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OFFICE OF THE COMPTROLLER
CITY OF ST. LOUIS



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May 11, 2007

Chris Maguire, Finance Director
St. Louis Development Corporation
1015 Locust St., Suite 1200
St. Louis, MO 63101

RE: Fiscal Monitoring Report of the St. Louis Development Corporation, Planning and Administration (Project #2007-CDA26)

Dear Mr. Maguire:

Enclosed is a report of our fiscal monitoring review of the Scattered Sites Residential Acquisition & Rehabilitation Program (Contract #UDAGRP-21) for the period January 1, 2006 through December 31, 2006. 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 the St. Louis Development Corporation. Our fieldwork was completed on April 30, 2007.

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 Professional Practice of Internal Auditing and through an agreement with the Community Development Administration (CDA) to provide fiscal monitoring to all grant sub-recipients. If you have any questions, please contact Charles Schroeder at 589-6089.

Sincerely,

A handwritten signature in cursive script that reads "Sedrick D. Blake".

Sedrick D. Blake, CPA
Audit/Fiscal Executive

Enclosure

cc: Jill Claybour, Acting Executive Director, CDA
Lorna Alexander, Fiscal Coordinator, CDA



CITY OF ST. LOUIS

**COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)
COMMUNITY DEVELOPMENT ACTION GRANT (UDAG)**

**ST. LOUIS DEVELOPMENT CORPORATION
CONTRACT #UDAGRP-21 CFDA #06-14.218
DOCUMENT #54241**

FISCAL MONITORING REVIEW

JANUARY 1, 2006 THROUGH DECEMBER 31, 2006

PROJECT #2007-CDA26

DATE ISSUED: MAY 11, 2007

**Prepared by:
The Internal Audit Section**



OFFICE OF THE COMPTROLLER

HONORABLE DARLENE GREEN, COMPTROLLER

**CITY OF ST. LOUIS
COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)
URBAN DEVELOPMENT ACTION GRANT (UDAG)
ST. LOUIS DEVELOPMENT CORPORATION
PLANNING AND ADMINISTRATION
CONTRACT #UDAGRP-21
JANUARY 1, 2006 THROUGH DECEMBER 31, 2006**

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**CITY OF ST. LOUIS
COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)
URBAN DEVELOPMENT ACTION GRANT (UDAG)
ST. LOUIS DEVELOPMENT CORPORATION
PLANNING AND ADMINISTRATION
CONTRACT #UDAGRP-21
JANUARY 1, 2006 THROUGH DECEMBER 31, 2006**

INTRODUCTION

Background

Contract Name: St. Louis Development Corporation, Planning and Administration.

Contract Program: Planning and Administration CFDA #14.218

Contract Number: UDAGRP-21

Contract Period: January 1, 2006 through December 31, 2006

Contract Amount: \$100,000

This contract provided Community Development Block Grant (CDBG) funds to the St. Louis Development Corporation to serve as the City's primary conduit for economic development, and to serve as the agent in land acquisition and management. The contract also provided funds to the Agency to acquire property in tax sales from donations, maintain lists and maps of all SLDC owned property, and to sell property for development.

Purpose

Our purpose was to determine the St. Louis Development Corporation's compliance with federal, state and local Community Development Block Grant (CDBG) requirements for the period January 1, 2006 through December 31, 2006. We will make recommendations for improvements if necessary.

Scope and Methodology

We made inquiries regarding the St. Louis Development Corporation's internal controls relating to the grants administered by the Community Development Administration (CDA), tested evidence supporting the reports the Agency submitted to CDA and performed other procedures considered necessary. Our fieldwork was completed on April 30, 2007.

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CONCLUSION AND SUMMARY OF OBSERVATIONS

Conclusion

We found no evidence to suggest that the St. Louis Development Corporation did not fully comply with federal, state and local CDA requirements.

Status of Prior Observations

The Agency's previous Fiscal Monitoring report dated October 12, 2006 contained no observations.

A-133 Status

The report for fiscal year ending June 30, 2006 was dated September 22, 2006 and expressed an unqualified opinion on the general purpose financial statements and the federal awards. There were no questioned costs, or instances of noncompliance considered material to the financial statements or federal awards. There was one finding required to be reported by OMB Circular A-133 which pertained to the City of St. Louis CDA pass-through grants. The corrective action plan was in the report. The Agency was not considered to be a low-risk auditee. The Internal Audit Section did review the audit report on December 22, 2006 and recommended that the report be accepted and that no further action was required. The audit was performed in a timely manner.

Summary of Current Observations

We noted no observations during our review.