



Forensic Audit Report

Prepared for:

City of Forney, Texas

Presented to:

City Council

May 3, 2022

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Introduction and Scope of Work

I. Introduction

Weaver and Tidwell, L.L.P. (“Weaver”) submits this Forensic Audit Report (“Report”) to the City Council for the City of Forney (the “City”). This Report presents the work performed in connection with our review and evaluation of the City’s practices and procedures concerning purchasing and procurement during the October 1, 2018 – September 30, 2021 time period (“FY2019 – FY2021”), including our observations, findings and recommendations. Weaver has made its best effort, given the available time and resources, to conduct an impartial, independent and extensive review. We did not conduct an exhaustive review into all aspects of the City’s operations and spending as such a review would require time and resources beyond those reasonably required to address the issues and concerns identified by the City. Certain limitations on the information available to Weaver resulted in constraints on our review. We had no power to compel third parties to submit to interviews, produce documents, or otherwise provide information. In addition, certain electronic data for a former City employee was deleted by the employee before returning their laptop to the City, and was therefore unavailable for our review.

II. Scope of Work

On July 12, 2021, Weaver submitted its Qualifications for Forensic Investigation Services (“Statement of Qualifications”) in response to the City’s Request for Qualifications for Forensic Auditing Services (RFQ-2021-005) issued on June 9, 2021. On September 7, 2021, the City authorized the City Manager to enter into a contract with Weaver for Forensic Auditing Services. During a City Council workshop meeting on September 23, 2021, we met with City Council and identified two areas of review to be included in the forensic audit scope of work, which included (1) contracts / purchases over \$50,000 during FY2019 – FY2021; and (2) expenditures related to the Coronavirus Relief Fund (“CRF Expenditures”). We proposed a phased approach as the most efficient and cost-effective manner to complete the forensic audit.

a. Phase 1 Scope of Work

On October 13, 2021, Weaver was engaged by the City to conduct Phase 1 of the forensic audit, as outlined in our discussions with the City on September 23, 2021. During Phase 1, Weaver identified 55 purchases and / or contracts over \$50,000 during FY2019 – FY2021, which were identified based upon our review of the City’s check register and City Council meeting minutes. Based upon the request from City Council on September 23, 2021 that our review include up to 65% of the City’s purchases over \$50,000, we selected 30 of the 55 purchases (i.e., 55%) to be reviewed during Phase 2, in addition to CRF Expenditures. Weaver performed the following work steps during Phase 1 of the forensic audit:

- Preliminary review and analysis of select hard-copy and electronic information including, but not limited to, the check register, vendor master file, employee roster(s) and organizational charts for FY2019 – FY2021
- Discussions with City personnel from the Finance, Information Technology and Human Resources departments to gain an understanding of the format and accessibility of information available for our review
- Comparison of vendor master file to employee and City Council rosters to identify any potential affiliated vendors (e.g., vendors with the same address or phone number as an employee or City Councilmember)
- Review and examination of the City's check register and City Council minutes during FY2019 – FY2021 to identify purchases over \$50,000 (55 purchases identified)
- Selection of 30 purchases over \$50,000 to be reviewed during Phase 2
- Preparation of a detailed work plan and fee estimate for Phase 2, including the review of 30 purchases over \$50,000, as well as CRF Expenditures

During the City Council meeting on December 7, 2021, Weaver presented our proposed Phase 2 work plan and fee estimate for approval.¹

b. Phase 2 Scope of Work

On December 8, 2021, Weaver submitted the Phase 2 engagement letter to the City, which was executed on January 5, 2022. As authorized by the City, our Phase 2 scope of work included the review of 30 purchases over \$50,000 during FY2019 – FY2021, as well as the review of CRF Expenditures. Weaver performed the following work steps during Phase 2 of the forensic audit:

- Conducted interviews with City employees from various departments, including Finance, Information Technology, Engineering, Public Works, Fire Department, Legal and Human Resources
- Reviewed the City's Purchasing Manual outlining policies and procedures approved in 2018
- Reviewed the City's audited financial statements and budget documents for FY2019 – FY2021
- Reviewed purchasing and procurement documentation for the 30 purchases selected for further review, including, but not limited to:
 - RFP/RFQ solicitations, bid/proposal submissions, tabulations and evaluations
 - Sole Source Justification Forms and other documentation (including vendor quotes)
 - City Council meeting resolutions and authorization documentation

¹ See Appendix A

- Contract documents
- Requisition and Purchase Order documentation
- Invoices, payment applications and change orders
- Payment detail from check register
- Performed research of vendors and contractors using the LexisNexis SmartLink Comprehensive Business Report tool
- Researched and analyzed facility entertainment management contracts for other cities
- Reviewed over 110,000 email records for two former City employees, including information related to purchases over \$50,000, as well as CRF Expenditures
- Reviewed documentation related to CRF Expenditures, including, but not limited to:
 - Coronavirus Relief Fund Terms and Conditions issued by Texas Division of Emergency Management (“TDEM”) on May 11, 2020
 - CRF Spending Plan submitted by the City to TDEM on November 9, 2020
 - CRF Spending Plan submitted by the City to TDEM on November 11, 2020
 - Revised CRF Spending Plan submitted by the City to TDEM on November 13, 2020
 - Communications between the City and TDEM regarding CRF grant guidelines, deadlines, questions submitted by the City and the City’s CRF Spending Plan
 - Purchasing documentation for vehicle and equipment purchases included in the CRF Spending Plans submitted on November 9, 2020 and November 11, 2020
 - TDEM Closeout Letter dated May 3, 2021

While Weaver performed additional work steps not included above, the above listed work steps reflect the actions performed by Weaver that formed the basis for our observations, findings and recommendations discussed throughout the remainder of this Report.

A. Review of 30 Purchases over \$50,000

I. Work Performed

During Phase 1 of the forensic audit, we identified 55 purchases over \$50,000 during FY2019 – FY2021, based upon our review of the City’s check register and City Council meeting minutes. We selected 30 of the 55 purchases for further review during Phase 2 of the forensic audit, including a review of the purchasing and procurement records, contract negotiations, payment records, as well as communications between the City and vendor / contractor, among other items. Detail of our review and analysis of each purchase is provided in **Exhibits A.1 – A.30** attached to this Report. A summary of the 30 purchases reviewed during Phase 2 is provided in **Table A.1** below.

Date	Vendor / Contractor	Description of Purchase	Purchase Amount	Weaver Exhibit
2/2019	Musco Sports Lighting	FISD Football Lighting	\$140,000	A.1
4/2019	DDM Construction Corp.	Trailhouse Road Completion Project Phase 1	\$2,479,992	A.2
5/2019	SAR and Associates, LLC (Rodney Gardner)	Lady Liberty Monument Relocation Project	\$194,150	A.3
7/2019	Anderson Asphalt & Concrete Paving, LLC	67,100 square feet of Mill & Overlay services	\$142,340	A.4
11/2019	GFC Contracting	City Hall HVAC System Upgrade	\$94,429	A.5
3/2020	Precision Management & Construction	Trailhouse Roadway Completion Project Phase 2	\$486,385	A.6
6/2020	Estrada Concrete Company, LLC	Street Improvements Project	\$554,304	A.7
11/2020	Authers Building Group, LLC	Forney Additions and Renovations Project	\$1,376,122	A.8
4/2021	MB Concrete Construction, Inc.	Concrete Maintenance	\$600,000	A.9
5/2021	Anderson Asphalt & Concrete Paving, LLC	Asphalt Maintenance and Material	\$500,000	A.10
7/2019	South Forney, LLC	Design and construction of sanitary sewer facilities	\$4,000,000	A.11
7/2019	South Forney, LLC	Reimbursement of design and construction costs for Whaley Dr.	\$427,877	A.12
9/2019	W/J OG JV Owner LLC	Overland Grove Road Improvements	\$197,457	A.13
11/2019	Racetrac Petroleum	Reimburse Qualified Infrastructure	\$87,970	A.14
6/2021	GVSF Forney Property Owner, L.P.	Developer Participation Agreement for Design Construction Services of CR 212	\$660,000	A.15
9/2019	Ice Stars	Operation of Seasonal Ice Rink at Forney Community Park	\$84,698	A.16
12/2019	JAC Management Group, LLC	Facility Entertainment Agreement for management of events at Spellman Amphitheater	\$950,000	A.17
2/2020	Inception Marketing, LLC	Downtown Lighting	\$51,185	A.18
4/2020	Mosca Designs	Design and construction of light displays for the Festival of Lights	\$75,000	A.19
5/2019	Metro Fire Apparatus Specialists	Spartan Platform Built	\$1,335,019	A.20
8/2020	MES - Texas	Bunker Gear x40	\$80,000	A.21

Table A.1 – Summary of 30 Purchases Reviewed (Phase 2)

Date	Vendor / Contractor	Description of Purchase	Purchase Amount	Weaver Exhibit
7/2020	Gallagher Construction	Construction Manager Agent Services for Construction of City Storage Buildings	9.25% of Project Budget	A.22
10/2020	Birkhoff, Hendricks & Carter, LLP	Water System Risk and Resilience Analysis and Emergency Response Plan	\$75,050	A.23
5/2019	Visionality Total (Designs that Compute)	AV and Voting System Upgrade for City Council Chambers	\$82,545	A.24
12/2019	Tyler Technologies	Public Safety Software	\$582,477	A.25
5/2020	GTI (Gardner Telecommunications)	Outside Plant Optical Fiber Backbone Infrastructure	\$226,905	A.26
8/2021	ATI Systems	Purchase of Ground Warning Siren	\$392,473	A.27
10/2020	Perfect Finish Landscaping	Landscape maintenance services for Fox Hollow PID	\$71,760	A.28
11/2020	Community Waste Disposal	Solid Waste and Recycling Services	\$750,000/yr. (estimate)	A.29
4/2020	Moto Electric Vehicles	Two Electric Trams under TXMAS cooperative contract	\$127,132	A.30

II. Review of Procurement and Purchasing Practices

a. Weaver Analysis of 30 Purchases over \$50,000

For each of the 30 purchases reviewed during Phase 2, we obtained procurement and purchasing records to review practices related to competitive bidding, purchasing and contract management. A summary of our analysis of the 30 purchases reviewed during Phase 2 is provided in **Table A.2** below, and detailed in **Exhibits A.1 – A.30** attached to this Report.

Table A.2 – Weaver Analysis of 30 Purchases Reviewed (Phase 2)

Vendor / Contractor	Procurement Method	# of Bids or Quotes	City Council Approval	Contract Date	Purchase Order Date
Musco Sports Lighting <i>FISD Football Lighting</i>	Sole Source (BuyBoard)	1			10/30/2018 (19-007)
DDM Construction Corp. <i>Trailhouse Road Phase 1</i>	RFP (2019-003)	6	4/16/2019	4/16/2019	
SAR and Associates, LLC <i>Lady Liberty Monument Relocation</i>	RFP (2019-005)	3	5/7/2019	5/7/2019	
Anderson Asphalt & Paving <i>Mill & Overlay Services</i>	RFP (2019-007)	5	7/16/2019	7/16/2019	8/19/2019 (19-077)
GFC Contracting <i>City Hall HVAC System Upgrade</i>	Sole Source (BuyBoard)	1	11/5/2019	11/5/2019	12/6/2019 (20-004)
Precision Mgmt. & Construction <i>Trailhouse Road Phase 2</i>	RFP (2020-002)	12	3/17/2020	3/17/2020	
Estrada Concrete Company, LLC <i>Street Improvements Project</i>	RFP (2020-005)	7	6/2/2020	6/2/2020	6/25/2020 (20-059)
Authers Building Group, LLC <i>Additions and Renovations Project</i>	CSP	7	11/17/2020	11/17/2020	
MB Concrete Construction, Inc.	RFP	8	4/6/2021	4/6/2021	

Table A.2 – Weaver Analysis of 30 Purchases Reviewed (Phase 2)					
Vendor / Contractor	Procurement Method	# of Bids or Quotes	City Council Approval	Contract Date	Purchase Order Date
<i>Concrete Maintenance</i>	(2021-002)				
Anderson Asphalt & Paving <i>Asphalt Maintenance and Material</i>	RFP (2021-004)	1	5/4/2021	5/4/2021	
South Forney, LLC <i>Sanitary Sewer Facilities</i>	N/A	N/A	7/16/2019	7/18/2019	N/A
South Forney, LLC <i>Construction Costs for Whaley Drive</i>	N/A	N/A	7/16/2019	7/18/2019	N/A
W/J OG JV Owner LLC <i>Overland Grove Rd Improvements</i>	N/A	N/A	4/4/2017	4/4/2017	N/A
Racetrac Petroleum <i>Reimburse Qualified Infrastructure</i>	N/A	N/A	4/12/2017	7/20/2017	N/A
GVSW Forney Property Owner, L.P. <i>Developer Agreement for CR 212</i>	N/A	N/A	6/1/2021	6/7/2021	N/A
Ice Stars <i>Operation of Seasonal Ice Rink</i>		1	9/17/2019	9/17/2019	
JAC Management Group, LLC <i>Facility Entertainment Agreement</i>	RFO (2019-001)	1	12/17/2019	1/1/2020	
Inception Marketing, LLC <i>Downtown Lighting</i>	Sole Source (Patent)	1	8/21/2018		2/18/2019 (19-023)
Mosca Designs <i>Festival of Lights Displays</i>	RFP (2020-001)	2	4/21/2020	Project Canceled	Project Canceled
Metro Fire Apparatus Specialists <i>Spartan Platform Build</i>	Solicited Quotes	2	8/15/2017		8/30/2017 (2254)
MES – Texas <i>Bunker Gear x40</i>	Sole Source (HGACBuy)	1	9/17/2019		4/8/2020 (20-042)
Gallagher Construction <i>CM Agent for Storage Buildings</i>	RFO (OP-2020-01)	5	7/21/2020	7/21/2020	Project On Hold
Birkhoff, Hendricks & Carter, LLP <i>Water System Risk & Resilience Analysis/Emergency Response Plan</i>	RFO (2020-003)	5	10/6/2020	10/6/2020	10/19/2020 (21-012)
Visonality Total <i>AV and Voting System Upgrade</i>	Sole Source (TIPS)	1	5/21/2019		5/23/2019 (19-050)
Tyler Technologies <i>Public Safety Software</i>	Sole Source (Sourcewell)	1	12/17/2019	12/17/2019	
GTI (Gardner Telecommunications) <i>Optical Fiber Infrastructure</i>	RFP (2020-003)	5	5/5/2020	5/5/2020	5/27/2020 (20-054)
ATI Systems <i>Ground Warning Siren</i>	RFP (2021-006)	5	8/3/2021	9/24/2021 <i>rescinded</i>	8/16/2021 (21-0100)
Perfect Finish Landscaping <i>Landscape Maintenance</i>	RFP (OP-2020-02)	12	10/6/2020	10/7/2020	
Community Waste Disposal <i>Waste and Recycling Services</i>	RFP	3	11/3/2020	12/29/2020	
Moto Electric Vehicles <i>Electrical Trams (x2)</i>	Sole Source (TXMAS)	1	4/7/2020		4/9/2020 (20-044)

b. Review of Competitive Bidding Practices

The City’s Purchasing Manual, as well as Texas Government Code, requires purchases over \$50,000 to be competitively bid, either through a Request for Proposals (“RFP”), Request for Qualifications (“RFQ”), or through Competitive Sealed Proposals (“CSP”).^{2,3} Exceptions for competitive bidding requirements for purchases over \$50,000 are permitted if the goods or services are purchased through a state purchasing cooperative (e.g., BuyBoard), or through an interlocal cooperative agreement with another political subdivision, or if the goods or services are available from only one source (i.e., sole source) because of a patent, copyright, secret process, or natural monopoly.⁴ If quotes from multiple vendors are not obtained because of these exceptions, the City’s Purchasing Manual requires a Sole Source Justification Form to be completed and attached to the purchase order and include the name and contract number of the cooperative purchasing program, or the patent number.⁵

In our review of the 30 purchases over \$50,000, we identified one (1) purchase where it does not appear the City administered a competitive bidding process for the procurement of goods and services.⁶ A summary of the competitive bidding process utilized by the City for the 30 purchases reviewed is provided in **Table A.3** below.

Table A.3 – Weaver Analysis of Competitive Bidding Practices		
Competitive Bidding Process	Count	Additional Detail
Request for Proposals (RFP)	12	Primarily utilized for Public Works and CIP contracts
Request for Qualifications (RFQ)	3	Professional services for Entertainment Management, Construction Manager Agent Services, and Engineering Services
Competitive Sealed Proposals (CSP)	1	General Construction contracting services
Informal Solicitation of Quotes	1	Design/Build of Fire Engine Platform
Sole Sourced - Purchasing Cooperative or Interlocal Program	6	BuyBoard, HGACBuy, TIPS, Sourcewell and TXMAS
Sole Sourced - Patent	1	Downtown Lighting (Inception Marketing, LLC)
Competitive Bidding Not Utilized	1	Installation and management of ice rink in 2019
Not Applicable – Competitive Bidding Not Required	5	Developer agreements for reimbursement of design and construction costs for infrastructure
Total	30	

² See Exhibit A.31

³ State purchasing provisions are outlined in Texas Government Code Chapter 252, Purchasing and Contracting Authority of Municipalities.

⁴ <https://www.tml.org/DocumentCenter/View/629/Texas-Municipal-Procurement-Laws-Made-Easy-PDF>

⁵ See Exhibit A.31

⁶ In September 2019, the City entered into a contract with Ice Stars and ICE Challenge Enterprises for the installation and management of an outdoor ice rink at Forney Community Park for the third annual Forney on Ice. The contract amount to be paid by the City was \$84,698. While the City did not solicit quotes from other vendors in 2019, it appears that during the first year of Forney on Ice the City solicited quotes from three vendors in 2017 and selected Ice Stars and ICE Challenge Enterprises as the lowest cost bidder. Additional detail of our review of the contract is provided in Exhibit A.16.

c. Review of Bid Notice and Advertisement Practices for Competitive Bidding Solicitations

In our review of 30 purchases over \$50,000, we determined that 16 purchases were procured through the competitive sealed bidding and proposals methodology (i.e., RFP and RFQ). The Texas Local Government Code requires notice for competitive sealed bids and proposals to be published in the newspaper for the municipality at least once a week for two consecutive weeks.⁷ The process utilized by the City was to advertise RFPs and RFQs in the Forney Messenger newspaper, as well as on the City’s website and a third-party site, Civcast.⁸ A summary of our review of the City’s bid notice and advertisement practices pursuant to competitive sealed bidding and proposal requirements is provided in **Table A.4** below.

Table A.4 – Weaver Analysis of Bid Notices and Advertisement					
Vendor / Contractor	Procurement Method	Project Lead / Manager	Forney Messenger	City Website	Posted on Civcast
DDM Construction Corp. <i>Trailhouse Road Phase 1</i>	RFP (2019-003)	C. McQuiston (CIP)	3/14/2019 3/21/2019	Yes	Yes
SAR and Associates, LLC <i>Lady Liberty Monument Relocation</i>	RFP (2019-005)	C. McQuiston (CIP)	3/21/2019 3/28/2019	Yes	Yes
Anderson Asphalt & Paving <i>Mill & Overlay Services</i>	RFP (2019-007)	Rick Sailer (Public Works)	5/30/2019 6/6/2019	Yes	Yes
Precision Mgmt. & Construction <i>Trailhouse Road Phase 2</i>	RFP (2020-002)	C. McQuiston (CIP)	2/13/2020 2/20/2020	Yes	Yes
Estrada Concrete Company, LLC <i>Street Improvements Project</i>	RFP (2020-005)	C. McQuiston (CIP)	4/23/2020 4/30/2020	Yes	Yes
Authers Building Group, LLC <i>Additions and Renovations Project</i>	CSP	C. McQuiston (CIP)	9/24/2020 10/1/2020	Yes	Yes
MB Concrete Construction, Inc. <i>Concrete Maintenance</i>	RFP (2021-002)	K. Groves (Public Works)	2/4/2021 2/11/2021	Yes	Yes
Anderson Asphalt & Paving <i>Asphalt Maintenance and Material</i>	RFP (2021-004)	C. McQuiston (CIP)	3/25/2021 4/1/2021	Yes	Yes
JAC Management Group, LLC <i>Facility Entertainment Agreement</i>	RFQ (2019-001)	A. Carson (City Manager)		Yes	
Mosca Designs <i>Festival of Lights Displays</i>	RFP (2020-001)	A. Carson (City Manager)		Yes	
Gallagher Construction <i>CM Agent for Storage Buildings</i>	RFQ (OP-2020-01)	N. Cardwell (Dir. Of Oper.)		Yes	
Birkhoff, Hendricks & Carter, LLP <i>Water System Risk & Resilience Analysis/Emergency Response Plan</i>	RFQ (2020-003)	Karl Zook (Engineering)	8/13/2020 8/20/2020	Yes	Yes
GTI (Gardner Telecommunications) <i>Optical Fiber Infrastructure</i>	RFP (2020-003)	N. Cardwell (Dir. Of IT)		Yes	
ATI Systems <i>Ground Warning Siren</i>	RFP (2021-006)	N. Cardwell (Deputy CM)		Yes	
Perfect Finish Landscaping <i>Landscape Maintenance</i>	RFP (OP-2020-02)	N. Cardwell (Dir. Of Oper.)	9/10/2017 9/17/2017	Yes	
Community Waste Disposal <i>Waste and Recycling Services</i>	RFP	Peter Morgan (Comm. Dev.)	8/27/2020 9/3/2020	Yes	

⁷ State purchasing requirements related to bid notice and advertisements are outlined in Texas Government Code Chapter 252 (Subchapter C), Purchasing and Contracting Authority of Municipalities.

⁸ Civcast is a third-party service used by government entities to post and advertise bid notices to reach a larger population of potential bidders.

d. Review of City Council Approval for Purchases over \$50,000

Based up on our review, we determined that 29 of 30 purchases over \$50,000 were approved by City Council. While most of the purchases were approved as a separate resolution, certain of the purchases were approved as part of the budget adoption process. A summary of the purchases approved by City Council is provided in **Table A.5** below.

Table A.5 – Weaver Analysis of City Council Approval of Purchases over \$50,000		
Description of City Council Approval	Count	Additional Detail
Separate Resolution and Agenda Item	27	Resolution and agenda item approved by City Council detailing the purchase amount and vendor
Approved in Budget Adoption Process	2	Purchases related to the Fire Department
Not Approved by City Council	1	Lighting replacement for football practice fields located at the Fisd Administration facility. This purchase was awarded to Musco Lighting with a cost of \$140,000.
Total	30	

e. Review of Contracts and Purchase Orders

As depicted previously in **Table A.2**, all 30 of the purchases reviewed either had a contract executed with the City, a purchase order authorized by the City, or both a contract and a purchase order. We identified six (6) purchases that had an authorized purchase order but did not have a contract in place between the City and the vendor or contractor. We identified 11 purchases where it did not appear that a purchase order was issued, however, a contract was executed with the vendor or contractor. A summary of our review of contracts and purchase orders is provided in **Table A.6** below.

Table A.6 – Weaver Analysis of Contracts and Purchase Orders		
Description	Count	Additional Detail
Contract and Purchase Order	6	Weaver identified both a contract between the City and the vendor or contractor, and a purchase order
Contract without Purchase Order	11	Weaver identified a contract between the City and the vendor or contractor, but not a purchase order
Purchase Order without Contract	6	Weaver identified a purchase order but not a contract between the City and the vendor or contractor
Not Applicable – Developer Reimbursement Agreements	5	Expenditures related to developer reimbursement agreements
Not Applicable – Project Canceled	2	Project was canceled or put on hold prior to purchase order being authorized
Total	30	

f. Review of Change Orders and Cost Increases

The City’s Purchasing Manual requires change order notifications for price increases for purchase orders or contracts due to a change in the scope of work, which are to be approved in writing and issued to the vendor prior to starting any additional work.⁹ If a change order includes an increase of \$50,000 or more, it is

⁹ See Exhibit A.31

required to be formally approved by City Council. The Purchasing Manual also prohibits the original contract price from being increased by more than 25%.

In our review of the 30 purchases, we identified five (5) contracts in which the contract amount was increased from the original contract amount approved by City Council. We did not identify any instances in which the total cost increase exceeded 25% of the original contract value, with cost increases ranging from 4% - 19%. We determined that nine (9) change orders were issued for the cost increases across the five (5) contracts. We also determined that three (3) of the nine (9) change orders exceeded \$50,000, and all three (3) change orders were approved by City Council as required under the Purchasing Manual. A summary of our review and analysis of change orders and cost increases is provided in **Table A.7** below.

Table A.7 – Weaver Analysis of Change Orders and Cost Increases				
Vendor / Contractor	Contract Amount	Final Amount	% Increase	Change Order(s) Approved
DDM Construction Corp. <i>Trailhouse Road Phase 1</i>	\$2,479,992	\$2,670,508	7.7%	CO1 - \$33,162 CO2 - \$157,534 (approved by Council)
SAR and Associates, LLC <i>Lady Liberty Monument Relocation</i>	\$194,150	\$202,718	4.4%	CO1 - \$8,568
Anderson Asphalt & Paving <i>Mill & Overlay Services</i>	\$142,340	\$162,140	13.9%	CO1 - \$5,660 CO2 - \$14,140
Precision Mgmt. & Construction <i>Trailhouse Road Phase 2</i>	\$486,385	\$515,296	5.9%	CO1 - \$17,800 CO2 - \$11,111
Authers Building Group, LLC <i>Additions and Renovations Project</i>	\$1,376,122	\$1,640,772	19.2%	CO1 - \$88,655 (approved by Council) CO2 - \$176,000 (approved by Council)

III. Additional Observations Related to Specific Purchases

a. Communications with Gallagher Construction Prior to RFQ Issuance

On June 3, 2020, the City issued a Request for Qualifications for Construction Manager Agent for the City Storage Buildings project (RFQ OP-2020-1), with statements of qualifications to be submitted to the City’s Director of Operations, Neil Cardwell (“Mr. Cardwell”) by June 22, 2020.¹⁰ The RFQ stated that the statements of qualifications received were to be evaluated by a Staff Evaluation Panel and the third-party architect hired for the project, WRA Architects. The evaluation criteria outlined in the RFQ included three (3) components, including the respondent’s qualifications (50%), experience on similar projects (25%) and professional references (25%). The City received submissions from five (5) firms, with Gallagher Construction ranked with the highest score by the Staff Evaluation Panel and by WRA Architects.^{11,12} On July 21, 2020, Mr.

¹⁰ See Exhibit A.32

¹¹ See Exhibit A.33

¹² It is our understanding that the Staff Evaluation Panel included Mr. Cardwell and Ms. Wilson. We have not identified supporting documentation (e.g., evaluation score sheets for each panelist) other than the composite scores presented to City Council.

Cardwell recommended to City Council that the City Manager be authorized to negotiate a contract with Gallagher Construction, which was approved.

On May 14, 2020, approximately three (3) weeks prior to the City's issuance of the RFQ, a representative from Gallagher Construction, Robb Sidebottom ("Mr. Sidebottom"), contacted Mr. Cardwell via email to schedule a meeting for May 18, 2020 to discuss the City Storage Buildings project.¹³ In his email, Mr. Sidebottom informed Mr. Cardwell that he had a discussion with a representative from WRA Architects, Brian Wyatt ("Mr. Wyatt"), regarding the project and Mr. Wyatt suggested that Mr. Sidebottom meet with Mr. Cardwell to "get up to speed" on the project.¹⁴ Mr. Cardwell responded that the City is wanting to build two (2) metal storage buildings near the Police Department and that an RFQ for Construction Manager Agent services would be issued in the coming weeks.¹⁵ Mr. Cardwell also provided information to Mr. Sidebottom regarding project design and specifications and the City's intent to utilize a "permit via inspection" model for the project. Mr. Cardwell provided a subsequent update to Mr. Sidebottom on May 20, 2020 to inform him that the RFQ was being drafted by WRA Architects and is scheduled to be presented to City Council on June 2, 2020.¹⁶ On June 4, 2020, Mr. Cardwell informed Mr. Sidebottom that the RFQ had been posted to the City's website.¹⁷

b. Communications with ATI Systems Prior to RFP Issuance

On April 29, 2021, the City issued a Request for Proposals for an Outdoor Warning Siren System (RFP 2021-006), with proposals to be submitted by June 4, 2021.¹⁸ The City's point of contact for the RFP was Mr. Cardwell, who was the Deputy City Manager at this time. The RFP stated that the proposals would be reviewed by an evaluation team based on the weighted criteria outlined in the RFP, which included qualifications and references (30%), ability to provide services (20%), past performance on representative projects (20%), methodology (20%) and project specific information (10%).^{19,20} The City received five (5) proposals prior to the submission deadline and the evaluation team ranked ATI Systems ("ATI") based in Boston, Massachusetts as the highest ranked firm, with a score of 100.²¹ On August 3, 2021, Mr. Cardwell

¹³ See Exhibit A.34

¹⁴ See Exhibit A.34

¹⁵ See Exhibit A.34

¹⁶ See Exhibit A.35

¹⁷ See Exhibit A.36

¹⁸ See Exhibit A.37

¹⁹ See Exhibit A.37

²⁰ While it is our understanding that the City's evaluation included Mr. Cardwell and Ms. Wilson, we have not identified supporting documentation (e.g., evaluation score sheets for each panelist) other than the composite scores presented to City Council.

²¹ See Exhibit A.38

recommended to City Council that the City Manager be authorized to negotiate a contract with ATI, which was approved.

On March 15, 2021, approximately six (6) weeks prior to the City's issuance of the RFP, a sales manager with ATI, Chuck Pelissier ("Mr. Pelissier"), contacted Mr. Cardwell via email regarding a media article about the City's non-functional warning sirens.²² Mr. Pelissier provided information to Mr. Cardwell about the outdoor sirens offered by ATI and offered to perform an acoustic analysis and a budgetary quote for ATI's siren system. Mr. Cardwell responded to Mr. Pelissier that he was waiting to get feedback from City Council the following day about the potential project and would follow up with Mr. Pelissier.²³ On March 18, 2021, Mr. Cardwell setup a meeting with Mr. Pelissier for March 22, 2021 to "start a conversation."²⁴ On March 23, 2021, Mr. Cardwell emailed a map of the City's siren locations to Mr. Pelissier for ATI to prepare an acoustic analysis and budgetary quote.²⁵ On March 26, 2021, Mr. Pelissier emailed a budgetary quote to Mr. Cardwell for an outdoor emergency mass notification system, which was estimated to cost \$320,000 for equipment and additional costs for installation.²⁶ In early April 2021, Mr. Cardwell and Mr. Pelissier had additional discussions to modify the siren locations and budgetary quote, as well as to discuss local subcontractors that ATI could use for electrical contractor work and to supply aluminum poles.^{27,28}

Based on our review of email communications between Mr. Cardwell and Mr. Pelissier, we identified numerous email communications prior to the issuance of the City's RFP on April 29, 2021, which discussed project planning and logistics, as well as the submission of a proposal and quote by ATI. Mr. Cardwell continued to provide updates to Mr. Pelissier after the June 4, 2021 submission deadline regarding the City's scoring and evaluation of proposals, and the timing for ATI to be approved by City Council and a purchase order to be issued.²⁹ Following Mr. Cardwell's resignation as the City's Deputy City Manager in September 2021, the City rescinded the contract awarded to ATI and issued a revised RFP (i.e., rebid).

c. Communications with JAC Management Group Prior to RFQ Issuance

In September 2019, the City explored options to bring in larger (i.e., national) musical acts to perform at the Spellman Amphitheater, and considered options of either contracting with a talent buyer or a management company, ultimately deciding upon the latter. On October 21, 2019, the City issued a Request

²² See Exhibit A.39

²³ See Exhibit A.40

²⁴ See Exhibit A.41

²⁵ See Exhibit A.42

²⁶ See Exhibit A.43

²⁷ See Exhibit A.44

²⁸ See Exhibit A.45

²⁹ See Exhibit A.46

for Qualifications for Management and Operations of the City of Forney Spellman Amphitheater (RFQ #2019-001).^{30,31} JAC Management Group was the only firm to respond to the RFQ and entered into a contract with the City on January 1, 2020 to manage and operate the Spellman Amphitheater.³² Based on our review of email communications between the City and JAC Management Group, it appears that the former City Manager, Mr. Carson, first contacted JAC Management Group in an email on September 7, 2019, which was followed by a site visit of the amphitheater in October 2019.^{33,34} The initial email from Mr. Carson to the Vice President of JAC Management Group, Ken Bigley (“Mr. Bigley”), indicated that Mr. Carson had spent 40 years in Warren, Ohio and was impressed with “*what has occurred with Packard Music Hall and the Covelli Center,*” both of which are music venues in Ohio managed by JAC Management Group.³⁵ Mr. Carson also informed Mr. Bigley that the City’s amphitheater has been underutilized and City Council has approved significant funds to bring in a higher level of entertainment.³⁶

On Sep 7, 2019, at 11:26 AM, Anthony Carson <ACarson@forneytx.gov> wrote:

Mr. Bigley:

I am the City Manager of Forney, Tx, I grew up and spent over 40 years in Warren and Trumbull County. I still stay aware of what is happening in the Mahoning Valley. I have been very impressed with what has occurred with Packard Music Hall and the Covelli Center. The City of Forney has a City owned Amphitheater in our Community Park that has been underutilized. The City does a great job bringing people to our park for special events. Our Independence Day fireworks draws over 20,000 people and a Halloween events brings over 12,000 people in. But we do not know how to bring in higher profile acts.

The City Council has approved significant funds to have us bring in higher level entertainment to the Amphitheater in 2020. If possible, I would like the opportunity to speak to you and Mr. Ryan about either expanding your footprint or if not assisting the City in bringing in a outside promoter to run the Amphitheater. I can be contacted at either number below, my office or cell. Thank you again.

Tony

Anthony J. Carson, Jr. MPA, ICMA-CM
City Manager

JAC Management Group traveled from Ohio to meet with Mr. Carson and other City personnel on October 1, 2019, with a site visit scheduled for October 2, 2019 to view the Spellman Amphitheater.³⁷ The same day as the site visit, the City began preparing an RFQ to include certain qualifications and experience

³⁰ See Exhibit A.47

³¹ The RFQ was posted on the City’s website, however, it was not advertised in the Forney Messenger or on Civcast.

³² See Exhibit A.48

³³ See Exhibit A.49

³⁴ See Exhibit A.50

³⁵ See Exhibit A.49

³⁶ See Exhibit A.49

³⁷ See Exhibit A.50

based on suggestions provided by Mr. Carson.³⁸ On October 3, 2019, the President of JAC Management Group emailed Mr. Carson to thank him for the site visit and offered to start looking for ideas for artists that could perform for the City's Independence Day Celebration.³⁹ Several weeks later on October 16, 2019, Mr. Carson informed JAC Management Group that he received authorization from City Council to issue a RFO for the management of the Spellman Amphitheater and would send it to them directly when it becomes available.⁴⁰ The City emailed the RFO to JAC Management Group on October 21, 2019, with a deadline to submit qualifications of November 8, 2019.⁴¹

d. Contract Negotiations Between the City and JAC Management Group

As of the November 8, 2019 deadline, JAC Management Group was the only firm to submit their qualifications to the City and began working with the City to prepare a contract subject to approval by City Council. On November 18, 2019, JAC Management Group emailed Mr. Carson to provide "*an outline of the proposed terms we discussed*," which included a five year term, an annual management fee of \$190,000, and a rebate paid back to the City of \$1.00 per ticket sold for all charged events managed by JAC Management Group.^{42,43} The proposed terms also outlined the minimum number of events to be managed each year, which was a minimum of five (5) events per year in 2020 and 2021, and a minimum of seven (7) events for each of the remaining three (3) years in the contract term. Mr. Carson reviewed the proposed terms with several other City personnel, including the City Attorney, Director of Finance, and Director of Parks and Recreation.⁴⁴ On November 19, 2019, Mr. Carson responded to JAC Management Group with several minor recommendations to the proposed terms, which included additional language regarding the level of events (i.e., national touring events), as well as to allow the City to use JAC Management Group's ticketing service for other City events.⁴⁵

On November 22, 2019, JAC Management Group emailed Mr. Carson to provide a first draft of the Spellman Amphitheater Entertainment Management Agreement based on the proposed terms previously

³⁸ See Exhibit A.51

³⁹ See Exhibit A.52

⁴⁰ See Exhibit A.53

⁴¹ See Exhibit A.54

⁴² See Exhibit A.55

⁴³ Under the proposed terms, JAC Management Group would also be responsible for booking, promoting and producing all events held at the Spellman Amphitheater other than community events, and was responsible for all revenue and expenses associated with booking, promoting and producing the events. JAC Management Group would also be responsible for sponsorships, food and beverage sales and ticketing, including the associated revenue and expenses. The City was to be responsible for upkeep, repairs, capital improvements and preventative maintenance for the Spellman Amphitheater, as well as utilities. The City would also be responsible for police, parking and cleaning services during the first year.

⁴⁴ See Exhibit A.56

⁴⁵ See Exhibit A.57

discussed.⁴⁶ According to JAC Management Group, the first draft was based on standard language with modifications to incorporate the proposed terms discussed with the City.⁴⁷ On November 27, 2019, the City Attorney provided revisions to the first draft of the proposed agreement.⁴⁸ The City and JAC Management Group subsequently met on December 2, 2019 to discuss potential revisions to the agreement and finalize the contract language in order to provide to City Council in advance of their next meeting.⁴⁹ On December 17, 2019, City Council approved the Facility Entertainment Management Agreement with JAC Management Group.⁵⁰

⁴⁶ See Exhibit A.58

⁴⁷ See Exhibit A.58

⁴⁸ See Exhibit A.59

⁴⁹ See Exhibit A.60

⁵⁰ See Exhibit A.61

IV. Summary of Findings (Section A)

a. Evaluation of Competitive Bidding Practices

In our review of the 30 purchases over \$50,000, we identified one purchase where the City did not appear to adhere to competitive bidding practices required by the City’s Purchasing Manual and Texas Government Code, which related to the operation of the seasonal ice rink for the third annual Forney on Ice in 2019.⁵¹ However, we were able to determine that the City solicited quotes from multiple vendors in 2017 for the inaugural Forney on Ice event and used the same vendor in subsequent years.

b. Evaluation of Bid Notice and Advertisement Practices

The City’s Purchasing Manual and Texas Local Government Code require notice for competitive sealed bids and proposals to be published in the newspaper for the municipality at least once a week for two consecutive weeks.⁵² We identified five (5) purchases where the City failed to publish notice of a RFP or RFQ in the Forney Messenger newspaper. In these instances, the procurement process was managed by either the former City Manager, Mr. Carson, or the former Deputy City Manager, Mr. Cardwell. While it is not a requirement to also publish bid notices on third party platforms such as Civcast, we noted that bid notices were not published on Civcast for these five (5) purchases, which is inconsistent with other purchases. The five (5) purchases that did not publish a bid notice in the Forney Messenger, or on Civcast, are provided in **Table A.8** below.

Table A.8 – Weaver Analysis of Bid Notices and Advertisement					
Vendor / Contractor	Procurement Method	Project Lead / Manager	Forney Messenger	City Website	Posted on Civcast
JAC Management Group, LLC <i>Facility Entertainment Agreement</i>	RFQ (2019-001)	A. Carson (City Manager)		Yes	
Mosca Designs <i>Festival of Lights Displays</i>	RFP (2020-001)	A. Carson (City Manager)		Yes	
Gallagher Construction <i>CM Agent for Storage Buildings</i>	RFQ (OP-2020-01)	N. Cardwell (Dir. Of Oper.)		Yes	
GTI (Gardner Telecommunications) <i>Optical Fiber Infrastructure</i>	RFP (2020-003)	N. Cardwell (Dir. Of IT)		Yes	
ATI Systems <i>Ground Warning Siren</i>	RFP (2021-006)	N. Cardwell (Deputy CM)		Yes	

⁵¹ See Exhibit A.16

⁵² State purchasing requirements related to bid notice and advertisements are outlined in Texas Government Code Chapter 252 (Subchapter C), Purchasing and Contracting Authority of Municipalities.

c. Evaluation of City Council Approval for Purchases over \$50,000

The City Manager is authorized to execute purchases less than \$50,000, however, purchases over \$50,000 require approval by City Council. For 27 of 30 purchases reviewed, we identified an agenda item and resolution approved by City Council, with detail of the purchase amount and vendor or contractor being awarded the contract. For two (2) purchases, we determined that the purchase amount was approved by City Council during the budget adoption process, however, the vendor being awarded the contract was not explicitly approved by City Council.⁵³ We identified one (1) purchase which was described at a high level in the annual budget approved by City Council, however, detail of the purchase amount or vendor was not provided.⁵⁴

d. Evaluation of Contracts and Purchase Orders

Of the 30 purchases reviewed, only six (6) purchases had an executed contract and purchase order, while 11 purchases only had an executed contract and six (6) purchases had a purchase order without a contract. We observed certain departments that utilized contracts with less frequency, including the Technology Department, Fire Department, and Parks and Events.

e. Communications with Vendors and Contractors Prior to Issuance of RFP or RFQ

Texas Government Code states that respondents to a RFP or RFQ are to be treated fairly and equally with respect to any opportunity for discussion and revision of proposals.⁵⁵ We identified three (3) instances in which the City had in-depth discussions with a potential vendor or contractor prior to the RFP or RFQ being issued. In these instances, the procurement process was being led by either the former City Manager, Mr. Carson, or the former Deputy City Manager, Mr. Cardwell.

Table A.9 – Summary of Communications Prior to Issuance of RFP / RFQ				
Contract	RFP / RFQ No.	RFP / RFQ Date	Project Manager	Weaver Summary
JAC Management Group, LLC <i>Facility Entertainment Agreement</i>	RFQ (2019-001)	10/21/2019	A. Carson	Mr. Carson contacted vendor on 9/7/2019; Vendor site visit on 10/2/2019
Gallagher Construction <i>CM Agent for Storage Buildings</i>	RFQ (OP-2020-01)	6/3/2020	N. Cardwell	Mr. Cardwell met with vendor on 5/18/2020; Discussed project specifications
ATI Systems <i>Ground Warning Siren</i>	RFP (2021-006)	4/29/2021	N. Cardwell	Vendor contacted Mr. Cardwell on 3/15/2021; Vendor submitted proposal at City's request on 3/26/2021

⁵³ Both purchases approved in the budget adoption process pertained to the Fire Department.

⁵⁴ In our review of the purchase of lighting for the Forney ISD football fields (awarded to Musco Sports Lighting for \$140,000), the 2019 annual budget described "a major lighting replacement project at the football practice fields located at the Fisd Administration facility," however, cost information was not included. See Exhibit A.1

⁵⁵ See Texas Government Code Section 252.042.

f. Bid Tabulations and Scoring Evaluations for RFP / RFQ Unavailable

For the June 2020 RFQ for a Construction Manager Agent for the construction of City storage buildings, ultimately awarded to Gallagher Construction, we have been unable to locate the bid tabulation documentation for the individual members of the City’s evaluation panel, which included Mr. Cardwell and Ms. Wilson. For the April 2021 RFP for a Ground Warning Siren, we have been unable to locate documentation to support the scoring by the evaluation panel that was purportedly aggregated and presented to City Council. Both of these projects were managed by Mr. Cardwell, and it is our understanding that he along with Ms. Wilson comprised the staff evaluation panels for both projects.⁵⁶

g. Analysis of Facility Entertainment Management Agreement

The City’s annual budget for fiscal year 2020, which was approved by City Council on September 17, 2019, budgeted \$200,000 in annual expenditures for major concerts, including \$180,000 for event entertainment and \$20,000 for advertising. The budget also reflected revenues of \$96,000, with the deficit to be offset by transfers from the General Fund and Hotel Occupancy Tax funds, as shown below.

Major Concerts	History		Projected		Budget	
	2018 Actual	2019 Budget	2019 Revised	2020 Budget	% Change	
Beginning Balance	-	-	-	-	-	-
Revenue						
Sponsorships	-	-	-	-	-	-
Beverage Sales	-	-	-	6,000	-	-
Admission	-	-	-	90,000	-	-
Vendor Fees	-	-	-	-	-	-
Miscellaneous	-	-	-	-	-	-
	-	-	-	96,000	-	-
Transfers In						
Hotel Occupancy Tax	-	-	-	30,000	-	-
General Fund	-	-	-	75,000	-	-
	-	-	-	105,000	-	-
Total Revenue	-	-	-	201,000	-	-
Expenses						
Advertising	-	-	-	20,000	-	-
Miscellaneous	-	-	-	-	-	-
Event Set Up & Décor	-	-	-	-	-	-
Event Entertainment	-	-	-	180,000	-	-
	-	-	-	200,000	-	-
Fund Balance	-	-	-	1,000	-	-
Ending Balance	-	-	-	1,000	-	-

⁵⁶ We reviewed Mr. Cardwell’s email data and did not identify any email communications related to the evaluation panelists’ scoring of the proposals. Mr. Cardwell erased all of the data from his City issued computer before returning it to the City following his departure in September 2021. It is also our understanding that Ms. Wilson left the City in or around December 2021 to accept a Director level position for the City of Belgrade, Montana, where Mr. Cardwell was the City Manager.

JAC Management Group was also aware of the City’s budgeted expenditures for major concerts as the information was emailed to them on September 23, 2019, in addition to being available on the City’s website.⁵⁷ The proposed terms submitted by JAC Management Group in November 2019 and contract approved by City Council in December 2019 included an annual management fee of \$190,000, equal to 95% of the budgeted expenditures. However, the revenue that the City would receive under the terms of the contract (i.e., \$1.00 per ticket sold) would equate to \$25,000 during the first year, assuming five (5) events (the minimum requirement in the contract) and that all 5,000 tickets were sold for each event. In other words, even assuming each event sold out, the City would incur a deficit of approximately \$165,000 during the first year, and an estimated \$795,000 over the length of the contract.⁵⁸

The ticket pricing for an upcoming concert event managed by JAC Management Group at the Spellman Amphitheater (Ted Nugent concert in August 2022) reflects ticket prices ranging from \$29.50 - \$49.50 per ticket.⁵⁹ The City’s rebate of \$1.00 per ticket is equal to 2% - 3.5% of the ticket revenue based on the prices for the Ted Nugent concert. We compared the terms of the City’s contract related to annual management fees and revenue sharing to contracts with other cities for entertainment management services, including other cities who have contracts with JAC Management Group. We determined that annual management fees ranged from \$85,000 per year to \$279,000 per year, and in some cases an annual management fee was not included in the contract. We also determined that most other contracts included a larger portion of revenues or profit to be returned to the City. A summary of our analysis of the City’s contract with JAC Management Group and other entertainment management contracts is provided in **Table A.10** below.⁶⁰

Table A.10 – Weaver Analysis of Facilities Entertainment Management Agreement Compared to other Cities				
City	Contract Date	Contract Term	Annual Mgmt. Fee	Revenue / Profit Sharing Contract Provisions
City of Forney, TX <i>Spellman Amph. (5,000 seats)</i> JAC Management Group	1/2020	5 Years	\$190,000	City to receive \$1.00 per ticket sold
City of Youngstown, OH <i>Covelli Centre (6,000 seats)</i> JAC Management Group	8/2017	5 Years	\$118,000	JAC Management Group will also receive an annual incentive fee of 15% of Net Operating Income over \$100,000
City of Warren, OH <i>Packard Music Hall (2,400 seats)</i>	2/2019	5 Years	\$250,000	JAC Management Group receives 100% of net profit as remuneration;

⁵⁷ See Exhibit A.62

⁵⁸ Our calculations do not take into consideration any additional sales tax or other revenue for local businesses that might be generated through additional traffic and visitors coming to the City of Forney to attend concerts.

⁵⁹ See Exhibit A.63

⁶⁰ Weaver submitted open records requests to the City of Youngstown, Ohio and the City of Warren, Ohio to obtain copies of their contracts with JAC Management Group. The other contracts summarized in our analysis in Table A.10 is based on information located through online research.

Table A.10 – Weaver Analysis of Facilities Entertainment Management Agreement Compared to other Cities				
City	Contract Date	Contract Term	Annual Mgmt. Fee	Revenue / Profit Sharing Contract Provisions
JAC Management Group				City receives \$0.30 per ticket sold for capital improvements and 50% of net revenue for parking
City of Huber Heights, OH <i>Rose Music Center (4,200 seats)</i> Music Event Management, Inc.	6/2014	10 Years	\$225,000	Net Profit of \$0 - \$150k - City retains 100%; Net Profit over \$150k – City retains 60% and vendor receives 40%
County of Onondaga, NY <i>Lakeview Amph. (17,500 seats)</i> SMG	4/2016	3 Years	\$85,000	SMG will also receive an annual incentive fee not-to-exceed \$45,000 (based on meeting certain performance standards)
City of Key West, FL <i>Truman Waterfront Theater (3,500 seats)</i> Rams Head	4/2019	3 Years	N/A	City to receive \$1.00 per ticket sold and 20% of net profits
City of Wilmington, NC <i>Hugh Morton Amphitheater (1,200 seats)</i> Live Nation	8/2020	10 Years	N/A	City to receive \$2.00 per ticket sold, \$10,000 per quarter in rent for use of the facility, and 50% of net concessions revenue
City of Wilmington, NC <i>North Waterfront Park (7,200 seats)</i> Live Nation	11/2018	10 Years	N/A	City to receive \$2.00 per ticket sold, \$200,000 per year in rent for use of the facility. Live Nation also contributed \$2 million towards construction.
City of Huntsville, AL <i>Huntsville Amphitheater (8,000 seats)</i> Live Nation	11/2019	10 Years	\$279,000	City to receive 5% of gross revenues and between 10%-40% of net income based upon performance standards

h. Evaluation of Facility Entertainment Management Agreement

The procurement process utilized by the City to contract services for the management and operation of the Spellman Amphitheater did not allow the City to obtain the best value for its taxpayer dollars, and did not appear to adhere to best practices. The City approached JAC Management Group prior to the preparation or issuance of the RFQ, including detailed discussions, as well as an out of state site visit by JAC Management Group. In addition, the City failed to advertise the RFQ in the Forney Messenger or on Civcast, limiting the potential pool of respondents, which resulted in JAC Management Group being the only respondent. Without having an alternate or backup firm during the negotiation of the contract, and with JAC Management Group having knowledge of the City’s budgeted expenditures for entertainment management, the City had little leverage to ensure the City received the best value for its taxpayer dollars.

B. Coronavirus Relief Fund Expenditures

I. Background

The CARES Act was signed into law by President Trump on March 27, 2020 to provide financial assistance and resources to help government entities and private businesses impacted by the COVID-19 public health emergency. Under the CARES Act, the Coronavirus Relief Fund (“CRF”) was established for the specific purpose of providing financial resources to state and local governments. The US Department of Treasury allocated \$11.24 billion to the State of Texas, of which \$1.85 billion was to be made available to cities residing in counties with less than 500,000 residents. The management of CRF disbursements to state and local government entities was to be administered by the Texas Department of Emergency Management (“TDEM”). On May 11, 2020, TDEM issued the CRF Terms and Conditions, which outlined the permissible use of funds for CRF grants, including the following guidelines for CRF expenditures:⁶¹

- *Are necessary expenditures incurred due to the public health emergency with respect to the Coronavirus Disease 2019 (COVID-19);*
- *Were not accounted for in the budget most recently approved as of March 27, 2020 for the state or government; and*
- *Were incurred during the period that begins on March 1, 2020 and ends on December 30, 2020.*

The US Department of Treasury provided additional guidance on the permissible use of grant funds, including nonexclusive examples of eligible expenses in the following categories:

- **Category 1** - *Medical expenses;*
- **Category 2** - *Public health expenses;*
- **Category 3** - *Payroll expenses for public safety, public health, health care, human services, and similar employees whose services are substantially dedicated to mitigating or responding to the COVID-19 public health emergency;*
- **Category 4** - *Expenses of actions to facilitate compliance with COVID-19-related public health measures;*
- **Category 5** - *Expenses associated with the provision of economic support in connection with the COVID-19 public health emergency; and*
- **Category 6** - *Any other COVID-19-related expenses reasonably necessary to the function of government that satisfy the CRF eligibility criteria.*

⁶¹ See Exhibit B.1

The CRF Terms and Conditions also stipulated that a minimum of 75% of allotted funds would be spent in the categories of medical expenses, public health expenses and payroll expenses for employees substantially dedicated to mitigating or responding to the public emergency (i.e., Categories 1, 2 and 3).⁶²

II. Review of CRF Expenditures

a. Allocation of Funds under CRF Grant

On May 27, 2020, the City executed the CRF Terms and Conditions provided by TDEM, which was signed by the City Manager, Mr. Carson.⁶³ Based on the City's official population as of January 2019, the City was eligible to receive up to \$1,395,405 under the CRF grant program, of which 20% was to be allocated as an advance upon application and the remaining 80% to be distributed as a reimbursement of eligible and approved expenditures.⁶⁴

b. Receipt of 20% of Funds under CRF Grant

While TDEM provided the allocation amounts under the CRF grant and the CRF Terms and Conditions on May 11, 2020, which was executed by the City on May 27, 2020, the City did not apply for the funds until several months later. On August 31, 2020, the City's Chief of Police, Mica Lunt ("Police Chief Lunt"), emailed Mr. Cardwell, as well as the City's Director of Finance and Human Resources, Deborah Woodham ("Ms. Woodham"), and the City's Fire Chief, Derek Briggs ("Fire Chief Briggs"), to request a meeting to "discuss several ideas regarding the CARES Act and the money that has been allocated to our jurisdiction that must be used by the end of this year."⁶⁵ On September 2, 2020, the City submitted its CRF application to TDEM allowing the City to receive the 20% advanced portion of the CRF grant, equal to \$279,081.⁶⁶ On September 3, 2020, Ms. Woodham submitted the Designation of Subrecipient Agent Form to TDEM for the CRF grant, which designated Mr. Carson as the Certifying Official, Ms. Woodham as the Primary Agent and the City's Assistant Director of Finance, Charity Wilson ("Ms. Wilson") as the Secondary Agent.⁶⁷

c. Informal Staff Committee Established by the City

The City formed an informal staff committee to review the guidelines for allowable purchases under the CRF Terms and Conditions, to determine how the City would utilize the funds from the CRF grant, as well as

⁶² See Exhibit B.1

⁶³ See Exhibit B.2

⁶⁴ See Exhibit B.3

⁶⁵ See Exhibit B.4

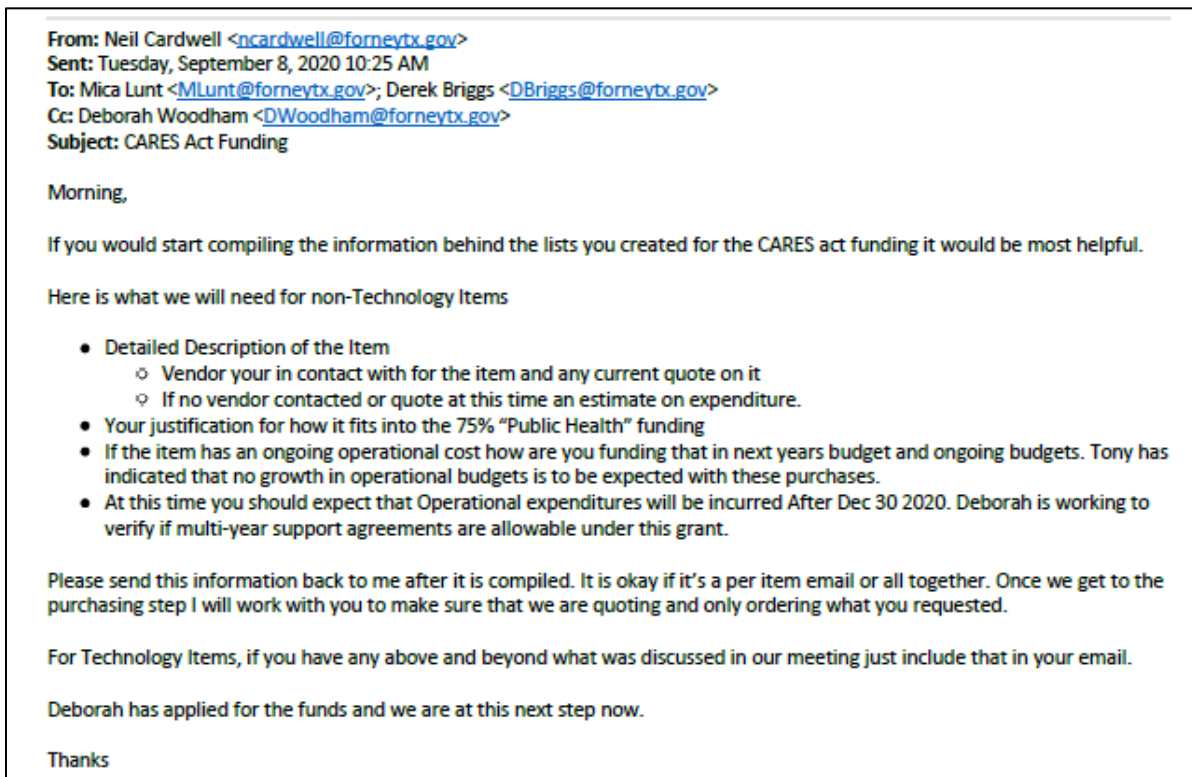
⁶⁶ See Exhibit B.5

⁶⁷ See Exhibit B.5

to prepare a formal spending plan as required by TDEM for receipt of the remaining 80% of the CRF grant (referred to as the “CRF Spending Plan”). The informal staff committee consisted of four (4) members, which included Mr. Carson (City Manager), Mr. Cardwell (Director of Operations), Ms. Woodham (Director of Finance and Human Resources) and the City Attorney, Jon Thatcher (“Mr. Thatcher”).

d. Formulation of CRF Spending Plan

Based upon our review of email communications and discussions with City personnel, Mr. Cardwell took the lead in facilitating the efforts to formulate the City’s CRF Spending Plan, which in early September 2020 was primarily focused on equipment purchases for the Police Department and Fire Department. During the meeting requested by Police Chief Lunt to discuss ideas for the use of funds under the CRF grant, Police Chief Lunt and Fire Chief Briggs discussed a list of items to assist the operations of their departments during the COVID-19 public health emergency, including technology and equipment. After the meeting, Mr. Cardwell sent an email on September 8, 2020 requesting that Police Chief Lunt and Fire Chief Briggs start compiling information in support of the list of requested items, including vendor quotes and cost estimates, as well as justification for how each purchase addresses the requirement in the CRF Terms and Conditions related to the necessity of the purchase due to the COVID-19 public health emergency.⁶⁸



⁶⁸ See Exhibit B.6

e. CRF Priority Items Provided by Police Department

On September 10, 2020, Police Chief Lunt provided Mr. Cardwell a list of six (6) priority items to help the Police Department “better accomplish our Mission during the COVID-19 pandemic and others that may come.”⁶⁹ Police Chief Lunt expressed his appreciation to Mr. Cardwell for the “willingness to explore this funding opportunity for much needed equipment” and provided justification for the necessity of each item as a result of the COVID-19 public health emergency.⁷⁰ A summary of the priority items submitted by Police Chief Lunt to Mr. Cardwell (in order of priority) is provided in **Table B.1** below.

Table B.1 – Summary of CRF Priority Items Provided by the Police Department		
Item Summary	Item Description	Item Justification
Laptops	Laptops equipped with web cameras and ability to connect to an iPhone hotspot to remotely connect to networked desktops.	<ul style="list-style-type: none"> • Allow for remote work / telework; • Conduct virtual interviews with witnesses and crime victims; • Reduce the need for in-person interaction and lessen the risk of spread of COVID-19
Body Worn Cameras	WatchGuard V300 system with integrated in-car cameras and wireless download capability.	<ul style="list-style-type: none"> • Current system requires police officers to come into the office to “cradle” the cameras for video download and handle other officer’s cameras due to limited cradles; • Wireless video functionality will allow officers to download video remotely and no longer handle other officer’s cameras; • Officers are conducting more interviews due to the COVID-19 pandemic and the cameras being used currently do not have sufficient battery life for an 8-hour shift
Gym Equipment	Purchases to improve the gym and fitness equipment accessible to members of the Police and Fire Departments	<ul style="list-style-type: none"> • Police officers and fire fighters are required to maintain physical fitness standards in order to perform their duties; • Personnel previously had private gym memberships and have limited access due to occupancy restrictions during the COVID-19 pandemic; • City’s gym has had increased usage during the COVID-19 pandemic and equipment is over 10-years old and less versatile; • Newer equipment will enable reduced rotation from one machine to another and reduce the risk of the spread of COVID-19
Automatic External Defibrillators	To be installed in all patrol cars and in the Animal Shelter	<ul style="list-style-type: none"> • Currently the Police Department does not have AED’s available in patrol cars

⁶⁹ See Exhibit B.7

⁷⁰ See Exhibit B.7

Table B.1 – Summary of CRF Priority Items Provided by the Police Department		
Item Summary	Item Description	Item Justification
Emergency Operations Center Improvements	Improve technological capabilities of Emergency Operations Center related to virtual communications	<ul style="list-style-type: none"> • Current Emergency Operations Center is small and uncondusive to social / physical distancing and requires in-person responses from City personnel; • Virtual communications between Council Chambers and Emergency Operations Center to reduce the number of people in the same physical space;
Dispatch Center Expansion	Increase space to spread out dispatch stations	<ul style="list-style-type: none"> • Current dispatch setup requires dispatchers to wear masks due to proximity of stations; • It is not practical for dispatchers to wear masks to talk to callers on the phone and talk to first responders on the radio

f. CRF Priority Items Provided by the Fire Department

Fire Chief Briggs also submitted a list of priority items for the CRF grant on behalf of the Fire Department to Mr. Cardwell, which included a justification for how each item meets the qualifications under the CRF Terms and Conditions.⁷¹ Fire Chief Briggs provided a cost estimate for each item based on vendor quotes obtained. As of October 9, 2020, the list provided by Fire Chief Briggs included 16 items totaling approximately \$406,000, as summarized in **Table B.2** below.⁷² The detailed justification for each item provided by Fire Chief Briggs is included in **Exhibit B.8**.

Table B.2 – Summary of CRF Priority Items Provided by the Fire Department	
Description	Amount
I-Plans Work Station	\$19,626.00
Blue Beam REVU Software	\$349.00
Add Offices to the Training Room	\$38,953.00
4 Lifepak 1000 Automatic External Defibrillators (AED's)	\$9,271.88
3 Lifepak 15 Monitors & Modem Upgrade on Existing LP 15s	\$91,360.31
4 Physio-Control LUCAS Devices	\$59,211.70
4 Airtraq Video Laryngoscope Systems	\$4,899.60
3 Surface Pro 7 Computer Tablets	\$2,700.00
2 Aeroclave RDS3110 Decontamination Units	\$31,486.00
Fire Department Master Plan Study	\$43,220.00
Scott SCBA Face Piece Cartridge Adapters	\$1,540.00
FARO 3D Measurement and Imaging System	\$46,438.79
2 FARO Handheld Digital Pre-Plan Cameras	\$16,319.32
Gear Extractor and Related Plumbing/Installation for Fire Station #1	\$25,758.11
2 Wello Self-Service, Non-Contact Temperature Monitor and Screening Tools	\$15,000.00
Breathing Air Compressor System for Fire Station #2	Quote Pending
Total	\$406,142.71

⁷¹ See Exhibit B.8

⁷² See Exhibit B.8

g. TDEM Deadlines for CRF Expenditures

Throughout the remainder of September 2020, the City worked to obtain vendor quotes and cost information in support of the items and equipment requested by the Police and Fire Departments. On October 2, 2020, Ms. Woodham received an email from TDEM regarding the status of the City's CRF expenditures and anticipated needs. The email stated that the funds allocated to the City in May 2020 as part of the CRF grant have a "strict expenditure timeline" and "must be used for COVID-19 related costs incurred by December 30, 2020."⁷³ The email from TDEM also stated that as of October 2, 2020, the City has not provided documentation of expenditures to offset the advance of funds received in September 2020 (i.e., the 20% advancement for \$279,081). TDEM also outlined additional deadlines for the CRF grant, as outlined below:⁷⁴

- If your jurisdiction has not exhausted its specific allocation (including advances received), you must submit a plan detailing proposed expenditures by November 13, 2020.
- All documentation for reimbursement must be submitted to TDEM by December 15, 2020.

According to the email from TDEM, "If these deadlines are not met, then funds may be recaptured and reallocated to address CRF needs, including any advanced funding received and not supported by eligible expenditures."

h. Expedited Efforts by the City to Adhere to TDEM Deadlines

On October 5, 2020, the City's Assistant Director of Finance, Ms. Wilson, contacted TDEM to ask whether the City is required to "go through the entire RFP process" for purchases exceeding \$50,000 or "will three quotes suffice?"⁷⁵ A representative from TDEM responded to Ms. Wilson that "since this is a small purchase you will just need to follow your agency procurement procedures as you would if you weren't using federal funding."⁷⁶

i. Addition of Vehicle Purchases to CRF Spending Plan

On October 13, 2020, Mr. Cardwell and Police Chief Lunt discussed the potential purchase of vehicles with funds from the CRF grant, including the eligibility of the purchase and potential justification. Police Chief Lunt informed Mr. Cardwell that he consulted TDEM's Frequently Asked Questions (FAQs) in regards to vehicle purchases. Police Chief Lunt provided information to Mr. Cardwell from his review which appeared to

⁷³ See Exhibit B.9

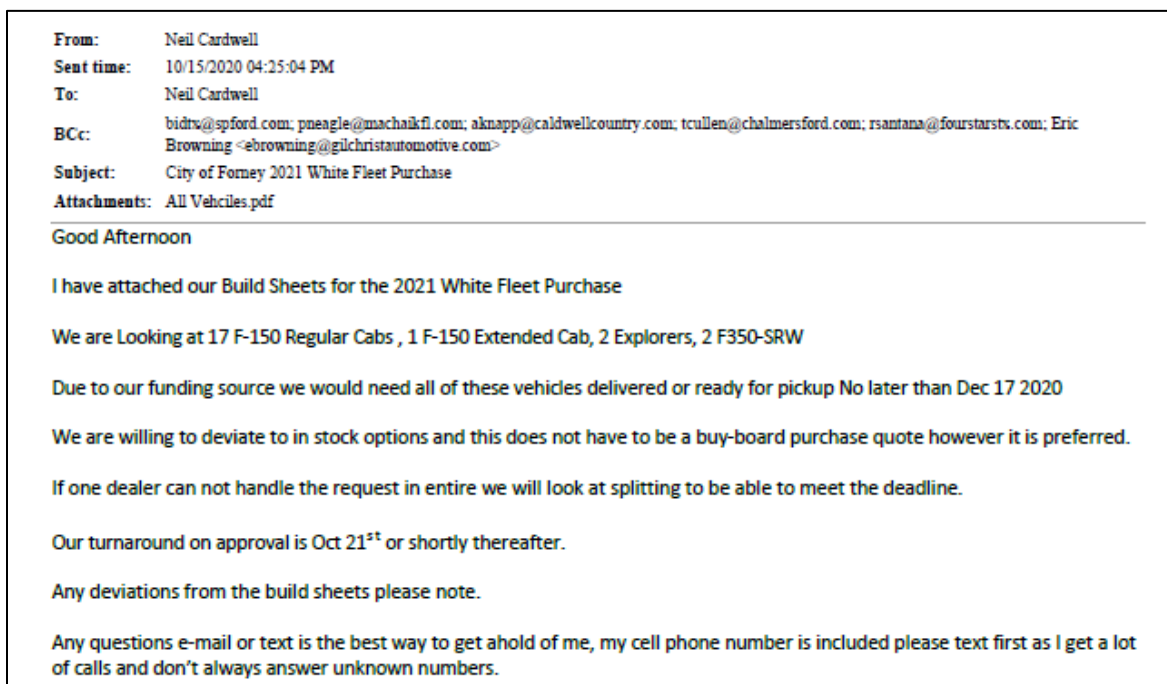
⁷⁴ See Exhibit B.9

⁷⁵ See Exhibit B.10

⁷⁶ See Exhibit B.10

indicate that "vehicles may be an eligible expense under the CRF, however, the cost may be considered unreasonable if there are cost effective alternative solutions."⁷⁷ In addition, TDEM's response in the FAQ information stated, "Prior to making a large capital expenditure such as the purchase of a vehicle, jurisdictions should document that they have analyzed any lease versus purchase alternatives and performed any other appropriate analyses to determine the most economical approach." In his October 13, 2020 email to Mr. Cardwell, Police Chief Lunt also provided a potential justification for the City's purchase of vehicles for the Police Department, including that his Ford Taurus sedan did not have sufficient storage space to haul the additional equipment necessary for incident response during the COVID-19 pandemic. In addressing cost alternative solutions, Police Chief Lunt explained that the City "does not utilize lease programs due to the unpredictability of lease programs and failure to establish any capital through a lease expense."^{78,79}

Several days later on October 15, 2020, Mr. Cardwell sent an email to six (6) local automotive dealers to inform them that the City was looking to purchase 22 vehicles as part of the "2021 White Fleet Purchase," including 17 Ford F-150 regular cab trucks, one (1) Ford F-150 extended cab truck, two (2) Ford Explorers and two (2) Ford F-350-SRW trucks.⁸⁰ Mr. Cardwell also stated that "due to our funding source we would need all of these vehicles delivered or ready for pickup no later than December 17, 2020."



⁷⁷ See Exhibit B.11

⁷⁸ See Exhibit B.11

⁷⁹ Police Chief Lunt also explained in his email that the City generally keeps vehicles longer than the shorter-term leases and is therefore more cost effective.

⁸⁰ See Exhibit B.12

Starting in late October 2020, the City began purchasing fleet vehicles and ultimately purchased the 22 Ford trucks listed in Mr. Cardwell’s October 15, 2020 email, which were purchased from six (6) different dealerships during the October 29, 2020 – December 30, 2020 time period. Based upon our review of the City’s check register, the City paid \$664,059 for the 22 vehicles, as summarized in **Table B.3** below.

Table B.3 – Summary of Vehicle Purchases per Check Register				
Payment Date	Vendor Name	Payable #	Payable Description	Amount
10/29/2020	PLATINUM FORD	F200992	Fleet Vehicles - CARES	\$23,557.54
10/29/2020	PLATINUM FORD	F201157	Fleet Vehicles - CARES	\$23,807.54
10/29/2020	PLATINUM FORD	F201160	Fleet Vehicles - CARES	\$24,182.54
10/29/2020	PLATINUM FORD	F201161	Fleet Vehicles - CARES	\$24,241.73
10/29/2020	WOODY MOTOR CO, INC	F4250	Ford F250 - CARES	\$37,519.00
10/29/2020	IRVTEX AUTOMOTIVE SALES II, LLC	102407	Fleet CARES Vehicles	\$30,383.30
10/29/2020	IRVTEX AUTOMOTIVE SALES II, LLC	102408	Fleet CARES Vehicles	\$30,383.30
10/29/2020	PARK CITIES FORD	J15256	Vehicles - CARES	\$29,431.37
10/29/2020	PARK CITIES FORD	J79065	Vehicles - CARES	\$29,431.37
11/3/2020	PLATINUM FORD	F201175	2 Ford F150s - CARES	\$25,254.54
11/3/2020	PLATINUM FORD	F201177	2 Ford F150s - CARES	\$24,177.54
11/3/2020	WOODY MOTOR CO, INC	F4187	F150, 2 F250s - CARES	\$35,767.00
11/3/2020	WOODY MOTOR CO, INC	KD12344	F150, 2 F250s - CARES	\$32,353.00
11/3/2020	WOODY MOTOR CO, INC	T4374T	F150, 2 F250s - CARES	\$38,984.00
11/19/2020	PLATINUM FORD	F201198	2020 F150 #1468 Public Works	\$25,063.73
11/19/2020	PLATINUM FORD	F201199	2020 F150 #2711 Public Works	\$24,177.54
11/19/2020	PARK CITIES FORD	220193	2020 Ford F150 #2081	\$23,523.75
11/19/2020	PARK CITIES FORD	220194	2020 Ford F150 #4410	\$23,523.75
11/19/2020	DEFENDER SUPPLY	20732	2020 Ford Explorer PI SUV #4749	\$56,465.62
11/19/2020	RUSH TRUCK CENTER - DALLAS MEDIUM DUTY	1019-16529	2020 Ford F150 #3497	\$27,826.46
11/19/2020	RUSH TRUCK CENTER - DALLAS MEDIUM DUTY	1019-16530	2020 Ford F150 #3498	\$27,826.48
12/30/2020	RUSH TRUCK CENTER - DALLAS MEDIUM DUTY	1019-16653	2020 Ford Transit 350 #7938	\$46,177.65
Total				\$664,058.75

j. Resolution Giving City Manager Purchasing Authority under the CRF Grant

On October 15, 2020, Mr. Cardwell emailed Mr. Thatcher to request a resolution to authorize the City Manager, Mr. Carson, to make purchases on behalf of the City for the CRF grant.⁸¹ During the following City Council meeting on October 20, 2020, the City approved a resolution authorizing the City Manager to execute all necessary grant applications and “expend funds related to COVID-19 for eligible items and services up to the City’s allotment under the CRF and until the end of the relief period of December 30, 2020.”⁸²

⁸¹ See Exhibit B.13

⁸² See Exhibit B.14

k. Updated CRF Guidance and Clarification Provided by TDEM on October 29, 2020

On October 29, 2020, TDEM emailed Ms. Woodham to provide updated guidance and clarification regarding eligibility for reimbursement under the CRF grant for employee salaries associated with public safety and public health.⁸³ The updated guidance acknowledged the CARES Act provision which prohibited the use of CRF funds for items already included in the most recently approved budget, which would presumably include salaries for public safety and public health personnel. However, TDEM clarified that “if those items are for a substantially different use from the previously expected use of funds, then they are eligible for CRF funding.”⁸⁴ The guidance clarified the definition of public safety employees, which was to include police officers, firefighters, emergency medical responders, correctional and detention officers, and those who directly support such employees such as dispatchers and supervisory personnel. Finally, the updated guidance stated that “eligible salary costs include both straight time and overtime.”

l. Submission of CRF Spending Plan on November 9, 2020

In advance of TDEM’s November 13, 2020 deadline to submit a CRF Spending Plan, Ms. Woodham emailed TDEM on November 9, 2020 and provided the City’s CRF Spending Plan which totaled \$1,380,296.⁸⁵ Under the CRF Spending Plan submitted on November 9, 2020, the majority of the items were classified under Category 2 of the CRF Terms and Conditions related to Public Health Expenses, which included certain equipment items from the priority lists provided by the Police and Fire Departments, as well as the 22 vehicles. A summary of the CRF Spending Plan emailed to TDEM on November 9, 2020 is provided in **Table B.4** below.

Table B.4 – Summary of CRF Spending Plan Emailed to TDEM on 11/9/2020	
Description	Amount
Category 2 – Public Health Expenses	
WatchGuard Body Cameras	\$76,805.00
WatchGuard Server	\$15,916.50
SCBA System	\$43,435.00
Fire Station Office	\$17,727.10
Gym Equipment	\$49,296.30
SCBA Adapter	\$1,680.00
Video I-Scopes	\$4,899.60
Aeroclave	\$31,486.00
Station 1 Plumbing	\$25,000.00
Faro Mapping	\$8,159.66
Station 1 Extractor	\$7,017.53
Stryker Equipment	\$159,843.89
Radio for Chief Vehicle	\$6,211.28
Mulberry Park Construction	\$11,440.52
UV Lights HVAC	\$6,820.00

⁸³ See Exhibit B.15

⁸⁴ See Exhibit B.15

⁸⁵ See Exhibit B.16

Table B.4 – Summary of CRF Spending Plan Emailed to TDEM on 11/9/2020	
Description	Amount
Backpack Sprayer	\$1,734.30
Front Office Furniture	\$6,000.00
Masks for City Hall	\$1,000.00
PD UV Lights	\$1,100.00
22 Vehicles	\$662,120.03
Category 2 Total	\$1,137,692.71
Category 4 – Expenses to Facilitate Compliance w/ COVID-19 Public Health Measures	
Laptops	\$23,533.40
Phone System	\$135,000.00
UPS	\$40,434.06
Servers	\$18,581.33
Time off for 12 employees for COVID exposure or illness	\$25,054.85
Category 4 Total	\$242,603.64
Total Planned Spending	\$1,380,296.35

On November 10, 2020, a TDEM representative from the third-party audit firm Horne, LLP (“Horne”), which was contracted by TDEM to review CRF expenditures, responded to Ms. Woodham’s email to notify her that TDEM “*has received and is currently reviewing the CRF Spending Plan for City of Forney.*”⁸⁶ TDEM requested for Ms. Woodham to resubmit the document with a signature, title and date. The Regional Unit Chief for TDEM, Andrea Lowe (“Ms. Lowe”), was also copied on the email. TDEM stated in the email that TDEM regional staff would contact Ms. Woodham directly if additional information or clarifications are required.

m. Submission of Updated CRF Spending Plan on November 11, 2020

On November 11, 2020 at 8:11 AM, Ms. Woodham sent an email response to TDEM and Horne that the City “*revised the plan to include more employee cost and it is now signed and dated.*”⁸⁷ The updated CRF Spending Plan provided on November 11, 2020 totaled \$1,395,405, which was approximately \$15,000 higher than the CRF Spending Plan provided on November 9, 2020, and equal to the total amount allocated to the City under the CRF grant.^{88,89} On November 11, 2020 at 8:57 AM, Ms. Lowe from TDEM responded to Ms. Woodham that “*after reviewing the plan, we would like to schedule a meeting to obtain clarity on some of the items on the plan.*”⁹⁰ Later that morning, a calendar invitation was sent by Taylor Parker (“Mr. Parker”) from Horne, to schedule a meeting with Ms. Woodham for November 13, 2020 at 1:00 PM to “*discuss the*

⁸⁶ See Exhibit B.17

⁸⁷ See Exhibit B.17

⁸⁸ See Exhibit B.18

⁸⁹ The increased amount in the updated CRF Spending Plan submitted on November 11, 2020 related to additional amounts for employees requiring time off due to COVID-19 exposure or illness.

⁹⁰ See Exhibit B.19

spend plan that was submitted."⁹¹ In addition to Ms. Woodham and Mr. Parker, the meeting invite was also sent to Ms. Lowe, and another representative from Horne. We were also informed by Ms. Woodham that Mr. Cardwell attended the meeting.

n. Submission of Revised CRF Spending Plan on November 13, 2020

Shortly after the 1:00 PM meeting on November 13, 2020 with TDEM and Horne, Ms. Woodham submitted the City's Revised CRF Spending Plan at 1:49 PM, which was emailed to TDEM and Horne.⁹² In her email, Ms. Woodham requested that TDEM "please accept the attached spending plan as the final plan for the City of Forney."⁹³ The Revised CRF Spending Plan totaled \$1,395,405, which was the total amount allocated to the City under the CRF grant. Under the Revised CRF Spending Plan, the items previously listed under Category 2 and Category 4 were removed and the total expenditure amount of \$1,395,405 was included under Category 3, Payroll Expenses, with notes indicating these items related to "payroll for Police, Jailer, Dispatch and Fire."⁹⁴ On November 19, 2020, TDEM confirmed their receipt of the Revised CRF Spending Plan and asked Ms. Woodham to clarify if these expenses were in addition to the previously submitted CRF Spending Plan.⁹⁵ Ms. Woodham responded that the Revised CRF Spending Plan was the version the City is officially submitting and is not in addition to the original CRF Spending Plan.⁹⁶

Based on discussions with Ms. Woodham, the Revised CRF Spending Plan was recommended during the meeting with Horne and TDEM. Ms. Woodham informed Weaver that she was told during the meeting it would be better to submit payroll-related expenditures (i.e., Category 3) as opposed to the items previously included under Category 2 and Category 4. Ms. Woodham also informed us that payroll expenditures were not included in the initial CRF Spending Plan as it was the City's understanding that they were not eligible for reimbursement since they were also included in the City's annual budget.

o. TDEM Closeout Letter and Final Approval

In advance of TDEM's December 15, 2020 deadline to submit documentation for expenses to be reimbursed under the CRF grant, Ms. Woodham submitted the Payment of Funds Request Form (i.e., Request for Reimbursement) on December 14, 2020 and supporting documentation for the reimbursement portion (i.e., the 80% that was not paid in advance) of the Category 3 payroll expenses totaling \$1,116,324.⁹⁷ On

⁹¹ See Exhibit B.20

⁹² See Exhibit B.21

⁹³ See Exhibit B.21

⁹⁴ See Exhibit B.21

⁹⁵ See Exhibit B.22

⁹⁶ See Exhibit B.22

⁹⁷ See Exhibit B.23

December 15, 2020, Ms. Woodham submitted the Payment of Funds Request Form and supporting documentation for the advanced portion of the Category 3 payroll expenses totaling \$279,081.⁹⁸ On May 3, 2021, TDEM submitted a Notice of Closeout to the City, stating that TDEM has completed processing the City's Request for Reimbursement and issued payments for eligible costs.⁹⁹ TDEM also stated that "all applicable administrative actions and all required work has been completed" and that "no additional financial, performance, or other reports are required to be submitted to TDEM."¹⁰⁰

p. City Purchases of Vehicles and Equipment from Original CRF Spending Plan

As described previously in this Report, the initial and updated CRF Spending Plans submitted by the City to TDEM on November 9, 2020 for \$1,380,296 and November 11, 2020 for \$1,395,405 included certain equipment requested by the Police and Fire Departments, as well as the purchase of 22 fleet vehicles for various City departments. The Revised CRF Spending Plan for \$1,395,405 that was officially submitted by the City on November 13, 2020 excluded the equipment and vehicles purchases, replacing those items with payroll expenses for public safety personnel. Certain of the items from the initial CRF Spending Plans were purchased prior to the City's submission of the Revised CRF Spending Plan, including seven (7) vehicles and a Dell server. Following the submission of the Revised CRF Spending Plan, the City purchased the remainder of the equipment and vehicles included in the initial CRF Spending Plan, using the funds received as reimbursement for payroll expenses through the CRF grant to offset the purchases. During the October 29, 2020 – July 29, 2021 time period, the City purchased the equipment and vehicles included in the initial CRF Spending Plan for a total purchase amount of \$1,352,656, as summarized in **Table B.5** below.¹⁰¹

⁹⁸ See Exhibit B.24

⁹⁹ See Exhibit B.25

¹⁰⁰ See Exhibit B.25

¹⁰¹ See Exhibit B.26 for additional detail from the City's check register regarding purchases of equipment and vehicles from the Initial CRF Spending Plan.

Table B.5 – Summary of Purchases of Equipment and Vehicles from Initial CRF Spending Plan				
Item		Initial CRF Spending Plan	Actual Purchases	Vendor(s)
Category 2 Expenses			(Actual Purchases per Check Register)	
WatchGuard Body Cameras	\$76,805.00		\$76,805.00	Watch Guard Video
WatchGuard Server	\$15,916.50		\$15,916.50	Dell Marketing, L.P.
SCBA System	\$43,435.00		\$42,035.00	Metro Fire Apparatus Specialists
Fire Station Office	\$17,727.10		\$16,567.10	Kenyatta Bene Stewart
Gym Equipment	\$49,296.30		\$49,296.30	Fit Supply LLC
SCBA Adapter	\$1,680.00		\$1,680.00	Metro Fire Apparatus Specialists
Video I-Scopes	\$4,899.60		\$4,899.60	Teleflex LLC
Aeroclave	\$31,486.00		\$31,486.00	Aeroclave, LLC
Station 1 Plumbing	\$25,000.00		\$22,847.69	Cingl Telecommunications Intex, Mesquite Plumbing
Faro Mapping	\$8,159.66		\$8,159.66	Faro Technologies, Inc.
Station 1 Extractor	\$7,017.53		\$7,017.53	AAdvantage Laundry Systems, Inc.
Stryker Equipment	\$159,843.89		\$159,963.89	Stryker Sales Corporation
Radio for Chief Vehicle	\$6,211.28		\$6,231.28	Motorola Solutions, Inc.
Mulberry Park Construction	\$11,440.52		\$11,440.52	Kenyatta Bene Stewart
UV Lights HVAC	\$6,820.00		\$6,820.00	MC Precision Air LLC
Backpack Sprayer	\$1,734.30		\$1,734.30	Wedge Supply, Inc.
Front Office Furniture	\$6,000.00		\$6,087.80	National Business Furniture, LLC
Masks for City Hall	\$1,000.00		\$1,120.00	The Emblem Authority
PD UV Lights	\$1,100.00		\$1,100.00	MC Precision Air LLC
22 Vehicles	\$662,120.03		\$664,058.75	Platinum Ford, Woody Motor Co., Park Cities Ford, Irvtex Automotive Sales, Rush Truck Center, Defender Supply
Category 2 Total	\$1,137,692.71		\$1,135,266.92	
Category 4 Expenses			(Actual Purchases per Check Register)	
Laptops	\$23,533.40		\$23,533.40	Dell Marketing, L.P.
Phone System	\$135,000.00		\$134,840.62	Frontier Communications Corp.
UPS	\$40,434.06		\$40,434.06	SHI Government Solutions
Servers	\$18,581.33		\$18,581.33	Dell Marketing, L.P.
Time off for 12 employees for COVID exposure or illness	\$25,054.85		N/A	
Category 4 Total	\$242,603.64		\$217,389.41	
Total	\$1,380,296.35		\$1,352,656.33	

q. Timeline of Events – CRF Expenditures

A summary of events related to the CRF grant and related expenditures is provided in **Table B.6**.

Table B.6 – Timeline of Events for CRF Grant Expenditures	
Date	Description
5/11/2020	<ul style="list-style-type: none"> • TDEM issued CRF Terms and Conditions • City of Forney allocated \$1,395,405 under CRF program
5/27/2020	<ul style="list-style-type: none"> • Former City Manager, Mr. Carson, signed CRF Terms and Conditions
8/31/2020	<ul style="list-style-type: none"> • Police Chief Lunt emailed Mr. Cardwell, Ms. Woodham and Fire Chief Briggs to propose a meeting to <u>"discuss several ideas regarding the CARES Act and the money that has been allocated to our jurisdiction that must be used by the end of this year."</u>
9/2/2020	<ul style="list-style-type: none"> • The City submitted its CRF Application to TDEM to receive funds under the CRF grant. • The City's application was approved and the City received 20% of the funds as an advance, in the amount of \$279,081. • The City formed an informal staff committee to review CRF guidelines and prepare a CRF Spending Plan. The committee was comprised of Mr. Carson, Mr. Cardwell, Ms. Woodham and Mr. Thatcher.
9/8/2020	<ul style="list-style-type: none"> • Mr. Cardwell emailed Police Chief Lunt and Fire Chief Briggs and requested that they compile a list of priority items for the CRF grant, including cost estimates and justification for how they qualify under Category 2 (Public Health Expenses).
9/10/2020	<ul style="list-style-type: none"> • Police Chief Lunt emailed Mr. Cardwell with the priority items for the Police Department for purchases under the CRF grant, which included laptops, body cameras, gym equipment, automatic external defibrillators, improvements to the Emergency Operations Center and expansion of the Dispatch Center.
10/2/2020	<ul style="list-style-type: none"> • The City received an email from TDEM and was notified that the City is required to submit a plan detailing proposed expenditures by 11/13/2020. • TDEM also stated that all documentation for reimbursement must be submitted to TDEM by 12/15/2020.
10/9/2020	<ul style="list-style-type: none"> • The Fire Department provided Mr. Cardwell their list of priority items under the CRF grant, which included 16 items estimated to cost \$406,000.
10/13/2020	<ul style="list-style-type: none"> • Police Chief Lunt emailed Mr. Cardwell and informed him that vehicle purchases are eligible expenses under the CRF grant under certain circumstances, and provided justification for the City's purchase of vehicles for the Police Department under the CRF grant.
10/15/2020	<ul style="list-style-type: none"> • Mr. Cardwell emailed six (6) local auto dealerships to provide notice of the City's intent to purchase 22 vehicles under the CRF grant for the City's white fleet.
10/20/2020	<ul style="list-style-type: none"> • The City approved a resolution authorizing the City Manager to expend funds related to COVID-19 for eligible items and services up to the City's allotment under the CRF and until the end of the relief period of 12/30/2020.
10/29/2020	<ul style="list-style-type: none"> • The City purchased 9 of the 22 vehicles requested from local auto dealerships.
10/29/2020	<ul style="list-style-type: none"> • TDEM provided additional CRF guidance for personnel related cost eligibility. • TDEM clarified that while the CRF Terms and Conditions prohibited funds to be used on items included in the most recently approved budget, if those items are for a substantially different use from the previously expected use of funds, then they are eligible for CRF funding.
11/3/2020	<ul style="list-style-type: none"> • The City purchased an additional 5 of the 22 vehicles requested from local auto dealerships.

Table B.6 – Timeline of Events for CRF Grant Expenditures	
Date	Description
11/9/2020	<ul style="list-style-type: none"> Ms. Woodham submitted to TDEM the City’s CRF Spending Plan totaling \$1,380,296. The CRF Spending Plan included the 22 vehicles, as well as equipment and other items requested by the Police and Fire Departments.
11/10/2020	<ul style="list-style-type: none"> TDEM acknowledged receipt of the CRF Spending Plan and requested for the City to resubmit with a signature, title and date.
11/11/2020	<ul style="list-style-type: none"> Ms. Woodham submitted to TDEM an updated CRF Spending Plan totaling \$1,395,405, equal to the total amount allocated to the City. The updated plan included the same items as the previous version (e.g., vehicles and equipment), but was updated to include additional costs for employees who missed time due to COVID-19, as well as to add a date and signature. TDEM’s Unit Chief, Ms. Lowe, emailed Ms. Woodham requesting a meeting to obtain clarity on some of the items included in the City’s CRF Spending Plan.
11/13/2020	<ul style="list-style-type: none"> Ms. Woodham and Mr. Cardwell met with TDEM and Horne to discuss the CRF Spending Plan. During the meeting, Horne recommended that the vehicles and equipment items be replaced with eligible payroll expenses for employees who qualify as public health and public safety personnel under Category 3 of the CRF Terms and Conditions. Following the meeting, Ms. Woodham submitted the Revised CRF Spending Plan to TDEM and Horne totaling \$1,395,405, which only included payroll expenses for public health and public safety personnel under Category 3. The final CRF Spending Plan did not include the vehicles and equipment included in the original CRF Spending Plan.
11/19/2020	<ul style="list-style-type: none"> TDEM acknowledged receipt of the City’s Revised CRF Spending Plan and asked the City to clarify if the Revised CRF Spending Plan was in addition to the original CRF Spending Plan, and if not to confirm the Revised CRF Spending Plan was the official spending plan submitted by the City. Ms. Woodham confirmed to TDEM that the Revised CRF Spending Plan is the version the City would like to officially submit.
11/19/2020	<ul style="list-style-type: none"> The City purchased an additional 7 of the 22 vehicles requested from local auto dealerships.
12/14/2020	<ul style="list-style-type: none"> The City submitted to TDEM its documentation for reimbursement of expenses included in the Revised CRF Spending Plan, in advance of TDEM’s 12/15/2020 deadline.
12/30/2020	<ul style="list-style-type: none"> The City purchased the final vehicle of the 22 vehicles requested from local auto dealerships. In total, the City paid \$664,059 for the 22 vehicles during the 10/29/2020 – 12/30/2020 time period.
5/3/2021	<ul style="list-style-type: none"> TDEM provided the City a Notice of Closeout, indicating that TDEM has completed their processing of the City’s requests for reimbursement and issued payments for the amount requested by the City under the Revised CRF Spending Plan. TDEM’s letter stated that all applicable administrative actions and all required work has been completed. No additional financial, performance, or other reports are required to be submitted to TDEM.
7/21/2021	<ul style="list-style-type: none"> During the 11/19/2020 – 7/21/2021 time period, the City purchased the equipment included in the original CRF Spending Plan, which were based on the priority items submitted by the Police and Fire Departments. The total cost of the equipment items purchased was \$688,599, in addition to the purchase amount for the 22 vehicles of \$664,059. While the vehicles and equipment were not included in the Revised CRF Spending Plan, the costs were offset by the amount received through the CRF grant for payroll expenses for public safety personnel.

III. Summary of Findings (Section B)

a. The City Did Not Apply for the CRF Grant Until September 2020

TDEM released the CRF Terms and Conditions and allocation amounts for each jurisdiction on May 11, 2020, which the City signed and acknowledged on May 27, 2020. However, the City did not begin planning on how to utilize the funds under the CRF grant until early September 2020, following an email from Police Chief Lunt to discuss ideas on how the funds could be used before the end of the year. The City subsequently submitted the application to receive the advanced portion of the CRF funds on September 2, 2020, leaving the City with 2.5 months to prepare the CRF Spending Plan and 3.5 months to submit the required documentation for reimbursement of expenditures.

b. TDEM Deadlines for CRF Grant Evolved in October 2020

On October 2, 2020, TDEM informed the City of certain deadlines related to the CRF grant, including the requirement for a CRF Spending Plan to be submitted by November 13, 2020, and documentation for reimbursement to be submitted by December 15, 2020. This directive deviated from the language in the CRF Terms and Conditions which required grant funds to be used for expenses incurred on or before December 30, 2020. The implication of the December 15, 2020 deadline was that the City would have to complete the purchase by December 15, 2020 rather than December 30, 2020 in order to submit the documentation required for reimbursement.

c. Vehicles Added to CRF Spending Plan to Meet TDEM Deadlines

Shortly after being notified by TDEM that a CRF Spending Plan was to be submitted by November 13, 2020 and documentation for reimbursement of expenses submitted by December 15, 2020, the City pursued vehicle purchases as a means to utilize the entire \$1,395,405 allocation amount within the required timeframe. While it is our understanding that the City's justification for the vehicle purchases was to allow for improved social distancing and avoid having to share vehicles, we have not identified any documentation showing that the City analyzed lease versus purchase alternatives other than the statement from Police Chief Lunt that the City does not utilize lease programs due to their unpredictability and inability to establish capital. It is unknown whether or not the vehicles would have been approved by TDEM had they been included in the Revised CRF Spending Plan.¹⁰²

¹⁰² During our review we asked several individuals from the City why the 22 vehicles purchased during the October 2020 – December 2020 time period were stored at the gun range property owned by the City. Based on those discussions, it is our understanding that the City needed to perform its standard fleet management process for new vehicles to document and record the necessary information for each vehicle and install the GPS tracking software included in all City vehicles. One employee stated that the goal was to get the vehicles on the street as quickly as possible. The City did not have a convenient place to store the 22 new vehicles during this process and did not want to park the vehicles in a public

d. TDEM Guidelines Evolved in October 2020

The CRF Terms and Conditions issued by TDEM in May 2020 explicitly stated that funds from the CRF grant could not be used for expenditures already accounted for in the current year budget. However, almost six (6) months later and with two (2) months remaining in the grant period, TDEM issued updated guidance. Specifically, on October 29, 2020, TDEM clarified to the City that to the extent expenditures already accounted for in the current year budget were used for a substantially different use than from the previously expected use of funds, then they are eligible for CRF funding. As a result, the City's interpretation of eligible expenses as the CRF Spending Plan was being prepared was narrow in comparison to the updated guidance issued on October 29, 2020 which provided a much broader interpretation of eligible expenditures, although still somewhat ambiguous.

e. TDEM Did Not Reject the City's Initial CRF Spending Plan

The initial CRF Spending Plans submitted by the City to TDEM on November 9, 2020 and November 11, 2020 were reviewed by TDEM and Horne, however, TDEM never approved or rejected those plans. Instead, TDEM requested to have a meeting with the City to obtain clarification on certain items included in the CRF Spending Plan. As a result of the recommendations from TDEM and Horne during the meeting, the City submitted the Revised CRF Spending Plan for eligible payroll expenses for public safety employees, which was ultimately approved by TDEM and closed out in May 2021. While it is unknown whether TDEM would have approved or rejected certain items from the initial CRF Spending Plan (e.g., vehicles and equipment), it is our understanding that the Revised CRF Spending Plan was recommended by Horne to reduce the risk of any items being rejected by TDEM.

f. CRF Grant Funds Used to Offset Purchase of Vehicles and Equipment

The City was not reimbursed through the CRF grant for the purchase of vehicles and equipment included in the initial CRF Spending Plan, as these items were ultimately excluded from the officially submitted Revised CRF Spending Plan. However, the funds received from the CRF grant for eligible payroll expenses were placed in the City's general fund to effectively offset the purchase of vehicles and equipment included in the initial CRF Spending Plan.¹⁰³

location, such as the courthouse parking lot. As a result, the gun range was selected as a short-term solution to park the vehicles while the fleet management process was being completed.

¹⁰³ It is our understanding that the payroll expenses for public safety employees that were reimbursed through the CFR grant were already included in the annual budget.

C. Recommendations

a. Hiring of Purchasing Agent Position

The City did not employ a Purchasing Agent during the period of our review, although it is our understanding that the City recently hired a person to fill the Purchasing Agent position starting on April 18, 2022. As outlined in the City's Purchasing Manual, the role of the Purchasing Agent position is to enforce the procedures outlined in the Purchasing Manual, and encourage competitive bidding at all times (as shown below).

K. The Purchasing Agent's Role

The Purchasing Agent, under the supervision of the Finance Director will perform the following functions:

- 1) Observe and enforce the procedures outlined in this manual.
- 2) Encourage competitive bidding at all times
- 3) Develop and maintain good vendor relations so that competitive pricing will assure that the City receives the highest quality of the lowest cost.
- 4) Investigate and report any possibilities of collusion among bidders.
- 5) Help resolve any vendor issues such as inferior products or service, pricing discrepancies, or late deliveries.
- 6) Issue purchase orders and contracts for goods and services that total \$3,000 or more.
- 7) Review and recommend purchases that can be combined to take advantage of volume discounts.
- 8) Keep informed on the latest purchasing state and local laws, policies, and procedures and relay them to the Finance Department and City Manager.
- 9) Continue to research and use interlocal and governmental cooperatives to obtain the best pricing for the City.

The role of a Purchasing Agent will be increasingly necessary as the City continues to grow at its current pace. We recommend the City prioritize the hiring of Purchasing Agent to ensure that the City is adhering to its purchasing policies and obtaining the best value during the procurement process.

b. Implement Key Aspects of a Centralized Purchasing Process

We identified inconsistencies in the purchasing process among the various departments, most notably in instances where the procurement process was managed by the former City Manager, Mr. Carson, and the former Deputy City Manager, Mr. Cardwell. We noted that certain departments utilized Civcast to advertise bid notices to reach a larger number of potential respondents, while other departments failed to publish bid notices in the Forney Messenger (as required), much less on Civcast. While a de-centralized purchasing

process is not uncommon in local government, a dedicated Purchasing Agent (see Recommendation A above) will allow the City to implement additional internal controls that may be found in a centralized purchasing process. The hiring of a single Purchasing Agent will not allow a fully centralized process, but some of the following process items should be considered or will be available with a dedicated Purchasing Agent:

- The Purchasing Agent can assist departments in the management and execution of all required competitive bidding processes.
- The Purchasing Agent will be able to assist the City in developing consistent departmental processes relating to purchasing including documentation of purchasing items, storage of purchasing results, regular evaluation and updating of purchasing policies and procedures, and the implementation or maintenance of best practices relating to the purchasing process.
- The Purchasing Agent can assist in the implementation and use of a contract management module and process.
- The Purchasing Agent can train and develop departmental employees involved in the purchasing process and act as the subject matter expert relating to the purchasing process.

c. Require Contracts and Purchased Orders to be Executed for Certain Purchases

As stated in the City's Purchasing Manual, a signed Purchase Order is a legal contract and should be signed by an authorized employee, a Department Director, or a representative of the Finance Department. While a Purchase Order is a legal contract, there are certain legal benefits offered by a formal contract as a formal contract clearly defines the responsibilities of the parties, thus reducing the City's risk and exposure. Formal contracts can be especially beneficial when the City is procuring services. In our review of 30 purchases over \$50,000, we only identified six (6) purchases where both a contract and a purchase order were executed. While this is not necessarily out of compliance with the City's Purchasing Manual, as a best practice we recommend the City execute both a contract and a purchase order for purchases over a certain threshold (e.g., \$50,000 or \$100,000), especially when procuring services.

d. Utilize the Competitive Bidding Process to Obtain the Best Value for the City

We identified three (3) purchases where the City was involved in detailed discussions with vendors or contractors prior to the issuance of an RFP or RFQ, including one instance where the City ultimately decided to rescind the contract. In these instances, the City appeared to commit themselves to the vendor or contractor before giving equal consideration to other vendors who might offer a better value. It also appeared that the City issued the RFP or RFQ for purposes of being in compliance with City policy or Texas Government Code, rather than for purposes of obtaining the best value. We recommend the City cease practices that give one vendor an unfair advantage over another vendor, in order to allow the City to obtain best value, protect the City's reputation among vendors and contractors, and reduce the risk of potential

lawsuits or bid protests. As outlined in the Purchasing Manual, a dedicated Purchasing Agent, to encourage competitive bidding at all times, will better enable the City to maximize the benefits of competitive bidding.

e. Ensure Compliance Prior to Purchases with Grant Funds

As described previously in this Report, the guidance issued by TDEM was ambiguous and evolved substantially throughout the grant period from the initial guidance released in May 2020. There were various unknowns associated with the CRF grant due to the nature of the COVID-19 pandemic, as well as shorter deadlines when compared to normal grants due to the mission of the CARES Act to disburse funds in a timely manner. However, it did not appear that the City asked their assigned resources at TDEM about whether the vehicle and equipment purchases were in compliance with the CRF Terms and Conditions, and instead relied upon the former Police Chief's interpretation of the FAQs on the TDEM website when the initial CRF Spending Plan was formulated.¹⁰⁴ While not always feasible, we recommend the City exercise increased diligence prior to making purchases with grant funds.

f. Standardize Grant Management Process

The City's grant management process could also be improved through the implementation of standardized approvals and oversight regardless of the originating department. For example, it is our understanding through discussions with Ms. Woodham that the federal grant received by the City for hazard pay is primarily being administered by the Police Department, with little oversight from the Finance or Legal departments. We recommend the City's grant management process include the Finance department in order to review and approve grant documents for budget and funding awareness, as well as the Legal department for evaluate contract risk, manage any potential conflicts with other grants and feasibility of implementation within the grant guidance.

g. Implement Process for Securing Electronic Devices for Departing Employees

During our review, we learned that Mr. Cardwell's computer was not immediately returned upon his resignation in September 2021 and Mr. Cardwell ultimately mailed his City issued laptop back to the City after erasing the data from the computer. We recommend that the City consider implementing a formal policy and procedure for the return of City issued electronic devices for departing employees, as well as to safeguard the City's data from being deleted by departing employees prior to the return of the device.

¹⁰⁴ We noted that the City did submit at least two (2) questions to TDEM regarding costs incurred in future periods (i.e., warranties), and whether there were specific requirements under the CRF grant for purchases over \$50,000.

h. Implement Policy Related to Use of Third-Party Applications

In our interview of the City's Assistant Director of Technology, we determined that the City did not have a policy in place relating to the use of third-party applications by departments (e.g., Slack), and that each department managed their use of third-party applications. We recommend that the Technology department evaluate the need for a policy related to the City's use of third-party applications.

i. Implement a Documented Records Retention Policy

In our interview of the City's Assistant Director of Technology, we determined that the City did not have a documented records retention policy. We recommend that the City implement a documented records retention policy and provide training and awareness to all City personnel regarding the policy.

j. Utilize Incode 10 to Implement Electronic Requisition Process

Through discussions with Ms. Woodham, we determined that the City uses the Purchase Order module in Incode 10 for processing procurement related transactions. However, we determined that the City's requisitions and invoices are primarily administered outside of Incode, either by hardcopy, email, SharePoint or inter-department exchange methods. The City should consider transitioning their processes for requisitions and invoices to the electronic processes available through Incode 10.

k. Consider Consolidation of Document Management Systems

Through discussions with various City personnel, it is our understanding that certain departments utilize Tyler Content Management while others utilize Laserfiche for document management. We recommend that the City evaluate the current document management process and consider consolidating these processes into a single tool across all departments.

Exhibits
