



Legislation Details (With Text)

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On agenda: 3/16/2020 **Final action:** 3/19/2020

Title: To authorize the Auditor's Office to change the object class appropriation for a number of Department of Development purchase orders created from Auditor's Certificates in which the funds were appropriated in the incorrect object class and to authorize the department to submit, and the Auditor's Office to process, an expenditure correction allowing for the correction of invoices already paid from these purchase orders; and to declare an emergency.

Sponsors:

Indexes:

Code sections:

Attachments:

Date	Ver.	Action By	Action	Result
3/19/2020	1	ACTING CITY CLERK	Attest	
3/18/2020	1	MAYOR	Signed	
3/16/2020	1	COUNCIL PRESIDENT	Signed	
3/16/2020	1	Columbus City Council	Approved	Pass

BACKGROUND: This legislation authorizes the Auditor's Office to change the object class appropriation for a number of Department of Development purchase orders created from Auditor's Certificates in which the funds were appropriated in the incorrect object class and to authorize the department to submit, and the Auditor's Office to process, an expenditure correction allowing for the correction of invoices already paid from these purchase orders.

In 2018 and 2019, the Department of Development sought Council approval through a few ordinances to encumber HOME Investment Partnerships Program (HOME) grant funds. Those ordinances encumbered the funds in object class 03 when they should have been encumbered in object class 05. From those ordinances, 26 purchases orders were created from three different grant years of funding. In order to prevent recipients of the grant funds from receiving 1099s and in order to correctly account for the funds per Internal Revenue Service requirements, the object class appropriation needs to be changed.

This change does not impact the contract with the vendor. The existing PO would be cancelled and a new PO will be created with the remaining balance.

Emergency action is requested in order to ensure uninterrupted payment of invoices.

FISCAL IMPACT: The amount to be appropriated in object class 05 for each grant is an amount not to exceed the sum total of the original encumbrance of all affected purchase orders for each grant as noted below:

Grant Number	Amount to be Appropriated in Object Class 05
G451600	\$ 342,880.32

G451700	\$1,803,531.28
G451801	\$2,028,379.67

The amount to be expenditure corrected is the sum total of the relieved amount of all purchased orders at the time of the expenditure correction.

To authorize the Auditor’s Office to change the object class appropriation for a number of Department of Development purchase orders created from Auditor’s Certificates in which the funds were appropriated in the incorrect object class and to authorize the department to submit, and the Auditor’s Office to process, an expenditure correction allowing for the correction of invoices already paid from these purchase orders; and to declare an emergency.

WHEREAS, it is necessary to correct the object class of prior, authorized appropriations for purchase orders funded by HOME Investment Partnerships Program (HOME) grant funds; and

WHEREAS, it is necessary to perform an expenditure correction of invoices already paid; and

WHEREAS, an emergency exists in the usual daily operation of the Department of Development in that it is immediately necessary to make these corrections to ensure uninterrupted payment of invoices, thereby preserving the public health, peace, property, safety, and welfare; and **NOW, THEREFORE**,

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF COLUMBUS

SECTION 1. That the Department of Development is hereby authorized to cancel purchase orders that have an appropriation in object class 03 that should have an appropriation in object class 05 in which the funding source of the purchase order is HOME Investment Partnerships Program grant funds in an amount not to exceed the sum total of the original encumbrance of all affected purchase orders for each grant as noted below:

Grant Number	Amount to be Appropriated in Object Class 05
G451600	\$ 342,880.32
G451700	\$1,803,531.28
G451801	\$2,028,379.67

SECTION 2. That the contracts hereby affected shall remain in effect while this financial transaction is occurring unless the department terminates the contract per the terms of the contract.

SECTION 3. That the Auditor’s Office is hereby authorized to appropriate in the appropriate grant year the sum total of the original encumbrance amount for each grant year and also establish Auditor Certificate(s) from that appropriation for each grant year in an amount up to the sum total of the remaining amount of all purchase orders for each grant, at the effective date of this ordinance.

SECTION 4. That the Department of Development is hereby authorized to create new purchase orders for from the new Auditor’s Certificate for the affected purchase orders in an amount up to the remaining amount, at the effective date of this ordinance.

SECTION 5. That the Department of Development is hereby authorized, and the Auditor’s Office is hereby authorized to process, an expenditure correction(s) allowing for the correction of invoices already paid from the affected purchase orders.

SECTION 6. That funds are hereby deemed appropriated and expenditures and transfers authorized to carry out the purposes of this ordinance and the City Auditor shall establish such accounting codes as necessary.

SECTION 7. That the City Auditor is authorized to make any accounting changes to revise the funding source for all contracts or contract modifications associated with this ordinance.

SECTION 8. That for the reasons stated in the preamble hereto, which is hereby made a part hereof, this Ordinance is hereby declared to be an emergency measure and shall take effect and be in force from and after its approval by the Mayor, or ten days after passage if the Mayor neither approves nor vetoes the same.