

Spotlight

Department of Homeland Security



Office of Inspector General

April 2013 DS-13-06

Why This Matters

The Office of Inspector General (OIG) serves as an independent body to deter, identify, and address fraud, abuse, mismanagement, and waste in the Department of Homeland Security (DHS) programs and operations. To this end, the OIG is responsible for conducting and supervising audits, investigations, and inspections relating to the programs and operations of the Department. The OIG examines, evaluates and, where necessary, critiques these operations and activities, recommending ways for the Department to carry out its responsibilities in the most effective, efficient, and economical manner possible.

DHS Response

Within 90 days of the date of the grant audit report, Management should provide our office with a written response that includes their (1) agreement or disagreement, (2) corrective action plan, and (3) target completion date for each recommendation.

For Further Information:

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

FEMA Improperly Applied the 50% Rule in Deciding To Pay the Alaska Department of Natural Resources To Replace a Damaged Bridge

What We Determined

The Federal Emergency Management Agency (FEMA) improperly applied the 50 Percent Rule in its decision to pay the Alaska Department of Natural Resources, Anchorage, Alaska (Department), to replace a damaged bridge, Public Assistance (PA) Identification Number 000-U0421-00.

Our audit objective was to determine whether the Department accounted for and expended FEMA's grant funds according to Federal regulations and FEMA guidelines.

Of the \$958,288 in project charges we reviewed, the Department generally managed FEMA's PA grant funds according to Federal regulations and FEMA guidelines. However, FEMA incorrectly applied the 50 Percent Rule to determine whether to repair or replace a damaged bridge, and reimbursed the Department \$398,186 in ineligible costs.

What We Recommend

We recommended that the FEMA Region X Administrator disallow \$398,186 (FEMA share \$298,640) in ineligible replacement costs charged to Project 118.