



COUNTY OF LOS ANGELES DEPARTMENT OF AUDITOR-CONTROLLER

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July 1, 2025

TO: Each Supervisor

FROM: Oscar Valdez
Auditor-Controller

Robert G. Campbell
Assistant Auditor-Controller / Chief Audit Executive

SUBJECT: **FEDERAL DEPARTMENT OF HOMELAND SECURITY GRANT
SUB-RECIPIENT MONITORING FOR FISCAL YEAR 2022-23 – SUMMARY
REPORT**

As the Homeland Security Operation Area Coordinator, the Chief Executive Officer's (CEO) Homeland Security Grant Administration Section is responsible for managing, disbursing, and monitoring federal Department of Homeland Security Grant (Grant) funds. The CEO allocated/reimbursed approximately \$5.09 million in Fiscal Year (FY) 2022-23 to the 26 sub-recipients reviewed, which includes independent cities in Los Angeles County (County) and County departments, for eligible expenditures related to Grant Years 2018-19 and 2019-20. In addition to equipment purchases, the Grant funds provide for disaster planning, simulated disaster drill exercises, and training courses to enhance the County's ability to prevent, deter, respond, and recover from threats and incidents of terrorism.

At the CEO's request, we contracted with a Certified Public Accountant firm, BCA Watson Rice, LLP (BCA), to conduct monitoring reviews of 26 sub-recipients that received Grant funds in FY 2022-23 related to Grant Years 2018-19 and/or 2019-20. The purpose of the reviews was to determine whether the sub-recipients appropriately accounted for and spent the Grant funds in accordance with their agreements with the CEO, and appropriately maintained equipment purchased with Grant funds. BCA interviewed personnel and reviewed a sample of claims and related supporting documentation, such as the sub-recipients' financial records, invoices, purchase orders, timecards, and sign-in sheets. BCA also visited the sub-recipients to conduct physical inventories of sampled equipment and determine whether the sub-recipients complied with federal, State, and County regulations. In addition, BCA followed up on the sub-recipients' implementation statuses of prior year recommendations by reviewing documentation to support management's assertions.

Results Summary

BCA did not identify any questioned costs for the 26 (100%) sub-recipients reviewed. However, some sub-recipients did not always comply with their County contract requirements and other applicable guidelines. Specifically, of the 26 sub-recipients reviewed, BCA reported that:

- A. One (4%) sub-recipient did not fully implement one recommendation from the prior year monitoring reports.
- B. Two (8%) sub-recipients did not submit their FY 2022-23 Single Audit Reports to the CEO Homeland Security Grant Administrator by the required due date.
- C. Two (8%) sub-recipients did not provide evidence that a biennial physical inventory count was conducted for Grant-funded equipment.
- D. One (4%) sub-recipient did not provide adequate documentation to demonstrate that they reviewed the Federal Debarment Listing for vendors prior to purchasing equipment. However, the sub-recipient did not actually purchase from any debarred vendors.
- E. One (4%) sub-recipient did not maintain a complete listing of Grant-funded equipment with all the necessary information as required.
- F. One (4%) sub-recipient did not submit an After-Action Report and Improvement Plan to the State by the required due date.

The issues noted in the reviews for each sub-recipient are detailed in Attachment I.

Review of Report

BCA provided and discussed each report with the CEO and the respective sub-recipients. The CEO's attached response (Attachment II) indicates agreement with BCA's findings and recommendations. The CEO will work with the sub-recipients to ensure the findings and recommendations are implemented timely.

Due to the number of reviews, copies of individual reports are not enclosed but are available upon request. If you have any questions please call us, or your staff may contact Jeffrey Ho at jeho@auditor.lacounty.gov.

OV:CY:RGC:JH:meb

Attachments

- c: Fesia A. Davenport, Chief Executive Officer
Edward Yen, Executive Officer, Board of Supervisors
Audit Committee
Countywide Communications

CHIEF EXECUTIVE OFFICE
FEDERAL DEPARTMENT OF HOMELAND SECURITY GRANT SUB-RECIPIENT MONITORING REVIEW
FISCAL YEAR 2022-23

#	Sub-Recipients	Amount of Grants Reimbursed in Fiscal Year 2022-23	Prior Year			Current Year						
			Total Findings	Outstanding Findings	A	New Findings	Recurring Findings	B	C	D	E	F
1	City of Arcadia	\$15,596	0	0		0	0					
2	City of Bell Gardens	\$16,344	0	0		1	0	X				
3	City of Claremont	\$66,849	0	0		0	0					
4	City of Downey	\$11,886	0	0		1	0					X
5	City of El Segundo	\$87,913	0	0		0	0					
6	City of Gardena	\$70,150	1	0		1	0			X		
7	City of Glendale	\$66,960	0	0		0	0					
8	City of Hermosa Beach	\$34,156	0	0		2	0		X		X	
9	City of Huntington Park	\$19,185	2	1	X	1	1	X				
10	City of La Habra Heights	\$9,742	0	0		0	0					
11	City of La Verne	\$16,236	3	0		0	0					
12	City of Long Beach	\$846,739	1	0		0	0					
13	City of Los Angeles	\$131,287	0	0		0	0					
14	City of Monrovia	\$14,039	0	0		0	0					
15	City of Monterey Park	\$173,275	0	0		0	0					
16	City of Pomona	\$472,629	2	0		0	0					
17	City of San Gabriel	\$95,543	0	0		0	0					
18	City of Santa Fe Springs	\$277,379	0	0		0	0					
19	City of Santa Monica	\$4,496	2	0		0	0					
20	City of Torrance	\$55,992	0	0		0	0					
21	City of West Covina	\$76,232	0	0		0	0					
22	LAC Fire	\$737,670	0	0		0	0					
23	LAC Health Services	\$257,699	0	0		0	0					

#	Sub-Recipients	Amount of Grants Reimbursed in Fiscal Year 2022-23	Prior Year			Current Year						
			Total Findings	Outstanding Findings	A	New Findings	Recurring Findings	B	C	D	E	F
24	LAC Office of Emergency Management	\$581,544	0	0		1	0		X			
25	LAC Public Health	\$60,700	0	0		0	0					
26	LAC Sheriff	\$891,546	0	0		0	0					
	TOTAL	\$5,091,787	11	1	1	7	1	2	2	1	1	1

Legend	
A	One (4%) sub-recipient did not fully implement one recommendation from the prior year monitoring reports.
B	Two (8%) sub-recipients did not submit their Fiscal Year 2022-23 Single Audit Reports to the Homeland Security Grant Administrator on time as required by Section 202(F) of the Sub-Recipient Agreement.
C	Two (8%) sub-recipients did not provide evidence that a biennial physical inventory count was conducted for Grant-funded equipment as required by Section 202(L)(5) of the Sub-Recipient Agreement and 2 Code of Federal Regulations (CFR) Part 200.313(d)(2) of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance).
D	One (4%) sub-recipient did not provide adequate documentation to demonstrate that they reviewed the Federal Debarment Listing for vendors prior to purchasing equipment as required by Section 202(C) of the Sub-Recipient Agreement. However, the sub-recipient did not actually purchase from any debarred vendors.
E	One (4%) sub-recipient did not maintain a complete listing of Grant-funded equipment with all the necessary information as required by Section 202(L)(3) of the Sub-Recipient Agreement and 2 CFR Part 200.313(d)(1) of the Uniform Guidance.
F	One (4%) sub-recipient did not submit an After-Action Report and Improvement Plan to the State within ninety (90) days following the completion of the exercise, as required by Appendix B of the 2020 Federal Emergency Management Agency Preparedness Grants Manual.

BOARD OF
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Second District

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Third District

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Fifth District



COUNTY OF LOS ANGELES

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CHIEF EXECUTIVE OFFICER
Fesia A. Davenport

June 24, 2025

To: Oscar Valdez
Auditor-Controller

From: Fesia A. Davenport
Chief Executive Officer

A handwritten signature in blue ink, appearing to read 'Fesia A. Davenport'.

RESPONSE TO FEDERAL DEPARTMENT OF HOMELAND SECURITY GRANT SUB-RECIPIENT MONITORING FOR FISCAL YEAR 2022-23 – SUMMARY REPORT

We have reviewed the above subject report provided by BCA Watson Rice, LLP (BCA) and summarized by the Auditor-Controller's Countywide Contract Monitoring Division (CCMD) and agree with the findings and recommendations identified in the 26 sub-recipient monitoring reviews conducted by BCA. As described below, the Homeland Security Grant Administration (HSGA) section has begun addressing the sub-recipient recommendations and will closely monitor the process going forward. As part of our effort to enhance compliance by sub-recipients, HSGA conducts an annual training workshop focusing on program implementation and procurement requirements and is also expanding its outreach activities.

Responses to Results Summary

Of the 26 sub-recipients reviewed, BCA did not identify any questioned costs but did report that:

A. One of 26 or four percent of sub-recipients did not fully implement one of the 11 recommendations from prior monitoring reports.

Response

We agree with this finding. Due to the Covid-19 pandemic, there were delays in submitting timely Single Audit Reports during that time-period. We will closely monitor this sub-recipient's process in the future regarding this outstanding recommendation.



"To Enrich Lives Through Effective And Caring Service"

Oscar Valdez
June 24, 2025
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B. Two of 26 or eight percent of sub-recipients did not submit their FY 2022-23 Single Audit Reports to the CEO Homeland Security Grant Administration by the required due date.

Response

We agree with this finding. Both sub-recipients submitted their annual Single Audit Reports after the required due date.

We will work with the sub-recipients on their internal controls for managing timelines to meet the filing deadline. We will closely monitor this process going forward to ensure the reports are received by the Federal Regulation deadline.

C. Two of 26 or eight percent of sub-recipients did not provide evidence that a biennial physical inventory count was conducted on Grant-funded equipment.

Response

We agree with this finding. Both sub-recipients conducted physical inventories for Cal/OES Grant-funded equipment in the past, but not within the required two-year timeframes.

We will closely monitor this process in the future and work with the sub-recipients on their internal controls to resolve this timing issue and meet this requirement.

D. One of 26 or four percent of sub-recipient did not provide adequate documentation to demonstrate that they reviewed the Federal Debarment Listing for vendors prior to purchasing equipment. However, the sub-recipient did not actually purchase from any debarred vendors.

Response

We agree with this finding and will work with the sub-recipient to ensure they review the Federal Debarment Listing prior to purchasing any equipment from vendors. We will also work with the sub-recipient to ensure that they maintain documentation evidencing the debarment listing was reviewed.

Oscar Valdez
June 24, 2025
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- E. One of 26 or four percent of sub-recipients did not maintain a complete listing of Grant-funded equipment with all the necessary information as required.**

Response

We agree with this finding and will closely monitor this sub-recipient's process in the future.

- F. One of 26 or four percent of sub-recipients did not submit an After-Action Report and Improvement Plan to the State by the required due date.**

Response

We agree with this finding. The sub-recipient submitted their After-Action Report and Improvement Plan after the required due date.

We will work with the sub-recipient on their internal controls for managing timelines to meet the filing deadline.

We wish to thank you and your staff for their assistance in this review. Should you have any questions or require additional information, please contact Craig Hirakawa at (213) 974-1127 or via email at CHirakawa@ceo.lacounty.gov.

FAD:JMN:ADC
AN:CH