

Spotlight

Department of Homeland Security



Office of Inspector General

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Why This Matters

The Federal Emergency Management Agency (FEMA) provides public assistance to state, tribal, and local government, 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 costs claimed under the awards are eligible and allowable under Federal regulations and FEMA guidelines. The City of Chattanooga, Tennessee, (City) received an award of \$25.3 million as a result of severe storms and associated flooding that occurred in 2011.

DHS Response

FEMA's written response is due within 90 days.

The City of Chattanooga, Tennessee, Properly Accounted For and Expended FEMA Public Assistance Grant Funds

What We Determined

The City received \$25.3 million of FEMA funding for debris removal, emergency protective measures, and permanent repairs to buildings, utilities, and recreational facilities. The City generally accounted for and expended the funds according to Federal regulations and FEMA guidelines. However, the City claimed \$71,040 of excessive contract costs (less than 0.3 percent of its total award).

What We Recommend

We recommend that the Regional Administrator, FEMA Region IV:

1. Disallow \$44,353 (Federal share \$33,265) of ineligible contract fuel charges.
2. Disallow \$26,687 (Federal share \$20,015) of ineligible contract labor costs.

For Further Information:

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