



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' and territories' management of State Homeland Security Program (SHSP) and Urban Areas Security Initiative grants. This report responds to the reporting requirement for North Dakota.

The Federal Emergency Management Agency (FEMA) awarded North Dakota approximately \$14.6 million in SHSP grant funds for fiscal years 2010 through 2012.

DHS Response

FEMA concurred with all 10 recommendations and will use the findings in the report to strengthen the effectiveness and efficiency of executing and measuring its program. FEMA recognized the need to continue to improve the process and is taking or planning to take corrective actions to implement the recommendations.

For Further Information:

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

North Dakota's Management of Homeland Security Grant Program Awards for Fiscal Years 2010 Through 2012

What We Determined

In most instances, North Dakota distributed and spent the awards in compliance with applicable laws and regulations. However, we identified areas where North Dakota can improve and enhance its management of SHSP grants.

State homeland security strategies did not contain a baseline for measuring improvements or target dates as to when objectives would be achieved. Obligations of grant funds to subgrantees did not always meet the Federal time requirements. Personnel time charges were not adequately supported, overall grant expenditures were not timely, and subgrantee property management did not always comply with Federal requirements. Additionally, subgrantee monitoring procedures needed improvements.

What We Recommend

We recommended that the FEMA Assistant Administrator, Grant Programs Directorate, require the Director, North Dakota Department of Emergency Services to:

- Develop and implement policies and procedures to ensure that strategies contain target dates, baselines are identified, and the strategies are consistent with the FEMA required Threat and Hazard Identification and Risk Assessments.
- Review SHSP award procedures to streamline the process to ensure that funds are available to subgrantees in a timely manner.
- Establish and implement procedures to ensure compliance with Federal time reporting requirements for personnel costs charged to Federal awards, and provide supporting documentation for \$686,710 in questioned personnel costs.
- Develop and implement procedures to ensure timely expenditure of grant funds.
- Develop procedures to ensure compliance with Federal property management requirements, and ensure subgrantees have adequate property management systems.
- Assess and implement subgrantee monitoring procedures to meet the North Dakota Department of Emergency Services requirement of completing site visits for all subgrantees during a 3-year period.