CITY OF ST. LOUIS

COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)

NORTH NEWSTEAD
CONTRACT #12-31-54
CFDA #14.218

FISCAL MONITORING REVIEW

JANUARY 1, 2012 THROUGH OCTOBER 31, 2012

PROJECT #2013-CDA20

DATE ISSUED: JUNE 24, 2013

Prepared by:
The Internal Audit Section

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FILE COPY

June 24, 2012

Terrell Carter, Executive Director
North Newstead
4601 Pope
St. Louis, MO 63115

RE: Community Development Block Grant (CDBG) (Project #2013-CDA20)

Dear Mr. Carter:

Enclosed is a report of the fiscal monitoring review of North Newstead, a not-for-profit organization, CDBG Program, for the period January 1, 2012 through October 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 North Newstead. Fieldwork was completed on May 8, 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

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INTRODUCTION

Background

Contract Name: North Newstead

Contract Number: 12-31-54

Contract Period: January 1, 2012 through October 31, 2012

CFDA Number: 14.218

Contract Amount: $168,119

This contract provided Community Development Block Grant (CDBG) funds to North Newstead (Agency) to combat physical deterioration in the Penrose and O'Fallon neighborhoods.

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 October 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 Community Development Administration (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 8, 2013.

Exit Conference

An exit conference was offered to the Agency on June 21, 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 #2011-CDA29, issued August 4, 2011, contained no observations.

A-133 Status

According to a letter received from the Agency dated September 12, 2012, it did not expend $500,000 or more in federal funds during its last calendar year ended December 31, 2011; therefore, the Agency was not required to have an A-133 audit.

Summary of Current Observations

There were no current observations.