



Leslie W. Merritt, Jr., CPA, CFP
State Auditor

STATE OF NORTH CAROLINA
Office of the State Auditor

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April 25, 2008

Mr. Ralph E. Capps, President/CEO
Boys and Girls Club of Wake County, Inc.
701 N. Raleigh Blvd.
Raleigh, NC 27610

RE: State Grants from the Department of Health and Human Services
State Fiscal Year 2005, \$ 800,737
State Fiscal Year 2006, \$1,693,242
State Grant from the Department of Juvenile Justice and Delinquency Prevention
State Fiscal Year 2005, \$ 400,000
State Fiscal Year 2006, \$ 400,000

Overview: The Boys and Girls Club of Wake County, Inc. assists youth of all backgrounds, with special focus on those from disadvantaged conditions, to develop the qualities to become responsible productive citizens. It receives the following grants:

NC Department of Health and Human Services-Division of Social Services:

These funds are to provide after school activities focused on disadvantaged youth to improve academic, social, and recreational skills to reduce school drop out, teen pregnancies, and HIV/AIDS prevention.

NC Department of Health and Human Services-Division of Public Health: These grants are provided under the USDA Child and Adult Care Food Program. Their purpose is to provide nutritious meals and snacks to eligible children and adults who are enrolled in participating child care centers, day care homes, and adult care centers.

NC Department of Juvenile Justice and Delinquency Prevention: This grant provides funding to serve youth ages 6-18 who have been identified to be at risk by courts, law enforcement, and schools. Programs address academic and health education needs.

Dear Mr. Capps:

We have completed an examination of grant funds, encompassing certain procedures¹ as described below. This examination related to management of state grant funds by the Boys and Girls Club of Wake County, Inc. and was conducted between September 24, 2007 and April 18, 2008. We examined grant records at four of the Club's 43 locations: the headquarters office in Raleigh and

¹ These procedures do not constitute an audit, examination, or a review as described in professional standards governing those types of services. Furthermore, our procedures were not agreed upon by you or any third party. Our procedures do not provide a basis for providing any level of assurance regarding internal control, compliance or financial management and should not be relied upon for that purpose.

at Boys and Girls Club locations in Goldsboro, Roanoke Rapids, and Washington North Carolina.

Our objective was to identify whether or not deficiencies in internal control, instances of noncompliance with laws, regulations, and/or deficiencies in the management of financial resources existed. North Carolina statutes authorize the Office of the State Auditor to have ready access to all records related to State and Federal funds. See N.C.G.S. § 147-64.7(a).

Our procedures included, but were not limited to, interviewing personnel; examining accounting and other grant records for the purpose of identifying state grant transactions; reviewing available policies and procedures; and reviewing available board minutes.

The results of the examination did not disclose internal control deficiencies, instances of noncompliance and/or other matters of concern. Since no significant matters of concern were detected, we do not require a response from your entity.

This letter will be published on-line at www.ncauditor.net. You and others who are interested in the publication should register on the web site to receive an email notification and a link to the publication as soon as it is available.

This letter is intended solely for the information and use of the management of the Boys and Girls Club of Wake County, Inc., the Governor, the General Assembly, and grantor agencies and is not intended to be and should not be used by anyone other than these specified parties.

Sincerely,



Leslie W. Merritt, Jr., CPA, CFP
State Auditor

LWMjr/rfm

CC: Secretary George L. Sweat
Department of Juvenile Justice and Delinquency Prevention
Secretary Dempsey Benton
Department of Health and Human Services
Ms. Laketha Miller, Controller
Department of Health and Human Services