



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

Memorandum

To: Jill Claybour, Acting Executive Director CDA
From: Sedrick D. Blake, CPA, Audit/Fiscal Executive *SDB*
Date: May 9, 2007
Re: A-133 Audit Review Response – Board of Education of the City of St. Louis

A review of the attached A-133 Audit dated December 8, 2006 for the above agency was conducted by this office on May 3, 2007.

The following information is provided:

AGENCY: Board of Education of the City of St. Louis
AUDIT PERIOD: Fiscal Year Ended June 30, 2006

Program Title	Federal CFDA#	Grant #	Expenditures	Major Program
Community Development Block Grants/Entitlement Grants	14.218	05-11-89	\$922,331	No

The St. Louis Public Schools had their accreditation rescinded in March 2007. In April of 2007, the Board appealed this decision. If the original decision is upheld, there could be a significant financial impact on the Board. **We recommend you monitor this situation closely.**

Although we were not furnished the general purpose financial statements, the Schedule of Findings and Questioned Costs indicated an unqualified opinion was rendered with no material weaknesses, no reportable conditions and no material noncompliance issues. One reportable condition not considered a material weakness was found but did not apply to CDBG funds.

We recommend you accept the audit report.

If you have any questions concerning the above, please contact me at 589-6132.



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April 20, 2007

Mr. John Windom
Board of Education
City of St. Louis
801 North 11th Street
St. Louis, MO 63101

Dear Mr. Windom:

OMB Circular A-133, specifies that "Non-Federal entities that expend \$500,000 or more in a year in Federal awards shall have a single or program-specific audit conducted for that year ..." Circular A-133, further specifies that each pass-through entity (City of St. Louis) "ensure that sub-recipients expending \$500,000 or more in Federal awards during the sub-recipients' fiscal year have met the audit requirements of this part for that fiscal year." Please keep in mind that the \$500,000 in expenditures includes all Federal awards and not just the Federal awards you receive through the City of St. Louis.

Our records indicate that you are a sub-recipient of Federal awards through the City of St. Louis, with a fiscal year ending June 30, 2006. We recognize many agencies may not require an A-133. If this is the circumstance, please furnish a letter on your agency letterhead dated after the above date. This letter should include one of the following reasons and be signed by your Chief Executive Officer or one with similar authority:

- Federal expenditures were below \$500,000 for the fiscal year.
- Your agency is a for-profit, not subject to A-133.

If you are subject to an A-133, please furnish two copies of the report along with a copy of this letter to:

Charles H. Schroeder, CPA, CIA
Internal Audit Supervisor
1114 Market Street, Suite 608
St. Louis, MO 63101

Please return the above requested information on or before May 4, 2007. You may contact Charles Schroeder at 589-6089, if you have any questions. Thank you.

Sincerely,

Sedrick D. Blake, CPA
Internal Audit Executive

cc:

CDA

DOH

DHS

SLATE