



Internal Audit Department

Audit Report 2013-3

Impact Fee & Economic Development

Job Creation Investment Program

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Issued: June 21, 2013

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Workpapers supporting the observations noted within this report are public record and can be made available upon request once the final audit report has been issued. The files and draft versions of audit reports remain confidential and protected from public records requests during an active audit under Nicolai v. Baldwin (Aug. 28, 1998 DCA of FL, 5th District) and Section 119.0713, Florida Statutes.

BACKGROUND

The Clerk's Finance Director requested Internal Audit to observe the Impact Fee & Economic Development Office's validation of jobs created in accordance with the Job Creation Investment Program. This program is a performance-based Collier County initiative authorized in Board of County Commissioners (BCC) Ordinance 2003-60. It provides general revenue funding to local businesses for the creation of jobs that meet the criteria specified in the Ordinance. Those criteria, which vary by geographic location within the county, include minimum numbers of new jobs at specified wage levels.

Ordinance 2003-60 states that the program's purpose is "to promote and foster economic diversification through the retention and creation of high wage jobs in targeted industry clusters." Ordinance 2006-36 defines jobs as "limited to individual permanent legal residents of the United States who are employed in each new created position of employment at a primary location in Collier County, and as applicable maintained, as a result of the program." Ordinance 2003-60 originally terminated this program on October 1, 2008, but on September 9, 2008, the BCC enacted Ordinance 2008-46, which extended the Job Creation Investment Program to October 1, 2013.

To be eligible, businesses must apply to the County Manager prior to making the decision to locate or expand within Collier County. The general fund pays \$1,000 to \$3,000 over a three year period to qualifying businesses for each job created.

SUMMARY

This examination generated the following observations for the Job Creation Investment Program:

- Payroll records were reviewed for Animal Specialty Center of Florida, LLC, Florida Specialties, LLC, and Guadalupe Center, Inc. Names, job titles, hire dates, and pay rates were recorded for all employees in created jobs. Rates of pay were averaged for all jobs created, and compared to the minimum requirements of the Ordinance. No exceptions from the average wage requirements were noted.
- Site visits were conducted to vouch payroll record data to the personnel records of all employees in created jobs. The verified data consisted of employees' names, job titles, hire dates, lawful US residency, and pay rates. The procedures revealed no exceptions. These tests validated the following numbers of jobs created: 27 at Animal Specialty Center of Florida, LLC, 20 at Florida Specialties, and 25 jobs at Guadalupe Center.

SCOPE

This examination consisted of validating jobs and wages, including, but not limited to, the following:

- Reviewing sections 125.045, 288.075, and 688.02, Florida Statutes;
- Reviewing Collier County Ordinances 2003-60, 2006-36, and 2008-46;
- Examining payroll and personnel records from the following businesses;
 - Animal Specialty Center of Florida, LLC
 - Florida Specialties, LLC
 - Guadalupe Center, Inc.
- Visiting the respective businesses and interviewing applicable management;
- Scheduling data from payroll records for all employees holding jobs claimed as created; and
- Tracing payroll data, such as names, job titles, hire dates, lawful US residency, and pay rates, to the personnel records.

Internal Audit tested 100% of applicable payroll and personnel records for each of these three companies. The objectives of this special request were to validate the wages paid for jobs claimed to have been created by eligible employers, and to confirm the 72 employees in those created jobs.

CONCLUSION

Due to these three entities' compliance with the requirements of the Job Creation Investment Program's Ordinances 2003-60, 2006-36, and 2008-46, there are no adverse observations to report.