

Audit of Grants

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Audit Authorization

- *The audit was authorized by City Council on May 26, 2020

Background/History

- * City has a long history of applying for and receiving grants
- * City Council authorizes request and acceptance of grants before requests are made
- * Department applies for and administers grant

Background/History

- * Grant Accountant records and tracks receipts and disbursements of grant funds

Audit Scope

- * All active grants were reviewed
- * Grant purpose was identified
- * Applicant/Department was identified

Audit Scope

- * Use of grant funds were reviewed
- * Grant monies used for compensation were reviewed for compliance with City pay plan

Audit Findings

- * Noted that some grant funds were used to fund grant positions
- * Some grant funds were used to compensate the applicant employee
- * Some grant funds were used for operating expenses and implementation of grant program

Audit Findings

- * City Charter was reviewed for compensation approval
- * City Charter, Section 2-18-7 Places responsibility for examination, evaluation and approval of compensation with City Manager
- * Pay Plan was reviewed to determine compensation levels for affected employees

Audit Findings – Cont'd.

- * Findings revealed compensation anomalies that had not been presented to City Manager for examination, evaluation and approval

Audit Recommendations

- * City Manager perform the examination, evaluation and approval process for grant related compensation issues
- * City Manager direct or take remedial and forward action consistent with his determination and decision on said grants

Audit Recommendations Cont'd.

- * Establish and install internal controls necessary to alert City Manager of any discretionary compensation inconsistent with adopted pay plan
- * City Council should adopt and support City Manager with this corrective action

Auditee Response

- * All grant positions will be classified on the City's Pay Plan
- * Grant positions are not eligible to receive additional grant supplements

Auditee Response

- * Grant positions are not eligible to receive additional grant supplements
- * Grant positions identified for reclassification will be sent to CSU consultant for review and recommendation
- * Other general government position(s) identified for reclassification will be sent to CSU consultant for review and recommendation

Auditee Response

- * Recommended salary adjustments will be made pending City Council Approval

Questions

* Questions?