

HOUSING & COMMUNITY DEVELOPMENT

FY25 PERIODIC AUDIT



FY25 Periodic Departmental Mission, Operations, & Internal Controls Audit

Housing & Community Development Department

Report Number 2025P-71



The mission of the Operational Analysis Office is to provide quality internal audit services through independent and objective reviews and assessments of the activities, operations, financial systems, and internal accounting controls that support the Mayor and Commission's adopted goals and strategies; to make recommendations that will improve governance, risk management, control processes and value for money, all with the intent of enhancing the efficiency and effectiveness of government operations for the benefit of Athens-Clarke County.

In accordance with Sec. 1-3-1 (b)(1) of the Athens-Clarke County Code of Ordinances, the Internal Auditor shall:

“Conduct reviews and analysis of operational and fiscal procedures and organizational structure and responsibilities as affects the efficiency and effectiveness of departments, offices, boards, activities, and agencies of the Unified Government of Athens-Clarke County.”

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The Operational Analysis Office (OA) conducted this audit with voluntary guidance and reference from the US Government Accountability Office publication Government Auditing Standards, also commonly referred to as “generally accepted government accounting standards” (GAGAS), or “Yellow Book.” Acknowledgement of these standards indicates our continued efforts to incorporate applicable, professional practices that are realistic and adaptive to the unique expectations of ACCGov and the community at large. The Periodic Audit process developed by the Operational Analysis Office is not a forensic audit; however, OA staff uses framework from the Standards for Internal Control in the Federal Government, known as the “Green Book,” as guidance for internal control and financial review. Green Book compliance helps provide reasonable assurance that evidence discovered is sufficient and appropriate to support findings and recommendations.

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EXECUTIVE SUMMARY

The Operational Analysis Office is pleased to present the FY25 Periodic Departmental Mission, Operations and Internal Controls Audit for the Housing & Community Development Department (HCD). This report highlights the important services provided throughout the county by HCD, and how they approach such responsibility as an entity, in both its objectives and performance. Focus was primarily directed toward the assessment of applicable financial and operational processes to determine reliability, use of resources and adherence to regulations.

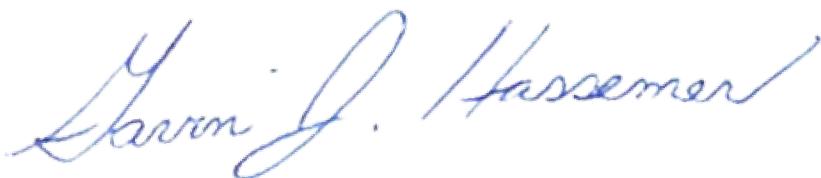
This audit is intended to serve as a resource for ACCGov and the community. The report signifies the role of Operational Analysis to guide efficiency and effectiveness throughout a complex governmental system. The main purpose and scope are outlined in greater detail within the document, along with the most significant findings discovered during the review. Lesser concerning items were presented and discussed with the department and county management during the audit, as appropriate, and may not have warranted inclusion in the report. All findings and recommendations, regardless of significance, have been brought to the attention of applicable staff and the Audit Committee prior to public release. The full list of formal findings, recommendations and responses, along with informal points of interest or concern can be found on pages 39-45.

It is the professional opinion of the Operational Analysis Office that the Housing & Community Development Department is in good standing, functioning at a satisfactory level. Although the department has experienced significant turnover in leadership over the years, a permanent director was recently named. Staffing levels have increased and employee retention remains stable. Services are being provided within budget while being guided by a wide range of applicable laws governing the distribution of federal, state and local funds. Minor concerns have been noted, while four findings were worthy of formal mention, along with recommendations to mitigate. Those issues included the following:

1. Timesheet accuracy and consistent reporting
2. Interdepartmental/interagency collaboration and coordination
3. Efficiency in annual subrecipient awards and technical assistance
4. Distinction of economic development functions

The recommendations outlined were made with the goal of worthy consideration and hopeful implementation for the betterment of ACCGov as a local government entity. Based on this audit and the analysis that was completed, the Operational Analysis Office plans to follow up on the findings and recommendations within one year's time to assess the status of adherence toward completion.

The Operational Analysis Office would like to offer and extend our sincere appreciation to the ACCGov Housing & Community Development Department for their assistance and cooperation throughout the audit process. Additionally, the Manager's Office has been responsive to any requests for information or clarification. Finally, gratitude is warranted for the support and direction provided by the Audit Committee in acknowledgement of their respective role.



Gavin J. Hassemer, Internal Auditor

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Overview

On August 6, 2024 the Mayor & Commission approved the FY25 Audit Workplan for the Operational Analysis Office. Among approved activities was a periodic audit of the Housing & Community Development Department (HCD). The purpose of periodic departmental audits is to conduct a basic review and analysis of established performance measures and sound financial management strategies to deliver exceptional service, while also ensuring compliance through internal controls.

It is the intent of the Internal Auditor, at the request of the Audit Committee, to assure every department of ACCGov be reviewed by such a periodic audit regularly, on an established rotation. Considering this approach for the Operational Analysis Office, it is necessary for the Audit Committee to use its discretion to recommend the proper timeline of these periodic audits. Among the factors considered in the decision were length of time since previous internal audit, community and organization impact, scheduling, and risk exposure.

While HCD has been previously audited by the Operational Analysis Office and is also regularly audited by the federal government, impact from the COVID-19 outbreak, turnover in leadership, as well as the overall increase in department size during the past five years made the department a point of interest.

Furthermore, the broad scope of work done by the department in association with significant grant awards, including ARPA funds, influenced its inclusion during the FY25 Periodic Audit cycle. The audit scope comprised three primary sections of review and analysis:

Financial Review & Analysis

Items evaluated regarding appropriate internal controls and oversight included fiscal year budget and spending as well as budget oversight and permissions. Additionally, the handling of purchasing, travel, contracts, receipt of goods and accounting of assets was subject to examination. Timesheet entry and payroll processing were also included as part of financial review and analysis.

Performance Review & Analysis

The review of service delivery was based on the mission statement and objectives of the department and included benchmark testing against self-stated performance measures, review of standard operating procedures and analysis of staffing and succession planning.

Compliance Review & Analysis

All applicable items of compliance were subject to review including adherence to charter and ordinances, proper professional credentials, analyses by third-party audits and reviews, alignment with organizational strategic plan and initiatives, as well as overall adherence to existing policies/procedures/practices.

With respect to the tailored nature of this unique approach, staff sought to apply applicable aspects of the COSO or Green Book model of Internal Controls to the departmental functions being audited in general. Finally, any other pertinent observations or points of interest made by the Internal Auditor that may warrant future examination (inefficiency, ineffectiveness, customer dissatisfaction, staff vacancies, missing records, misspending, fraud, abuse, negligence, etc.) were noted, as appropriate.

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Process

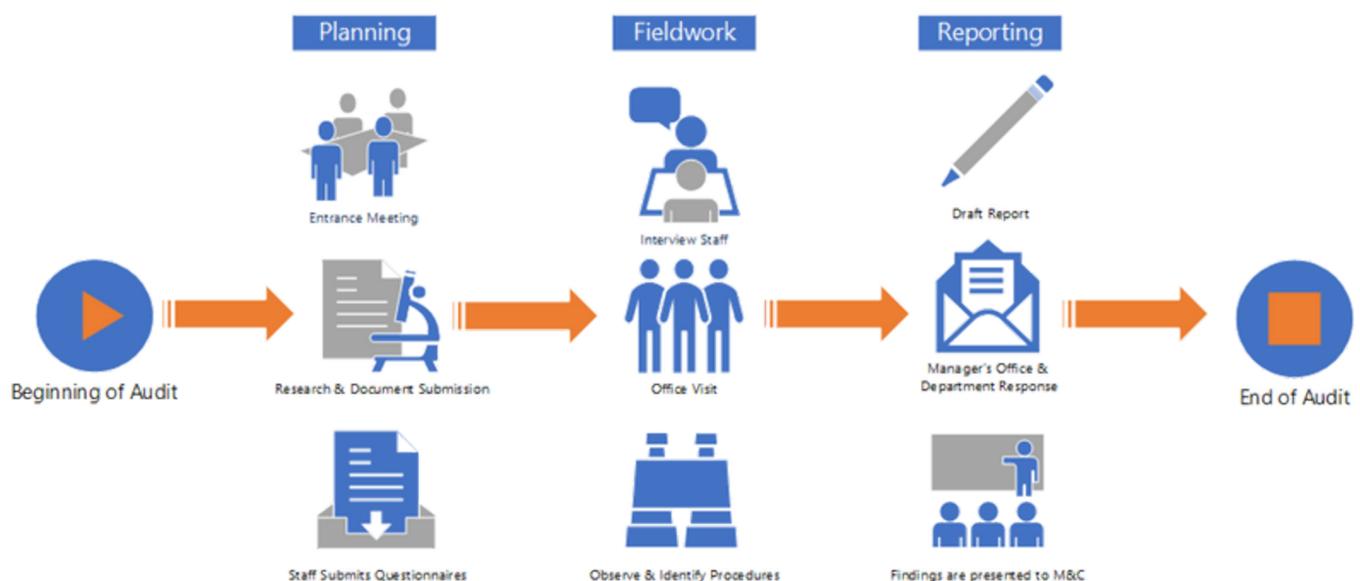
The process for internal Periodic Audits involves planning, fieldwork and reporting.

During the planning phase all involved parties are notified and an initial entrance meeting is held to establish the audit timeline, as well as discuss the scope and audit objectives. During this phase information is gathered through research, questionnaires and documents submitted by the department being audited. Dates for field visits and in-person interviews are agreed upon.

The fieldwork phase of the audit generally includes on-sight visits so that OA staff can observe department operations, interview staff, perform analyses, identify anomalies and write recommendations for improvement. At the conclusion of the fieldwork phase an exit interview is scheduled to review the audit findings with the department director. It should be noted that while the Housing & Community Development Department allows for their staff to have a remote work schedule, OA staff was able to complete all necessary office visits, meetings and other necessary components of fieldwork without any issue.

The final phase of the audit is reporting. OA staff prepares a draft report, to which the subject department director submits a written response and corrective action plan. These documents are combined, along with a management response, into a final report which is presented to the Mayor & Commission for approval.

Figure 1



Methodology

It is the intent of the Internal Auditor to perform constructive audits and present reports which are clear and concise. This report highlights factual information, both positive and negative, so that those with responsibility have the opportunity to respond and build off the suggestions provided. The findings of the Periodic Audit are presented so as to be easily understood by those outside ACCGov in a manner that is relatable, but sound in logic. The layout has been designed in a direct and deliberate style to facilitate usability for all interested parties.

In order to assure and maintain objectivity, independence, integrity and professionalism, OA uses generally accepted government auditing standards to gather and analyze data. Information used for this report was attained

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directly from HCD and other ACCGov entities, along with publicly available documents and information. Information from sources outside of ACCGov are cited where applicable.

Quantitative analysis has included a review of ratios and trends among data in order to isolate unusual circumstances. Qualitative analysis has been judged to be valid when it is logically comprehensive, complete, professional, and significant to the reported findings.

Specific activities of research and analysis included:

- Research of federal, state and local laws and regulation governing the operation of HCD
- Gathering of information specific to HCD and its partnership entities through research of digital and printed sources
- Analysis of documentation requested from the department and subsequently submitted by department director and staff
- Data and information gathered from written surveys prepared by OA staff and submitted by each employee of the department
- Oral interviews of staff members
- Information gathered through interviews with staff from related ACCGov departments
- Test of internal controls against standards set by federal, state and county entities, as well as best professional practices
- Observation of office operation by shadowing staff during normal operations
- Observation of meetings facilitated by department staff, or meetings in which HCD staff participated
- Research and analysis of comparisons between ACC HCD and similar departments across the state and country
- Surveying 15 of HCD's subrecipients

While methodology and scope are designed to be consistent among ACCGov departments, the diversity of operations across the organization calls for certain aspects of the audit work to be tailored to each department. For HCD, a standardized Periodic Audit Document Request list was used, and all requested documents were submitted by the department in a timely manner.

A standard Periodic Audit questionnaire was provided to each staff member, to which a 100% response rate was received. Fieldwork comprised 88.25 hours over 18 days. Email and phone calls were used to follow up regarding scheduling, office visits, and quick clarification questions. Confirmation of assets, records, statements and documents was made by cross-reference with other ACCGov departments.

Background

The Housing & Community Development Department (HCD) was initially developed as the Housing and Economic Development Department (HED) during the unification process of the City of Athens and Clarke County, Georgia.

The charter mandates in section 9-103(3)(b), "Within four (4) years of the effective date of this Charter the unified government shall adopt a service delivery plan that includes... An administrative mechanism with appropriate status and adequate budget to develop and implement a comprehensive program of human and economic development. The program shall be responsible for identifying problems and needs that exist in the community and for identifying and securing resources needed to effectively address these problems and needs. The program

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shall encourage efforts to enable, empower and involve the disadvantaged; address the causes of crime; work to enhance the quality of life of all citizens; and to help ensure that the unified government will be responsive to the needs of all citizens..." The Department of Housing and Economic Development began operation in 1991 (FY1992), with one position funded from the General Fund, and four grant-funded positions.

Overview Commission Reports

To provide historical context for this Periodic Audit report, ACCGov Overview Commission reports are used as references. Section 8-116 of the Athens-Clarke County Charter calls for an overview commission to be appointed by the grand jury every ten years (originally every five years) "to provide a more efficient and responsive government." The Overview Commission is charged with making written recommendation to be presented to the Mayor & Commission, and made available to the public. Four such reports have been presented thus far: 1996, 1999, 2010 and 2020.

1996 Overview Commission Report

At the time of the 1996 Overview Commission (OC) Review, HED staff had grown to five positions paid out of the General Fund and eleven federal and state grant-funded positions. The department comprised four divisions: Human Services, Housing, Economic Development and Physical Projects. The OC listed concerns regarding the department as: the interim status of the director for over 18 months; the lack of general fund support with most of the department's funding coming from state and federal grants; the department was not serving as a meaningful partner in economic development; no comprehensive program for economic development had been adopted.

Conclusions and Recommendations included the following: Hiring a permanent director; providing human and economic development independent of federal funding; ensuring subrecipient agencies provide services--especially employment, appointment and procurement--for traditionally disadvantaged groups; and providing information about the department, its accomplishments and opportunities for assistance or grants through appropriate communication channels. The Unified government provided an extensive, six-page response to these recommendations in March of 1997. The response notes an intent to appoint a new director "by the end of 1996 but no later than the first quarter of 1997" to replace the interim, who had been serving for 30 months.

1999 Overview Commission Report

The 1999 OC presented its report in January of 2000 focusing on four areas of the Unified Government: Charter/Executive Branch Review, Government Service, Human and Economic Development, and Financial Analysis. The summary of the major findings of HED were as follows: "The Overview Commission recognizes that there is a gap between the community's expectations resulting from unification and what has been accomplished to date. The Overview Commission stressed the importance of a permanent director and governmental support for the mission of the department. The Overview Commission offers suggestions regarding the constructive use of federal funding to address community issues, such as the need for a more skilled work force." (p.ii)

Twelve Findings and Recommendations were made regarding HED, the first of which is, "...the Overview Commission recommends that the department evaluate itself based on its implementation of the federally mandated definition of economic development. The second recommendation states, "The Overview Commission believes it is imperative that the Manager fulfill his obligation to hire a permanent, full-time, experienced director..."

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The remaining recommendations include descriptive language, recommending that HED “be involved in”, “play a strong and significant role in”, “take steps to” or “assist” with matters including economic development, Community Oriented Policing (COP), housing, minority representation within the department, creating and coordinating youth programs, demolition or repair of abandoned dwellings, application support, crime, and drawing attention to underdeveloped areas of the county, among others.

In April of 2000 the Overview Commission Response Committee comprised of five county commissioners issued its response including responses to individual recommendations for HED. A noteworthy item in the response included:

“During the FY96-97 CDBG & HOME funding process, a plan was developed to incrementally decrease the level of CDBG funding to public services over the next 3 years. This action encourages agencies to seek other sources of funding and lessen dependency on federal funds.”

Also, the response contained references to heightened communication, both regarding citizen input and notifying the public of the department’s of accomplishments.

2010 Overview Commission Report

The 2010 Overview Commission examined each of the government departments and offices, and offered recommendations for each when warranted. Ten recommendations were made for the HED Department. Two of these recommendations involved the Revolving Loan Fund, originally capitalized by the Georgia Department of Community Affairs, and later CDBG Funds. (As of this report, the Revolving Loan Program is still housed within HCD, but is not currently funded.) Two of the recommendations involved clarifying and solidifying the relationship between HED and the non-profit Economic Development Foundation (EDF), which ceased its operations in 2013 when ACCGov established its own, in-house Economic Development Department. Other recommendations included requiring recipient agencies to track and assess the success of individuals receiving services, making the work of the Vision Committee more transparent, expanding eligibility for some CDBG funding, and maintaining an ongoing relationship with entrepreneurs who attend HED workshops.

2020 Overview Commission Report

The 2020 Overview Commission compiled department updates from the recommendations made by the 2010 OC. By the time of the 2020 report, the Human and Economic Development Department (HED) had been reorganized under the name Housing & Community Development (HCD). Updates on seven of the ten recommendations are listed in the report, with four of those listed as complete.

Regarding the Revolving Loan Fund recommendation, the status was listed as “No Action Taken.” In the department update, it was noted that the ACC Economic Development Foundation had closed in 2013, and that

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the newly formed Economic Development Department had requested to use the CDBG funds in this account. The carry-forward balance was reported to be approximately \$126K.

Three recommendations were moved to another section of the report, with the following explanation: “The 2020 Overview Commission placed the following recommendations under other offices/departments. However, in 2011 the Manager deemed that they are more appropriate for M&C consideration.”

One of these recommendations was to place the HED director or designee on the Board of Directors of the Economic Development Foundation. However, the EDF had ceased functioning at this time, and there was no response to this recommendation. The remaining two recommendations were marked with a “Completed” status:

- Include more diversity of membership on the Revolving Loan Committee, and include at least one former successful recipient of a loan from the Growth Fund
- Clarify the division of responsibilities between HED and the Economic Development Department

2020 to Present

The State of Georgia Executive Order for the COVID-19 State of Emergency was in effect from March 14, 2020 through June 30, 2021, resulting in the disruption of the normal work patterns for local and state governments. Those entities, as well as federal government operations, were impacted by the US Dept. of Health and Human Services Public Health Emergency status, which ended in May of 2023. As a result of the negative economic impact to businesses and individuals, the Federal Government passed the Coronavirus Aid, Relief and Economic Security (CARES) Act and issued funds to local governments to offset losses. ACCGov received \$6.6M in phase one of CARES distributions. The American Rescue Plan Act (ARPA) of 2021 also provided funding to Athens-Clarke County to respond to the pandemic and its economic effects. The county received \$57.6 million in ARPA funds (received in two equal payments during FY21 and FY22), which were allocated to programs such as affordable housing, business development and workforce support.



Approximately \$31M of ARPA funds were placed under the administration of HCD, accounting for over 80% of the funds administered by the department. The addition of ARPA funds also increased the number of contracts over 68%, bringing the total number of contracts administered by HCD to 69. Staffing for the department has increased from 11 to 17 fulltime employees between FY21 and FY25. There are also two staff members who work in different departments (Budgeting & Strategic Analysis; People & Belonging) whose salaries are funded through ARPA and who perform grant specialist functions for the administration of ARPA funds.

The department was restructured in FY23 to provide for the addition of the Compliance Division. Furthermore, in FY25, the leadership structure was changed so that the community impact and compliance administrators report to the assistant director, and the affordable housing and community development administrators report to the director. Previously, all administrators reported to the assistant director, who in turn reported to the director.

Figure 2

OVERVIEW

On the ACCGov website, HCD describes its mission and goals as follows:

“The Housing & Community Development (HCD) Department provides funding for the creation and rehabilitation of affordable housing, foster and coordinate services for disadvantaged populations, and promote economic mobility among residents of Athens-Clarke County.

The goals of the HCD are to:

- Provide accurate information, comprehensive research, and timely advice to the public, management, and staff in support of housing, economic development, and community development designed to foster positive community outcomes.
- Increase affordable housing activity and production in Athens-Clarke County through an ongoing and continuously updated strategic planning process that will result in greater funding opportunities, better community awareness of all housing programs / services available and stronger public / private partnerships.
- Partner with ACCGov departments and housing program providers to reduce slum and blight in neighborhoods through the demolition of dilapidated structures.
- Help low- to moderate-income residents and the chronically unemployed overcome barriers to full-time regular employment. Encourage the growth and establishment of the local small- to medium-sized businesses in order to encourage job creation. Improve the public health and welfare of Athens-Clarke County residents. Partner with social service and shelter providers to reduce homelessness in Athens-Clarke County. Encourage citizen participation in decision-making processes with particular emphasis on participation by person of low and moderate incomes.”

The mission and goals are pursued in concert with nine stated objectives, measured through performance outcomes, across three main categories:

- Creating and rehabilitating affordable housing (eight data indicators)
- Fosters and coordinates services for disadvantaged populations (eleven data indicators)
- Promotes economic mobility among residents of ACCGov (four data indicators)

When the department was established as the Housing and Economic Development Department (HED), its original purpose and mission were to prioritize existing problems, not necessarily identify them. As noted in the Background section above, the department has gone through changes, both in name and expectations since unification. In its current composition, HCD does not provide direct services, such as housing or homeless shelters, to the community. Although the department is significantly involved in various activities, it exists to aid in facilitation and coordination of resources amongst multiple partners. Most of the authority and responsibility awarded to HCD is by way of management and operational activities, as set forth in associated policy. One key distinction is by applicable ordinance, passed by ACC Commission in 2022:

Sec. 9-27-9. – Administration of the inclusionary housing program.

A...*The inclusionary housing program is to be administered by the Planning Department in conjunction with the Housing and Community Development Department...*

B...*The director [of HCD] shall be responsible for determining targeted rental and ownership affordability, resident qualifications, and monitoring the program...*

C...*The Housing and Community Development Department shall review the proposed inclusionary housing plan...*

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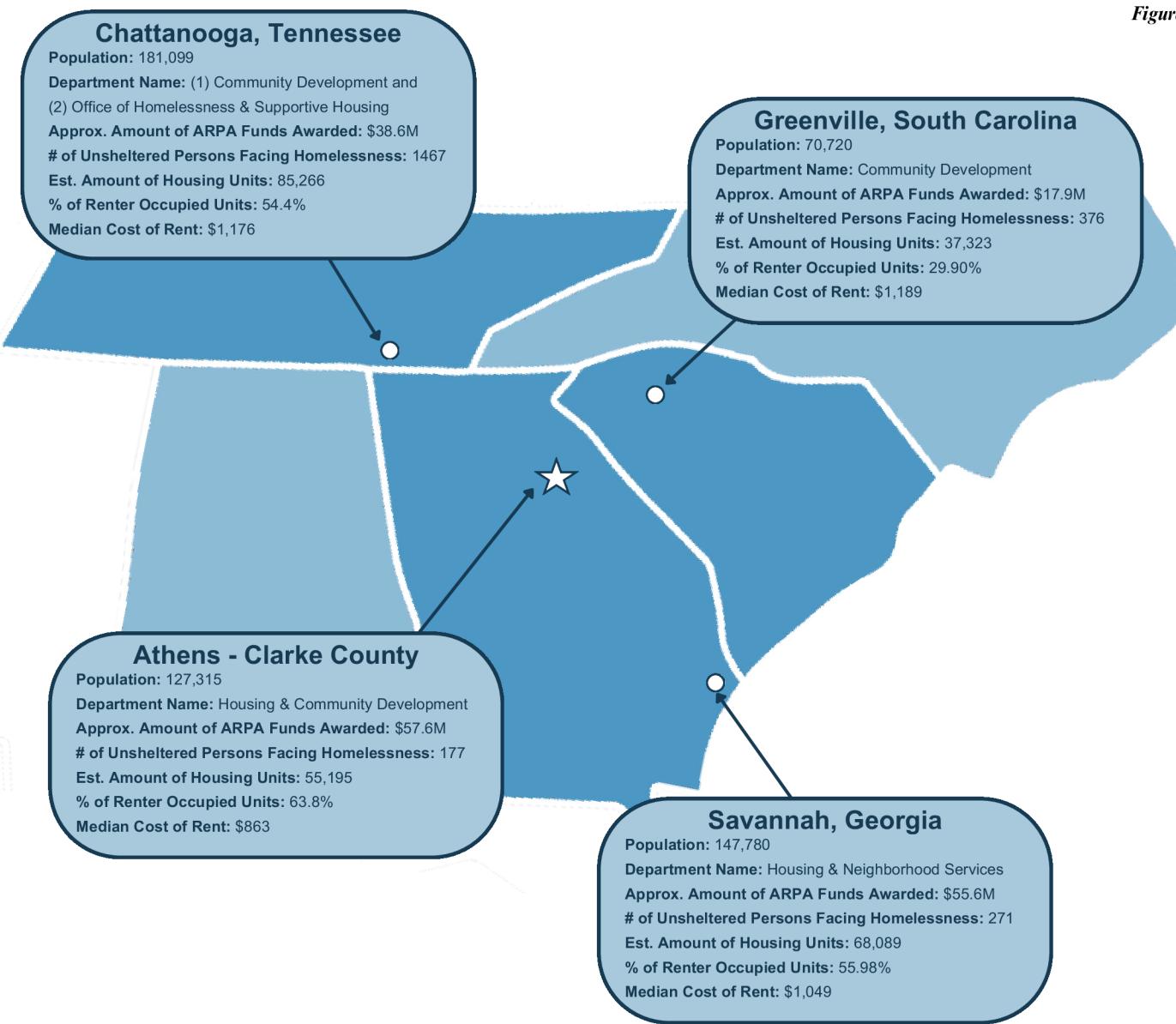
In the course of this audit, Operational Analysis staff used an approach of working from a high-level analysis of the department's structure to its daily operations. Other jurisdictions were studied, along with the department itself, in the areas of finance, performance, compliance and internal controls. Overall adherence to standards and expectations was examined throughout the departmental operations.

Comparative Analysis

As part of the periodic audit, OA staff analyzed data from similar local governments' housing and community development departments in Georgia and neighboring states. Population, approximate amount of ARPA (American Rescue Plan Act) funds awarded, amount of housing units and median cost of rent were some of the topics reviewed.

Staff used census data to compare Athens-Clarke County to similar jurisdictions. These cities and counties, although not consolidated, share similarities to Athens-Clarke County such as demographics, geographic size and/or population. Using these comparisons, a more holistic approach has been taken when analyzing the functions of ACCGov's own Housing & Community Development Department.

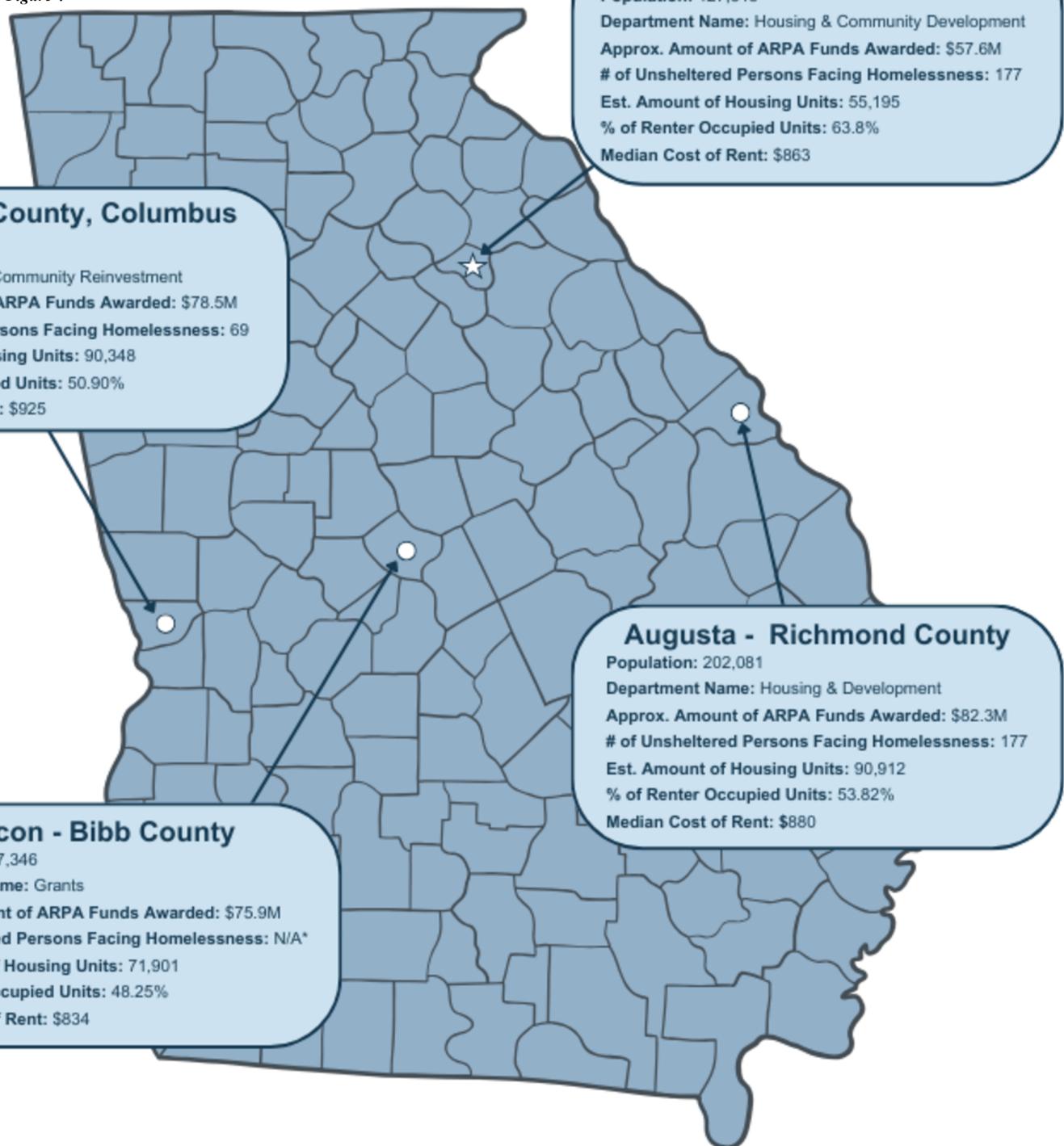
Figure 3



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It is important to note that Athens-Clarke County is one of eight consolidated governments in Georgia. This status, as a unified city and county, can affect the amount of money received from the federal government. OA staff used comparisons with other consolidated governments across the state as a basis for this report. Although the work performed by each analyzed department varies, it is worth noting that the consolidated government structure can bring an additional workload to these municipalities' departments charged with housing, community development, grant management and similar activities.

Figure 4



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Financial Review

A review of the FY25 Operating Budget, and previous three fiscal years, was performed to gain a general sense of revenues/expenditure trends, and provide detail of major account spending. This was accomplished through an understanding of financial documents, interviews, observations and data analysis.

Unique to HCD as compared to other ACCGov departments is the portion of its budgeting which comes from outside funding, specifically federal grants. This funding structure allows part of the money received to be used for administrative costs of the awarded entity (i.e., ACCGov), which affects the budget process for HCD. The federal fiscal year begins Oct. 1, while ACCGov's begins July 1, so it can be necessary for grant award amounts to be estimated during the budget preparation process. Also, there is a limit of grant funds (generally 10-20% of the award) that may be used for administrative costs, so variations between the estimated and actual award amount directly impact budgeting for compensation and other administrative costs.

Year-over-year approved budget totals are compared against end-of-year results in the summary tables found on pages 15-17, with funding accounts broken down by the revenue source to include ACCGov's general fund, and five special revenue funds awarded by the federal government: Affordable Housing, Supportive Housing, Nuisance Abatement, Coronavirus Relief and American Rescue Plan. The HCD budget has increased in recent years, primarily due to federal funds allocated for COVID-19 relief.

Payroll Processing & Timesheets

Within ACCGov there are several methods departments use to track and record staff time for payroll. Prior to the implementation of the Munis Employee Self Service (ESS) platform in FY23, most departments used internal spreadsheets, from which employee hours were compiled by a division or department payroll preparer to submit to the HR Payroll division. With the transition to Munis ESS, departments were given the choice of allowing employees to enter hours directly into the self-service portal.

Hours for HCD employees are required to be tracked in a manner more detailed than most departments, due to employees being paid out of one or more different funds (General Funds, individual grant funds, or some combination of those.) Operational Analysis staff, through analysis of timesheets and employee interviews, observed that employees keep detailed timesheet records in spreadsheet form. Spreadsheets contain information regarding tasks performed daily, whether work is done in the office or remotely, and the fund to which the work should be charged. Employees sign these sheets electronically which are then routed to the supervisor. Once approved by the supervisor, the employee enters the information into Munis for payroll processing, assuring appropriate payment is made from the corresponding account.

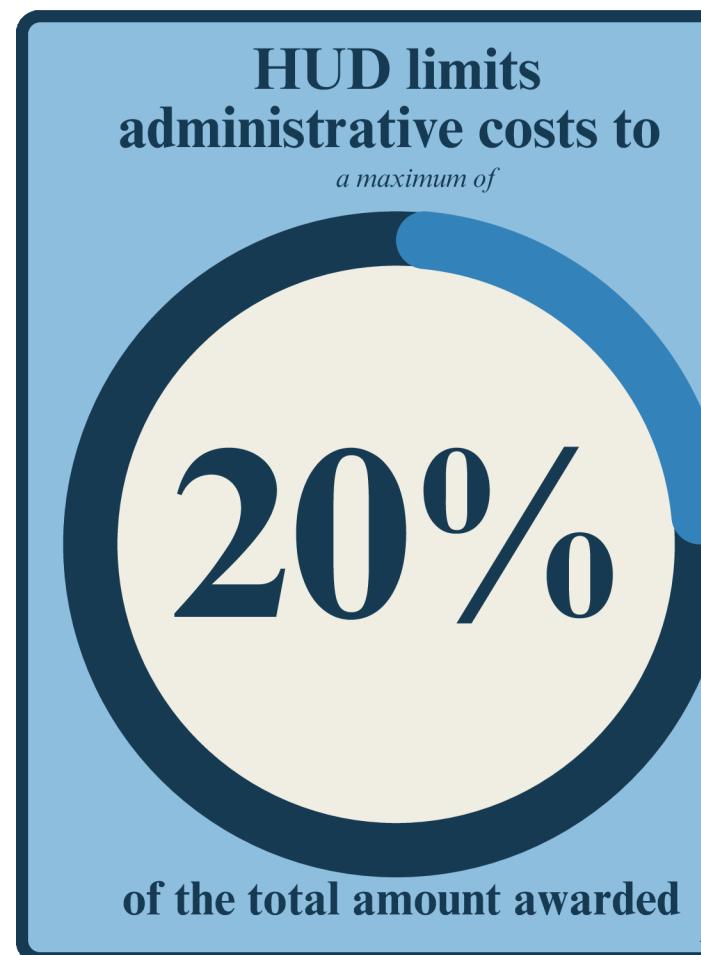


Figure 5

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Year-over-year Approved Budget Totals

Figure 6

Fiscal Year	Fund	Original Budget	Revised Budget	% +/- Previous Year	Year End/YTD Expenditures	Encumbrances	% of Yearly Expenditures
FY22	General	\$697,932	\$2,142,884	NA	\$1,842,109	NA	86.0%
FY23	General	\$2,129,257	\$2,181,694	1.81%	\$1,888,361	NA	90.5%
FY24	General	\$2,216,275	\$2,486,512	13.97%	\$2,456,915	NA	98.8%
FY25	General	\$3,003,466	\$3,353,198	34.86%	\$750,538	\$1,398,487	64.1%
FY22	CDBG	1,363,769	\$1,885,055	NA	\$1,421,827	NA	75.4%
FY23	CDBG	NA	\$1,847,507	-1.99%	\$1,311,133	\$97,670	76.3%
FY24	CDBG	\$1,212,165	\$1,636,316	-11.43%	(\$8,600)	NA	-0.5%
FY25	CDBG	\$1,271,758	\$1,583,085	-3.25%	\$430,395	\$751,342	74.6%
FY22	HOME Grant	\$691,534	\$2,192,330	NA	\$821,018	NA	37.5%
FY23	HOME Grant	NA	\$2,226,966	1.58%	\$305,555	\$178,840	21.8%
FY24	HOME Grant	\$852,608	\$2,577,359	15.73%	\$835,679	NA	32.4%
FY25	HOME Grant	\$801,030	\$2,542,711	-1.34%	\$87,335	\$430,000	20.3%

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Figure 7

Fiscal Year	Fund	Original Budget	Revised Budget	% +/- Previous Year	Year End/YTD Expenditures	Encumbrances	% of Yearly Expenditures
FY22	Affordable Housing SRF	\$120,000	\$120,000	NA	\$0	NA	0.0%
FY23	Affordable Housing SRF	NA	\$120,000	0.00%	\$0	NA	0.0%
FY24	Affordable Housing SRF	NA	\$0	-100.00%	(\$1,965,000)	NA	100.0%
FY25	Affordable Housing SRF	\$5,411,000	\$6,011,000	NA	\$0	NA	0.0%
FY22	Supportive Housing Grant	\$322,943	\$778,126	NA	\$471,628	NA	60.6%
FY23	Supportive Housing Grant	NA	\$652,856	-16.10%	\$146,806	(\$16,144)	35.3%
FY24	Supportive Housing Grant	\$468,566	\$890,760	36.44%	\$543,528	(\$39,009)	56.6%
FY25	Supportive Housing Grant	\$397,737	\$783,977	-11.99%	\$134,738	\$155,011	37.0%
FY22	Special Programs--Nuisance Abatement	\$0	\$66,710	NA	\$15,759	NA	23.6%
FY23	Special Programs--Nuisance Abatement	NA	\$84,587	26.80%	\$0	NA	0.0%
FY24	Special Programs--Nuisance Abatement	NA	\$94,139	11.29%	\$29,833	NA	31.7%
FY25	Special Programs--Nuisance Abatement	\$110,114	\$110,114	16.97%	\$0	NA	0.0%

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Figure 8

Fiscal Year	Fund	Original Budget	Revised Budget	% +/- Previous Year	Year End/YTD Expenditures	Encumbrances	% of Yearly Expenditures
FY22	Federal Grants - Coronavirus Relief	\$0	\$1,046,859	NA	\$80,661	NA	7.6%
FY23	Federal Grants - Coronavirus Relief	NA	\$1,056,198	0.89%	\$579,556	\$235,551	77.2%
FY24	Federal Grants - Coronavirus Relief	\$476,642	\$476,642	-54.87%	\$303,815	NA	63.7%
FY25	Federal Grants - Coronavirus Relief	\$173,844	\$172,827	-63.74%	\$23,638	NA	13.7%
FY22	American Rescue Plan - CSLFRF	NA	NA	NA	NA	NA	NA
FY23	American Rescue Plan - CSLFRF	NA	\$17,255,460	NA	\$1,811,026	\$364,240	12.6%
FY24	American Rescue Plan - CSLFRF	\$15,444,434	\$19,034,962	10.31%	\$3,748,418	NA	19.7%
FY25	American Rescue Plan - CSLFRF	NA	\$15,472,475	-18.72%	\$1,169,050	\$10,341,747	74.4%

As noted above, grant revenues and expenditures are subject to the disparity of timing between the federal and local fiscal years, so it is expected that the percentage expenditures of grant funds will vary, depending on the timing of subrecipient selection, award of contract, and the duration of funded project or program itself. In particular, the introduction of American Rescue Plan Act (ARPA) funding increased the number of programs administered by the department fivefold, creating subsequent delays in grant awards particularly due to the sheer volume of contracts to be administered, each of which requiring Manager's Office, Attorney's Office, Safety & Risk and the Mayor's Office approval.

With regard to the General Fund, a few operating accounts are worth mention based on their allocated amounts.

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FY25 General Fund

Fees-Professional Services \$1,332,661

- Funds in this account are designated to pay for annual service contracts, consultants, and/or legal fees. In the case of HCD, this account is primarily dedicated to the Neighborhood Leaders program, Athens Behavioral Health Services' Street Outreach for the homeless, and the Community Partnership Program.

Conferences and Schools \$20,500

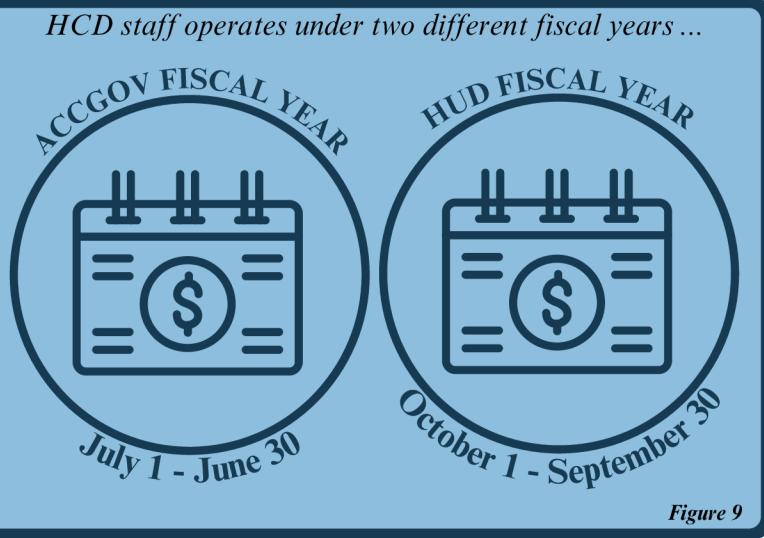
- This account is used by HCD for staff professional development, along with subrecipient training. The federal government requires certain training be completed by HCD staff as a condition of grant distribution

Office Supplies \$20,015

- This account is used for purchasing supplies related to the department's mission, which may or may not be directly used in grant administration. Federal government requirements for documentation and document retention require significant investment in office supplies.

Regarding staff compensation, thus far into FY25 (69.4% usage at time of analysis), three of the lines associated with compensation show 100% or more of usage. However, grant funds can be used to cover these expenses, up to the portions allowed by HUD, as demonstrated in previous years' budget reports. The revised budget for compensation under the general fund for the current fiscal year is \$691,421 which includes full funding of salaries for the department director, assistant director and administrative assistant. The remaining staff compensation is funded directly from the grants administered by those positions, or a combination thereof.

HCD staff operates under two different fiscal years ...



Due to the federal fiscal year not being in alignment with the ACCGov fiscal year, some compensation drawn from general fund to meet current payroll is ultimately transferred back to general fund from the respective grants. Currently, HCD Staff operates under two different fiscal years. Furthermore, American Rescue Plan Act (ARPA) funds have been used to provide salaries for four positions, two of which are assigned to other departments, although they work directly under HCD supervision. As part of the FY25 budget, these positions are now 25% funded from the general fund, in anticipation of the Dec. 31, 2026 expiration of ARPA funding, at which time these positions are expected to be fully funded by ACCGov General Fund.

Individual grant funding and subrecipient distribution is based on HUD guidelines, and is subject to the drawdown limits of each specific grant. The department submits its Consolidated Annual Performance and Evaluation Report (CAPER), which is then used by HUD in conjunction with its financial reporting platform, IDIS, to assess both the performance related to the meeting the intended mission and goals of the grant funding, as well as financial management. The most recent HUD Monitoring Report, for FY23, indicated one Concern: "Program Participant Eligibility—Income Verification Process." The report attributed this to challenges faced by the department during the COVID-19 pandemic, and recommended that the county create a document containing additional guidance for the subrecipient, which has since been accomplished.

The department does not hold capital assets such as government owned vehicles. Capital expenditures are, like

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federal grants, generally distributed to HCD for funding of subrecipient agencies. The FY25 budget includes \$150,000 requested by the department for the Affirmatively Furthering Fair Housing (AFFH) plan, and another \$100,000 recommended and approved by the Mayor & Commission for the Center for Racial Justice and Black Futures. In accordance with ACCGov Finance Department policy, all staff are determined by departmental leadership to be given various permissions within the Munis financial system.

Upon review, the list of current permissions for HCD staff appears accurate and appropriate given the levels of access select employees have been designated, based on job title and responsibility. In one case, a staff member who has moved into a different role within the department has retained certain software permissions, for training and back-up, as the succeeding staff members filling the previous role are being trained.

Grant Procurement

In receiving federal grant funds, HCD is considered the “grantee,” and, in turn, the subrecipient agencies to whom funds are distributed are “subgrantees.” Both the grantee and its subgrantees are subject to guidelines under the Code of Federal Regulations (CFR), which includes procurement methods and standards, contracting guidelines and provisions, as well as guidance maintaining competition and contracting with “small and minority firms, women’s business enterprise and labor surplus area firms.”

The majority of purchasing for HCD and its subgrantee agencies fall within the method of procurement described as “small purchase procedures.” The current threshold the federal government sets for a purchase to fall into this category is below \$100,000. Purchases above that threshold are generally procured by competitive proposals. In this case a Request for Proposals (RFP) is prepared by the grantee or subgrantee. The RFP outlines the nature and quality of work expected, as well as the timeline for completion. All evaluation standards, including their relative importance, are outlined prior to the release of the request.

Requests for Proposals

Each federal program may have specific requirements, which are detailed in HCD policies and procedures, as well as subrecipient manuals. Generally, the ACCGov Procurement Guidelines and federal requirements for proposal procurements are used as the authorities for guidance.

Grant Revenue

HCD does not charge fees for services. Revenue comes in the form of federal grants, which pay for staff time spent managing those grants, supplies for technical assistance, and public outreach. The remaining revenue is allocated to local agency subrecipients who in turn use the funds for eligible programs. Funds from the Community Development Block Grant (CDBG) and Home Investment Partnership Program (HOME) award amounts are determined by formula allocations set by HUD. In some cases, it is necessary to estimate award amounts before HUD releases notifications, in which case the last three years’ awards are averaged for this purpose. This practice complies with the standard set by HUD in their training materials.

Software Expenditures

HCD purchases Microsoft and Adobe suites for each employee workstation, per pricing received via ACCGov contract through the IT department. The Microsoft suite is the standard necessary for all ACCGov workstations, while Adobe is necessary for HCD staff in order to read, download, edit and sign documents for grant administration. Various software platforms are issued to other ACCGov departments and used throughout the organization, such as Provox, Munis and NeoGov. Through Continuum of Care grant funding, ACCGov

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ACCGov contributes annually approximately \$19K to the Georgia Homeless Management Information System (HMIS) to ensure the most accurate tracking of the county's homeless population.

Other necessary software is provided and licensed by the federal government for reporting purposes, including:

- Federal Subaward Reporting System (FSRS)
- System for Award Management
- electronic Line of Credit Control System (eLOCCS)
- Sage HMIS Reporting Repository
- HEROS online system
- Integrated Disbursement and Information System (IDIS)

Purchasing Cards

Due to travel, training and incidental expenditures all department staff hold purchasing/travel cards. OA staff observed that the administrative assistant does the bulk of the purchasing for the department. The program support analyst II reconciles all p-card accounts, and the department director is the final approver. Examination of Finance Department records showed p-card holders and permissions to be accurate at the time of this audit.

Assets

HCD does not have any significant assets, besides its cellular devices. The department director, assistant director and each of the division administrators are issued an ACCGov cellphone. Additionally, one community development specialist has a high profile position within the housing community regarding continuum of care, and is therefore issued a cellphone. As of this report, the assistant director had recently been promoted to department director, retaining that previously issued cellphone. Therefore, the cellphone belonging to the previous department director is available to be issued to the assistant director, once that position is filled. Examination of records from the Central Services Department shows information regarding cellphones issued to HCD to be accurate.

Performance Review

The Housing & Community Development Department can be best described through its self-stated mission:

“The Housing & Community Development (HCD) department provides funding for the creation and rehabilitation of affordable housing, fosters and coordinates services for disadvantaged populations, and promotes economic mobility among residents of Athens-Clarke County.”

Fulfilling this mission involves providing services and programs which assure not only the proper use of federal funds, but also promote public awareness of services offered, foster stronger positive public/private sector partnerships, and improve the welfare of all residents of Athens-Clarke County.

A Periodic Audit was conducted of the ACCGov HCD from August - December 2024. During this time Operational Analysis staff reviewed various sources of information and data in order to analyze the performance

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of the office. Overall, OA found the operations to be performed within organizational standards. Additional notes and recommendations for performance improvement can be found in the Findings & Recommendations section of this report.

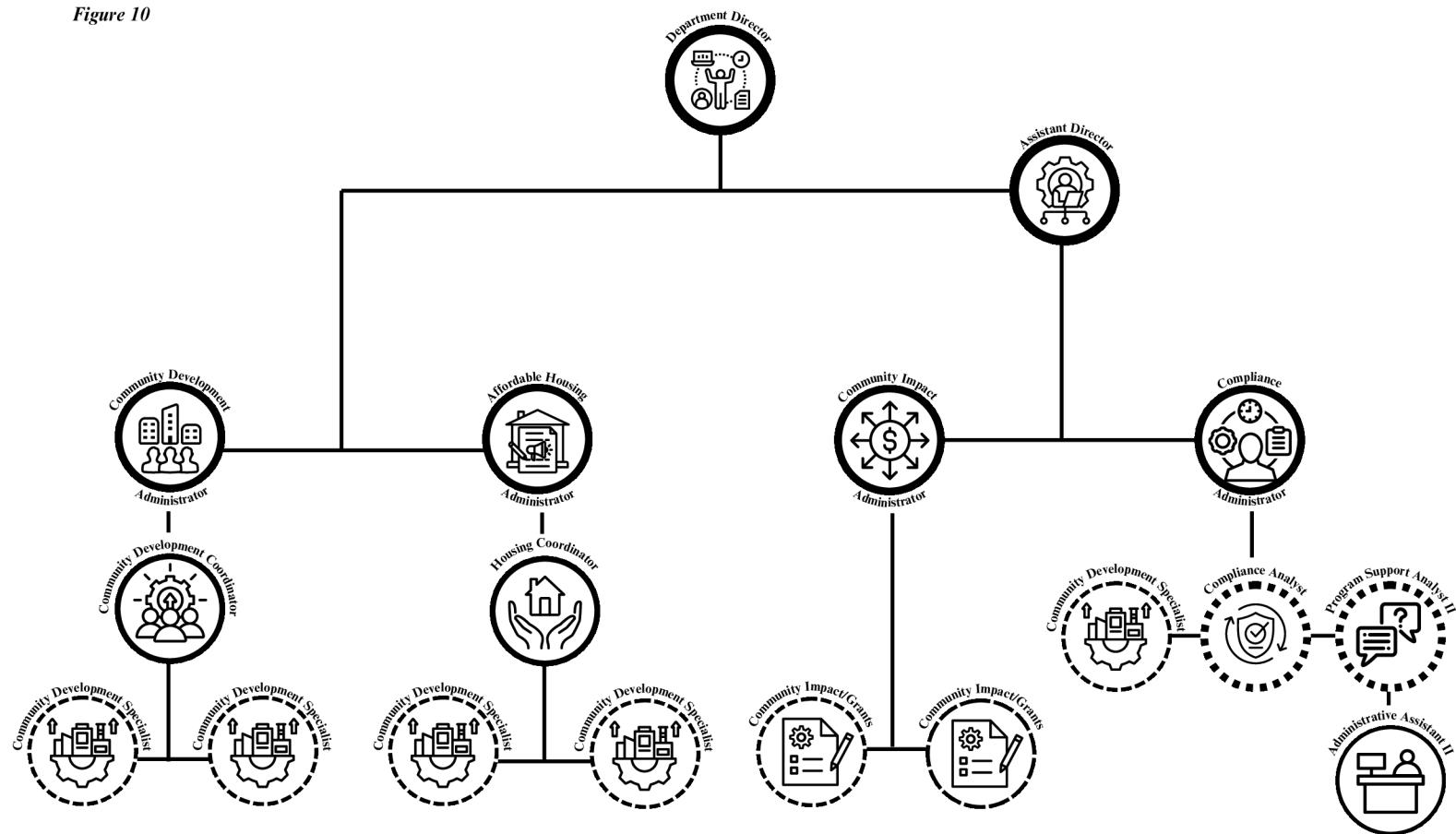
The current structure of HCD is similar to that of other departments, but is new to the department overall, having been updated in 2023. The size of the department has almost doubled in the past four years, with a present staff 18 full-time positions. During the fieldwork phase of the audit, OA staff interviewed all HCD staff, shadowed workers in their offices, and attended two meetings/information sessions hosted by HCD staff.

Staffing

HCD comprises 18 full-time staff members, including a director, assistant director, four division administrators, and two coordinators, all of whom collectively supervise an additional ten specialists/analysts/administrative assistant.

The number of staff has increased by 64% in just the last four years (11 full-time in FY21). More specifically, in FY22, one position was approved for a total of 12 full-time staff, which then grew to 15 full-time allocations in FY23. For the current FY25 budget, 17 full-time positions were authorized due to the transition of two ARPA (100%) roles into permanent status under the general fund (25%). Just recently, HCD received external funding for a lead hazard specialist, which has been posted and a hire expected soon. Besides this new position, there were two other vacancies during the course of the audit, including assistant director and a community impact specialist.

Figure 10

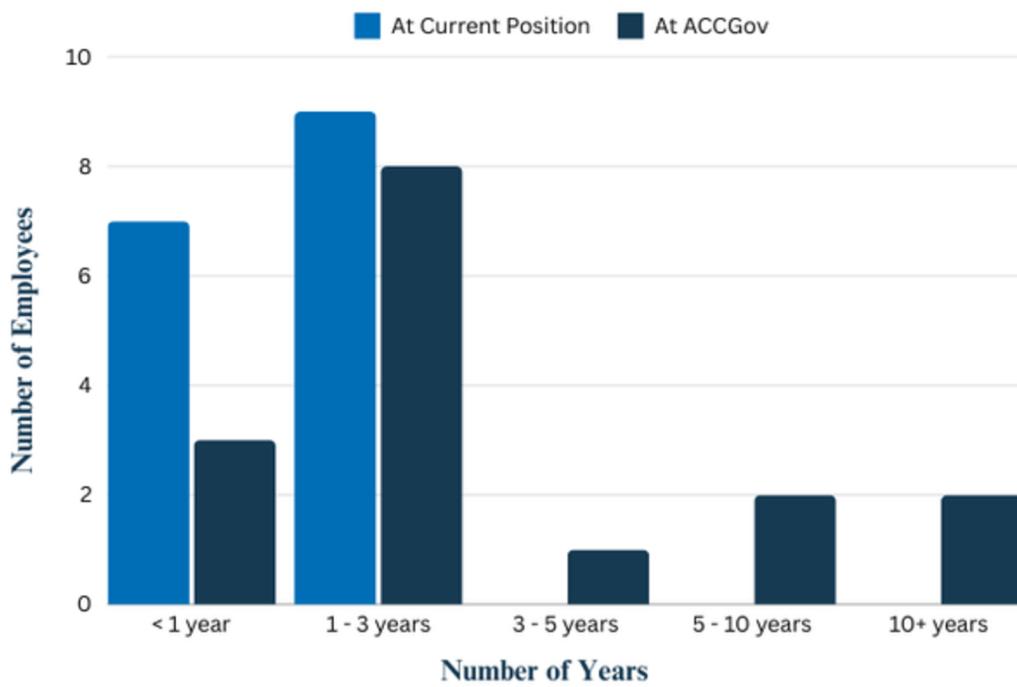


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Regarding staff turnover, the department has experienced numerous leadership changes over the past decade. Four directors, two of which were interim status, have served since 2022. The most recent interim director (previously assistant director), was appointed department director in October 2024. This represents a positive step toward stability, especially when observing the overall average experience levels of staff within the department. Tenure within a certain position, or with ACCGov, is not necessarily indicative of prior experience in the field, or of competency. It is important to point out, however, that the majority (two-thirds) of those within HCD have three years or less of time spent with the organization, and all staff currently hold a position within HCD that they have had for three years or less, even though some may have previously occupied other HCD roles.

Figure 11

Length of Time at Current Position vs ACCGov



An updated version of the departmental organization chart distributes divisional oversight evenly between the director and assistant director, who are each assigned two of the four administrative divisions. This structure is different from previous versions in which the assistant director was directly responsible for all four divisions, while the director solely supervised the assistant director and primarily focused on policy versus daily operations.

Under the present divisional framework, both function (area of focus) and funding source (HOME, CDBG, ARPA) serve as the foundational reasoning, though observations by OA seem to indicate significant crossover in tasks, projects and programs. As an organization, ACCGov emphasizes such cross-training; however, this ideology should be balanced with practical sustainability when considering daily duties should be specialized, to a degree, if utilizing the applied model of divisional separation. The department is striving to assign work based on core elements of each service category, but full implementation has yet to be achieved, with delay in part tied to the fluctuating circumstance of departmental management.

For example, individual staff members classified at the “analyst” or “specialist” are assigned multiple, overlapping tasks across divisions when in theory their respective routines should be predominantly focused on

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their area of expertise. In other words, such positions act more as “generalists” or “project managers,” responsible for all aspects of a grant, from start to finish, even if a particular set of tasks technically align with the purpose of a different division. Clear delineation of roles, like that of skillsets and duties, as per job descriptions, will aid new or lesser experienced employees in understanding their purpose. Every member of the department is involved to some degree in financial management or analysis, even though not every position specifically mandates a background in finance or accounting. Consistent onboarding and continued training can also be attributed to the unique approach brought about by each departmental leader and the subsequent turnover.

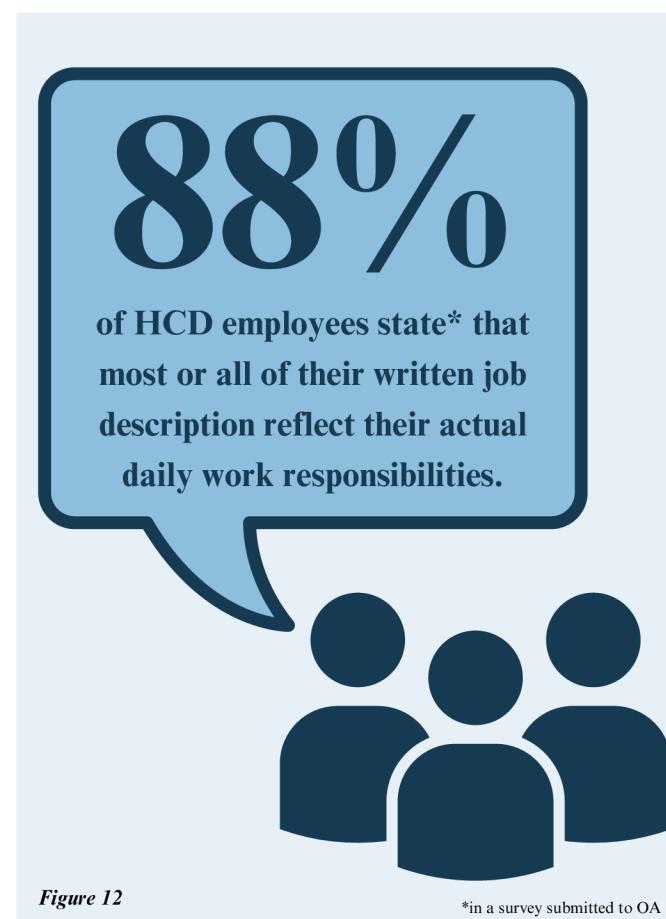
To that end, succession planning is made easier by the level of cross training encountered within the department, even in the absence of a formal strategy. This was evident in the recent hire of the former assistant director to the director role. Applicable professional organization membership includes the National Community Development Association, while many options provided by ACCGov have been completed by staff within HCD, to include “Stepping Up to Supervision” and “Innovation Ambassadors” training programs.

Over recent months, questions have been raised in the public realm around two specific staffing issues associated with HCD. Although this discussion alone is not basis for inclusion in a periodic audit, upon analysis by OA it became clear that addressing these concerns could at least provide a degree of clarity for any future discussion or potential action.

The first issue involves the Neighborhood Leaders program, which is financed annually by the General Fund and under the coordination of HCD. The following is an excerpt from the originally approved contract: “Nothing in this agreement shall be construed to create an employer-employee relationship between the Parties. This Agreement shall not render the ACCGov an employer, partner, agent of or a joint venturer with FC-CIS for any purpose. FC-CIS shall have no claim against ACCGov for vacation pay, sick leave, retirement, social security, workers’ compensation, health or disability benefits, unemployment insurance benefits, or employee benefits of any kind whatsoever.”

How the M&C choose to proceed with the Neighborhood Leaders program, whether by way of funding source and any amount to be determined, is entirely a legislative decision. From a contractual standpoint, ACCGov is not beholden to account for these individuals in the same manner as personnel system employees, unless terms of the contract are amended and/or there is consensus via policy from the M&C.

The second item of distinction within HCD is the approval and role of two “grant” specialists. The FY20 Annual Operating and Capital Budget was amended on 12/3/2019 in association with the Prosperity Package so as to provide funding (\$200,000) for these two positions in HCD, among other initiatives. Described within the Facts &



*in a survey submitted to OA staff

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Issues section of the agenda report and by ordinance, said positions would be responsible for “coordinating grant funding to address poverty in Athens-Clarke County, including needs assessment, research, proposals, procurement, partnership development, program management, coordination of all grant applications submitted by Housing & Community Development, and coordination of community stakeholders to support these activities” toward the general purpose to “assist with obtaining additional resources to leverage the impact of the Prosperity Package”.

Each of the two grant specialists are officially known in title as “community impact specialists,” and are operating within the parameters of the approved ordinance even amongst initial challenges in implementation. Primary focus is dedicated toward HCD initiatives related to grant writing and coordination, but has also extended, when possible, to helping other ACCGov departments identify funding, as well as continued support of non-profit partners through technical assistance. To that end, and not unlike any ACCGov employee, their roles are also split amongst other duties within HCD. Examples of other tasks include general office administration, customer interaction, contract development and execution, or other duties as assigned.

The job description on file with Human Resources (HR) states that this position helps coordinate grant funding to address poverty, as well as all other grant applications submitted by HCD. Support and assistance for other ACCGov departments pursuing grants is also mentioned; however, grant management experience is not specifically called out as a mandatory requirement for this position.

One of the main reasons for an increase in staff over the past few years can be directly attributed to the administration of the American Rescue Plan Act (ARPA) funds. In 2020, ACCGov was awarded \$57M from the federal government, a portion of which, was expected to be utilized toward personnel needed to coordinate daily activity and monitoring.

The HCD director, by virtue of approved job description, “serves as the primary contact and oversees ARPA funds for the entire Unified Government of Athens-Clarke County”. Analysis conducted by OA, however, finds this is not accurate in practice. The department did not receive all of the originally allocated ARPA funds, and was/is not the direct contact for any of those separately approved contracts.

Approved with the FY25 Annual Operating Budget was a shift from 100% ARPA funding of four full-time positions to a 75/25 percent split by which the General Fund would be responsible for the latter percentage, initiating what is anticipated to be a continued increase and permanent responsibility in financing, since ARPA dollars will soon cease. The four positions directly affected by this include the following:

- The community impact administrator, who manages said division which is currently heavily dedicated to ARPA work. Additionally, this individual oversees the Community Partnership Program (CPP) and Neighborhood Leaders Program, while also leading community engagement and non-profit capacity building efforts.
- The data and outcomes coordinator within the newly named Budget & Strategic Analysis Department (formerly GIO). The purpose of this role is to communicate ARPA implementation and achievements. Primary duties include creation, maintenance, and updates to the various online dashboards meant to provide transparency across HCD programs and funding sources. This position, like all ARPA positions, manages individual grants even though the respective job description does not allude to this task or skillset.



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- The equity and engagement coordinator, under the supervision of the People & Belonging Department, assists with community engagement, including communication amongst neighborhood leaders, and development of the Equity Index. It too manages project grants related to ARPA.
- The compliance analyst position directly reports to the community impact administrator, even though located within a separate division (Compliance Division) of HCD, per the organizational chart. This is based on the funding source for the role, which was originally 100% ARPA expensed, but has been lessened to 75%. Regular tasks are also cross-divisional in nature between both Community Impact and Compliance Divisions, including individual grant management assignments.

Staffing Analysis

- Although staff within the department seem to be functioning at capacity, OA observed sufficient operations within the allocated number of full-time positions. To that end, interviews with HCD staff indicated any future personnel increase may be directed toward the Affordable Housing Division, perhaps as a specialist position given ACCGov's added attention to affordable and inclusionary housing programs.
- As with many entry and mid-level classifications across ACCGov, those in specialist/analyst positions could benefit from a career ladder system of advancement to help minimize employee turnover.
- Fourteen of 18 allocated positions within HCD directly manage grants (exceptions being director, assistant director, program support analyst, and administrative assistant. The sole administrative assistant for the department is organizationally located within the Compliance Division, under the direct supervision of the program support analyst II. Upon review of the job description, it seems unusual for this position to provide supervision, given the list of other duties and responsibilities for the pay grade assigned. The use of software packages such as ZoomGrants can bring about efficiency and accuracy in data management and reporting, but does not necessarily alleviate the number of staff hours needed for certain tasks, such as monitoring compliance, creating M&C presentations, writing reports or gathering public input.

Performance Measures & Milestones

Each ACCGov department, by virtue of its mission, objectives, goals and services provided, offers performance outcomes as part of the annual budget process. These are updated each fiscal year and demonstrate activity that occurred, or whether a specific measurement fell within expected thresholds for success. HCD's FY25 self-stated performance measures are included in Appendix A. When considering the FY23-25 Strategic Plan Goals, Strategies, and Initiatives of the M&C, many were found by OA to be within the realm of HCD impact, and have listed a few of the more significant ones, including any that have reported milestones.

Goal Area 2: Identify and close gaps in partnership with the community

D. Ensure existing resources reach marginalized people and those most in need through effective and accessible social service delivery, nonprofit capacity building, and problem solving with connected community partners

1. Promote and provide technical assistance for nonprofit capacity building.
 - Update: ARPA-funded CNC Athens program has (5) participating and (5) voluntary agencies in monthly training sessions. [OA staff attended one such event in October 2024]

Goal Area 4: Quality, Stable, Affordable Housing for All

A. Support home ownership by increasing opportunities for low- and middle- income people to own a home and help people retain and remain in homes

2. Make current and prospective homeowners aware of home affordability programs.

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- Update: HCD Community Impact Division works with People and Belonging to create and share relevant information throughout the community via email, website, flyers, and Neighborhood Leaders staff. This is in addition to partner agency advertising.

Current/past activities include:

- \$1,361,600 ARPA funds to support Homeowner Occupied Rehabilitation activities provided by Athens Community Council on Aging, Athens Land Trust, and Historic Athens
- \$718,400 in ARPA funding to support Down Payment Assistance activities provided by First American Bank and Trust
- \$1,002,349 in ARPA funding to support Eviction Prevention activities provided by Family Promise of Athens and The Ark UMOC.
- \$260,000 in CDBG funds to support Homeowner Occupied Rehabilitation provided by Historic Athens and Athens Area Habitat for Humanity
- \$1,930,000 in CDBG and HOME funding to support development of single-family homebuyer units and for down payment assistance provided by Athens Land Trust, Athens Area Habitat for Humanity and by Athens Housing Authority.

D. Prevent and reduce homelessness by enabling supportive housing options that meet a variety of needs

- Expand the emergency shelter supply.
 - Update: M&C approved \$1,805,728 in funding to Advantage Behavioral Health Systems, Athens Area Habitat for Humanity (in partnership with Family Promise of Athens), and Project Safe to create and expand the existing shelter supply.
- Help households exit homelessness
 - Update: M&C approved \$2,990,443 in ARPA homelessness funds to support expansion of low barrier shelter, homeless supportive services, and unsheltered initiatives.
 - \$500,000 awarded to Salvation Army to support expansion of its emergency shelter
 - \$550,000 to support ACCGov Emergency Management activities
 - Update: M&C approved \$141,644 in CDBG funds to support homeless programs providing public services and public facilities and improvement activities.
 - Update: HUD Continuum of Care funding of \$496,818 was awarded to homeless providers to support permanent supportive housing and rapid rehousing programs 2024-2025.
- 3. Complete homelessness strategic plan.
 - Update: Approved by M&C in Oct. 2023 for immediate implementation

E. Improve equitable housing opportunities in identified disinvested or underinvested areas

2. Encourage reinvestment and improvement of housing stock through effective deployment of Neighborhood Revitalization Strategy Areas.

- Update: M&C approved ARPA funding of \$6,200,000 to carry out Ph. 1 Affordable Housing activities.
- Update: M&C approved ARPA funds of \$531,600 to carryout major rehabilitation activities and \$718,400 to carryout homebuyer down payment assistance activities.
- Update: M&C approved \$570,000 in CDBG funds for affordable housing activities.
- Update: M&C approved \$1,850,000 in HOME Investment Partnerships Program funds to support new construction and rehabilitation activities for homebuyer and rental projects within the East Athens and Hancock Corridor NRSA.

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Physical Facility

The Housing & Community Development (HCD) Department is currently located in the Satula Government Building, where it shares the facility and grounds with three other ACCGov departments (Finance, Human Resources and Organizational Development). Parking for both staff and visitors is adequate, and no ACCGov vehicles are presently assigned to the department. Technological equipment asset (computers, monitors, printers, etc.) inventories were provided to OA by the HCD, IT and Central Services departments upon request for analysis.

Although recently renovated to convert existing floor space into additional offices, the department has outgrown its assigned area, and is anticipated to be relocated to the Costa Building in downtown upon completion of that project in late 2024. The present layout of HCD doesn't provide for a dedicated conference room except that of the shared meeting space utilized by all occupants of the facility, which can cause conflicts in scheduling.

The front counter for customer service is accessed via the main lobby, with normal hours from 8:00 am to 5:00 pm, and is staffed by the administrative assistant. Interior, personnel offices located closest to the front desk are able to assist with public walk-ins as needed. There is limited storage capacity within HCD's office suite, even though they maintain vast records (files) pertaining to grant contracts. Off-site storage of material has been identified as other ACCGov facility locations, including document overflow managed through the Central Services Department via a private facility contract. This helps ensure compliance with federal record keeping requirements, like HUD.



Figure 15: HCD Front Counter, which is centrally located in Satula Ave. Government Building lobby.

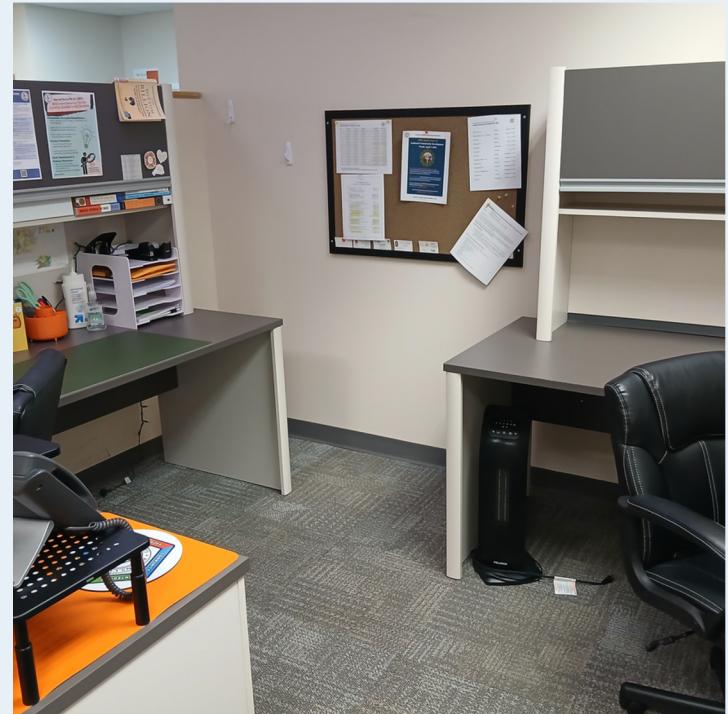


Figure 14: Office space shared between two HCD Staff members located in Satula Ave. Government Building.

All staff routinely telework, in accordance with the ACCGov Telework Policy, or attend meetings either at an ACCGov location, or at sites determined by the parties which are included. The current departmental setup is for staff to work remotely three days per week, with two days in the office, typically by division. For example, an entire division's staff will usually be present within the building on the same day, to reinforce collaboration. Special approval was granted by the Manager's Office to work under this arrangement, which differs slightly from the reverse scenario (two days remote work, three on site) that is the standard offered by policy.

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A 2018 Space Allocation Study conducted by Prime Engineering, Inc. on behalf of ACCGov, forecasted that HCD would have 12 total positions by 2023 and maintain that number until at least 2028. At the time the study was conducted, the total department square footage (assigned) measured 1,810 sf, which has remained unchanged. It was projected that number would need to be a minimum of 2,840 sf by 2023, as based on the 12 allocated positions. Currently, HCD has 18 full-time staff still within the original floor area of 1,810 sf.

ACCGov Central Services Department presented an Interim Space Allocation Report to the Mayor & Commission in September 2023. The report noted an increase of staff within HCD, along with insufficiency in current floor area. The report recommended HCD be relocated to the Costa Building once renovation is complete. With this arrangement, HCD would likely retain some telework usage, but have a dedicated, physical location downtown. The Costa Building is expected to have an open floor plan concept with cubicles as work areas, which does not necessarily provide an increase in privacy or confidentiality.

Interdepartmental & Interagency Relationships

A variety of interdepartmental and interagency partnerships exist with HCD, and are crucial to its daily activities, as well as prolonged success in service delivery. By the nature of its mission, HCD pursues initiatives which go beyond the functional aspects of the department itself, and rely upon relationships with other ACCGov staff as well as community organizations. To that end, OA found a number of departments within ACCGov which share common goals, mission, programs and projects similar to those of HCD.

The ACCGov Planning Department is directly linked to affordable housing and community development, not only regarding new construction, but also in how demographics, land use, socioeconomic factors and community engagement intersect. Presently, communication between these two departments is inconsistent, without established routine or expectations of responsibility. For example, both departments develop fairly large, multi-year plans that have community-wide implications and should complement, not contrast, with each other.

Upcoming opportunities for collaboration include the Future Land Use Map, 2028 Comprehensive Plan, the five-year Consolidated Plan, and the annual CAPER report, to name a few. The HCD Housing Coordinator position seems to have the most interaction with the Planning Department on matters regarding Inclusionary Housing and GICH (Georgia Institute for Community Housing) Programs. This relationship is strengthened by the associated, adopted ordinance regarding Voluntary Inclusionary Housing (Sec. 9-27-9).

Other departments to note include Budget & Strategic Analysis which helps HCD with the point-in-time counts (sheltered vs. unsheltered people experiencing homelessness on a single night) and the data dashboards associated

Figure 16

Common Concerns Regarding Workplace



Enough space in personal work area



Feeling of safety in the workplace



Privacy of personal work area

*top three concerns submitted to OA staff by HCD staff

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with grant funding transparency. The People & Belonging Department has assisted with DEI aspects of the grant application template by way of the ARPA-funded equity and engagement coordinator position located within its office, which also helps to manage grant projects. Finally, the Economic Development Department has consulted with HCD on workforce related initiatives, especially those linked to ARPA and CDBG. These listed entities in no way represent the full number of relationships relied upon to perform the work of HCD, but are identified as primary and consistent partners.

Regarding outside agency partnerships. Athens Housing Authority (AHA) remains a significant quasi-governmental agency with which to communicate and act on affordability. Unfortunately, HCD has not been the sole organization experiencing changes in leadership, as evidenced by recent interim appointments made at AHA, and another major agency, Athens Land Trust (ALT).

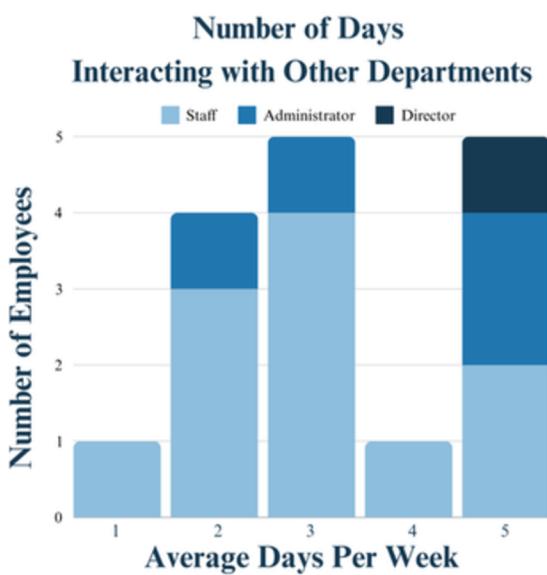


Figure 17

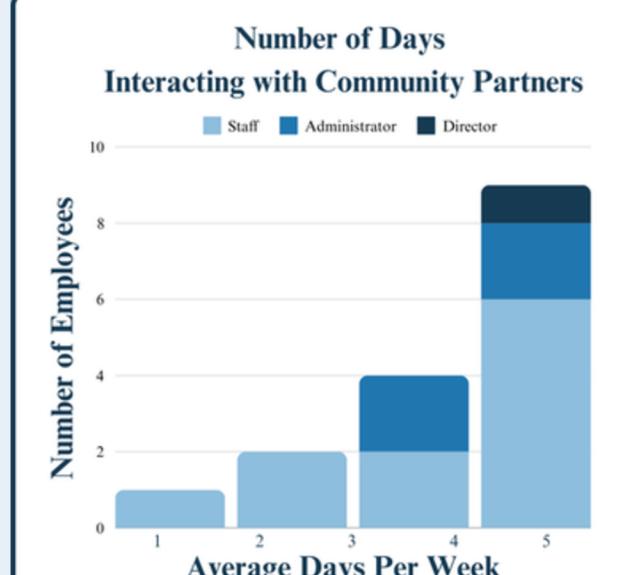


Figure 18

ZoomGrants

ZoomGrants was implemented in FY24, replacing the previous system that consisted of primarily paper applications, reporting through email correspondence, and spreadsheet tracking. This grant management software is used by Housing & Community Development staff and all subrecipients for the majority of the application and reporting processes.

ZoomGrants has helped staff streamline processes and automate some of their work, allowing them to focus on other areas of their jobs. Following the implementation of this software, HCD staff has been providing ZoomGrants technical assistance to any current or prospective subrecipients throughout the annual grant process.

Although the application and reporting processes are now more centralized with the ZoomGrants software, HCD staff must still provide technical assistance when correcting reimbursement and reporting errors. The platform is not capable of identifying reporting and reimbursement errors, therefore staff has to manually go through and check any submitted information for accuracy. If there are any issues with the information that was submitted, staff has to get the subrecipient to correct the mistake before the reimbursement is released.

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Performance Analysis

Common consensus amongst all staff within HCD is that reimbursement payments for all subrecipients take precedence in the hierarchy of daily duties and workload. This particular function is time sensitive, detailed, and highly regulated to ensure that awarded partners are not only paid for their agreed-upon work, but also done so in a manner that is transparent, defensible and correctly accounted for financially.

Although the significant timeline milestones of annual grants are typically predictable, the grant management process itself tends to fill an entire year's worth of attention that demands adherence to guidelines and regulations. With over 50 grants presently under facilitation, when coupled with monthly tracking and technical assistance, the primary responsibilities of HCD staff become clearer in regard to capacity as a whole.

In consideration of staffing and project prioritization, HCD's performance hinges upon efficiency and effectiveness. As such, the decentralization of the ARPA program's administrative structure may have compromised the department's overall operations and service delivery. This is not indicative of HCD's portion of responsibility, but rather the comprehensive approach to the program in its entirety, across ACCGov.

In hindsight, and perhaps moot given the eventual conclusion of ARPA funding, the management system installed for ARPA is not practically designated within a single unit of authority. Coordination is spread across multiple departments and personnel, even though HCD was designated for administration. To be clear, this was not by design of HCD, or a reflection of the Community Impact Division. Rather, this alignment has existed since funds were awarded, and likely a decision made in quick response to acceptance and immediate disbursement of funds.

The bulk of ARPA funds were assigned to HCD for administration, dispensing and monitoring. However, remaining funds were distributed to other departments directly, with no accompanying staff, and unclear oversight as to who was collectively managing the ARPA program as a whole. Consistent confusion was encountered by OA regarding whom to contact about all \$57.6 million in ARPA funds administration.

About 1.5 years into the ARPA program, direct supervision of ARPA positions had to be formalized after concerns were brought to the Manager's Office. The Community Impact Administrator serves as the ARPA "Team Leader" in terms of staffing. To that end, the Community Impact Administrator within HCD is very detail-oriented, with impressive knowledge and coordination skills. Tasks and associated deadlines seem clearly articulated, in light of the four division personnel being split across multiple ACCGov departments.

Although it is understood that these ARPA positions were strategically placed into departments that would allow for a smoother transition to permanent status, the years leading up until then could have benefited from closer proximity. Future programs within ACCGov will require clear strategy and coordination of how regulations, staff and funds will be collectively administered by a designated point of contact that is granted appropriate authority to manage operations, and limit confusion and/or complexity amongst multiple departments.

Compliance Review

Compliance, overall, is one of the core tenets of the Housing & Community Development Department. Ensuring the department and all of its subrecipients are following all necessary federal regulations is a daily task that is so important there is an entire division dedicated to it. As a recipient, HCD staff has to constantly ensure subrecipients are in compliance with all regulations put forward by each respective regulatory body to ensure they will continue to receive these funds and are eligible in the future.

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Vision Committee

The Vision Committee is a ten-person committee appointed by Mayor & Commission (M&C). Committee members are charged with scoring applications submitted by potential subrecipients and advising the M&C on how to allocate federal funds awarded by HUD. The Vision Committee was initially established by HCD as a way to fulfil a public input requirement put in place by HUD.

The Vision Committee is usually the busiest October through January, following the CDBG and CPP application cycles. Committee members are given access to the submitted grants through the ZoomGrants platform and are expected to rate the applications based on a predetermined scale (see Figures 20 & 21 below). Following the Vision Committee's rating process, members meet for a half day to discuss the scores and make their recommendations, which HCD staff will then submit to M&C for final consideration and approval.

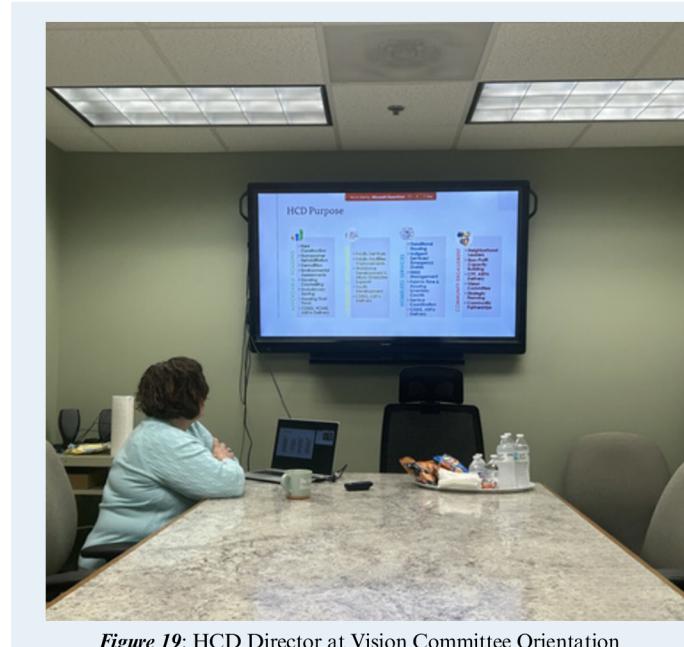


Figure 19: HCD Director at Vision Committee Orientation

Subrecipient Identification & Approval

CDBG GRADING

HCD Staff Criteria:	Points:
Program Narrative	25 Points
Outcomes and Performance	20 Points
Community Collaboration	10 Points
Organization and Staff Ability	20 Points
Financial Ability	25 Points
Vision Committee Criteria:	Points:
Equity Assessment	20 Points
High Priority Project	20 Points
Total FY26 CDBG Application Points:	140 Points

Figure 20

The subrecipient identification and approval process varies by type of grant. The majority of grants are subjected to a competitive application process, with the M&C being presented the potential subrecipients' final applications and scores in order to make the final decision.

Subrecipients are made aware of grant opportunities through the public posting and notification of applications being available via ZoomGrants. The public is usually notified through various media, such as a "News Flash" on the ACCGov website or advertisements in local newspapers and other media. These notifications are posted prior to the grant applications going live so interested organizations have the ability to prepare for the upcoming application process.

CDBG applications are first graded by a relevant HCD staff members on a 100-point scale (see figure 20) and then by the Vision Committee on a 40-point scale. Once combined, these scores give each application its total score that are used to help determine their ranking/eligibility compared to the other applicants.

The CPP applications follow a similar pattern of being scored, but they are only scored by the Vision Committee.

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CPP applications are graded solely by Vision Committee members on a 40-point scale (see figure 21), with half of those points coming from the equity assessment (see Appendix B).

The process for a subrecipient to be awarded a HOME grant is different from that of the CDBG or CPP programs. The HOME grant application process begins with an interested organization submitting the mandatory “Intent to Apply” to HCD, with the full application typically being due approximately one month thereafter.

It should be noted that all projects completed by HCD are subject to environmental reviews (ER) to a varying degree. Any project completed by a subrecipient has to be in compliance with related federal and state laws as well as the National Environmental Policy Act (NEPA).

The ER ensures that the proposed project will not have a negative impact on the people of the community in the area. Additionally, the review ensures that project itself will not disturb the surrounding environment. Environmental Reviews are completed by HCD staff year around.

HOME GRADING

Category	Maximum Points
Program Description	10 Points
Program Need	15 Points
Organizational Capacity	25 Points
Program/Project Management	15 Points
Financial Feasibility	20 Points
Project Budget	15 Points
Total	100 Points

Figure 22

CPP GRADING

Criteria	Points
Financial Ability (Cost per program participant, Diverse funding sources, Use of Budget)	30 Points
Community Involvement and Collaboration (Documented collaborations, Equity Assessment)	15 Points
Outcomes and Performance (Data-based modeling, Benefit of program, Ability to achieve strategic plan goals)	45 Points
Organization and Staff Ability (Operations capacity and Program experience)	10 Points
Total FY26 CPP Application Points	100 Points

Figure 21

The HOME grant differs from CDBG and CPP grants due to applications being rated only by HCD staff, and in the fact that they undergo extensive subsidy layering and an underwriting process. Applications are scored on a 100-point scale (see figure 22) with the highest scoring applications being awarded the funds. Applications need to score a minimum of 75 points to be considered for funding.

After these decisions are finalized, HCD staff writes agenda reports and creates presentations of the final funding recommendations for M&C to review. At the time of this report, the M&C is expected to vote on the final CPP subrecipients about one month prior to CDBG and HOME. Following the M&C’s review of HCD staff’s final funding recommendations, they have the ability to approve, deny, or pass a Commission Defined Option (CDO).

HCD staff has created this multi-step process not only to ensure compliance with federal regulations, but also to maintain objectivity in the decision-making process.

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Environmental Reviews

Staff from two divisions (Affordable Housing and Community Development) conduct environmental reviews (ER) of a project prior to its consideration for an applicable CDBG, HOME or CoC project. An ER is used by staff to assess whether or not a potential project complies with the National Environmental Policy Act (NEPA) and other related laws and policies.

Besides checking for compliance, an ER is used to figure out potential environmental impacts. HCD staff use ERs as a way not only to assess a prospective project regarding its effect on the environment, but also how the environment can influence a project, its location and the community members.

Any ER begins with a thorough project description. Per HUD, a project description must include information specific to a project's location, geographic boundaries and a complete depiction of all activities that will happen at the location, not just those that are using grant funding. Staff then determines if the potential project falls under a Part 58 of NEPA, so that HCD as the local entity can conduct the ER (as opposed to Part 50, which requires that HUD itself perform the ER.) Under HUD regulations, Part 58 limits the responsibility of HUD and usually occurs when the local entity is the recipient of the grant funding.

Subrecipient Compliance

After subrecipients are awarded funds, they are subjected to periodic monitoring by HCD staff using strict standards to ensure they are able to continue receiving funds.

Monthly reimbursement requests are submitted through ZoomGrants, which has a built-in link to a separate digital platform, Survey123, which provides a form for subrecipients to fill out, updating staff on their monthly activities. ZoomGrants is programmed to send out automatic emails reminding subrecipients to submit updates in order to stay compliant for their respective grants.

It is important to note that compliance standards for subrecipients who receive advance payments are different from those who are reimbursed for purchases made. Only subrecipients of the US Treasury managed ARPA funds, and recipients of ACCGov's CPP program are allowed to use the advance funding option. HCD staff must ensure those subrecipients do not have more than two months of grant funds in their account at any point.

In accordance with best practices stated in HUD regulations, subrecipients of CDBG, HOME and CoC programs receive their funds through reimbursement, meaning they are paid back for purchases previously made with their own cash on hand. In this model, receipts are submitted by subrecipients and reviewed by two HCD staff members for accuracy, with a third, final review by the department director. Each subrecipient is subject to the ACCGov purchasing procedures put forth by the Finance Department.

Fund Distribution

The reimbursement method of grant fund distribution requires a three-step approval process. HCD currently uses ZoomGrants for all phases of its grant management process. Subrecipient agencies are able to upload documentation and submit reimbursement requests through the platform. The request goes through a first review, and any missing documentation is requested from the subrecipient. Once all documentation is cleared in the first review, a second reviewer oversees the documentation in case of an oversight, and any omissions are corrected. Finally, the department director gives the final review and approval.

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Logical Access

In order to assure best practices of cybersecurity, as well as compliance with internal control standards, access to software should be limited to users with necessary permissions. Upon examination of permissions for Munis financial software, HCD users appear to have access and user privileges commensurate with the responsibilities of position held. The director and each division administrator have typical permissions for those roles. The Compliance Division have slightly broader permissions due to additional layers of supervision within its structure.

The department director, program support analyst II, compliance administrator, and administrative assistant II carry purchase order and p-card reconciliation permissions (beyond their own.) The director, compliance division administrator and program support analyst II have p-card approval permissions. (At the time of this report the assistant director position is vacant, so permissions for that position are not verified.) The community development specialist assigned to the Compliance Division, who previously served in the capacity of program support analyst II, holds permissions for receipt of goods approval, as well as several viewing permissions, due to the fact that the training/transition process for the current holder of this position is still underway. The situation of the relatively recent change in the program support analyst II position similarly impacts eLOCCS (electronic Line of Credit Control System), for which permissions are managed and monitored by HUD. This system is the primary platform used for grant disbursement. Currently the compliance administrator and the above-mentioned program specialist have access to the system, with user access for the program support analyst II pending HUD approval. There are five other federal software programs accessed by specified staff in the department. OA staff determined the permissions to be relevant and appropriate to the duties of each staff member allowed access.

The department maintains records in both paper and digital form for all grants, contracts, fund distribution and grant applications in addition to general administrative paperwork. During the course of this audit, OA staff interviewed all department staff, and each were asked about standard procedures for maintaining security and confidentiality of paper and digital files. All staff members indicated knowledge of and adherence to organizational standards, as well as federal government policies, for handling, retaining and securely disposing of documents as documented in a department standard operating procedure (SOP) document submitted by the compliance administrator and approved by the Interim department director in May of 2024.

During field visits, OA staff observed HCD employees using locked receptacles to dispose of paperwork. All files assumed to contain sensitive information were held in a secure environment. While observation of workstation security practices was not extensive, no risks to improper document and data handling were noted, and during interviews all staff responded affirmatively regarding knowledge of best practices for cybersecurity and document storage.

Annual Action Plans

At time of this report, HCD is in the final year of the FY21-25 Consolidated Plan (ConPlan.) Mandated by the Department of Housing & Urban Development (HUD), the ConPlan, is used as a framework to aid local and state authorities in assessing the needs and priorities of the community and its development, while also ensuring any decisions are data-driven and are in-line with federal regulations.

CAPER & IDIS

Local and state authorities execute their consolidated plans by completing an Annual Action Plan, in which they have to describe activities completed with both federal and non-federal resources that help accomplish the goals

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forth within the ConPlan[1]. Every year, these authorities submit a Consolidated Annual Performance and Evaluation Report (CAPER) to HUD as a way to report their completed actions and activities.[2]

HCD works collaboratively to complete the federally mandated CAPER, which is submitted through the Integrated Disbursement and Information System (IDIS) platform accessible only by HCD staff. This software allows HUD representatives to monitor the actions (needs, performance, expenditures and accomplishments) of the grantee remotely. HCD staff are able to input data into IDIS throughout the year, which can streamline the CAPER process for when the report is made available.

Questions asked by HUD in the CAPER are not only related to data and statistics, but also allow authorities like HCD to give the federal government a story of how the money was used throughout the community and all the people helped. HCD staff also includes images and anything else they find helpful or relevant to show the full effect of the work that was accomplished. Recipients across the county are asked a broad scope of questions throughout the CAPER to create a database for the government, recipients, and the public as a whole regarding how federal funds are being used.

The Office of Community Planning and Development (CPD), an office within HUD, is in charge of grant programs that are focused on supplying grantees with funding to support affordable Housing & Community Development programs, and uses IDIS as a way to see how the funds are being used and to find trends that could help create future goals and outcomes for recipients across the country. CPD uses IDIS as a way to monitor recipients of awards, while also allowing them to see current areas of need and future goals that can be set and measured. As a whole, HUD and all of its offices use IDIS as a way to ensure compliance with any policies and requirements that are necessary as a subrecipient.

Consolidated Plan

Developing the Consolidated Plan (ConPlan) is a multi-year process, usually starting at least two years prior to implementation. HCD's current ConPlan, which began in FY21 and ends at the end of FY25, started its development in 2019.

It is important to note that HUD mandates a new ConPlan every three to five years and has multilayer goals based on the assessments completed by staff.[1] Additionally, ConPlans are carried out through Annual Action Plans that provide a summary of the federal and non-federal resources/actions occurring within the identified years. This report is different from the CAPER, in that the CAPER is the recipient formally reporting on the accomplishments and progress of the ConPlan goals from the previous year.

During the development of any ConPlan, HCD has to assess data regarding Housing & Community Development needs throughout the community. Mandatory components of a ConPlan include

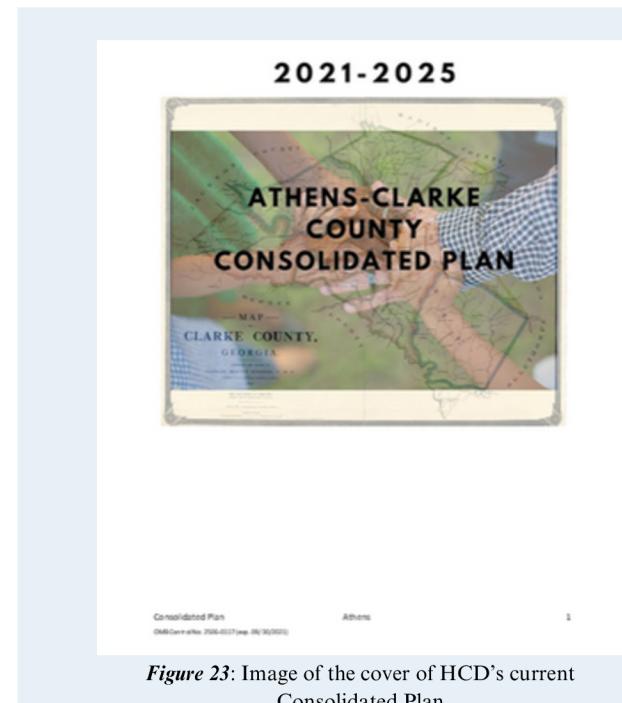


Figure 23: Image of the cover of HCD's current Consolidated Plan

[1] https://www.hud.gov/program_offices/commin_planning/conplan#:~:text=The%20Consolidated%20Plan%20is%20designed,%2C%20place%2Dbased%20investment%20
[2] <https://www.hudexchange.info/programs/idis/idis-reporting/>

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citizen participation, determination of needs and priorities, identification of resources, goal development, program administration, and performance evaluation.[1]

HCD holds many different events for citizen participation, with staff hosting events throughout the county, seeking public input on the plan. Another important note is that the current ConPlan was developed during the COVID-19 pandemic, so citizen participation occurred in a manner different from usual. For public input regarding the upcoming ConPlan, HCD had an external agency to aid in developing the process. The role of the consultants was to help with the public engagement portions of the development process, an area that was understandably more difficult to obtain in the development of the current ConPlan due to the Coronavirus Pandemic.

The goals for upcoming ConPlan have been created and approved for the ConPlan that will begin at the start of FY26. The full plan will be submitted to the M&C for approval in May 2025.

Compliance Analysis

As part of reporting requirements to HUD, HCD completes the Consolidated Annual Performance and Evaluation Report (CAPER). The CAPER provides a comprehensive overview of achievements and challenges over the past year. It includes detailed information on how HUD funds are utilized to benefit the community, and the services and impacts made in partnership with local agencies. Additionally, there are a number of compliance initiatives observed or confirmed by OA staff to be in place across HCD functions. They range from something as simple, yet important, as ACCGov online ethics training for Vision Committee members, to adherence of federal audit requirements for recipient funds under HOME, specifically, in standards applied to single audit thresholds (>\$750,000)[2].

Given both the types (CDBG, HOME, CoC) and amounts awarded, HCD is regularly reviewed by HUD for performance and compliance with federal requirements of these programs. From August 22-26, 2022, the Atlanta Office of Community Planning and Development, U.S. Department of Housing and Urban Development (HUD), conducted a remote monitoring of the Continuum of Care grant to assess performance and compliance with federal requirements. The FY22 Remote Monitoring Report resulted in four findings, all of which were addressed by HCD and considered closed via HUD reexamination. All four findings were within the financial management area of review and summarized as policy, procedure, documentation and identification conditions[4].

From March 27, 2023 through April 10, 2023, the Atlanta Office of Community Planning and Development, U.S. Department of Housing and Urban Development (HUD) conducted remote monitoring of CDBG and HOME programs to assess performance and compliance with federal requirements. The FY23 Monitoring Report was based upon the FY2020 CDBG and HOME activity. Upon completion, there were no findings and only one concern formally listed. The concern was tied to program participant eligibility – income verification process. Thus, it was stated that ACCGov is doing an “exceptional” job operating both of these programs.[3] It is further noted that staff are knowledgeable and adherent to policies and procedures, to the degree that ACCGov HCD would be suggested as a potential mentoring organization for other grantees.

Both of these federal audits align with the departmental strategic plan, Goal Area #1: Grant Management, Improve compliance of federal, state, and local grant funding regulations and policies. More specifically...

[1] <https://www.hudexchange.info/programs/consolidated-plan/consolidated-plan-process/grant-programs-and-related-hud-programs/>

[2] “Audit Requirements”, HOME Rules and Requirements, p. 20

[3] “Letter to the HCD director from the director of the Atlanta Office of Community Planning and Development”, U.S. Department of Housing and Urban Development, Fiscal Year 2023 Monitoring Report, October 19, 2022.

[4] “Letter to the County Manager from the director of the Atlanta Office of Community Planning and Development”, U.S. Department of Housing and Urban Development, Fiscal Year 2023 Monitoring Report, June 8, 2023.

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1. *Improve operational processes and efficiencies*
3. *Complete annual monitoring of subrecipient agencies*

The 2018 Update of the Service Delivery Strategy for Athens-Clarke County, City of Winterville, Town of Bogart indicates that neighborhood revitalization services are the responsibility of ACCGov. Further described as a comprehensive approach to housing, public services, and supporting infrastructure required for neighborhood well-being, financing is derived via the general fund, CDBG, and HOME grants. HCD is identified as the lead organization of this initiative.

Internal Controls

In assessing the potential risks that can occur within the Housing & Community Development Department (HCD), the need for adequate internal controls is vital to ensuring protection and/or awareness of deficiencies. Upon review and analysis by OA, a number of notable activities are worthy of mention, both in terms of praise and concern.

The environment in which HCD operates is split between a formal office setting and remote work stations. As it protocol for telework situations, staff avoid public wireless internet connections and use the Virtual Private Network (VPN) provided by the IT Department when they are not within an ACCGov facility that has internet access.

Potential risks converge over contract administration, grant disbursement/reimbursement, and protection of confidential information. To provide necessary control, procedural checklists exist for SOPs, dependent upon funding source (ARPA, CDGB, etc.). There exists an internal tracking system (spreadsheet) for annual recipient awards that is updated regularly by all HCD staff who coordinate grants. Additionally, HCD has adopted a three-point approval system put in place to finalize both contracts and regular reimbursement claims.

Staff also has data files and project management software to ensure the secure and efficient organization and completion of tasks. HCD is conscientious of data privacy and digital threats, and aware of potential weaknesses. For example, inconsistencies were found between which digital storage system was treated as the primary source for depositing certain information. This can be easily remedied via clear communication and reporting tactics.

Any potential conflicts of interest are monitored, including through written confirmation. Although the need for compensatory time (comp time) may come about dependent on the workload, it is managed appropriately and limited to critical situations with prior approval.



FINDINGS & RECOMMENDATIONS

After careful research and analysis of the objectives, as through consideration of the defined scope, the Operational Analysis Office believes there are four findings of significant note that should be addressed in reasonable time. The issues observed are described, and accompanied by potential recommendations to resolve. Subsequently, any response to the findings and recommendation is listed, as provided by the department head and/or county management.

FINDING ONE: Timesheet accuracy and consistent reporting

OBSERVATION:

A review of the time-worked reporting process for HCD revealed that each employee is required to provide two timesheets. The first is an Excel spreadsheet that is department-specific, meant to clearly delineate hours spent each day on specific tasks, as associated with funding sources. Staff can provide notes that might prove pertinent to the supervisor when seeking to approve each pay period. The second timesheet is in the form of an organization-wide software program call Munis ESS (Employee Self-Service). Entry of each day's hours are put into the system and submitted digitally for both supervisor approval and subsequent HR Payroll Division processing. Although one version maybe more detailed than the other, the hours logged each day should match between the two.

A standard operating procedure (SOP) provided by HCD, entitled “Payroll Time Sheet Instructions as Updated 7/5/24” outlines procedures by which all staff are to follow when accounting for time worked each bimonthly pay period. It specifically gives direction and scenarios for situations of flexed time, meaning days in which the standard eight-hours is more or less, but eventually adds up to the required 40-hours each week, Monday through Friday. The Excel spreadsheet is explicitly mentioned to be accurate in exact occurrence; however, Munis ESS entry is instructed by way of even disbursement of hours across each weekday, regardless of whether it is factual time worked.

RECOMENDATION:

Although OA has no reason to assume purposeful intent to misrepresent time logged by any HCD staff member, the standard operating procedure (SOP) for the department should be amended, in consultation with the Payroll Division of Human Resources, to comply with standard ACCGov practice and policy. All HCD staff should then be advised of the procedural changes to ensure that both timesheets reflect actual hours worked for each day in a pay period.

DEPARTMENT/MANAGEMENT RESPONSE: Agree

IMPLEMENTATION TIMEFRAME:

HCD immediately updated its SOP and provided staff training to ensure timesheets are completed in a manner that both the Munis and internal timesheets accurately reflect each other. This update to the SOP was adopted December 16, 2024.

DESCRIPTION OF ACTION(S) TO BE TAKEN:

The Compliance Division immediately updated HCDs SOP to reflect the accurate process for timekeeping, shared with staff and provided implementation guidance to everyone during a training meeting on December 20, 2024. Supervisory staff were provided further training on review of timesheets and processes to support accurate review prior to approval of timesheets bi-monthly. Compliance will complete quarterly reviews of all timesheets to verify no discrepancies occur between the Munis and Internal timesheets. If any are discovered, follow-up training will be provided, and an internal corrective action will be implemented.



FINDINGS & RECOMMENDATIONS

FINDING TWO: Interdepartmental/interagency collaboration and coordination

OBSERVATION:

By its stated mission, goals and objectives, HCD must naturally collaborate and coordinate with multiple ACCGov departments, in addition to its numerous external partner agencies, to ensure service delivery throughout the county. During the audit, interviews with both HCD staff and ACCGov employees from different departments indicated a need for more consistent efforts to communicate and proactively assist each other in addressing common issues relative to areas of housing and community development.

One key relationship, as an example, is with the Planning Department. Both departments could stand to gain efficiency and understanding by providing subject matter expertise. Specifically, opportunities exist within Section 106 (historic preservation) applications, environmental assessments and inclusionary zoning projects. Furthermore, HCD's participation in the Plans Review process, Future Land Use Map discussions, zoning actions of the Planning Commission, Comprehensive Plan updates, etc., would ensure common strategies and initiatives are recognized and implemented.

Avoidance of duplication also benefits all linked departments and agencies through targeted use of limited resources. In theory, the less time, money and effort put into a particular project or program that is already being handled by another partner will leave available funds and staff to schedule for other impactful initiatives. Upon review by OA, there is currently no method of tracking this type of data for use by all departments or agencies, increasing the potential for duplication effort by only collaborating with one another when necessary. An instance of this can occur during home improvements made by agencies awarded funding by HCD from different sources, who then target similar projects for the same location, which have the potential to disrupt the finished product of one group, or threaten compliance with grant regulations.

RECOMMENDATION:

Formalize departmental and agency partnerships by way of agreement or memorandum, as necessary. Examples of this already exist amongst other ACCGov departments, and can be tailored to outline communication, responsibilities and expectations, to name of few topics. More specifically, HCD could be kept aware of weekly Plans Review submittals (Planning), monthly Visioning meeting requests (Economic Development), and applications for Planning Commission consideration (Planning). Rehab and nuisance abatement funds should be explored for use by ACCGov in conjunction with the Building Permits & Inspections Department's list of identified properties, as possibly monitored by the Historic Preservation Planner. The departments named herein are representative of primary partners with similar, existing interests to that of HCD, but there are certainly others within and external to ACCGov which could also benefit from strengthened, mutual understanding. Exploration of a common database that can be used to consolidate efforts and avoid duplication of work through project tracking and management would provide oversight and awareness of community efforts already underway.

DEPARTMENT/MANAGEMENT RESPONSE: Partially Agree

1. HCD agrees that more structured interactions with other ACCGov Departments, including Planning, Code Enforcement, and Economic Development, will be beneficial to the department and organization; however, we do not see the need for a formalized, written agreement.
2. Currently, HCD successfully works with the Planning Department regarding the Inclusionary Zoning ordinance, policy and implementation, and this department was a key player in assisting with the development of HCD's Affordable Housing Investment Strategy.



FINDINGS & RECOMMENDATIONS

3. HCD collaborates with Code Enforcement on a regular basis for Fair Housing and Nuisance Abatement and Control (NAC) and Voluntary Demolition program activities. For the past three years, Code Enforcement staff have been guest speakers at HCD's annual Fair Housing events that are provided for the public, and they also assist staff when fair housing concerns are brought to our attention. Code Enforcement, along with the Attorney's Office, communicates with HCD staff regularly regarding upcoming NAC projects that have been approved by the courts, and also directly refer private property owners to HCD for participation in the voluntary demolition program to avoid further Code Enforcement violations and/or court involvement.
4. HCD is also working hand-in-hand with the Economic Development Department for purposes of training and support for ARPA Workforce Development funded-programs. HCD staff also attends TAD Advisory Board meetings to share affordable housing information and support ED staff.

IMPLEMENTATION TIMEFRAME:

1. Beginning in late FY25
2. Beginning in late FY26

DESCRIPTION OF ACTION(S) TO BE TAKEN:

1. To further cement relationships within these departments, the HCD Director and Assistant Director will initiate quarterly meetings to discuss and share relevant information, concerns and to brainstorm ideas for improved processes that impact operations.
2. HCD will include Planning Department staff in the annual process of application review for proposed affordable housing projects. Gaining insight from Planning staff regarding identified needs, zoning issues, permitting limitations, etc. would be invaluable to the review process.



FINDINGS & RECOMMENDATIONS

FINDING THREE: Efficiency in annual subrecipient awards and technical assistance

OBSERVATION:

One of the main objectives daily, monthly and annually for HCD is to disburse grant funds to approved subrecipient agencies. With that assignment comes constant assistance to those awarded, as well as regular administration and monitoring of work performed and financial accounting. During the audit, OA discovered just how complex and demanding coordination with subrecipient agencies can be. Technical assistance, in particular, is guided by federal funding expectations and is not restricted or withheld by HCD staff, regardless of capacity. This creates an unpredictable circumstance in which awarded agencies of any size or experience level can request varying levels of assistance at any point, simultaneously in some instances, potentially overloading staff capability. All HCD staff must naturally be versed in an array of grant processes and procedures, while also balancing against their other work. The sheer volume of grant awards made annually greatly influences efficiency as well. Regardless of award size, whether \$20,000 or \$200,000, regular (monthly) reporting by agencies and accompanied monitoring by staff are significant endeavors when considering compliance with regulations. Whether a \$5 receipt or a \$500 receipt, it still must be accounted for, evidenced and audited. When this process is compounded across 58 different grant projects, it is challenging at best.

RECOMMENDATION:

Staff should consider, as appropriate, various strategies that could proactively reduce the volume of technical assistance needed across annually awarded grants. This could range from mandatory “touchpoints” with each sub-recipient at defined stages throughout the year, which may then reduce the potential for technical assistance in-between each occurrence. Or, could include a requirement for completion of the non-profit capacity building courses offered by HCD prior to grant award eligibility. To further enhance efficiency in annual subrecipient contracts, the number of awards made could be reduced, but instead increase the associated approved amounts in an effort to lessen the overall workload that comes from having to coordinate dozens of awards annually. Although HCD coordinates recommendations in this regard, the M&C would be responsible for final approval of a more manageable list.

DEPARTMENT/MANAGEMENT RESPONSE: Partially Agree

1. For the FY26 and all future funded subrecipient awardees, HCD has implemented mandatory training for CDBG, HOME and Community Partnership Program (CPP) funds. This training will occur annually in May and June, prior to contract execution, and will include the following: contracting process, review of subrecipient policies and procedures, monthly reimbursement or advanced payment process (submission requirements, supporting documentation required, etc.), monthly performance reporting requirements, ZoomGrants, and FAQs.
2. HCD has recorded numerous subrecipient training videos that are available on the website at <https://acgov.com/11239/Resources-for-Subrecipients>. This page also includes links to resource documents to assist in answering common questions most subrecipients face. HCD will continue to record FAQ and How To videos in support of subrecipient agencies, and as a means to reduce the amount of on the spot, direct technical assistance needed by staff.

HCD agrees that it is critical for subrecipient agencies receiving local, state or federal grant funding to understand the basics of grant management and nonprofit capacity in order to minimize the need for ongoing and comprehensive technical assistance. As the direct federal grantee and responsible steward of local public funds, HCD will continue to maintain a more intensive presence of technical assistance when we sense subrecipient partners are unfamiliar with required processes or are struggling to meet the program requirements. HCD supports the idea of requiring all new subrecipients to have either received certification for NCB training prior to applying for funds, or to require completion of NCB training within six months of being awarded HCD grant funding. For



FINDINGS & RECOMMENDATIONS

existing nonprofits that have received HCD funding in the past, a risk analysis can be conducted by HCD staff during contracting process to determine operational deficiencies that may be addressed with specific NCB training courses. Once identified, HCD's Community Impact Division will provide direct training opportunities and/or referrals to external trainings, all of which must be completed by the subrecipient within six months of analysis.

4. In an effort to increase and maximize community impact and services, HCD has already implemented a minimum Public Service application funding request, requiring that all interested agencies may apply for no less than \$30,000 for eligible public service activities.
5. Although HCD agrees that it would be more efficient to target funding specifically to affordable housing and homeless projects only, which would increase annual funding to those activities and reduce the number of grants concurrently, doing so would significantly cut out projects that support economic development and non-housing neighborhood revitalization efforts within approved Neighborhood Revitalization Strategy Areas identified in HCD's Consolidated Plan. There is also concern that existing partners do not currently have the staff or operational capacity to effectively or successfully carry out increased funding of CDBG programs within the contractual 12-month performance period.

IMPLEMENTATION TIMELINE

1. May 2025
2. FY26 for the FY27 grant cycle
3. FY25

DESCRIPTION OF ACTION(S) TO BE TAKEN:

1. In 2025, HCD will implement a “pilot” program where new agencies awarded FY26 funding (as well as other interested agencies) are invited to complete NCB trainings facilitated by HCD between June-December 2025. Those who attend all six trainings in the series will receive a certificate of completion. As part of applications for FY27 funding and beyond (typically due in October of preceding FY), HCD will require new subrecipients to submit proof of NCB training or sign an assurance form stating that they agree to complete the NCB training within six months of contract period (if awarded). HCD will provide a free NCB training annually and/or make referrals to external trainers (at cost to agency).
2. Beginning with funding applications for FY27, HCD will encourage applicants to allocate some of their requested budget toward “NCB trainings” in order to help them meet potential costs of training required by HCD. Additionally, beginning with FY27 subrecipient agreements, HCD will incorporate training requirements into the contract itself; agencies that fail to meet training requirements will be considered non-compliant, which will affect their ability to be recommended for funding in future cycles.
3. HCD will consider submitting a new initiative request in its FY27 budget to support continuing the Nonprofit Capacity Building training program provided by its staff.
4. HCD staff will continue to monitor capacity and operational effectiveness of its current and potential partners in an effort to determine if, or when, this action would be feasible to consider for implementation.
5. HCD will consider increasing the minimum budget requests of public services projects to further increase community impact and to reduce the number of annual contracts.



FINDINGS & RECOMMENDATIONS

FINDING FOUR: Distinction of economic development functions

OBSERVATION:

The economic development role of the department can be a source of confusion, perhaps due in part that “economic development” has been in the title of at least four agencies/divisions/departments of ACCGov since unification. Despite carefully crafted mission statements and lists of goals, each entity still seems to encounter overlapping activity that prevents clear separation of functions from that of the others.

RECOMMENDATION:

The Manager’s Office, in collaboration with the HCD and Economic Development department directors, should consider an alternative strategy that aligns departmental purpose with assigned activity. Historical research indicates that, while HCD was initially formed under the title “Housing and Economic Development,” its mission has become increasingly focused on housing assistance, the need for which has continually increased. Similar research into the evolution of ACCGov since unification shows a succession of changes to the economic development entities supported by ACCGov, culminating in the formation of its own Economic Development Department under the direction of the Manager’s Office in 2013. Because of the complexity of affordable housing issues in Athens, along with the urgency of addressing homelessness, it is important for HCD be focused on the impact it can have on the basic need of adequate homes and shelter. Similarly, economic development in a place such as Athens--with its large college population, diverse workforce and scarce land area--requires specialized knowledge and skills. To that end, it maybe beneficial to ensure that projects surrounding ARPA, Revolving Loan Funds, and HUD CDBG grant funding are assigned to the most appropriate department capable of managing such responsibility in the most effective and efficient manner. Although collaboration is to be expected amongst departments, each should also be distinguished by its primary role, when in the most simplistic sense, draws ties to its publicly known title.

DEPARTMENT/MANAGEMENT RESPONSE: Partially Agree

1. Based on experience garnered though mixed administration of ARPA funding, it is not advisable to distribute grant administration responsibilities across multiple departments, especially if those departments do not regularly manage compliance of federal grant funding. Throughout the past four years of ARPA grant funding allocations, HCD has had to provide comprehensive technical assistance to both external subrecipient agencies and to other ACCGov departments in an effort to provide them with an understanding of grant management, and to ensure that compliance of federal record keeping and reporting requirements are understood and upheld by both parties.
2. HCD is solely responsible for managing and reporting to HUD for CDBG federal funds. The amount of CDBG funding varies annually, and the recommendations for economic development activities also vary annually based on available funding, the quality of applications received, community priorities, and past performance criteria. Therefore, it is not recommended for CDBG funds to be allocated externally to the ED Department for the sole purpose of economic development activity grant management. HCD recognizes the ED Department has specialized knowledge and experience in workforce development and small business development that can enhance the CDBG economic development selection process, and therefore HCD will include ED staff in the annual process of application review for proposed CDBG economic development microenterprise or workforce development projects. Gaining insight from ED staff regarding identified needs, gaps and priorities for economic development activities in the County would be considered an asset to the review process.
3. The current Revolving Loan Fund (RLF) Program, through the Georgia Department of Community Affairs (DCA) CDBG funding, is currently out of compliance (too much cash on hand and a loan has not been made in the past 5 years) and is no longer considered a viable program to operate. Due to heavily restrictive regulatory requirements, the program is limited in its ability to positively impact small businesses in Athens, it must serve

FINDINGS & RECOMMENDATIONS

primarily low-to-moderate income persons, has a job creation requirement, and now also requires loan application review and approval from DCA staff prior to review and approval from local RLF Committee staff. The CDBG RLF Program requires small businesses to provide 50% funding from another loan, 10% of their own cash, and the RLF provides 40%. Given the purpose, challenges, and past performance of the RLF Program, HCD will transfer this responsibility out of the department

4. The Joint Development Authority (JDA), with support from the Economic Development Department, have identified and implemented three programs to support small businesses in Athens that better meet the needs of the community, including its COVID Resiliency Package funded Local Business Revolving Loan Fund Program, the Turntable Revolving Loan Fund Program (using repaid Resiliency Package loans funds), and its ARPA funded Small Business Grant Program. HCD is recommending, via agenda for vote in March 2025, that the DCA CDBG Revolving Loan Fund Program funds be returned to the state due to the difficulties in managing the program, encumbering program regulations, and limited to no interest in these funds.

IMPLEMENTATION TIMELINE

1. Initiated in FY26
2. FY26 for the FY27 grant cycle
3. FY25

DESCRIPTION OF ACTION(S) TO BE TAKEN:

1. HCD will include the ED Department in the review and selection process for CDBG funds related to microenterprise and workforce development. This will begin with next year's CDBG solicitation and selection.
2. HCD will present the M&C with a recommendation to discontinue the RLF Program formally operated within the department.

CONCLUSION

In alignment with the primary topics of focus for a periodic audit, the Operational Analysis Office offers the following closing remarks based upon points of interest or concern which, although do not warrant immediate attention, are worthy of consideration, potential follow up, or future investigation. These highlights are in addition to, and not in place of, the formal findings and recommendations previously announced.

Since 2022, the department has been managed by four different directors, two of whom were appointed to interim assignments. Stable leadership will be key to sustaining progress overall, and transitioning HCD from a reactive environment to a more proactive one. A recent announcement naming the former assistant director, who was serving in the interim director role, as the appointed permanent director should provide the knowledge, expertise, and familiarity needed to fulfill long-standing service delivery, while refocusing on daily operations and prioritization of special projects. The number of staff within HCD has grown significantly, but perhaps only now has attained the number needed to first meet current demand, and not necessarily increase available capacity.

Over the past two years, HCD has made great strides in recruiting for a number of vacancies and maintaining those qualified professionals, who seemingly function well as a unit. Still, the vast majority of personnel are new to their roles, or to the department, and will benefit from performance responsibilities that are clearly distinguished within each job description. The level of confidence particular positions will have can be directly linked to opportunities for advanced training, especially in financial and/or procurement practices. This is not to say that staff lack the minimum requirements to be hired for role in HCD, but that the daily reality of tasks may necessitate the continued development of professional skills. This is especially key for HCD where divisional objectives are based in funding source more so than function. Analysis of each job title and workload indicate comprehensive project/program management that does not observe traditional divisional lines (hierarchy), meaning even if hired for a particular area of specialty, assignments are likely to include cross-divisional aspects that may challenge ones' employment background and skillset.

As indicated within the Staffing section of this report, “grant writers” (community impact specialists) are mostly HCD specific in their role. While they primarily collaborate on grants that are the focus of HCD’s mission and goals, they also act in the same manner as any other full-time ACCGov employee by fulfilling the many additional administrative and operational duties that come from working within HCD. The staff members in these positions see grants through the entire process from application to final completion and monitoring. Since they were hired by and report to HCD, their respective backgrounds are rooted in education, experience and qualifications that lean heavily on housing and community development related services. These two positions are not presently versed in the comprehensive knowledge of every ACCGov department, as opposed to the expectation of more traditional, broad-based government grant positions that are tied to a “Grants Department.” Therefore, they are unable to proactively seek out any and all grants that may benefit the entire government or community, but have still done so in a limited capacity as circumstances allow. This expectation, in reality, is not feasible under the current arrangement, number (two), or placement of such positions. Thus, it is also not possible for these positions to assist in pursuit of grants for outside individuals or external groups, since their primary commitment is to ACCGov, specifically HCD. A separate, distinct approach to implementing a comprehensive ACCGov grant management program should be considered by the M&C in conjunction with county management.

Disbursement of various funds to agencies seems to be occurring in a timely manner, and is equally contingent not only upon HCD staff, but also upon award recipients and their level of participation. Partners can experience high staff turnover, therefore requiring repetitive instruction and technical assistance from HCD staff. That said,

CONCLUSION

workload is directly impacted by the number of contracts to be administered, which can fluctuate annually, even if the awarded amounts from the federal government remain fairly steady. Transparency in why certain applicant agencies were not selected for grant awards may better prepare them for future applications and lessen dependency on HCD staff for answers.

Public input, in general, is challenging, and can appear to be more symbolic than intentional. This is especially evident if a requirement, both in circumstance and methodology, is dictated by grant parameters. For example, during a CDBG applicant training session it was noted that seven public input sessions only yielded 87 people giving input. Still, the newly organized and implemented Community Impact Division is meant to lead future initiatives and create more meaningful and participatory engagement opportunities. As with many Boards, Authorities, Commissions (BACs) of ACCGov, the Vision Committee, comprised of appointed citizens, should consider creation of formal bylaws by which to adhere.

Follow-Up

In an effort to gauge the effectiveness and emphasize the purpose of conducting a periodic audit, the Office of Operational Analysis intends to follow-up with the Housing and Community Development Department within a year's time and report on the status of any resolution to the findings and recommendations made. The exact schedule will also be considerate of the implementation timelines put forth by the department and/or county management as indicated in this report.

A summary response will be requested at the appropriate time from the subject department, and if necessary, staff from OA will conduct inspections to confirm appropriate actions taken. It is anticipated that the HCD will be allotted physical space, as planned, within the renovated ACCGov Costa building by the time a formal follow-up is conducted, and will likely include inspection of that location.

Any unresolved issues will be brought to the attention of the department and/or county management for further discussion.

It is expected that brief memorandum describing the degree of compliance will be forwarded to the M&C for informational purposes.

APPENDIX

Appendix A

HCD Self-stated Performance Goals and Objectives FY25

Housing & Community Development

Mission

The Housing and Community Development (HCD) department provides funding for the creation and rehabilitation of affordable housing, fosters and coordinates services for disadvantaged populations, and promotes economic mobility among residents of Athens-Clarke County.

Goals

- Provide accurate information, comprehensive research and timely advice to the public, management and staff in support of housing, economic development and community development designed to foster positive community outcomes.
- Increase affordable housing activity and production in Athens-Clarke County through an ongoing and continuously updated strategic planning process that will result in greater funding opportunities, better community awareness of all housing programs and available services as well as stronger public and private sector partnerships.
- Partner with ACC departments and housing program providers to reduce slum and blight in neighborhoods through the demolition of dilapidated structures.
- Help low-to-moderate income residents and the chronically unemployed overcome barriers to full-time regular employment.
- Encourage the growth and establishment of the local small to medium sized businesses in order to encourage job creation.
- Improve the public health and welfare of Athens Clarke County residents.
- Partner with social service and shelter providers to reduce homelessness in Athens Clarke County.
- Encourage citizen participation in decision-making processes, with particular emphasis on participation by persons of low and moderate incomes.

Objectives

- Secure CDBG, HOME, and CoC (Supportive Housing Services, Supportive Housing, and Shelter + Care Grant) funds to assist community partners in the provision of housing, shelter and community development projects and programs.
- Allocate entitlement and competitive grant funds to community partners through Mayor and Commission approval processes in a timely manner.
- Partner with community organizations to develop accurate scopes of services and contracts for all grant-funds in a timely manner.
- Provide technical assistance, guidance and monitor all contracted agency expenditures and performance monthly.
- Process reimbursements to subrecipient agencies in a timely manner.
- Reimburse ACC expenditures for subrecipient activities from grant sources efficiently.
- Administer all grant programs efficiently and accurately and document regulatory compliance to minimize financial risk to ACC.
- Ensure all expenditures for program administration are at or below statutory caps.
- Submit accurate reports to HUD and other primary funding agencies on time.

APPENDIX

Appendix B.1

HCD Grant Subrecipient Equity Assessment

EQUITY ASSESSMENT GUIDE

Equitable programming is an intentional approach to recognize projects that respond to community needs, give communities a voice in shaping the futures of their neighborhoods, provide community benefit, and contribute to the wellbeing of residents and the local economy surrounding the development.

This Equity Assessment is a tool that provides a comprehensive overview and added detail to give examples of strategies, activities, and decisions that can make a proposal more equitable. Applicants may receive up to 40 total points for this application component.

Proposal: Up to 3 Points

1. What are the desired results and outcomes of the proposed program/project?

Community Engagement: Up to 3 Points

1. How have community members and stakeholders been engaged?

For Example:

- Stakeholders include anyone who might be affected by a new project:
 - Building occupants
 - People who live and work in surrounding neighborhoods
 - Individuals and businesses that will be involved in the design and construction of the project
 - Community-based organizations and local businesses
 - Others, explained
- What mechanisms were utilized for community engagement?
 - Town Halls/Community Forums
 - Social Media
 - Email
 - Mailers/Flyers
 - Door to door
 - Website
 - Phone Calls

2. Whose voice did you listen to? Whose voice did you possibly leave out?

For Example:

- What research of the community and neighborhood was done ahead of your proposal?
- During engagement periods- who did you talk to about this proposal?
 - Residents of this development area
 - Residents in surrounding neighborhoods/areas?
 - Businesses in this development area
 - Government officials
 - Others, explained

EQUITY ASSESSMENT GUIDE

3. Did barriers and/or opportunities to engagement exist and were they explored?

For Example:

- Barriers could be:
 - Language Access
 - Transportation Access
 - Scheduling conflicts with event timing
 - Digital access for online engagement
- Opportunities could be:
 - Leveraging existing community leaders, groups, spaces, or events
 - Visioning sessions with the community
 - Partnerships with trusted organizations

Impact: Up to 6 Points

1. What populations are impacted by the decisions made if this proposal is chosen?

For Example:

- Impacts could be:
 - Demographic related
 - Access related
 - Opportunity related
 - Health related
 - Displacement related

2. Who is burdened by this proposal? Who will benefit?

For Example:

- Burdened:
 - Are there potential unanticipated consequences of this proposal, such as an influence on neighboring property values (higher or lower)?
 - Are there segments of the population who objected to this proposal?
 - Will residents be displaced through eviction, demolition, or market increases?
 - Other
- Benefit:
 - Community and/or commercial stabilization
 - Increase in housing choices
 - Future residents
 - Neighboring businesses (increased traffic/spending in immediate neighborhood)
 - Other

3. What does this proposal have the ability to impact (community and equity indicators aside from affordable housing)?

For Example:

- Indicators could be:
 - Access to Food
 - Youth Development
 - Access to Education
 - Economic Development
 - Access to Transportation
 - Access to Services

APPENDIX

Appendix B.2

HCD Grant Subrecipient Equity Assessment

EQUITY ASSESSMENT GUIDE

Analysis and Strategies: Up to 2 Points

1. Are there strategies in this proposal for advancing opportunity and/or minimizing negative or unintended outcomes?

For Example:

- How will you ensure wage equity and workforce diversity?
 - Will all project employees be paid a living wage?
 - Will local and/or historically excluded businesses be prioritized when procuring materials and/or services?
 - Will hiring of employees be from local, diverse, and/or historically excluded groups to increase economic opportunity?
 - Apprenticeship opportunities for capacity building?

2. What impacts are aligned with desired community outcomes?

For Example:

- Which community needs and assets were integrated into this proposal, explained
 - Was a community needs assessment done?
 - Was a community asset map used?

3. What have you learned from data and stakeholder involvement that is reflected in this proposal?

For Example:

- Community input and collaborative design crafting this proposal, explained:
 - Extensive input and collaboration
 - Some input and collaboration
 - No input or collaboration

EQUITY ASSESSMENT GUIDE

Implementation: Up to 2 Points

1. What is the plan for implementation of this proposal?

2. Are you adequately funded, staffed, resourced to implement this proposal?

For Example:

- Meaningful investment of resources and staff are available to support this proposal and clearly explained.

3. What resources and/or actions are still needed for effective implementation?

Data: Up to 2 Points

1. What data exists to support your proposal? How did you use it?

For Example:

- Data Sources
 - Was a community needs assessment done for this proposal?
 - Was any asset mapping done for this proposal?
 - Did you consult existing neighborhood plans or studies? ([GICH Report](#), [Envision Athens Agenda](#), [Workforce Housing Study](#), [Comprehensive Plan](#), ACCGov Strategic Plan, [ACC Missing Middle Housing Scan](#), [Affordable Housing Investment Strategy](#) or the [Strategic Plan to Reduce and Prevent Homelessness](#))

2. Are there gaps in the data?

For Example:

- Are there any datasets or maps you would have liked to have used in this proposal, but didn't have access to?

3. How has the data been broken out: geographic areas, demographics, neighborhoods, populations, existing programs, etc.?

Accountability and Evaluation: Up to 2 Points

1. How will you ensure accountability, communicate, and evaluate results of this funding?

2. How will the impact of this funding on the community be documented and evaluated?

For Example:

- The ultimate measure of success for a community engagement process is the extent to which the findings are incorporated into the proposal
 - Documentation of ways in which community input has informed proposal results

3. How will you continue to communicate, partner, and sustain relationships in the community around this proposal's impact?

For Example:

- Pursuit of partnerships with community-based organizations?

APPENDIX

Appendix C

Comparative Analysis Data

Unified Government?	In-House Housing/Human Services Authority	In-House Grants Department	External Housing Authority	Name of External Authority (if applicable)	Department Name	Total Population	Approx. Amount of ARPA Funding Awarded to Government	# of Unsheltered persons experiencing homelessness (from 2019 Point in Time Data)	Median Cost of Rent (in dollars)	% of Renter Occupied Units	Estimated Amount of Housing Units (from 2020 Census)
Athens-Clarke County	Y	Y	N	Y	Athens Housing Authority	127,315	\$57.6M	177	863	63.80%	55,195
Augusta-Richmond County	Y	Y	N	Y	Augusta Housing Authority	202,081	\$82.3M	177	880	53.82%	90,192
Macon-Bibb County	Y	N	Y	Y	Macon Housing Authority	157,346	\$75.9M	Data unavailable on HUD Website	834	48.15%	71,901
Muscogee County, Columbus	Y	Y	N	Y	The Housing Authority of Columbus, GA	206,922	\$78.5M	69	925	50.90%	90,348
Savannah, Georgia	N	Y	N	Y	Housing & Neighborhood Services	147,780	\$55.6M	271	1049	55.98%	68,089
City of Greenville, South Carolina	N	Y	N	Y	The Greenville Housing Authority	70,720	\$17.9M	376	1189	29.90%	37,323
Chattanooga, TN	N	Y	N	Y	(1) Community Development Department and (2) Office of Homelessness & Supportive Housing	181,099	\$38.6M	1,467	1176	54.40%	85,266