

KARL DEAN
MAYOR



METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

DEPARTMENT OF FINANCE
OFFICE OF FINANCIAL ACCOUNTABILITY
222 THIRD AVENUE NORTH, SUITE 650
NASHVILLE, TENNESSEE 37201

October 5, 2007

Mr. Nathan Massey, Board Chair
Discover Madison, Inc.
301 Madison Street
Nashville, TN 37115

Dear Mr. Massey:

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 *Discover Madison, Inc.*, on 10/03/2007. Our review covered only the expenditures for following contracts with the Metropolitan Government of Nashville and Davidson County (Metro) for the fiscal year ending June 30, 2007:

Contract	Amount	Purpose
L-1807	\$27,000.00	Placement, Restoration, and Rehabilitation of the Amqui Station Depot.
L-1808	\$5,000.00	Placement, Restoration, and Rehabilitation of the Amqui Station Depot.

Our monitoring objectives were as follows:

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

A monitoring review is substantially less in scope than an audit. The OFA did not audit the *Discover Madison, Inc.*'s financial statements and, accordingly, does not express an opinion or any assurances regarding the financial statements of Metro or the *Discover Madison, Inc.* The monitoring review was conducted in accordance with the Metro Grants Manual and was limited to the specific expenditures of the Council Initiative awards. The OFA did not review the agency's expenditures and operations that do **not** relate to the Council award.

There were no instances of noncompliance identified during the monitoring review. The OFA noted that the agency received the entire grant award of \$32,000.00 from Metro. **As of the date of fieldwork, the agency had expended \$13,853.68 (43%) of grant funds towards the project leaving a current balance of \$18,146.32 in unearned revenue.** The agency has not expended the full amount of the grant award as a consequence of the agency receiving the funding late in the fiscal year and the nature of the project. According to agency staff, the remaining amount will be expended by calendar year end. Consequently, the OFA will conduct a subsequent review for the remaining balance of \$18,146.32.

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: Ms. Debbie Pace, Executive Director
Diane Neighbors, Vice Mayor
Gene Nolan, Acting Director of Finance
Talia Lomax-O'dneal, Deputy Director of Finance
Kim McDoniel, Chief of Accounts
Mark Swann, Internal Audit
Mike Curl, Metro Council Finance Manager
Bill Walker, Office of Financial Accountability