



Why This Matters

Public Law 110-53, Implementing Recommendations of the 9/11 Commission Act of 2007 requires the Department of Homeland Security (DHS) Office of Inspector General to audit individual States' management of State Homeland Security Program (SHSP) and Urban Areas Security Initiative (UASI) grants. This report responds to the reporting requirement for the State of North Carolina, including the Charlotte Urban Area.

DHS Response

FEMA concurred with all eight recommendations. FEMA will require NCEM and the Charlotte Urban Area to update their respective Homeland Security Strategies. The Charlotte Urban Area completed the Threat and Hazard Identification and Risk Assessment and submitted it to FEMA; it will be used to create a baseline and targets for FY 2013 and beyond. FEMA's National Preparedness Directorate also redesigned the State Preparedness Report to help States demonstrate and track preparedness improvement over time. FEMA will require NCEM to assess and streamline processes and procedures for obligating funds to subgrantees and to submit written policies and procedures addressing concerns disclosed in this report.

For Further Information:

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

North Carolina's Management of Homeland Security Program Grants Awarded During Fiscal Years 2008 Through 2010

What We Determined

We reviewed the State of North Carolina's management of State Homeland Security Program and Urban Areas Security Initiative Grants awarded during fiscal years (FY) 2008 through 2010. The objective was to determine whether the State of North Carolina distributed and spent State Homeland Security Program and Urban Areas Security Initiative grant funds (1) effectively and efficiently and (2) in compliance with applicable Federal laws and regulations, as well as DHS guidelines governing the use of such funding.

In most instances, the North Carolina Division of Emergency Management (NCEM) administered its grant programs in compliance with requirements in Federal grant guidance and regulations and DHS guidelines. However, the State needs to improve and update the State and Urban Areas Security Initiative Homeland Security Strategies, as well as the Charlotte Urban Area's risk assessment; comply with grant program requirements; and enhance its performance measures. We made eight recommendations to the Federal Emergency Management Agency (FEMA), the State of North Carolina, and the Charlotte Urban Area, which if implemented, should strengthen program management, performance, and oversight.

What We Recommend

We recommend that the FEMA Assistant Administrator, Grant Programs Directorate:

- (1) Assist NCEM and the Charlotte Urban Area in developing Homeland Security Strategies that include specific, measurable, achievable, results-oriented, and time-limited objectives;
- (2) Require the Charlotte Urban Area to conduct risk assessments to determine areas of vulnerability for major disasters caused by either terrorism or natural events;
- (3) Improve the efficiency of processes to obligate subgrantee awards within the required time period;
- (4) Ensure that subgrantees comply with inventory requirements in the Code of Federal Regulations;
- (5) Ensure that, when practicable, subgrantees and the Charlotte Urban Area mark purchases made with DHS funds "Purchased with funds provided by the U.S. Department of Homeland Security;"
- (6) Ensure that the Charlotte Urban Area submits cost reports as expenditures are incurred;
- (7) Ensure that standard operating procedures and memorandums of agreement with subgrantees include clear guidance on required grant file documentation; and
- (8) Establish performance measures to determine whether goals and objectives in their respective strategies have been met and whether they have improved their capabilities in disaster response and preparedness.