



City of Greensboro

Date: May 5, 2008
To: Mitchell Johnson, City Manager
From: Internal Audit Division
Subject: Family Services of the Piedmont, Incorporated

The Internal Audit Division has completed our annual review of Family Services of the Piedmont, Inc. in conjunction with a Programmatic Review by the Housing & Community Development Department for the 2006-2007 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
Andy Scott, Director of Housing & Community Development



Date: March 18, 2008
To: Andy Scott, Director of Housing & Community Development
From: Internal Audit Division
Subject: Family Services of the Piedmont, Inc.

The Internal Audit Division has performed our yearly monitoring visit of Family Services of the Piedmont, Inc. which received an Emergency Assistance grant in the amount of \$7,000 and later amended to \$9,500 and a Transitional Shelter Operations grant in the amount of \$34,134 from the City of Greensboro during the 2006 to 2007 Grant Year.

The Emergency Assistance Nussbaum Housing Partnership Allocation Grant for \$9,500 was used to provide persons in need of assistance with past due rent and utility payments. The Agency will provide assistance to residents of Clara House Shelter for women and children escaping domestic violence. All but \$2,305 of the grant was requisitioned and funded.

The Transitional Shelter Operations Nussbaum Housing Partnership Allocation Grant for \$34,134 was used to provide food, clothing, shelter and services to women and their children who are homeless as a result of domestic violence. The following costs are eligible for reimbursement: staff salaries; maintenance and security salary; maintenance and operation; insurance and utilities. Approximately 260 clients will be served. The entire \$34,134 grant was requisitioned and funded.

We examined selected financial transactions and program documentation maintained by the Agency for compliance with the contracts 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 contracts except for the following findings:

FINDING:

The Emergency Assistance Grant for \$9,500 was under requisitioned by the Grantee by \$2,305

RECOMMENDATION:


The Agency whenever possible should requisition the entire amount of the approved grant.

We request a written and signed response from the Department of Housing & Community Development and Family Services of the Piedmont, Inc. by April 1, 2008.

We would like to thank Ms. Bronwen Sellers, Grants Manager; Mr. Chip Turner, Chief Financial Officer and the staff of the Family Services 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 R. Bonney, President/Chief Executive Officer of Family Services of the Piedmont, Inc.



Date: March 17, 2008
To: Thomas R. Bonney, CEO, Family Services of the Piedmont
From: Michael Blair, City of Greensboro HCD
RE: FY07/08 Programmatic Evaluation

On February 6, 2008 HCD and Internal Audit (IA) staff conducted an on-site monitoring visit of Family Services - Clara House. Family Services is a sub-recipient of the City of Greensboro Department of Housing and Community Development and is carrying out the activity of shelter operations and emergency assistance. This was to include shelter and services (case management including substance abuse and emotional counseling by licensed practitioners) for victims (Women and Children) of domestic violence. Emergency Shelter funding for FY06/07 was \$34,134 (233 individuals served which is 90% of the projected 260) which was expended in its entirety; Emergency Assistance funding for FY06/07 was \$9,500 (32 individuals served) and was not entirely spent out; the FY07/08 grant year is currently underway.

The period under review, along with current site conditions, was from July 1, 2006 to June 30, 2007. In addition to examining various program materials and financial files in the course of the review city staff met with Ms. Bronwen Sellers, Grants Manager; Mr. Chip Turner, Chief Financial Officer and Ms. Sharon McIntosh, Program Manager at Clara House.

The purpose of the monitoring visit is to determine whether the sub-recipient has implemented and administered HCD-funded activities according to applicable program and contractual requirements. In this monitoring review attention was paid to contract compliance along with financial management systems, requisition practices, site conditions and performance measures.

Family Services has fulfilled the HCD Board Training (3 members and 1 management staff) requirement for the years 2004, 2005, 2006 and 2007. HCD also recommends the Duke Non-Profit Management program for board members of all agencies.

The board met eleven times in FY06/07 (Four (4) is the HCD minimum number of annual board meetings with a quorum) and had/has 21 members, 14 women and 7 men, from a wide range of professional backgrounds. Minutes are maintained and are very understandable including the minutes where the external annual audit was reviewed and accepted by the board.

The agency has a multi-level (meaning that if a complaint is not resolved it goes to the next level for resolution) grievance policy.

As a result of this review HCD staff is making zero (0) findings, one (1) concern and one (1) observation and recommendation, regarding the use of HCD funding.

A *finding* is defined by HCD as a program element that does not comply with a local, federal, or contractual, rule or regulation whereas a *concern* is either a potential finding or program weakness that should be improved to avoid future problems. An *observation* can be either a positive comment about the agency or a suggestion that may improve a service or element of operations.

Concern – Utilization of Assets (Low Occupancy)

The occupancy at the time of the site-visit was 36% which is very low. The FY08/09 occupancy through February 2008 has also been unusually low at 49.5%. Average daily and monthly occupancy has been in the high 60% (68-70%) range over the previous 3 fiscal years which is why this is a concern.

Requested Action

HCD is requesting a written reply by Family Services which explains the low usage reporting in this current fiscal year.

Observation – Postings

While the posted policy rules and hygiene suggestions at Clara House are excellent (hand washing encouragement in particular) and well placed the grievance policy and facility rules were not posted.

Requested Action

HCD recommends posting information regarding the grievance procedure as well as the basic facility rules to avoid unnecessary misunderstandings between clients and management. There is very good (no change needed) signage encouraging frequent hand washing which could be enhanced with additional public health messages such as "cover your mouth when you cough". This is an observation and recommendation only and a new aspect in HCD monitoring of funded agencies.

Clara House Measures 2006-2007:

Clara House Measures	FY04/05	FY05/06	FY06/07
Total Individuals Served:	288	228	233
Client Nights:	6,317	6,612	6,443
Average Occupancy (day/month):	17.33/67%	18.12/70%	17.65/68%
Length of Stay			
Less than 1 month:	75%	62%	67%
1 to 2 months:	18%	19%	16%
3 to 6 months:	7%	19%	17%
Average Length of Stay (Days):	23	29	28
Completed Program or left for Housing Opportunity:	57%	72%	93%
Received Case Management:	98%	98%	100%
Not Returning to Violent Environment (Self Reported**):	81%	83%	75%
Feeling Empowered and Better Able to Cope (Self Reported**):	77%	84%	99%
Move to Positive Stable Housing:	67%	81%	59%
Moved to Permanent Safe Housing after staying more than 10 days:	45%	62%	59%
Repeat Visits in 2004:	0%	8%	-
Mean Increase in Income (for those that increased Income) :	>30%	>80%	\$440

Results of Facility Site Visit

External: The exterior of the shelter is very well maintained (no trash or clutter). The facility appeared to be clean and safe, exterior security cameras are used, for client and visitor safety. Public transportation, bus and rail, is very close (<.5 miles) and readily available.

Internal: The common room contains computers (without internet access), a television, reading materials, and is very well appointed. There is a children's play area adjacent to the adult room with a picture window so parents can see their children playing. There is a phone available to clients. Clients either have closets for personal possessions in their room or one is provided elsewhere. The site appeared accessible for people with disabilities when needed.

Sleeping areas: The 25 beds are in rooms which are semi-private, with divisions made according to children. The rooms were very clean and linens are cleaned by the clients in a well maintained laundry room.

Bathrooms: Overall the bathrooms inspected were very clean and well maintained. There are showers, with curtains, adjacent to the bedrooms. The hall bathroom was very clean, soap and towels were available but not in the bathroom by the sink.

Medication: There is a system to store client medication when necessary.

Kitchen/Food: The kitchen is clean and well stocked. Clients prepare their own meals. Clients also provide their own food if financially able, if not food is provided.

Safety: There were several fire extinguishers. There are smoke detectors and a sprinkler system; lights are on a generator. The fire safety plan and emergency evacuation plan are posted. There is a first aid kit which did not include a CPR mask.

Postings: The facility did not have the grievance procedure posted however it is relayed to clients. Facility rules are not posted but provided to clients in handouts. Some client information was available in Spanish. There are several posters which encourage frequent hand washing and include other good hygiene suggestions.

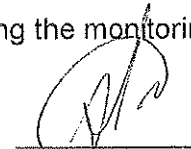
The draft Internal Audit report is dated February 29, 2008 and included only one finding regarding un-requisitioned emergency assistance funding of \$2,305. Please reply to the Internal Audit report as requested.

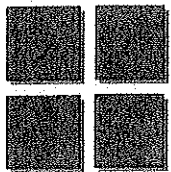
The concern in this review, in our view, does not reflect negatively on Family Services staff and their work ensuring the continued success of the referenced programs. The intent of the concern expressed in this case is to heighten agency awareness. The observation is only intended as a suggested good practice.

It is HCD staff opinion that Family Services - Clara House Crisis Care is an eligible and effective use of city Homelessness Prevention funding. The program appears to be an excellent alternative for minors who may have become homeless or facing some other family crisis. Performance records were understandable and there are no disqualifying financial concerns for future City funding. The program relationship to 2005-2009 Consolidated Plan is Priority 2A and 2B.

HCD staff appreciates the assistance provided during the monitoring visit by Family Services staff.


Michael Blair
Specialist Grants Compliance


Andy Scott
Director HCD



HCD

Department of Housing & Community Development

MEMO

Date: March 27, 2008
To: Len Lucas, Internal Audit Director
From:  Michael Blair, Specialist Grants Compliance
RE: 2008 HCD Review of Family Services of the Piedmont Audit Report

After review of the February 29, 2008 Internal Audit report on FSP - Clara House, for 2006-2007, HCD submits the following:

IA FINDING 1:

The Emergency Assistance Grant for \$9,500 was under requisitioned by the Grantee by \$2,305.

IA RECOMMENDATION 1:

The Agency whenever possible should requisition the entire amount of the approved grant.

- **HCD Reply to Recommendation 1: Concur.**



City of Greensboro

April 9, 2008

Date:

Andy Scott, Director of Housing & Community Development

To:

Internal Audit Division

From:

H&CD Reply to IA Report-Family Services of the Piedmont Grant 2006-2007

Subject:

Thank you for your reply of March 27, 2008. Internal Audit agrees with Housing & Community Development's response to IA' subject report dated March 18, 2008. We appreciate your concise and prompt response.

A handwritten signature in black ink, appearing to read "M. Kerans".

Mickey Kerans
Internal Auditor

A handwritten signature in black ink, appearing to read "Len Lucas".

Len Lucas
Internal Audit Director

Cc: Bob Morgan, Deputy City Manager



City of Greensboro
North Carolina

April 28, 2008

Mr. Thomas R. Bonney
President & CEO
Family Services of the Piedmont, Inc.
902 Bonner Dr
Jamestown, NC 27282

Re: Family Services of the Piedmont Grant Year-2006 to 2007

Dear Mr. Bonney:

This letter is a follow-up to our review report sent to you dated March 18, 2008 of which a copy is enclosed. In the report we requested a written reply from Family Services of the Piedmont by April 1, 2008. So that we might finalize this review, please reply as soon as possible.

Sincerely,



Mickey Kerans
Internal Auditor



Len Lucas
Internal Audit Director

Cc: Bob Morgan, Deputy City Manager
Andy Scott, Director of Housing & Community Development

R-5/1/08



Calling from Greensboro,
dial 336-387-6161

Calling from High Point,
dial 336-889-6161

902 Bonner Drive
Jamestown, NC 27282
FX 336-841-0149

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

The Slane Center
1401 Long Street
High Point, NC 27262
FX 336-889-9167

Healthy Start /
Family Resource Center
401 Taylor Avenue
High Point, NC 27260
FX 336-885-7162

Visit us on the Web at
www.SAFEandHEALTHYfamilies.com

April 30, 2008

Mickey Kerans
Internal Auditor
PO Box 3136
Greensboro, NC 27402

Dear Mr. Kerans,

Enclosed, please find a copy of the letter sent to Mr. Michael Blair on March 31, 2008 in response to the on-site monitoring visit conducted on February 6, 2008 by HCD and Internal Audit staff.

Should you need additional information, please do not hesitate to contact me.

Sincerely,

Lauren Doyle, MSW
Grants Administrator

Strengthening Families and Children Since 1940





March 31, 2008

Calling from Greensboro, dial 336-387-6161
Michael Blair
Specialist, Grants Compliance
Dept. of Housing and Community Development
Melvin Municipal Building, Room 315
300 West Washington Street
Greensboro, NC 27402

Calling from High Point, dial 336-889-6161
Mr. Blair:

902 Bonner Drive
Jamestown, NC 27282

In response to the on-site monitoring visit conducted on February 6, 2008 by HCD and Internal Audit staff, please accept the following explanations to the concerns raised during the visit.

FX 336-841-0149

The first concern cited by HCD staff was the low daily and monthly occupancy at Clara House during FY08-09. A variety of factors have contributed to the recent low occupancy at the shelter. Shelter staff indicate that many women are coming in for an initial assessment and intake but then do not return to actually stay in shelter.

315 East Washington Street
Greensboro, NC 27401

FX 336-387-9167

Reasons given by clients include not wanting to remove their children from school; an unfamiliarity with the surroundings; and a preference to stay with family members. Domestic violence is a very complicated issue and no two victims will deal with it in the same way. Some will choose to stay in shelter while others will choose to remain in the home or to stay with family members.

The Slane Center
1401 Long Street
High Point, NC 27262
FX 336-889-9167

The second concern cited was in regards to the FY07 Emergency Assistance grant. Family Service of the Piedmont was unable to requisition the entire awarded amount. It is extremely hard to predict how many shelter clients will need financial assistance and in what amounts. One month clients may need \$1,500 while the next month we will not utilize any funds. Generally, the more clients that are leaving shelter the more emergency assistance that is needed. This is because clients exiting shelter often need rental and utility deposits to establish new, safe residences. Although we made every effort to utilize all the funds from the City, there are some things that are out of our control. If occupancy is low or clients are not exiting shelter, funds cannot always be utilized.

Healthy Start /
Family Resource Center
401 Taylor Avenue
High Point, NC 27260
FX 336-885-7162

Please feel free to contact me if you have any more questions or need additional information. I can be reached at 336-387-6161, ext 1108. Thank you for your support of Clara House and the services we provide to victims of domestic violence.

Sincerely,

Lauren Doyle (handwritten signature)

Visit us on the Web at
www.SAFEandHEALTHYfamilies.com

Lauren Doyle
Grants Administrator

Strengthening Families and Children Since 1940



City of Greensboro
North Carolina

May 1, 2008

Ms. Lauren Doyle
Grants Administrator
Family Services of the Piedmont, Inc.
902 Bonner Dr
Jamestown, NC 27282

Re: Family Services of the Piedmont Grant Year-2006 to 2007

Dear Ms. Doyle:

We are in receipt of a copy your letter to Mr. Michael Blair dated March 31, 2008 reference the City's Internal Audit report dated March 18, 2008 for the 2006 to 2007 Year. We have reviewed your letter and agree with responses and corrective measures.

Sincerely,



Mickey Kerans
Internal Auditor



Len Lucas
Internal Audit Director

Cc: Bob Morgan, Deputy City Manager
Andy Scott, Director of Housing & Community Development