



Inspector General Insights

Background: In accordance with Florida Statute Section 125.045, the Board of County Commissioners (BCC) created the Basic Industry Growth Promotion Incentive (BIGPI) Program on September 24, 2013, with revisions on January 13, 2015. The objective of the BIGPI program was to advance the County's economy by encouraging near-term job growth opportunities for expansions, and by recruiting new target industry companies that might not qualify for the State of Florida's incentive program for Qualified Target Industries (QTI) program. Collier County provides an incentive per job creation if the project creates at least 5 new jobs within 12 months of the BCC application approval in a Targeted Industry with wages meeting or exceeding the Collier County average of the applicant's specific 2 digit North American Industry Classification System (NAICS) industry code.

Program Requirements

1. The facility must operate as a Targeted Business as defined by the State of Florida's Qualified Target Industry List

2. The applicant must be a for-profit business operating within Collier County

3. The applicant must create at least 5 new jobs within 12 months of the BCC application approval

4. The jobs created must meet or exceed the Collier County average wages of the applicant's specific NAICS code

5. The employer must offer full healthcare benefits to the employees

On November 12th, 2019, the BCC entered into an agreement with Summit Orthopedic Technologies Inc. (Summit) for the Basic Industry Growth Promotion Incentive (BIGPI) Program.

Summit Orthopedic Technologies Job Creation Requirements

	Year 1	Year 2	Year 3	Year 4
Number of New FTEs	20	20	20	20
Number of FTEs Maintained		20 or # of FTEs validated in Year 1	40 or # of FTEs validated in Year 1-2	60 or # of FTEs validated in Year 1-3
Total of FTEs	20	40	60	80

Objective: The purpose of this audit was to ensure that Summit had complied with all requirements contained in their program agreement.

Scope: The Office of Inspector General (OIG) received a request to review payment for the first installment of the Basic Industry Growth Promotion Incentive (BIGPI) Program agreement with Summit for Fiscal Year 2021.

Observations: The OIG observed that Summit did not provide full healthcare benefits to employees until January 2022 (Program Requirement #5). Additionally, we noted discrepancies between the wage detail of the 25 employees in Year 1 of Summit's operation in Collier County, and the wages reported on the Florida Department of Economic Opportunity Form RT-6:

1. Two employees were not reported for all four quarters, meaning they would not qualify for the full-time employee incentive.
2. Four employees had a discrepancy between the annual wages on the employee list, and the wages reported on FDOR RT-6.
3. Twenty-three employees' wages were reported more than once in the same quarter of the FDOR RT-6, including 11 employees on the request list for reimbursement.

Recommendations & Actions:

1. The OIG recommended not to proceed with the annual payment for FY 2021 because Summit failed to provide full healthcare benefits to the employees for that fiscal year.
2. We provided a list of employees with wage discrepancies to Summit for their review, to make any corrections to Form RT-6 that they deem necessary.

Conclusion: Overall, based on the results of our review, Summit did not comply with contractual program term #5, as they did not provide employee benefits in FY 2021. Accordingly, we did not recommend to proceed with the pending annual payment for FY 2021 in the amount of \$37,500.00.

Total # Transactions	Amounts Audited or Reviewed	Questioned Costs	Taxpayer Savings	Findings / Recommendations
29	\$ 37,500.00	\$ 37,500.00	\$ 37,500.00	2