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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

May 6, 2005

Beverly Best, Director
Salvation Army Harbor Light
P.O. Box 1607
St. Louis, MO 63188

RE: Fiscal Monitoring Report of Salvation Army Harbor Light, Federal Emergency Shelter Grant (FESG) (#2005-HOM14)

Dear Captain Best:

Enclosed is a report of our fiscal monitoring review of the Salvation Army Harbor Light (Document #48409) for the period January 1, 2004 through December 31, 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 Salvation Army Harbor Light. Our fieldwork was substantially completed on March 8, 2005.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised and through an agreement with the Department of Human Services (DHS) to provide fiscal monitoring to all grant subrecipients. If you have any questions, please contact Dwayne Crandall at 613-7257.

Sincerely,

A handwritten signature in black ink, appearing to read "Mohammad H. Adil".

Mohammad H. Adil, CPA
Internal Audit Manager

Enclosure

cc Honorable Darlene Green, Comptroller
Patrick Brennan, Fiscal Manager, Department of Human Services



CITY OF ST. LOUIS

*DEPARTMENT OF HUMAN SERVICES (DHS)
HOMELESS SERVICES PROGRAM*

*SALVATION ARMY HARBOR LIGHT
FEDERAL EMERGENCY SHELTER GRANT (FESG)
DOCUMENT #48409*

FISCAL MONITORING REVIEW

JANUARY 1, 2004 THROUGH DECEMBER 31, 2004

PROJECT #2005-HOM14

DATE ISSUED: MAY 6, 2005

*Prepared by:
The Internal Audit Section*



OFFICE OF THE COMPTROLLER

Honorable Darlene Green, Comptroller

CITY OF ST. LOUIS
DEPARTMENT OF HUMAN SERVICES (DHS)
HOMELESS SERVICES
SALVATION ARMY HARBOR LIGHT
DOCUMENT #48409
FISCAL MONITORING REVIEW
JANUARY 1, 2004 THROUGH DECEMBER 31, 2004

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**CITY OF ST. LOUIS
DEPARTMENT OF HUMAN SERVICES (DHS)
HOMELESS SERVICES
SALVATION ARMY HARBOR LIGHT
DOCUMENT #48409
FISCAL MONITORING REVIEW
JANUARY 1, 2004 THROUGH DECEMBER 31, 2004**

INTRODUCTION

Background

Contract Name: Salvation Army Harbor Light

Document Number: 48409

Contract Period: January 1, 2004 through December 31, 2004

Contract Amount: \$94,700

This contract provided funds from the Department of Housing and Urban Development (HUD), Federal Emergency Shelter Grant (FESG) to Salvation Army Harbor Light to provide transitional housing and nighttime or daytime shelter for those individuals that are homeless.

Purpose

The purpose of this fiscal monitoring review was to determine Salvation Army Harbor Light's (Document #48409) compliance with federal, state and local Department of Human Services (DHS) requirements for the period January 1, 2004 through December 31, 2004, and make recommendations for improvements.

Scope and Methodology

We made inquiries regarding Salvation Army Harbor Light's internal controls relating to the grant administered by the Department of Human Services (DHS), tested evidence supporting the reports the Agency submitted to DHS and performed other procedures considered necessary. Our fieldwork was substantially completed on March 8, 2005.

CITY OF ST. LOUIS
DEPARTMENT OF HUMAN SERVICES (DHS)
HOMELESS SERVICES
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CONCLUSION AND SUMMARY OF OBSERVATIONS

Conclusion

We found no evidence to suggest that Salvation Army Harbor Light did not fully comply with federal, state and local DHS requirements.

Status of Prior Observations

The Agency's most recent fiscal monitoring report of the 2004 FESG program dated March 26, 2004 identified the following observation:

1. The Agency did not have adequate documentation for Supportive Services and 30-Day Follow-up charges in the client files. **(Resolved. The Agency submitted a check for \$150 and supporting documentation to The City of St. Louis for the questioned costs mentioned in the observation.)**

A-133 Status

The Agency's A-133 audit report for the year ending September 30, 2003 expressed an unqualified opinion on the financial statements and there were no reportable conditions, findings, or questioned costs. However, the report issued an unqualified opinion on the federal awards, but there were five findings. None of these findings applied to grants passed through the City of St. Louis. The corrective action plans for the observations have been provided by the Agency. Internal Audit reviewed the report and stated that the corrective action plans should have completion dates on them, and that the report be accepted.

Summary of Current Observations

We did not have any observations.