



OFFICE OF THE COMPTROLLER  
CITY OF ST. LOUIS



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Comptroller

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DR. KENNETH M. STONE, CPA  
Internal Audit Executive

FILE COPY

November 2, 2012

Frank Oswald, Executive Director  
City Building Division  
1220 Market St.  
St. Louis, MO 63101

RE: Community Development Block Grant (CDBG) and Lead Hazard Reduction  
Demonstration Grant (LHRD) (Project #2012-CDA43)

Dear Mr. Oswald:

Enclosed is a report of the fiscal monitoring review of the City Building Division, a not-for-profit organization, CDBG and LHRD Programs, for the period January 1, 2011, through December 31, 2011. 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 City Building Division. Fieldwork was completed on August 22, 2012.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised, and has been conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing* and through an agreement with the City of St. Louis, Community Development Administration (CDA) to provide fiscal monitoring to all grant sub-recipients.

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

Respectfully,

Dr. Kenneth M. Stone, CPA  
Internal Audit Executive

Enclosure

cc: Jill Claybour, Acting Executive Director, CDA  
Lorna Alexander, Special Assistant for Development, CDA



# CITY OF ST. LOUIS

**COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)  
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)  
LEAD HAZARD REDUCTION DEMONSTRATION GRANT (LHRD)**

**CITY BUILDING DIVISION  
CONTRACT #11-36-20, #11-LHRD-04, #11-LHRD-03  
AND #11-LHRD-01  
CFDA #14.218 AND #14.905**

**FISCAL MONITORING REVIEW**

**JANUARY 1, 2011 THROUGH DECEMBER 31, 2011**

**PROJECT #2012-CDA43**

**DATE ISSUED: NOVEMBER 2, 2012**

**Prepared by:  
The Internal Audit Section**



# OFFICE OF THE COMPTROLLER

**HONORABLE DARLENE GREEN, COMPTROLLER**

**CITY OF ST. LOUIS  
COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)  
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)  
LEAD HAZARD REDUCTION DEMONSTRATION GRANT (LHRD)  
CITY BUILDING DIVISION  
FISCAL MONITORING REVIEW  
JANUARY 1, 2011 THROUGH DECEMBER 31, 2011**

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## INTRODUCTION

### Background

**Contract Name:** City Building Division.

**Contract Numbers:** 11-36-20, 11-LHRD-04, 11-LHRD-03, 11-LHRD-01

**Contract Periods:** January 1, 2011 through December 31, 2011 (11-36-20)  
November 1, 2011 through October 31, 2014 (11-LHRD-04)  
November 1, 2011 through October 31, 2014 (11-LHRD-03)  
November 1, 2011 through October 31, 2014 (11-LHRD-01)

**CFDA Numbers:** 14.218  
14.905

**Contract Amounts:** \$288,135 (#11-36-20)  
\$1,916,455 (#11-LHRD-04)  
\$584,290 (#11-LHRD-03)  
\$499,255 (#11-LHRD-01)

These contracts provided Community Development Block Grant (CDBG) and Lead Hazard Reduction Demonstration Grant (LHRD) funds to the City Building Division, (Agency) to provide assistance to low and moderate income homeowners, preserve the viability of their homes and systematically address emergency repair needs, bring homes up to current health and safety building code compliance, and control or abate lead hazards.

### Purpose

The purpose of the review was to determine the Agency's compliance with federal, state and local Community Development Administration (CDA) requirements for the period January 1, 2011, through December 31, 2011, and make recommendations for improvements as considered necessary.

### Scope and Methodology

Inquiries were made regarding the Agency's internal controls relating to the grant administered by the CDA. Evidence was tested supporting the reports the Agency submitted to CDA and other procedures were performed as considered necessary. Fieldwork was completed on August 22, 2012.

### Exit Conference

The Agency was offered the opportunity for an exit conference on October 31, 2012, but the Agency declined.

## SUMMARY OF OBSERVATIONS

### **Conclusion**

No evidence was found to suggest that the Agency did not fully comply with federal, state and local CDA requirements.

### **Status of Prior Observations**

The Agency's previous fiscal monitoring report, Project #2009-CDA53 issued December 18, 2009, noted two observations.

1. Opportunity to submit monthly financial reports in accordance with the contract provisions (**Resolved**)
2. Opportunity to operate within the provision of the contract budget (**Resolved**)

### **A-133 Status**

The Agency is City Department and is covered under the City of St. Louis' single audit OMB Circular A-133.

### **Summary of Current Observations**

There were no current observations