



# City of Greensboro

Date: October 16, 2002  
To: Ed Kitchen, City Manager  
From: Internal Audit  
Subject: National Park Preservation Fund (Union Cemetery Grant)

The Internal Audit Division has audited the National Historic Preservation Fund administered by the Department of Housing & Community Development for the period May 1, 1995 - September 30, 1996. This \$6,100 grant was received by the City as grant-in-aid assistance through the State of North Carolina Division of Archives and History from the National Park Service, United States Department of the Interior. Grant funds were to be used for the restoration of the Union Cemetery, an old African-American cemetery owned by the City of Greensboro and listed in the National Register of Historic Places.

The City became involved in the project at the request of several elderly citizens from African-American churches in the old Warnersville Urban Renewal area. These citizens were concerned because the cemetery had been vandalized, and it was in need of general maintenance. The City aided these citizens in getting the Union Cemetery listed on the National Register, which also made it eligible for preservation grants. The City had even bought a commemorative monument using Community Development Block Grant (CBDG) funds. John Acker, Executive Director at Preservation Greensboro, Inc., applied for a State grant to fund renovation work at the cemetery. The grant required that a Certified Local Government administer these funds; therefore, the City acted as a depository for the grant.

This project had a total budget appropriation of \$10,165. Preservation Greensboro, Inc. agreed to coordinate the project and take responsibility for the 40% local matching requirement of \$4,065, funded through private donations, contributions from African-American churches, and in-kind services. The City accepted fiscal responsibility and signed the Subgrant Agreement and Preservation Agreement because of our status as Certified Local Government.

The purpose of this audit was to:

- Verify that receipts were properly recorded.
- Verify that disbursements are in compliance with the contract and were made during the contract period.

- Determine that the program achieved the desired results or benefits as written in the contract or grant application.

During our audit, we noted the following findings and offer our recommendations:

### **The Budget and Cost of Operations Statement:**

The Budget and Cost of Operations Statement does not depict a true accounting of receipts and expenditures made to the grant account.

- The grant budget revenue reflected the \$6,100 (60%) state grant and a match of \$4,065 (40%).
- The actual revenues reflected only the \$6,100 grant. The in-kind services of \$3,150 and the community donations of \$7,450 should have been booked. The total of funds received and in-kind services were \$16,700.
- Only \$6,100 of the expenditures were booked rather than the actual total expenditures of \$15,747.07.

### **Recommendations:**

- All grant funds, contributions and in-kind services, should be reflected in the grant account.
- All project expenditures should be recorded to the grant account to accurately summarize expenditures, and provide comparability between actual and budgetary data.
- Preservation Greensboro, Inc. should reserve the remaining \$952.93 and spend it for restoration or preservation of Union Cemetery in the immediate future.

### **Contract Performance:**

- This contract was to be fully performed by September 30, 1996. However, expenditures were charged as late as May 2001 for Preservation Greensboro professional fees.

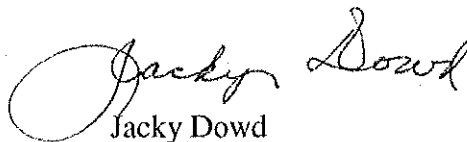
### **Recommendation:**

- Grant projects should be periodically reviewed to insure that the project is progressing according to the contract dates.

We would like to thank Heather Seifert of Preservation Greensboro and the staff of Housing & Community Development for their courtesy and cooperation shown us during the audit. We are requesting a response this audit from the Housing & Community Development Director by November 27, 2002. If there are any questions or comments concerning the details of this audit, please contact me at 373-4528.



Tina McKoy  
Internal Auditor



Jacky Dowd  
Internal Audit Director

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Andy Scott, Housing & Community Development Director  
Rick Lusk, Finance Director  
Heather Seifert, Executive Director, Preservation Greensboro, Inc.