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OFFICE OF THE COMPTROLLER
CITY OF ST. LOUIS



DARLENE GREEN
Comptroller

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DR. KENNETH M. STONE, CPA
Internal Audit Executive

April 22, 2009

Sister Mary Ann Nestel, CSJ
Carondelet Community Betterment Federation, Inc.
6408 Michigan Avenue
St. Louis, MO 63112

RE: Community Development Block Grant (CDBG) and Home Investment Program
(HOME) (Project #2008-CDA4)

Dear Sister Nestel:

Enclosed is a report of our fiscal monitoring review of the Carondelet Community Betterment Federation, Inc., CDBG and HOME Programs, for the period January 1, 2008, through August 31, 2008. The scope of a fiscal monitoring review is less than an audit, and as such, we do not express an opinion on the financial operations of Community Development Administration. The fieldwork was completed on October 15, 2008.

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 the Professional Practice of Internal Auditing* and through an agreement with the Community Development Administration (CDA) to provide fiscal monitoring to all grant subrecipients.

If you have any questions, please contact the Internal Audit Section at (314) 622-4723.

Sincerely,

A handwritten signature in cursive script that reads "Kenneth M. Stone".

Dr. Kenneth M. Stone, CPA
Internal Audit Executive

Enclosure

cc: Lorna Alexander, Special Assistant for Development, CDA
Jill Claybour, Acting Executive Director, CDA



CITY OF ST. LOUIS

**COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)
COMMUNITY BLOCK DEVELOPMENT BLOCK GRANT (CDBG)
HOME INVESTMENT PARTNERSHIP (HOME)**

**CARONDELET COMMUNITY BETTERMENT FEDERATION, INC.
CONTRACT #08-10-81, #08-36-31 AND #08-HM-36-31
CFDA #14.218 AND #14.239**

FISCAL MONITORING REVIEW

JANUARY 1, 2008 THROUGH AUGUST 31, 2008

PROJECT #2009-CDA 4

DATE ISSUED: APRIL 23, 2009

**Prepared By:
The Internal Audit Section**



OFFICE OF THE COMPTROLLER

HONORABLE DARLENE GREEN, COMPTROLLER

**COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
HOME INVESTMENT PROGRAM (HOME)
CARONDELET COMMUNITY BETTERMENT FEDERATION
FISCAL MONITORING REVIEW
JANUARY 1, 2008 THROUGH AUGUST 31, 2008**

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INTRODUCTION

Background

Contract Names: Carondelet Family Literacy Program
Carondelet Community Based Development Organization (CBDO)
Program

Contract Numbers: 08-10-81, 08-36-31, and 08-HM-36-31

CFDA Numbers: 14.218 (10-81 and 36-31) and 14.239 (HM-36-31)

Contract Periods: January 1, 2008 through December 31, 2008

Contract Amounts: \$25,000 (10-81), \$240,000 (36-31), \$50,000 (HM-36-31)

These contracts (36-31 and HM-36-31) provided CDBG and HOME funds to the Carondelet Home Repair Program to assist homeowners in the Carondelet Community Betterment Federation, Inc. (Agency) service area, the Carondelet and patch neighborhoods and the 11th ward, by providing home repair assistance to seniors and disabled. The program addresses the decaying housing stock by providing funding to low and moderate homeowners through the Forgivable Loan Program.

The contract (10-81) provided CDBG funds to the Agency's Family Literacy Program to provide opportunities for adults to improve their education. The Family Literacy program, in conjunction with the Board of Education, will offer GED and other classes to approximately 30 primarily low and moderated income individuals.

Purpose

The purpose of the review was to determine the Agency's compliance with federal, state and local CDA requirements for the period January 1, 2008 through August 31, 2008, and make recommendations for improvements as considered necessary.

Scope and Methodology

Inquiries were made regarding the Agency's internal controls relating to the grant administered by CDA, evidence tested supporting the reports the Agency submitted to CDA and other procedures performed as considered necessary. The fieldwork was completed on October 15, 2008.

Exit Conference

An exit conference with the Agency was not considered necessary, because there were no observations.

SUMMARY OF OBSERVATIONS

Conclusion

No evidence was found to suggest that the Agency did not fully comply with federal, state and local CDBG requirements.

Status of Prior Observations

The Agency's previous fiscal monitoring report, Project #2008-CDA28 issued March 5, 2008 contained two observations:

1. Lack of internal control (billings) **(Resolved)**
2. Opportunity to maintain support documents to determine allowability of program expenses **(Resolved)**

A-133 Status

According to a letter received from the Agency dated February 6, 2008, it is not required to have an A-133 audit because it did not expend \$500,000 or more in federal funds in its fiscal year ended December 31, 2007.

Summary of Current Observations

There were no observations.