



OFFICE OF THE COMPTROLLER
CITY OF ST. LOUIS



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Comptroller

Internal Audit Section

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Memorandum

To: Tom Jones, Director SLATE
From: Sedrick Blake, Internal Audit Executive *SB*
Date: August 29, 2006
Re: A-133 Audit Review Response – Productive Futures, Inc.

A review of the attached A-133 Audit dated February 17, 2006 for the above was conducted by this office on August 29, 2006.

The following information is provided:

AGENCY: Productive Futures, Inc.
 AUDIT PERIOD: Year Ended December 31, 2005

Program Title	Federal CFDA Number	Expenditures	Pass-Through Entity Number	Major Program
DOL- Passed through SLATE:				
WIA Youth Services	17.259	\$293,783	Not provided by Auditee	Yes
WIA Adult Services	17.258	\$362,777	Not provided by Auditee	Yes

The A-133 Audit was reviewed and there were no deficiencies noted or items of concern identified. Unqualified opinions were rendered on both the general purpose financial statements as well as the report issued on compliance for major programs. We noted Productive Futures, Inc. is an “S” Corporation and, as such, would not be subject to OMB Circular A-133. The Agency qualified as a low-risk auditee as defined by Circular A-133. **We recommend that this audit be accepted.**

We noted there was an immaterial difference between the amounts reported in Productive Futures’ Schedule of Expenditures of Federal Awards (SEFA) for the above grants and the City’s records.

We noted the following items regarding the Agency's SEFA:

- The schedule did not include the pass through identify numbers. The absence of these numbers increases the risk of not properly identifying all pass-through Federal funds and makes reconciliations with City records difficult.
- It appears the threshold for major programs was miscalculated; however there was no effect on this report.

Responsibilities of pass through entities, such as the City, include ensuring that subrecipients are provided complete award information. **We would encourage the use of the City contract and/or document numbers to be included in the SEFA.**

If you have any questions concerning the findings of this review, please contact me at 589-6132.