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OFFICE OF THE COMPTROLLER  
CITY OF ST. LOUIS



DARLENE GREEN  
Comptroller

SEDRICK D. BLAKE, CPA  
Audit/Fiscal Executive

*Internal Audit Section*

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

August 9, 2007

Frank LoRusso, Comptroller  
Community College Center  
300 South Broadway  
St. Louis, MO 63102-2810

RE: Fiscal Monitoring Report of St. Louis Community College (Project #2007-SLATE10)

Dear Mr. LoRusso:

Enclosed is a report of our fiscal monitoring review of St. Louis Community College (Contracts #103-07, #105-07, and #408-07) for the period July 1, 2006 through December 31, 2006. 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 St. Louis Community College. Our fieldwork was completed on April 30, 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 St. Louis Agency on Training and Employment (SLATE) 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 C. Blake".

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

Enclosure

cc: Kim Neske, Fiscal Manager, SLATE



# CITY OF ST. LOUIS

*ST. LOUIS AGENCY ON TRAINING AND EMPLOYMENT (SLATE)*

*ST. LOUIS COMMUNITY COLLEGE  
WORKFORCE INVESTMENT ACT (WIA)  
ADULT PROGRAM CFDA #17.258  
YOUTH PROGRAM CFDA #17.259  
DISLOCATED WORKER PROGRAM CFDA #17.260  
CONTRACT #103-07 DOCUMENT #54097  
CONTRACT #408-07 DOCUMENT #54630*

*ADULT PROGRAM CFDA #17.258  
DISLOCATED WORKER PROGRAM CFDA #17.260  
CONTRACT #105-07 DOCUMENT #54099*

*FISCAL MONITORING REVIEW JULY 1, 2006 THROUGH DECEMBER 31, 2006  
PROJECT #2007-SLATE10*

*DATE ISSUED: AUGUST 9, 2007*

*Prepared by:  
Internal Audit Section*



## OFFICE OF THE COMPTROLLER

**HONORABLE DARLENE GREEN, COMPTROLLER**

**CITY OF ST. LOUIS**  
**ST. LOUIS AGENCY ON TRAINING AND EMPLOYMENT (SLATE)**  
**ST. LOUIS COMMUNITY COLLEGE**  
**WORKFORCE INVESTMENT ACT (WIA)**  
**CONTRACT #103-07 DOCUMENT # 54097**  
**CONTRACT #105-07 DOCUMENT #54099**  
**CONTRACT #408-07 DOCUMENT #54630**  
**FISCAL MONITORING REVIEW**  
**JULY 1, 2006 THROUGH DECEMBER 31, 2006**

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ST. LOUIS AGENCY ON TRAINING AND EMPLOYMENT  
ST. LOUIS COMMUNITY COLLEGE  
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**INTRODUCTION**

**Background**

**Contract Name:** St. Louis Community College

**Contract Numbers:** 103-07, 105-07 and 408-07

**CFDA Numbers:** Adult Program 17.258, Youth Program 17.259 and  
Dislocated Worker Program 17.260

**Contract Periods:** July 1, 2006 through June 30, 2007

**Contract Amounts:** 103-07 - Adult - \$220,475.78, Youth - \$47,107.66,  
Dislocated Worker - \$330,713.67  
105-07 - Adult - \$68,195.50, Dislocated Worker - \$102,293.24  
408-07 - Adult - \$132,549.21

These contracts provided Workforce Investment Act funds through the St. Louis Agency on Training and Employment (SLATE) to St. Louis Community College for its Workforce Investment Act Adult, Youth and Dislocated Worker program. St. Louis Community College provides services to adults, youths and dislocated workers. The services include outreach/recruitment, assessment, job placement, job retention and advancement. The Agency's job development program should lead to client's placement into unsubsidized employment. Jobs should be for regular, full time employment at an average of \$9.00 per hour for adult and \$9.50 per hour for dislocated workers.

**Purpose**

To determine the St. Louis Community College's compliance with federal, state and local SLATE requirements for the period July 1, 2006 through December 31, 2006. We will make recommendations for improvements, if necessary.

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**INTRODUCTION**

**Scope and Methodology**

We made inquiries regarding the St. Louis Community College's internal controls relating to the grant administered by the St. Louis Agency on Training and Employment (SLATE). We tested evidence that supported reports submitted by the agency to SLATE and performed other procedures that were considered necessary. Our fieldwork was completed on April 30, 2007. Management's response was received on July 23, 2007, and has been incorporated into this report.

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**CONCLUSION AND SUMMARY OF OBSERVATIONS**

**Conclusion**

We found no evidence to suggest that St. Louis Community College did not comply with federal, state and local SLATE requirements for contracts 103-07 and 408-07. However, the District's Schedule of Federal Awards (SEFA) did not agree with the City's General Ledger. We, therefore, believe the A-133 Report is unacceptable.

**Status of Prior Observations**

The Agency's most recent fiscal monitoring report(s) are as follows:

- Contract #103-04, was dated May 24, 2004, and had no observations.
- Contract #408-07, did not have any prior fiscal monitoring reports, and
- Contract #105-06, was dated November 27, 2006 and had one (1) observation –
  - The Salary Reimbursement Percentage Rate used by the Agency did not Agree with the Contract Budget Rate (**Resolved**)

**A-133 Status**

Internal audit reviewed the Agency's A-133 audit for the year ended June 30, 2006. An unqualified opinion was rendered on the financial statements and the major federal programs. However, we were not provided with the basic financial statements.

The Agency's Schedule of Expenditures of Federal Awards (SEFA) did not agree with the City's General Ledger (see the Current Observation below).

**Summary of Current Observation(s)**

We made the following observation and recommendation which, if implemented, could assist the St. Louis Community College in complying with OMB Circular A-133 Compliance Requirements:

- The A-133 Report is Unacceptable Due to Differences Between SEFA and the City's General Ledger

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

**The A-133 Report is Unacceptable Due to Differences between the SEFA and the City's General Ledger**

Internal Audit reviewed the Agency's A-133 Audit for year ended June 30, 2006 and found that the Junior College District's Schedule of Expenditures of Federal Awards (SEFA) did not agree with the City's General Ledger as follows:

- The amounts for the WIA SLATE CPC Program (\$124,473) and the WIA SLATE Title 1B Program (\$15,475) were not City related.
- The amount for the WIA SLATE Workshops (\$114,757) belonged to two different CFDA numbers (17.258 Adult and 17.260 Dislocated Worker).
- The Workshops contract #105-07 belongs to the FY 07 Schedule of Expenditures of Federal Awards (SEFA).
- Also, the SEFA could be improved by providing the Pass-Through Entity Identifying Number.

Due to these discrepancies, we believe the SEFA is unacceptable. This schedule is the responsibility of the Agency.

**Recommendation**

We recommend that the A-133 Report be modified to reflect the differences between the Schedule of Expenditures of Federal Awards (SEFA) and the City's General Ledger. In addition, the SEFA could be improved by providing the Pass-Through Entity Identifying Number.

**Management's Response**

*Regarding the differences in amounts in the City's General Ledger and the St. Louis Community College's A-133 Schedule of Expenditures of Federal Awards; the adjustments for the WIA Workshop Contract and the WIA UAW Contract will be reflected in the 2007 Schedule of Expenditures of Federal Awards.*

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**DETAILED OBSERVATION(S), RECOMMENDATIONS, AND**  
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**Auditor's Comment**

We request that a copy of the 2007 Schedule of Expenditures of Federal Awards (SEFA) be provided to the Internal Audit Section of the Comptroller's Office once the stated adjustments have been made.