

Spotlight

Department of Homeland Security



Office of Inspector General

March 2014 OIG-14-57-D

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 costs claimed under the awards are eligible and allowable under Federal regulations and FEMA guidelines. The Township of Little Egg Harbor, New Jersey, (Township) received a Public Assistance grant award of \$5.57 million for damages resulting from Hurricane Sandy in October 2013.

DHS Response

FEMA's written response is due within 90 days.

FEMA Should Review the Eligibility of \$689,138 of \$5.57 Million in Public Assistance Grant Funds Awarded to Little Egg Harbor Township, New Jersey, for Hurricane Sandy Debris Removal Activities

What We Determined

The Township accounted for FEMA funds on a project-by-project basis as Federal regulations and FEMA guidelines require. In addition, the Township complied with Federal procurement regulations for contracts (time-and-material and unit-price) it awarded for debris removal activities. However, we identified \$689,138 of debris removal costs that the Township planned to claim under the FEMA award that were either (1) not supported by adequate documentation or (2) not eligible under the Public Assistance program. Township officials said that our early engagement in the Public Assistance process was helpful and a positive experience.

What We Recommend

We recommend that the Director, New Jersey Sandy Recovery Office disallow the \$689,138 if the Township claims the costs, unless the Township provides FEMA with adequate supporting documentation for the costs, or provides additional documentation to show that the costs are eligible.

For Further Information:

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