



OFFICE OF THE COMPTROLLER
CITY OF ST. LOUIS



FILE COPY

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Comptroller

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DR. KENNETH M. STONE, CPA
Internal Audit Executive

December 5, 2011

Thomas Pickel, Executive Director
DeSales Community Housing Corporation
2759 Russell
St. Louis, MO 63104

RE: Community Development Block Grant (CDBG) (Project #2012-CDA9)

Dear Mr. Pickel:

Enclosed is a report of our fiscal monitoring review of the DeSales Community Housing Corporation, a not-for-profit organization, CDBG Program, for the period January 1, 2011 through August 31, 2011. 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 the DeSales Community Housing Corporation. Fieldwork was completed on September 15, 2011.

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 sub recipients.

If you have any questions, please contact the Internal Audit Section at 314-657-3490.

Sincerely,

Dr. Kenneth M. Stone, CPA
Internal Audit Executive

Enclosure

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



CITY OF ST. LOUIS

**COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)**

**DESALES COMMUNITY HOUSING CORPORATION
CONTRACT #11-31-09
CFDA #14.218**

FISCAL MONITORING REVIEW

JANUARY 1, 2011 THROUGH AUGUST 31, 2011

PROJECT #2012-CDA9

DATE ISSUED: DECEMBER 5, 2011

**Prepared By:
The Internal Audit Section**



OFFICE OF THE COMPTROLLER

HONORABLE DARLENE GREEN, COMPTROLLER

CITY OF ST. LOUIS
COMMUNITY DEVELOPMENT ADMINISTRATION (CDA)
COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)
DESALES COMMUNITY HOUSING CORPORATION
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INTRODUCTION

Background

Contract Name: DeSales Community Housing Corporation

Contract Number: 11-31-09

CFDA Number: 14.218

Contract Period: January 1, 2011 through August 31, 2011

Contract Amount: \$109,440

The contract provided Community Development Block Grant (CDBG) funds to DeSales Community Housing Corporation (Agency) to combat physical deterioration and promote housing development and investment in the Fox Park and Tower Grove East Neighborhoods. The Agency fulfills this purpose through rehabilitation, construction of single and multi-family properties, technical assistance, and marketing to homebuyers, investors and developers.

Purpose

The purpose was to determine the Agency's compliance with federal, state, and local Community Development Administration (CDA) requirements for the period January 1, 2011 through August 31, 2011, and make recommendations for improvements as considered necessary.

Scope and Methodology

Inquiries were made regarding the Agency's internal controls relating to the grants administered by CDA. Evidence was tested supporting the reports the Agency submitted to CDA and other procedures were performed as considered necessary. Fieldwork was completed on September 15, 2011.

Exit Conference

There were no observations; therefore, an exit conference was not considered necessary.

SUMMARY OF OBSERVATIONS

Conclusion

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

Status of Prior Observations

The Agency's previous fiscal monitoring report, Project #2011-CDA3, issued August 31, 2010 contained no observations.

A-133 Status

According to a letter received from the Agency dated July 21, 2011, it did not expend \$500,000 or more in federal funds in its calendar year ended December 31, 2010, and was not required to have an A-133 single audit report.

Summary of Current Observations

There were no current observations.