



OFFICE OF THE COMPTROLLER  
CITY OF ST. LOUIS



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December 27, 2017

Mr. Charles Hahn, Controller SLDC  
1520 Market Street, Suite 2000  
St. Louis, MO 63103

RE: Follow-up Review, Expenditure Review (Project #2015-ER05)

Dear Mr. Hahn:

We have conducted a limited follow-up review on the Expenditure Review report, (Project #2015-ER05), issued September 17, 2015. This follow-up review was made under authorization contained in Article XV, Section 2 of the Charter, City of St Louis, as revised, and conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*.

A limited follow-up review does not necessarily involve detailed testing of verification but instead relies on communication with department's management and staff, as well as limited observations.

The purpose of this follow-up review is to determine the status of the recommendations made in the report issued September 17, 2015, as of November 30, 2017.

We determined that the following observations have been resolved:

**1. Improve Controls Over Invoices (Resolved)**

The St. Louis Development Corporation (SLDC) has complied with this observation and recommendations. SLDC submitted to Internal Audit Section, invoice payments date-stamped, January 26, 2017 and October 27, 2017.

**2. Follow City Procurement Policies (Resolved)**

The SLD provided Internal Audit Section a copy of its procurement policy for "Request for Proposals" for Legislative and Government Relations, Consulting Services. This was in compliance with St Louis City Ordinance #64102. The procurement policy included the following:

- Scope of Services
- Proposal criteria (Statement of qualifications, Current assignments, Disclosure of potential conflict of interest, proposal evaluation and inquiries).



- Minutes of Selection committee meeting for a request for proposals for consulting services over \$5,000.
- Resolution #16-PT-16, approving contract by and between the Port Authority of the City of St. Louis and Brown and Associates for Government and Public Relations.

**3. Obtain and document Approval for Expenditure Budget Revision (Resolved)**

A copy of formal budget revision dated August 25, 2016, and approval by the Budget Director was provided to IAS showing the department's compliance with the observation and recommendation.

If you have any questions, please contact Internal Audit Section at (314) 657-3454

Respectfully,



Ishmael Ikpeama, Ph. D  
Internal Audit Supervisor