



*Final  
Report*

# County of San Diego, California

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**Auditor and Controller**

**Firestorm 2007 Expenditures  
Submitted for FEMA/OES  
Reimbursement Validation Audit –  
Housing and Community Development**

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

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December 2008  
Report No. A09-020



# COUNTY OF SAN DIEGO

## INTER-DEPARTMENTAL CORRESPONDENCE

December 29, 2008

TO: Catherine Lichterman, Director  
Housing and Community Development

FROM: Kenneth J. Mory  
Chief of Audits

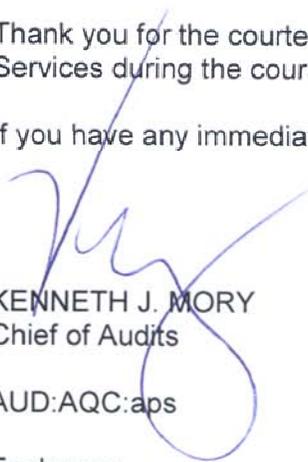
**FINAL REPORT: FIRESTORM 2007 EXPENDITURES SUBMITTED FOR FEMA/OES  
REIMBURSEMENT VALIDATION AUDIT – HOUSING AND COMMUNITY DEVELOPMENT**

Enclosed is our report on the Firestorm 2007 Expenditures Submitted for FEMA/OES Reimbursement Validation Audit – Housing and Community Development. In our opinion, the Department of Housing and Community Development has sufficient and appropriate documentation supporting the amounts claimed on the FEMA Project Worksheet.

As there are no findings and recommendations in the report, no audit response is required.

Thank you for the courteseness 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:AQC:aps

Enclosure

c: Mikel D. Haas, Deputy Chief Administrative Officer, Community Services Group  
Donald F. Steuer, Chief Financial Officer  
Tracy M. Sandoval, Assistant Chief Financial Officer/Auditor and Controller  
Kaye Hobson, Group Finance Director, Community Services 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.

Ronald J. Lane, 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 requested that the Office of Audits & Advisory Services (OAAS) conduct an audit of the Department of Housing and Community Development's (HCD) 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.

HCD submitted a claim of \$1,616 for labor costs incurred as a result of the October 2007 wildfires (Firestorm 2007). HCD incurred these costs when several employees were deployed to assist evacuation centers. Based on their review of supporting records for this claim, FEMA project officers determined that \$1,480 incurred for overtime labor and \$136 incurred for related fringe benefits were eligible for reimbursement under the Robert T. Stafford Act and submitted a \$1,616 project worksheet (PW) for these costs. The FEMA project officer assigned HCD109 as the tracking number to this 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 Project Worksheets (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 HCD. FEMA/OES project officers assigned to HCD 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 HCD costs submitted to FEMA for reimbursement by:

- Comparing the amount reported on the PW to the amount provided in supporting documentation to ensure that the total amounts were reconciled and required documentation was provided.
- Recalculating the total amount claimed to ensure that the amount calculated from the supporting documentation agreed with the total amount listed on the PW.
- Verifying employee overtime eligibility based on job code to ensure that the employees were not compensated overtime if they were not eligible.
- Reviewing payroll records to ensure the overtime hours incurred and rates applied were reconciled with those claimed on the PW, and to determine if overtime and related benefits were correctly calculated and properly supported.

### **AUDIT RESULTS**

OAAS' review of supporting documentation confirmed that the reported labor cost as a result of the October 2007 wildfires disaster-related activities was properly substantiated.

### **CONCLUSION**

HCD is cleared by OAAS to request reimbursement for the total eligible expenditure of \$1,616 from the Firestorm 2007 Trust Fund for Project Worksheet HCD109.

The department should maintain all original supporting documentation for the FEMA claims and keep them separate from other documentation.

### **COMMENDATION**

The Office of Audits & Advisory Services commends and sincerely appreciates the courteousness and cooperation extended by the HCD officers and staff throughout this audit.

### **AUDIT TEAM**

Jim Pelletier, Sr. Audit Manager  
Angela Chen, Auditor I  
Geena Balistrieri, Auditor I