



Date: December 13, 2002  
To: Ed Kitchen, City Manager  
From: Internal Audit  
Subject: Friends of the Greensboro Public Library Grants

The Internal Audit Division has audited various local grants received and administered by the Friends of the Greensboro Public Library. The Friends of the Greensboro Public Library ("Friends") is a nonprofit organization that serves as an advocate for the development of the library system. The Friends has several grants and programs under their auspices that are used to fund programs initiated and implemented by the Greensboro Public Library. The grants reviewed totaled \$678,467.50. The audit consisted of a review of the grant documents to determine the conditions set forth in each contract for the purpose of determining compliance with the contract.

The purpose of this audit was to:

- Verify that receipts were properly recorded.
- Verify that disbursements were in compliance with the contract and made during the contract period.
- Determine that the program achieved the desired results or benefits as written in the contract.
- Verify that reporting requirements were made on a timely basis as specified in the contract.

### **Grant Contract Administration**

The Library staff prepares grant proposals and completes grant applications to submit to the agencies. The agencies respond with a Grant Award Letter and/or a Grant Agreement to be signed by an officer of the Friends.

The audit included a review of the following grants, for which we will provide a brief summary of each, our findings and recommendations.

**Lila Wallace Reader's Digest Fund (1999-2002): \$275,000**  
**(1996-1999): \$181,705**

These grants were awarded by the Lila Wallace Reader's Digest Fund. The 1996-1999 grant was awarded to aid in expanding the Greensboro Public Library's adult literacy

program from the Chavis and Glenwood branches to all remaining branches of the Library's system. By adding new learning materials, increasing tutor training, increasing student participation and improving assessment methods, the Library hoped to raise the literacy level in the community and create a lifelong relationship between adult learners and the public library. The 1999-2002 grant was awarded to improve services to adult learners and study the impact of those improvements on learner persistence.

1996-1999 Grant:

Finding: This contract expired on June 30, 1999. At October 2002, the Friends' financial records report total program income of \$183,336.03; total expenditures of \$176,069.06, and a remaining balance of \$7,266.97.

Recommendation: The remaining balance of \$7,266.97 should be returned to the granting agency, or a request should be made to use the funds in future projects.

1999-2002 Grant:

Finding: This contract expired on September 12, 2002. At October 2002, the Friends' financial records report total program income of \$284,400.15; total expenditures of \$234,561.87, and a remaining balance of \$49,878.28.

Recommendation: The remaining balance of \$49,878.28 should be returned to the granting agency, or a request should be made to use the funds in future projects.

**Summer Reading Program (1999 – 2001): \$65,000**

This three-year project, "Keep On Reading", was funded by the Cemala Foundation; and was given to help expand the capacity and impact of the Greensboro Public Library's annual Summer Reading Program for children. The project's objective was to increase the literacy level of the Greensboro citizens by providing reading activities for children during the summer months. This program would provide resources needed for reading clubs, remedial classes, reading incentives, parent training, and special reading projects. In 1999, 7,156 children participated in the program. By 2000, the number of participants increased to 7,756.

Finding: The Grant Award Letter stated a Project Evaluation Form be completed and returned to the granting agency prior to May, 15, 1999. A copy of the Project Evaluation Form was not included in the grant file, but the file indicated that this report was submitted on August 22, 2001.

Recommendation: Grant reporting should be submitted in a timely manner as requested by the agency.

**Genealogy Project (2001-2002): \$49,650**

As one way of celebrating its Centennial anniversary, the Greensboro Public Library launched an African-American Genealogy project in partnership with the Afro-American Historical and Genealogical Society. The goals of the project were to:

1. Co-sponsor at least four public programs and workshops on African-American genealogy and the history of Greensboro's African-American community.
2. Purchase specialized resources that will be housed at the Central Library and at the office / resource center of the Afro-American Historical and Genealogical Society.
3. Microfilm all issues of the *Carolina Peacemaker*.

This project was funded with grants awarded by the four organizations listed below, each having their own terms and conditions:

Tannebaum-Sternberger Foundation, Inc.	\$25,000
Hillsdale Fund	\$10,000
Community Foundation of Greater Greensboro	\$10,000
Mary Stedman Covington Foundation	<u>\$ 4,650</u>
Total	\$49,650

The Genealogy project has a total budget of \$59,155.30. At October 2002, \$39,774.43 had been expended, and \$19,380.87 remains to be spent.

Finding: The Mary Stedman Covington Foundation Grant Agreement Form required that a report on the project be submitted to them by June 1, 2002. Reporting was submitted on September 17, 2002.

Recommendation: Grant reporting should be submitted in a timely manner as requested by the agency.

**Duke Nonprofit Grant (2001): \$24,000**

The Cemala Foundation awarded two grants totaling \$114,000 for a Nonprofit Management Scholarship Program, as requested by the Greensboro Public Library and the University of North Carolina at Greensboro (UNCG). Both grants cover a three-year period. The first grant for \$90,000 was given to create the Cemala Nonprofit Fellows Program, administered and reported through the Master of Public Affairs Program at UNCG. The second grant for \$24,000 establishes the Cemala Nonprofit Scholarship Program in the Duke Certificate Program for Nonprofit Management, offered through the Glenwood branch's Nonprofit Resource Center. Seventy-five percent (75%) of the \$24,000 awarded would be used to subsidize 3,000 hours of Duke program classes.

Finding: None

Recommendation: None

**StoryLine Project (1998-1999): \$20,000**

Funded by the Junior League of Greensboro, the StoryLine Project's purpose was to conduct a storytelling festival with a yearlong series of programs designed to promote literacy, while introducing the citizens of Greensboro to the new Central Library facility. Through monthly programs at the Central Library and outreach programs in the schools and branch libraries, the StoryLine Project would promote reading and literacy among families throughout the city. The outreach component would be directed towards low-income communities, day care centers and schools that have the lowest test scores on the standardized reading tests.

Grant funding was received by the Friends in three installment payments of \$5,000 in December 1998, February 1999, and April 1999; and \$5,000 was retained by the Junior League for purchasing theme kits which were required for the project. The project had a granting period of September 1998 to May 31, 1999.

Finding: The Assistance Agreement states: "At the conclusion of the Project, the Agency shall return to the League any funds which remain on hand, or which have not been spent in accordance with the terms thereof." On May 26, 1999, two checks totaling \$6,788.78 were written to the Junior League of Greensboro for refund of unspent grant funds. One check for \$4,614.79 was written for a refund of the balance of the StoryLine project; the other check for \$2,173.99 was written for a refund of the balance on a different project (Glenwood Family Literacy Project).

Recommendation: The grant administrator should plan grant expenditures to insure all project funding is exhausted within the grant period.

**Summer Camp Enrichment Project (2002-2003): \$20,000**

This grant was awarded by the Community Foundation of Greater Greensboro to provide funding for a Summer Camp Enrichment Program. The Greensboro Public Library, in collaboration with the Greensboro Parks and Recreation Department, will implement a Summer Enrichment Program in three neighborhoods, in hopes of increasing access to camps for low-income youth. Scholarships will be provided for 50 children to attend summer camps for up to 8 weeks in the own neighborhood. The camps will provide literacy activities, cultural experiences and other recreational and learning opportunities.

Finding: None

Recommendation: Note the May 10, 2003 deadline, the reporting requirement, and that any remaining funds at the conclusion of the project must be repaid to the Foundation.

**Family Place Program (1999): \$14,262.50**

Family Place is a program designed to bring community partners and their resources to the library for children to enjoy, and to help their parents to learn more about how these resources can promote the joys of reading in their children. This project was funded through individual donations. There was no deadline established the granting agency for expending the funds.

At October 2002, \$4,413.22 remained to be spent towards this project. The Library staff indicated that the remaining funds would be used for Family Place workshops for the new Benchmark Square/Southwest Library.

Finding: None

Recommendation: None

**Youth, Education & Arts Project (2002-2003): \$10,000**

This grant was awarded by the Community Foundation of Greater Greensboro to create the Youth, Education & Arts Network. This network will be composed of organizations that will provide educational, cultural and recreational services to area youths. Many of the products from this network (e.g. websites, databases, workshops) will be available to all Greensboro families. The network hopes to maximize learning opportunities for academically at-risk children during periods when schools are not in operation.

At October 2002, \$231.64 has been expended and \$9,768.36 remains to be used towards this project.

Finding: None

Recommendation: Note the May 10, 2003 deadline, the reporting requirement, and that any remaining funds at the conclusion of the project must be repaid to the Foundation.

**Community Calendar Project (1996-1997): \$9,550**

This project was funded by the Community Foundation of Greater Greensboro, and was designed to create an Internet-based online long-range planning calendar and community information database. The Greensboro Public Library, in collaboration with the Greensboro Merchants Association, the Chamber of Commerce, the Greensboro Area Visitors and Convention Bureau and the News & Record, would host these World Wide Web pages on its server to give organizations, community leaders and business vital

information for long-range planning and project collaboration. There was no project deadline established by the Community Foundation for the use of these funds.

~~At September 2002, total expenditures were \$7,789.24. The Library staff indicated that the remaining \$1,760.76 would be used to purchase a more "user-friendly" software, and for printing to promote the calendar.~~

Finding: None

Recommendation: The Library should make every effort to expend the funds within the next year so that this program may be removed from the Friends' financial records.

**Literacy 2000 –Rotary Club Project (2000): \$6,000**

Awarded by the Rotary Club of Greensboro Foundation, this grant was given to the Greensboro Public Library to aid in implementing their Literacy 2000 Strategic Plan. This planning process was coordinated by the Greensboro Public Library, with the participation and guidance of the Guilford County Schools, Guilford Technical Community College, literary supporters and interested community residents. Twelve organizations were chosen (from the 23 applications submitted) to receive \$500 each for implementing a new, innovative, effective literacy project in homes, churches, daycare centers, public housing committees, schools and neighborhoods.

Finding: None

Recommendation: None

**"Live @ Your Library" Project (2002): \$2,300**

This grant, provided by the American Library Association, was given to bring renowned poet, E. Ethelbert Miller, to the Greensboro Public Library as part of the Library's Centennial Celebration. The primary goals of this program were:

1. To demonstrate, during National Poetry Month, the relevancy of literature to contemporary social issues including political protest, September 11 / War Against Terrorism, and African-American history.
2. To attract African-Americans to programs that have traditionally had a predominantly white audience.

The project was completed on May 16, 2002.

Finding: The Award Letter stated that a Grant Reporting Form was to be completed within 60 days of program completion. The form was mailed to the granting agency on September 27, 2002.

Recommendation: Grant reporting should be submitted in a timely manner as requested by the agency.

**At Your Service Project (1999): \$1,000**

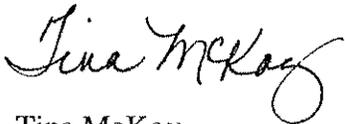
This grant, provided by the Reviewer's Club, was given for the establishment of *At Your Service: Book Discussion Group*. The goal of this project was to create a book collection, which provides multiple copies for book clubs and discussion groups. There was no granting period established by the granting agency.

At October 2002, total expenditures were \$72.84. The Library staff indicated that the remaining \$937.16 would be used towards the project.

Finding: None.

Recommendation: The Library should make every effort to expend the funds within the next year so that this program may be removed from the Friends' financial records.

We would like to thank the employees of the Greensboro Public Library for the courtesy and cooperation shown during these audits. If you have any questions or concerns involving the details of this audit, please call us at 373-4528.



Tina McKoy  
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Cc: Mitchell Johnson, Assistant City Manager  
Sandy Neerman, Greensboro Public Library Director