

# Spotlight

Department of Homeland Security



## Office of Inspector General

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### Why This Matters

The Federal Emergency Management Agency (FEMA) provides public assistance to state, tribal, and local government, and certain types of private nonprofit organizations so that communities can quickly respond to and recover from major disasters or emergencies declared by the President. We perform audits of FEMA grantees and subgrantees to determine whether cost claimed under the awards are eligible and allowable under federal regulations and FEMA guidelines. The City of Palm Beach Gardens, Florida (City) received awards totaling \$5.6 million for damages resulting from Hurricanes Frances and Jeanne that occurred in September 2004.

### DHS Response

FEMA's written response is due within 90 days.

## FEMA Should Recover \$401,046 of Public Assistance Grant Funds Awarded to City of Palm Beach Gardens, Florida -- Hurricanes Frances and Jeanne

### What We Determined

FEMA should recover \$401,046 of grant funds awarded to the City. Although the City accounted for expenditures on a project-by-project basis as required by Federal regulations and FEMA guidelines, its claim included \$401,046 (Federal share \$360,942) of ineligible costs, which consisted of \$63,214 covered by insurance proceeds, \$31,214 covered by another federal agency, and \$306,618 that were unsupported.

### What We Recommend

We recommend that the Regional Administrator, FEMA Region IV, disallow the \$401,046 (Federal share \$360,942) of questioned costs.

### For Further Information:

Contact our Office of Public Affairs at (202) 254-4100, or email us at [DHS-OIG.OfficePublicAffairs@oig.dhs.gov](mailto:DHS-OIG.OfficePublicAffairs@oig.dhs.gov)