To: Mayor & Commission

From: Gavin J. Hassemer, Internal Auditor

Date: July 31, 2025

Subject: Economic Development Department Periodic Audit Follow Up

On August 6, 2024 the Commission approved by unanimous vote to accept the FY24 Periodic Audit Report of the Economic Development Department prepared by the Operational Analysis (OA) Office. The report included three findings with accompanying recommendations for management and the department to consider. With the cooperation of the Economic Development Department, our office has conducted a review of the status of those recommendations.

The objectives of this review were:
1. To assess the status of the findings discovered during the audit
2. To gauge the status of implementation of recommendations
3. To gather and report on pertinent information regarding changes to the office which might impact the findings and conclusions of the audit report

This follow-up investigation included written correspondence, an in-person meeting, and a field visit by OA staff. This review has no formal opinions or conclusions, but is performed to ensure mutual understanding among all parties regarding the audit and operational analysis processes. You will find the results in the attached document, "Follow-Up Review of the Economic Development Department—FY24 Periodic Audit Report."

Please direct any questions or concerns regarding this report to the Athens-Clarke County Internal Auditor. The Internal Auditor wishes to thank the Economic Development Department and the Manager's Office for their cooperation with this initiative.

Department's General Comment/Response:	We worked with HR to add coordination of visioning meetings back into the Site Development Services Coordinator job description as of 4/11/24. We worked with PIO to update phone numbers on the ACCGov web site, and updated contact information on our web site as of 4/9/24.

Finding #1	DEPARTMENT / MANAGEMENT RESPONSE: (Agree; Partially Agree; Disagree)	Status as of April 2025, Per Department
Departmental Functions are Position-Specific	Partially Agree	*Implementation Complete*

Observation	Department's Response	Department's Update
The staffing of the Department of Economic Development is structured with a director overseeing its operation and five coordinators who perform specific functions with relation to different aspects of economic development for Athens-Clarke County. By its very nature, the work of attracting and expanding job-creating industry requires a degree of specialization, as demonstrated by the different titles held by the five economic development coordinators. For example, Tax Allocation Districts are a complex format for encouraging business and industry to develop in certain areas of the county. The staff liaison needs to have knowledge of the legal structure of the TAD mechanisms and the ability to guide citizens through the advisory board mechanisms. Likewise, there is certain knowledge, skills and abilities that guide a professional in the capability to foster small business and entrepreneurship. While it's reasonable to have coordinators focus on specific duties where their training and background gives them the greatest strength, lack of continuity is a risk if there is not some level of cross-training so that coordinators can step up to fill in should a staff member be unavailable at any given time. Although it was observed that the director is knowledgeable of each position, this skillset should not just flow vertically, but also horizontally between coordinators.	The idea of cross training is a good one. We currently have 3 team members who have been in their roles less than 16 months and are still developing key relationships and expertise needed for their own roles.

The Invest Athens team will identify ways to continue with our existing cross-training efforts. Over the past 12 months, we have completed the following cross-training:

1. Site Development Services Coordinator and Business Development & Incentives Coordinator cross-trained on purchasing in MUNIS.
2. Manufacturing & Industry Coordinator and Workforce Development Coordinator cross-trained on payroll preparation.
3. Business Development & Incentives Coordinator and Manufacturing & Industry Coordinator cross-trained with previous Workforce Development Coordinator to learn our bi-annual Employer Wage & Benefit Survey, learning how to manage the survey process and prepare the findings report.
4. Small Business & Entrepreneurship Coordinator and Workforce Development Coordinator cross-trained with the Manufacturing & Industry Coordinator on WordPress for editing our www.investathensga.com website.
5. Small Business & Entrepreneurship Coordinator cross-trained with the Manufacturing & Industry Coordinator on how to use our new CRM system for event invites and analytics.
6. Small Business & Entrepreneurship Coordinator and Workforce Development Coordinator cross-trained on the contracting process.
7. Business Development & Incentives Coordinator participated in the FY25 department budget process to learn the steps.
8. Site Development Services Coordinator and Business Development & Incentives Coordinator participated in this Internal Audit of our Department to learn the process.
9. Site Development Services Coordinator and Business Development & Incentives Coordinator are cross-training with the Manufacturing & Industry Coordinator and the Economic Development Department Director to learn how to find needed data to complete RFIs for large recruitment projects. | *We have continued with our internal cross-training efforts to cover ongoing workload of administrative tasks. Each task has a team member who is the primary, and a team member who serves as back-up. Since the audit, we were charged with responsibility for managing $4 Million in ARPA funds, and the entire team has pitched in to each learn how to use ZoomGrants and to review documents for grant reporting compliance.*

Team members regularly attend events that other teammates are hosting and learn from/with them. For example, the entire team attended and help host a Biotech community gathering that we host with partners. Teammates attended ArtWORK workshops planned by our Small Business & Entrepreneurship Coordinator. Teammates attended and helped host community input meetings for each Tax Allocation District that were planned by the TAD Coordinator. Teammates attended the Women's Resource Fair help by ACCGov People & Belonging and shared workforce and entrepreneurship information/resources. The entire team pitched in to plan for a prospective industry visit in November and learned that process together from those who had previous experience.

Team members alternate as facilitators of our regular bi-monthly team meetings, gaining the experience of leading the meetings and hearing teammates' updates on their work.

The TAD Coordinator has experience in workforce, and attends select meetings along with the Workforce Development Coordinator.

The Workforce Development Coordinator is attending school system CTAE & Career Academy and WorkSource Northeast GA workforce-related meetings with the Director to gain knowledge of K-12 workforce-related efforts.

The TAD Coordinator & Workforce Development Coordinator both attended IEDC's 3-day Basic Economic Development course in Spring 2025 to gain broad knowledge of the practice of economic development.

The Small Business & Entrepreneurship Coordinator attended Joint Development Authority meetings with the Director over the past 18 months and has assumed the primary role of borrowed staff to the JDA, which was previously the Director's responsibility. |

Recommendation		
Develop and Implement a Cross Training Plan.

In order to assure activities of the Economic Development Department function seamlessly, and to ensure continuity of operations, the department should develop and implement a well-defined cross training program. The program should be structured to assure that each coordinator has an appointed "back-up" person, other than the department director, who can step in and fulfill all duties should that coordinator be absent from work for any reason. . | | |

Finding #2	DEPARTMENT / MANAGEMENT RESPONSE: (Agree; Partially Agree; Disagree)	Status as of April 2025, Per Department
Boards, Authorities, Commissions (BAC) Compliance	Partially Agree	*Implementation in Progress*
Observation	**Department's Response**	**Department's Update**
ACCGov has a well-defined training program to assure each appointed member of a board, authority or commission (BAC) is educated in matters such as ethics, parliamentary procedure, cyber security and open meetings/records laws. During the audit period, OA staff were unable to verify that members of certain committees for which Economic Development staff serve as liaison had completed the appropriate training. In turn, OA also observed occasional lapses in meeting decorum, such as procedural adherence surrounding quorum, motions and recognizing speakers. Most meetings were solely staffed by one EDD coordinator, with only select gatherings attended by legal counsel, who was external to ACCGov and hired for special advice and professional opinion.

Note: Operational Analysis Staff redacted names of TAD Advisory Committee members for privacy purposes | *The TAD Coordinator has followed up with the 37 TAD Advisory Committee members on training. The Government Operations Committee (GOC) is currently exploring the option to consolidate the 6 TAD Committees (not including the MARC) into one TAC, potentially with representation from each of the 6 TADs, once community input has been collected to create each TAD's Community Identified Priority List, and the list has been submitted to the M&C. 5 of the 6 TADs have already submitted their Community Identified Priority List to the M&C. The GOC recently reached out to the 37 TAC volunteers to request their input on pros and cons of potential TAD Advisory Committee consolidation.* |
| **Recommendation** | | |
| Facilitate and Monitor BAC Training

In order to complete the recommended training for BAC members, ACCGov email addresses must be issued to board members so that they can access the online learning management system (LMS) administered by ACCGov's Organizational Development (OD) division of the Manager's Office. To assure that all committees for whom EDD serves as the staff liaison have the proper training to conduct effective meetings in compliance with BAC policy, EDD staff should coordinate with ACCGov's IT and OD departments to secure email addresses for BAC members and assure they complete all training modules. Furthermore, strong consideration should be given to assigning more than one staff member to be present for meetings, potentially with an ACCGov attorney who can provide on-site counsel and/or parliamentary order. | Above is a table documenting progress towards completing the 2.5 hours of online training by the 37 unpaid, volunteer TAD Advisory Committee members.

We do not have the staff capacity to assign 2 staff members to attend each monthly regular meeting for 6 TAD Advisory Committees and the Mall Area Redevelopment Committee, plus special called meetings that can be as frequent as weekly when a TAD funding application is under discussion/consideration.

Per the ACCGov Managers Office, the Development Authority of the Unified Government of Athens-Clarke County, the Industrial Development Authority of Athens-Clarke County, and the Joint Development Authority of the Unified Government of Athens-Clarke County are not subject to the BAC online training requirements. The members of development authorities are required to meet and complete training required by GA Code § 36-62A-21 (2022). | |

Finding #3	DEPARTMENT / MANAGEMENT RESPONSE: (Agree; Partially Agree; Disagree)	Status as of April 2025, Per Department
Establishment of Specialized Performance Metrics	Disagree strongly (Department Response); Agree (Management Response)	*Alternative Action Taken; Implementation in Progress*
Observation	**Department's Response**	**Department's Update**
The structure and functions of the Economic Development Department make it unique among ACCGov organizational units. With a director and five coordinators, all of whom exclusively work remotely, it can be difficult for the public as well as other ACCGov departments to understand the work and impact of EDD. Given that each of the coordinators works in a specialized area of economic development, it would be helpful to have solid, detailed performance metrics in place for each position so that progress toward the departmental mission and goals can be regularly monitored. To be clear, the general departmental performance metrics stated annually in the budget are different from job-specific analytics.	The statements regarding remote work are antiquated thinking that is not supported by reviewing the research on job performance. Several literature review articles are provided below as a resource. Our team does not work exclusively remotely. The team spends hours each week meeting and interacting in-person with community stakeholders, customers, fellow ACCGov employees, and each other. Location of employees is spurious, as the public and other ACCGov departments/employees are unaware of the work/achievements of ACCGov departments, regardless of the location where they serve the public. Among ACCGov departments, our team is unique for the broad scope of collaboration and ongoing interactions within ACCGov and with a number of community organizations. For example, within ACCGov, we regularly work with: Economic Development Department (TADs, Large Employer Attraction) Tax Commissioner (TADs) County Attorney (TADs, ongoing legal questions/reviews) Planning (Site Development Services, Land Use Planning) TPW (Site Development Services, utility coordination questions) Public Utilities (Site Development Services, Large Employer Attraction, Purple Pipe Development) Fire Marshal (Site Development Services) Building Inspections (Site Development Services & assistance with Clariti software implementation) Leisure Services - Lyndon House (Creative Entrepreneur Art WORK workshop series) PIO (information sharing/press releases, outreach coordinators for public input, film) Finance (purchasing, managing TAD funds, occupation tax) Inclusion Office (Inclusion liaison to Economic Development, ISO process, HRC committee) Diversion Center (second chance workgroup) GIO (TAD maps, strategic planning progress tracking & goal teams, opportunity zones) A focus on quantitative performance measures may be appropriate for employees that perform the same set of activities over and over, but less so for a team with specialized professional roles like ours that does not engage in repetitive activities. The vast majority of the work that we do is qualitative rather than quantitative or repetitive. Our focus is relationship-building, and working with many internal and external stakeholders towards collaborative goals . Most of these interactions do not have a repetitive, trackable outcome other than the meeting or conversation. The importance of these ongoing interactions is qualitative. Our team's regular strategic reporting in ClearPoint tracks the results of our performance and efforts. The Departmental performance metrics stated in our budget are absolutely tied to each position's efforts, as shown below and as focused upon ongoing by our team. We have designed and implemented a new CRM over the past 6 months to consolidate/count each team member's partner/stakeholder contact info and meeting data from Outlook that correspond to the performance metrics below. We have been developing a reporting mechanism within the CRM for the metrics so we can easily track progress periodically throughout the year to assist with performance evaluations and for the annual budget document. They reflect our team's core focus on qualitative, relationship-building activities we must engage in to achieve the Mayor & Commission's strategic plan and our department's strategic plan and operational goals. # Existing Business Retention Visits: Small Business & Entrepreneurship Coordinator, Workforce Development Coordinator, Director # Visits with State Project Partners: Director, Business Development - Data Coordinator, Site Development Services Coordinator, Small Business & Entrepreneurship Coordinator, Workforce Development Coordinator, Business Development & Incentives Coordinator # Presentations to Community Groups & Stakeholders: Site Development Services Coordinator, Small Business & Entrepreneurship Coordinator, Workforce Development Coordinator, Business Development & Incentives Coordinator, Director # Visits with Workforce-Related Community Stakeholders: Workforce Development Coordinator, Director # Visioning Meetings Facilitated: Site Development Services Coordinator These benchmarks are the responsibility of the entire team, working together on recruitment/expansion projects: # New Projects: Recruitments or Expansions # State Announcements of Recruitments or Expansions in ACC # Jobs Created from Incentivized Projects Avg. Annual Wage of Incentivized Projects Below are links to several literature reviews of research on job performance of teleworking employees as a resource. In short, the findings are very mixed (both positive and negative). Job performance is heavily dependent not just on work location, but on multiple overlapping factors including the role of the employee, individual employee characteristics, how employees are managed, types of management support provided to employees, opportunities for in-person meet-ups, whether the telework is voluntary, and gender. All of these factors contribute to office-tied job performance as well. A Systematic Review of the Research on Telework and Organizational Economic Performance Indicators: https://www.ncbi.nlm.nih.gov/pmc/articles/PMC9812566/ Telework: systematic literature review and future research agenda: https://www.ncbi.nlm.nih.gov/pmc/articles/PMC8526776/ The Relationship Between Telework, Job Performance, Work–Life Balance and Family Supportive Supervisor Behaviours in the Context of COVID-19: https://journals.sagepub.com/doi/10.1177/09721509211049918 Here's What We Do and Don't Know About the Effects of Remote Work: https://www.nytimes.com/2023/10/10/business/remote-work-effects.html?unlocked_article_code=1.IU0.mBSQ.U5CKZWnMpwpB&smid=nytcore-ios-share&referringSource=articleShare&ugrp=m	*Below are several additional benchmark metrics we will track going forward:* *1. # TAD Advisory Committee meetings* *2. # TAD-related public engagement activities: open house, public meetings, online surveys, informational presentations to stakeholders, etc* *3. # www.investathensga.com website visits to key pages: site selection, target sectors, workforce, entrepreneurship, regional data* *4. # attendees at small business/entrepreneur-related events* *5. JUST through Dec 2026: # ARPA contracts managed* *6. JUST through Dec 2026: $ ARPA Workforce & Small Business Tools funds monitored*
Recommendation		
Develop and Monitor Specific, Quantitative Performance Metrics for Each Coordinator Position Perhaps more so than staff in a traditional work environment, it is vital for supervision in a virtual setting, and appropriate given coordinator status and classification, that performance metrics be measured and tracked. In order to create a more transparent and informative view o the Economic Development Department, the director and staff should develop, track and publish quantitative measures of performance for each coordinator position. For example, if workshops are sponsored by EDD, the number of attendees, length of session(s) and other basic data such as location, or whether the workshop is held virtually or in-person should be recorded and tracked. Similarly, site visits, meeting, website traffic, and other data can be collected, analyzed, and published on the department's ACCGov website. Being able to quantify the work of the department not only assures it is compliant with the purpose for which it was established, but also helps lay the groundwork for individual staff embers to set and meet specific, measurable goals which in turn can be incorporated into the biannual employee evaluation.		
	Management's Response	

	I agree that the ACCGov's Economic Development Department (EDD) is unique. For example, this is arguably one of the only departments that requires its own separate webpage due to its marketing function and potential of attracting business prospects. Further, they are one of the few departments who interact on a consistent basis with a diverse range of groups (internal and external), despite not having an office space which then leads to a potentially misleading label of "100% remote." While the employees may not have an office space to work in presently, they are very much present in the government, in the community, and at the State level. I anticipate that the Costa Building renovation will be complete later this fall, and the Economic Development Department will move into office space in that building as directed by the Property Committee of the Mayor and Commission and will further adhere to the tenets of the ACCGov Remote Work Policy. I appreciate the observation of the Auditor regarding departmental presence and visibility as a criterion by which the public may evaluate their local government. Also, I agree that visibly displayed performance metrics of the department could help answer questions related to what exactly the role and responsibility of the EDD is. Moreover, I believe that the departments metrics should be tied to the organizational and departmental strategic plan. I do appreciate that EDD does not have the advantage of doing work that is consistently measured in a quantitative manner, unlike other departments more suited to such work, such as Transportation and Public Works as well as the Public Utilities Department. I believe the metrics set forth by the EDD in their response to this finding are

Operational Analysis Follow-Up Observations:	
Based on the responses from the Economic Development Department and a fieldwork visit to the designated office space for the subject department, the Operational Analysis Office makes the following observations:	
Finding & Recommendation #1	Various examples of cross-training were provided, though no specified structure was identified, or for designating back-up personnel for each position. It should be noted that two vacancies occurred within the time since the completion of the audit, and one of those positions has been filled.
Finding & Recommendation #2	At the time of the follow-up, enrollment in the BAC training program for ACCGov TADs included seven members, with one having completed the training.
Finding & Recommendation #3	Additional performance measures were submitted by the department. Whether these are applicable to the department or individual staff members is unclear.
Findings & Recommendations (general)	Operational Analysis staff participated in a walk-through of the future EDD space, which appears adequate for housing all staff, as well as ample room for BAC meetings