



City of Greensboro

Date: September 9, 2002
To: Ed Kitchen, City Manager
From: Internal Audit
Subject: The Servant Center – Servant House 2001-2002

The Internal Audit Division has performed a follow-up program and compliance audit of The Servant Center, Incorporated for the current year's operations. This agency received a grant in December 1998 of \$186,544 from the City of Greensboro to help in the rehabilitation of the Servant House located at 1305 Glenwood Avenue and 1312 Lexington Avenue.

The Servant House is designed as transitional housing to help homeless disabled men that are veterans, obtain independent living within a two year period. This house provides rooms for 25 individuals; full-time nurses; services from social workers; job placement assistance; and doctors and dentists on a pro bono basis. Approximately 40 individuals have obtained independent living during the past two fiscal years.

The City's grant will be forgiven beginning in year six, December 15, 2005 at the rate of 20 percent per year, as long as the property is maintained as transitional housing for a period of 10 years.

We examined selected financial transactions and program documentation for compliance with the contract. We also accompanied Mr. Bill Black, Rehabilitation Supervisor of H&CD as he inspected 15 percent of the rooms and facilities, and found these to be in proper order. Based on our review, it appears that the funds have been spent according to the terms of the loan agreement with no exceptions noted.

We would like to thank Ms. Gail Haworth, Executive Director; Ms. Betty Kline, Office Manager and Ms. Kathy Jarvis, Administrative Assistant 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

Jacky Dowd
Internal Audit Director

Cc: Mitchell Johnson, Assistant City Manager
Andy Scott, Director of Housing & Community Development
Gail Haworth, Executive Director of The Servant Center, Incorporated