CITY OF ST. LOUIS

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

CITY BUILDING DIVISION
CONTRACTS #12-36-20, #11-LHRD-04, #11-LHRD-03
AND #11-LHRD-01
CFDA #14.218 AND #14.905

FISCAL MONITORING REVIEW

JANUARY 1, 2012 THROUGH DECEMBER 31, 2012

PROJECT #2013-CDA30

DATE ISSUED: JUNE 6, 2013

Prepared by:
The Internal Audit Section

OFFICE OF THE COMPTROLLER

HONORABLE DARLENE GREEN, COMPTROLLER

OFFICE OF THE COMPTROLLER
CITY OF ST. LOUIS

Internal Audit Section

DARLENE GREEN
Comptroller

DR. KENNETH M. STONE, CPA
Internal Audit Executive

1520 Market St., Suite 3005
St. Louis, Missouri 63103-2630
(314) 657-3490
Fax: (314) 552-7670

FILE COPY

June 6, 2013

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 #2013-CDA30)

Dear Mr. Oswald:

Enclosed is a report of the fiscal monitoring review of the City Building Division, a municipal agency, CDBG and LHRD Programs, for the period January 1, 2012, through December 31, 2012. 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 the City Building Division. Fieldwork was completed on May 30, 2013.

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,

Kenneth M. Stone

Dr. Kenneth M. Stone, CPA, CGMA
Internal Audit Executive

Enclosure

cc: Jill Claybour, Acting Executive Director, CDA
Lorna Alexander, Special Assistant for Development, CDA
Cerese Pennington, Program Monitor, CDA

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, 2012 THROUGH DECEMBER 31, 2012

TABLE OF CONTENTS

Description	Page(s)
INTRODUCTION	
Background	1
Purpose	1
Scope and Methodology	1
Exit Conference	1
SUMMARY OF OBSERVATIONS	
Conclusion	2
Status of Prior Observations	2
A-133 Status	2
Summary of Current Observations	2

INTRODUCTION

Background

Contract Name: City Building Division.

Contract Numbers: 12-36-20, 11-LHRD-04, 11-LHRD-03, 11-LHRD-01

Contract Periods: January 1, 2012 through December 31, 2012 (12-36-20)
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: $267,933 (#12-36-20)
$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, 2012, through December 31, 2012, 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 May 30, 2013.

Exit Conference

The Agency was offered the opportunity for an exit conference on June 6, 2013, 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 #2012-CDA43 issued November 2, 2012, noted no observation.

A-133 Status

The Agency is a 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