



*Final
Report*

County of San Diego, California

Auditor and Controller

**Firestorm 2007 Expenditures
Submitted for FEMA/OES
Reimbursement Validation Audit –
County Technology Office**

Office of **A**udits & **A**dvisory **S**ervices

**May 2009
Report No. A09-031**



COUNTY OF SAN DIEGO

INTER-DEPARTMENTAL CORRESPONDENCE

May 8, 2009

TO: W. Harold Tuck, Jr., Chief Information Officer
County Technology Office

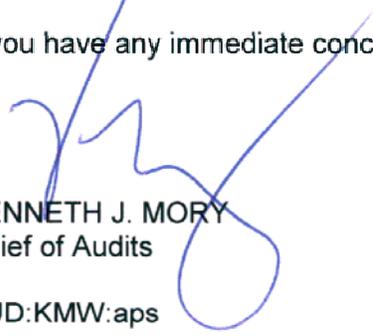
FROM: Kenneth J. Mory
Chief of Audits

FINAL REPORT: FIRESTORM 2007 EXPENDITURES SUBMITTED FOR FEMA/OES
REIMBURSEMENT VALIDATION AUDIT – COUNTY TECHNOLOGY OFFICE

Enclosed is our report on the Firestorm 2007 Expenditures Submitted for FEMA/OES Reimbursement Validation Audit – County Technology Office. Although the report includes an audit finding, no response is required.

Thank you for the courteousness and cooperation extended to the Office of Audits & Advisory Services during the course of the audit.

If you have any immediate concerns about the report, please contact me at (858) 495-5662.


KENNETH J. MORY
Chief of Audits

AUD:KMW:aps

Enclosure

c: Donald F. Steuer, Chief Financial Officer
Tracy M. Sandoval, Assistant Chief Financial Officer/Auditor and Controller
Ebony Shelton, Group Finance Director, Finance & General Government Group

INTRODUCTION AND BACKGROUND

Starting on October 21, 2007, seven wildfires burned through the County of San Diego. These fires resulted in over 369,000 acres burned, or 13% of the County's total land mass. Extensive damage was caused to 1,751 homes, 800 outbuildings, 253 structures, 239 vehicles, and two commercial properties.

As declared by the Federal Emergency Management Agency (FEMA), Firestorm 2007's official incident period began October 21, 2007. It was officially closed as of March 31, 2008.

Beginning on October 21, 2007, various departments in San Diego County mobilized employees to assist in multiple disaster-related activities. County departments worked to procure and disseminate materials and to provide disaster assistance to County citizens with personal, property, and/or livestock issues, as well as to provide fire-fighting efforts and other services toward the safety and well-being of displaced and affiliated County residents.

The Director, Office of Emergency Services (OES), has been leading the overall County operational efforts while the Group Finance Director, Public Safety Group, has led the Finance team.

The Chief Financial Officer (CFO) requested that the Office of Audits & Advisory Services (OAAS) conduct an audit of the County Technology Office's (CTO) Firestorm 2007 related expenditures amounts claimed for reimbursement to:

- 1) Prevent any material disallowance by the Office of Inspector General (OIG) of amounts claimed; and
- 2) Provide reasonable assurance to the CFO and County management that the claims and reimbursements are adequately supported.

The CTO submitted a claim of \$146,662 for contract costs resulting from the October 2007 wildfires (Firestorm 2007). The CTO incurred these costs when Northrop Grumman Information Technology (NGIT) provided the County with support labor at the Emergency Operations Center (EOC), Department 1 Corrections Center, Medical Office Center, Department of Environmental Health, Sheriff's EOC, and 211 Call Centers. The FEMA project officer assigned CTO157 as the tracking number to this Project Worksheet (PW).

AUDIT SCOPE AND LIMITATIONS

The objective of the audit was to ensure that the department has gathered, organized, titled and referenced documentation supporting cost claims on FEMA PWs and State Damage Survey Reports (DSRs), and that all the supporting documentation will be maintained in a manner that the OIG and other reviewers can easily follow.

The information reviewed and submitted for reimbursement was based on expenditures as reported by the CTO. FEMA/OES project officers assigned to the CTO made the final eligibility

determination. OAAS did not make eligibility determinations of the expenditures submitted to FEMA/OES for reimbursement.

This audit was conducted in accordance with auditing standards prescribed by the Institute of Internal Auditors, Inc., as required by California Government Code, Section 1236.

METHODOLOGY

OAAS reviewed the supporting documentation for the CTO costs submitted to FEMA or State for reimbursement by:

- Verifying that all supporting documentation was organized, titled, and cross-referenced with the line items listed on each PW or DSR;
- Reviewing the Damage Description and Scope of Work (SOW) to verify the types of expenses incurred in the PW or DSR;
- Comparing the amount reported on the PW or DSR to the amounts provided in supporting documentation to ensure the total amounts reconciled and that required documentation was provided; and
- Recalculating the total amount claimed to ensure that the amount calculated from the supporting documentation agreed with the total amount listed on the PW or DSR.

AUDIT RESULTS

OAAS' review of supporting documentation confirmed that expenditures of \$136,819 were properly substantiated. However, while verifying the accuracy of the calculations and reconciling supporting records with the amount claimed on the PW CTO157, OAAS identified the following discrepancies:

Finding: Incorrect Hourly Rate

NGIT charged the County an incorrect hourly rate for a Video Technician. The County was charged \$150 an hour and should have been charged \$110 an hour according to the Information Technology and Telecommunication Service Agreement. As a result, NGIT will issue a credit to the County for \$9,843.

CONCLUSION

CTO is cleared by OAAS to request reimbursement for the total eligible expenditures of \$136,819 from the Firestorm 2007 Trust Fund for PW CTO157.

COMMENDATION

The Office of Audits & Advisory Services commends and sincerely appreciates the courtesousness and cooperation extended by the County Technology Office's officers and staff throughout this audit.

AUDIT TEAM

Jim Pelletier, Senior Audit Manager
Kathleen Whitehead, Auditor I
Geena Balistrieri, Auditor I