

**METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY**



June 22, 2012

Kevin Penney, Deputy Director  
Mayor's Office of Emergency Management  
2060 15<sup>th</sup> Avenue South, Ste. 201  
Nashville, Tennessee 37203

Dear Mr. Penney:

Please find attached the Monitoring Report on select grant administered by the Mayor's Office of Emergency Management. This report explains the results of the agency's federal and state grant and other financial assistance for the fiscal year 2011. Staff from the Office of Financial Accountability conducted the fieldwork for this review during the week of June 5, 2012.

We appreciate the assistance provided by your department during the course of the review. If you have any questions, please call me at 615-880-1035.

Sincerely,

Fred Adom, CPA  
Director

cc: Assistant Chief Charles Shannon, OEM  
Barbara Gmerek, OEM  
Teresa Brown, OEM  
Richard M. Riebeling, Director of Finance  
Talia Lomax-O'dneal, Deputy Director of Finance  
Gene Nolan, Deputy Director of Finance  
Kim McDoniel, Chief of Accounts  
Mark Swann, Internal Audit  
Kevin Brown, Office of Financial Accountability  
Essie Robertson, Office of Financial Accountability  
Brad Thompson, Office of Financial Accountability



**Metropolitan Government of Nashville and Davidson County**

# **MAYOR'S OFFICE OF EMERGENCY MANAGEMENT**

**◆ Monitoring Report ◆**

Conducted by



**Office of Financial Accountability**

June 22, 2012

# MONITORING REPORT

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## **INTRODUCTION**

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The Office of Financial Accountability (hereinafter referred to as “OFA”) has completed a monitoring review of the federal and state grant and contract administered by the Mayor’s Office of Emergency Management. The monitoring process included a review of the contract in effect during the fiscal year ending June 30, 2011. The contract reviewed is listed in Appendix A. The OFA conducted the monitoring review along the major compliance areas identified in the Office of Management and Budget (OMB) Circular A-133, “Audits of States, Local Governments, and Non-Profit Organizations.” and in compliance with the OMB Circular A-87, “Cost Principles for State, Local and Indian Tribal Governments.”

### **OVERVIEW OF THE DEPARTMENT**

The Office of Emergency Management (OEM) was established in 1992 within the Mayor’s Office of the Metropolitan Government of Nashville and Davidson County. According to Executive Order 92-03, the OEM was created “to promote, coordinate, and direct a comprehensive emergency management program which addresses mitigation, preparedness, response and recovery relative to disasters and major emergencies.”

The agency is responsible for applying for state and federal grants that are available to cities for disaster recovery efforts. Since OEM was established, Nashville Davidson County has incurred 9 federal disaster declarations, and recouped millions of dollars in federal and state funding for damages and costs.

#### **Grant Reviewed**

The U.S. Department of Homeland Security issued the Mayor’s Office of Emergency Management a “2008-2011 Homeland Security/Urban Areas Security Grant” in the amount of \$1,597,383.91. The grant funds were allocated to the following four support programs:

- State Homeland Security Program - \$1,091,449.91
- Citizens Corps Program - \$5,994
- Urban Area Security Initiative - \$178,719
- Metro Medical Response System - \$321,221

The support programs were established to prevent, respond to and recover from incidents of terrorism involving chemical, biological, radiological, nuclear and explosive (CRBNE) weapons and cyber attacks.

## OBJECTIVES, SCOPE AND METHODOLOGY

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A monitoring review is substantially less in scope than an audit. The OFA did not audit the financial statements for the Mayor's Office of Emergency Management and, accordingly, does not express an opinion or any assurances regarding the financial statements of the Mayor's Office of Emergency Management or the Metropolitan Government of Nashville and Davidson County (hereinafter referred to as "Metro"). The OFA is responsible for the internal monitoring of Metro agencies that receive federal and state financial assistance, including cooperative agreements, and non-profit organizations that receive appropriations from Metro government. In summary, any agreement(s) that imposes performance and/or financial requirements on Metro government is subject to review by the OFA.

The overall monitoring objective was to determine the department's compliance with grantor and Metro guidelines, policies, rules, and regulations. Specifically, we reviewed for the following objectives:

- To determine whether activities and costs of the program were made in accordance with OMB Circular A-87; the minimum federal, state and local requirements; and grantor guidelines.
- To determine whether the minimum requirements for local matching contributions and/or adequate level of expenditures by other sources of funds are met.
- To determine whether grant funds were used exclusively during the period in which the funds were authorized.
- To determine the reliability and timeliness of the financial and programmatic reporting.
- To determine whether federal compliance requirements regarding sub-recipient oversight were met and whether the sub-recipient performed in accordance with the contract terms.
- To determine whether civil rights requirements are met.
- To determine whether program objectives were met.
- To determine whether the various Metro regulations were followed.

The scope of the work included the grant listed in Appendix A. The grant period was July 1, 2010 through June 30, 2011. Although the review focused on this specific time period, certain analyses required the consideration of financial transactions outside of this time period.

## **OBJECTIVES, SCOPE AND METHODOLOGY**

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The methodology adopted by the OFA encompassed various interviews and an objective review of fiscal and programmatic files, including:

- Financial transactions and supporting documentation
- Contract agreements and related amendments
- Federal and/or state financial reports
- Program reports and supporting documentation
- Correspondence between related parties.

## RESULTS OF MONITORING REVIEW

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OFA review did not reveal any discrepancies or instances of non-compliance with policies and /or grant requirement guidelines.

## APPENDIX A

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Grant	Contract #	Grant Period		Award Amount	Findings
U.S. Homeland Security/Urban Areas security 08-11	6803-GG0927611	9/1/2008	6/30/2011	\$1,597,383.91	N