



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 Daytona Beach, Florida (City), received an award of \$2.6 million for damages resulting from Hurricane Frances that occurred in September 2004.

DHS Response

FEMA's written response is due within 90 days.

FEMA Should Recover \$209,170 of Public Assistance Grant Funds Awarded to City of Daytona Beach, Florida - Hurricane Frances

What We Determined

FEMA should recover \$209,170 of grant funds awarded to the City. Although the City generally accounted for FEMA funds according to Federal regulations and FEMA guidelines, its claim included \$209,170 (Federal share \$203,471) of questionable costs, which consisted of \$152,176 of unsupported equipment costs, \$55,969 of ineligible debris disposal costs, and \$1,025 of costs for small projects not completed.

What We Recommend

We recommended that the Regional Administrator, FEMA Region IV:

- (1) Disallow \$152,176 (Federal share \$152,176) of unsupported costs unless the City can provide additional evidence to support the costs claimed,
- (2) Disallow \$55,969 (Federal share \$50,372) of ineligible debris disposal costs, and
- (3) Disallow \$1,025 (Federal share \$923) of ineligible costs for work not completed unless the City can provide additional evidence that it completed the project.

For Further Information:

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