



CITY OF ST. LOUIS

AFFORDABLE HOUSING COMMISSION (AHC)

**INTERFAITH RESIDENCE – DBA DOORWAYS
HOUSING PROGRAMS
CONTRACT #47-14G**

**FISCAL MONITORING REVIEW
APRIL 1, 2014 THROUGH MARCH 31, 2015**

PROJECT #2015-AH04

DATE ISSUED: NOVEMBER 5, 2015

**Prepared by:
The Internal Audit Section**



OFFICE OF THE COMPTROLLER

HONORABLE DARLENE GREEN, COMPTROLLER



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November 5, 2015

Opal Jones, Executive Director
Interfaith Residence – DBA Doorways
4385 Maryland Avenue
St. Louis, MO 63108

RE: Doorways Housing Programs (Project #2015-AH04)

Dear Ms. Jones:

Enclosed is a report of the fiscal monitoring review on the Doorways Housing Programs (Doorways) for the period April 1, 2014 through March 31, 2015. The scope of a fiscal monitoring review is less than an audit, and as such, we do not express an opinion on the financial operations of Doorways. Fieldwork was completed on October 22, 2015.

This review was made under the authorization contained in Section 2, Article XV, of the Charter, City of Saint Louis, as revised and through agreement with the Affordable Housing Commission to provide fiscal monitoring to all grant sub-recipients. The review was conducted in accordance with the *International standards for the Professional Practice of Internal Auditing*.

If you have any questions, please contact the Internal Audit Section at (314) 657-3490.

Respectfully,

Dr. Ishmael Ikpeama
Internal Audit Supervisor

Enclosure

CC: April Ford Griffin, Executive Director, Affordable Housing Commission

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SUMMARY

Background

Contract Name: Doorways Housing Programs
Contract Number: 47-14G
Contract Period: April 1, 2014 through March 31, 2015
Contract Amount: \$202,000

The contract provided funds from the Affordable Housing Commission (AHC) Trust Fund for the following Doorways Programs:

- The Own Home Program provides housing information services as well as emergency housing rent, mortgage, utility and deposit assistance to clients living with HIV/AIDS and their families.
- The Residential Program provides subsidized housing in Doorways-managed units to individuals in household affected by HIV/AIDS in which 60% receives assistance in the form of supportive services.
- The Cooper House - Doorways Supportive Housing Facility provides secure housing and 24-hour nursing care to clients with HIV/AIDS and funds for food assistance.

Purpose

The purpose of the review was to determine Doorway's compliance with federal, state, and local AHC requirements for the period of April 1, 2014 through March 31, 2015, and make recommendations for improvements, as considered necessary.

Scope and Methodology

Inquiries were made regarding Doorways' internal controls related to the contract administered by the AHC. Evidence supporting the reports submitted by Doorways was tested and other procedures were performed, as considered necessary.

Status of Prior Observations

No observations were noted in the previous fiscal monitoring review of Doorways.

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SUMMARY

Summary of Current Observations

Maintain all lease agreements to support eligibility for housing assistance

Conclusion

The Agency did not fully comply with federal and local AHC requirements.

Management's Response and Exit Conference

Management agreed with the recommendation and declined an exit conference.

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DETAILED OBSERVATIONS, RECOMMENDATIONS, AND MANAGEMENT'S RESPONSES

1. Maintain All Lease Agreements to Support Eligibility for Housing Assistance

The Internal Audit Section selected a sample of fifteen (15) of Doorways' clients to test eligibility for housing assistance. Part of the eligibility test included a review for valid lease agreements. Internal Audit found that Doorways did not maintain a copy of a lease for one of the sample clients selected.

Section B-6 of the AHC contract requires that for clients to be determined eligible for assistance, there must be a valid and active lease. In addition, Chapter 24, Section 578.51 of Code of Federal Regulations requires that program participants must enter into a lease agreement for a term of at least one year for project-based, sponsor-based, or tenant-based programs. Program participants in transitional housing must enter into a lease agreement for a term of at least one month. The lease must be automatically renewable upon expiration up to a maximum term of 24 months.

Internal Audit learned that the client was offered an apartment for \$450 per month with a \$300 deposit; however, a copy of the lease was not retained on file by Doorways. As a result, Doorways did not fully comply with federal and local AHC requirements. Doorways was reimbursed \$219 for providing assistance to the client.

Recommendation

The Internal Audit Section recommends that the Agency maintains all documentation to ensure compliance with the contract and federal regulations.

Management's Response

Management agreed.