

Internal Audit Division
City of Greensboro



April 29, 2011

TO: Rashad Young, City Manager
FROM: Internal Audit Division
SUBJECT: Family Service of the Piedmont

The Internal Audit Division has completed our annual review of Family Service of the Piedmont along with a Programmatic Review by the Planning & Community Development Department for the 2009-2010 grant year. Attached you will find our review report; the agency response; the departmental response and our replies to their responses. We feel that sufficient corrective actions have been implemented to our recommendations 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
Sue Schwartz, Interim Director of Planning & Community Development

March 23, 2011

TO: Sue Schwartz, Interim Director of Planning & Community Development
FROM: Internal Audit Division
SUBJECT: Family Services of the Piedmont, Inc. 2009-2010

The Internal Audit Division has performed our yearly monitoring visit of Family Services of the Piedmont, Inc. on February 16, 2011 which received a Transitional Shelter Operations Grant in the amount of \$24,751 from the City of Greensboro during the 2009 to 2010 Grant Year.

The Transitional Shelter Operations Nussbaum Housing Partnership Allocation Grant for \$24,751 was used to help provide services to women with or without children who are homeless as a result of domestic violence and have no other safe housing options. The following costs are eligible for reimbursement: staff salaries; maintenance and security salary; maintenance and operation; insurance and utilities. Approximately 240 clients were projected to be served. The entire \$24,751 grant was requisitioned and funded.

We examined selected financial transactions and program documentation maintained by the Agency for compliance with the contract and for assurance that program goals were achieved with the exception of the following item:

FINDING:

The Agency 990 tax return for the fiscal year ended June 30, 2010 had not been filed as of February 16, 2011. An extension, form 8868, was filed with the Internal Revenue Service dated January 26, 2011.

RECOMMENDATION:


The Agency should provide the City a copy of the return when it is filed.

We request a written and signed response from Family Service of the Piedmont and the Department of Planning & Community Development by April 6, 2011 to the City of Greensboro, Internal Audit Division, P. O. Box 3136, Greensboro, NC 27402-3136.

We would like to thank Ms. Becky Hunt, Compliance Officer and Director of Human Resources/Grants and Contracts; Ms Lauren Doyle, Strategic Planning Coordinator; Ms. Susan Wies, Director of Victim Services; Mr. Chip Turner, Chief Financial Officer and the staff of the Family Service of the Piedmont for their courtesy and cooperation shown to us during this visit. If there are any questions or comments concerning the details of this visit, we can be reached at 373-2821.



Mickey Kerans
Internal Auditor



Len Lucas
Internal Audit Director

Cc: Bob Morgan, Deputy City Manager
Thomas Campbell, President/Chief Executive Officer of Family Services of the Piedmont, Inc.

To: Thomas Campbell, President, Family Services of the Piedmont
From: Michael Blair, City of Greensboro, HCD
Program: Clara's House
Fiscal Year: FY09/10
Funding: \$24,751



Review of Eligibility & relation to the Consolidated Plan: The site visit of the facility provides assurance that indicated that the activity exclusively benefits battered spouses (women and children) based upon the category of limited-clientele presumed benefit. [24 CFR 570.208(a)(2)(A)]. The participant files reviewed (3 on-site) all contained documentation indicating domestic violence and verification of homelessness. Significantly more than 51% of those served were low/mod income. The program relationship to 2005-2009 Consolidated Plan is Priority 2A.

Review of Cost Allowability: There were no obvious instances where expenditures were not necessary and reasonable for proper and efficient administration of the program per 24 CFR 85.22 and OMB Circular A87, Attachment B; and the city agreement. [24 CFR 570.502(b)]. The Internal Audit report did not indicate ineligible costs per the agreement and neither did a HCD spot check based on OMB/CDBG rules.

Review of Procurement: A limited procurement review was conducted. Costs reimbursed were for administrative project delivery (salaries) costs. As a reminder if any federal grant funds are used to purchase eligible items and services the procurement of goods and services must follow 24 CFR §85.36(d): (1) small purchase; (2) sealed bids; (3) competitive proposals; (4) noncompetitive proposals. File maintenance for purchases is recommended.

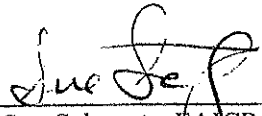
Review of Scope and services to be rendered: Approximately 240 individuals (135 households) would be served according to the agreement. In FY09/10 106 households were served with the individuals served at 188. With 8 rooms this is close to 96% room utilization.

Review of Client Files: The files reviewed were in a logical order and well maintained. They included a Verification of Homelessness.

Review of Board Minutes: Minutes are maintained and are very understandable including the minutes where the external annual audit was reviewed and accepted by the board. It is easy to determine if a quorum was present as it is indicated in the "Call to Order".

Summary: It is HCD staff opinion that Clara's House is an eligible and effective use of city Homelessness Prevention funding. The program is an excellent resource for the victims of domestic violence. Records were understandable and there are no disqualifying financial concerns for future City funding. HCD staff appreciates the assistance provided during the monitoring visit by FSP/Clara's House staff.


Michael Blair, AICP
Analyst Grants Compliance


Sue Schwartz, IAICP
Interim Director
Planning & Community Development



March 3, 2011

City of Greensboro
Internal Audit Division
PO Box 3136
Greensboro, NC 27402-3136

Calling from Greensboro,
dial 336-387-6161

To Whom It May Concern:

Calling from High Point,
dial 336-889-6161

This letter is in response to the Monitoring Visit conducted by Mickey Kerans, Internal Auditor, on February 16, 2011. The Monitoring Visit Report indicated a finding because the Agency 990 tax return for the fiscal year ending June 30, 2010 had not been filed as of February 16, 2011. The purpose of this letter is to notify the Internal Audit Division of the City of Greensboro, that Family Service of the Piedmont, Inc. filed an extension, form 8868, with the Internal Revenue Service on January 26, 2011. The extension expires on May 15, 2011. Family Service of the Piedmont, Inc. will submit a 990 tax return for the year ending June 30, 2010 by this date and will provide a copy of the return to the City when it is filed.

902 Bonner Drive
Jamestown, NC 27282
FX 336-387-9167

Should you have additional concerns or questions regarding this matter, please contact me at (336)889-6105 x 1102.

315 East Washington Street
Greensboro, NC 27401
FX 336-387-9167

We enjoyed sharing the work of our Clara House Shelter during this Monitoring Visit and look forward to a continued positive relationship with the City of Greensboro Department of Planning & Community Development and Internal Audit Division.

The Slane Center
1401 Long Street
High Point, NC 27262
FX 336-387-9167

Sincerely,

Chip Turner
Chief Financial Officer

Family Resource Center
401 Taylor Avenue
High Point, NC 27260
FX 336-387-9167

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www.SAFEandHEALTHYfamilies.com

Strengthening Families and Children Since 1940





MEMO

Date: April 20, 2011
To: Len Lucas, Internal Audit Director
From: Michael Blair, AICP
RE: 2011 PCD Review of Family Services of the Piedmont Audit Report

PCD concurs with the Internal Audit FY2009-10 review.

Internal Audit Division
City of Greensboro



April 20, 2011

TO: Sue Schwartz, Interim Director of Planning & Community Development
FROM: Internal Audit Division
SUBJECT: Family Service of the Piedmont 2009-2010

Thank you for P&CD's reply of April 20, 2011, which we received on April 20, 2011. Internal Audit concurs with the Department of Planning & Community Development's (P&CD) response to Internal Audit's subject report dated March 23, 2011.

A handwritten signature in cursive script that reads "Tina McKoy".

Tina McKoy
Internal Auditor

A handwritten signature in cursive script that reads "Len Lucas".

Len Lucas
Internal Audit Director

Cc: Bob Morgan, Deputy City Manager



Internal Audit Division
City of Greensboro

April 28, 2011

Mr. Chip Turner
Chief Financial Officer
Family Service of the Piedmont, Inc.
902 Bonner Drive
Jamestown, NC 27282

Re: Family Service of the Piedmont Audit Report dated March 23, 2011

Dear Mr. Turner:

We received your letter dated March 3, 2011 on March 4, 2011 which references a monitoring visit conducted by Mickey Kerans from the City of Greensboro's Internal Audit Division on February 16, 2011. We concur with your statements as a response to our audit report dated March 23, 2011.

Thank you for your timely response.

Sincerely,

Tina McKoy
Internal Auditor

Len Lucas
Internal Audit Director

Cc: Bob Morgan, Deputy City Manager

Attachment