



Why This Matters

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

The Federal Emergency Management Agency (FEMA) awarded Alabama \$17.8 million in SHSP funds during fiscal years 2010 through 2012.

FEMA Response

We made six recommendations aimed at enhancing the program's overall effectiveness. FEMA concurred with all six recommendations.

For Further Information:

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

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

What We Determined

In most cases, the Alabama Department of Homeland Security (ALDHS) used SHSP funds in accordance with the law and program guidance. However, Alabama did not obligate 80 percent of these funds to local units of government as required. The majority of SHSP funds were allocated to support statewide initiatives, such as information sharing and interoperable communications. ALDHS' plan to invest in statewide projects may be more beneficial and may have been a good use of limited grant funds; however, Alabama did not obtain the consent of its local units of government, as required, before allocating funds for statewide initiatives. In addition, it did not have a current state homeland security strategy and a method to measure preparedness, nor did it always follow an established internal control for approving expenditures. In most cases, the subgrantees complied with procurement requirements, but they did not always comply with inventory and property record requirements.

What We Recommend

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

- 1) Obligate 80 percent of SHSP funds to local units of government or obtain written consent from its local units of government before funding statewide initiatives.
- 2) Assess and streamline the current processes and procedures for obligating funds to subgrantees so that funds are obligated within 45 days.
- 3) Deny reimbursement claims for subgrantees that do not follow ALDHS' approval process as required by the grant agreements.
- 4) Submit a current state homeland security strategy that includes objectives that are specific, measurable, achievable, results-oriented, and time-limited.
- 5) Ensure that subgrantees maintain property records and perform a physical inventory as required by 44 CFR § 13.32(d).
- 6) Provide oversight of procurement practices to ensure competitive bidding.