



**OFFICE OF INTERNAL AUDIT**

**Correspondence Subject:** Georgia Security and Immigration Compliance Act Audit Report and Responses

**Correspondence Dated:** 5/14/2018

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<b>Commissioner Liz Hausmann</b> District 1 Hardcopy & Scan/Email Commissioner Hausmann, Edward Leidelmeijer & Denise Fraser	<i>[Handwritten signature]</i>	5/15/18	
<b>Commissioner Bob Ellis</b> District 2	<i>[Handwritten signature]</i>	5/15/18	
<b>Commissioner Lee Morris</b> District 3	<i>[Handwritten signature]</i>	5/15/18	
<b>Commissioner Natalie Hall</b> District 4	<i>[Handwritten signature]</i>	5/15/18	
<b>Commissioner Marvin S. Arrington, Jr.</b> District 5	<i>[Handwritten signature]</i>	5/15/18	
<b>Commissioner Emma I. Darnell</b> District 6 (Chief of Staff) (2 copies)	<i>[Handwritten signature]</i>	5/15/2018	
<b>Richard Anderson-County Manager</b>	<i>[Handwritten signature]</i>	5/15/18	


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Date: 5/14/18



## INTEROFFICE MEMORANDUM

**TO:** Fulton County Board of Commissioners

**FROM:** Anthony Nicks, County Auditor 

**DATE:** May 14, 2018

**RE:** Georgia Security and Immigration Compliance Act Audit Report and Responses

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The Office of the County Auditor completed the Georgia Security and Immigration Compliance Act (GSICA) audit. The objectives of this audit were to ensure the Fulton County departments, agencies and contractors are in compliance with GSICA and related Fulton County policies and procedures. This review focused on compliance with O.C.G.A 13-10-91 related to County contracts. In addition, we determined whether contractors adhered to the requirements of the E-Verify Program.

Attached is a letter sent to Hogan Construction Group, LLC and Burns & McDonnell Engineering Company, Inc. detailing the results of our audit. We have also attached a letter submitted by Hogan Construction Group, LLC in response to the findings and recommendations we noted. Since there were no findings and recommendations for Burns & McDonnell, no response was required. If you have any questions or need additional information, please contact me at extension 21019. Thank you.

**Attachment:** Letter to Hogan Construction Group, LLC  
Letter to Burns & McDonnell Engineering Company, Inc.  
Response Letter from Hogan Construction Group, LLC

**Cc:** Richard "Dick" Anderson, County Manager  
Felicia Strong-Whitaker, Director, Purchasing and Contract Compliance  
Kirby Ellis, Director, Real Estate and Asset Management



**LETTER TO HOGAN  
CONSTRUCTION  
GROUP, LLC**



**FULTON COUNTY**  
**OFFICE OF THE COUNTY AUDITOR**

141 PRYOR STREET, S.W., SUITE 8052  
ATLANTA, GA 30303-3460  
Telephone: (404) 612-1019

May 4, 2018

Paul Hogan, President  
Hogan Construction Group, LLC  
5075 Avalon Ridge Parkway  
Norcross, GA 30071

Mr. Hogan,

The Fulton County Office of the County Auditor has conducted an audit to ensure Hogan Construction Group, LLC is in compliance with the Georgia Security and Immigration Compliance Act (GSICA) which requires Fulton County contractors to register and participate in the E-Verify Program. We reviewed the employment files of the individuals working on the Design/Build Services for Library Capital Improvements Program (CIP) Renovations – Group 1 contract during the period of November 2017 through January 2018. Files were reviewed to determine the following:

- The assigned employees are registered in the Federal Government's E-Verify database;
- Adequate and current documentation was used to verify the identification of the employees' and corresponds with E-Verify database information; and
- Employees' time sheets are adequately documented and correspond with work assignments.

We conducted this audit in accordance with Generally Accepted Government Auditing Standards (GAGAS). GAGAS requires that we plan and perform the audit to obtain sufficient and appropriate audit evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. Our findings and recommendations are detailed below.

**Finding 1 – Failure to Comply with E-Verify Requirements**

The E-Verify program is an internet based system that allows businesses to determine the eligibility of their employees to work in the United States. E-Verify employers verify the identity and employment eligibility of newly hired employees by electronically matching information provided by employees on the Form I-9, Employment Eligibility Verification, against records available to the Social Security Administration (SSA) and the Department of Homeland Security (DHS). When enrolling for the E-Verify Program, employers must review and agree to a

Memorandum of Understanding (MOU) for Employers. According to the E-Verify MOU for Employers, Article II, employers agree to create an E-Verify case for new employees within three (3) employer business days after each employee has been hired.

During our review, we determined that three (3) of the four (4) employees, or 75%, selected to be assigned to the contract with the County were not registered in the E-Verify system within the three (3) day period after the employee had been hired. The table below details the employees' hire dates and dates the employees' data were registered in E-Verify.

**Table 1**

<b>Design/Build Services for Library Capital Improvements Program(CIP) Renovations – Group 1</b>		
<b>Contract Number:</b>	16RFP0892016K-JAJ	
<b>Contract Effective Date:</b>	March 29, 2017	
<b>Employee Number</b>	<b>Date Hired By Contractor</b>	<b>Date Registered In E-Verify</b>
<b>Employee 1</b>	05/09/2011	05/10/2011
<b>Employee 2</b>	08/01/2012	08/22/2014
<b>Employee 3</b>	10/23/2014	03/15/2018
<b>Employee 4</b>	03/27/2017	03/15/2018

Additionally, it was determined that Hogan Construction, LLC allowed two (2) out of the three (3) employees that were not registered in E-Verify within the required time period to work under the Fulton County contract without obtaining the proper verification and authorization of work eligibility. Pursuant to discussions with the payroll manager, this was due to an oversight. Failure to comply with E-verify requirements and confirm work eligibility of newly hired employees increases the risk of noncompliance with GSICA. Additionally, this puts the County at risk for fines or penalties imposed by U.S. Citizenship and Immigration Services Bureau.

#### **Recommendation**

All Fulton County contractors are required to ensure strict adherence to all immigration laws and regulations in order to continue doing business with the County. We acknowledge that immediate action was taken to rectify the matter as the non-registered employees were entered into E-Verify while the auditor was onsite on March 15, 2018. To mitigate the situation from occurring in the future, we strongly recommend that Hogan Construction Group, LLC implement necessary measures to ensure all newly hired employees are registered in the E-Verify system timely to properly determine work authorization.

Please provide a written response to this audit within ten (10) business days. Be sure to address the written response to Anthony Nicks, County Auditor. The written response may be submitted via email to the County Manager and to Robbie Bishop-Monroe in the Office of the County Auditor

at [Robbie.Bishop-Monroe@fultoncountyga.gov](mailto:Robbie.Bishop-Monroe@fultoncountyga.gov). We would like to thank you and your staff for your timely cooperation and assistance during this audit.

Sincerely,

A handwritten signature in blue ink, appearing to read "Anthony Nicks". The signature is fluid and cursive, with a large initial "A" and "N".

Anthony Nicks, CIA, CFE, CGAP  
County Auditor

cc: Richard "Dick" Anderson, County Manager  
Felicia Strong-Whitaker, Director, Purchasing and Contract Compliance  
Ellis Kirby, Director, Real Estate and Asset Management



**LETTER TO BURNS &  
McDONNELL  
ENGINEERING  
COMPANY, INC.**



**FULTON COUNTY**  
**OFFICE OF THE COUNTY AUDITOR**

141 PRYOR STREET, S.W., SUITE 8052  
ATLANTA, GA 30303-3460  
Telephone: (404) 612-1019

May 4, 2018

Paula Infranca, Employee Relations Manager  
Burns & McDonnell Engineering Company, Inc.  
3650 Mansell Rd., Suite 300  
Alpharetta, GA 30022

Ms. Infranca,

The Fulton County Office of the County Auditor has conducted an audit to ensure Burns & McDonnell Engineering Company, Inc. is in compliance with the Georgia Security and Immigration Compliance Act (GSICA) which requires Fulton County contractors to register and participate in the E-Verify Program. We reviewed the employment files of the individuals working on the Standby Engineering Services contract during the period of November 2017 through January 2018. Files were reviewed to determine the following:

- The assigned employees are registered in the Federal Government's E-Verify database;
- Adequate and current documentation was used to verify the identification of the employees' and corresponds with E-Verify database information; and
- Employees' time sheets are adequately documented and correspond with work assignments.

We conducted this audit in accordance with Generally Accepted Government Auditing Standards (GAGAS). GAGAS requires that we plan and perform the audit to obtain sufficient and appropriate audit evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Based on our review, there were no reportable findings noted. It appears that Burns & McDonnell Engineering Company, Inc. is in compliance with GSICA requirements as it relates to the Standby Engineering Services Contract. As a result, a written response to this audit is not required. We would like to thank you and your staff for your timely cooperation and assistance during this audit.

Sincerely,

Anthony Nicks, CIA, CFE, CGAP  
County Auditor

cc: Richard "Dick" Anderson, County Manager  
Felicia Strong-Whitaker, Director, Purchasing and Contract Compliance  
David Clark, Director, Public Works





**RESPONSE LETTER  
FROM HOGAN  
CONSTRUCTION  
GROUP, LLC**

# Hogan

May 9, 2018

Mr. Anthony Nicks  
Fulton County Office of the County Auditor  
141 Pryor Street, SW Suite 8052  
Atlanta, GA 30303-3460

Reference: March 15, 2018 Audit  
Audit Period: November 2017-January 2018  
Audit Project: Design/Build Services for Library Capital Improvements Program Renovations – Group I

Dear Mr. Nicks:

I am writing in response to the May 4, 2018 letter that we received from your office regarding the above-referenced audit. Your letter included the audit findings and required a response from us addressing the exceptions noted.

We have created an internal checklist which the payroll manager will use in her new hire procedures. This checklist will include all the steps that are necessary when hiring new employees. The e-verify procedure will be at the top of the list included with the other procedures that are required before an employee is permitted to begin working at Hogan. This checklist will be signed by the payroll manager and then given to the CFO for signature and approval. This checklist will be filed in the employee personnel files. We have also implemented an internal audit procedure whereby we will perform quarterly audits (on a random basis) to ensure that our new procedures are working effectively.

Please feel free to contact me if you have any questions or concerns about the above information.

Respectfully Yours,



Andrea Garvin, CPA  
Certified Financial Officer  
Hogan Construction Group, LLC