



Date: June 25, 2007
To: Mitchell Johnson, City Manager
From: Internal Audit Division
Subject: Greening Greensboro Initiative Review

The Internal Audit Division has performed a review of The Greening Greensboro Initiative. Attached you will find our review report; the departmental response; and our replies to their responses. We feel that our recommendations have been sufficiently addressed 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', with a long horizontal line extending to the right.

Len Lucas
Internal Audit Director

Cc: Ben Brown, Assistant City Manager for Economic Development
Bob Morgan, Assistant City Manager
Dick Hails, Planning Director



Date: April 10, 2007
To: Dick Hails, Director of Planning
From: Internal Audit
Subject: Federal Grant – Greening Greensboro Initiative: \$15,000 Grant, \$15,000 In-Kind Match

A tree canopy study completed by the City of Greensboro in 2001 revealed Greensboro lost 18% of its tree coverage between 1983 and 2000 as a result of development and natural causes. The Greening Greensboro Initiative was developed to replace and enhance Greensboro's established tree cover. There were four objectives to the Initiative: (1) to generate revenues for a "tree fund", which would serve as a revolving fund for future tree planting activities; (2) to increase public awareness about the importance of trees; (3) to hold a tree planting in a pilot neighborhood; and (4) to hold a tree seedling giveaway to generate money to maintain the tree fund. After initial fundraising efforts, the program was designed to be self-sustaining and maintained with annual tree seedling fundraising events.

Project costs were budgeted at \$30,000. In 2004, the City was awarded a \$15,000 Federal reimbursement grant through the North Carolina Department of Environment and Natural Resources (NCDENR). As a condition of grant funding, the City was required to provide a \$15,000 in-kind match. Grant funds were designated for initial start-up costs associated with the tree planting activity, including printing of letters/brochures and postage. The grant period was September 1, 2004 through October 31, 2005. Actual project costs totaled \$23,959.68: \$11,599.68 from grant reimbursements and \$12,360 from City in-kind match.

The Internal Audit Division reviewed the written contract between the City and NCDENR. Our objective was to determine whether the Planning Department complied with the terms and conditions of the contract. During our review, we noted the following findings and offer our recommendations:

IN-KIND MATCH GUIDELINES/RECORDKEEPING:

The first tree planting was launched on November 20, 2004, with 181 volunteers planting 71 trees in the Eastside Park neighborhood. Labor costs provided the City's in-kind match. The contract states that labor costs for adult volunteers should be calculated at a maximum of \$15 per hour; and youth volunteers at the maximum rate of \$5.15 per hour (or current Federal minimum wage). Also, personnel/staff pay should be calculated using (City) hourly wage rates, including fringe benefits. The City recorded \$12,360 as its in-kind match.

Finding: We reviewed the "Expense or Match Documentation" form submitted the granting agency reporting the in-kind match. All volunteers' hours were charged at the adult rate (\$15 per hour). However, there was some indication that several organizations solicited to volunteer (e.g. Girl Scout Troup #1385, Black Child Development Institute, and Grimsley High School Tag Team) included several youths. All youth volunteers' time should be charged at a rate of \$5.15 per hour.

We were unable to determine whether these youths actually participated in the activity since there was no roster of the volunteers maintained. (However, we observed Planning required each volunteer to complete a "Volunteer Agreement Form" in later tree plantings; and used that to record attendance.)

Recommendation: We recommend that the Grant Administrator maintain better documentation to support in-kind matches reported for all future projects. In addition to the "Volunteer Agreement Form", each volunteer should be required to complete a time record and supply pertinent information such as their name and age at the time of the activity. Also, the Grant Administrator may prepare a spreadsheet listing each volunteers' name, age, hours worked, pay rate, and extended total. This could be submitted to the granting agency as documentation to support the in-kind match.

REQUEST FOR REIMBURSEMENT

The contract states: "Final Reimbursement Requests are due no later than November 30, 2005 (for all grants, including those with time extensions 30 days after contract deadline)."

Finding: The Final Reimbursement Request was submitted on December 5, 2005. All expenditures were paid by the City prior to June 30, 2005.

Recommendation: Reimbursement requests and other required reporting should be submitted to the granting agency in accordance with the contract.

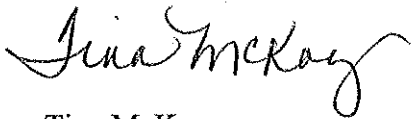
GRANTOR ACKNOWLEDGEMENT:

The contract stated: "All publications, reports, brochures and other printed materials produced as a result of this grant must recognize the funding support of this program . . .".

Finding: In reviewing five (5) publications submitted in the Final Accomplishment Report, we noted that funding by the granting agency was not properly acknowledged in any of these publications, as required by the contract.

Recommendation: The Grant Administrator should carefully review all conditions/requirements throughout the execution of the project to ensure compliance with the contract.

We would like to thank the Planning Department for the courtesy and cooperation shown us during this review. We ask that you provide us with your corrective actions to our findings by Tuesday, April 24, 2007. If you have any questions or concerns, please contact us at 373-4528.



Tina McKoy
Internal Auditor II



Len Lucas
Internal Audit Director

Cc: Ben Brown, Assistant City Manager for Economic Development
Bob Morgan, Assistant City Manager



Date: April 24, 2007
To: Dick Hails, Director of Planning
From: Internal Audit
Subject: 2004 NCDENR Grant (Greening Greensboro) – Reply to Response dated April 23, 2007

The Internal Audit Division has reviewed your response to our review of the Greening Greensboro Initiative grant, and we agree with your departmental responses to our recommendations.

We appreciate your responding in such a timely manner. If you have any questions or concerns, please do not hesitate to contact us at 373-4528.

Tina McKoy
Internal Auditor II

Len Lucas
Internal Audit Director

Cc: Ben Brown, Assistant City Manager for Economic Development
Bob Morgan, Assistant City Manager

Lucas, Len

From: Hails, Dick
Sent: Monday, April 23, 2007 9:43 PM
To: Lucas, Len; McKoy, Tina W
Cc: Morgan, Robert (Bob); Cusimano, Mike; MacIntosh, Alec
Subject: Corrective Actions on Greening Greensboro 2004 NCDEHNR Grant

Len and Tina:

I have reviewed your report on this grant dated April 10, 2007. As requested, I am responding to your request for corrective actions by April 24, 2007.

Your report noted three areas where our performance of grant requirements fell short. They are:

1. Improper documentation on In-Kind matches
2. Missed deadline on Reimbursement requests to state
3. Not including proper acknowledgement on all grant-related publications

The staff person in charge of this grant no longer works for this department. However, I am passing the report and findings to her replacement, Michael Cusimano, Urban Forester, for reference on all future such grants. This position is the only one in our department that has ever applied for such grants, so we are narrowing our grant management oversight to this position.

I am asking that both Mr. Cusimano and his supervisor, Alexander MacIntosh, prepare a grant review sheet at the start of all future grant efforts (we recently submitted one such grant request) and monitor the grant requirements monthly, to insure that documentation, schedules, acknowledgements and all other grant requirements are met. I am also asking that they submit to me a brief monthly report, verifying that all grant requirements are being met.

Thank you again for your detailed review of the 2004 Greening Greensboro NCDEHNR Grant. Your conclusions will help us strengthen our performance on all future grants.

Sincerely,
Dick Hails, AICP
Planning Director