



Columbus Consolidated Government

Georgia's First Consolidated Government

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AUDIT OF GRANTS

October 13, 2020

AUDIT AUTHORIZATION

An audit of Grants received by the Columbus Consolidated Government was requested by John Redmond on May 26, 2020 and approved unanimously by the nine members of City Council present at the meeting. Councilor Woodson was absent for the vote.

BACKGROUND/HISTORY

The City of Columbus has a long history of applying for and receiving grants from various state and federal agencies and private organizations. Typically, grant applications are prepared by city employees, following authorization from City Council to accept grant monies, if approved, before the application is made. These employees prepare the grant application while working at their jobs during normal working hours as part of their duties. Occasionally, Purchasing may advertise for free-lance grant writers to bid on writing a grant for the city. The selected bidder is then contracted to write a grant for which they will receive an agreed upon small portion of the grant proceeds as compensation for their work involvement. These persons are not city employees but are contracted to provide a service for the duration of the grant application period and award. The grant is then administered by the affected city department.

AUDIT SCOPE

With a goal to ensure that all employees are paid appropriately for their position titles and pay grades, various grants were reviewed to determine which, if any employees were being paid for the preparation of grant applications in addition to their approved compensation for their position pay grade. The City utilizes a Pay Plan developed by an outside consulting organization to establish pay grades and salary ranges for each position, based on the position description, which include job duties, education and/or skill requirements, certifications, or professional licenses required, physical requirements, working conditions, and whether or not supervisory responsibilities are part of the job. This plan was adopted by City Council and entrusts the City Manager, with the oversight of its administration.

City Charter, Section 2-18.7. Examination, evaluation, and approval of compensation of employees administering programs financed by state or federal government.

Each and every change in the pay rate of employees of the consolidated government, including employees serving elected officials, special projects, and grant-in-aid programs for the benefit of the general government which may be financed in whole or in part by the State of Georgia or the United States of America, shall be examined, evaluated, and approved by the city manager of Columbus, Georgia. This requirement shall be in addition to, rather than in lieu of, existing requirements for review and approval by the director of administration, personnel officer, department heads and other officials.

(Ord. No. 72-179, Paragraph 1, 9-152-72)

Editor's Note—Ord. No. 72-179, Paragraph 1, being non-amendatory of this Code, has been included herein as Paragraph 2-18-7 at the discretion of the editors.

AUDIT FINDINGS

During of our audit, with the assistance of the Grant Accountant in the Accounting Division of the Finance Department, we reviewed each of the grants that are currently active. We denoted that portions of grants in several Courts were being

used to compensate regular employees for writing the grants, or to supplement their approved compensation for their positions.

WE denoted grants in the Juvenile Drug Court Discretionary and the Family Drug Court Discretionary, with payments per pay period in the amounts of \$500.00 and \$461.54 being paid to Samantha Cannon, in addition to her approved compensation of \$1,863.01. This represents discretionary payments of \$961.54 or 51.61% of her base pay, per pay period.

We also denoted grants in the Adult Drug Court HHS SAMSHA, and the First Responder Nalozone HHS SAMSHA, with payments per pay period of \$1,167.10 and \$1028.84 being paid to Danya Solomon, in addition to her approved compensation of \$1,223.25. This represents discretionary payment amounts of \$2,195.94, or 179.52% of her base pay, per pay period.

We also noted several supplements to base pay of other employees in these court and in advocate/investigator roles of lesser amounts.

No evidence was found of the City Manager neither examining, evaluating, nor approving, any of these discretionary payment amounts.

These payments may be for services performed outside of their normal working hours, but they were paid through supplemental payroll to these employees. Likewise, the City has numerous employees, supervisors and Department Heads that write grant applications for which they are not additionally compensated. Such payments also may increase the City's cost for payroll taxes and other benefit costs that are based on payroll dollars.

AUDIT RECOMMENDATIONS

1. It is recommended that the City Manager perform the examination, evaluation, and approval processes for the compensation issues affected by those grants.
2. That the City Manager direct or take whatever remedial and forward action as necessary, consistent with his determination and decision on said grants.

3. Establish and install internal controls necessary to alert the City Manager of any discretionary compensation that could lead to unfair or discriminatory compensation.
4. City Council should adopt and support the City Manager with this corrective action.
5. Should the City choose to utilize the services of free-lance grant writers in the future, such services should be placed for bids by the Purchasing Division of the Finance Department. All payments should be made to a party possessing a valid Georgia Business License and paid through accounts payable as Non-Employee Compensation and report on a Form 1099-Miscellaneous or such form that may be in use at that time.

AUDITEE RESPONSE

1. All grants positions will be classified on the City's Pay Plan.
2. Grants positions are not eligible to receive additional grant supplements.
3. Funding for grants positions may be 100% grants funded or a combination of grant fund and General Fund monies.
4. Grant positions identified for reclassification will be sent to CSU for review and recommendation.
Custody Investigator G16 – G20
Victim Advocate Investigator G16 – G18
5. Other General Government position identified for reclassification will be sent to CSU for review and recommendation
Grant Compliance Accountant G-19 to G-20
6. Recommended salary adjustments will be made pending City Council approval.

QUESTIONS?

John D. Redmond

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Internal Auditor & Compliance Officer

10/13/2020

Date