



Internal Audit Department

Audit Report 2014-8

Job Creation Investment Program:

**Animal Specialty Center of Florida,
LLC**

Dwight E. Brock
Clerk of the Circuit Court

3299 Tamiami Trail East
Suite #402
Naples, FL 34112-5746

www.collierclerk.com

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Prepared by: James D. Molenaar, Internal Audit Manager
Patrick Blaney, Senior Internal Auditor

Report Distribution: Board of County Commissioners
Leo Ochs, Jr., County Manager
Bruce Register, Director, Business & Economic Development
Amy Patterson, Manager, Impact Fees & Economic Development

Cc: Dwight E. Brock, Clerk of the Circuit Court
Crystal K. Kinzel, Director of Finance & Accounting

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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.

Internal Audit provided draft Audit Report 2014-8 to the Impact Fee Manager for management response on May 13, 2014. The Impact Fee Manager provided the management response on May 22, 2014.

Summary

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

- Payroll records were reviewed for Animal Specialty Hospital. 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 filling created jobs. The verified data consisted of employees' names, job titles, hire dates, pay rates and lawful US residency. The procedures revealed no exceptions. These tests validated 28 jobs created at Animal Specialty Hospital.

Objective

The objective of the engagement was to determine whether Animal Specialty Hospital remained eligible for participation in the Job Creation Investment Program.

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 Animal Specialty Hospital;
- Visiting Animal Specialty Hospital and interviewing 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, pay rates, and lawful US residency, to the personnel records.

Internal Audit tested 100% of applicable payroll and personnel records for Animal Specialty Hospital.

Background

Internal Audit observed 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, as amended. 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 or exceeding specific 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.

Management Response

"Staff appreciates the opportunity to work with the Clerk's Internal Audit Department on the annual job verifications. As stated in prior Management Responses, the Department is thorough, professional and helpful in its review of these matters.

The results from the monitoring process highlight a high level of cooperation between departments/agencies of County government as well as the participating businesses."

Conclusion

Due to Animal Specialty Hospital's compliance with the requirements of the Job Creation Investment Program Ordinances, there are no adverse observations to report.