



Why This Matters

St. Charles Parish School Board received a \$6.58 million award from the Louisiana Governor's Office of Homeland Security and Emergency Preparedness (GOHSEP), a FEMA grantee, for damages resulting from Hurricanes Katrina (2005), Gustav (2008), and Ike (2008). FEMA provides such assistance to state, Tribal, and local governments, 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 focus on grants with potential for problems and areas that are of interest to Congress.

DHS Response

FEMA officials agreed with the improper contracting findings, but said they will not disallow these costs unless they are unreasonable. FEMA officials agreed with the duplicate costs finding, but said they will need additional information to assess the unused funds finding. Overall, they reserved final decisions on our findings and recommendations until after we issue the final report. FEMA's written response is due within 90 days.

For Further Information:

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

FEMA Should Recover \$881,956 of Ineligible Funds and \$862,983 of Unused Funds Awarded to St. Charles Parish School Board

What We Determined

St. Charles Parish School Board (School Board) accounted for FEMA grant funds on a project-by-project basis as required by Federal regulations for Hurricanes Katrina and Gustav. However, it did not always follow Federal regulations including those for procurement of contracts. As a result, we question \$881,956 of ineligible costs for improper contracts and unsupported and duplicate costs for Hurricanes Katrina and Gustav. Additionally, FEMA should deobligate \$862,983 of unused Federal funds and put those funds to better use. The majority of the findings in this report occurred because GOHSEP, as the grantee, should have managed its responsibilities better.

What We Recommend

We recommend that the Acting Regional Administrator, FEMA Region VI:

1. Disallow \$156,529 of improper contracting costs for Hurricane Katrina.
2. Disallow \$591,928 of unsupported costs for Hurricane Katrina.
3. Disallow \$130,908 (\$117,817 Federal share) of unsupported costs for Hurricane Gustav.
4. Disallow \$2,591 of duplicate costs claimed for Hurricane Katrina.
5. Deobligate \$853,100 of unused Federal funds for Hurricane Katrina and put those funds to better use.
6. Deobligate \$9,883 (\$8,895 Federal share) of unused Federal funds for Hurricane Gustav and put those funds to better use.
7. Require GOHSEP to submit an accounting to FEMA as soon as possible for all large projects for which the School Board has completed the approved work and requested payment.
8. Direct GOHSEP to ensure that (1) FEMA receives information sufficient to close completed School Board projects by June 2013, (2) the School Board is aware of and follows Federal procurement standards for future Federally-declared disasters, and (3) the School Board maintains adequate documentation of costs for future Federally-declared disasters.