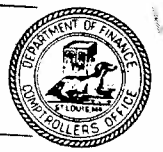
FILE COPY

DARLENE GREEN
Comptroller

OFFICE OF THE COMPTROLLER
CITY OF ST. LOUIS

Internal Audit Section



Carnahan Courthouse Building
1114 Market St., Room 608
St. Louis, Missouri 63101
(314) 622-4723
Fax: (314) 613-3004

November 22, 2004

Mrs. Anna E. Crosslin, President/CEO
International Institute
3654 S. Grand Blvd.
St. Louis, MO 63118

RE: Fiscal Monitoring Report of International Institute
(#2005-SLATE7)

Dear Mrs. Crosslin:

Enclosed is a report of our fiscal monitoring review of International Institute (Contract #222-05) for the period July 1, 2004 through September 30, 2004. 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 International Institute. Our fieldwork was substantially complete on November 8, 2004.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised, and an agreement with the St. Louis Agency on Training and Employment to provide fiscal monitoring to all grant subrecipients. If you have any questions, please contact me at 613-7257.

Sincerely,

Dwayne Crandall

Dwayne Crandall, MHA, CIA, CPA
Internal Audit Supervisor

cc: Honorable Darlene Green, Comptroller
Tom Jones, Director, St. Louis Agency on Training and Employment (SLATE)

Enclosure

CITY OF ST. LOUIS

ST. LOUIS AGENCY ON TRAINING AND EMPLOYEMT (SLATE)

MERS/GOODWILL INDUSTRIES
CONTRACTS #112-05 AND #211-05

FISCAL MONITORING REVIEW

JULY 1, 2004 THROUGH AUGUST 31, 2004

PROJECT #2005-SLATE5

DATE ISSUED: NOVEMBER 22, 2004

Prepared by:
The Internal Audit Section

OFFICE OF THE COMPTROLLER

Honorable Darlene Green, Comptroller

CITY OF ST. LOUIS
ST. LOUIS AGENCY ON TRAINING AND EMPLOYMENT
INTERNATIONAL INSTITUTE
CONTRACT #222-05
FISCAL MONITORING REVIEW
JULY 1, 2004 THROUGH SEPTEMBER 30, 2004

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CITY OF ST. LOUIS
ST. LOUIS AGENCY ON TRAINING AND EMPLOYMENT
INTERNATIONAL INSTITUTE
CONTRACT #222-05
FISCAL MONITORING REVIEW
JULY 1, 2004 THROUGH SEPTEMBER 30, 2004

INTRODUCTION

Background

Contract Name: International Institute

Contract Number: #222-05

Contract Period: July 1, 2004 through June 30, 2005

Contract Amount: $138,721.70

This contract provides Workforce Investment Act funds through the St. Louis Agency on Training and Employment (SLATE) to International Institute for its Youth program. The Agency provides services to sixty-five (65) in school youths. The services for in school youth assist them in achieving basic skills, work readiness or occupational skills.

Purpose

The purpose of our review was to determine International Institute's compliance with federal, state and local SLATE requirements for the period July 1, 2004 through September 30, 2004, and make recommendations for improvements.

Scope and Methodology

We made inquiries regarding International Institute's internal controls relating to the grant administered by the St. Louis Agency on Training and Employment (SLATE), tested evidence supporting the reports the Agency submitted to SLATE and performed other procedures considered necessary. Our fieldwork was substantially complete on November 8, 2004.

CITY OF ST. LOUIS
ST. LOUIS AGENCY ON TRAINING AND EMPLOYMENT
INTERNATIONAL INSTITUTE
CONTRACT #222-05
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CONCLUSION AND SUMMARY OF OBSERVATIONS

Conclusion

We found no evidence to suggest that International Institute did not comply with federal, state, and local SLATE requirements.

Status of Prior Observations

The Agency's most recent fiscal monitoring report dated March 17, 2004 identified one observation;

- Questioned Costs of Non-Payroll Expenditures. **Resolved.**

A-133 Status

The Agency's A-133 audit report for the year ended December 31, 2003 dated May 9, 2003 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, 2003. It was noted, though, that there are two (2) concerns about the A-133 Audit report;

1.) Internal Audit was unable to reconcile the Agency's expenditures with the Schedule of Expenditures of Federal Awards (SEFA) with City records.
2.) CFDA #93.576 is listed as a major program in the Schedule of Findings and Questioned Costs. The SEFA listed CFDA 93.576 as a non-major program.

Internal Audit was recommended SLATE contact the Agency and request the A-133 report be amended to reflect the previously mentioned concerns.

Summary of Current Observations

We noted no observations during our review, other than the need for an amended A-133 audit report.