CITY OF ST. LOUIS

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

ST. LOUIS BOARD OF EDUCATION
CONTRACT #12-10-60
CFDA #14.218

FISCAL MONITORING REVIEW

JANUARY 1, 2012 THROUGH SEPTEMBER 30, 2012

PROJECT #2013-CDA15

DATE ISSUED: JUNE 10, 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 10, 2013

John Windom, Executive Director
St. Louis Board of Education
800 North 11th Street
St. Louis, MO 63101

RE: Community Development Block Grant (CDBG) (Project #2013-CDA15)

Dear Mr. Windom:

Enclosed is a report of the fiscal monitoring review of the St. Louis Board of Education, a municipal agency, CDBG Program, for the period January 1, 2012, through September 30, 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 St. Louis Board of Education. Fieldwork was completed on May 17, 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

CITY OF ST. LOUIS
COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
ST. LOUIS BOARD OF EDUCATION
FISCAL MONITORING REVIEW
JANUARY 1, 2012 THROUGH SEPTEMBER 30, 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: St. Louis Board of Education

Contract Number: 12-10-60

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

CFDA Number: 14.218

Contract Amount: $372,000

This contract provided Community Development Block Grant (CDBG) funds to the St. Louis Board of Education (Agency) to enhance the positive interaction between the school district and the broader community by providing a wide range of experiences for persons of all ages. A sampling of services and programs will be offered for youth and adults at 10 strategically located hubs within a geographical region. Each location will provide the following: educational achievement classes, vocational education training, literacy/reading opportunities, linkages to social services, leadership development activities, summer enrichment offerings, neighborhood stabilization experiences, senior citizen programming, recreation, and organized sports.

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 September 30, 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 17, 2013.

Exit Conference

An exit conference was offered to the Agency on June 7, 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, #2012-CDA25, issued February 28, 2012, contained no observations.

A-133 Status

The agency expended $500,000 or more in federal funds during its last fiscal year ended June 30 2012; therefore, the Agency was required to have a single audit in accordance with OMB Circular A-133.

The report was dated December 28, 2012 and rendered unqualified opinions on both the general purpose financial statements as well as the report issued on compliance for major programs. There were material weaknesses identified but no significant deficiencies identified that were considered to be material weaknesses to the financial statements.

There were material weaknesses and significant deficiencies identified for major federal awards. There were audit findings disclosed that are required to be reported in accordance with section 510 (a) of OMB Circular A-133, but did not apply to the CDBG funds passed through the City of St. Louis.

The Agency did not qualify as a low-risk auditee.

Summary of Current Observations

There were no current observations.