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CITY OF ST. LOUIS



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DR. KENNETH M. STONE, CPA
Internal Audit Executive

June 28, 2012

David Kessel, Chief Operating Officer
Employment Connection
2838 Market Street
St. Louis, MO 63103

FILE COPY

RE: Supportive Housing Program (SHP) (Project #2012-HOM26)

Dear Mr. Kessel:

Enclosed is a report of the fiscal monitoring review of the Employment Connection, a not-for-profit organization, SHP Programs, for the period October 1, 2011 through March 31, 2012. 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 Employment Connection. Fieldwork was completed on June 11, 2012.

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 City of St. Louis, Department of Human Services (DHS) to provide fiscal monitoring to all grant sub-recipients.

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

Respectfully,

Dr. Kenneth M. Stone, CPA
Internal Audit Executive

Enclosure

cc: Paul Mehta, Fiscal Manager, DHS
Antoinette Triplett, Program Manager, DHS



CITY OF ST. LOUIS

**DEPARTMENT OF HUMAN SERVICES (DHS)
SUPPORTIVE HOUSING PROGRAM (SHP)**

**EMPLOYMENT CONNECTION
CONTRACT #63039
CFDA #14.235**

FISCAL MONITORING REVIEW

OCTOBER 1, 2011 THROUGH MARCH 31, 2012

PROJECT #2012-HOM26

DATE ISSUED: JUNE 28, 2012

**Prepared by:
The Internal Audit Section**



OFFICE OF THE COMPTROLLER

HONORABLE DARLENE GREEN, COMPTROLLER

**CITY OF ST. LOUIS
DEPARTMENT OF HUMAN SERVICES (DHS)
SUPPORTIVE HOUSING PROGRAM (SHP)
EMPLOYMENT CONNECTION
FISCAL MONITORING REVIEW
OCTOBER 1, 2011 THROUGH MARCH 31, 2012**

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INTRODUCTION

Background

Contract Name: Employment Connection
Contract Number: 63039
Contract Period: October 1, 2011 through September 30, 2012
CFDA Number: 14.235
Contract Amount: \$172,498

The contract provided Supportive Housing Program (SHP) funds to Employment Connections (Agency) for assistance in helping disabled, homeless veterans obtain and remain in permanent housing by providing the funds necessary to increase participants' skills, income, and empower veterans to achieve greater self determination in the City of St. Louis.

Purpose

The purpose of the review was to determine the Agency's compliance with federal, state, and local Department of Human Services (DHS) requirements for the period October 1, 2011 through March 31, 2012 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 DHS. Evidence was tested supporting the reports the Agency submitted to DHS and other procedures were performed as considered necessary. Fieldwork was completed on June 11, 2012.

Exit Conference

The Agency was offered the opportunity for an exit conference on June 21, 2012, but the Agency declined.

SUMMARY OF OBSERVATIONS

Conclusion

There was no evidence to suggest that the Agency did not fully comply with federal, state, and local DHS requirements.

Status of Prior Observations

The Agency's previous fiscal monitoring report, Project #2011-HOM18 issued October 10, 2011 contained one observation.

- Opportunity to submit monthly financial and programmatic reports timely (resolved).

A-133 Status

The Agency expended \$500,000 or more in federal funds for the calendar year ending December 31, 2011, therefore, it was required to have a single audit in accordance with OMB Circular A-133. As of the fieldwork completion date, the report had not been completed.

Summary of Current Observations

There were no current observations.