

Audit Summaries - Fiscal Year 2005-2006

Sisters of Charity of Saint Vincent De Paul Social Ministries, Inc. (SCV Ministries)- Program: HOPE: La Comunidad

Purpose

SCV became a Guilford County subrecipient of pass-through grant funding from the North Carolina Governor's Crime Commission in July 2003. This faith-based 501(c)(3) nonprofit operates a program aimed at reducing crime and enhancing smooth social integration of Hispanics. The final Guilford County pass-through grant for this agency was \$169,816 for fiscal year ending June 30, 2004. The purpose of the audit was to verify contract and grant compliance, examine the appropriateness and accuracy of reimbursements, and compare the agency to established not-for-profit best management practices.

Results in Brief

We identified opportunities for improvement in the areas of contract compliance, requests for reimbursement, and best practices.

Faith Matters, Inc.

Purpose

Faith Matters has received Community Based Organization (CBO) funding from Guilford County since fiscal year 2003-04. This 501(c)(3) nonprofit organization provides assistance to low-income women trying to transition from welfare to work or to generally improve their lives through a structured one-to-one interfaith mentoring. The agency received \$15,000 in fiscal year 2004-05. The purpose of the audit was to verify contract compliance; evaluate the achievement of goals and objectives; examine appropriateness and accuracy of reimbursements; and compare the agency to established not-for-profit best management practices.

Results in Brief

We identified opportunities for improvement in the areas of contract compliance and best practices.

The North Carolina Shakespeare Festival, Inc. (NCSF)

Purpose

NCSF has received Community Based Organization (CBO) funding from Guilford County since fiscal year 2002-03. This 501(c)(3) tax-exempt corporation is a cultural, educational, and artistic resource that educates and entertains students and citizens with professional productions of the world's great plays. The Guilford CBO grant for fiscal year 2003-04 was \$45,000. The purpose of the audit was to verify contract compliance; evaluate the achievement of goals and objectives; examine the appropriateness and accuracy of reimbursements; and compare the agency to established not-for-profit best management practices.

Results in Brief

We identified a few potential improvements in contract compliance and best practices.

Deep River Fire Department #18

Purpose

Deep River Fire Department is a nonprofit corporation that contracted with Guilford County to provide fire and rescue services through a fire tax. Due to annexation of most of its district, the City of High Point took over operation of Deep River on July 1, 2005. The County will pay for fire protection services for remaining county residents via a contract with the City of High Point. The objective of the review was to evaluate the fire department's progression toward dissolution.

Results in Brief

We found the Board of Directors has discussed the possibility of using monies not expended in the closeout process to offset a potential tax increase from the City of High Point. The Board is anticipating making a one-time payment to the Benevolent Firefighter's Fund so qualified firefighters will be covered for life. Discussions have been held with the Department of Insurance regarding using Firemen's Relief Funds for a one-time payment to the Benevolent Firefighter's Fund.

Franklin Boulevard Fire District #14

Purpose

Fire District #14 is a nonprofit corporation that contracted with Guilford County to provide fire and rescue services through a fire tax. Due to annexation of most of its district, the City of Greensboro took over operation of Fire District #14 on July 1, 2005. The County will pay for fire protection services for remaining county residents via a contract with the City of Greensboro. The objective of the review was to evaluate the fire department's progression toward dissolution.

Results in Brief

We found the Board of Directors has discussed the possibility of using monies not expended in the closeout process to offset a potential tax increase from the City of Greensboro. They are anticipating making a one-time payment to the Benevolent Firefighter's Fund so qualified firefighters will be covered for life. Discussions have been held with the Department of Insurance regarding using Firemen's Relief Funds for a one-time payment to the Benevolent Firefighter's Fund.

Oak Ridge Fire and Rescue Company, Inc.

Purpose

Oak Ridge Fire and Rescue Company is a nonprofit corporation that contracts with Guilford County to provide fire and rescue services to a population of approximately 5,800 in a suburban 25 square-mile area of Guilford County. The purpose of the audit was to examine board oversight and policies and procedures pertaining to inventory, fixed assets, accounts payable, payroll, purchasing and budgeting.

Results in Brief

We identified a few potential improvements in board oversight, inventory listings, accounts payable, and budgeting.

Pleasant Garden Fire Department, Inc.**Purpose**

Pleasant Garden is a 501(c)(4) nonprofit corporation that contracts with Guilford County to provide fire and rescue protection to the Town of Pleasant Garden and the surrounding area. The district is approximately 29 square miles and is mainly residential with a population of 10,750 persons. The purpose of the audit was to examine long-range planning, financial reporting, board oversight, budgetary data, fixed asset management, and policies and procedures.

Results in Brief

We identified a few potential improvements in the areas of long-range planning, financial reporting, board oversight, and policies and procedures.

Alcohol and Drug Services

Purpose

Alcohol & Drug Services (ADS) is a private nonprofit agency providing substance abuse education, prevention, and treatment services to residents of Guilford County and surrounding areas. In fiscal year 2005-06, Guilford County provided 44% of its funding, totaling over \$2.4 million. Most of this was through contracts with the Guilford Center. The purpose of the audit was to evaluate the current position of ADS as the largest substance abuse treatment provider in Guilford County; verify the timeliness of the agency's deposits; examine agency billing practices to the Guilford Center; and determine if ADS is maximizing revenues.

Results in Brief

We found that the last few years have been challenging for ADS because of new billing procedures and increased competition. We identified opportunities for improvement in the areas of performance measurement, marketing, cash handling, billing practices, and revenue maximization.

County-Wide Cash, Inventory, and Accounts Receivable Verification

Purpose

The purpose of this audit was to verify and establish accountability for 59 petty cash and change fund accounts assigned to various departments; Facilities and Incentive Council inventories; and accounts receivable accounts for Public Health, The Guilford Center, and Emergency Services.

Results in Brief

Overall, the values of these accounts were fairly reflected in the county's records.

Department of Social Services Voucher Testing

Purpose

The Guilford County Department of Social Services (DSS) uses ONECase software to automate client case notes and have one central repository for documentation. This system also supports vouchering of approved applications for assistance, payments to vendors, and electronic interface to the county finance system. There are 23 fund sources or programs from which vouchers can be issued. Two of the larger programs are Work First and Emergency Assistance. Work First reduces dependence on public assistance through supporting persons to become gainfully employed and self-supporting. Vouchers are issued based on client needs, mainly in connection to job training or gaining and maintaining employment. Vouchers for the Emergency Assistance program are to provide short-term assistance to citizens in crisis when no other funds are available to prevent homelessness, placement of children out of the home, or further risk to health or crisis. The purpose of this audit was to test a sample of vouchers for the Work First and Emergency Assistance programs for proper procedures, approvals, and required ONECase documentation and to determine security features of the ONECase system that maintain and protect sensitive client information.

Results in Brief

We identified opportunities for improvement in the area of documentation.

Guilford Center Accounts Receivable (A/R) Write-offs**Purpose**

The Guilford Center operates a decentralized accounts receivable system for its department. The purpose of this audit was to determine if the current write-off policy for the Guilford Center's A/R was adequate and if current policies were effective in the manner in which they were being carried out.

Results in Brief

We identified potential improvements in the effectiveness and adequacy of the Guilford Center A/R policy.

Public Health Department Review of Department Revenues: Child Health, Health Promotion/Disease Prevention or Adult Health, and Women's Health**Purpose**

Within the three divisions reviewed are programs including health education, child service coordination, childhood immunizations, dental services, adult immunizations, international travel, refugee health care, communicable diseases program, maternity care services, sterilization program, and family planning. The associated program support was also included in our review. Child Health spent \$9.5 million in fiscal year 2004-05. Approximately 53% of the funding was county dollars, the rest was from the federal and state level, client fees, and other sources. Adult Health spent \$6.6 million in the same year. Approximately 63% of the funding was county dollars, the rest was from other sources. Women's Health spent \$7.7 million. About 27% of this was county dollars, the rest was from other sources. The objective of the audit was to determine the source of revenue for the programs in the Public Health Department, examine grant management, and assess the billing and collection function.

Results in Brief

We identified opportunities for improvement in grant management and in billing and accounts receivable.

Substance Abuse Inventory of Direct and Indirect Services Provided by Guilford County**Purpose**

Substance abuse is a pressing issue in Guilford County. The Guilford County Substance Abuse Coalition formed in 2002 has recently completed a needs assessment. The purpose of this review was to identify the costs of substance abuse identified by the Substance Abuse Coalition and others to various departments, to determine what was spent by the county for substance abuse treatment in fiscal year 2004-05, and identify programs currently funded by Guilford County.

Results in Brief

We identified programs in the Guilford Center, Social Services, Law Enforcement, and Court Alternatives. The county also makes in-kind contributions by providing facilities to Alcohol & Drug Services, a nonprofit that provides substance abuse services and by providing office space for the drug court. In addition, Public Health addresses substance abuse through various programs.