



DATE: October 17, 2022
TO: Teresa Biffle, Interim Chief of Police
FROM: Internal Audit Division
SUBJECT: Elevator Modernization Grant
(No Response Required)

The Internal Audit Division has performed a review beginning on September 15, 2022 of the Elevator Modernization Grant. The Finance Accounting Unit for this Greensboro Police Department (GPD) Grant was (220-3595-01).

APPROVAL OF THE CITY COUNCIL:

An Ordinance was approved by the City Council on August 20, 2019 by numbers 19-0549/19-105 approving amending State, Federal, and Other Grants Fund Budget for a NC Drug Excise Tax Grant in the amount of \$138,000.00 for the GPD. The Budget Total for the Grant approved was for \$138,000.00.

PURPOSE:

The GPD received funds from the NC Department of Revenue Unauthorized Substances Tax proceeds in the amount of \$138,000.00. The GPD wishes to use the grant funds to upgrade the two elevators located at the GPD Headquarters building.

BACKGROUND:

The elevators at the GPD Headquarters building are in need of an overhaul as they have had numerous service complaints, repairs and outages. The elevators were last updated in the 1970's. The police is partnering with Engineering and Inspections for the project as the elevator modernization is not a budgeted event. The GPD will pay for 50% of the project, quoted at \$274,839.00 for the entire modernization.

The project was deemed as a critical and Assistant City Manager Kimberly Sowell agreed that Engineering and Inspections may issue an emergency/urgent purchase order/contract for rebuilding the mechanical components of the GPD Headquarters' elevator a cost of approximately \$275,000.00.

BUDGET IMPACT:

There is no adverse budgetary impact. The funds will be housed in account 220-3595-01.

RECOMMENDATION/ACTION REQUESTED:

It was recommended and requested that the City Council adopt the budget ordinance establishing funding in the amount of \$138,000.00 from the NC Department of Revenue Unauthorized Substances Tax Distribution funds for the use by the Greensboro Police Department.

BUDGET

The Elevator Modernization Grant Budget versus Actual is listed below:

Accounting Unit				Account	Description	Budget	Actual	Budget over/(Under) Actual
220	3595	01	6013		Buildings	138,000.00	135,036.49	2,963.51
Total Expenditures						138,000.00	135,036.49	2,963.51
220	3595	01	7123		State Drug Excise Tax	(138,000.00)	(138,000.00)	0.00
Total Revenue						(138,000.00)	(138,000.00)	0.00
Net Cost						0.00	(2,963.51)	2,963.51

OJECTIVES OF OUR REVIEW:

1. Obtain and review approval of City Resolutions and Ordinances.
2. Obtain and review budget and amendments
3. Review and test sample of expenditures paid to vendors in the total amount of \$135,036.49 which began on September 23, 2019 and ran through on September 22, 2020. Verify that the expenditures have appropriate documentation and are within contractual guidelines.
4. Verify that required reports are complete, accurate and submitted to the applicable Guidelines.
5. Prepare a Time Line of the Grant from the beginning to the end.
6. Summarize expended expenses of the Grant.
7. Inspect all capital equipment costing \$5,000.00 or more if any.

WHAT WE TESTED:

We examined selected financial transaction and program documentation for the GPD budgeted accounts for account 220-3595-01 for compliance with the Grant and assurance that program goals were achieved. We examined \$67,518.25 or 50.00% of the total expenditures in the amount of \$135,036.49. These expenses were maintained by the GPD through Fiscal Year Ending June 30, 2022. Of the total grant amount of \$138,000.00 only \$2,963.51 was not expended.

There weren't any capital equipment purchases with the Grant funds. However, we did inspect the modernization to the two elevators.

In regard to Revenue, we traced all one transaction posted to account number 220-3595-01.7123 to the General Ledger State Drug Excise Tax in the total amount of \$138,000.00.

The grant has not been closed by Finance as of this report date of October 17, 2022. Based on our review, it appears that the funds have been spent according to the terms of the Budget Ordinance with no exceptions noted.

We would like to thank Mr. Stephen Morrison, Grant Analyst; Ms. Stephanie Moore, Fiscal Administrator and the Staff of the City of Greensboro's Police Department 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: Larry Davis, Assistant City Manager
Trey Davis, Assistant City Manager
Stephen Morrison, Grant Analyst of the Greensboro Police Department
Stephanie Moore, Fiscal Administrator of the Greensboro Police Department
Marlene Druga, Director of Financial & Administrative Services