



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 Vermont.

DHS Response

The Federal Emergency Management Agency (FEMA) concurred with all eight recommendations. FEMA addressed the specific, measurable, achievable, results-oriented, time-limited goals and objectives by requiring states to use a set of tools including the Threat and Hazard Identification and Risk Assessment, State Preparedness Report, and Investment Justifications. FEMA has addressed the 45 day fund obligation pass through requirements by providing new or improved policies and procedures for obligation of funds and through the provision of grants management technical assistance.

For Further Information:

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

Vermont's Management of State Homeland Security Program Grants Awarded During Fiscal Years 2010 Through 2012

What We Determined

We reviewed the State of Vermont's management of SHSP and UASI Grants awarded during fiscal years 2010 through 2012. The objectives were to determine whether the State distributed, administered, and spent SHSP grant funds strategically, effectively, and in compliance with laws, regulations, and guidance. We also addressed the extent to which funds awarded enhanced the ability of State grantees to prevent, prepare for, protect against, and respond to natural disasters, acts of terrorism, and other manmade disasters.

In most instances, the Vermont Department of Public Safety administered its grant programs in compliance with Federal requirements and DHS guidelines. SHSP grant funds were spent on allowable items and activities, and there were adequate controls over the approval of expenditures and reimbursement of funds. However, the State needs to improve its homeland security strategies by including specific, measurable, achievable, results-oriented, and time-limited objectives and tools to assess progress toward attaining its goals. In addition, the State should improve the timeliness of fund obligation, property management and inventory controls, compliance with procurement requirements, and the monitoring of its subgrantees.

What We Recommend

We recommend the Assistant Administrator, Grants Program Directorate, FEMA:

- (1) Develop and provide States with consistent and comprehensive measurement tools that include baselines for measuring and demonstrating progress toward enhancing their level of preparedness through the use of SHSP grant funds;
- (2) Evaluate the reasonableness of the State Administrative Agency to obligate pass through grant funds within 45 days of FEMA's award date;
- (3) Require Department of Public Safety (DPS) to review and update its obligation and approval process to identify ways to shorten the process so subgrantees have sufficient time to procure and spend grant funds;
- (4) Require DPS to ensure that subgrantees implement an inventory control policy and maintain property records that comply with 44 CFR § 13.32, as required;
- (5) Require DPS to clarify the fiscal year 2010 requirement to mark all equipment "Purchased with funds provided by the U.S. Department of Homeland Security." The State should determine which assets are deemed practicable to mark and ensure that the requirement is applied consistently;
- (6) Require DPS to provide oversight of subgrantees' procurement practices to ensure competitive bidding for grant transactions;
- (7) Require DPS to conduct on-site or other methods of monitoring programs, functions, and activities for SHSP grants and clarify monitoring guidance; and
- (8) Require on-site monitors to document their reviews to ensure compliance with Federal inventory and procurement requirements and progress toward achieving performance goals.