

FILE COPY

DARLENE GREEN
Comptroller



OFFICE OF THE COMPTROLLER
CITY OF ST. LOUIS



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February 26, 2007

Gary Morse, Ph.D., Executive Director
Community Alternatives
3738 Chouteau Ave. Suite 200
St. Louis, MO 63110

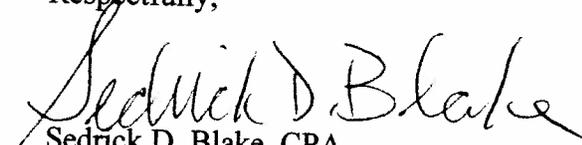
RE: Fiscal Monitoring Report of Community Alternatives (Project #2007-DOH15)

Dear Dr. Morse:

Enclosed is a report of our fiscal monitoring review of Community Alternatives (Contract #HD-06-38 and #HD-06-49) for the period March 1, 2006 through February 28, 2007. The scope of a fiscal monitoring review is substantially less than an audit, and as such, we do not express an opinion on the financial operations of Community Alternatives. Our fieldwork was completed on February 6, 2007.

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 Department of Health (DOH) to provide fiscal monitoring to all grant sub-recipients. If you have any questions, please contact Charles Schroeder at (314) 589-6113.

Respectfully,


Sedrick D. Blake, CPA
Audit/Fiscal Executive

Enclosure

cc: David Fagala, Fiscal Manager, City of St. Louis Department of Health
Laura McCallister, CFO, Community Alternatives



CITY OF ST. LOUIS

DEPARTMENT OF HEALTH (DOH)

*COMMUNITY ALTERNATIVES
RYAN WHITE TITLE 1
CONTRACT #HD-06-38 AND #HD-06-49*

FISCAL MONITORING REVIEW

MARCH 1, 2006 THROUGH FEBRUARY 28, 2007

PROJECT #2007-DOH15

DATE ISSUED: FEBRUARY 26, 2007

*Prepared by:
The Internal Audit Section*



OFFICE OF THE COMPTROLLER

Honorable Darlene Green, Comptroller

**CITY OF ST. LOUIS
DEPARTMENT OF HEALTH (DOH)
COMMUNITY ALTERNATIVES
CONTRACT #HD-06-38 AND #HD-06-49
FISCAL MONITORING REVIEW
MARCH 1, 2006 THROUGH FEBRUARY 28, 2007**

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**CITY OF ST. LOUIS
DEPARTMENT OF HEALTH (DOH)
COMMUNITY ALTERNATIVES
CONTRACT #HD-06-38 AND #HD-06-49
FISCAL MONITORING REVIEW
MARCH 1, 2006 THROUGH FEBRUARY 28, 2007**

INTRODUCTION

Background

Contract Name: Community Alternatives
Contract Number: HD-06-38 and HD-06-49
Contract Period: March 1, 2006 through February 28, 2007
Contract Amount: \$132,000.00

The contract provided U.S. Department of Health and Human Services, Health Resources and Services Administration and Ryan White CARE Act – Titles 1 and II funds through the City of St. Louis Department of Health (DOH) to Community Alternatives for delivery of specialized mental health/substance abuse care coordination case management services. Under the contracts, the Agency provides services to residents with human immunodeficiency virus (HIV) living within the Health Resources and Services Administration's (HRSA) geographic area of the St. Louis Eligible Metropolitan Area (EMA). This includes the City of St. Louis as well as the counties of Franklin, Jefferson, Lincoln, St. Louis, St. Charles and Warren counties in Missouri.

Purpose

The purpose of our review was to determine if Community Alternatives complied with federal, state and local DOH requirements for the period March 1, 2006 through February 28, 2007, and make recommendations for improvements.

Scope and Methodology

We made inquiries regarding Community Alternatives' internal controls relating to the grants administered by the City of St. Louis Department of Health (DOH), tested evidence supporting the reports the Agency submitted to DOH and performed other procedures considered necessary. Our fieldwork was completed on February 6, 2007.

**CITY OF ST. LOUIS
DEPARTMENT OF HEALTH (DOH)
COMMUNITY ALTERNATIVES
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CONCLUSION AND SUMMARY OF OBSERVATIONS

Conclusion

We found no evidence to suggest that Community Alternatives did not comply with federal, state and local DOH requirements.

Status of Prior Observations

The Agency's most recent fiscal monitoring report dated May 19, 2006 identified no observations.

A-133 Status

The Agency's A-133 audit report for the year ended December 31, 2005 dated March 7, 2006 did not disclose any findings required to be reported in accordance with OMB Circular A-133. The A-133 Audit had no reportable conditions or instances of noncompliance for the year ended December 31, 2005. Internal Audit reviewed this report on April 25, 2006 and reconciled the report to City records and recommended that DOH accept the audit.

Summary of Current Observations

We noted no observations during our review.