

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY



January 21, 2021

Katherine McElroy, Board Chair
Alignment Nashville
150 Athens Way
Nashville, TN 37228

Dear Ms. McElroy:

Please find attached the monitoring report of Alignment Nashville relating to the contract it had with the Metropolitan Government of Nashville and Davidson County for the fiscal year ending June 30, 2020.

The Office of Financial Accountability is charged with the responsibility of monitoring grant funds, including Direct Appropriations, from Metropolitan Nashville Government to any nonprofit organization. Staff from the Office of Financial Accountability conducted the review on September 29, 2020.

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

Kevin Brown, CMFO, CICA, CFE
Director, Office of Financial Accountability

cc: Melissa Jagers, President and CEO, Alignment Nashville
Kevin Crumbo, Director, Department of Finance
Talia Lomax-O'dneal, Deputy Director, Department of Finance
Kim McDoniel, Deputy Director, Department of Finance
Mary Jo Wiggins, Deputy Director, Department of Finance

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Metropolitan Government of Nashville and Davidson County

ALIGNMENT NASHVILLE

◆ **Monitoring Report** ◆

Conducted by



Office of Financial Accountability

January 21, 2021

MONITORING REPORT

TABLE OF CONTENTS

INTRODUCTION	5
OBJECTIVES, SCOPE AND METHODOLOGY	6
RESULTS OF REVIEW	7
FINDINGS AND RECOMMENDATIONS	10

INTRODUCTION

The Office of Financial Accountability (hereinafter referred to as “OFA”) has completed a monitoring review of Alignment Nashville. 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 Alignment Nashville 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 Direct 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	Contract Term	
L-4204	Direct Appropriation	\$150,000	July 1, 2019	June 30, 2020

Agency Background

Alignment Nashville was created to align community organizations and resources so that their coordinated support of Nashville's youth has a positive impact on public school success, children's health, and the success of the community as a whole. Alignment Nashville operates on integrated principles, structure, process, and technology. According to their website Alignment Nashville’s mission is to “mobilize strategic partners to challenge and address systemic barriers in order to equitably impact the growth, development and academic achievement of each Metro Nashville Public Schools student.”

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, 2019 through June 30, 2020.

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-4204. 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 test work 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 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 was 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 grant.

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 services to at least 225 Alignment Team and Operation Board Members with the following outcomes:

RESULTS OF REVIEW

1. Alignment Nashville will coordinate and support the work of at least eleven (11) schools and subgroups, which may include the following A-Teams (Pre-K-Elementary, Middle School, High School, 16-24 year old's, Academies of Nashville, Community Archives, Integration of International Families, Adolescent Sexual Responsibility/Health Starts, Behavioral Health, Learning Technology, Teacher Recruitment and Retention, and School Nutrition). The list of A-Teams is subject to change during the year based on the needs of Metro Nashville Public Schools.
2. Will facilitate at least 100 A-Team and Operating Board member meetings of representatives of non-profits, government agencies and faith communities.

Based on our review of program documentation and discussions with staff, one of the two program performance objectives were not met, and the agency was not in compliance with contractual program objectives. See finding #1 in the Findings and Recommendations section for additional details.

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 outcomes 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 complied 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.

FINDINGS AND RECOMMENDATIONS

1. Program Performance Goals Not Met

Finding

Alignment Nashville failed to meet one (1) of the two (2) agency's contractual program objectives. Per the scope of services, the agency failed to meet the following outcomes:

- Will facilitate at least 100 A-Team and Operating Board member meetings of representatives of non-profits, government agencies and faith communities.

Based upon the program documentation provided and discussions with the staff, Alignment Nashville facilitated 75 A-Team and Operating Board member meetings of representatives of non-profits, government agencies and faith communities and not 100 required by the contract.

Recommendation

Management should take the necessary steps to ensure that program objectives are met and ensure that the program objectives are reasonable and attainable.

Corrective Action Plan Required

Please submit a corrective action plan indicating the actions the agency intends to take to correct the finding identified in this report. The corrective action plan should be addressed to the Office of Grants and Accountability and submitted within 14 days from the report date, via email, to Vaughn Wilson at vaughn.wilson@nashville.gov.