



# City of Greensboro

Date: November 26, 2008  
To: Mitchell Johnson, City Manager  
From: Internal Audit Division  
Subject: Revenue Analysis for 2007-2008 / Fire Department

The Internal Audit Division has performed a Revenue Analysis of various Departments throughout the City of Greensboro. Attached you will find our review report; the departmental response; and our replies to their responses. We feel that our recommendations have been sufficiently addressed as we move forward. If you have any questions or need additional information, please let us know. Thanks.

A handwritten signature in black ink, appearing to read "Len Lucas".

Len Lucas  
Internal Audit Director

Cc: Bob Morgan, Deputy City Manager  
Jim Westmoreland, Acting Assistant City Manager for Economic Development  
David Spears, Acting Fire Chief

**Fire Department Revenue Analysis**

				2007	2008	\$ Difference	% Difference	Explanation of Difference
101	4003-01	7455	Institutional Facility Fees	(18,515.00)	(12,675.00)	(5,840.00)	-31.5420%	
101	4003-01	7456	Miscellaneous Permits	(2,610.00)	(2,325.00)	(285.00)	-10.9195%	
101	4005-01	8600	Sale Of Materials	(547.67)	(148.66)	(399.01)	-72.8559%	
101	4004-01	8645	Miscellaneous Receivable Revenue	(5,477.28)	-	(5,477.28)	-100.0000%	

Instructions: Please look at the above accounts and provide an explanation as to the difference for 2007-2008.



# City of Greensboro

Date: November 4, 2008  
To: David Spears, Acting Fire Chief  
From: Internal Audit Division  
Subject: Revenue Analysis for 2007-2008

Internal Audit has performed an analysis of department revenue accounts to ensure that each department is aware of significant decreases in revenue. The analysis covers the period July 1, 2007 through June 30, 2008. Attached is a spreadsheet with the accounts that have decreased by 10% or \$100,000 over the time period. An electronic copy of the spreadsheet is available upon request.

Please provide us with an explanation of the decrease in revenue for each account listed. We would appreciate your response by November 18, 2008. Thank you in advance for your cooperation. If there are any questions regarding the analysis, please call us at 373-2230.

Kimberly Strickland  
Internal Auditor

Len Lucas  
Internal Audit Director

cc: Bob Morgan, Deputy City Manager  
Jim Westmoreland, Acting Assistant City Manager for Economic Development

## Lucas, Len

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**From:** Strickland, Kimberly  
**Sent:** Tuesday, November 18, 2008 9:45 AM  
**To:** Lucas, Len  
**Subject:** FW: Fire Department Revenue Analysis for 2007-2008

FYI.

**Kimberly Strickland**  
**City of Greensboro**  
Internal Audit  
Phone: 336-373-2230  
Fax: 336-373-2138  
[kimberly\\_strickland@greensboro-nc.gov](mailto:kimberly_strickland@greensboro-nc.gov)

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**From:** Nugent, Bobby  
**Sent:** Tuesday, November 18, 2008 9:17 AM  
**To:** Strickland, Kimberly  
**Cc:** Spears, David; Nugent, Bobby  
**Subject:** Fire Department Revenue Analysis for 2007-2008

Kimberly,

Please see the information requested below concerning the revenue accounts associated to the fire departments budget.

101-4003-01.7455 – Institutional Facility Fees - This account is assigned to our fire prevention bureau and is associated fees charged for performing inspections to institutional facilities. There have been issues with the coding of the billing in reference to which account these funds are applied to. The coding issue has caused funds for .7455 and .7454 to be entered into the same account (.7455). Once this correction was made the funds are going into the proper account showing less revenue coming into .7455.

101-4003-01.7456 – Miscellaneous Permits - This is an account that is extremely difficult to forecast and depends on the largely on economics. Our Fire Marshall tries to forecast this revenue based on passed history. There is really no other reason for the \$285.00 shortfall other than missing the mark on forecasting.

101-4005-01.8600 – Sale of Materials – This account generates revenue through the sale of scrap materials from our fire garage doing repairs on fire apparatus. This fluctuates based on the amount of repairs performed (\$148.66 difference).

101-4004-01.8645 – Miscellaneous Receivable Revenue – This is an account that should not have any revenue generated. It is an account used for district expenses only. I talked with Anita Wilson in Finance and she advised she will have to research this account. It appears that a check was put into this account incorrectly. At this date she has not gotten back to me to determine the issue with this account.

If you need anything else please let me know,  
Bobby

*Bobby Nugent, Interim Deputy Chief  
Greensboro Fire Department  
Office - 336-373-2187  
Cell - 336-430-6007  
[bobby.nugent@greensboro-nc.gov](mailto:bobby.nugent@greensboro-nc.gov)*

**Lucas, Len**

**From:** Strickland, Kimberly  
**Sent:** Tuesday, November 18, 2008 3:59 PM  
**To:** Lucas, Len  
**Subject:** FW: Account# 101-4004-01.8645

FYI. This is the response from Anita Wilson.

Kimberly Strickland  
 City of Greensboro  
 Internal Audit  
 Phone: 336-733-1227  
 Fax: 336-373-1227  
 kimberly.strickland@greensboro-nc.gov

**From:** Nugent, Bobby  
**Sent:** Tuesday, November 18, 2008 3:57 PM  
**To:** Strickland, Kimberly  
**Subject:** FW: Account# 101-4004-01.8645

FYI

*Bobby Nugent, Interim Deputy Chief  
 Greensboro Fire Department  
 Office - 336-373-2187  
 Cell - 336-430-6007  
 bobby.nugent@greensboro-nc.gov*

**From:** Wilson, Anita  
**Sent:** Tuesday, November 18, 2008 11:31 AM  
**To:** Nugent, Bobby; Spears, David  
**Subject:** Account# 101-4004-01.8645

Per a conversation with Bobby a few days ago, I have done some research on the 101-4004-01.8645 account and I'm now the bearer of "not so great" tidings!! It appears that in 2007, the fire department was owed \$2,738.64 from NC Emergency Management. We entered a bill into the system, which would hit your revenue account (101-4004-01.8645) for the \$2,738.64. The bill was entered in April 2007 and it was paid by NC Emerg Mgt in May 2007. When the payment arrived, it was deposited by misc cash receipt into the revenue account. The true deposit should have been made to pay off the invoice. The effect is this: You received duplicate revenue in 2007 in the amount of \$2,738.64.

Because the invoice was still showing as outstanding, since the check wasn't applied, we need to write off the invoice. If this had been done within 2007, it wouldn't be an issue, but because it is two years later, we have to charge an expense account. The \$2,738.64 sitting as a debit in revenue can't be allowed to stay (thus your questions from internal audit). I need an expense account (we can use a misc account) within the Fire Department budget to charge the \$2,738.64 against. Once we do the JE to move the charge to the expense account, I will send something to Internal Audit (copying both of you) to explain what happened and show the correction made to the expense account.

I apologize that this wasn't caught and corrected before now. I'll wait to hear back from you about how to proceed.

Thanks!

11/19/2008

Anita

Anita B Wilson  
Treasury Division  
City of Greensboro NC  
(336) 373-2817



Date: November 19, 2008  
To: David Spears, Acting Fire Chief  
From: Internal Audit Division  
Subject: Response to Fire Department Revenue Analysis

We have received your response concerning our inquiries for the Fire Department Revenue Analysis. The explanations provided are of a reasonable nature and we have no further questions at this time. We have also spoken with Anita Wilson in the Finance Department concerning the Miscellaneous Receivable Revenue and were informed that she is still in the process of resolving this account.

We appreciate your timely response. If you have any questions regarding our response, please contact us at 373-2230.

  
Kimberly Strickland  
Internal Auditor

  
Len Lucas  
Internal Audit Director

cc: Bob Morgan, Deputy City Manager  
Jim Westmoreland, Acting Assistant City Manager for Economic Development