



City of Greensboro

Date: September 29, 2004
To: C.C. Lamberth; Andy Scott
From: Internal Audit
Subject: Southeast Economic Developments (S.E.E.D.S.)

The Internal Audit Division has completed a program and compliance review of Southeast Economic Developments, which received a Human Services Grant in the amount of \$7,000 from the City of Greensboro during the 2002-2003 grant year.

This grant was designed to assist SEEDS with its operational expenses associated with the 2002 Economic Empowerment Summit. This summit was held in order to provide a forum for minority businesses to interact and acquire a network of contacts for information in the community.

We examined selected financial transactions and program documentation maintained by the agency for compliance with the grant agreement. It appears that the funds have been spent according to the terms of the grant with no exceptions noted.

However, our request for information and documentation from SEEDS has taken approximately one year to obtain. We made numerous phone calls to the Board Chairman as well as individuals associated with SEEDS Executive Committee which yielded no positive results. The explanation offered was that SEEDS was in transition. A new Board Chair was appointed in November 2002 with the intent of announcing a new Board of Directors. Shortly thereafter, another Board Chair was named. There was no Executive Director or support staff during either period.

If there are any questions or comments concerning the details of this compliance review, we can be reached at 373-2823.

Len Lucas
Internal Audit Director

Cc: Ben Brown, Assistant City Manager for Economic Development
C.C. Lamberth, Chairman of the Board of Directors for Southeast Economic Developments