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MAYOR



METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY

DEPARTMENT OF FINANCE
222 THIRD AVENUE NORTH, SUITE 650
NASHVILLE, TENNESSEE 37201

November 9, 2006

Mr. Avi Poster, Chairman
Mary Parrish Center
5300 Crest Hollow Court
Nashville, TN 37211

Dear Mr. Poster:

Please find a revision of the of the Mary Parrish Center monitoring report relating to the contract it has with the Metropolitan Government of Nashville and Davidson County for the fiscal year ending June 30, 2006; previously issued on October 9th, 2006. The agency provided us additional information which resulted in this revision of the earlier report.

The Office of Financial Accountability (OFA) is charged with the responsibility of monitoring grant funds from Metropolitan Nashville Government to nonprofit organizations. The OFA is also responsible for monitoring the federal and state grants to departments within the Metropolitan Nashville Government. Staff from the OFA conducted the review on August 31, 2006.

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

Fred Adom
Director

cc: Valerie Wynn, Executive Director, Mary Parrish Center
David Manning, Director of Finance
Talia Lomax-O'dneal, Deputy Director of Finance
Kim McDoniel, Assistant Finance Director
Don Dodson, Internal Audit
Bryan Gleason, Office of Financial Accountability



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◆ Monitoring Report of ◆

Mary Parrish Center



Issued by



Office of Financial Accountability

November 9, 2006

Fred Adom, CPA
Director

Bryan Gleason
Lead Auditor

Our Vision: To be excellent and proficient in monitoring and management services.

Monitoring Report
for the
Mary Parrish Center

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EXECUTIVE SUMMARY

The Office of Financial Accountability (hereinafter referred to as "OFA") has completed a monitoring review for the Mary Parrish Center (hereinafter referred to as "MPC" or "agency"). The OFA conducted its monitoring review along the major compliance areas identified in the Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations" and in accordance with Generally Accepted Government Auditing Standards and the Metro Grants Manual of the Metro Nashville Government of Nashville and Davidson County (hereinafter referred to as "Metro").

Overview of the Agency

The Mary Parrish Center, established in 2002, serves as a non-residential resource for sexual and domestic violence victims by collaborating with various organizations. The agency brings together through the collaborations centralized health, housing, legal, and law enforcement assistance for victims of sexual and/or domestic abuse. The agency also provides financial assistance, transportation, and counseling services for the victims.

For the fiscal year ended June 30, 2006, the MPC's total revenues and support were \$186,161, 31% of which was provided by the \$58,500 Metro appropriation. The agency received \$127,661 in contributions, accounting for 68% of total revenues and support. During this period the agency's paralegal reported to have assessed 399 victims; while helping 125 victims to obtain orders of protection. Over 95% of the MPC's clients were women between 18-55 years of age.

Objectives, Scope, and Methodology

A monitoring review is substantially less in scope than an audit. The OFA did not audit MPC's financial statements and, accordingly, does not express an opinion or any assurances regarding the financial statements of MPC or Metro. The OFA is responsible for monitoring the direct appropriations awarded by the Metro Council to nonprofit organizations. The OFA is also responsible for monitoring Metro departments that receive Federal and State grants and financial assistance, including cooperative agreements. In summary, any agreement(s) that imposes performance and/or financial requirements on Metro Government is subject to review by the OFA.

The monitoring objectives for this review were as follows:

- To determine whether the agency has the resources and capacity to administer the grant funds
- To test if costs and service are allowable and eligible
- To verify that program objectives are being met
- To test the reliability of the financial and programmatic reporting
- To test the reliability of internal controls
- To verify contractual compliance

Our review covered the agency's operations and expenses over the grant period which ended June 30, 2006.

To accomplish the objectives of the monitoring review, the OFA conducted a site visit to review all supporting documentation and to interview administrative staff. The OFA obtained an understanding of the agency's operations through interviews and inquires physical inspection of accounting records and supporting documentation, and observation of operations and controls in place.

Monitoring Review Highlights

The MPC staff provided valuable assistance to us during the site visit and appeared to be knowledgeable about the agency's program and financial operations. Our review did not result in any findings of non-compliance.

RESULTS OF MONITORING

The overall results of the monitoring review for the Mary Parrish Center are provided in this section. The results are based on tests performed and include conclusions regarding the specific review objectives and, if applicable, recommendations for improvement and an action plan for implementing the conclusions. Where applicable, the Findings and Recommendations section of the report provides more insight into the problem identified in the results below.

1. Resources and capacity to administer the grant funds

Our review of the agency's accounting system, the individuals assigned to manage the accounting records, and other available resources possesses the necessary qualification and expertise to administer the grants funds. We found that the agency uses QuickBooks accounting software to record financial transactions. The agency's Board Treasurer and the Executive Director oversee financial operations. The Treasurer appears to be adequately performing the fiscal functions. The day-to-day financial functions (i.e., data entry) are completed by an administrative staff.

According to the minutes from the Board of Directors meetings for the fiscal year, the MPC appears to have adequate Board oversight and active participation. The Board appears to monitor both financial and programmatic activities of the agency. For FY 2006, the agency had a positive fund balance, and appeared to be solvent.

2. Allowable and eligible costs and services

The contract between Metro and the MPC for the period ending June 30, 2006 awarded funds to assist with funding the salary of an American Bar Association (ABA) – certified paralegal, and to cover occupancy, and other non-personnel expenses (i.e., utilities). Based on the tests performed, we found the agency charged only allowable and eligible costs to the grant. However, we found that the agency has been operating without a signed lease between the agency and the property management agency. As of April 2006, the agency entered into a verbal agreement with the new property owners instead of acquiring a signed rental agreement outlining the specified amount for rent for the current year. We recommend that the agency immediately secure a signed legally binding rental agreement from the property management office which will outline a specified amount for rent and duration of the agreement.

3. Program objectives being met

The program report for the fiscal year ended June 30, 2006 stated the agency served 399 clients overall. Our tests verified the agency served 499 clients. According to the report the paralegal prepared 125 orders of protection for domestic violence victims.

4. Reliability of financial and programmatic reporting

Tests of the financial reports submitted to Metro for the grant period indicate the agency's reports were in compliance with the requirements of the Metro Grants Manual. We verified the total cost reported, which met the grant award; however, we found that the agency failed to itemize the award based on specific categories illustrated based on the submitted spending plan and invoice. The agency combined the cost of occupancy and other non-personnel expenses on the final expenditure report.

RESULTS OF MONITORING

Per the Metro contract, the MPC is required to submit a Final Expenditure Report and a Final Program Report within 45 days of the close of the grant period. Our test revealed the agency fully complied with this requirement and no finding is noted.

5. Reliability of internal controls

Our review of the internal controls of the Mary Parrish Center of Metropolitan Nashville revealed the executive director is solely in charge of complete financial processes without any oversight. Test indicates the director makes most of the purchases, approves all invoices and vouchers, processes all payroll transactions, and distributes checks. The agency provided us proof of secondary signature to the agency checks.

6. Contractual compliance

Overall, the OFA found the agency in compliance with the contract requirements. The purpose of the Metro grant funds was to pay for “the salary of an ABA-certified paralegal...assist domestic and sexual violence victims obtain orders of protection and criminal warrants against offenders as necessary, occupancy, and non-personnel expenses” The MPC has complied with this scope, based on our inquiry and review of supporting documentation.

The grant contract further requires compliance with civil rights regulations and that the agency show proof of and post notices of nondiscrimination. We identified the necessary postings in the agency’s facility, so the OFA noted no instances of noncompliance with these contractual requirements.