

**METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY**



February 21, 2008

Lawson Allen, Chair  
**Friends of Warner Parks**  
50 Vaughn Rd  
Nashville, TN 37221

Dear Mr. Allen:

Staff from the Office of Financial Accountability (OFA) conducted an onsite review of the supporting documentation and the compliance with the provisions of the contract of the Council Initiative Award to the Friends of Warner Parks on December 17, 2007. Our review covered only the expenditures for the following contract with the Metropolitan Government of Nashville and Davidson County (Metro) for the fiscal year ending June 30, 2007:

<u>Contract No.</u>	<u>Contract Award</u>	<u>Purpose</u>
L-1837	\$15,000.00	To provide for a portion of the costs for a large footbridge across the creek behind the Nature Center.

A monitoring review is substantially less in scope than an audit. The OFA did not audit the Friends of Warner Parks' financial statements and, accordingly, does not express an opinion or any assurances regarding the financial statements of the Friends of Warner Parks. The monitoring review was conducted in accordance with the Metro Grants Manual.

**The review identified instances of non compliance which are addressed in the attached report. Please review and respond to the issues addressed in the report. Your response should be addressed to:**

Mr. Mike Curl, Finance Manager  
**Metropolitan Council**  
Metro Courthouse  
One Public Place, Suite 204  
P. O. Box 196300  
Nashville, TN 37219-6300

We appreciate the assistance provided by your agency during the course of the review. If you have any questions, please call me at (615) 880-1035.

Sincerely,

*Fred Adom*

Fred Adom, CPA  
Director

cc: Eleanor Willis, Executive Director  
Diane Neighbors, Vice Mayor  
Richard M. Riebeling, Director of Finance  
Talia Lomax-O'dneal, Deputy Director of Finance  
Gene Nolan, Deputy Director of Finance

**OFFICE OF FINANCIAL ACCOUNTABILITY**

Kim McDoniel, Chief of Accounts  
Mark Swann, Internal Audit  
Mike Curl, Metro Council Finance Manager  
Kevin Brown, Office of Financial Accountability



**Metropolitan Government of Nashville and Davidson County**

◆ **Monitoring Report of** ◆

***Metropolitan Government of Nashville and  
Davidson County***

*Council Initiative Direct Appropriation to:*

---

◆

**Friends Of Warner Parks**

**Conducted by**



**Office of Financial Accountability**

February 21, 2008

**FINANCIAL ACCOUNTABILITY**

AVENUE NORTH, SUITE 650 NASHVILLE, TENNESSEE 37201

Phone: 615-880-0135  
Fax: 615-862-6179

Monitoring Report  
for  
*Friends of Warner Parks*

---

Table of Contents

	<u>Pages</u>
Objectives, Scope and Methodology	5
Results of Monitoring	6

## OBJECTIVES, SCOPE AND METHODOLOGY

---

The Office of Financial Accountability (hereinafter referred to as “OFA”) has completed a monitoring review for the Friends of Warner Parks (hereinafter referred to as “agency”). The OFA conducted its monitoring review along the major compliance areas identified in the Office of Management and Budget (OMB) Circular A-133, “Audits of States, Local Governments, and Non-Profit Organizations” and in accordance with Generally Accepted Government Auditing Standards and the Metro Grants Manual of the Metro Nashville Government of Nashville and Davidson County (hereinafter referred to as “Metro”).

### **Overview of the Agency**

The Friends of Warner Parks is dedicated to the preservation, protection, and stewardship of Percy and Edwin Warner Parks. It works to protect the natural and historical integrity of the area by supporting appropriate recreational activities, maintaining and enhancing its features, and promoting programs that inspire appreciation and conservation of the Parks. The Friends of Warner Parks sponsors recreational events each year between April and September. During 2007, the agency sponsored a bike tour, a children’s picnic, some full moon picking parties, and a golf tournament. Monies raised by the events are utilized by the agency to support its mission of preservation, protection, and stewardship of Percy and Edwin Warner Parks.

### **Objectives, Scope, and Methodology**

A monitoring review is substantially less in scope than an audit. The OFA did not audit Friends of Warner Parks’ financial statements and, accordingly, does not express an opinion or any assurances regarding the financial statements of Friends of Warner Parks or Metro. The OFA is responsible for monitoring the direct appropriations awarded by the Metro Council to nonprofit organizations. The OFA is also responsible for monitoring Metro departments that receive Federal and State grants and financial assistance, including cooperative agreements. In summary, any agreement(s) that imposes performance and/or financial requirements on Metro Government is subject to review by the OFA.

The review was limited to the Council Initiative Award. The OFA did not review the other operations and/or expenditures of the agency. The objectives for the monitoring engagement were as follows:

- To verify the organization’s compliance with the contract requirements of the Council Initiative Award.
- To verify compliance with Metro requirements for allowable and eligible costs of the Council Initiative Award.
- To obtain assurance of the organization’s compliance with Metro’s reporting requirements of the Council Initiative Award.

To accomplish the objectives of the monitoring review, the OFA obtained and reviewed documentation from the agency in support of the expenditures for the award.

### **Monitoring Review Highlights**

The review of Friends of Warner Parks review revealed an instance of non-compliance which is addressed in the “Results of Monitoring” section that follows.

## RESULTS OF MONITORING

---

The overall results of the monitoring review for the Friends of Warner Parks award are provided in this section. The results are based on tests performed and include conclusions regarding the specific review objectives and, if applicable, recommendations for improvement and an action plan for implementing the conclusions.

### **1. Agency incurred unallowable and ineligible costs**

#### **Finding**

The contract between Metro and the Friends of Warner Parks for the period ending June 30, 2007 required the grant award to be used to provide for a portion of the costs for a large footbridge across the creek behind the nature center. The Friends of Warner Parks requested that Pioneer Log Systems, Inc. construct the footbridge for a total cost of \$10,500.00. As a result of the footbridge only costing \$10,500.00, the agency utilized the remaining \$4,500.00 of grant funds for stonework in another section of the park not related to the footbridge, which was not authorized per the grant contract.

Our review indicates the total costs break down of the project was as follows:

<u>Grant Spending Plan Line</u> <u>Items</u>	<u>Budget</u>	<u>Actual Expenditures</u>
Footbridge	<u>\$15,000.00</u>	<u>\$10,500.00</u>
Total	<b>\$15,000.00</b>	<b>\$10,500.00</b>

Since the agency did not utilize the funds in accordance with the terms of the award, it is determined that the \$4,500.00 expenditure for stonework to be unallowable and ineligible costs per the grant contract.

#### **Recommendation**

The OFA recommends that Friends of Warner Parks reimburse Metro Nashville Government \$4,500 immediately for the portion of the grant not used toward the purpose of the award.