

Table 4
Two Grantees Did Not Adequately Track \$729,000 of Staff Costs Related to the Grant Program

	GRANTEE	ISSUE	REASON	OUTCOME	AUDITEE RESPONSE
NO TRACKING OF STAFF COSTS	City of Commerce	The city did not track the time city staff spent on grant-related tasks.	The city relied on an email from 2022 in which DCC stated that the way the city was reporting staff salaries on the grant was sufficient.	The city accounted for staff time by using estimates of time spent on the program that were predetermined according to the staff position. Thus, the city did not adequately account for the more than \$51,000 in staff costs that it reported to DCC.	The city provided timesheets showing that in February 2024 it began to track the time staff spent on grant-related tasks.
	County of Mendocino	The county did not track and document the time employees spent working on grant-related projects. Instead, it directed its staff to estimate the hours spent on grant-related tasks several months after staff actually performed the work.	The county stated that its failure to establish an item in its time tracking system for tracking employee time spent on grant-related tasks was an oversight.	The county's method of estimating staff time spent on grant activities does not align with commonly accepted standards for tracking time spent by staff working on grant-related tasks. Thus, the county did not adequately account for more than \$678,000 in staff time that it reported to DCC.	The county began tracking staff time spent on the Grant Program in March 2023.

Source: Expenditure reports from grantees' financial management systems, grantees' biannual progress report data, and interviews with grantee staff.