

**METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY**



January 3, 2011

Mr. Richard Fletcher, Board Chair  
Backfield In Motion  
920 Woodland Street  
Nashville, TN 37206

Dear Mr. Fletcher:

Please find attached the Monitoring Report of the Backfield In Motion relating to the contract it had with the Metropolitan Government of Nashville and Davidson County for the fiscal year ending June 30, 2010.

The Office of Financial Accountability (OFA) is charged with the responsibility of monitoring grant funds, including Community Enhancement Funds (CEF), from Metropolitan Nashville Government to any nonprofit organization. The OFA is also responsible for monitoring the federal and state grants to departments within the Metropolitan Nashville Government. Staff from the OFA completed its review on September 29, 2010.

We appreciate the assistance provided by your agency during the course of the review. If you have any questions, please call me at 615-880-1035.

Sincerely,

Fred Adom, CPA  
Director

cc: James Donnelly, Executive Director  
Richard M. Riebeling, Director of Finance

Talia Lomax-O'dneal, Deputy Director of Finance  
Gene Nolan, Deputy Director of Finance  
Kim McDoniel, Chief of Accounts  
Mark Swann, Internal Audit  
Kevin Brown, Office of Financial Accountability  
Essie Robertson, Office of Financial Accountability  
Brad Thompson, Office of Financial Accountability



◆ Monitoring Report of ◆

# Backfield In Motion



Conducted by



## Office of Financial Accountability

January 3, 2011

MONITORING REPORT

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## INTRODUCTION

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The Office of Financial Accountability (hereinafter referred to as “OFA”) has completed a monitoring review of Backfield In Motion. 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 Backfield In Motion. The OFA is responsible for the internal monitoring of Metro agencies that receive federal and state financial assistance, including cooperative agreements and non-profit organizations that receive appropriations and Community Enhancement 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	Grantor	Amount	Contract Term	
L-2313	Community Enhancement Funds (CEF)	Metro Government	\$105,900	July 1, 2009	June 30, 2010

### Agency Background

Backfield In Motion is a non-profit organization based in Nashville that believes academic achievements and exposure to diverse opportunities for learning can inspire inner-city boys to reach their maximum potential and to become significant contributors to society. Specifically, Backfield In Motion serves boys ranging from 10 to 18, with the majority of them coming from economically disadvantaged households within the Metropolitan Nashville area. The organization provides intensive tutoring throughout the week, plus a Saturday School which is made up of four hours of interactive, hands-on learning with the primary focus on reading, language arts, and math. The Backfield In Motion includes athletics as a motivational tool in support of their academic programs. Working in conjunction with the Metro Parks and Recreational Department, the organization coordinates a year-long sports league at area community centers.

## OBJECTIVES, SCOPE AND METHODOLOGY

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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, 2009 through June 30, 2010.

Audit procedures included meeting with agency management and staff, reviewing the design of internal controls as a basis for establishing our testwork, 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-2313. 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

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### Summary of Results

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

## **RESULTS OF REVIEW**

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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 OMB Circular A- 133: *Audit of States, Local Government, and Non-Profit Organizations*. Based on our test work, costs and services during the period were allowable and eligible. Costs incurred by the agency complied with applicable guidelines stated in OMB Circular A-122.

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 had been established to separately track the sources and amounts of funding. Also, the agency could easily and accurately report their expenses supported by the Metro Grant.

### **3. Program and Performance Objectives**

The grant contract stipulates that the agency was to provide the following program objectives:

## **RESULTS OF REVIEW**

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- 150 boys will be served by the after school and Saturday program
- Boys with 90% attendance will show a 95% school attendance rate, increase one letter grade in individual courses, and show 50% reduction in disruptive behavior during school hours.
- 100% of students will participate in 12 community service projects
- 90% of students will remain in program throughout the year
- 90% of parents attended one or more BIM workshops
- 95% of parents attended the BIM Family Banquet.

Based on our review of program documentation and discussions with staff, we found that documentation was insufficient to support the grant program objectives. As a result, it is our conclusion that these program performance objectives were both unmet and inaccurately reported in the Final Program Report. Please see Finding #1 for specific information regarding unmet program outcomes.

### **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 was unable to support the program outcomes reported in their final program report. Please see Finding #1 for specific information regarding unmet program outcomes.

### **5. Internal Control Environment**

In order to determine the adequacy of the design of internal controls, we obtained and reviewed an independent auditor's report on internal control over financial reporting and/or a completed internal control questionnaire. This audit procedure was performed solely as a basis for determining our test work and to assist us in

## RESULTS OF REVIEW

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making suggestions for improvement to management. We did not evaluate the operating effectiveness of internal controls over financial reporting.

Our review of the design of the agency's internal controls did not reveal any control deficiencies. Further, nothing came to our attention that would necessitate suggestions for improvement in internal control activities to management.

### **6. 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**

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### **1. Inaccurate Performance Data on Final Program Report**

Backfield In Motion reported the following outcomes in their final program report:

1. 142 of 150 students were promoted on time
2. Boys with 90% attendance will show a 95% school attendance rate, 57% increased one letter grade in 75% of their individual courses, and show 50% reduction in disruptive behavior during school hours.
3. 100% of students will participate in 9 community service projects
4. 90% of students will remain in program throughout the year
5. 92% of parents attended one or more BIM workshops
6. 95% of parents attended the BIM Family Banquet.

Based on documentation reviewed and discussion with agency staff, the OFA auditors were unable to verify some of the reported outcomes as reported by the agency. Specifically, the OFA was unable to verify performance measures #2, #3, #4, #5 and #6. For performance measures #2 and #6, Backfield in Motion inaccurately reported the outcomes. Based upon fieldwork completed, the OFA auditors calculated that 27% increased a letter grade in Math and 29% increased a letter grade in reading, not the 57% that was reported. Also based upon testing completed, only 82% of the parents attended the Family Banquet not 95%. Backfield in Motion failed to maintain written documentation to support performance measures #3, #4 and #5. Without written documentation, the OFA auditors were unable to verify the reported outcomes.

### **Recommendation:**

Information pertaining to program objectives in the Final Program Report should be based on actual results and supported by written documentation. In addition, management should review the achievement of those objectives before they are reported to the Metro Finance Department, Division of Grants Coordination, in order to ensure their accuracy.

## FINDINGS AND RECOMMENDATIONS

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### **Corrective Action Plan Required**

Please submit a corrective action plan indicating the actions the agency intends to take to correct the findings identified in this report. The corrective action plan should be submitted within 30 days from the report date to the address below:

Ms. Brandie Haywood, Director  
Division of Grants Coordination  
700 2<sup>nd</sup> Avenue South, Suite 201  
Nashville, TN 37210