

THE MIAMI-DADE BEACON COUNCIL, INC.

AGREED UPON PROCEDURES REPORT

SEPTEMBER 30, 2014



INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

To the Board of Directors
 The Miami-Dade Beacon Council, Inc.
 80 Southwest Eight Street, Suite 2400
 Miami, FL 33130

RE: Economic Development - Management & Performance Measures Tracking Systems

We have performed the procedures enumerated below, which were agreed to by The Miami-Dade Beacon Council, Inc. (the "Council"), solely to attest to the projects for which the Council has provided assistance during the fiscal year ended September 30, 2014. The compliance tests were only performed on completed projects during 2013-2014. Overall, the projects selected for testing provided 50% coverage in relation to all of the completed projects listed for the fiscal year end indicated above. Companies evaluated were both international and domestic and they included new location, as well as retention and/or expansion projects that were completed during 2013-2014. In addition, we reviewed the project management system utilized to monitor these projects.

This agreed-upon procedures engagement was performed in accordance with attest standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the specified users of the report. Consequently, we make no representation regarding the sufficiency of the procedures described below, either for the purpose for which this report has been requested or for any other purpose.

Procedures:

The following procedures were applied to selected projects for FYE 2013-2014, as detailed below:

<u>Company Name</u>	<u>Category</u>
DLA	Domestic (Expansion)
COWs – Container on Wheels	Domestic (Expansion)
PricewaterhouseCoopers LLP	Domestic (Expansion)
Creative Terrazzo Systems, Inc.	Domestic (Expansion)
Shiver Entertainment, Inc.	Domestic (Expansion)
LAN Cargo	Domestic (Expansion)
YellowPepper Mobile Financial Solutions	Domestic (Expansion)
4Over, Inc.	Domestic (Expansion)
GS Inima USA	Domestic (Expansion)
Imex Paper	Domestic (Expansion)
Medison Econet	Domestic (Expansion)
Ryder System Inc.	Domestic (Expansion)
Skyrise Miami, LLC	Domestic (New)
Larkin Health Sciences Campus	Domestic (New)
Accor	Domestic (New)
Amazon.com	Domestic (New)
Sweepy Group Products, LLC	Domestic (New)
The Fragrance Company D/B/A Equivalenza USA	International (New)
Ontier	International (New)
GenPower Electrics, LLC	International (New)
Feel Good Healthy Food	International (New)
EMD Millipore, Corp.	International (New)
Terberg Tractors America, Inc.	International (New)

1. We agreed the information provided in the summary report (i.e. the total number of direct/indirect jobs created, the amount of new capital investment, and the new square footage occupied), correlated to the "Project Assistance Confirmation Form" and verified that these forms were signed by an authorized individual and dated appropriately.
2. We mailed confirmations to the companies selected for testing.
3. We reviewed each individual project file for supporting documentation regarding the extent of assistance indicated, whether it related to state and local incentives, site selection, labor recruitment, employee relocation, business contacts and referrals, research and marketing assistance, permits or procurement of financing.
4. We examined each file for information documenting that the appropriate review, monitoring and follow up procedures were performed.
5. We reviewed the process of how projects are allocated among various members of the economic development team and how projects are referred to the Council.
6. We verified that projects designated as Enterprise/Empowerment Zone (i.e., economically distressed areas in Florida eligible for certain corporate and/or sales tax incentives) are indeed located in the Enterprise Zone.
7. We reviewed the management and performance measures tracking systems binder to assess the effectiveness of the system in place.

Findings:

We verified the validity of the information provided in the annual summary report for the 2014 fiscal year. Note that this information may have changed subsequent to the 2014 fiscal year. The information relating to job creation, capital investment and new square footage as stated for each project was traced to the Project Assistance Confirmation Form.

We verified that the forms were signed by the appropriate personnel (i.e., the president or vice president of the company, the real estate project manager, the managing director or sales director). Additionally, we verified that the forms were signed once the projects were finalized and not prior to their completion. The information in the annual summary report for the 2014 fiscal year was confirmed by a number of the companies selected for testing.

As per review of the project files, we noted supporting documentation indicating the types of assistance provided by the Council. Among the documentation found are applications for the different incentive programs which include: Florida's quick action closing fund, the qualified target industry (QTI) tax refund program, the quick response training (QRT) program, economic development transportation program, sales/use tax exemption, targeted job incentive fund program (TJIF) and the enterprise zone (EZ) program. We verified that projects designated as enterprise zone were in fact part of the three areas comprising the zone. These areas include North Central Dade, South Dade and Miami Beach. Other documents indicating the type of assistance provided by the Council are permit requests, approval of leases or property purchases which relate to site selection and relocation assistance, grant requests, data research and listings of business references, including accountants and consultants. The Council's assistance in these projects was also evidenced by media coverage and press releases in different publications such as *The Miami Herald*, *Sun-Sentinel*, *Miami Today*, and *The Beacon Council Press Bulletin*.

We noted that projects are allocated depending on the origin of the projects which were either international or domestic. Domestic projects were headed by Steve Beatus, Executive Vice President, and international projects were headed by Mario Sacasa, Senior Vice President, for the 2014 fiscal year. Mr. Beatus' team for domestic projects included James Kohnstamm, Vice President, Jennifer Hernandez, Director, Lyndi Bowman, Director, and Sheri Colas-Gervais, Vice President. The international projects were headed by Mr. Sacasa, who reported to Mr. Beatus and the staff members involved with such projects were Pamela Fuentres, Vice President, and Kimberly Castro, Manager.

We reviewed the activity log for each project to verify that the staff members are following up on the projects as required based on the priority ranking assigned to the project. Based on the review, it appears that all staff members are monitoring the progress of these projects and that projects are appropriately assigned to the different members of the economic development team. Projects are referred to the Council through members of the Council, visitations, economic development missions, advertisement/publications and by Enterprise Florida.

The management and performance measures tracking systems used by the Council to account for projects and to meet the requirements of economic development reporting standards appear adequate. The most relevant areas of the system were evaluated. As per review of the tracking systems, the project management tracking system allows staff to prioritize projects. The annual results summaries allow the organization to measure performance based on the goals achieved and to compare the Council to other economic development organizations. Finally, the internal benchmarking process and learning survey has allowed staff members to evaluate themselves to determine their performance and achievement levels and to assess the areas where improvement is needed.

We were not engaged to, and did not perform an audit, the objective of which would be the expression of an opinion on the specified elements, accounts or items. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the use of the specified users listed above and should not be used by those who have not agreed to the procedures or taken responsibility for the sufficiency of the procedures for their purposes.

A handwritten signature in cursive script, reading "Morrison, Brown, Argiz & Farra".

Morrison, Brown, Argiz & Farra, LLC
April 2, 2015