

**Monterey County
Office of Emergency Services
Monitoring Report**

included on the "Claim for Payment" STD 66 form.

Action Required: The subgrantee must process the payment transactions as required under section (a) Financial Reporting. The subgrantee must provide in their CAP a system of cash management at the grants management level that can be reconciled to the general ledger level.

- c. Double Billing: Subgrantee not in compliance (1 item).

Requirements: 28CFR66.20(a)(2) States: ..."accounting records must: Permit the tracing of funds to a level of expenditures adequately establish that such funds have not been used in violation of the restrictions and prohibitions of applicable statutes.

Finding #8: For grant year 2003-0035 the subgrantee requested and received reimbursement for M&A costs of \$7,642. The amount was requested on three separate Reimbursement Requests, two of which were for overlapping periods; one for 01/01/05-5/31/05, paid 6/08/05, and the other for 01/01/05-4/30/05, paid 5/26/05. The third request, which included the same amount, was made for the period covering 7/01/04-12/31/04, paid on 6/06/05; however, OHS identified the overpayment on the third request and did not reimburse the \$7,642 to the subgrantee; but the two previous requests for \$7,642 were reimbursed to the subgrantee.

Action Required: The subgrantee must reconcile the on of the two payments of \$7,642 made to them in the two periods 01/01/05-05/31/05 and 01/01/05-05/31/05. In their CAP, the subgrantee must provide the necessary steps to develop a system to prevent payment and reimbursement transaction errors.

- d. Supplanting: Subgrantee not monitored (1 item).

Note: Although not a finding at this time; there are indicators to suggest that with further necessary documentation could lead to findings for several of the current staff who are charging time to Planning. Functions related to grants management may not be charged to Planning. Activities are outlined in the Grant Guides each grant year.

- e. Accounting Basis: Subgrantee in compliance (1 item).

- f. Commingling of Funds: Subgrantee not in compliance (1 item).

Requirements: FG. Part III. Chpt. 3 p. 28 states...the accounting system of all recipients