

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY



October 1, 2018

James Ramsey, Board President
St. Luke's Community House
5601 New York Avenue
Nashville, TN 37209

Dear Mr. Ramsey:

Please find attached the monitoring report of the St. Luke's Community House relating to the contract it had with the Metropolitan Government of Nashville and Davidson County for the fiscal year ending June 30, 2018.

The Office of Financial Accountability is charged with the responsibility of monitoring grant funds, including Community Partnership Funds, from Metropolitan Nashville Government to any nonprofit organization. Staff from the Office of Financial Accountability conducted the review on September 6, 2018.

We appreciate the assistance provided by your agency during the course of the review. If you have any questions, please call me at 615-862-6712.

Sincerely,

Kevin Brown, CMFO, CICA, CFE
Finance Manager

cc: Corey Gephart, Executive Director, St. Luke's Community House
Talia Lomax-O'dneal, Director of Finance, Department of Finance
Brian Kelsey, Chief Strategy Officer, Office of the Mayor
Kim McDoniel, Deputy Director of Finance, Department of Finance
Gene Nolan, Deputy Director of Finance, Department of Finance

Phil Carr, Chief of Accounts, Department of Finance
Tony Neumaier, Budget Officer, Department of Finance
Mark Swann, Metropolitan Auditor, Office of Internal Audit
Fred Adom, CPA, CGMA, CICA, Director Office of Financial Accountability
Essie Robertson, CPA, CMFO, CICA, Office of Financial Accountability



Metropolitan Government of Nashville and Davidson County

ST. LUKE'S COMMUNITY HOUSE

◆ **Monitoring Report** ◆

Conducted by



Office of Financial Accountability

October 1, 2018

MONITORING REPORT

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INTRODUCTION

The Office of Financial Accountability (hereinafter referred to as “OFA”) has completed a monitoring review of St. Luke’s Community House. A monitoring review is substantially less in scope than an audit. The OFA did not audit the financial statements and, accordingly, does not express an opinion or any assurances regarding the financial statements of the St. Luke’s Community House or any of its component units. The OFA is responsible for the internal monitoring of Metropolitan Government of Nashville and Davidson County (hereinafter referred to as “Metro”) agencies that receive federal and state financial assistance, including cooperative agreements and non-profit organizations that receive appropriations and Community Partnership Funds from Metro government. In summary, any agreement(s) that imposes performance and/or financial requirements on Metro government is subject to review by the OFA.

The purpose of this review was to assess the agency’s compliance with contractual requirements set forth in the following contract with Metro Government:

Contract	Type	Amount	Contact Term	
L-3902	Community Partnership Funds	\$23,700	July 1, 2017	June 30, 2018

Agency Background

St. Luke’s Community House offers a wide array of services to the community. The agency’s mission is to “create a community where children, families, and seniors from different backgrounds can easily access the resources needed to live fulfilling lives.”

Programs offered by St. Luke’s Community House include a sliding-scale, licensed preschool program with a focus on Kindergarten readiness, an on-site food bank, and multiple programs designed to benefit senior citizens.

OBJECTIVES, SCOPE AND METHODOLOGY

The objectives of our review were:

- 1) To determine whether the agency had the resources and capacity to administer the grant funds.
- 2) To determine if costs and services were allowable and eligible.
- 3) To verify that program objectives were met.
- 4) To test the reliability of the financial and programmatic reporting.
- 5) To verify contractual compliance.

The scope of our review was limited to the contract term July 1, 2017 through June 30, 2018.

The monitoring review procedures included meeting with agency management and staff, reviewing board minutes and obtaining written representations from management. In addition, we examined certain financial records and supporting documentation necessary to ensure compliance with contractual requirements set forth in contract L-3902. Specific procedures included:

- Interviewing the employees responsible for grant management, financial reporting and accountability.
- Reviewing supporting documentation of expenditures for allowability, necessity and reasonableness.
- Reviewing the agency's general ledger and verifying the accuracy of all invoices submitted to Metro.
- Reviewing documentation to determine that funds were used for intended beneficiaries and expended in accordance with the spending plan of the contract.
- Reviewing documentation to support program activities for consistency with grant requirements.
- Assessing the financial stability of the agency and its ability to continue to administer the grant program funded by Metro.

RESULTS OF REVIEW

SUMMARY OF RESULTS

Criteria	Yes	No
Sufficient Resources and Capacity to Administer Funds?	✓	
Costs and Services Allowable and Eligible?	✓	
Program Objectives Met?	✓	
Reporting Requirements Met?	✓	
Compliance with Civil Rights Requirements?	✓	

RESULTS OF REVIEW

The overall results of the monitoring review are provided in this section. Results are based on testwork performed and include conclusions regarding specific review objectives and, if applicable, recommendations for improvement and an action plan for implementation. Where applicable, the Findings and Recommendations section of this report provides more insight into any issues identified below.

1. Sufficient Resources and Capacity to Administer Grant Funds

Our review of the agency's accounting system and the qualifications of the individuals assigned to manage the accounting records indicate that the agency possesses the necessary resources and professional expertise to effectively administer the grant funds.

2. Allowable and Eligible Costs and Services

Our review covered all of the core compliance areas identified by 2 CFR Part 200: *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*.

Additionally, the Metro Grants Manual requires separate accounting of the Metropolitan Nashville Government grant funds to prevent co-mingling of Metro Funds with other sources of funding. The agency is in compliance with this requirement. Different revenue classes as well as expenditure classes have been established to separately track the sources and amounts of funding. Also, the agency can easily and accurately report their expenses supported by the Metro Appropriation.

Based on our test work, costs and services during the period were allowable and eligible.

3. Program and Performance Objectives

The contract stipulates that the agency shall use the funds to provide the following outcomes:

RESULTS OF REVIEW

1. A minimum of 171 unduplicated participants; including 85 children (6 weeks to 4 years); 22 preschool parents, 44 K-8th grade students attending PTM and 20 non-English speaking adults taking NALC ELL classes.
2. 80% of Pre-K four year olds will have the emerging literacy skills (alphabet knowledge, phonological awareness, and print awareness) to be successful readers as measured by the Get Ready to Read tool.
3. 22 parents will attend at least one quarterly family literacy workshop.
4. St Luke's Community House will provide classroom space free of charge two days a week to the Nashville Adult Literacy Council for their ELL classes and five days week for Preston Taylor Ministries.

Based on our review of program documentation and discussions with staff, program performance objectives were met and the agency was in compliance with Community Partnership Funds contractual program objectives.

4. Reliability of Financial and Programmatic Reporting

The contract requires submission of an annual audit report performed by a Certified Public Accountant. The contract also requires the agency to submit to Metro year end reports of the program outcome and a final expenditures report, no more than 45 days after the close of the contract.

We reviewed all applicable financial and programmatic reports required by the contract, including audited financial statements. Based on our review, the agency did comply with all financial and programmatic reporting requirements.

5. Civil Rights Requirements

Our review did not reveal anything to indicate that the agency was noncompliant with civil rights requirements. The agency also has necessary written policies and procedures relating to civil rights. The agency has not received any complaints regarding any form of discrimination. Further, civil rights and ADA postings are publicly displayed.