



December 20, 2017

To: Cindy Kelley, Director of Budget/Legislative Affairs

From: Alice Garner, Internal City Auditor *Alice Garner*

Re: Grants Management Process - Project No. 2017-10

We have conducted an audit of the Grants Management Process managed by the Budget/Legislative Affairs Department and as scheduled per the FY 2017 Internal Audit Plan. The objective of the audit was to determine whether the grant process is managed in the best interests for the citizens of Ocala. The audit was conducted by Randall Bridgeman.

To accomplish our objectives, we reviewed the policy and procedures, grant population, selected samples of the grants from the various departments, examined council reports and approvals, surveyed fiscals, inquired with grants management staff, and reviewed grant agreements, reporting requirements and close-out procedures relative to the City of Ocala's grant management process.

Our audit included such tests of records and other auditing procedures, as we considered necessary in the circumstances. Our audit period was October 1, 2015 to June 30, 2017. However, transactions, processes and situations reviewed were not limited by the audit period.

Based on our work performed, we conclude that the grant process is effectively managed in the best interests for the Citizens of Ocala. We did note some minor areas for improvement that were verbally communicated with management.

During our audit, we noted that the following areas are working effectively:

- Adequate policy and procedures are in place and are followed.
- Grant activities are being properly tracked and monitored.
- Grant files are being maintained in accordance with grant retention requirements.
- Proper approvals and budget resolutions are obtained.

We appreciate the cooperation and assistance provided by the Budget/Legislative Affairs Department staff and also other entities contacted during the course of our audit.

Cc: Bill Kauffman, Assistant City Manager