

**Palm Beach County  
School District, Florida,  
Effectively Managed  
FEMA Public Assistance  
Grant Funds Awarded for  
Hurricane Frances  
Damages**





# HIGHLIGHTS

## *Palm Beach County School District, Florida, Effectively Managed FEMA Public Assistance Grant Funds Awarded for Hurricane Frances Damages*

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March 18, 2015

### **Why We Did This**

The Palm Beach County School District, Florida (District) received a Public Assistance award of \$6.4 million from the Florida Division of Emergency Management, a Federal Emergency Management Agency (FEMA) grantee, for Hurricane Frances damages in September 2004. Our audit objective was to determine whether the District accounted for and expended FEMA funds according to Federal requirements.

### **What We Recommend**

The report contained no recommendations.

**For Further Information:**  
Contact our Office of Public Affairs at (202) 254-4100, or email us at [DHS-OIG.OfficePublicAffairs@oig.dhs.gov](mailto:DHS-OIG.OfficePublicAffairs@oig.dhs.gov)

### **What We Found**

For the projects we reviewed, the District generally accounted for and expended FEMA Public Assistance grant funds according to Federal requirements.

### **FEMA Response**

Because the audit did not identify any issues requiring further action from FEMA, we consider this audit closed.

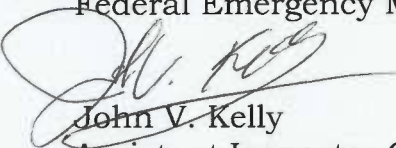


OFFICE OF INSPECTOR GENERAL  
Department of Homeland Security  
Washington, DC 20528

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MAR 18 2015

MEMORANDUM FOR: Gracia Szczech  
Regional Administrator, Region IV  
Federal Emergency Management Agency

FROM:   
John V. Kelly  
Assistant Inspector General  
Office of Emergency Management Oversight

SUBJECT: *Palm Beach County School District, Florida, Effectively  
Managed FEMA Public Assistance Grant Funds  
Awarded for Hurricane Frances Damages  
Audit Report Number OIG-15-49-D*

We audited Public Assistance grant funds awarded to Palm Beach County School District, Florida (District). The District received a Public Assistance award of \$6.4 million from the Florida Division of Emergency Management (Florida), a Federal Emergency Management Agency (FEMA) grantee, for damages resulting from Hurricane Frances, which occurred in September 2004.<sup>1</sup> The award provided 90 percent FEMA funding for debris removal, emergency protective measures, and repair to buildings and other facilities. We audited 4 large projects and 13 small projects totaling \$3.8 million (see appendix A). At the time of our audit, the District had completed work under all projects in our audit scope and Florida had closed out the grant award.

### **Results of Audit**

For the projects we reviewed, the District generally accounted for and expended FEMA Public Assistance grant funds according to Federal requirements.

### **Discussion with Management and Audit Follow-up**

We discussed the audit results with District, Florida, and FEMA officials during our audit. We also provided a written summary of our findings in advance to

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<sup>1</sup> Disaster damages did not exceed the District's insurance deductible; therefore, the \$6.4 million award is the gross amount.



## OFFICE OF INSPECTOR GENERAL

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these officials and discussed them at the exit conference held on January 20, 2015. Because the audit did not identify any issues requiring further action from FEMA, we consider this audit closed.

Major contributors to this report are David Kimble, Director; Felipe Pubillones, Audit Manager; Mary Stoneham, Auditor-in-Charge; and Angelica Esquerdo, Auditor.

Please call me with any questions at (202) 254-4100, or your staff may contact David Kimble, Director, Eastern Regional Office, at (404) 832-6702.



## Appendix A

### Objective, Scope, and Methodology

We conducted this performance audit between January 2014 and January 2015 under the authority of the *Inspector General Act of 1978*, as amended, and according to generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based upon our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. To conduct this audit, we applied the statutes, regulations, and FEMA policies and guidelines in effect at the time of the disaster.

We audited Public Assistance grant funds awarded to the District, FIPS Code 099-11200-00. Our audit objective was to determine whether District accounted for and expended FEMA grant funds according to Federal regulations and FEMA guidelines for FEMA Disaster Number 1545-DR-FL. The District received a Public Assistance award of \$6.4 million from Florida, a FEMA grantee, for damages resulting from Hurricane Frances, which occurred in September 2004. The award provided 90 percent FEMA funding for debris removal, emergency protective measures, and repair to buildings and other facilities. The award consisted of 12 large and 17 small projects.<sup>2</sup> We audited 4 large projects and 12 small projects totaling \$3.8 million awarded to the District (see table 1). The audit covered the period September 3, 2004, to January, 18, 2012, during which the District claimed \$3.8 million.

We interviewed District, Florida, and FEMA personnel; gained an understanding of the District's method of accounting for disaster-related costs and its procurement policies and procedures; judgmentally selected (generally based on dollar values) and reviewed project costs and procurement transactions for the projects in our audit scope; reviewed applicable Federal regulations and FEMA guidelines; and performed other procedures considered necessary to accomplish our audit objective. As part of our standard audit procedures, we also notified the Recovery Accountability and Transparency board of all contracts the subgrantee awarded under the grant to determine whether the contractors were debarred or whether there were any indications of other issues related to those contracts that would indicate fraud, waste, or abuse. The Recovery Accountability and Transparency Board's analysis of contracts found no derogatory information. We did not perform a detailed assessment of the District's internal controls applicable to its grant activities because it was not necessary to accomplish our audit objective.

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<sup>2</sup> Federal regulations in effect at the time of the disaster set the large project threshold at \$54,100.



**Table 1: Schedule of Projects Audited**

<b>Project Number</b>	<b>FEMA Category of Work<sup>3</sup></b>	<b>Amount Awarded</b>
Large Projects:		
9695	B	\$1,282,198
1437	E	596,004
1520	E	636,042
1682	E	1,050,185
<b>Subtotal</b>		<b>\$3,564,429</b>
Small Projects:		
8242	E	\$ 1,808
5780	A	8,235
5107	E	8,664
7284	E	10,269
8040	E	11,159
7282	E	12,544
5121	E	22,734
8221	E	23,789
5124	E	27,438
5212	E	35,229
4476	E	41,359
5223	E	42,682
<b>Subtotal</b>		<b>\$ 245,910</b>
<b>Total</b>		<b>\$3,810,339</b>

Source: FEMA Project Worksheets, District Records, and Office of Inspector General (OIG) Analyses.

<sup>3</sup> FEMA classifies disaster-related work by type: debris removal (Category A), emergency protective measures (Category B), and permanent work (Categories C through G).



## **Appendix B**

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