



Internal Audit Department

Audit Report 2014-14

Job Creation Investment Program:

Florida Specialties, LLC

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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 2014-14 to the Impact Fee Manager for management response on October 13, 2014. The Impact Fee Manager provided the management response on October 22, 2014.

Summary

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

- We reviewed payroll records for Florida Specialties. We recorded names, job titles, and employment dates for all employees in created jobs. We averaged wages for all jobs created, and compared that average to the minimum requirements of the Ordinance. We found no exceptions to the minimum average wage requirements.
- We conducted a site visit to vouch payroll record data to the personnel records of four new employees filling created jobs. We validated personnel data for the other 19 employees in created jobs previously. The verified data consisted of employees' names, job titles, employment dates and lawful US residency. Our procedures revealed no exceptions. These tests validated 22 jobs created in three phases at Florida Specialties, LLC.

Objective

The objective of the engagement was to determine whether Florida Specialties, LLC, 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 section 125.045, Florida Statutes;
- Reviewing Collier County Ordinances 2003-60, 2006-36, and 2008-46;
- Visiting Florida Specialties and interviewing management;
- Examining payroll and personnel records of Florida Specialties;
- Scheduling data from payroll records for all employees holding jobs claimed as created; and
- Tracing payroll data, such as names, job titles, hire dates, and lawful US residency, to the personnel records.

Internal Audit tested 100% of applicable payroll and personnel records for Florida Specialties, LLC.

Background

Internal Audit and the Impact Fee & Economic Development Office validated 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. This ordinance provides general revenue funding to local businesses for the creation of jobs that meet the specified criteria. Those criteria, which vary by geographic location within the county, include a minimum number of new jobs at or exceeding specific wage levels that must be created by the participating business entity, in this case Florida Specialties, LLC.

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. For this location, the general fund pays \$3,000 for each job created to qualifying businesses over a three year period.

Management Response

“This report details the third consecutive year of monitoring with this company. The annual verification process is a cooperative effort between staff of the Board of County Commissioners and the Clerk’s Internal Audit Department which is performed with effectiveness and efficiency. As always, staff appreciates the opportunity to work with the staff of the Internal Audit Department, as they bring forward a needed attention to detail combined with a proficient and helpful attitude for completing the required tasks.”

Conclusion

Due to Florida Specialties’ compliance with the requirements of the Job Creation Investment Program Ordinances, there are no adverse observations to report.