

FILE COPY



OFFICE OF THE COMPTROLLER
CITY OF ST. LOUIS



DARLENE GREEN
Comptroller

Internal Audit Section

Carnahan Courthouse Building
1114 Market St., Room 642
St. Louis, Missouri 63101
(314) 622-4723
Fax: (314) 613-3004

SEDRICK D. BLAKE, CPA
Audit/Fiscal Executive

October 24, 2007

Veronica L. Banks, Executive Director
I-70 Northwest Development Corporation
4144 Lindell Ave., Ste 138
St. Louis, MO 63108

RE: Review of I-70 Northwest Development Corporation, Contract #06-31-59
(Project # 2008-CDA1)

Dear Ms. Banks:

Enclosed is a report of our fiscal monitoring review of I-70 Northwest Development Corporation Pool for the period November 1, 2006 through July 31, 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 the Expanded Recreation Program. Our fieldwork was completed on August 15, 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 Professional Practice of Internal Auditing* and through an agreement with the Community Development Administration (CDA) to provide fiscal monitoring to all grant sub-recipients. If you have any questions, please contact Ishmael Ikpeama at (314) 589-6113.

Sincerely,

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

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

Enclosure

cc: Lorna Alexander, Special Assistant for Development, CDA



CITY OF ST. LOUIS

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

**I-70 NORTHWEST DEVELOPMENT CORPORATION
CONTRACT #06-31-59
CFDA #14.218**

FISCAL MONITORING REVIEW

NOVEMBER 1, 2006 THROUGH JULY 31, 2007

PROJECT #2008-CDA1

DATE ISSUED: OCTOBER 24, 2007

**Prepared by:
The Internal Audit Section**



OFFICE OF THE COMPTROLLER

HONORABLE DARLENE GREEN, COMPTROLLER

CITY OF ST. LOUIS
COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
CONTRACT #06-31-59
FISCAL MONITORING REVIEW
NOVEMBER 1, 2006 THROUGH JULY 31, 2007

TABLE OF CONTENTS

| <u>Description</u> | <u>Page(s)</u> |
|---|-----------------------|
| INTRODUCTION | |
| Background | 1 |
| Purpose | 1 |
| Scope and Methodology | 1 |
| CONCLUSION AND SUMMARY OF OBSERVATIONS | |
| Conclusion | 2 |
| Status of Prior Observations | 2 |
| A-133 Status | 2 |
| Summary of Current Observations | 2 |

**CITY OF ST. LOUIS
COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
CONTRACT #06-31-59
FISCAL MONITORING REVIEW
NOVEMBER 1, 2006 THROUGH JULY 31, 2007**

INTRODUCTION

Background

Contract Name: I-70 Northwest Development Corporation

Contract Number: 06-31-59

Contract Period: November 1, 2006 through December 31, 2007

Contract Amount: \$25,000.

This contract provided Community Development Block Grant (CDBG) funds to I-70 Northwest Development Corporation to secure financing and begin construction of a mixed use building which includes 12 affordable housing units in the 2301-2315 North Kingshighway Blvd area.

Purpose

Our purpose was to determine I-70 Northwest Development Corporation's compliance with federal, state and local Community Development Block Grant (CDBG) requirements for the period November 1, 2006 through July 31, 2007 and make recommendations for improvements.

Scope and Methodology

We made inquiries regarding the I-70 Northwest Development Corporation's internal controls relating to the grants administered by the Community Development Administration (CDA), tested evidence supporting the reports the Agency submitted to CDA and performed other procedures considered necessary. Our fieldwork was completed on August 15, 2007.

**CITY OF ST. LOUIS
COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
CONTRACT #06-31-59
FISCAL MONITORING REVIEW
NOVEMBER 1, 2006 THROUGH JULY 31, 2007**

CONCLUSION AND SUMMARY OF OBSERVATIONS

Conclusion

We found no evidence to suggest that I-70 Northwest Development Corporation did not fully comply with federal, state and local CDA requirements.

Status of Prior Observations

This is the first contract the Agency has interred into with CDA, so it did not have any prior observations.

A-133 Status

According to the letter received from the Agency, I-70 Northwest Development Corporation was not required to have an A-133 report for calendar year 2006 because it did not expend \$500,000 or more in federal funds.

Summary of Current Observations

There were no observations.