



DATE: May 2, 2016
TO: Barbara Harris, Interim Assistant City Manager
FROM: Internal Audit Division
SUBJECT: Jericho House, Incorporated 2014-2015
(No Response Required)

The Internal Audit Division has performed our yearly monitoring visit on April 6, 2016 of Jericho House, Incorporated ("Agency"), a registered North Carolina non-profit corporation, which received a Shelter Operations Grant from the City of Greensboro in the amount of \$7,376 during the 2014 to 2015 grant year.

The Transitional Shelter Operations Nussbaum Housing Partnership Allocation Grant in the amount of \$7,376 helped to provide all the necessary services provided under this agreement in connection with operating a shelter for homeless persons. The Agency provides transitional shelter and support for ex-offenders through providing its clients a safe, stable living environment; assistance with finding employment; help with improving their communication skills and relationship skills; and help with financial budgeting and support/encouragement toward saving some of what they earn. Eligible reimbursable operational costs are as follows: staff salaries (including fringes); maintenance and security salaries; maintenance and operational cost; insurance and utilities at the Jericho House located at 2824 Liberty Road, Greensboro, NC. Approximately 10 beneficiaries were projected to be served by the Agency during the grant year.

We examined selected financial transactions and program documentation maintained by the Agency during the 2014-2015 grant year for compliance with the contract and for assurance that program goals were achieved. Based on our review, it appears that the funds have been spent according to the terms of the contract without exceptions.

We would like to thank Mr. Jack Alford, Treasurer of the Jericho House for his 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 373-4528.


Tina McKoy
Internal Auditor


Len Lucas
Internal Audit Director

Cc: Jim Westmoreland, City Manager
Chris Wilson, Assistant City Manager
Cyndi Blue, Manager of Housing Services, Neighborhood Development
Lamont Taylor, Administrative Services Manager, Neighborhood Development
Caitlin Bowers, Grant Administrator, Neighborhood Development
Jack Alford, Treasurer of Jericho House



NEIGHBORHOOD DEVELOPMENT

April 28, 2016

Jack Alford, Jericho House Treasurer
Jericho House, Inc.
2824 Liberty Rd.
Greensboro, NC 27406

Re: Jericho House Contract FY 14-15: \$7,376

Dear Jack Alford:

Review of Eligibility & Relation to the Consolidated Plan: City of Greensboro staff conducted an on-site monitoring visit of Jericho House, Incorporated, located at 2824 Liberty Rd, on April 6, 2016. The site visit of the facility provides assurance that indicates the activity exclusively benefits formerly incarcerated adult men based upon the category of limited-clientele presumed benefit. The participant files reviewed (3 on-site) all contained documentation of homelessness and reason for admittance to the program. The 2015-2019 Consolidated Plan describes the City's relationship with emergency shelters and transitional shelter facilities.

Review of Cost Allowability: There were no obvious instances where expenditures were not necessary and reasonable for proper and efficient administration of the program and the city agreement. Nussbaum funds were used to support transitional shelter operations and services which include staff salaries; maintenance and operation costs; insurance and utilities; a safe, stable living environment; help with communication skills; and help with financial budgeting. The Internal Audit report did not indicate ineligible costs per the agreement and neither did a Neighborhood Development (ND) spot check based on OMB/CDBG rules.

Review of Procurement: A limited procurement review was conducted. All costs reimbursed were for general operating and maintenance administrative program expenses. As a reminder if any federal grant funds are used to purchase eligible items 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: An estimated 10 people would be served by the agency according to the agreement. In FY 14/15 10 individuals were actually served.

Review of Client Files: The three (3) files reviewed were in logical order and clearly maintained. All included the contractually required documents including Homelessness Verification and Community Development Household forms.

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 and determining whether a quorum was present.

Summary: It is Neighborhood Development staff opinion that Jericho House is an eligible and effective use of city Homelessness Prevention funding. The program appears to be an excellent resource for providing safe housing, food, transportation, employment assistance to formerly incarcerated and homeless men. Performance records were understandable and there are no disqualifying financial concerns for future City funding. This report does not require a reply from management.

Neighborhood Development staff appreciates the assistance provided during the monitoring visit by Mr. Jack Alford.



Charla Gaskins
Federal Compliance Coordinator



B. Lamont Taylor
Grants, Finance, & Administration Manager