



Administrative Services Committee Meeting

Meeting Date: July 7, 2026

HCD_ 2025 Accounting Engagement Addendum Approval Request

Department: HCD

Presenter: Charles Jackson, HCD Interim Director

Caption: Motion to approve Housing and Community Development's (HCD) addendum to the existing engagement agreement with Cherry Bekaert to provide onsite supplemental services in support of the Fiscal Year 2025 Reconciliation Engagement. *The requested amount is not to exceed \$50,000.*

Background: Augusta Housing and Community Development (HCD) has engaged Cherry Bekaert, a nationally recognized certified public accounting firm, to provide Fiscal Year 2025 reconciliation services, including bank account reconciliations, Schedule of Expenditures of Federal Awards (SEFA) preparation, and general ledger reconciliations (revenue, expense, and balance sheet accounts).

Cherry Bekaert's current engagement requires extensive support from HCD Finance staff, including document retrieval, research, financial analysis, journal entry preparation, and other reconciliation activities. Due to staff turnover, HCD Finance does not currently have the internal capacity to provide the level of support necessary to complete the engagement within the required timeframe.

The current Finance team consists of an Interim Fiscal Officer and administrative support staff who are responsible for managing daily grant fiscal operations, reimbursements, financial reporting, regulatory compliance, and other emerging priorities. In addition, the Interim Fiscal Officer is leading the implementation of new financial processes and internal controls, FY2027 budget development, and the resolution of outstanding financial issues from prior periods. Accordingly, HCD is requesting supplemental onsite support to address the current staffing gap within the Finance Division and ensure the timely completion of the Fiscal Year 2025 reconciliation activities.

Analysis: Approval of this request will enable HCD Finance to maintain daily operations, continue strengthening the department's fiscal management practices, and leverage Cherry Bekaert's existing knowledge of HCD's financial records to minimize operational, financial, and compliance risks associated with current staffing shortages.

Financial Impact: This investment will support operational continuity, strengthen financial management, and *reduce the risk of audit findings, compliance issues, delayed financial reporting*, and delayed grant reimbursements resulting from current staffing shortages.

Alternatives: Do not approve the requested addendum, requiring HCD Finance to absorb the additional workload with existing staff, increasing the risk of project delays, audit findings, compliance issues, and disruptions to daily operations.

Recommendation: Motion to approve HCD's addendum to the existing Cherry Bekaert engagement agreement to provide onsite supplemental services that will keep the Fiscal Year 2025 reconciliation engagement on schedule and avoid downstream delays. Based on Cherry Bekaert's familiarity with HCD's financial records and prior work performed, the firm can efficiently retrieve supporting documentation and complete the required reconciliation activities with minimal assistance from HCD Finance staff, allowing the department to maintain uninterrupted daily operations while advancing key financial management initiatives.

Funds are available in the following accounts: The cost of this engagement will initially be charged to 221-07-3110 / 52-12119 – Miscellaneous Professional Services and subsequently allocated to the CDBG Grant Administration Fund as part of the monthly fiscal close process.

REVIEWED AND
APPROVED BY:

Procurement
Finance
Law
Administrator
Clerk of Commission



March 12, 2026

VIA EMAIL:

cmjackson@augustaga.gov

Charles Jackson
510 Fenwick Street
Augusta, Georgia 30901

Dear Mr. Jackson,

This Fourth Addendum to our original Engagement Letter dated August 1, 2022 ("Original Engagement Letter" between Cherry Bekaert Advisory LLC ("Cherry Bekaert", the "Firm", "we", "us") to provide advisory services to the Housing and Community Development Department of Augusta, Georgia (hereafter referred to as the "HCD", "you", "your", or "management") sets forth the nature and scope of the services we will provide in addition to the services set forth in our Original Engagement Letter, the fees we will charge for such additional services, as well as the terms of agreement. Such services will be subject to the same terms and conditions as set forth in our Original Engagement Letter.

SUMMARY OF SERVICES

We will provide technical accounting and GASB consulting services on complex accounting and financial reporting matters related to the 2025 fiscal year. Our services may include assistance with monthly bank reconciliations, and annual SEFA reconciliation, and other accounting advisory services requested by HCD, if any.

PROFESSIONAL FEE ESTIMATES

The services in this arrangement letter are intended to be performed on a time and materials basis. Estimated level of effort and related fees will not exceed an additional \$150,000 without HCD's written approval. We will work closely with you to make this engagement cost effective. If significant additional time is necessary, we will discuss it with you and arrive at a new fee estimate before we incur the additional costs.

Our hourly rates for these consulting services are related in the following table:

Experience Level	Rates
Partner/Principal	\$325
Managing Director/Director	\$295
Senior Manager	\$275
Manager	\$235
Senior Associate	\$195
Associate	\$175

OTHER MATTERS

The terms of this agreement expire December 31, 2026.

This Addendum, together with our Original Engagement Letter sets forth the entire understanding between HCD and Cherry Bekaert regarding the additional services described herein and supersedes any previous proposals, correspondence, and understandings, whether written or oral.

If the foregoing is in accordance with your understanding, please sign a copy of this Addendum in the space provided and return it to us in paper form or by electronic transmission. The parties agree that this Addendum may be electronically signed and that the electronic signatures will be deemed to have the same force and effect as handwritten signatures. The terms, fees, and conditions listed herein will expire 60 days from the date of this Addendum if unsigned, unless Cherry Bekaert, at its sole discretion, expressly agrees to waive the provisions of this paragraph. Please maintain a copy of this Addendum for your files.

We want to express our appreciation for this opportunity to be of service to you. If you have any questions or concerns regarding this Addendum, please do not hesitate to contact us.

Sincerely,

Cherry Bekaert Advisory LLC

Cherry Bekaert Advisory LLC

ACCEPTED BY:

Garnett L. Johnson

Printed Name

Mayor

Title / Entity

SON
[Signature]

Signature

3/31/2026

Date



FY 2025 Advisory Services Quote for additional on-site fieldwork

Augusta-Richmond County Housing and Community Development

Tasks	Hours	Fees
Fiscal Year 2025 Bank Reconciliations		
January 2025 – December 2025 Bank Statement Reconciliation: Research and resolution of unreconciled variances, including identifying records on-site	45	\$9,000
Total – Fiscal Year 2025 Bank Reconciliations	45	\$9,000
Fiscal Year 2025 Accounts Payable Reconciliations		
Accounts Payable: On-site retrieval of source documentation from HCD's records to support testing of selected payable transactions	50	\$10,000
Total – Fiscal Year 2025 Accounts Payable Reconciliations	50	\$10,000
Fiscal Year 2025 Schedule of Federal Awards (SEFA) Reconciliations		
SEFA Reconciliation (CDBG, ESG, HOME, HOPWA, LEAD, NSP, ERAP, SHP, CoC): Research and resolution of unreconciled variances, including identifying records on-site	130	\$26,000
Total - Fiscal Year 2025 Schedule of Federal Awards (SEFA) Reconciliations	130	\$26,000
Travel Expenses		
Travel Expenses for additional week of on-site fieldwork in Augusta, GA		\$5,000
Total – Travel Expenses		\$5,000
TOTAL ADDITIONAL ADVISORY FEES	225	\$50,000

Lena Bonner

From: Charles Jackson
Sent: Monday, July 27, 2026 1:44 PM
To: Charles Jackson; Lena Bonner
Cc: Tameka Allen; Sonya Johnson; Mattie Sue Stevens; LaSandra Corley
Subject: HCD Agenda Item - Accounting Engagement Addendum Approval Request
Attachments: Cover2 - clean.pdf; Reference Only - Addendum Engagement Letter.pdf; HCD FY 25 Additional Assistance Quote - clean.pdf

Importance: High

Good Day Ms. Bonner -

As discussed, please find enclosed the documents needed for the agenda item. As you can see from the picture below, an assigned date was not entered on the agenda item. However the item was completed by the appropriate deadlines.

I am requesting that the item be added tomorrow, as it is critical to begin this work. This will expedite the process of allowing the city to complete the FY25 Audit. Thank you for taking my call.

HCD_ 2025 Accounting Engagement Addendum Approval Request
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Task name

Cordially,
Charles

Charles M. Jackson, MPA
Deputy Administrator
Augusta-Richmond County
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(706) 821-2504 Office
(706) 829-7472 Mobile
cmjackson@augustaga.gov

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