

***STATE OF LOUISIANA
LEGISLATIVE AUDITOR***

**Office of
Urban Affairs
and
Development**

**Staff Study
December 1995**



Performance Audit Division

***Daniel G. Kyle, Ph.D., CPA, CFE
Legislative Auditor***

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Office of Urban Affairs and Development

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State of Louisiana

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December 13, 1995

Honorable Samuel B. Nunez, Jr.,
President of the Senate
Honorable John A. Alario, Jr.,
Speaker of the House of Representatives
and
Members of the Legislative Audit Advisory Council

Dear Legislators:

This is our staff study of the Office of Urban Affairs and Development. This study was conducted under the provision of Title 24 of the Louisiana Revised Statutes of 1950, as amended.

This staff study represents our findings, conclusions, and recommendations. We have also identified matters for legislative consideration. Included in Appendix D is the response of the Office of Urban Affairs and Development.

Sincerely,

A handwritten signature in black ink, appearing to read "Daniel G. Kyle". The signature is fluid and cursive, with a large initial "D" and "K".

Daniel G. Kyle, CPA, CFE
Legislative Auditor

DGK/jl

(LEGLTR)



Office of Legislative Auditor

Executive Summary

Office of Urban Affairs and Development Staff Study

The Office of Urban Affairs and Development was created to improve and enhance the quality of life of Louisiana's urban and disadvantaged residents. Our study of the Urban Development Program found that:

- ◆ The Office of Urban Affairs and Development issued grants to fund many different types of social services.
- ◆ There are no formal policies and procedures for applying for or approving grants from the Office of Urban Affairs and Development. Furthermore, grants are not restricted to urban areas.
- ◆ No mechanism has been developed to ensure that all grant recipients are monitored.
- ◆ State agencies already exist that fund, oversee, and coordinate the types of services funded by the Office of Urban Affairs and Development.

Office of Urban Affairs and Development

Staff Study Initiation

This study was conducted because of the recommendations of the Select Council on Revenues and Expenditures in Louisiana's Future (SECURE) to eliminate funding for this program. Appendix C to this report describes the scope and methodology used in this study. This study had the following objectives:

- ♦ **Determine if the Office of Urban Affairs and Development is performing the duties and functions as set out in the executive order establishing it.**
- ♦ **Determine if the Office of Urban Affairs and Development duplicates or overlaps with other programs.**
- ♦ **Examine the management controls over the grant application, approval, and monitoring processes.**

Background

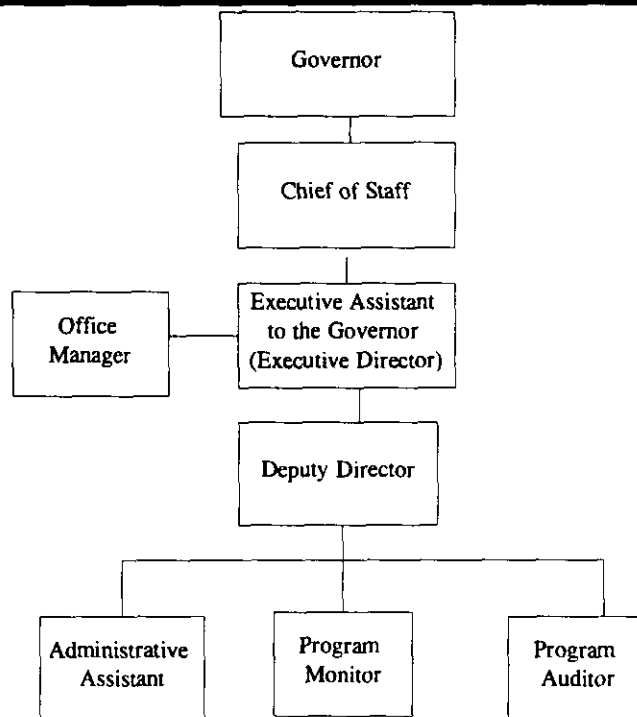
The Office of Urban Affairs and Development (Urban Development) was created to improve and enhance the quality of life of Louisiana's urban and disadvantaged residents. Executive Order EWE 93-29 created Urban Development within the Governor's Office in September 1993. According to the executive order, Urban Development was created to:

- ♦ coordinate, direct, and monitor efforts to enhance the quality of life of disadvantaged and urban residents of Louisiana;
- ♦ provide, promote, and coordinate enabling legislative initiatives;
- ♦ provide, promote, and oversee economic development programs and activities for urban and disadvantaged residents;
- ♦ provide and coordinate information to and among the various private and state agencies which serve to enhance the health, safety, social and economic welfare of the urban and disadvantaged residents of Louisiana;

- ♦ advise the governor on issues relative to urban and disadvantaged citizens' affairs;
- ♦ assist the Office of the Governor in constituent services; and
- ♦ other duties and functions as requested by the governor.

Staffing. Urban Development has six employees who serve at the governor's pleasure. Urban Development is headed by an Executive Assistant to the Governor (referred to as the *Executive Director in this report*). Other staff of the office are illustrated in Exhibit 1 below.

Exhibit 1
Office of Urban Affairs and Development
Organization Chart



Source: Prepared by legislative auditor's staff using information provided by Office of Urban Affairs and Development.

Funding and Functions. Urban Development primarily issues and administers grants to non-profit organizations that, through cooperative endeavor agreements, contract to provide social and community services to urban residents. As part of the

Executive Office, Urban Development's funds are included in that appropriation. Exhibit 2 below shows the funding to Urban Development and the amount and number of grants issued for fiscal years 1994 and 1995.

Exhibit 2			
Office of Urban Affairs and Development			
Funding for Fiscal Years 1994 and 1995			
Fiscal Year Ended June 30	Funds Received	Amount of Grants Issued	Number of Grants
1994	\$8,760,000	\$8,547,082	78
1995	\$10,460,000	\$9,974,149	102

Note 1: The difference between funds received and grants issued could be used for Urban Development's administrative costs.

Note 2: Additional grants totaling \$220,400 were issued in fiscal year 1995 after our fieldwork was completed and are not included in our report analyses.

Source: Prepared by legislative auditor's staff using Appropriations Acts and information received from the Division of Administration.

In addition to issuing grants, Urban Development is involved in other activities. For example, Executive Order EWE 94-13 established the Minority Arts and Humanities Council on March 25, 1994, which is administered by Urban Development. According to the program's coordinator, the purpose of this council is to raise awareness of the importance of arts and humanities, particularly among minority students. The governor appoints an eleven member board of directors, which includes a state coordinator.

Urban Development also administers the One Church One Addict Program. Executive Order EWE 94-42 established and created this program on November 15, 1994, as part of a national program to mobilize the religious community to aid recovering substance abusers. Most of this aid is in the form of companionship, spiritual guidance, referrals to treatment centers, and other assistance. According to the executive order, the board of directors is named by the governor and consists of leaders of all

religious denominations in the state as well as various public officials.

The executive orders do not state any specific duties to be performed by Urban Development. Urban Development supports both the One Church One Addict and Minority Arts and Humanities Council by paying the state coordinator's salary (who serves both programs) and travel expenses; printing and mailing letters, fliers, and brochures; and other related expenses. The state coordinator's primary duties for both programs include preparing correspondence, traveling around the state promoting the programs, developing literature, and related duties. For example, the state coordinator's duties as related to the Minority Arts and Humanities Council involve preparing correspondence to the schools in the state and organizing an arts and humanities "caravan" that consists of presenters who are promoting their specific artistic area by visiting different schools.

Grants Issued for Different Types of Services

Urban Development issued grants for various purposes primarily of a social service nature in fiscal years 1994 and 1995. Exhibit 3 on page 5 shows the types of services funded by Urban Development, number of grants, annual amount spent for each type of service, and what percentage that service is of the total fiscal year's grants. Appendix A lists all Urban Development grants issued for fiscal years 1994 and 1995 by parish.

In the first category in Exhibit 3, Urban Development funded educational programs that were aimed primarily at improving adult literacy and tutoring children. The second category contains programs that provide more than one type of service. This category includes community service programs that provide multiple services such as after school tutoring, elderly services, drug counseling, and teen pregnancy prevention.

According to documents obtained from Urban Development, one recipient in the second category subcontracted with others that perform various services to the community. During fiscal year 1995, two of the entities receiving funds from the primary recipient also received grants directly from Urban Development. Audited financial statements of the primary recipient for fiscal year 1994 show that it received 76 percent of its funding for that year, or \$139,250, from Urban Development. Of these funds, \$63,304 (45 percent) were given out as grants.

The remainder was used for salaries, supplies, travel, and other functions.

In the third category, Urban Development funded many programs that primarily serve the elderly. The services rendered include transportation, light duty house cleaning, meals, and recreation. Nine parish councils on aging and other programs that serve the elderly received funding through Urban Development.

The fourth category included grants to organizations that provided assistance to small business owners. The fifth category included grants that provided services primarily to youth such as delinquency prevention, summer camp programs, and administrative support to an organization that operates two group homes for mentally ill adult males and a center for juvenile offenders.

The miscellaneous category contains programs for services to the disabled and sickle cell anemia patients, counseling services, African-American cultural exposure, and aesthetic improvements such as landscaping and trash collection.

Exhibit 3
Office of Urban Affairs and Development
Grants by Type of Service
for Fiscal Years 1994 and 1995

Type of Service	Fiscal Year 1994			Fiscal Year 1995		
	Number of Grants	Amount	Percent of Total	Number of Grants	Amount	Percent of Total
1. Educational Programs	10	\$1,200,866	14.05%	12	\$1,319,377	13.23%
2. Multi-Purpose Programs	11	2,548,202	29.82%	20	3,192,818	32.01%
3. Elderly Services	22	1,498,598	17.53%	25	1,713,066	17.18%
4. Economic Development	3	177,000	2.07%	3	109,000	1.09%
5. Youth Services	21	2,012,223	23.54%	31	2,520,945	25.27%
6. Miscellaneous	11	1,110,193	12.99%	11	1,118,943	11.22%
TOTAL	78	\$8,547,082	100.00%	102	\$9,974,149	100.00%

Note: Additional grants totaling \$220,400 were issued in fiscal year 1995 after our fieldwork was completed and are not included in our report analyses.

Source: Division of Administration check listings and Cooperative Endeavor agreements supplied by Office of Urban Affairs and Development.

No Formal Criteria for Grant Application and Approval Processes

Urban Development has not developed formal policies or procedures for the program's grant application and approval processes. In addition, no criteria exists for selecting grant recipients. Often, the agreements between Urban Development and the grant recipients do not clearly describe the services to be provided. Furthermore, decisions on funding levels are not based on any established system.

According to grant control procedures adopted by the U.S. General Accounting Office and others, a good management control system should have reporting and compliance requirements defined in regulations. The risks associated with not having these include:

- ♦ eligible grant recipients not applying;
- ♦ eligible grant recipients being denied grants;
- ♦ ineligible grant recipients applying; and
- ♦ unauthorized grants being made.

No Guidelines for Grant Application and Approval Processes

Almost any non-profit, social service organization can apply for an urban development grant. According to Urban Development's executive director, initial contact for funding begins with the applicant requesting information by phone from Urban Development, by contacting their legislators, or by referrals from the Department of Health and Hospitals, the Department of Social Services, or other non-profit organizations.

The applicant must complete and submit an application form, a cooperative endeavor agreement, and a resolution by its board of directors to Urban Development. The program monitor reviews the documents for accuracy and completeness. Then, the executive director either approves or disapproves the application. Next, the documents are submitted to the Division of Administration - Office of Contractual Review for approval. Once approved by Contractual Review, the commissioner of administration approves them. Finally, a check is issued for the full amount of the grant.

We did not find any guidelines for approval or disapproval of applications except, according to the executive director, the applicant must be a non-profit organization that has obtained a 501(c)(3) Internal Revenue tax filing status. Our limited review of Urban Development grants found one grant that did not fit this criteria. This grant was given to the Town of

Springfield for \$67,500 in fiscal year 1995. The purpose of the grant was to "improve streets, drainage, and access to public facilities for elderly, handicapped, and underprivileged citizens of its community." A grant of this nature appears to better be served by the Rural Development Program, which typically funds grants for these purposes. However, if this request had been submitted to the Rural Development Program it would have been limited to \$25,000, the maximum grant amount given to towns. Furthermore, the Town of Springfield also received a grant from the Office of Rural Development during fiscal year 1995 for \$15,000 for the same purpose, drainage improvements.

Cooperative Endeavor Agreements Vague

The cooperative endeavor agreements are submitted on standard forms, and the description of services to be provided are often vaguely worded. The Office of Contractual Review within the Division of Administration only checks the agreements for proper signatures and attachments and maintains a log of the agreements in its system. According to Contractual Review staff, there are no legal requirements for what information the contracts should contain since Urban Development was created by executive order rather than by statute. The applicant states on the agreement what services they will provide. For example, one applicant is to provide the following services:

To provide cultural exposure and career development opportunities . . . for the benefit of low and moderate income youths.

The cooperative endeavor agreements are not required to state how many individuals will be served, where, how often, or when the services will be provided nor are they required to contain methods to measure the applicant's success. According to Urban Development's executive director, if a grant recipient breaches the contract, the grant is terminated and the grant recipient is given thirty days written notice. The cooperative endeavor agreement states that when the contract is terminated all records, reports, worksheets, funds, or any other related material will become the property of the state. The remaining funds are then returned to the Division of Administration. According to Urban Development's program monitor, that office has only terminated one contract.

No System for Funding Decisions

Urban Development does not use a formula or any other formal criteria for determining the level of funding or the areas of the state to be funded. According to the program monitor, funding decisions are based on the specific program and the services it will provide to a particular community. They also consider the program's budget. The program monitor reviews each line-item of the applicant's budget. A program can have several components, which are sometimes funded separately. According to the program monitor, the office may make suggestions in certain areas.

According to the program monitor, programs funded by Urban Development are not specific to urban areas. The grant recipients are not limited to a specific area nor are the grants given to areas based on population. Entities in 24 of Louisiana's 64 parishes received grants from Urban Development in fiscal year 1995. Over 70 percent of the grant dollars went to Orleans, Caddo, and East Baton Rouge parishes for fiscal years 1994 and 1995. Exhibit 4 on page 9 shows how these funds were distributed across the state.

Monitoring Process Does Not Cover All Grant Recipients

Urban Development does not ensure that all grant recipients are monitored and, those that are monitored, are chosen in a random manner. In addition, the staff that performs the monitoring function may have limited expertise to assess the wide variety of services performed by grant recipients.

A good management control system should include procedures to monitor grant recipient compliance with grant terms. Such monitoring should be done timely to curtail abuse before all funding is disbursed. Furthermore, funds should be disbursed only as needed.

Our work in this area was limited. We did not assess the adequacy of the office's monitoring nor did we analyze the need for or quality of services supplied by the grant recipients. However, through general observations and staff interviews we noted the items that follow.

Exhibit 4
Office of Urban Affairs and Development
Grants by Parish
for Fiscal Years 1994 and 1995

Parish	Fiscal Year 1994		Fiscal Year 1995	
	Grant Amount	Percent of Total Grants	Grant Amount	Percent of Total Grants
Caddo	\$1,319,959	15.45%	\$1,473,661	14.77%
Calcasieu	150,000	1.75%	206,807	2.07%
DeSoto*	5,000	0.06%	14,000	0.14%
East Baton Rouge	1,205,202	14.10%	1,405,800	14.09%
East Feliciana*	6,500	0.08%	6,500	0.07%
Grant*	11,300	0.13%	11,300	0.11%
Iberville*	304,000	3.57%	304,000	3.05%
Jefferson	150,000	1.75%	217,500	2.18%
Lafayette	455,000	5.32%	516,500	5.18%
Lafourche*	38,675	0.45%	38,675	0.39%
Lincoln*	150,000	1.75%	207,500	2.08%
Livingston*			67,500	0.68%
Madison*			6,000	0.06%
Natchitoches*	33,353	0.39%	33,355	0.33%
Orleans	3,832,224	44.84%	4,131,980	41.43%
Ouachita	423,300	4.95%	448,914	4.50%
Plaquemines*			138,350	1.39%
Pointe Coupee*	10,000	0.12%	10,000	0.10%
Rapides	242,000	2.83%	280,500	2.81%
Red River*	11,644	0.14%	188,882	1.90%
St. Landry*	150,000	1.75%	217,500	2.18%
Tangipahoa*	9,000	0.11%	9,000	0.09%
Terrebonne*	29,325	0.34%	29,325	0.29%
Winn*	10,600	0.12%	10,600	0.11%
Total	\$8,547,082	100.00%	\$9,974,149	100.00%

* Denotes parishes that are considered rural areas, according to LSA-R.S. 3:313(7).

Source: Prepared by legislative auditor's staff from Division of Administration check listings and documents provided by Office of Urban Affairs and Development.

Not All Grant Recipients Are Monitored

The system in use to select grant recipients for monitoring does not ensure that all Urban Development grant recipients will be monitored by Urban Development. The office employs two individuals to monitor the programs. A program auditor and a program monitor visit the grant recipient's service sites around the state to inspect the records and services provided. According to documents provided by the executive director, the program auditor examines client financial records, analyzes accounts, and performs other audit procedures. Those same documents state that the program monitor coordinates, directs, and monitors enhancement programs targeted to disadvantaged and urban residents.

According to the program monitor, while there is no schedule of which grant recipients to visit, they attempt to visit each one at least once a year. They decide on which grant recipients to visit based on three criteria:

1. new grant recipients
2. location
3. type of service provided

First, programs that are newly funded by Urban Development always receive a visit. The program itself may have been in existence for years but will be receiving funding from Urban Development for the first time.

Second, if the program monitor and program auditor are visiting new programs in a certain area, then they will visit the larger grant recipients in that area. Some smaller grant recipients may not receive a visit.

Third, the type of service provided may determine if the program monitor will visit. If a grant recipient is monitored by another state agency, then Urban Development may not visit these. For example, the councils on aging are monitored by the Office of Elderly Affairs. Thus, Urban Development may not visit a council on aging grant recipient, especially if its funding level is low.

Wide Variety of Programs May Prevent Thorough Assessment

The lack of specific program criteria can prevent the program monitor from being able to assess the services provided by grant recipients. As mentioned previously, Urban Development funds many different types of social services. In addition, the cooperative endeavor agreements are not worded specifically enough to allow performance measures to be developed. Thus, it would be difficult for Urban Development to monitor services because they have no performance measures.

In addition, it could be difficult for one individual to become familiar with all of the federal, state, and other types of requirements of such a large number of different service programs. Many of these services would fall under other state agencies that have the expertise and criteria to monitor the programs. Thus, Urban Development may not be able to monitor the many different types of services in an effective manner.

Possible Duplication and Overlap of Efforts

For nearly every type of service that Urban Development funds, a state agency already exists to fund, oversee, and coordinate efforts in these areas. Multiple funding sources can lead to duplication of efforts in many areas such as funding, monitoring, contract review, and possibly others. Furthermore, this method of funding state activities makes it virtually impossible for the state to know how much money is being spent to provide a particular service to the public.

For example, the Department of Education handles most state education programs for children and adults. In fiscal year 1995, Urban Development gave over \$1.4 million to programs that provided educational assistance such as after school tutoring and adult education. In addition, some of the multi-purpose programs also incorporate educational programs. Within the Department of Education, the Church-Based Tutorial Network serves grades kindergarten through eight and includes academic skill development, substance abuse prevention training, dropout prevention, and many other services. This program operates in 56 parishes, 2 Catholic dioceses, and 420 separate sites and services 20,000 students. One of the church-based tutorial programs, Saturday Academy, is also funded through Urban Development.

In addition, the Department of Health and Hospitals manages medical and substance abuse programs in the state. However, during fiscal year 1995, Urban Development gave \$180,993 to five organizations that serve sickle cell anemia patients and \$170,000 to a health clinic. Furthermore, many of the Urban Development grant recipients provided substance abuse prevention programs.

Furthermore, the Departments of Social Services and Corrections provide services to "at risk" youth. Urban Development gave over \$2.5 million during fiscal year 1995 to non-profit organizations that also address youth concerns. Our limited review of fiscal year 1995 grants found three grant recipients, which provide services to juveniles, receiving funds from both the Department of Public Safety and Corrections - Office of Youth Services and Urban Development.

- ♦ **Novice House, Inc.**, a shelter located in Monroe, received \$110,000 from Urban Development and \$140,000 from the Department of Public Safety and Corrections.
- ♦ **Southern Community Development Corporation**, a shelter located in New Orleans, received \$89,983 from Urban Development and \$250,700 from the Department of Public Safety and Corrections.
- ♦ **Youth Development Association, Inc.**, a juvenile delinquency prevention program located in New Orleans, received \$84,500 from Urban Development and \$200,000 from the Department of Public Safety and Corrections.

Splitting funding sources in this manner causes duplication in efforts by the funding agencies. This could also be an added administrative burden to the grant recipient by having to account for two funding sources and by duplicating monitoring. In addition, the Office of Contractual Review has to process two contracts for the same service provider.

Some Urban Development grant recipients were formerly funded by other state agencies. For example, our limited review found that some councils on aging have been moved from the Office of Elderly Affairs to Urban Development for funding purposes. These councils no longer receive funding from the Office of Elderly Affairs. In addition, we were told that other programs that are now funded by Urban Development used to be funded by other state departments but were transferred to Urban Development along with the program funding.

Matters for Legislative Consideration

Since state agencies already exist that manage most of the types of services funded by this agency, the legislature may wish to consider realigning those resources to be issued through the respective agencies. However, if the legislature wishes to *continue funding these services in this manner, then the legislature may wish to consider the following:*

1. Establish the Office of Urban Affairs and Development in law.
2. Require the Office of Urban Affairs and Development to prepare and adhere to specific rules and regulations regarding the use of the funds it disburses. These rules and regulations should be adopted according to the Administrative Procedures Act and should address the identified weaknesses in the grant application, approval, and monitoring processes.

Recommendation

The Office of Urban Affairs and Development should prepare rules and regulations governing the use of its funds. These rules and regulations should clarify the requirements for receiving grants and should address the identified weaknesses in the grant approval and monitoring processes.

Appendixes

Appendix A

Urban Affairs and Development Grants by Parish for Fiscal Years 1994 and 1995

Appendix A: Urban Affairs and Development Grants by Parish for Fiscal Years 1994 and 1995

Parish/Grant Recipient	City/Town	Program Description	Fiscal Year	
			1994	1995
Caddo				
Association for Community Training, Inc.	Shreveport	At-risk male youth counseling Access II		\$227,000
Association for Community Training, Inc.	Shreveport	After School Tutorial Program		149,000
Association for Community Training, Inc.	Shreveport	Teen pregnancy counseling		87,000
Association for Community Training, Inc.	Shreveport	Counseling for Hollywood Middle School students and residents		31,668
Association for Community Training, Inc.	Shreveport	Elderly and handicapped home services	\$738,000	347,000
Futures Foundation, Inc.	Shreveport	Tutorial services, dropout prevention	149,866	217,500
Louisiana State University Medical Center - Shreveport	Shreveport	Sickle cell anemia outpatient services	103,993	103,993
Socialization Services/Amanda Clark Community	Shreveport	Elderly services		187,500
Socialization Services/South Shreveport Community Center	Shreveport	Elderly services	328,100	123,000
Caddo Subtotal			\$1,319,959	\$1,473,661
Calcasieu				
Boys and Girls Club of Southwest Louisiana, Inc.	Lake Charles	At-risk and disadvantaged youth counseling and activities		40,000
Calcasieu Association for Social Enrichment, Inc./Upward Bound	Lake Charles	Tutorial program for grades 6-12	150,000	162,807
Iowa Community Youth Development, Inc.	Iowa	Substance abuse and unemployment counseling		2,000
Southwest Louisiana Business Development	Lake Charles	Business counseling		2,000
Calcasieu Subtotal			\$150,000	\$206,807
DeSoto				
DeSoto Council on Aging, Inc.	Mansfield	Elderly and disabled services	5,000	14,000
DeSoto Subtotal			\$5,000	\$14,000

Urban Affairs and Development Grants by Parish for Fiscal Years 1994 and 1995

Parish/Grant Recipient	City/Town	Program Description	Fiscal Year	
			1994	1995
East Baton Rouge				
Achieve to Succeed, Inc.	Baton Rouge	Tutorial program		\$10,000
Alsen Coalition for Community Action, Inc./Quality of Life Association for America	Baton Rouge	Elderly, disadvantaged, and at-risk youth services	\$6,500	6,500
Baton Rouge Sickle Cell Anemia Foundation	Baton Rouge	Assistance for sickle cell anemia patients	15,000	15,000
Chaneyville Community Builders/Northeast Communities Cultural and Tutorial Program	Zachary	Tutorial and cultural program	75,000	75,000
Coalition for a Better Tomorrow	Baton Rouge	Academic enrichment and mentoring		15,000
Coalition for Black Unity	Baton Rouge	Tutorial and cultural program	5,000	
Comprehensive Health and Social Service Center of North Baton Rouge, Inc.	Baton Rouge	Housekeeping services for elderly and disabled; juvenile delinquency program	260,452	215,100
Economic Freedom Movement Association	Baton Rouge	Disadvantaged Business Assistance	90,000	70,000
Eden Park Community Health Center, Inc.	Baton Rouge	Health Care to Indigent Population	185,000	170,000
Friends of Southern University	Baton Rouge	At-Risk Youth Counseling	150,000	217,500
Louis Jetson Youth Enrichment Program	Baton Rouge	Youth Services/Central Baton Rouge	5,000	10,000
North Baton Rouge Tutorial, Computer and Health Education, Inc.	Baton Rouge	Tutorial, health education, and computer literacy program for grades 6-12		40,000
Project RIDE	Baker	Juvenile delinquency prevention program	10,000	20,000
Recreation and Park Commission of East Baton Rouge - BREC/Port Hudson Community Improvement Association, Inc.	Port Hudson	At-risk youth counseling camp		3,000
Serenity 67	Baton Rouge	Elderly program and youth program ages 8-13	238,000	229,200
Southern University/Reach and Teach	Baton Rouge	Tutorial program	26,000	50,000
St. Francis Xavier Multicultural Center	Baton Rouge	At-risk youth counseling		20,000
Urban Restoration Enhancement Corporation	Baton Rouge	Assist elderly, poor, and disadvantaged; fiscal agent for Saturday Academy	139,250	239,500
East Baton Rouge Subtotal			\$1,205,202	\$1,405,800
East Feliciana				
East Feliciana Ministers Mission Relief Fund	Jackson	At-risk youth recreation program	6,500	6,500
East Feliciana Subtotal			\$6,500	\$6,500
Grant				
Grant Council on Aging, Inc.	Colfax	Elderly and respite service	11,300	11,300
Grant Subtotal			\$11,300	\$11,300

Urban Affairs and Development Grants by Parish for Fiscal Years 1994 and 1995

Parish/Grant Recipient	City/Town	Program Description	Fiscal Year	
			1994	1995
Iberville				
River Region Human Development, Inc.	Donaldsonville	Elderly and disabled adult services	\$104,000	
Sunrise Human Development	Donaldsonville	Elderly, disabled, dysfunctional assistance; tutorial and substance abuse prevention programs	200,000	\$304,000
Iberville Subtotal			\$304,000	\$304,000
Jefferson				
Jefferson Youth Foundation, Inc.	Marrero	At-risk youth counseling	150,000	217,500
Jefferson Subtotal			\$150,000	\$217,500
Lafayette				
Helping Hands Inc. of Lafayette	Lafayette	Elderly and handicapped services	290,000	290,000
McComb-Veazy Neighborhood Health Resource Center	Lafayette	Teen pregnancy and drug counseling	165,000	108,750
Tri-Communities Resources, Inc./Educational Tutorial Programs	Lafayette	Tutorial services		25,000
Tri-Communities Resources, Inc./Community Homemakers Services	Lafayette	Elderly and disabled homemaker services		92,750
Lafayette Subtotal			\$455,000	\$516,500
Lafourche				
Lafourche Council on Aging, Inc.	Raceland	Elderly and disabled homemaker services	38,675	38,675
Lafourche Subtotal			\$38,675	\$38,675
Lincoln				
Louisiana Assistance Program, Inc.	Grambling	Academic enrichment, self-protection, health, educational, and other programs	150,000	207,500
Lincoln Subtotal			\$150,000	\$207,500
Livingston				
Town of Springfield	Springfield	Public improvements for elderly and handicapped access to public facilities		67,500
Livingston Subtotal				\$67,500
Madison				
Sixth Judicial District Attorney's Adolescent Diversion Program	Tallahula	Adolescent training program		6,000
Madison Subtotal				\$6,000

Urban Affairs and Development Grants by Parish for Fiscal Years 1994 and 1995

Parish/Grant Recipient	City/Town	Program Description	Fiscal Year	
			1994	1995
Natchitoches				
Boys and Girls Club of Natchitoches	Natchitoches	At-risk and disadvantaged youth counseling and activities	\$25,000	\$25,000
Natchitoches Parish Council on Aging	Natchitoches	Elderly and handicapped transportation	8,353	8,355
Natchitoches Subtotal			\$33,353	\$33,355
Orleans				
Algiers Education Foundation, Inc.	New Orleans	Tutorial and after school homework assistance program	150,000	61,570
Ambrose Hubbs Senior Center	New Orleans	Senior Citizens Resource Center	120,000	217,500
Another Chance, Inc./Committee for Another Chance	New Orleans	At-risk youth programs		43,300
Associated Catholic Charities of New Orleans, Inc./Audubon Senior Citizens Center	New Orleans	Elderly services to Gert Town Neighborhood	10,000	10,000
Care Unlimited/Project Chance Male Youth Program	New Orleans	Counseling for black youths ages 9-20	129,000	143,230
Carrollton-Hollygrove Senior Center	New Orleans	Elderly services	74,000	74,000
Central City Adult Education Program	New Orleans	Adult Education ages 16 and over	140,000	140,000
Community Volunteers Association	New Orleans	At-risk youth, elderly and disadvantaged citizens, and drug abuse prevention	200,000	222,500
Desire Community Housing Corporation	New Orleans	Housing counseling; develop affordable housing	179,200	176,600
District 99 Enhancement Corporation, Inc.	New Orleans	Aesthetic Improvements	236,000	236,000
E. J. Morris Senior Citizen Center, Inc.	New Orleans	Elderly services	47,000	68,000
Family Advocacy and Neighborhood Services (F.A.N.S.)	New Orleans	Disadvantaged Populations/Family Counseling		217,500
Forever Our Children	New Orleans	Tutorial and substance abuse prevention	100,000	150,230
Innovative Endeavors, Inc./Project Alert	New Orleans	Computer training for disadvantaged youth	180,000	200,500
Lower Algiers Senior Citizens Group	New Orleans	Elderly and handicapped services	30,000	30,000
Lower Ninth Ward Housing Development Corporation/Community Assistance Program	New Orleans	Information clearinghouse for residents on health care, housing, and other community related	240,000	240,000
Lower Ninth Ward Housing Development Corporation/Employment Preparation Program	New Orleans	Homework assistance program for grades K-6	106,000	106,000
National Council of Negro Women of Greater New Orleans, Inc./Teen Enlightenment Center/Teenage Pregnancy Prevention	New Orleans	Youth/Teen Enlightenment Center	75,000	80,000
New Orleans Drug Education Intervention Center, Inc.	New Orleans	Youth Drug Intervention	80,000	80,000

Urban Affairs and Development Grants by Parish for Fiscal Years 1994 and 1995

Parish/Grant Recipient	City/Town	Program Description	Fiscal Year	
			1994	1995
Orleans (Cont'd)				
Orleans Metropolitan Housing and Community Development, Inc.	New Orleans	Housing counseling	\$175,000	\$179,000
Raintree Services, Inc.	New Orleans	At-risk drop-out female students		5,000
Reality House Senior Center	New Orleans	Elderly services		29,984
Realization Incorporated	New Orleans	Elderly services	36,984	
Seventh Ward Community Services Corporation, Inc.	New Orleans	Youth development, drug counseling, and comprehensive health	270,000	145,600
Seventh Ward Senior Center	New Orleans	Elderly services		60,000
Seventh Ward/Piolet Land Senior Center	New Orleans	Elderly services	80,192	50,000
Southern Community Development Corporation - Administrative Services Fund	New Orleans	Administrative support for shelter and group homes	86,983	89,983
Southern University at New Orleans	Orleans	Small business counseling	50,000	
St. Mark's Community Center/St. Mark's Street Academy	New Orleans	Youth academic skills training		45,000
St. Thomas/Irish Channel Consortium (KUJI Center)	New Orleans	Teen pregnancy counseling		10,000
Standing Tall on Positiveness (S.T.O.P.) Program	New Orleans	At-risk youth counseling	20,000	20,000
Treme Cultural Enrichment Program, Inc. (Treme Youth Development Center)	New Orleans	At-risk youth counseling program	400,640	385,000
Twelfth Ward Save Our Community Organization, Inc./Martin Luther King Training and Community Center	New Orleans	Job training/at-risk youth program	105,000	105,000
Twelfth Ward Save Our Community Organization, Inc./Homemaker Services	New Orleans	Homemaker services for elderly and handicapped	94,983	94,983
Twelfth Ward Save Our Community Organization, Inc./Martin Luther King Training and Community Center--Reading and Math Program	New Orleans	Tutorial services for school-aged children	240,000	240,000
Twelfth Ward Save Our Community Organization, Inc./Milan Area Senior Citizens Center	New Orleans	Elderly services	59,242	54,000
Uptown Area Senior Adult Ministry	New Orleans	Elderly services - recreation		17,000
Washington Action Line	New Orleans	Elderly services	25,000	20,000
Youth Development Association, Inc.	New Orleans	At-risk youth development	92,000	84,500
Orleans Subtotal			\$3,832,224	\$4,131,980

Urban Affairs and Development Grants by Parish for Fiscal Years 1994 and 1995

Parish/Grant Recipient	City/Town	Program Description	Fiscal Year	
			1994	1995
Ouachita				
Eighth Regional Sickle Cell Anemia Foundation, Inc.	Monroe	Sickle cell anemia counseling	\$20,000	\$20,000
Northeast Louisiana Council on Black Economic Development, Inc.	Monroe	Economic Development/Delta Region	37,000	37,000
Northeast Louisiana Sickle Cell Anemia Technical Resource Foundation, Inc.	Monroe	Sickle cell anemia counseling	20,000	20,000
Novice House, Inc.	Monroe	Pre-adjudicated youth shelter	110,000	110,000
Opportunities Industrialization Center, Inc. of Ouachita	Monroe	Unemployment counseling and skills training	55,000	75,000
Ouachita and West Ouachita Council on Aging, Inc.	Monroe	Elderly non-emergency medical program	28,200	28,200
Save Our Sons, Inc./Education Workshop Program	Monroe	Young black male counseling	93,100	98,714
Tri-District Boys' Club of Monroe, Inc.	New Orleans	Youth services and counseling	60,000	60,000
Ouachita Subtotal			\$423,300	\$448,914
Plaquemines				
Eastside Community Development Corporation	Pointe-a-la-Hache	Chemical dependency prevention for disadvantaged adults and at-risk youth		126,350
Plaquemines YMCA, Inc.	Buras	Tutorial program		12,000
Plaquemines Subtotal				\$138,350
Pointe Coupee				
Pointe Coupee Council on Aging	New Roads	Elderly homemaker and personal care program	10,000	10,000
Pointe Coupee Subtotal			\$10,000	\$10,000
Rapides				
Arna Bon Temps Foundation, Inc./Arna Bon Temps		African-American cultural exposure and career development	50,000	50,000
African-American Museum and Cultural Arts Center	Alexandria	Youth self-esteem program	170,000	208,500
Community Outreach Opportunity Program	Alexandria	Sickle cell anemia counseling	22,000	22,000
Sickle Cell Anemia Research Foundation, Inc.	Alexandria		\$242,000	\$280,500
Rapides Subtotal				
Red River				
Louisiana Youth Outreach Coalition	Coushatta	Youth counseling		177,238
Red River Council on Aging, Inc.	Coushatta	Elderly and disabled adult homemaker services	11,644	11,644
Red River Subtotal			\$11,644	\$188,882

Urban Affairs and Development Grants by Parish for Fiscal Years 1994 and 1995

Parish/Grant Recipient	City/Town	Program Description	Fiscal Year	
			1994	1995
St. Landry				
St. Landry Community Services, Inc. Homemakers Program	Opelousas	Elderly and handicapped services	\$150,000	\$217,500
St. Landry Subtotal			\$150,000	\$217,500
Tangipahoa				
Fifth District - St. Helena Community Action	Independence	Elderly, disadvantaged, and at-risk youth	9,000	9,000
Tangipahoa Subtotal			\$9,000	\$9,000
Terrebonne				
Terrebonne Parish Council on Aging, Inc.	Houma	Elderly services	29,325	29,325
Terrebonne Subtotal			\$29,325	\$29,325
Winn				
Winn Parish Council on Aging, Inc.	Winnfield	Elderly services - meal delivery	10,600	10,600
Winn Subtotal			\$10,600	\$10,600
Total - All Parishes			\$8,547,082	\$9,974,149

Urban Affairs and Development Grants by Parish for Fiscal Years 1994 and 1995

Appendix B

Urban Affairs and Development Grant Application

APPLICATION FOR 1995-1996 FUNDS

**GOVERNOR'S OFFICE OF URBAN AFFAIRS AND
DEVELOPMENT**

1. NAME OF UNIT OR PROGRAM _____

**2. ADDRESS AND TELEPHONE NUMBER OF PLACE(S) OF
OPERATION**

3. FEDERAL TAX I.D. NUMBER (Attach completed W-9 form)

4. NAME, ADDRESS, TELEPHONE NUMBER OF EXECUTIVE DIRECTOR

5. NAME, ADDRESS, TELEPHONE NUMBER & TITLE OF CONTACT PERSON

6. NAME & TELEPHONE NUMBER OF PERSON COMPLETING THIS APPLICATION

**7. NAME, TITLE, ADDRESS & TELEPHONE NUMBER OF ALL OFFICERS & BOARD
MEMBERS.**

8). PLEASE PROVIDE THE FOLLOWING:

- A). COPY OF ARTICLES OF INCORPORATION
- B). 501 C 3 STATUS. ATTACH VERIFICATION
- C). DESCRIBE SERVICES TO BE PROVIDED BY UNIT/PROGRAM
- D). WHY IS THERE A NEED FOR THIS PROJECT?
- E). WILL THIS PROJECT CREATE OR RETAIN JOBS?
- F). NUMBER OF CITIZENS AFFECTED BY THIS PROJECT

9. AMOUNT OF FUNDS REQUESTED FROM URBAN AFFAIRS:

- A). SHOW COMPLETE LINE ITEM BUDGET (MONTHLY) FOR ANTICIPATED FVND\$ FROM URBAN AFFAIRS

10. IDENTIFY ALL SOURCES OF FUNDING ANTICIPATED FOR FISCAL YEAR 1995-1996

A). URBAN AFFAIRS \$ _____

B). OTHER FUNDS (IDENTIFY)

\$ _____
 \$ _____
 \$ _____
 \$ _____

TOTAL PROJECT FUNDS \$ _____

11. NAME, ADDRESS, TELEPHONE NUMBER & TITLE OF PERSON HANDLING FUNDS FOR UNIT/PROGRAM

SIGNATURE

WITNESS

WITNESS

WITNESS

DATE APPLICATION SUBMITTED _____

*NOTE: If any of the requested information is not provided, the application cannot be reviewed for funding.

Appendix C

Scope and Methodology

Appendix C: Scope and Methodology

This report is a staff study. Preliminary work began in March 1995 and fieldwork was completed in July 1995. The staff study covers fiscal years ending 1994 and 1995.

To address the study objectives, we performed the following steps:

1. We interviewed the staffs of Urban Development and the Division of Administration Support Services and Contractual Review Sections to obtain the following information:
 - general information about the Office of Urban Development
 - guidelines used for the application, grant approval, and monitoring processes
2. To determine if any duplication or overlap existed between Urban Development and other programs, we reviewed the executive order governing the Office of Urban Development and contacted agencies that administered similar types of programs.
3. To analyze the grants issued for fiscal years 1994 and 1995, we did the following:
 - obtained copies of cooperative endeavor agreements for both fiscal years to determine the type of service provided and the location of the programs
 - categorized and totaled the grants by type of service and by parish

Appendix D

Agency Response



EDWIN W. EDWARDS
GOVERNOR

State of Louisiana

OFFICE OF THE GOVERNOR

Baton Rouge

70804-9004

POST OFFICE BOX 94004
(504) 342-7015

December 8, 1995

Mr. Daniel Kyle, PH.D., CPA, CFE
Legislative Auditor
Office of the Legislative Auditor
Post Office Box 94397
Baton Rouge, Louisiana 70804-9397

Dear Mr. Kyle:

In reviewing your audit of the Governor's Office of Urban Affairs and Development we submit the following:

Finding: There are no formal policies and procedures for applying for or approving grants from Urban Affairs and Development. Furthermore, grants are not restricted to urban areas.

Response: The Governor's Office of Urban Affairs & Development has developed a Policy and Procedures booklet. We are in the final review stage of the Policy and Procedures Manual by the committee and staff at large and will be ready for implementation with all future grants.

Finding: No mechanism has been developed to ensure that all grant recipients are monitored.

Response: New procedures recently implemented, will require programs to submit mandatory quarterly reports to this office. The format of the report is designed to capture statistical information on services rendered, which will enable this office to more effectively evaluate program efficiency.

Finding: State agencies already exist that fund, oversee, and coordinate the types of services funded by Urban Affairs and Development.

Response: There may be state agencies that provide similar services. However, in some areas money is provided to non-profit agencies who receive funding from other sources to enhance their ability to serve people who would not be served without additional funding. We have found in many programs we fund that there is a need for additional funding to provide for people on waiting lists or services that cannot be provided due to lack of funds. We receive many requests for funds in underserved areas throughout the state that we cannot fund.

Sincerely,

A handwritten signature in black ink, appearing to read "CJ Jones", with a long horizontal flourish extending to the right.

Chester J. Jones
Executive Assistant to the Governor
for Urban Affairs & Development