

**Washington County, Florida,
Effectively Managed FEMA
Public Assistance Grant
Funds Awarded for a July
2013 Flood**





DHS OIG HIGHLIGHTS

Washington County, Florida, Effectively Managed FEMA Public Assistance Grant Funds Awarded for a July 2013 Flood

August 19, 2016

Why We Did This Audit

Washington County, Florida, (County) received an award of \$13.9 million from the Florida Division of Emergency Management Agency (Florida), a Federal Emergency Management Agency (FEMA) grantee, for damages resulting from a July 2013 flood. We audited 14 projects totaling \$3.6 million. Our audit objective was to determine whether the County accounted for and expended FEMA funds according to Federal requirements.

What We Recommend

This report contains 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.

What We Found

For the projects we reviewed, the County effectively accounted for and expended FEMA Public Assistance grant funds according to Federal regulations and FEMA guidelines. County officials accounted for disaster expenditures on a project-by-project basis, procured contracts for disaster work appropriately, and maintained adequate documentation to support the costs.

FEMA Response

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



OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

Washington, DC 20528 / www.oig.dhs.gov

August 19, 2016

MEMORANDUM FOR: Gracia Szczech
Regional Administrator, Region IV
Federal Emergency Management Agency
Thomas M. Salmon

FROM: Thomas M. Salmon
Assistant Inspector General
Office of Emergency Management Oversight

SUBJECT: *Washington County, Florida, Effectively Managed FEMA
Public Assistance Grant Funds Awarded for a
July 2013 Flood*
Audit Report Number OIG-16-121-D

We audited Public Assistance grant funds awarded to Washington County, Florida (County). The County received a Public Assistance grant award of \$13.9 million (net of insurance and other credits) from the Florida Division of Emergency Management (Florida), a Federal Emergency Management Agency (FEMA) grantee, for damages resulting from a July 2013 flood. The award provided 75 percent FEMA funding for emergency protective measures and permanent repair of roads. We audited 14 projects totaling \$3.6 million (see table 1). At the time of our audit, the County had completed work on all emergency projects in our audit scope but had not submitted final claims to Florida.

Results of Audit

For the projects we reviewed, the County effectively accounted for and expended FEMA Public Assistance grant funds according to Federal regulations and FEMA guidelines. County officials accounted for disaster expenditures on a project-by-project basis, procured contracts for disaster work appropriately, and maintained adequate documentation to support the costs.

Discussion with Management and Audit Follow-up

We discussed the results of our audit with County, Florida, and FEMA officials during our audit. We also provided a draft report in advance to these officials and discussed it at the exit conference on July 11, 2016. Because the audit did not identify any issues requiring further action from FEMA Region IV, we consider this audit closed.



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The Office of Emergency Management Oversight contributors to this report are David Kimble, Director; Adrienne Bryant, Audit Manager; and Larry Jones, Auditor-in-Charge.

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



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Appendix A

Objective, Scope, and Methodology

We audited Public Assistance grant funds awarded to the County, FIPS Code 133-99133-00. Our audit objective was to determine whether the County accounted for and expended FEMA grant funds according to Federal regulations and FEMA guidelines for FEMA Disaster 4138-DR-FL. The County received a Public Assistance grant award of \$13.9 million from Florida, a FEMA grantee, for damages resulting from a July 2013 flood. The award provided 75 percent FEMA funding for emergency protective measures and permanent road repairs. The award consisted of 102 projects: 71 large projects and 31 small projects.¹

We audited nine large and five small projects with awards totaling \$3.6 million (see table 1). The audit covered the period from July 2, 2013, to June 2, 2016, during which the County claimed \$2.3 million for the projects in our scope.

To accomplish our objective, we interviewed County, FEMA, and Florida personnel; gained an understanding of the County's method of accounting for disaster-related costs and its procurement policies and procedures; judgmentally selected (generally based on dollar amounts) 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 our Office of Information Technology Audits of all contracts the subgrantee awarded under the grant that we reviewed to determine whether the contractors were debarred or whether there were any indications of other issues related to those contractors that would indicate fraud, waste, or abuse. As of the date of this report, the Office of Information Technology Audits' analysis of contracts was ongoing. When it is complete, we will review the results and determine whether additional action is necessary. We did not perform a detailed assessment of the County's internal controls applicable to its grant activities because it was not necessary to accomplish our audit objective.

¹ Federal regulations in effect at the time of disaster set the large project threshold at \$67,500. [Notice of Adjustment of Disaster Grant Amounts, 77 Fed. Reg. 61423 (Oct. 9, 2012)]



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Appendix A (continued)

Table 1: Schedule of Projects Audited

Project Number	Category of work²	Type of Project	Amount Awarded
13	C	Large	\$ 229,386
14	C	Large	168,730
32	C	Large	761,632
165	C	Large	446,241
168	B	Large	120,498
178	C	Large	582,449
208	C	Large	221,870
225	C	Large	521,717
227	C	Large	237,384
11	C	Small	59,268
27	C	Small	52,102
38	C	Small	54,408
42	C	Small	55,349
97	C	Small	65,269
Total			\$3,576,303

Source: FEMA project worksheets and County records

We conducted this performance audit between October 2015 and July 2016 pursuant to 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 the evidence obtained provides a reasonable basis for our findings and conclusions based upon our audit objective. Unless stated otherwise in this report, to conduct this audit, we applied the statutes, regulations, and FEMA policies and guidelines in effect at the time of the disaster.

² FEMA classifies disaster-related work by type: debris removal (Category A), emergency protective measures (Category B), and permanent work (Categories C through G).



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