



City of Greensboro

Date: February 13, 2003
To: Ed Kitchen, City Manager
From: Internal Audit
Subject: The Salvation Army

The Internal Audit Division has completed a program and compliance audit of The Salvation Army, which received a Human Services Grant in the amount of \$10,000; an Emergency Assistance Grant in the amount of \$24,000 and an Emergency Shelter Grant in the amount of \$46,500 from the City of Greensboro during the 2001-2002 grant year. The Human Services Grant was reduced to \$7,500 due to the City's budget constraints.

- The Human Service Grant help support the administrative and operational expenditures incurred in the operation of their Summer Enrichment Camp providing underprivileged children in Greensboro with academic continuity classes so the children in these programs reenter school in the fall better prepared to learn. Approximately 372 children were served during the grant year.
- The Emergency Assistance Grant helped provide funds to low-income clients in Greensboro with past due rents; rental and utility deposits; back payments; and other payments related to housing and mortgage payments to prevent foreclosure. Approximately 479 clients were served during the grant year.
- The Emergency Shelter Grant helped provide shelter to homeless men at the Red Shield Lodge located at 224 East Lee Street. This shelter provides a bed; laundry; two meals per day; job placement assistance and rehabilitation programs for up to 28 men per night who suffer from substance abuse and other behavioral problems. Approximately 535 clients were served during the grant year.

We examined selected financial transactions and program documentation maintained by the agency for compliance with the contracts. Based on our review, it appears that the funds have been spent according to the terms of the contracts with no exceptions noted.

We would like to thank Mr. Randy Loggins, Business Manager and the staff of the Salvation Army for their courtesy and cooperation shown us during this audit. If there are any questions or comments concerning the details of this audit, please contact us at 373-2821.

Len Lucas
Internal Auditor

Cc: Mitchell Johnson, Assistant City Manager
Ben Brown, Assistant City Manager for Economic Development
Bob Morgan Assistant City Manager
Andy Scott, Director of Housing & Community Development
Major Ward Matthews, Director of the Salvation Army