



INTEROFFICE MEMORANDUM

TO: Anthony Nicks, County Auditor
Joi Hargis, Audit Coordinator

THROUGH: Dick Anderson, County Manager
Anna Roach, Chief Operating Officer 

FROM: Timothy Dimond, Deputy Director – DREAM 

DATE: February 5, 2021

SUBJECT: DREAM's Response to the Audit of the Fulton
County Public Library System Design/Build
Services for Library CIP Renovations Contract –
Group 4
December 23, 2020

Attached, please find DREAM's response to the County Auditor's report for the above captioned matter. This response has been provided in accordance with the reporting requirements as contained in the Audit report.

As always, please feel free to call on me if you should have any questions.

cc: Ellis Kirby, Deputy Chief Operating Officer
Joseph Davis, Director – DREAM
Alfred Collins, Administrator Library Bond Program



Department of Real estate and Asset Management
141 Pryor Street SW
Atlanta, GA 30303

January 19, 2021

Mr. Anthony Nicks
County Auditor
Fulton County Government
Suite
1414 Pryor Street SW
Atlanta, GA 30303

Re: Audit of the Fulton County Public Library System Design/Build Services for
Library CIP Renovations Contract – Group 4
December 23, 2020

Dear Mr. Nicks:

This letter shall serve as the Department of Real Estate & Asset Management's (DREAM) receipt of the above captioned audit for the Library CIP program. Having read the Audit and its scope and review, DREAM agrees to the County Auditors finding in this matter:

"In order to comply with the contract requirements, we recommend that management strengthen its internal controls to ensure pay applications are completed and approved to allow for accurate reporting and to ensure information is accurately documented and easily traceable to supporting documentation."

In addition to our agreement as to the findings, we would like to provide a response as to steps the Department, through its Library Capital Bond group, will undertake so as to avoid a reoccurrence of the circumstances identified in the December 23, 2020 report.

In an effort to continue to provide strong management techniques on all Library CIP projects, the Library Capital management team will include the following methods on all future projects as it relates to invoice/pay application review and approval:

1. The contractor provides the Schedule of Values (SOV) for construction projects. The SOV identifies the trades and amounts of money to be spent on each trade for the entire project. A SOV is included in each pay application by the contractor. The Management Team reviews the contractor provided SOV as part of each pay application review. Going forward, the management team will create its own Schedule of Values at the start of a construction project based on the contractor's Guaranteed Maximum Price. This will serve as a management tool to compare all SOVs included with monthly pay applications. If differences between the SOVs are noted, the pay application will be returned to the contractor for immediate correction and resubmission. This will ensure that all amounts approved in pay applications match the SOV included in the invoice.
2. Internal peer reviews of each pay application reviewed by the management team will be conducted to ensure accurate and complete review of each pay application prior to final approval. Once a peer review has taken place, peer reviewers will be required to initial and date the pay application prior to sending it review County representatives for review and signature.

We believe that incorporating the methods as outlined above, will serve to strengthen the management controls used to review and approve all pay applications going forward.

We thank you for the work of your team in this matter and bringing this recommendation to our attention. Please feel free to reach out to us if you have any questions as to the corrective steps we have proposed or if you have any other questions.

Best Regards



Timothy Dimond
Deputy Director

cc: Ellis Kirby, Deputy Chief Operating Officer
Joseph Davis, Director - DREAM
Alfred Collins, Administrator - Library Bond Construction