



Why This Matters

The Federal Emergency Management Agency (FEMA) provides public 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 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. Cobb County, Georgia (County) received a Public Assistance grant award of \$7.7 million resulting from severe storms and flooding, which occurred in September 2009.



DHS Response

FEMA's written response is due within 90 days.

FEMA Should Recover \$985,887 of Ineligible and Unneeded Public Assistance Grant Funds Awarded to Cobb County, Georgia, as a Result of Severe Storms and Flooding

What We Determined

FEMA should recover \$985,887 of the \$7.7 million in grant funds awarded to the County. Although the County accounted for FEMA funds on a project-by-project basis, the County's claim included \$557,943 of project costs that insurance covered. We also identified \$427,944 of unneeded project funding that FEMA can deobligate and put to better use. Finally, the County did not include all required contract provisions in contracts it awarded for disaster work and did not adhere to the Single Audit Act requirements.

What We Recommend

We recommend that the Regional Administrator, FEMA Region IV:

1. Disallow \$557,943 (Federal share \$418,457) of project costs that the County's insurance covered unless the County provides evidence that insurance did not cover the costs.
2. Deobligate and put to better use \$427,944 (Federal share \$320,958) of unneeded Federal funding.
3. Instruct Georgia to remind the County to include contract provisions that 44 CFR 13.36(i) require when acquiring goods and services under a FEMA award.
4. Instruct Georgia to remind the County of its responsibility to comply with the requirements of the Single Audit Act.

For Further Information:

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