



Inspector General Insights

Background: The Board of County Commissioners (BCC) approved a contract with Florida Gulf Coast University (FGCU) to manage the Naples Accelerator on May 26, 2020. The Clerk had initially expressed concerns about her ability to audit given the lack of specificity in the deliverables in the contract. The Inspector General (OIG) and Clerk Kinzel met with Commissioner Taylor and BCC Staff on April 14, 2021 to discuss the issues delaying payment.

Objective: Our review of this contract was to determine the contractor's compliance with the contractual requirements for payment, and the Clerk's ability to make a legal payment.

Scope: We reviewed the FGCU invoices and reports submitted to ensure they were accurate and reasonable. Further, we reviewed to ensure they represented payment for goods or services which supported the BCC's established valid public purpose as part of the Clerk's ongoing statutory payment responsibilities.

Observations: In our review of the FGCU / Naples Accelerator (FGCU) contract and invoices submitted through March 31, 2021, our office noted that:

- FGCU staff represented that the Program Coordinator was spending 70% of her time at the Naples Accelerator, yet the County was being billed for 100% of her burdened salary.
- We did not have offer letters, timesheets or paystubs to substantiate the salaries and timeframes being billed.
- We did not have attendance details or sign-in sheets for the required workshops.
- We did not have the second quarterly report for October – December 2020, which was due January 30, 2021.
- Although FGCU submitted a quarterly report as a year-end review of FY 2020, they did not provide the goals and outline of the annual budget and strategy in their required annual business plan for the upcoming fiscal year (2021).
- The annual business plan, due October 31, 2020, was to be presented to the BCC at its next available meeting following submittal. This had not been done nor scheduled.
- The County Manager indicated he would address the Woodstock's empty and locked space, for which the County was paying monthly rent. We needed to know who had access to Woodstock's, and the public purpose of maintaining this closed storefront (approx. \$400/mo).
- Four FGCU Runway Program Alumni had been given free office space, and one Alumnus had a free virtual space. The Alumni with office space all chose to cancel their memberships due to not needing the space.

According to Section 8 (page #3) of the contract, FGCU Runway Program Alumni will not be charged rent at the Accelerator for six (6) months while they continue to operate their business in Collier County. If a tenant does not launch a business, they are not obligated to repay the six (6) months' rent. If a tenant launches a business but does not operate the business in Collier, they will have to repay the six months' rent.

We reviewed the leases for the Alumni, and we found that they could become obligated to repay up to \$15,150.00. We needed to understand how these potential Alumni reimbursements were being tracked.

Recommendations & Actions: At our meeting on April 14, 2021:

- We were provided with FGCU's activity report through March 31, 2021.
- We were also told of the termination of the lease for the office space for the Naples Accelerator and Woodstock's effective May 11, 2021.
- BCC staff advised that they would be presenting a proposal (BCC agenda on June 22, 2021) to terminate the agreement with FGCU for the Naples Accelerator Cohort Training Program, primarily due to the issues encountered with the unforeseen COVID environment.

Conclusion: The BCC terminated the contract effective September 30, 2021. Since there would be no public benefit of the outstanding deliverables required under the contract, such as the budget and performance metrics, we interpreted the BCC's termination of the contract as an implicit waiver of these outstanding items.

Total # Transactions	Amounts Audited or Reviewed	Questioned Costs	Taxpayer Savings	Observations / Recommendations
11	\$ 240, 721.46	\$ 114,450.66	\$ 727.20	8