

# Spotlight

Department of Homeland Security



## Office of Inspector General

October 2013 OIG-14-03-D

### 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 DHS. The OIG examines, evaluates and, where necessary, critiques these operations and activities, recommending ways for DHS to carry out its responsibilities in the most effective, efficient, and economical manner possible.

### DHS Response

FEMA concurred with our recommendations and has disallowed and deobligated \$213,574 for the 16 uncompleted small projects and deobligated \$81,760 for the uncompleted large large project. Therefore, we consider the recommendations for this report to be resolved and closed.

### For Further Information:

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

## Santa Cruz County, California, Generally Followed Regulations for Spending FEMA Public Assistance Funds

### What We Determined

Santa Cruz County, California (County), generally followed regulations for spending Federal Emergency Management Agency (FEMA) Public Assistance (PA) Grant Funds, PA Identification Number 041-64434-00.

Our audit objective was to determine whether the County accounted for and expended FEMA's grant funds according to Federal regulations and FEMA guidelines. County officials generally accounted for and expended FEMA Public Assistance grant funds according to Federal regulations and FEMA guidelines. However, the County received \$213,574 for 16 small projects and approximately \$81,760 for 1 large project they did not complete. According to 44 CFR 206.204(d)(2), FEMA will not provide funding if an eligible applicant fails to complete a large or small project. Therefore, FEMA should disallow \$213,574 as ineligible for 16 small projects the County did not complete and deobligate \$81,760 in funds the County did not use to complete 1 large project. County officials concurred with the finding and confirmed that they did not perform any work on the 16 small projects and 1 large project. The California Governor's Office of Emergency Services and FEMA officials also concurred with the finding.

### What We Recommend

We recommended that the FEMA Region IX Administrator (1) disallow \$213,574 (Federal share \$160,181) as ineligible for 16 small projects the County did not complete, and (2) deobligate \$81,760 (Federal share \$61,320) in unused funding for Project 85 and put those funds to better use.