

Spotlight

Department of Homeland Security



Office of Inspector General

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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

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.

FEMA Should Recover \$302,775 of Public Assistance Funds Awarded to the City of Oakland, California

What We Determined

FEMA should recover \$302,775 of Public Assistance (PA) funds awarded to the City of Oakland, California (City), PA Identification Number 001-53000-00.

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

The City accounted for FEMA Public Assistance grant funds on a project-by-project basis, as Federal regulations require. However, the City did not always follow Federal regulations and FEMA guidelines in spending the funds. Specifically, the City's claim included the following unsupported or ineligible costs – \$194,037 of unsupported labor costs, \$67,173 for three small projects that the City did not complete, and \$34,010 for miscellaneous ineligible costs. Therefore, FEMA should disallow \$295,220 of unsupported or ineligible costs. FEMA should also deobligate \$7,555 of unused funds and put them to better use. In addition, the State should improve its grant management procedures to (1) ensure that subgrantees comply with Federal regulations and FEMA guidelines, and (2) review costs that subgrantees claim more promptly.

What We Recommend

We recommended that the FEMA Region IX Administrator (1) disallow \$194,037 (Federal share \$145,528) for Projects 941, 2470, 2550, 2814, 2948, 2959, and 3694 as unsupported unless the City provides adequate documentation to support these costs, (2) disallow \$67,173 (Federal share \$50,380) as ineligible for three small projects (2866, 2998, and 3158) that the City either did not perform or did not complete according to the approved scope of work, (3) disallow \$34,010 (Federal share \$25,508) for Projects 2470, 2550, 2814, 2948, and 2959 as ineligible work, (4) deobligate \$7,555 (Federal share \$5,666) in unused funding from Projects 2550 and 2959 and put those funds to better use, and (5) direct the State to review subgrantee closeout documentation promptly to ensure adherence with FEMA guidelines.

For Further Information:

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