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OFFICE OF THE COMPTROLLER  
CITY OF ST. LOUIS



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SEDRICK D. BLAKE, CPA  
Audit/Fiscal Executive

September 27, 2007

William F. Seidhoff, Director  
Department of Human Services (Homeless Division)  
634 N. Grand Boulevard  
St. Louis, MO 63103-1002

RE: Fiscal Monitoring Report of Department of Human Services (Homeless Division)  
St. Louis Regional Ten-Year Plan to End Homelessness, Contract #65-04SG  
(Project # 2007-AHC 14)

Dear Mr. Seidhoff:

Enclosed is a report of our fiscal monitoring review of Department of Human Services (Homeless Division) for St. Louis Regional Ten Year Plan to End Homelessness for the period November 1, 2004 through October 31, 2005.

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 Department of Human Services (Homeless Division). Our fieldwork was completed on July 9, 2007. Management response was received on September 18, 2007 and has been incorporated into the report.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised, and in accordance with the *International Standards for the Professional Practice of Internal Auditing* and through an agreement with the Affordable Housing commission (AHC) to provide fiscal monitoring to all grant sub-recipients. If you have any questions, please contact Ishmael Ikpeama at (314) 589-6113

Respectfully,

A handwritten signature in cursive script that reads "Sedrick D. Blake".

Sedrick D. Blake, MBA, CPA  
Audit/Fiscal Executive

cc: Angela Morton Conley, Executive Director, Affordable Housing Commission  
Patrick Brennan, Fiscal Manager, Department of Human Services



# CITY OF ST. LOUIS

*AFFORDABLE HOUSING COMMISSION*

*DEPARTMENT OF HUMAN SERVICES  
ST. LOUIS REGIONAL TEN YEAR PLAN TO END HOMELESSNESS  
CONTRACT #65-04SG*

*FISCAL MONITORING REVIEW*

*NOVEMBER 1, 2004 THROUGH OCTOBER 31, 2005*

*PROJECT #2007-AHC14*

*DATE ISSUED: SEPTEMBER 27, 2007*

*Prepared by:  
The Internal Audit Section*



# OFFICE OF THE COMPTROLLER

*HONORABLE DARLENE GREEN, COMPTROLLER*

**CITY OF ST. LOUIS  
AFFORDABLE HOUSING COMMISSION (AHC)  
DEPARTMENT OF HUMAN SERVICES (HOMELESS DIVISION)  
ST. LOUIS REGIONAL TEN YEAR PLAN TO END HOMELESSNESS  
CONTRACT #65-04SG  
FISCAL MONITORING REVIEW  
NOVEMBER 1, 2004 THROUGH OCTOBER 31, 2005**

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**CITY OF ST. LOUIS  
AFFORDABLE HOUSING COMMISSION (AHC)  
DEPARTMENT OF HUMAN SERVICES (HOMELESS DIVISION)  
ST. LOUIS REGIONAL TEN YEAR PLAN TO END HOMELESSNESS  
CONTRACT #65-04SG  
FISCAL MONITORING REVIEW  
NOVEMBER 1, 2004 THROUGH OCTOBER 31, 2005**

**INTRODUCTION**

**Background**

**Contract Name:** Department of Human Services (Homeless Division)

**Contract Number:** 65-04SG

**Contract Period:** November 1, 2004 through October 31, 2005

**Contract Amount:** \$25,000

The contract provided funds from the Affordable Housing Trust Funds through the Affordable Housing Commission enable Department of Human Services (Homeless Division) develop a regional 10 year plan to end homelessness.

**Purpose**

The purpose of this fiscal monitoring review was to determine Department of Human Services (Homeless Division) compliance with the terms and conditions of the contract for the period November 1, 2004 through October 31, 2005 for the contract and make recommendations for improvements.

**Scope and Methodology**

We made inquiries regarding Department of Human Services (Homeless Division) internal controls relating to the grant administered by the Affordable Housing Commission (AHC), tested evidence supporting the reports the Agency submitted to AHC and performed other procedures considered necessary. Our fieldwork was completed on July 9, 2007. Management response was received on September 18, 2007 and has been incorporated into the report.

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**CONCLUSION AND SUMMARY OF OBSERVATIONS**

**Conclusion**

Department of Human Services (Homeless Division) did not comply with the terms and conditions of the contract and local AHC requirements.

**Status of Prior Observations**

There was no prior fiscal monitoring review of Department of Human Services (Homeless Division) under this program.

**Summary of Current Observations**

We made recommendation for the following observation, which if implemented, could assist Department of Human Services (Homeless Division) in complying with the terms and conditions of the contract and local AHC requirements:

- Opportunity to ensure compliance with the contract agreement requirement pertaining to submission of quarterly financial reports.

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**DETAILED OBSERVATIONS, RECOMMENDATIONS AND  
MANAGEMENT'S RESPONSES**

**Opportunity to Ensure Compliance with the Contract Agreement Requirement Pertaining to Submission of Quarterly Financial Reports**

The contract agreement clearly stated that the Department of Human Services (Homeless Division) shall submit quarterly financial and programmatic reports to the Commission, no later than the tenth (10<sup>th</sup>) calendar day of the following quarter. It further stated that the Commission shall not process requests for reimbursement unless and until all reports required have been received.

Based on our review, Department of Human Services (Homeless Division) did not submit any quarterly financial reports. However, the Commission processed and disbursed reimbursements without receiving these reports.

The Commission did not require compliance with the contract agreement provision pertaining to submission of quarterly financial report from the Department of Human Services (Homeless Division).

Failure by the Department of Human Services (Homeless Division) to adhere to contract agreement requirements may be considered as non-compliance on the part of the agency.

**Recommendation**

The Commission should ensure compliance with contract agreement requirement by suspending the processing of reimbursement requests for agency/department that failed to submit the required quarterly reports.

**Management Response**

*The department of Human Services/Homeless Division will comply with the recommendation to contact the Affordable Housing Commission (AHC) management to discuss and resolve the issue raised by the auditor in the report.*