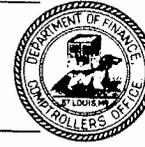




OFFICE OF THE COMPTROLLER  
CITY OF ST. LOUIS



*Internal Audit Section*

DARLENE GREEN  
Comptroller

DR. KENNETH M. STONE, CPA  
Internal Audit Executive

FILE COPY  
Carnahan Courthouse Building  
1114 Market St., Room 642  
St. Louis, Missouri 63101  
(314) 622-4723  
Fax: (314) 613-3004

April 7, 2011

Lynn Cooper, Executive Director  
DOORWAYS  
4385 Maryland Avenue  
St. Louis, MO 63108

RE: DOORWAYS (Project #2011-AHC03)

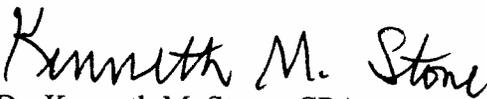
Dear Ms. Cooper:

Enclosed is a report of the fiscal monitoring review of DOORWAYS for the period April 1, 2010 through December 31, 2010. 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 DOORWAYS. Fieldwork was completed on March 14, 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 Affordable Housing Commission (AHC) to provide fiscal monitoring to all grant sub-recipients.

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

Sincerely,

  
Dr. Kenneth M. Stone, CPA  
Internal Audit Executive

Enclosure

cc: Angela Morton Conley, Executive Director, Affordable Housing Commission



# CITY OF ST. LOUIS

**AFFORDABLE HOUSING COMMISSION (AHC)**

**DOORWAYS  
CONTRACT #42-10G AND 43-10G**

**FISCAL MONITORING REVIEW  
APRIL 1, 2010 THROUGH DECEMBER 31, 2010**

**PROJECT #2011-AHC03**

**DATE ISSUED: April 7, 2011**

**Prepared by:  
The Internal Audit Section**



## OFFICE OF THE COMPTROLLER

**HONORABLE DARLENE GREEN, COMPTROLLER**

**CITY OF ST. LOUIS  
AFFORDABLE HOUSING COMMISSION (AHC)  
DOORWAYS  
FISCAL MONITORING REVIEW  
APRIL 1, 2010 THROUGH DECEMBER 30, 2010**

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## INTRODUCTION

### Background

|                          |                                      |
|--------------------------|--------------------------------------|
| <b>Contract Name:</b>    | DOORWAYS                             |
| <b>Contract Numbers:</b> | 42-10G and 43-10G                    |
| <b>Contract Periods:</b> | April 1, 2010 through March 31, 2011 |
| <b>Contract Amounts:</b> | \$225,000 and \$20,000               |

The contracts provided funds from the Affordable Housing Commission (AHC) to DOORWAYS (Agency) to assist low-income individuals who are living with HIV/AIDS. The funds benefit households earning 20% of the St. Louis City area's median income or below.

Funds from contract 42-10G were used to provide housing options to St. Louis residents such as rental assistance, subsidized housing, and residential care. Funds from contract 43-10G were used to offset budget shortfalls and match revenues for a supportive housing project for single mothers with HIV/AIDS, who were homeless or at imminent risk of homelessness.

### Purpose

The purpose of the review was to determine Agency's compliance with federal, state and local AHC requirements for the period April 1, 2010 through December 31, 2010, 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 AHC. Evidence supporting the reports the Agency submitted was tested and other procedures were performed, as considered necessary.

### Exit Conference

The Agency was offered the opportunity for an exit conference on April 1, 2011, but the Agency declined.

## INTRODUCTION

### **Management's Responses**

Management's responses to the observation and recommendation identified in the draft report was received from the Agency on April 4, 2011. The responses have been incorporated into the report.

## SUMMARY OF OBSERVATIONS

### **Conclusion**

The Agency did not fully comply with local AHC requirements.

### **Status of Prior Observations**

The Agency's previous fiscal monitoring report, Project #2006-AHC15, issued September 6, 2006, contained the following observation:

- Opportunity to submit timely financial reports (**Resolved**)

### **Summary of Current Observations**

Recommendations were made for the following observation, which if implemented, could assist the Agency in fully complying with local AHC requirements.

- Opportunity to submit programmatic reports timely

## **DETAILED OBSERVATIONS, RECOMMENDATIONS AND MANAGEMENT'S RESPONSES**

### **Opportunity To Submit Programmatic Reports Timely**

A review of the financial and programmatic reports was performed to determine whether the reports were submitted timely during the review period, as required by the contracts. It was noted that the financial reports were submitted monthly by the due dates; however, not all quarterly programmatic reports were submitted timely.

The first quarterly programmatic report for contract 42-10G was due July 20, 2010, but was submitted six days late, on July 26, 2010. IAS also noted that the first quarterly report for contract 43-10G was submitted one day late, on July 21, 2010.

Section 7 of the contract requires the Agency to submit programmatic reports no later than the 20<sup>th</sup> calendar day of the next quarter. In addition, Section 24 states if the programmatic reports were more than thirteen days late, reimbursements may be held up until delinquent reports are received.

Upon inquiry, IAS learned that the person responsible for preparing the reports was on leave. It appeared the Agency did not have alternative controls in place, such as system of critical scheduling and cross-training, to ensure the quarterly reports are submitted timely. As a result, the Agency did not comply with the programmatic requirements of the grant contracts. The Agency risks delays in the processing of the reimbursement requests or suspension of the grant contract(s).

### **Recommendations**

It is recommended that the Agency implement control procedures to ensure that programmatic quarterly reports are submitted timely in accordance with the grant contracts.

### ***Management's Response***

*We concur with your observation and have implemented necessary controls to ensure reports are submitted on time. In fact, the issue has already been resolved within the current contract.*