages 55 to 64	6.8
All Working Age Veterans, ages 18 to 64	7.1
All Veterans, ages 18+	4.2

Source: OPPAGA analysis of U.S. Census Bureau, 2012-16 American Community Survey 5-year estimates and U.S. Bureau of Labor Statistics data.

Veterans can offer technical and leadership skills that are desirable to employers, and businesses are increasingly interested in hiring former service members. However, many veterans report that finding employment is the most difficult challenge for them in making the transition back to civilian life.² This can be for a variety of reasons, including the difficulty of translating military skills to civilian jobs, mental and physical health issues, competition in the workforce, and educational and professional licensure requirements.

Federal agencies, state governments and the private sector have increased efforts to assist veterans seeking jobs. To help address these challenges, many programs, initiatives, and organizations have been created across the U.S. Numerous federal programs focus on preparing veterans for civilian employment, including several veteran employment, licensing, and credentialing programs sponsored by the U.S. Departments of Defense, Labor, and Veterans Affairs.

At the state level, all 50 states have enacted legislation assisting veterans in transferring and obtaining occupational licenses and certifications, and at least 21 states have created a commission, task force, or job placement service to help transitioning veterans. In the private sector, more and more civilian employers are recognizing the value of the unique skill sets that veterans can offer. In addition, there has been an increased interest among veterans in learning about entrepreneurship and owning their own businesses.

Despite this wealth of assistance, research suggests that veterans still face difficulties entering the workforce.^{3,4,5} These studies describe the extensive information available to veterans, but note that this information is not always centrally located and therefore may be not easily accessible or useful. In addition, meeting educational and professional licensure and credentialing requirements remains a challenge for veterans, because many programs and services have been implemented only recently. Among these recent initiatives, Florida and other states with high veteran populations are competing to attract veterans and their families to move to and find jobs in their state.

² *Assisting Veterans with Employment*, National Conference of State Legislatures, October 2016.

³ Lampka, E. and S.J. Kowalewski, *Veterans in the Workplace: an Analysis of Military Veteran Underutilization in the Civilian Workforce*, International Journal of Business Management and Commerce, Vol. 2(1), 2017.

⁴ *2015 Veteran Economic Opportunity Report*, U.S. Department of Veterans Affairs, 2015.

⁵ Davis, V.E. and S.E. Minnis, *Military Veterans' Transferrable Skills: An HRD Practitioner Dilemma*, Advances in Developing Human Resources, Vol 19(1), 2017.

Veterans Florida

The 2014 Legislature created Veterans Florida as a non-profit corporation housed within the Florida Department of Veterans Affairs but not subject to the department's control, supervision, or direction.⁶ The purpose of the corporation is 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;
- encourage retired and recently separated military personnel to remain in the state or make the state their permanent residence;
- promote the value of military skill sets to businesses in the state;
- assist in tailoring the training of veterans to match the needs of the employment marketplace; and
- enhance the entrepreneurial skills of veterans.

A nine-member board of directors governs the corporation. The Governor, the President of the Senate, and the Speaker of the House of Representatives each appoint three members to the board. Each board member serves a term of four years, with the exception of the initial gubernatorial appointees, who served terms of two years in order to achieve staggered terms. Members are ineligible for reappointment to the board, with the exception of the members appointed to terms of two years or less, who may be reappointed for an additional term of four years. The board appoints an executive director that oversees the implementation of general operations and programmatic activities of the corporation.

Activities

The primary activities of Veterans Florida consist of marketing the state to veterans and administering the Veterans Florida Career Services and Veterans Entrepreneurship Programs. In addition, the corporation coordinates with other state entities to help veterans find employment and to assist businesses interested in hiring veterans, and its website serves as a central point of information about veteran education and professional licensing and credentialing programs offered by various state agencies.

Marketing. Veterans Florida conducts several marketing activities internally and has worked with VISIT FLORIDA, the state's destination marketing organization, to develop a statewide marketing campaign. Internally, Veterans Florida conducts several marketing activities, including promoting the value of military veterans as employees to businesses through email campaigns, web and social media, and speaking engagements at business conferences and events. In addition to these activities, Veterans Florida has held numerous one-on-one meetings or conference calls with Florida businesses to promote veteran hiring.

VISIT FLORIDA and Veterans Florida jointly developed a Request for Qualifications in October 2015 for a statewide marketing campaign; Miles Partnership was hired to prepare and conduct the campaign. Veterans Florida works directly with the marketing firm to develop the campaign's focus and advise the design of marketing and media materials. Miles Partnership handles media strategy and planning, creative work (e.g., website, print ads, video, and photo), analytics, and purchase of advertising space on behalf of Veterans Florida. Veterans Florida staff report that they plan to rebid this contract in the spring of 2018.

⁶ The Department of Veterans Affairs provides legal counsel to

Veterans Florida and receives funds from the Legislature on behalf of Veterans Florida.

Veterans Florida started its nationwide, veteran-focused marketing campaign in January 2016.⁷ The bulk of the campaign was designed to target transitioning service members and veterans within two years of discharge from the Armed Forces and the spouses of both groups. The campaign includes advertisements in print publications, digital display screens on Army bases in Florida and around the U.S., and various advertisements through social media such as Facebook. Digital advertising makes up the bulk of the marketing campaign.

Veterans Florida Career Services Program. Veterans Florida created the Career Services Program in 2017. The program includes the Business Training Grant (BTG) as well as services provided through the corporation's career portal. The BTG reimburses eligible companies for 50% of training costs associated with new veteran hires. The career portal allows Veterans Florida staff to actively recruit qualified veterans to fill BTG-funded positions at companies across the state. Veterans can upload resumes for consideration for any position or apply directly for positions through the career portal. As of October 13, 2017, Veterans Florida had received over 1,000 resumes and is working to match these veterans with job openings at BTG employers.

The BTG program provides grant funding for customized, skills-based curriculum development and training for new, full-time veteran employees hired by for profit

businesses.⁸ 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.⁹ Businesses that meet basic program requirements are invited to apply and are assisted with the application process by Veterans Florida staff.¹⁰ The corporation's executive director reviews applications and makes final eligibility and award determinations.

Approved businesses receive funding via performance-based, reimbursable grants. Businesses pay for pre-approved, direct training-related costs and are reimbursed upon submission of required documentation.¹¹ Funding is provided on a per veteran employee hired and trained basis, with a maximum of \$8,000 per employee trained. The grant term is a maximum of 12 months per employee.

Two types of BTG grant awards have been funded since program inception: legacy contracts and business certifications. During Fiscal Years 2014-15 and 2015-16, businesses were awarded contracts, and beginning in September of Fiscal Year 2016-17, businesses instead received certifications. Contracts and certifications have slightly different operating criteria. Under the legacy contracts, businesses were awarded two-year contracts for a maximum reimbursement of \$200,000 that is reimbursed quarterly for veterans trained and hired.¹² Under the certifications, businesses are

⁷ As directed by s. 295.21, *F.S.*, Veterans Florida conducted research to inform marketing campaign development. Since 2015, a contracted firm has conducted this research to identify and characterize the target market for the campaign. The research provided information on veterans' employment and educational needs during the transition to civilian life, whether they planned to relocate to another state, factors that would influence relocation decisions, what states are "veteran-friendly," and opinions of Florida as a relocation destination. Business owners and hiring managers were included in a separate study that examined Florida employers' attitudes about hiring veterans and potential barriers to veteran employment.

⁸ 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.

⁹ 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.

¹⁰ 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.

¹¹ A business may apply for and receive funds concurrently with the Quick Response Training Program administered by CareerSource Florida.

¹² If a business under a legacy contract reaches the reimbursement cap before the end of their contract term and would like to hire more veterans, they are able to submit a request to Veterans

reimbursed on a rolling basis, within the same fiscal year, but are still subject to an annual reimbursement cap of \$100,000. Veterans Florida reports that this change allows them to reimburse grant recipients more efficiently and distribute grant funds to a larger number of companies.

Veterans Florida may randomly audit businesses under legacy contracts and certification agreements to verify that veterans were trained and hired. As of November 2017, Veterans Florida had conducted four audits to verify trainer salaries, invoices, and veteran hiring and found no outstanding issues. Veterans Florida staff report that they plan to conduct annual audits of some grant recipients.

As of December 15, 2017, Veterans Florida had expended \$842,697 in training grant reimbursements to 20 businesses that have hired 240 veterans.¹³ The businesses that have received training grants are distributed across the state and have largely been in areas that also have major military installations. (See Appendix A.)

Veterans Florida Entrepreneurship Program. The Veterans Florida Entrepreneurship Program (VFEP) provides tuition-free, online and on-campus instruction to help veterans who want to open and operate their own businesses. In Fiscal Years 2015-16 and 2016-17, Veterans Florida issued requests for proposals for educational institutions to apply to the

program. The Veterans Florida board of directors created a scoring matrix to evaluate proposals and scored and voted to select the final grant recipients. Initially, five educational institutions were selected to receive funding and participate in the program as network partner institutions.^{14,15} The program is currently operated through a network of five state universities and one state college.¹⁶ These institutions are located across the state and tend to be near areas with a strong military presence. (See Exhibit 2.)

The first VFEP class was offered in 2016, the second was offered in 2017, and the third is scheduled to be delivered in 2018. Each partner institution uses its own internal staff and instructors to deliver entrepreneurial education. Network partners must provide monthly reports to Veterans Florida that include information on program activities that occurred during the reporting month, as well as an annual final program report. Partners may invoice monthly for reimbursement of approved program expenses.

During Fiscal Years 2015-16 and 2016-17, Veterans Florida expended approximately \$1.04 million on VFEP, and the program had graduated 314 veterans as of October 13, 2017. Program graduate performance has been tracked informally and in varying ways by the partner institutions. Veterans Florida has also implemented an exit survey of program graduates for each class.

Florida for an increase in funding. The request must be approved by the External Relations Committee of the Veterans Florida Board of Directors.

¹³ Veterans Florida has made grant awards to 34 businesses since the beginning of the program; 32 awards are currently active, 2 are inactive. Not all businesses with grant awards have hired veterans and therefore have not yet been reimbursed.

¹⁴ The program was originally designed to designate one university as the host partner, which held the contract with Veterans Florida and executed the majority of the administrative duties for the network, including financial reporting, collection of participant performance metrics, purchasing of software and curriculum materials, hosting meetings, and developing promotional materials. Veterans Florida revised its program structure in Fiscal Year 2016-17 to

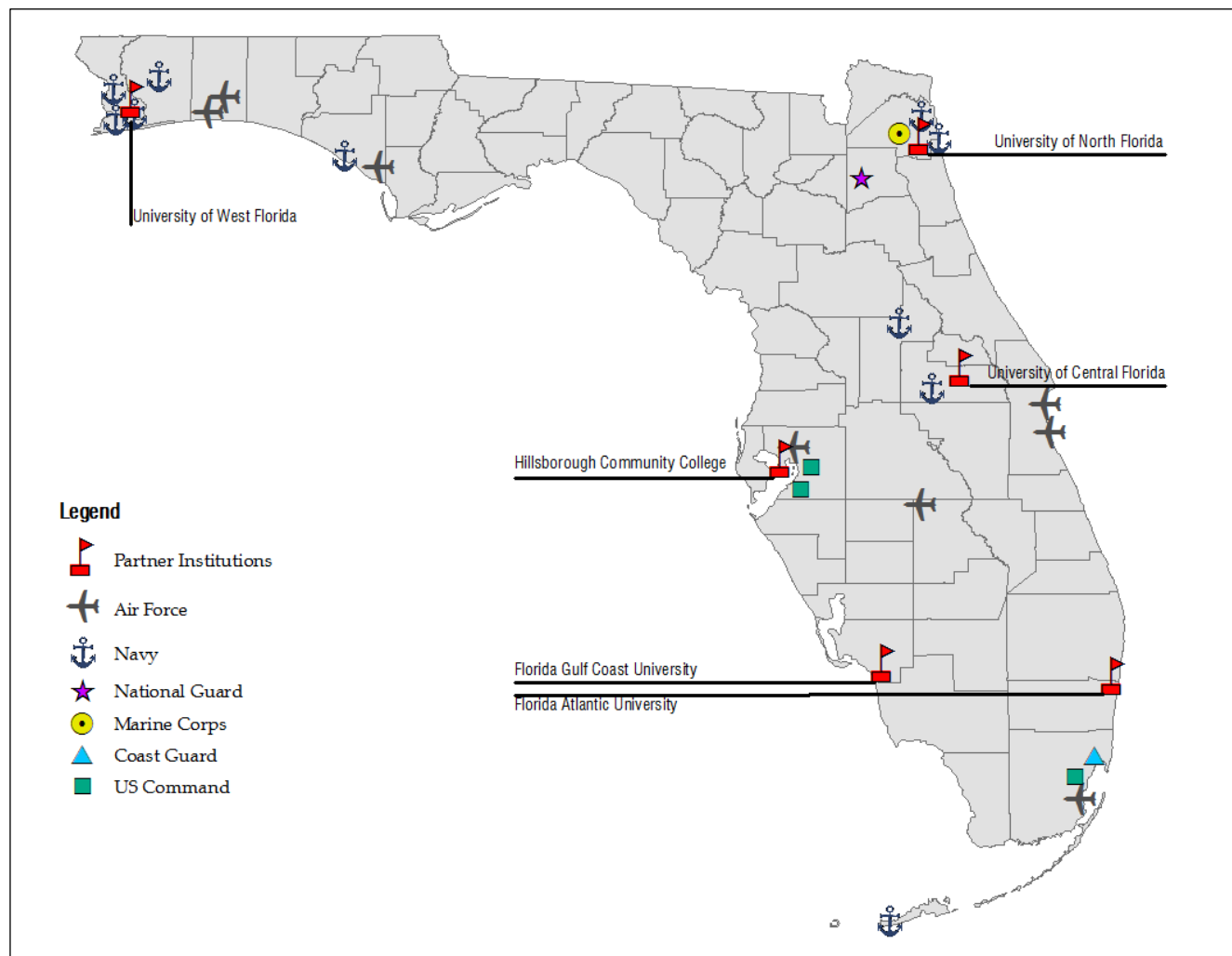
take on these administrative responsibilities and no longer has a designated host partner among the network partners.

¹⁵ In Fiscal Year 2015-16, the board selected the University of West Florida to participate as the host partner institution, and Florida Atlantic University, Florida Gulf Coast University, the University of North Florida, and a state college, Hillsborough Community College, were selected to participate as network partner institutions. In Fiscal Year 2016-17, the board selected an additional two universities, Florida Agricultural and Mechanical University and the University of Central Florida, to participate as network partner institutions.

¹⁶ In 2017, Florida Agricultural and Mechanical University ended its agreement with Veterans Florida to implement the Entrepreneurship Program.

Exhibit 2

Most Veterans Florida Entrepreneurship Program Partner Institutions Are Located in Areas of the State With a Strong Military Presence



Source: OPPAGA analysis.

Funding

Veterans Florida is funded primarily by state general revenue funds, with some of the funds transferred to Veterans Florida via VISIT FLORIDA. Pursuant to s. 295.23, *Florida Statutes*, the Legislature appropriates \$1 million annually to VISIT FLORIDA to market the state to veterans. Each year, VISIT FLORIDA has transferred a portion of these funds to Veterans Florida and has used the remaining funds for the Miles Partnership contract. From Fiscal Year 2014-15 through Fiscal Year 2015-16, VISIT FLORIDA has expended between

approximately \$300,000 and \$1 million annually to market the state to veterans. (See Appendix B for further details on VISIT FLORIDA's expenditures.)

Overall, state funding for Veterans Florida has fluctuated over the past three fiscal years. This is primarily due to the rollover of unspent funds for the Business Training Grant program and the Entrepreneurship Program each year. In Fiscal Year 2016-17, the corporation's total revenues amounted to nearly \$2 million. (See Exhibit 3.)

Exhibit 3**Veterans Florida State Revenues Fluctuated From Fiscal Year 2014-15 to Fiscal Year 2016-17**

Revenues	Fiscal Year		
	2014-15	2015-16	2016-17
General Revenue ¹	\$3,658,497	\$344,106	\$1,844,106
General Revenue, via VISIT FLORIDA	300,000	211,189	83,868
Sponsorship Income	0	0	1,500
Total Revenues	\$3,958,497	\$555,295	\$1,929,474

¹ State general revenue funds have been rolled over from year to year since Fiscal Year 2014-15, primarily for use in the Business Training Grant program and the Entrepreneurship Program.

Source: Veterans Florida and VISIT FLORIDA.

Veterans Florida expenditures have varied across programs. In its first year, Fiscal Year 2014-15, the corporation's expenditures were primarily for general operations and market research. (See Exhibit 4.) In Fiscal Years 2015-16 and 2016-17, expenditures for general operations slightly increased. Marketing funds have fluctuated slightly over the years and have been primarily used to contract with market research firms; the corporation has continued to contract for additional research to inform the

marketing campaign. Expenditures for the Business Training Grant Program increased significantly from Fiscal Year 2015-16 to Fiscal Year 2016-17, as the program was fully implemented. During the same period, expenditures decreased slightly for the Entrepreneurship Program.

Veterans Florida's staff has grown from three FTEs in 2015 to eight FTEs as of July 1, 2017.

Exhibit 4**Veterans Florida's Expenditures Increased From Fiscal Year 2014-15 to Fiscal Year 2016-17 and Have Fluctuated Across Programs**

Expenditures	Fiscal Year		
	2014-15	2015-16	2016-17
Business Training Grant Program	\$0	\$37,186	\$479,958
Entrepreneurship Program	0	580,804	462,876
General Operations	254,907	340,695	326,151
Marketing ¹	286,518	105,772	189,206
Unrestricted Funds	0	126	821
Total Expenditures	\$541,425	\$1,064,583	\$1,459,012

¹ Includes expenditures for market research as contracted by Veterans Florida with market research firms, as well as other marketing activities conducted by Veterans Florida staff.

Source: Veterans Florida.

Findings

Veterans Florida's Marketing Campaign Is Building a Stronger Florida Presence; Collaboration With Entities Offering Similar Services Would Benefit Veterans

Early marketing efforts primarily targeted out-of-state veterans but now also focus on retaining veterans already in Florida. Veterans Florida's nationwide marketing campaign is focused on attracting veterans to Florida, primarily by using digital advertising. While the bulk of the initial marketing campaign targeted veterans from other states to move to Florida, corporation staff reports that they have recently increased Florida-based marketing efforts.

For example, Veterans Florida has coordinated with county veteran service offices around the state to provide them with information about Veterans Florida's programs. Many veterans separating from the military in Florida go to these offices for assistance, and this is a way Veterans Florida can reach separating veterans within the state to encourage them to remain in Florida. In addition, the corporation has increased advertising on Florida bases and now has a presence on all major Florida military bases through the digital marketing campaign.

Career portal facilitates services to veterans, but another state website provides similar information. Veterans Florida's career portal is a key component of its marketing campaign and career services program. Because veterans must register on the website to use these services, the corporation can collect demographic information, communicate with registrants, and follow up with them in the future. The portal allows the corporation to gather information on veterans interested in moving to and working in Florida and offer services to them such as providing information on training grants and helping connect high quality applicants with

businesses interested in hiring veterans. In addition, Veterans Florida staff report that the career portal software will allow them to identify groups of separating military members at specific Florida military installations and offer these individuals job fairs and other assistance after they separate from the military.

The State of Florida has another veteran-specific career portal, Employ Florida Vets, which is operated by CareerSource Florida and the Department of Economic Opportunity.¹⁷ This portal is part of the larger statewide job search website, Employ Florida, which is required by federal workforce law (The Workforce Innovation and Opportunity Act). Every individual, including veterans, who seeks workforce services offered by CareerSource Florida must register on the site. In addition, any employer with a federal contract must advertise jobs through Employ Florida Vets.

Veterans Florida has advertised its career portal through military bases in Florida and other states. It has made attempts to integrate its website with CareerSource Florida's job search website in the past. However, Veterans Florida's job search website is not currently linked through Employ Florida Vets. Veterans Florida's programs are also advertised in the Florida Department of Veterans Affairs' (FDVA) annual Florida Veterans Benefits Guide, a publication that is distributed widely to both in-state and out-of-state veterans. However, Veterans Florida's programs are not linked through the FDVA employment resources webpage. There may be additional opportunities for coordinating Veterans Florida's career services via these other outlets to reduce possible confusion among veteran job seekers and potential diversion of traffic from one site to another.

¹⁷ CareerSource Florida is the statewide workforce policy and investment board. CareerSource Florida partners include the Department of Economic Opportunity, 24 local workforce

development boards, and 100 career centers throughout the state. The organization's goal is to help connect businesses with skilled workforce and training opportunities.

Veterans Business Training Grant Participation Has Increased, Although Coordination of Program Marketing Has Had Mixed Results

Participation in the Veterans Business Training Grant program was low but has recently increased. Veterans Florida currently has active contracts with 32 businesses, 20 of which have hired veterans.¹⁸ These businesses have hired 240 veterans at an average salary of \$39,191 as of December 13, 2017, representing a total of over \$8 million in cumulative salaries for

veterans trained and hired under the BTG program.

The total number of contracted businesses and reimbursements made by Veterans Florida to those businesses has been steadily increasing. As of December 13, 2017, cumulative reimbursements totaled \$842,697. (See Exhibit 5.) This represents 28% of the \$3 million that the Legislature has appropriated for the BTG program since Fiscal Year 2014-15. Three companies accounted for 71% of the total reimbursements as of December 13, 2017.

Exhibit 5

Business Training Grant Awards and Reimbursements Increased From Fiscal Year 2015-16 to Fiscal Year 2016-17 and Have Continued to Increase During Fiscal Year 2017-18

Revenues	Fiscal Year			
	2014-15	2015-16	2016-17	2017-18 (As of December 13, 2017)
Number of Contracted Businesses	0	10	18	6
Total Reimbursements	0	\$37,186	\$444,839	\$360,672 ¹

¹ After accounting for pending reimbursements, the total obligated amount as of December 13, 2017 was \$960,894. The numbers above include 32 active contracts and 2 inactive contracts.

Source: Veterans Florida and OPPAGA analysis.

Veterans Florida has worked with local and state entities to promote the training grant program, with mixed results. Veterans Florida staff have provided training grant promotional materials to the local workforce development boards for distribution to businesses in their regions, and corporation staff works with the boards to identify businesses interested in hiring veterans. Staff has coordinated primarily with workforce boards in regions that have high veteran populations, such as Okaloosa and Walton counties, Northeast Florida, and Central Florida. Veterans Florida has also developed partnerships with local training providers that provide referrals to businesses interested in hiring veterans. Businesses report that they use the local workforce boards as a resource, and

some have learned about Veterans Florida's training grant program through local career centers. However, local workforce boards and CareerSource Florida do not provide this training grant information through their websites.

Veterans Florida also receives assistance in advertising the BTG program from Enterprise Florida, Inc. (EFI), the state's principal economic development marketing organization.¹⁹ EFI began advertising BTG in 2017 by developing an informational flyer that informs businesses about the program and Veterans Florida in general. Veterans Florida has recently engaged in more coordination with EFI. For example, Veterans Florida staff has presented to local

¹⁸ This includes both legacy contracts and certifications. Veterans Florida refers to all of these agreements as contracts in the data management system.

¹⁹ Section 295.22(4), *F.S.*, directs Enterprise Florida, Inc. (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.

economic development organizations and the EFI board of directors, and the corporation recently asked to join the EFI stakeholder council. Veterans Florida staff reports that as they continue to collaborate more with EFI, opportunities to market the BTG program and increase participation will improve. However, while the training grant program is a business incentive that can be combined with other economic incentives widely advertised by EFI, there is no information about the program or Veterans Florida on EFI's website.

Training grant recipients are generally satisfied with the program. OPPAGA surveyed the 21 businesses that had received a BTG as of May 18, 2017.²⁰ Of those that responded to the survey, almost all (10 of 11) were existing Florida firms or expansions of an existing Florida firm. Five businesses reported that they learned about the grant from Veterans Florida, while others reported they had learned about it from sources such as EFI, local one-stop career centers, local economic development organizations, or community colleges. Four businesses reported that they used other grant programs such as On-the-Job Training, Employed Worker Training, Quick Response Training, and Incumbent Worker Training during the same period in which they received the BTG. Businesses reported that training topics ranged from onboarding and safety to industry-specific certifications. Four businesses reported that without the training grant, they would have proceeded as planned, and five reported that they would have scaled the training back.

Most BTG recipients were satisfied with the program and reported a positive effect on their businesses. The most frequently reported

benefits were increased employee knowledge and skills, new jobs created within the business, and achievement of process and efficiency gains. Respondents reported that they were satisfied to very satisfied with grant application, approval, reimbursement, and reporting processes, as well as with Veterans Florida staff.²¹

Veterans Florida Entrepreneurship Program Completion Rates Are Increasing and Operational Improvements Were Made in Response to Partner Concerns

Veterans Florida Entrepreneurship Program has increased completion rates and mentoring services, and graduates report they have generated \$7.8 million in revenues. The VFEP provides tuition-free, online and on-campus instruction to help veterans who want to open and operate their own business. The program has graduated 314 veterans over the course of two program years, and the overall completion rate increased from 39% in Fiscal Year 2015-16 to 49% in Fiscal Year 2016-17, for an overall completion rate of 43%.

Fifty-six program graduates report that they are still in business and have invested capital, hired employees, and generated revenues. Specifically, graduates of the Fiscal Year 2015-16 and Fiscal Year 2016-17 classes report that collectively they have made \$594,000 in capital investments, hired a total of 53 employees, and generated over \$7.8 million in revenues. Further, from its inception, the program has increased the number of instruction hours delivered to participants, the total number of mentors, and the total mentoring and consulting hours delivered. (See Exhibit 6.)

²⁰ Of the 21 businesses surveyed, 11 responded for a response rate of 52%.

²¹ Veterans Florida hired a new staff member in 2017 whose responsibilities focus on business outreach and working directly with businesses interested in hiring veterans. Corporation staff report that they have learned that businesses seeking to hire

veterans often do not know where to find veteran job applicants. In addition, finding the appropriate decision-maker(s) within businesses can be time-consuming. To increase BTG program participation, the business outreach specialist will work directly with companies interested in hiring veterans, assist them with the certification process, and connect them to veteran job applicants.

Exhibit 6**Veterans Florida's Entrepreneurship Program Increased Completion Rates, Instruction Hours, and Mentoring Services From Fiscal Year 2015-16 to Fiscal Year 2016-17**

Program Statistic	Fiscal Year	
	2015-16	2016-17
Participants Served	424	300
Program Graduates (Completion Rate)	167 (39%)	147 (49%)
Number of Instruction Hours Delivered	823	10,943
Number of Mentors	95	224
Mentoring/Consulting Hours Delivered	951	3,390

Source: Veterans Florida.

Veterans Florida recently revised the entrepreneurship program and improved program structure. Based on programmatic concerns reported by network partners regarding issues such as lenient admissions standards, the lack of standardized completion standards, and the time lag between recruitment and beginning of the class, Veterans Florida revised VFEP's program delivery structure in 2017. The revised program is based on a three-tiered structure.

- First tier: Self-paced online learning intended for any veteran contemplating entrepreneurship or those who are very early in the idea stage.
- Second tier: Series of two- to three-hour stand-alone workshops offered by network partners that are open to any veteran interested in entrepreneurship, and there is no application process.
- Third tier: Advanced class, which is designed for veterans with well-defined business ideas or early stage companies; the class will continue to use the existing curriculum that was originally designed for the VFEP in its first years.

Veterans Florida has developed detailed selection criteria that a veteran must meet in order to be admitted to the advanced class. The new selection criteria are largely focused on a veteran's ability to articulate a well thought out business concept. (See Appendix C for detailed criteria.)

Network partners are required to recruit a pool of qualified mentors to be matched with participants during the advanced program. Mentors are entrepreneurs, business owners, or retired business executives who dedicate time to helping program participants become successful entrepreneurs. Network partners are also required to secure services for post-graduation support to be provided at no cost to the veterans (e.g., Small Business Development Councils, local incubators or accelerators, co-working spaces, or veteran business groups). To graduate from the advanced program, each participant must complete a business model, a business plan containing two years of financial projections, make a final pitch presentation, and complete the business legal entity formation process.

Partner institutions have some remaining concerns about entrepreneurship program implementation. OPPAGA interviewed seven network partners. Most reported that the recently implemented programmatic changes, such as the three-tiered structure and more rigorous admissions criteria, are positive changes that will improve the program. However, some network partners expressed remaining concerns regarding consistent engagement of participants and lack of business creation activity tracking (e.g., number of businesses created, number of employees hired, capital investment, revenues generated, etc.). Tracking graduate business creation activities has been inconsistent year to year and varies across institutions. The original intent of the

program was to have the local Small Business Development Center (SBDC) work closely with each partner institution and register all program participants, which would automatically allow for tracking the businesses that program graduates create and provide graduates with ongoing services. However, the involvement of the SBDCs with each partner institution has varied, and graduates have not been consistently tracked through the SBDC data system. In addition, each network partner has its own approach to follow-up activities with graduates, which can vary in level of effort and effectiveness.

To address these issues, Veterans Florida program staff report that in 2017 they began contacting all program graduates to collect data on whether the graduates are still in business, amount of revenues generated, number of employees hired, and how they acquired capital. Veterans Florida staff report that they plan to continue to track graduates' business creation information with the use of a new software program. The corporation also reports that this software will assist in connecting veterans to mentors and to resources and other program participants across schools, both during and after program participation.

Veterans Florida Lacks Information Needed to Evaluate the Effectiveness of Its Efforts

Indirect performance measures allow Veterans Florida to measure engagement, but not effectiveness. Veterans Florida collects a range of performance information for each of its activities, and program staff and board members regularly review and address concerns about the measures. However, Veterans Florida does not have consistent, comprehensive information to evaluate the effectiveness of marketing efforts.

Veterans Florida's marketing performance measures have primarily measured website traffic, social media presence, and media impressions. These measures provide an indication of the extent of online engagement through Veterans Florida's website and social media platforms. However, they do not provide

an indication of whether the marketing campaign has influenced veterans to move to Florida, or if it has influenced veterans already based in the state to stay here.

In addition, available data on veterans who move to and find work in Florida have limitations. Information about veterans who choose Florida as their home state after separating from the military helps Veterans Florida develop and target its marketing activities. Such data is available from several state-level sources, but there are a number of limitations related to access and use.

For example, data on veteran employment placements around the state is available from the Department of Economic Opportunity (DEO). DEO posts monthly statewide data on the employment rates of veteran job seekers within each local workforce board. However, this data is not indicative of the impact of Veterans Florida's specific marketing efforts.

In addition, the Department of Highway Safety and Motor Vehicles collects information on veterans who choose to receive a designation on their identification card or driver license that identifies them as a veteran. Use of this driver license data to help determine why veterans have moved to Florida is problematic due to confidentiality and security constraints. However, Veterans Florida staff report that while they could not access individual veteran records, it would be possible to request aggregated annual data that could provide an indicator of the number of veterans moving to and already in Florida annually.

With respect to Florida-based veterans, the Florida Department of Veterans Affairs collects data on separating service members in Florida, but the data is also subject to security constraints. However, this data could possibly be collected at an aggregate level to provide indicators of the number of veterans separating from Florida bases annually.

Veterans Florida staff reports that they are aware of these limitations and are seeking alternative measures of marketing effectiveness

and improved data collection. For example, they have changed to a new job system software that will allow improved data collection on the characteristics of individuals who register on the career portal, such as relocation preferences, preferred employment industry, occupational skills, etc. In the future, they plan to use this data to identify and track veterans that have moved to and found jobs in Florida. Although this information would not completely capture information on all veterans who move to Florida as a result of Veterans Florida's marketing efforts, it could serve as an indicator of marketing effectiveness.

Goals have varied from year to year, so performance information is not comparable over time. Veterans Florida established a variety of performance goals and metrics for the marketing, VFEP, and BTG programs. However, these measures have varied from year to year and approaches to measuring those goals are still evolving with the organization. (See Appendix D.) As a result, Veterans Florida lacks consistent, specific benchmarks from which it could evaluate its performance to date within each of its programs.

For example, the VFEP performance measures included a numeric benchmark for completion rate in Fiscal Year 2015-16 and then were changed to a weighted scale metric in Fiscal Year 2016-17. Further, some newly established measures do not have numeric benchmarks, so there is no point of comparison for future performance data. For instance, program metrics reported in the 2018-20 Strategic Plan for the BTG program are defined as general increases in the number of veterans hired and the number of training grant recipients. Veterans Florida reports that they continue to revisit performance goals of the strategic plan annually with the board of directors.

Options for Consideration

Veterans Florida has taken a number of steps to implement services that address challenges to veterans' employment in Florida. As its programs mature, the corporation may wish to

consider additional options to improve evaluation of its primary programs and strengthen its outreach efforts.

Implement consistent, specific metrics for the three major program areas to provide a mechanism for tracking and comparing performance from year to year. Without such metrics, it is not possible for Veterans Florida to demonstrate its effectiveness in attracting veterans to Florida, helping veterans obtain employment, or helping veterans start or grow businesses in Florida. To resolve this issue, Veterans Florida would have to take steps to implement measurable progress metrics specific to each program activity. Some of the performance measures used in previous years could be useful indicators of progress if they are measured consistently year to year.

For the marketing program area, the corporation could consider metrics such as

- exploring available aggregate statewide data on veterans to serve as indicators of veterans moving to or staying in Florida; and
- continuing to develop internal data collection using its career portal registrant data.

As they did for several performance goals in Fiscal Year 2015-16, Veterans Florida could establish goals for specific annual percentage increases in metrics for the Business Training Grant program such as the

- number of BTG recipients;
- percent of total available training grant funds expended; and
- number of veterans trained and hired by BTG recipients.

For the Entrepreneurship Program, Veterans Florida could consider establishing annual program completion and business creation goals as they did for several metrics in Fiscal Year 2015-16. For example, they could establish specific performance targets for metrics including

- completion rate for the Advanced Tier of the program;

- percent of graduates that open a business within one year;
- percent of graduates that remain in business after one year; and
- capital investments, loans, and revenues of each program year's graduates.

Strengthen coordination with other state and local entities to avoid duplication, improve outreach, and maximize limited resources. In general, Veterans Florida could expand promotion of its programs by ensuring that they are referenced by other state agencies that serve veterans, particularly CareerSource Florida, Enterprise Florida, and the Departments of Economic Opportunity and Veterans Affairs.

Specifically, Veterans Florida may wish to ensure that its career services programs are consistently advertised through the Florida Department of Veterans Affairs website and other materials the department publishes. In addition, Veterans Florida may wish to consult with DEO regarding potential collaboration opportunities with the department's statewide veteran employment outreach services. Similarly, Veterans Florida could expand its coordination and collaboration with local workforce boards by participating in joint activities like job fairs.

In addition, Veterans Florida could continue efforts to increase participation in the Business Training Grants program and promote it through other entities such as CareerSource Florida and EFI. Because the BTG program can be combined with other economic incentives, EFI could play a particularly helpful role in promoting the program to businesses seeking other state economic incentives.

Finally, Veterans Florida could continue to build existing partnerships with local economic development organizations and other stakeholders to promote its programs and continue to increase program participation.

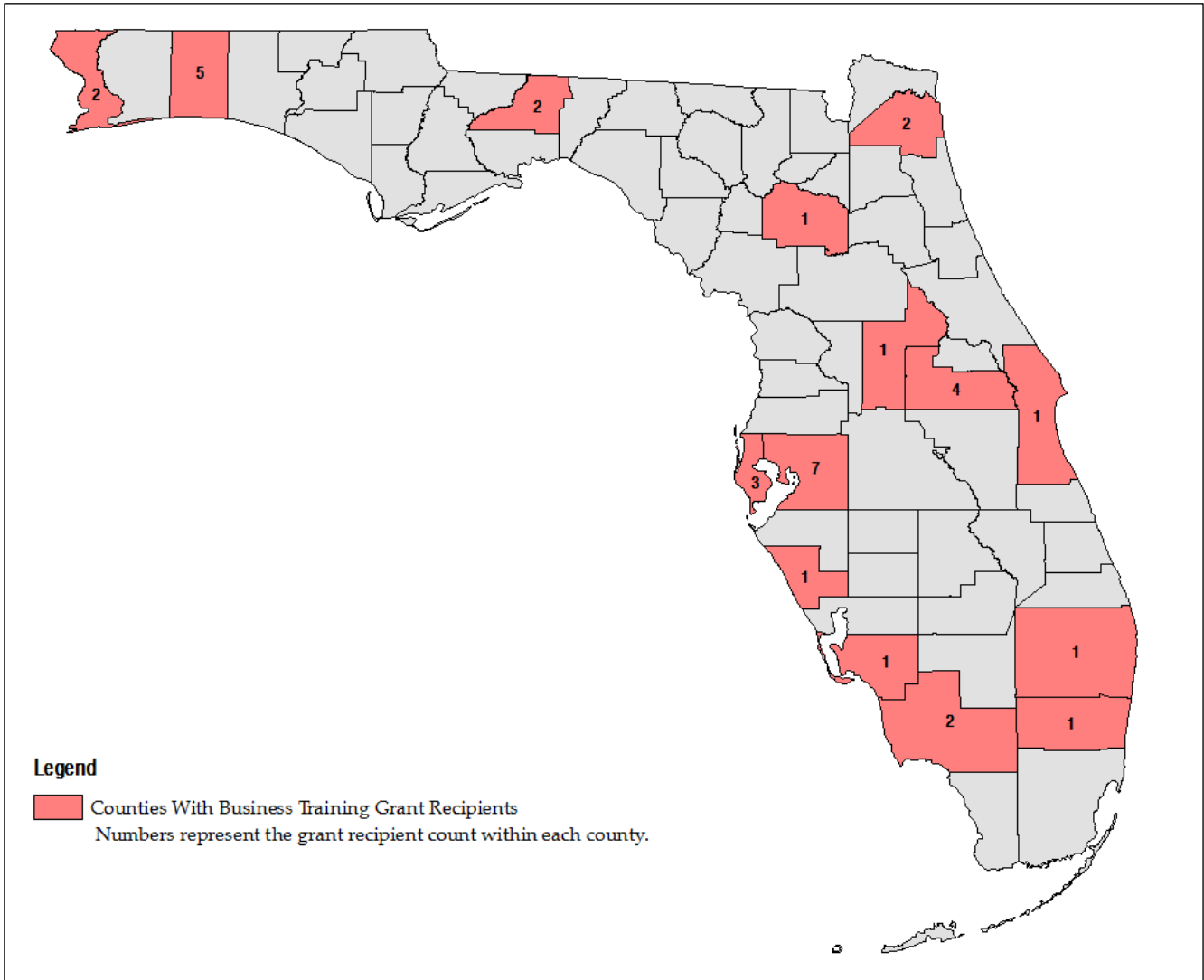
Agency Response ---

In accordance with the provisions of s. 11.51(2), *Florida Statutes*, a draft of our report was submitted to the Executive Director of Veterans Florida. The Executive Director's written response has been reproduced in Appendix E.

Appendix A

Veterans Florida Business Training Grant Locations

Exhibit A-1
Veterans Florida’s Business Training Grant Business Recipients Are Located Across the State



Source: OPPAGA analysis of Veterans Florida data.

Appendix B

VISIT FLORIDA's Expenditures on Marketing the State to Veterans

Section 295.23, *Florida Statutes*, directs VISIT FLORIDA to spend \$1 million annually to market the state to veterans through a combination of state appropriations and private funds. The state has appropriated a total of \$3 million to VISIT FLORIDA for this purpose since Fiscal Year 2014-15.

During Fiscal Years 2015-16 and 2016-17, VISIT FLORIDA expended the majority of the \$1 million in making payments on the contract with Miles Partnership; VISIT FLORIDA disburses the funds and manages the contract with the marketing firm on behalf of Veterans Florida. These payments have varied from \$777,798 in Fiscal Year 2015-16 to \$915,351 in Fiscal Year 2016-17. In addition, each year, VISIT FLORIDA transfers a portion of the \$1 million appropriation to Veterans Florida to use for its internal marketing activities; these transfers have ranged from \$300,000 in Fiscal Year 2014-15 to \$83,868 in Fiscal Year 2016-17. (See Exhibit B-1.)²²

Exhibit B-1

VISIT FLORIDA's Expenditures for Marketing the State to Veterans Have Fluctuated Between \$300,000 and \$1 million Per Year

Expenditures	Fiscal Year		
	2014-15	2015-16	2016-17
Total Payments made by VISIT FLORIDA to Media Contractor for Veterans Marketing Services	\$0	\$777,798	\$915,351
Total Payments made by VISIT FLORIDA to Veterans Florida ¹	300,000	211,189	83,868
Total Payments Made by VISIT FLORIDA for Other Expenses Related to Marketing the State to Veterans	0	13,179	0
Total Expenditures	\$300,000	\$1,002,166	\$999,219

¹ These amounts are also reported as part of Veterans Florida's revenues in Exhibit 3 in this report.

Source: VISIT FLORIDA.

²² Because the performance measures were not approved by the Legislative Budget Commission during Fiscal Year 2014-15, VISIT FLORIDA reduced its request for payment from the state for that fiscal year by \$1 million on March 3, 2015.

Appendix C

Veterans Florida Entrepreneurship Program Advanced Class Selection Criteria

Exhibit C-1

Certification Criteria Include Detailed Requirements 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 (ETS) ▪ 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 veterans or co-founders 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 self-paced online course, attendance at VFEP Open Enrollment Workshops or other Entrepreneurship program or course such as EBV, VEP, 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 D

Veterans Florida Annual Performance Measures Have Varied Annually for All Programs

Veterans Florida has reported a variety of performance goals and metrics for each activity since the corporation's inception. (See Exhibits D-1 through D-3.) These goals and performance metrics have varied annually, and we note the implications of this and other concerns in the body of the report.

Exhibit D-1

Veterans Florida's Marketing Performance Goals

Fiscal Year	Goal	Actual Performance
Legislative Budget Commission Fiscal Year 2015-16 Marketing Campaign Goals	Attract 50,000 unique visitors to the Veterans Florida website by June 30, 2016	116,000 unique visitors
	Establish a social media presence and gain 3,000 combined followers by June 30, 2016	42,000 social media followers
	Generate a minimum of 5 million media impressions by June 30, 2016	31,342,871 media impressions
Fiscal Year 2016-17 Marketing Campaign	Increase Facebook audience by roughly 10% (6,500 users)	Increase in Facebook audience by 9,758 followers or 14.9%
	Capture 100,000 new sessions to the website	109,554 sessions as of April 19, 2017
	Generate a minimum of 10 million media impressions by June 30, 2017	21,335,967 impressions as of April 24, 2017
	Convert 500 leads through the website (lead is defined as newsletter subscription, account creation)	1,307 conversions as of April 19, 2017
Fiscal Year 2017-18 Marketing Campaign	Increase social media audience by 25%	N/A
	Increase number of accounts created on the Career Portal:	N/A
	- 3,500 veteran job seeker accounts increase	
	- 500 employer openings increase	
	- 150 application requests for the Business Training Grant	
	Increase newsletter subscribers by 10% (1,000 new subscribers)	N/A
	20% increase website visitors	N/A
Veterans Florida 2018-2020 Strategic Plan Communication Metrics	Increase the annual number of website and social media visits	N/A
	Increase the number of veterans and service members Veterans Florida serves annually	N/A

Source: Veterans Florida.

Exhibit D-2**Veterans Florida's Entrepreneurship Program Performance Measures**

Fiscal Year	Goal	Actual Performance
Fiscal Year 2015-16 Entrepreneurship Program Performance Measures	Establish baseline based on review of existing entrepreneurship programs to derive future metrics	Completed
	Statement of work drafted, distributed, and	Completed
	Partner with 3 to 5 external entities for referrals and services	Completed
	10% annual increase in program participants	N/A – program in first year
	80% of participants complete the program	39% completion rate
	25% of participants open a business in one year	19 businesses opened
	75% of new businesses remain open after one year	100% of 19 businesses remain open
Fiscal Year 2016-17 and Fiscal Year 2017-18 Florida Department of Veterans Affairs Weighted Performance Standards	5 = 250 or more graduates 4 = 200 to 249 graduates 3 = 150 to 199 graduates 2 = 100 to 149 graduates 1 = 1 to 9 graduates	147 graduates = 2
Veterans Florida 2018-2020 Strategic Plan VFEP Programming Metrics	Increase number of veterans launching their own business following participating in Veterans Florida's entrepreneurial programming	N/A

Source: Veterans Florida.

Exhibit D-3**Veterans Florida's Business Training Grant Program Performance Measures**

Fiscal Year	Goal	Actual Performance
Fiscal Year 2015-16 Veterans Florida Business Training Grant Goals	90% of training grant funds issued to grant participants	61% of grant funds obligated ¹
	75% of grant recipients successfully complete training program ²	Of 28 veterans hired, 7 (25%) completed training
	75% of hired grant recipients retained in position beyond one year ²	63% of hired recipients retained
Fiscal Year 2016-17 and Fiscal Year 2017-18 Florida Department of Veterans Affairs Weighted Performance Standards	5 = 500 or more veterans hired 4 = 350 to 499 veterans hired 3 = 250 to 349 veterans hired 2 = 125 to 249 veterans hired 1 = 1 to 124 veterans hired	147 veterans hired = 2
Veterans Florida 2018-2020 Strategic Plan BTG Programming Metrics	Increase number of Florida businesses participating in Veterans Florida programming	N/A
	Increase number of veterans hired by Veterans Florida participating businesses	N/A
	Increase Business Training Grant recipients	N/A

¹ Represents award amounts authorized by Veterans Florida and not total reimbursements to businesses.² Veterans Florida reports that regarding this measure, grants are not awarded to individual veterans but rather to businesses seeking to hire and train veterans.

Source: Veterans Florida.

Appendix E

Agency Response



January 29th, 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: "Veterans Florida Promotes Florida as a Veteran-Friendly State and Provides Numerous Services" (the "Report"). We appreciate the diligence and professionalism of your staff thoroughly analyzing the first three years of Veterans Florida's operations and performance. We will take your findings for improving our performance metrics and coordination with other state and local entities into full review and consideration. Our responses to the options identified in the Report are as follows:

1. Option: Implement consistent, specific metrics for the three major program areas to provide a mechanism for tracking and comparing performance from year to year.

Response: Veterans Florida and its Board of Directors have always tried to ensure that every program offered has specific, measurable goals and metrics to accurately demonstrate our effectiveness. The performance metrics used during the organizations first few years are no longer sufficient for a growing and maturing organization.

To remedy this, our Board of Directors recently approved a new three year strategic plan to set the overall strategy for improving all of the services we offer to veterans and businesses. This new strategic plan offers overarching goals for Veterans Florida, which will be the baseline for consistent metrics for each program area. In designing these new metrics, Veterans Florida will take care to ensure they will be able to remain in place for through the life of the new strategic plan (2018-2020). We plan to have these new metrics in place for the start of the Fiscal Year 2018-19 year.

2. Option: Strengthen coordination with other state and local entities to avoid duplication, improve outreach, and maximize limited resources.

Response: Veterans Florida continuously works on improving it's partnerships with state and local economic development organizations, CareerSource Florida workforce boards, Enterprise Florida (EFI) and the Department of Economic Opportunity (DEO). Recently, Veterans Florida was invited to participate in the monthly DEO partnership calls to help foster collaboration between all of the entities that report to DEO. These monthly calls will give us a regularly scheduled forum to discuss how our programs can be best leveraged by these partners. Also, Veterans Florida Career Services Staff continues their outreach to non-state entities through attendance at events held by the Florida Society for Human Resource Management (SHRM), Veterans Service Organizations, Chambers of Commerce and various industry associations.



These events are important and have been proven to building lasting relationships with decision makers in organizations that are both directly hiring veterans and those that can help us market the programs and service to new businesses. Veterans Florida will continue to work with state and local entities to increase the Career Services Program's presence on our partners websites.

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

Sincerely,

A handwritten signature in blue ink, appearing to read 'Bobby Carbonell', is written over a light blue horizontal line.

Bobby Carbonell
Executive Director, Veterans Florida

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The Florida Legislature

Office of Program Policy Analysis and Government Accountability



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OPPAGA website: www.oppaga.state.fl.us

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Project conducted by Laila Racevskis (850/717-0524), Bill Howard, and Rich Woerner

R. Philip Twogood, Coordinator