

Spotlight

Department of Homeland Security



Office of Inspector General

September 2013 DS-13-13

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 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

FEMA officials told us that they will withhold comments on our findings until after they review their records and those documents associated with the City's final claimed costs.

The California Governor's Office of Emergency Services (grantee) generally did not comment on our findings.

City officials partially concurred with our findings.

For Further Information:

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

The City of Pacifica, California, Generally Followed Regulations for Spending FEMA Public Assistance Funds

What We Determined

We audited Federal Emergency Management Agency (FEMA) Public Assistance Program grant funds awarded to the City of Pacifica, California (City), for Disaster Number 1628-DR-CA.

Our audit objective was to determine whether the City accounted for and expended FEMA Public Assistance Program grant funds according to Federal regulations and FEMA guidelines.

We determined that the City generally accounted for and expended FEMA Public Assistance Program grant funds according to Federal regulations and FEMA guidelines. However, the City claimed \$101,335 for disaster costs that were either ineligible or unsupported, which represents less than 4 percent of the \$2,772,687 we audited.

What We Recommend

We recommend that the Regional Administrator, FEMA Region IX: (1) disallow \$57,058 (\$42,794 Federal share) in ineligible costs for Projects 3436 and 3449 as unauthorized work performed beyond the approved scope of work; (2) disallow \$27,096 (\$20,322 Federal share) in unsupported costs for Projects 3422, 3436, and 3449, unless City officials provide adequate documentation consistent with FEMA criteria to support them, or can properly allocate costs—in coordination with grantee and FEMA officials—to the specific projects (and Federally-declared disaster(s)) to which they relate; (3) instruct the Grantee (State)—who must likewise inform its subgrantees—on the requirement to comply with Federal regulations and FEMA guidelines on maintaining accurate records as a post-award condition for FEMA disaster assistance grant funding, including criteria presented in both (1) 44 CFR 13.20; and (2) Public Assistance Guide, FEMA 322, October 1999, pp. 113–114; (4) disallow \$11,388 (\$8,540 Federal share) in ineligible landscaping costs for Projects 3450 and 3664; (5) disallow \$3,897 (\$2,923 Federal share) in ineligible force account labor costs for Project 3436 as a result of regular-time salaries emergency work being comingled with permanent work; and (6) disallow \$1,896 (\$1,422 Federal share) in ineligible, duplicate costs for Project 3436.

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.