

METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY



January 4, 2016

Roger Cunningham, Board Chair
Oasis Center Inc.
1704 Charlotte Avenue, Suite 200
Nashville, TN 37203

Dear Mr. Cunningham:

Please find attached the monitoring report of Oasis Center Inc. relating to the contracts it had with the Metropolitan Government of Nashville and Davidson County for the fiscal year ending June 30, 2015.

The Office of Financial Accountability is charged with the responsibility of monitoring grant funds, including Community Enhancement Funds and Direct Appropriations, from the Metropolitan Nashville Government to any nonprofit organization. Staff from the Office of Financial Accountability conducted the review on November 3, 2015.

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
Finance Administrator

cc: Tom Ward, CEO
Talía Lomax-O'dneal, Director of Finance

Gene Nolan, Deputy Director of Finance
Kim McDoniel, Chief of Accounts
Mark Swann, Internal Audit
Fred Adom, CPA, CGMA, CICA, Director, Office of Financial Accountability
Essie Robertson, CPA, CMFO, CICA, Office of Financial Accountability
Aaron Davis, CICA, Office of Financial Accountability



Metropolitan Government of Nashville and Davidson County

OASIS CENTER INC.

◆ Monitoring Report ◆

Conducted by



Office of Financial Accountability

January 4, 2016

MONITORING REPORT

TABLE OF CONTENTS

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

INTRODUCTION

The Office of Financial Accountability (hereinafter referred to as “OFA”) has completed a monitoring review of the Oasis Center Inc. 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 Oasis Center Inc. 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 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	Amount	Contact Term	
L-3250	Community Enhancement Funds	\$77,500	July 1, 2014	June 30, 2015
L-3202	Direct Appropriation Funds	\$30,000	July 1, 2014	June 30, 2015

Agency Background

Oasis Center Inc. is a not-for-profit organization with the mission of: “offering safety and support to Nashville’s most vulnerable and disconnected youth, while seeking to also teach young people how to transform the conditions that create problems for them in the first place”.

Oasis Center Inc. is a 501(c)(3) organization headquartered in Nashville, Tennessee. Oasis Center Inc. was founded in 1969 to provide community-based care for youth experiencing alcohol and drug problems.

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, 2014 through June 30, 2015.

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(s) L-3250 and L-3202. 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 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 Community Enhancement Funds contract stipulates that the agency shall use the funds to offer the REAL (Reaching Excellence as Leaders) program to 32 youth through referrals from Juvenile Court Judges and Probation Officers with the following outcomes:

RESULTS OF REVIEW

- 1) At least 22 youth (70% of 32) will not be re-sentenced by the courts.
- 2) At least 25 youth (80% of 32) will complete college preparation activities.
- 3) At least 25 youth (80% of 32) will complete at least two service learning projects.

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

The Direct Appropriation Funds contract stipulates that the agency shall use the funds to assign a consultant to the Mayor's Office of Children and Youth (MOCY) in regards to the Mayors Youth Council (MYC), who will coordinate the daily functions of the MYC. This includes managing their meetings, communication, and youth engagement. In addition, Oasis Center will provide ongoing support in the areas of positive youth development, training, team building, and provide any necessary administrative support. The consultant will report activities and progress on a regular basis and incorporate MOCY priorities and feedback as appropriate with the following outcome.

- 1) The MOCY program will provide up to 70 hours of service learning for at least 25 Nashville High School students yearly.

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

RESULTS OF REVIEW

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 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.