

Internal Audit Division
City of Greensboro



April 26, 2010

TO: Dan Curry, Acting Director of Housing & Community Development
FROM: Internal Audit Division
SUBJECT: Greensboro Housing Coalition, Inc. 2008-2009

The Internal Audit Division has performed our yearly monitoring visit of the Greensboro Housing Coalition, Inc. which received a Homeless Prevention Agency Operations Grant in the amount of \$16,500 and a Housing Counseling, Referral and Homeless Prevention Services Grant in the amount of \$75,000 from the City of Greensboro during the 2008 to 2009 grant year.

The Agency Operations Homeless Prevention Funds Services Grant is composed of Nussbaum Housing Partnership Funds, Community Development Block Grant Funds, and Emergency Shelter Grant Funds for the total allocation of \$16,500. Services to be rendered include the administration of a collaborative HUD Comprehensive Housing Counseling Agency. Costs that are eligible for reimbursement are: staff salaries and operational costs.

The Housing Counseling and Referral Homeless Prevention Services Grant is composed of Nussbaum Housing Partnership Funds, Community Development Block Grant and Emergency Shelter Grant funds in the amount of \$75,000 was to provide a housing and information hotline to prevent homelessness. Operational costs eligible for reimbursement are: salaries and operational costs. Approximated 3,000 clients were served as the result of this grant.

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.

We would like to thank Reverend Beth McKee-Huger, Executive Director; Ms. Anna Busch Phillips, Healthy Homes and Financial Management and the staff of the Greensboro Housing Coalition, Inc. 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
Andy Scott, Assistant City Manager for Economic Development
Reverend Beth McKee-Huger, Executive Director of the Greensboro Housing Coalition, Inc.

Date: April 21, 2010
To: Beth McKee-Huger, Director, Greensboro Housing Coalition
From: Michael Blair, City of Greensboro, HCD
Program: Greensboro Housing Coalition
Fiscal Year: FY08/09
Funding: Operations: \$16,500; Housing Hotline: \$75,000



Review of Eligibility & relation to the Consolidated Plan: The site visit provides assurance that the activity involves housing counseling based upon the category of limited-clientele presumed benefit. [24 CFR 570.208(a)(2)(A)(B)]. Significantly more than 51% of those served were low/mod income (primarily <30%). The relationship to 2005-2009 Consolidated Plan is Priority 1A-A and 1.A1-C.

Review of Cost Allowability: There were no obvious instances where expenditures were not necessary and reasonable for proper and efficient administration of the program per 24 CFR 85.22 and OMB Circular A87, Attachment B; and the city agreement. [24 CFR 570.502(b)]. The Internal Audit report did not indicate ineligible costs per the agreement and neither did a HCD spot check based on OMB/CDBG rules. HCD did over-reimburse the agency (\$698 over on Operations; \$2,639.84 on the Hotline) on both contracts however the agency reimbursed the city.

Review of Procurement: A limited procurement review was conducted. Costs reimbursed were for eligible costs. As a reminder if any federal grant funds are used to purchase eligible items and services 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: Approximately 2,000 "beneficiaries" would be served according to the Housing Hotline agreement. In FY08/09 approximately 1,800 households were actually served which would make the individual count approach 3,800. This is approximately 800 individuals higher than in the previous fiscal year.


Review of Client Files: HCD does not review call logs other than the master list for the Housing Hotline which provides the total number of calls and total served by those calls.

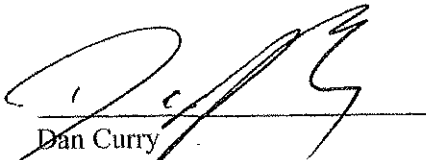
Review of Board Minutes: Minutes are maintained and are generally understandable including the minutes where the external annual audit was reviewed and accepted by the board (electronically to achieve a quorum).

Finding: It appears from the minutes that the meetings on 7/23/08, 9/24/08 and 1/14/09, were conducted without quorums. In addition on 9/24/08 (7 of 16 present) and 1/14/09 (6 of 15 present) the minutes say "a quorum was present".

Corrective Action: To avoid voting on motions without a quorum present. Since motions were made and approved by members present without quorums on three occasions please reply within 30 days from the date on this review and either confirm or refute the absence or existence of quorums for the above meetings.

Summary: It is HCD staff opinion that Greensboro Housing Coalition funding is an eligible and effective use of city Homelessness Prevention funding. The agency is a good resource for housing counseling and services. Records were generally understandable and there are no disqualifying financial concerns for future City funding. HCD staff appreciates the assistance provided during the monitoring visit by Greensboro Housing Coalition staff.


Michael Blair
Analyst Grants Compliance


Dan Curry
Acting Director HCD