

**AUDIT OF COMMISSIONER TRAVEL  
DISCRETIONARY FUNDS**

**DECEMBER 2022**



**OFFICE OF THE COUNTY AUDITOR**  
455 N. HIGHLAND PARK AVENUE  
CHATTANOOGA, TENNESSEE 37404

WESTON WAMP  
COUNTY MAYOR

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## HAMILTON COUNTY, TENNESSEE

### OFFICE OF THE COUNTY AUDITOR

To: County Mayor Weston Wamp  
Commission Chairman Chip Baker  
Hamilton County Board of Commissioners

From: Jenneth Randall *Jenneth*

Date: December 29, 2022

Subject: Audit Report of Commissioner Travel Discretionary Funds  
donated to approved organizations

### AUDIT SCOPE

We performed an audit of cash disbursements made from Commissioner Travel Discretionary Funds for the four fiscal years beginning July 1, 2018 and ending June 30, 2022. The purpose of this audit was to assess compliance with required guidelines and ensure proper use, accounting, and reporting of these disbursements in the County's financial records.

### BACKGROUND

#### COMMISSIONER DISCRETIONARY SPENDING:

Since June 15, 2005 (Resolution No. 605-51), the Hamilton County Board of Commissioners has been given the discretion to use any of their unused travel funds to be spent at their direction within the rules established for expenditure of County Funds. Additional discretionary funds were budgeted to the Commissioners during the nine fiscal years beginning 2008 and ending 2016.

Each Commissioner has the latitude to fund requests made from nonprofits and civic organizations, as defined under Internal Revenue Code section 501(c)(3) or 501(c)(4). To qualify for these funds, written procedures require submission of certain documentation such as an IRS tax exemption letter, current financial statements, a detailed description of request and dollar amount requested. In addition, all expenditures of these funds require an approved resolution from the Hamilton County Board of Commissioners.

## AUDIT RISK

We considered the following risks:

- that funds donated may not be properly supported and in compliance with state law
- that funds donated may not have been deposited into the payee's bank account
- that funds donated may not have been used for the purpose intended

## AUDIT OBJECTIVES

The objectives of our audit procedures were:

- to ensure that monies disbursed to charitable, civic and educational organizations of Hamilton County were properly approved, supported, documented and in compliance with TCA Code 5-9-109;
- to determine that said funds were used by the named organizations in furtherance of their nonprofit purpose benefiting the general welfare of the residents of the County; and
- to determine that the disbursements were properly authorized by resolution, accounted for in the County General Fund and reported on the County's website.

## AUDIT PROCEDURES

Our audit of unused travel funds donated to others included the following procedures:

- Verification of required budget request
- IRS 501(c)3 or 501(c)4 Letter, as applicable
- Proper supporting documentation using Hamilton County's CentralSquare software and/or provided by recipient
- Agreement to Resolution
- Examination of the County's cancelled check
- Examination of nonprofit's bank statement confirming deposit into their account
- Agreement to the County's financial records and website post of 'spending report'

Our test work included:

- Ninety-six (96) disbursements made to fifty-six (56) organizations totaling \$405,089  
See **SCHEDULE I**

## AUDITOR'S CONCLUSION

In our opinion, discretionary disbursements were, in all material respects:

- disbursed properly according to required guidelines and in accordance with State law,
- properly recorded and accounted for on the County's financial records,
- made payable to and endorsed by the approved organization, and
- confirmed as having been used by the organization for the purpose intended.

However, our examination found one organization listed that did not use the funds provided:

**Observation** –

On March 25, 2020, Resolution No. 320-42 appropriated one thousand five hundred dollars (\$1,500.00) to Chattanooga Thunder Track Club to assist with travel and purchase of uniforms. This check cleared Hamilton County's bank account on July 28, 2020, but was never spent/used by the club.

**Recommendation** –

We communicated with Chattanooga Thunder Track Club and requested the unused monies be returned to Hamilton County.

**Response** –

The track club concurred with our recommendation and we received the \$1,500 reimbursement check on December 21, 2022.

We would like to thank the Finance Department and the County Commission Office for assisting us during our audit. If you have any questions regarding this report or would like further information please call me at 209-6210 or Chris McCollough at 209-6212.

Staff Assigned to Audit  
Austin Durall, Senior Auditor

cc: Claire McVay, Chief of Staff  
Lee Brouner, Finance Administrator  
Vonda Patrick, Assistant Finance Administrator  
Patricia Mitchell, Legislative Administrator

Hamilton County, Tennessee

Schedule of Commissioners' Discretionary Spending

Four fiscal years beginning July 1, 2018 and ending June 30, 2022

SCHEDULE I

Organization	Funds To Be Used For	Date	Resolution	Amount
Bakewell Community Center	Assist with Building Repairs	02/16/22	222-21	\$ 697
Bakewell Community Center	Assist with Operational Expenses	06/02/21	621-4	1,800
Bakewell Community Center	Assist with Operational Expenses	06/16/21	621-48	800
Bakewell Community Center	Assist with Building Repairs	02/16/22	222-21	703
BASIC of Tennessee, Inc.	Assist with purchase of food for families affected by Covid-19	05/13/20	520-5	2,500
Charles H. Coolidge National Heritage Center	Assist with Programming	04/21/21	421-24	150
Charles H. Coolidge National Heritage Center	Purchase of table for Valor Dinner	08/18/21	821-18	1,500
Charles H. Coolidge National Heritage Center	Assist with purchase of table for Celebration of Valor luncheon	07/03/19	719-4	750
Charles H. Coolidge National Heritage Center	To assist with table purchase for Celebration of Valor luncheon	07/03/19	719-3	750
Charles H. Coolidge National Heritage Center	To Assist with museum operations	08/15/18	818-46	20,000
Chattanooga Area Food Bank	Assist with operations	04/29/20	420-11	5,000
Chattanooga Elite Basketball Inc.	Assist with Programming	02/02/22	222-2	1,684
Chattanooga Thunder Track Club	Assist with travel and purchase of uniforms	03/25/20	320-42	1,500
Children's Hospital at Erlanger	Assist with construction	08/15/18	818-47	19,000
City of Red Bank	To Assist with Repairs at Recreational Center	08/15/18	818-44	17,000
Dallas Bay Volunteer Fire Department	Assist with purchase of a LifePak 15 Advanced AED	05/27/20	520-28	32,000
Dynamo Studios	Recording studio equipment	05/13/20	520-6	5,000
Family Justice Center	Assist with Programming	06/16/21	621-21	9,800
First Things First	Dads make a difference program	05/13/20	520-6	6,000
Friends of Harrison Bay State Park	Assist with Programming	12/16/20	1220-21	1,000
Friends of the Chickamauga National Military Park	Assist with preservation of Brown Tavern	06/24/20	620-38	1,000
Girls Inc.	Summer Camp program for financially challenged families	05/13/20	520-6	3,000
Glass House Collective	Assist with Programming	02/03/21	221-4	3,500
Glenwood Neighborhood Association, Inc.	To assist with scholarships & programming	02/05/20	220-3	2,500
Greenspaces Inc.	Construction Trades Workforce Development Program	05/13/20	520-6	6,000
Grind Smart Foundation	Assist with Programming	05/19/21	521-21	4,323
Hamilton County Parks & Recreation	Assist in purchase of concrete for walkway	06/16/21	621-23	11,595
Hamilton County Schools Foundation	Assist with Programming	04/20/22	422-48	2,000
Hamilton County Schools Foundation	Assist with Programming	06/15/22	622-21	4,234
Hamilton County Schools Fund	Assist with School Athletic Grants	06/15/22	622-42	2,000
Hamilton County STARS	Assist with purchase of a new vehicle	08/15/18	818-51	5,000
Harrison Recreational Booster Club	Assist with Football Program	09/05/18	918-4	1,000
Harrison Recreational Booster Club	Assist with Football Program	10/02/19	1019-2	1,000
Harrison Recreational Booster Club	Assist with Programming	12/16/20	1220-20	500

## Schedule of Commissioners' Discretionary Spending

Four fiscal years beginning July 1, 2018 and ending June 30, 2022

## SCHEDULE I

Organization	Funds To Be Used For	Date	Resolution	Amount
Harrison Recreational Booster Club	Assist with Programming	06/01/22	622-5	2,000
Harrison Ruritan Foundation	Assist with Programming	06/24/20	620-36	500
Highway 58 Volunteer Fire Department	Assist with Programming	11/04/20	1120-2	2,000
Highway 58 Volunteer Fire Department	Assist with programming	11/20/19	1119-35	1,000
Honoring the Sacrifice Foundation	Assist with table purchase for American Heros' Dinner	07/17/19	719-13	500
Honoring the Sacrifice Foundation	Assist with table purchase for American Heros' Dinner	07/17/19	719-14	500
Honoring the Sacrifice Foundation	Assist with Wounded Warrior Program	08/15/18	818-45	12,485
Honoring the Sacrifice Foundation	Purchase of table for American Hero's Dinner	07/18/18	718-13	500
Honoring the Sacrifice Foundation	Purchase table for American Hero's Dinner	07/18/18	718-14	500
Hurricane Football Club	Assist with Programming & Equipment	06/16/21	621-24	10,000
Jazzanooga (now RIZE Chattanooga)	Assist with Summer Program	06/10/20	620-31	6,165
Junior Achievement of Chattanooga, Inc.	Table purchase for big game show awards dinner	11/06/19	1119-4	1,000
Junior Achievement of Chattanooga, Inc.	Assist with purchase of table for A Night with the Drifters event	10/17/18	1018-18	1,000
Kingship Chess Group	Assist with Programming	06/15/22	622-20	1,251
League of Women Voters	Assist in Civic Engagement Program	12/04/19	1219-15	500
Mary Walker Historical and Educational Foundation, Inc.	Assist with summer work program	08/01/18	818-6	925
Mountain Education Foundation, Inc.	Assist with Programming	04/21/21	421-26	4,000
Mountain Education Foundation, Inc.	Assist with Programming	06/16/21	621-20	4,722
Mountain Education Foundation, Inc.	Assist with Programming	06/01/22	622-4	7,500
Mountain Education Foundation, Inc.	Assist with Scholarship Program	06/24/20	620-37	3,000
Mowbray Volunteer Fire Department	Assist with purchase of training equipment	03/02/22	322-4	2,500
Normal Park Museum Magnet Education Fund	Assist with Programming & Equipment	06/16/21	621-47	6,462
Ooltewah Elementary PTA	Assist with Programming	06/15/22	622-23	2,000
Ooltewah Harrison Education Foundation	Assist with Programming	06/15/22	622-22	2,000
Ooltewah High School Touchdown Club	Assist with Programming	03/17/21	321-30	1,000
Ooltewah Youth Association	Assist with Programming	11/04/20	1120-3	2,000
Partnership for Families, Children, and Adults, Inc	Building renovations for victims of Domestic Violence	05/13/20	520-6	10,000
Partnership for Families, Children, and Adults, Inc	Building renovations for victims of Domestic Violence	05/13/20	520-6	6,000
Placing Emphasis Around Kids	Assist with Programming	05/05/21	521-9	5,000
Reach One Teach One UCA	Assist with Back To School Bash & Fundraiser	08/07/19	819-3	500
Reach One Teach One UCA	Assist with Programming	11/04/20	1120-4	2,500
RIZE (Formerly Jazzanooga)	Assist with their girls' youth development	06/15/22	622-41	2,500
Rotary Club	Assist with programming	04/29/20	420-16	2,500
Samaritan Center	Assist with Tornado Recovery	04/29/20	420-17	500

## Schedule of Commissioners' Discretionary Spending

Four fiscal years beginning July 1, 2018 and ending June 30, 2022

## SCHEDULE I

Organization	Funds To Be Used For	Date	Resolution	Amount
Samaritan Center	Assist with tornado relief	06/10/20	620-7	15,000
Samaritan Center	Assist with tornado relief	05/06/20	420-19	2,500
Samaritan Center	Assist with tornado relief	06/10/20	620-6	3,000
Samaritan Center	To assist with Tornado Relief	04/29/20	420-18	2,500
Samaritan Center	To assist with Tornado Relief	06/10/20	620-5	1,000
SME Preservation Fund	Assist with Programming	04/21/21	421-27	3,500
Snow Hill Recreation League, Inc.	Assist with Programming	04/21/21	421-25	1,500
Snow Hill Recreation League, Inc.	Assist with Programming	06/01/22	622-6	2,000
Soddy Daisy & Montlake Historical Association	Assist with Operational Expenses	12/02/20	1220-6	5,000
Soddy Daisy Food Bank	Assist with Operational Expenses	12/05/18	1218-12	2,000
Soddy Daisy Food Bank	Assist with purchase of food for tornado victims	04/29/20	420-24	3,000
Soddy Daisy Food Bank	Assist with operational expenses	12/18/19	1219-19	1,000
Soddy Daisy Food Bank	Assist with Operational Expenses	12/02/20	1220-5	2,000
Soddy Daisy Food Bank	Assist with Operational Expenses	12/01/21	1221-13	1,000
Soddy Daisy Food Bank	Assist with operations	06/15/22	622-40	2,945
Soddy Daisy Trojan Fund	Assist with Programming	10/02/19	1019-3	1,000
Soddy Daisy Trojan Fund	Assist with Programming	06/16/21	621-22	1,000
SoundCorps Inc.	Assist with Programming & Equipment	08/21/19	819-21	20,000
SoundCorps Inc.	Assist with Workforce Training Program	05/13/20	520-6	5,000
The Bessie Smith Cultural Center	Workforce development program for artists	11/20/19	1119-25	1,000
The Bessie Smith Cultural Center	To Assist with their Big 9 Roots Festival	05/04/22	522-3	2,500
The BRAVE	Assist with programming	04/06/22	422-3	3,300
Tri-Community Volunteer Fire Department	Assist with purchase of Equipment	06/10/20	620-8	5,000
Tri-Community Volunteer Fire Department	Assist with upgrading equipment	06/30/21	621-49	5,000
United Way Alliance Action	Assist with Senior Citizens Program	08/01/18	818-5	13,000
Walden's Ridge Emergency Services, Inc.	Assist with equipment repair	04/20/22	422-27	2,550
Walden's Ridge Emergency Services, Inc.	Assist with purchase of Equipment	08/15/18	818-25	12,000
Walden's Ridge Emergency Services, Inc.	Assist with purchase of building furnishings	05/13/20	520-7	5,000

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**\$ 405,089**