October 27, 2026

Reginald Wells, Director of Watershed Management
Department of Watershed Management
4572 Memorial Drive, Suite 200, Decatur, GA 30032

RE: Follow-up Report on the Status of Renee Group Contract, Audit Report No. 2023-128-DWM.

Dear Director Wells,

As required by DeKalb County, Georgia – Code of Ordinances/Organizational Act Section 10A - Independent Internal Audit (I), the Office of Independent Internal Audit (OIIA) has completed a follow-up of the audit noted above. I have attached OIIA's report on the status of management actions taken to address the findings contained in the referenced audit report. The conclusions in this follow-up report are limited to the status of the implementation and not the effectiveness of the completed action plans, which may be assessed in a future audit.

Status of Audit Findings

The follow-up audit concluded that management has taken meaningful steps toward strengthening contract administration and documentation processes; however, additional work remains to fully implement the outstanding recommendations. One finding remains **Open** (Finding 6). Three findings are **Partially Complete** (Findings 1, 5, and 7) and require further implementation and supporting evidence. Three findings (2, 3, and 4) have been closed, as the recommended controls have been implemented. See Figure 1 below.

Figure 1 - Status of Management Action Plans

Finding No.	Report Finding	Status of Management Action Plans – May 2026
1	Justification for some work orders was not documented.	**Partially Complete**
2	Variances between initial work order estimates and actual work due to undocumented field assessment amendments.	**Closed**
3	Inconsistencies between vendor invoices/payment application line-item descriptions and contractual item descriptions.	**Closed**
4	The applicable inspection reports and before-and-after photos were not available to confirm verification of work execution prior to payment.	**Closed**
5	There is no evidence that DWM evaluated RGI's Contract performance and certified compliance with contract requirements prior to renewal of contracts.	**Partially Complete**
6	P&C did not have proof of verifiable contractor experience for one of the four RGI contracts reviewed.	**Open**
7	P&C Management does not perform credit and background checks on contractors.	**Partially Complete**

Please contact me if you require additional information.

Regards,

Lavois Campbell

Lavois Campbell, CIA, CISA, CFE, CGA-CPA
Chief Audit Executive

Attachment: Audit Findings Status Update Form

cc. Lorraine Cochran-Johnson, Chief Executive Officer
Zachary L. Williams, Chief Operating Officer/Executive Assistant
Robert Patrick, Board of Commissioners District 1
Michelle Long Spears, Board of Commissioners, District 2
Nicole Massiah, Board of Commissioners District 3
Chakira Johnson, Board of Commissioners District 4
Mereda Davis Johnson, Board of Commissioners District 5
Ted Terry, Board of Commissioners, District 6
LaDena Bolton, Board of Commissioners, District 7
Tanja Christine Boyd Witherspoon Chairperson, Audit Oversight Committee
Michael Lopata, Vice Chairperson, Audit Oversight Committee
Adrienne McMillion, Member of Audit Oversight Committee
Petrina Bloodworth, Member of Audit Oversight Committee
Lisa Earls, Member of Audit Oversight Committee
Leah Davis, CEO's Chief of Staff

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Dekalb County Government

Office of Independent Internal Audit

Date: October 5, 2026 | **Prepared by:** Lawrence Clark

Audit Findings Status Update Form

Status Date	Report #	Report Title		
10/5/26	IA-2023-128-DWM	Renee Group, Inc Contract Performance Audit		
Contact Person	**Title**	**Phone No.**	**Email Address**	
Reginald Wells	Director of DWM	(770) 414-6240	rdwells@dekalbcountyga.gov	
Activity	**Accountability**	**Schedule**		
1st Follow-up	**Responsible Area**	**Repeat Finding**	**Anticipated Completion Date/Date Adjustments will be made**	
	Dept. Watershed Management	No	1/31/27	

Finding		Finding Detail
No.	1	
Date	12/17/24	
Finding		**Justification for Some Work Orders Was Not Documented.**
Recommendations		The director of DWM should: • Implement procedures to help ensure that the specific justification for each work order request is documented. • Ensure that justifications are documented on the work order form and other documents referencing the specific work order. • For water and sewer emergencies, ensure that an after-action document is prepared to justify the nature of the emergency and the work performed. The work order should be itemized to list all pay items, and it must include an authorized DWM field inspector's signature verifying the work performed before the vendor submits an invoice/pay application.
Management Response		The department is actively developing an asset management program that clearly tracks an asset installation date, age, maintenance work, and need for repair or replacement. This can then be directly linked to the work orders issued to contractors to complete work. Also, current justifications will more clearly document the need for the project. On emergency repairs, work orders will be executed once the scope has been defined. Immediately for the justification and issuing of emergency work orders. 1 year for the asset management program.

1st Status Update - 10/05/2026		Management Status Update and OIIA Comments
	Open	**Based on OIIA's follow-up review, Finding #1 is considered Partially Complete.** OIIA reviewed and verified the documentation and evidence provided by management in response to Finding #1. DWM determined that a separate emergency work order checklist was unnecessary, as the required information is accessible through the newly implemented Kahua system. Sample emergency work orders demonstrating documented justification, corresponding Cityworks and Kahua records, after-action documentation, and evidence of management review and approval were provided and verified. Management indicated that competing departmental priorities contributed to the delay in completing the Standard Operating Procedures (SOP) for emergency work orders prior to the follow-up review. The finding may be considered Closed upon OIIA's receipt and verification of the finalized SOP addressing emergency work orders and documentation of justification requirements. Estimated Completion Date: January 31, 2027.
	Management/Agency Assumes Risk	
X	Partially Complete	
	Complete Pending Verification by OIIA	
	Closed	

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Reginald Wells	Director of DWM		(770) 414-6240	rdwells@dekalbcountyga.gov
Activity	**Accountability**		**Schedule**	
1st Follow-up	**Responsible Area**		**Repeat Finding**	**Anticipated Completion Date/Date Adjustments will be made**
	Dept. Watershed Management		No	N/A

Finding		Finding Detail
No.	2	
Date	12/17/24	

Finding	**Variances Between Initial Work Order Estimates and Actual Work Due to Undocumented Field Assessment Amendments.**
Recommendations	The director of the DWM should implement procedures requiring the documentation of all amendments to the work order estimates, including documenting the following: • Justification (e.g., results of field design assessments) to support work order amendments. • DWM authorization of the amendments before the contractor proceeds with the revised work order.
Management Responses	Will include more detailed justification for transparency. Going forward, we will either amend existing work orders or issue new work orders for added scope before the contractor proceeds with the revised scope. **Estimated Timeline to Implement Action Plan:** Immediately

	1st Status Update - 10/05/2026	Management Status Update and OIIA Comments
	Open	**Based on OIIA's follow-up review, Finding #2 is considered Closed.** OIIA received and reviewed all requested documentation and evidence related to Finding #2, including the Kahua workflow demonstrating change order procedures and the amendment approval process, sample amended work orders with documented justification, approval records demonstrating amendments were approved prior to work proceeding, and change request logs. Based on OIIA's review, the documentation provided sufficiently demonstrates that management has implemented procedures and controls to address the original finding and associated recommendations.
	Management/Agency Assumes Risk	
	Partially Complete	
	Complete Pending Verification by OIIA	
X	Closed	

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Contact Person	Title	Phone No.	Email Address
Reginald Wells	Director of DWM	(770) 414-6240	rdwells@dekalbcountyga.gov

Activity	Accountability		Schedule
	Responsible Area	Repeat Finding	Anticipated Completion Date/Date Adjustments will be made
1st Follow-up	Dept. Watershed Management	No	N/A

Finding		Finding Detail
No.	3	
Date	12/17/24	

Finding	**Inconsistencies Between Vendor Invoices/Payment application Line-Item Descriptions and Contractual Item Descriptions.**
Recommendations	The director of DWM should implement documented procedures for reviewing invoices or payment applications to ensure invoiced line-item descriptions, unit prices, and units of measure align with the contract terms and vendor bid form. These procedures should include: • Designated responsibility for cross-verifying unit price bid form item details with payment application item details to identify. • Processes for addressing any discrepancies or inconsistencies before approving vendor payment. • Maintenance of detailed records of the review's performance. This will help prevent overbilling or underbilling and ensure accurate payments.
Management Responses	Will train consultant and DWM construction managers on what to validate when approving invoices and to review information for previous quantity and payments. Estimated Timeline to Implement Action Plan: March 2025

	1st Status Update - 10/05/2026	Management Status Update and OIIA Comments
	Open	**Based on OIIA's follow-up review, Finding #3 is considered Closed.** DWM provided sufficient documentation demonstrating that controls have been implemented within the Kahua system to address the finding. Documentation reviewed included the Kahua system configuration demonstrating that contractors can only bill against the approved Schedule of Values (SOV), screenshots of applicable system controls, sample payment applications processed through Kahua, evidence demonstrating that unauthorized line items cannot be entered, and training documentation provided to DWM construction managers and consultants.
	Management/Agency Assumes Risk	
	Partially Complete	
	Complete Pending Verification by OIIA	
X	Closed	

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Reginald Wells	Director of DWM		(770) 414-6240	rdwells@dekalbcountyga.gov
Activity	**Accountability**		**Schedule**	
1st Follow-up	**Responsible Area**		**Repeat Finding**	**Anticipated Completion Date/Date Adjustments will be made**
	Dept. Watershed Management		No	N/A

Finding		Finding Detail
No.	4	
Date	12/17/24	
Finding		**The Applicable Inspection Reports and Before-and-After Photos Were Not Available to Confirm Verification of Work**
Recommendations		The DWM director should implement the following measures: Standardized Process: • Develop and enforce a standardized procedure for creating and submitting inspection reports and photographic evidence at all stages of construction. Training and Awareness: • Provide training for all project personnel on the importance of thorough documentation and the correct procedures for report and photo submission. • Highlight the role of documentation in ensuring quality control, financial integrity, and regulatory compliance. Integration of Technology: • Use mobile apps and cloud-based platforms to streamline the documentation process, enabling real-time updates and easy information sharing. • Implement digital tools for efficient, real-time documentation and accessible records. Compliance Monitoring: • Establish a system of checks and balances to ensure documentation is completed and submitted as required. • Periodically engage supervisors or third-party inspectors to verify compliance with documentation standards. • Implement a tracking system to monitor all required documents' submission and approval status.
Management Responses		The department is actively acquiring a robust project management software, which will help the tracking of cost and justification of projects from inception through warranty. Estimated Timeline to Implement Action Plan 12 months – 3 months for the cooperative procurement and 9 months for implementation of software. December 2025

1st Status Update - 10/05/2026		Management Status Update and OIIA Comments
	Open	**Based on OIIA's follow-up review, Finding #4 is considered Closed.** OIIA received and reviewed all requested documentation and supporting evidence related to Finding #4. This included written procedures for inspection reports and photographs, Kahua Daily Report workflow documentation, sample projects containing inspection reports, before-and-after photographs, approvals and payment applications, evidence demonstrating required documentation is completed prior to payment, and training records for inspectors and project managers.
	Management/Agency Assumes Risk	
	Partially Complete	
	Complete Pending Verification by OIIA	
X	Closed	

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Contact Person	Title	Phone No.	Email Address
Reginald Wells	Director of DWM	(770) 414-6240	rdwells@dekalbcountyga.gov
Activity	Accountability	Schedule	
1st Follow-up	Responsible Area	Repeat Finding	Anticipated Completion Date/Date Adjustments will be made
	Dept. Watershed Management	No	6/30/27
Finding No.	5	Finding Detail	
Finding Date	12/17/24		
Finding	**There is no Evidence that DWM Evaluated RGI's Contract Performance and Certified Compliance with Contract**		
Recommendations	**The Director of DWM should**: Implement procedures requiring all DWM vendor contracts to be regularly evaluated during the contract's life. In addition, at the end of the contract, DWM should prepare a written certification to the Purchasing and Contracting Department (P&C) that the contractor has performed satisfactorily and met all the requirements outlined in the original award for a renewal to be approved/recommended. **The Chief Procurement Officer should**: • Revise the DeKalb County Purchasing Policy to clarify that user departments should perform regular performance evaluations. • Conduct training on the minimum requirements for evaluating and documenting contractor's performance against contract terms.		
Management Responses DWM Management	Will perform at a minimum two vendor evaluations per year Estimated Timeline to Implement Action Plan: December 2024		
Management Responses P&C Management	Agree with the recommendation in Part and Disagree in Part. P&C agrees. Revising the DeKalb County Purchasing Policy to require that the UD submit quarterly contractor performance evaluations will help mitigate risks of vendors that are low performing and unable to complete and/or provide quality work products and/or services. This will ensure that contractor's that are consistently failing are not being recommended for future awards. Estmd Q3 2025 (March 2025)– provided new administration approves such revision. CPO not authorized to unilaterally implement such changes to existing policy.		
1st Status Update - 10/05/2026	Management Status Update and OIIA Comments		
Open	**Based on OIIA's follow-up review, Finding #5 is considered Partially Complete.** **DWM:** OIIA reviewed the contractor performance evaluations provided by DWM and determined they serve as an adequate compensating control to support contract renewal decisions. **Therefore, DWM's portion is Closed.** **P&C:** P&C's portion remains Partially Complete pending completion of the revised Purchasing Policy or Procedures Manual, guidance to user departments, training documentation, and contractor performance reporting requirements. **The revised policy/procedures are expected by June 2027.**		
Management/Agency Assumes Risk			
X Partially Complete			
Complete Pending Verification by OIIA			
Closed			

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Status Date	Report #	Report Title		
10/5/26	IA-2023-128-DWM	Renee Group, Inc Contract Performance Audit		
Contact Person	**Title**		**Phone No.**	**Email Address**
Michelle Butler	Chief Procurement Officer		(678) 472-8507	mnbutler@dekalbcountyga.gov
Activity	**Accountability**		**Schedule**	
1st Follow-up	**Responsible Area**		**Repeat Finding**	**Anticipated Completion Date/Date Adjustments will be made**
	Department of Purchasing & Contracting		No	6/30/27

Finding		**Finding Detail**
No.	6	
Date	12/17/24	
Finding		**P&C Did Not Have Proof of Verifiable Contractor Experience for One of the Four RGI Contracts**
Recommendations		The Chief Procurement Officer should work with user departments to: 1. Enforce a Standardized Experience Verification Process: Develop and enforce a standardized process for verifying contractor experience that aligns with the scope of work required. This process should include: • Experience Documentation Requirements: Specify the types of documentation required to prove experience, such as project references, completion certificates, or case studies. • Verification Procedures: Include steps for verifying the authenticity of the submitted documentation, such as contacting previous clients or reviewing project performance records. • Maintain Comprehensive Records: Keep detailed records of each contractor's experience verification efforts and findings. This documentation should be included in the Bid Document Package and available for review during audits or assessments. 2. Provide training for procurement agents and user departments: Offer training on assessing and verifying contractor experience effectively. This training should cover how to interpret experience documentation and how to evaluate whether a contractor's past projects are comparable to the current scope of work.
Management Responses		Agree in Part and Disagree in Part. P&C Agrees. This emergency procurement request allowed for an RFQ process. In this instance, the staff member who completed the emergency procurement request that resulted in Contract No. 1021802 did not complete the P&C standardized experience verification process. This staff member has been removed from performing direct procurement services since 2016.

1st Status Update - 10/05/2026		**Management Status Update and OIIA Comments**
x	Open	**Based on OIIA's follow-up review, Finding #6 is considered Open.** P&C reported that reference verification procedures are in place, with user departments responsible for evaluating contractor experience against the scope of work. However, sufficient documentation demonstrating consistent experience verification, clearly defined responsibilities, and relevant training has not been provided. P&C is working with a third party to develop and revise its policies and procedures. **Estimated completion date: June 2027**
	Management/Agency Assumes Risk	
	Partially Complete	
	Complete Pending Verification by OIIA	
	Closed	

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Contact Person	**Title**	**Phone No.**	**Email Address**	
Michelle Butler	Chief Procurement Officer	(678) 472-8507	mnbutler@dekalbcountyga.gov	
Activity	**Accountability**	**Schedule**		
1st Follow-up	**Responsible Area**	**Repeat Finding**	**Anticipated Completion Date/Date Adjustments will be made**	
	Department of Purchasing & Contracting	No	6/30/27	

Finding		**Finding Detail**
No.	7	
Date	12/17/24	
Finding		**P&C Management Does Not Perform Credit and Background Checks on Contractors.**
Recommendations		P&C management should work closely with user departments and the Department of Finance to perform independent financial and background verifications before awarding contracts to individuals or companies, especially for contracts valued in the millions and involving critical infrastructure. Consider utilizing third-party services for: • Financial verification and credit checks • Background and criminal record checks at the county, state, and federal levels.
Management Responses		Agree in Part and Disagree in Part P&C Agrees. Background and credit verifications of all contractors is not currently performed. P&C is currently refining an evaluation criteria and exploring available subscription services that offer such verification services. Market research indicates that availalble subscriptions don't all offer the same services and the more verification information sought, the higher the expense. Exploring and implementing an appropriate subscription service will also prevent undue burden on the Finance Department's sole staff member currently responsible for financial statement reviews performed under the existing RFP

1st Status Update - 10/05/2026		**Management Status Update and OIIA Comments**
	Open	**Based on OIIA's follow-up review, Finding #7 is considered Partially Complete.** Purchasing & Contracting (P&C) has implemented the Third-Party Supplier Background Screening Policy, which establishes minimum background screening requirements for contractors, vendors, and subcontractors performing work on behalf of DeKalb County. The policy assigns responsibility to P&C for determining when background screenings are required and provides oversight for the administration of the screening process through the County's designated background screening provider. P&C has determined that the policy provides an appropriate level of due diligence for contractors based on the nature of the services being performed. Management has elected not to implement the audit recommendations related to (1) independent financial verification of contractors and (2) the use of independent third-party verification services beyond the County's established background screening process. As a result, while the background screening recommendation has been implemented, management has accepted the residual risk associated with not performing these additional due diligence procedures. This finding will be closed once OIIA receives evidence that P&C has developed procedures for determining when background screenings are required and providing oversight for the administration of the screening process.
	Management/Agency Assumes Risk	
X	Partially Complete	
	Complete Pending Verification by OIIA	
	Closed	