



Inspector General Insights

CARES Grant Results of
Investigative Reviews

Background: On Wednesday, June 16, 2020, Governor Ron DeSantis announced Florida's plan to distribute \$1.275 billion in Coronavirus Aid Relief and Economic Security (CARES) Act funds to counties with a population below 500,000. Collier County's \$67 million in funds were divided into five broad initiatives:

- \$30 million for community health and services initiatives. This includes nonprofits, community health and public safety providers as well as 501(c)(19) veteran's organizations, food banks/pantries and childcare providers that fall under 501(c)(3) nonprofit status.
- \$15 million for individual assistance. These funds will be distributed to qualified residents for assistance with past due rent, mortgage, childcare, and utility payments.
- \$10 million for small business relaunch and rehire grants. This includes hospitality marketing efforts for those in that sector.
- \$5 million for personal protective equipment (PPE). This involves providing kits to small businesses, health and public safety and nonprofits in Collier County that are heavily involved with public interaction.
- \$7 million in reserve.

CARES payroll reimbursements for first responders allowed budgetary funds to be reallocated, resulting in an additional \$25 million in local financial aid made available to CARES applicants.

Due to the risk of fraud, the Office of Inspector General (OIG) provided an additional level of review and analysis, ranging from analytical procedures on the population of applications, to reviews of specific grant applications.

Objective: The OIG investigative team reviewed any small business or individual applications which were referred to us by the Clerk or County grants operations, to determine ineligible applications, ideally prior to funds disbursement. We provided summaries of our review to management, and we reported any instances of fraudulent activity in accordance with governing statutory provisions.

Observations: The OIG conducted a preliminary review of four applications referred to us in 2021, due to irregularities in the applicant's personal information, the address or property in question, the landlord or business information, or the amount claimed for reimbursement. In summary:

- Two cases for awards totaling \$ 16,749.99 were reviewed, and management was presented with a report of our findings, including additional clarifications as recommended. These two awards were paid, and the cases were subsequently closed.
- For the two closed cases, the OIG had an average turnaround time of seven calendar days to issue our report to management.

- Two cases with scheduled awards of approximately \$ 200,000.00 were reviewed, and remain open cases (these amounts were rounded, to preserve the anonymity of the cases involved).
 - One claim was not paid, and it continues as an open investigation.
 - The other grant application was paid, as there was no conclusive evidence to support denial of the claim. The OIG continues to monitor the case to ensure the propriety of usage; grant payments are subject to denial and repayment by the recipient, if not used as intended.

Conclusion: Based upon the information obtained and reviewed, the OIG closed our preliminary reviews on two cases with our written referral reports to management. Two other cases remain open for further resolution.

Total # Transactions	Amounts Audited or Reviewed	Questioned Costs	Taxpayer Savings	Observations and Recommendations
4	\$ 216,749.99	\$ 200,000.00	\$ 180,000.00	2