

**OFFICE OF INSPECTOR GENERAL**

**Federal Emergency  
Management Agency's  
Management Letter for DHS'  
FY 2015 Financial Statements  
Audit**



Homeland  
Security

**April 27, 2016  
OIG-16-72**



# DHS OIG HIGHLIGHTS

## *Federal Emergency Management Agency's Management Letter for DHS' FY 2015 Financial Statements Audit*

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**April 27, 2016**

### **Why We Did This Audit**

The *Chief Financial Officers Act of 1990* (Public Law 101-576) and the *Department Of Homeland Security Financial Accountability Act* (Public Law 108-330) require us to conduct an annual audit of the Department of Homeland Security's (DHS) consolidated financial statements and internal control over financial reporting.

#### **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**

KPMG LLP, under contract with the DHS Office of Inspector General, audited the Federal Emergency Management Agency's financial statements and internal control over financial reporting for fiscal year (FY) 2015. The resulting management letter contains 13 observations related to internal control and other operational matters for management's consideration. KPMG LLP identified internal control deficiencies and the need for improvement in several processes including journal voucher, payroll processing, procurement contract management, and grant monitoring. These deficiencies are not considered significant and were not required to be reported in the *Independent Auditors' Report on DHS' FY 2015 Financial Statements and Internal Control over Financial Reporting*, dated November 13, 2015, included in the DHS FY 2015 *Agency Financial Report*. These observations are intended to improve internal controls or result in other operating efficiencies.



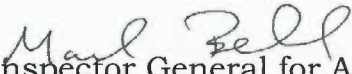
## OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

Washington, DC 20528 / [www.oig.dhs.gov](http://www.oig.dhs.gov)

APR 27 2016

MEMORANDUM FOR: Thomas Lowry  
Chief Financial Officer  
Federal Emergency Management Agency

FROM: Mark Bell   
Assistant Inspector General for Audits

SUBJECT: *Federal Emergency Management Agency's Management Letter for DHS' FY 2015 Financial Statements Audit*

Attached for your action is our final report, *Federal Emergency Management Agency's Management Letter for DHS' FY 2015 Financial Statements Audit*. This report contains 13 observations related to internal control deficiencies that were not required to be reported in our *Independent Auditors' Report on DHS' FY 2015 Financial Statements and Internal Control over Financial Reporting*, dated November 13, 2015, which was included in the Department of Homeland Security's (DHS) fiscal year (FY) 2015 *Agency Financial Report*. We do not require management's response to the recommendations.

The independent public accounting firm KPMG LLP conducted the audit of DHS' FY 2015 financial statements and is responsible for the attached management letter dated December 18, 2015, and the conclusions expressed in it.

Consistent with our responsibility under the *Inspector General Act*, we will provide copies of our report to congressional committees with oversight and appropriation responsibility over the Department of Homeland Security. We will post the report on our website for public dissemination.

Please call me with any questions, or your staff may contact Maureen Duddy, Deputy Assistant Inspector General for Audits, at (617) 565-8723.

Attachment



**KPMG LLP**  
1676 International Drive  
McLean, VA 22102

December 18, 2015

Office of Inspector General,  
U.S. Department of Homeland Security, and  
Chief Financial Officer  
U.S. Department of Homeland Security, Federal Emergency Management Agency  
Washington, DC

Ladies and Gentlemen:

In planning and performing our audit of the consolidated financial statements of the U.S. Department of Homeland Security (DHS or Department), as of and for the year ended September 30, 2015, in accordance with auditing standards generally accepted in the United States of America and *Government Auditing Standards* issued by the Comptroller General of the United States; and Office of Management and Budget (OMB) Bulletin No. 15-02, *Audit Requirements for Federal Financial Statements*, we considered the Department's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements. In conjunction with our audit of the general purpose financial statements, we also performed an audit of internal control over financial reporting in accordance with attestation standards established by the American Institute of Certified Public Accountants.

The Federal Emergency Management Agency (FEMA) is a component of DHS. During our audit we noted certain matters involving internal control and other operational matters, related to FEMA, that are presented for your consideration. These comments and recommendations, all of which have been discussed with the appropriate members of management, are intended to improve internal control or result in other operating efficiencies. These matters are summarized in the Table of Financial Management Comments. The disposition of each internal control deficiency identified during our FY 2015 audits – as either reported in our *Independent Auditors' Report*, or herein as a financial management letter comment – is presented in Appendix A. Our findings related to information technology systems have been presented in a separate letter to the DHS Office of Inspector General, FEMA Chief Information Officer and FEMA Chief Financial Officer.

Our audit procedures are designed primarily to enable us to form an opinion on the financial statements and on the effectiveness of internal control over financial reporting, and therefore may not bring to light all weaknesses in policies or procedures that may exist. We aim, however, to use our knowledge of FEMA's organization gained during our work to make comments and suggestions that we hope will be useful to you.

We would be pleased to discuss these comments and recommendations with you at any time.



The purpose of this letter is solely to describe comments and recommendations intended to improve internal control or result in other operating efficiencies. Accordingly, this letter is not suitable for any other purpose.

Very truly yours,

KPMG LLP

Federal Emergency Management Agency  
*Table of Financial Management Comments*  
 September 30, 2015

**TABLE OF FINANCIAL MANAGEMENT COMMENTS (FMC)**

| <b>Comment Reference</b> | <b>Subject</b>   | <b>Page</b> |
|--------------------------|--|-------------|
| FMC 15-01                | Failure to Review Policies and Procedures in Various Areas   | 2           |
| FMC 15-02                | Issues Identified in Journal Voucher Testwork as of March 31, 2015   | 2           |
| FMC 15-03                | Payroll Processing Control Deficiencies  | 3           |
| FMC 15-04                | Deficiencies in the Web Integrated Financial Management Information System (WebIFMIS) Chart of Accounts  | 3           |
| FMC 15-05                | Non-Compliance with 5 Code of Federal Regulations Part 2634 and 5 CFR Part 2638 Related to Ethics Requirements                                     | 4           |
| FMC 15-06                | Deficiencies in the WebIFMIS Transaction Codes   | 4           |
| FMC 15-07                | Ineffective Controls over Procurement Contract Management and Non-Compliance with Federal Acquisition Regulation                                   | 5           |
| FMC 15-08                | Ineffective Controls over Intergovernmental Activity Payments  | 6           |
| FMC 15-09                | Deficiencies in Authorization and Approval of Personnel Actions  | 6           |
| FMC 15-10                | Ineffective Controls over Grant Monitoring Efforts   | 7           |
| FMC 15-11                | Ineffective Controls over Grant Accrual Journal Vouchers   | 7           |
| FMC 15-12                | Deficiencies Identified over Claims' Case Reserves at Selected Insurance Companies that Participate in FEMA's National Flood Insurance Program     | 8           |
| FMC 15-13                | Lack of Implementation of Complementary User Entity Controls related to the U.S. Department of Health and Human Services Payment Management System | 9           |

**APPENDIX**

| <b>Appendix</b> | <b>Subject</b>   | <b>Page</b> |
|-----------------|--|-------------|
| A               | Crosswalk – Financial Management Comments to Active Notices of Findings and Recommendations (NFRs) | 10          |



Federal Emergency Management Agency  
*Financial Management Comments*  
September 30, 2015

**FMC 15-01 – Failure to Review Policies and Procedures in Various Areas (NFR No. FEMA 15-01)**

We completed our testwork of FEMA's list of policies, directives, and doctrines as of August 31, 2015, and found that 151 (42.78%) of the 353 active policies, directives and doctrines being monitored by FEMA were overdue for review in accordance with the three year review requirement specified in Directive 112-12.

*Recommendations:*

We recommend that FEMA reissue FEMA Directive 112-12 with a supporting instruction 112-12-1. This Directive should provide additional flexibilities related to FEMA's review standard setting a four year review cycle as the default, but allowing for more or less time based upon the nature of the product (the current review standard is three years). The Office of Policy and Program Analysis (OPPA) should complete the transition of FEMA's inventory of doctrine, policies, directives and manuals to a new SharePoint system accessible to all FEMA employees. This system should provide greater transparency to FEMA's doctrine, policies, directives and manuals (to be renamed "instructions") and reduce the data errors encountered when using an Excel format. Finally, FEMA should continue to update doctrine, policies, directives and manuals to ensure the direction is consistent with FEMA's authority, policy direction and strategic intent. Quarterly forecasts should be issued by OPPA and adjudicated with the component policy organizations.

**FMC 15-02 – Issues Identified in Journal Voucher Testwork as of March 31, 2015 (NFR No. FEMA 15-02)**

Based on our testwork performed over a sample of 54 journal vouchers as of March 31, 2015, we identified the following exceptions:

- Three instances in which review of the approved journal entries did not identify errors in the entries prior to their recordation in the general ledger.
- One instance in which an entry was incorrectly recorded to budget FY 2015 rather than budget FY 2014. Although management self-identified this discrepancy and recorded a correction entry, the initial review of the journal voucher for approval did not identify this error.
- One instance in which an entry was incorrectly recorded to budget FY 2014 rather than budget FY 2015.
- One instance in which the approved manual journal voucher did not agree to the journal voucher posted in the financial system.
- One instance in which initial journal voucher review during the approval process did not identify incorrect SGL accounts prior to recordation.

*Recommendation:*

We recommend that FEMA dedicate sufficient resources, including appropriate management oversight, to ensure journal vouchers are thoroughly researched, reviewed, and approved prior to the initial entry into the

Federal Emergency Management Agency  
*Financial Management Comments*  
September 30, 2015

financial system. Proper review should include verifying attributes based on support such as, correct vendor, fiscal year, budget fiscal year, general ledger account, and fund.

**FMC 15-03 – Payroll Processing Control Deficiencies (NFR No. FEMA 15-03)**

Controls over the payroll process were not properly designed and implemented in FY 2015. Specifically,

- FEMA did not perform a reconciliation between payroll data it submitted to the National Finance Center through WebTA and the National Finance Center's output payroll disbursement file.
- FEMA relied solely on electronic review and approval of timesheets within WebTA to ensure completeness and accuracy of payroll data submitted to the National Finance Center for processing. User access controls (i.e. general information technology controls or "GITCs") within the WebTA application were not operating effectively. Due to the GITC deficiency identified, manual compensating controls were necessary to ensure proper approval of timesheets within WebTA had occurred; however, based on walkthroughs with FEMA management, there were no manual compensating controls in place.

*Recommendations:*

We recommend that FEMA:

- Develop and implement a control to reconcile payroll information submitted to the National Finance Center through WebTA with the related information accompanying the disbursement made by the National Finance Center.
- Develop and implement manual policies and procedures for approving employee time to compensate for the lack of adequate GITCs and ensure that time reported is properly reported.

**FMC 15-04 – Deficiencies in the Web Integrated Financial Management Information System (WebIFMIS) Chart of Accounts (NFR No. FEMA 15-04 and 15-04a)**

Based on our review of the FEMA FY 2015 WebIFMIS chart of accounts, we noted:

- Ten subaccounts were mapped incorrectly or listed under the wrong primary account in FEMA's WebIFMIS chart of accounts.
- Four accounts listed in FEMA's WebIFMIS chart of accounts that were not include within the United States Standard General Ledger (USSGL).

*Recommendation:*

We recommend that management develop and implement a monitoring process to review the WebIFMIS chart of accounts to ensure that accounts are set up properly and in compliance with USSGL on a monthly basis.



Federal Emergency Management Agency  
*Financial Management Comments*  
September 30, 2015

**FMC 15-05 – Non-Compliance with 5 Code of Federal Regulations (CFR) Part 2634 and 5 CFR Part 2368 Related to Ethics Requirements (NFR No. FEMA 15-05)**

- We selected a sample of 20 FEMA employees required to complete an ethics training course in calendar year 2015 and found that FEMA was unable to provide documentation to support, either through the FEMA Employee Knowledge Center transcripts or other relevant evidence (i.e. training sign-in sheets), that eight of the employees had completed the required ethics training in calendar year 2014.
- We selected a sample of 15 FEMA employees required to submit a public financial disclosure report (Office of Government Ethics (OGE) Form 278 or OGE-278) in FY 2015 and identified the following exceptions:
  - For two OGE-278 submissions, the ethics official had not completed their initial review within the timeframe specified by the Office of Government Ethics.
  - One filer had not submitted their OGE-278 submission within the timeframe specified by the Office of Government Ethics.
- We selected a sample of 25 FEMA employees required to submit a confidential financial disclosure report (OGE Form 450 or OGE-450) in FY 2015 and identified the following exceptions:
  - The ethics official had not completed their review of four OGE-450 submissions within the timeframe specified by the Office of Government Ethics.
  - Three filers had not submitted their OGE-450 within the timeframe specified by the Office of Government Ethics.

*Recommendations:*

We recommend that FEMA:

- Implement proper policies and procedures to ensure required trainings, including those delivered outside the FEMA Employee Knowledge Center, are documented and tracked appropriately for all FEMA employees.
- Ensure proper policies and procedures, including appropriate staffing and training, are in place to properly identify and review financial disclosure forms.

**FMC 15-06 – Deficiencies in the WebIFMIS Transaction Codes (NFR No. FEMA 15-06)**

Based on our control testwork performed over eight new transaction code request forms as of June 30, 2015, we noted that for one transaction code, the associated general ledger entry was not included within the USSGL.

Federal Emergency Management Agency  
*Financial Management Comments*  
*September 30, 2015*

Based on our substantive testwork performed over 35 active transaction codes as of June 30, 2015, we identified the following:

- Four transaction codes on the WebIFMIS transaction code listing were not compliant with the USSGL.
- Six transaction codes on the WebIFMIS transaction code listing did not contain the corresponding budgetary/proprietary entry as required in accordance with the USSGL.

*Recommendations:*

We recommend that FEMA:

- Develop a procedure which requires the relevant business need for each new transaction code to be documented and reviewed in conjunction with the transaction code review.
- Develop and implement policies and procedures to ensure periodic reviews of all transaction codes in WebIFMIS to:
  - Document transaction code compliance with the USSGL.
  - Document deviations from the USSGL requirements.
  - Document limitations on the allowed usage of the transaction codes.
  - Remove transaction codes which no longer have a valid business reason.

**FMC 15-07 – Ineffective Controls over Procurement Contract Management and Non-Compliance with Federal Acquisition Regulation (FAR) (NFR No. FEMA 15-07)**

We performed testwork over a sample of 60 contracts for the six-month period ended March 31, 2015, and identified the following exceptions:

- For four samples, FEMA management was unable to provide the appropriate FAR compliance checklist.
- For two samples, the contract file requested could not be provided timely.

*Recommendations:*

We recommend that FEMA:

- Develop and implement policies to ensure that support demonstrating compliance with laws and regulations, including the FAR, is readily available for all current year activity.
- Develop and implement a monitoring program to ensure the controls implemented to aid in ensuring compliance with the FAR are operating effectively.

Federal Emergency Management Agency  
*Financial Management Comments*  
September 30, 2015

**FMC 15-08 – Ineffective Controls over Intergovernmental Activity Payments (NFR No. FEMA 15-10)**

Based on our control testwork performed over a sample of 43 Intra-Governmental Payment and Collections (IPACs) for the nine-month period ended June 30, 2015, we noted:

- Three instances in which the approving official failed to review and approve the IPAC in a timely manner (90 days) after receiving the IPAC from the FEMA Finance Center.
- One instance in which a vendor-related payment was coded to the incorrect business object class when the payment was recorded in WebIFMIS.

*Recommendations:*

We recommend that FEMA:

- Reinforce to personnel the importance of controls related to the adequate and timely review of obligations and de-obligations prior to posting in WebIFMIS.
- Reinforce to personnel and enforce the requirement for adequate review of interagency payment transactions and supporting documentation as specified in FEMA's established procedures.

**FMC 15-09 – Deficiencies in the Authorization and Approval of Personnel Actions (NFR No. FEMA 15-12)**

FEMA relied solely on electronic review and approval of personnel actions within the EmpowHR human resources application to ensure completeness and accuracy of human resource data submitted to the National Finance Center. However, user access controls (i.e. GITCs) over the application were not operating effectively. Due to the GITC deficiencies identified, manual compensating controls were necessary to ensure proper approval of personnel actions within EmpowHR had occurred; however, based on walkthroughs with FEMA management, manual compensating controls had not been implemented.

We tested a total of 45 personnel actions during FY 2015 and noted the following:

- Eight instances in which FEMA was unable to provide the appropriate documentation to validate personnel actions.
- Nine instances in which the related personnel action became effective before it was approved by management.
- Two instances in which FEMA was unable to provide the corresponding Request for Personnel Action (SF-52), which evidences proper authorization prior to processing.

Federal Emergency Management Agency  
*Financial Management Comments*  
September 30, 2015

- Twenty-five instances in which both of the following occurred:
  - FEMA was unable to obtain the corresponding SF-52 that related to the personnel action evidencing proper authorization prior to processing.
  - The personnel action became effective before it was approved by management.

*Recommendations:*

We recommend that FEMA:

- Develop a manual process to ensure that personnel actions are properly authorized in the EmpowHR system in order to compensate for the EmpowHR GITC deficiencies.
- Dedicate sufficient resources to properly review and approve personnel actions timely and accurately.

**FMC 15-10 – Ineffective Controls over Grant Monitoring Efforts (NFR No. FEMA 15-13)**

Controls surrounding the site visit monitoring process did not operate effectively in FY 2015. We noted the following exceptions during the testwork performed over a sample of 60 site visit and desk reviews selected for the six-month period ended March 31, 2015:

- Six instances in which the protocols/monitoring summary and dated post-monitoring letter were submitted to the grant recipient within 45 business days of completion of the site visit.
- Five instances in which the grant award reported on the Monitoring Data Repository template did not agree to the grant award balance reported on the protocols/monitoring summary and dated post-monitoring letter submitted to the grant recipient.

*Recommendations:*

We recommend that FEMA:

- Reinforce the standard policies and procedures for regional offices and headquarters Award Administration Branches to ensure that monitoring reports are submitted in a timely manner as set forth in the Monitoring Plan.
- Reiterate the responsibility and accountability for the Grants Management Specialist to update the baseline schedule in the Monitoring Database Repository with the most up-to-date information provided on the submitted monitoring reports.

**FMC 15-11 – Ineffective Controls over Grant Accrual Journal Vouchers (NFR No. FEMA 15-15)**

Based on our control testwork performed over FEMA's three grant accrual models we determined that one journal voucher was prepared improperly as the credits annotated (\$5,613,393) did not equal debits annotated (\$5,613,398). We note that while the credits and debits recorded in the financial system balanced, the amount recorded (\$5,613,398) did not agree to the grant accrual model (\$5,613,393).

Federal Emergency Management Agency  
*Financial Management Comments*  
September 30, 2015

*Recommendation:*

We recommend that FEMA dedicate sufficient resources, including appropriate management oversight, to ensure journal vouchers are thoroughly researched, reviewed, and approved prior to their approval and entry into the financial system.

**FMC 15-12 – Deficiencies Identified over Claims' Case Reserves at Selected Insurance Companies that Participate in FEMA's National Flood Insurance Program (NFR No. FEMA 15-19)**

We selected a total of 130 case reserve balances during the period October 1, 2014 to August 31, 2015 for substantive testwork purposes. We noted the following exceptions:

- One instance in which the insurance company's information technology system improperly calculated the case loss reserve balance. The increased cost of compliance reserves were improperly closed based on the system's limitations to process several transactions in the order in which they occur during the course of one day. The system limitation caused an understatement to the case reserve balance of \$15,000 as of February 28, 2015.
- Two instances in which the policies and associated claims were cancelled and re-written as new policies with the associated claims and case reserves. At that time the case reserves were not properly closed. The error was identified and a Transaction Record Reporting and Processing System reserve correction change was processed, but was done so incorrectly resulting in the incorrect case reserve balance to remain open as of February 28, 2015. This caused an overstatement to the case reserve balance of \$35,000.
- Eight instances in which the amount recorded for case reserves in the August 31, 2015 population was not properly updated as additional claim information was obtained, creating an overstatement of \$6,870.

*Recommendations:*

We recommend that FEMA:

- Follow up with the National Flood Insurance Program insurer identified to determine that appropriate corrective action has been implemented to address the exception identified.
- Continue to monitor and address exceptions on the Monthly Loss and Reserves Report and ensure that all open reserves on closed claims are reduced to zero in a timely manner.
- Develop a requirement for National Flood Insurance Program insurers to review case reserve transactions for accuracy prior to submission of the data to the third-party service provider.

Federal Emergency Management Agency  
*Financial Management Comments*  
September 30, 2015

**FMC 15-13 – Lack of Implementation of Complementary User Entity Controls related to the U.S. Department of Health and Human Services Payment Management System (NFR No. FEMA 15-22)**

As of September 30, 2015, we determined the following required complementary user entity controls (CUECs) identified in the *Description of the U.S. Department of Health and Human Services (HHS) Program Support Center, Financial Management Portfolio, Payment Management Services (PMS) Grants Management System* (HHS PMS SSAE 16 Report), for the period October 1, 2014 through June 30, 2015 had not been identified and tested for effectiveness by FEMA:

- CUEC 3.0 I (pg. 48): HHS awarding agencies are responsible for inputting information to the PMS completely and accurately.
- CUEC 3.02 (pg. 48): Awarding agencies are responsible for providing accurate and complete grant information timely.
- CUEC 7.0 I (pg. 63): Awarding agencies are responsible for reconciling the reports provided from the PMS that show dollar and transaction counts to their records and reporting discrepancies to the PMS as follows:
  - The recipient charging transaction files, which are based on the transactions sent to the PMS via the Federal Financial Report, to the results on the R98D report;
  - The Monthly Synchronization Report (PMS 817) to their general ledger;
  - The charging transaction files received from the PMS to the charging (Statement of Transactions, FMS Form 224) information recorded by the Department of Treasury; and
  - The Summary Reconciliation Report with their general ledger.
- CUEC 7.02 (pg. 63): Awarding agencies are responsible for verifying the reported charges against the Department of Treasury account(s).

*Recommendation:*

We recommend that FEMA modify the annual review process to include the proper identification and evaluation of the effectiveness of the CUECs implemented at FEMA.



Federal Emergency Management Agency  
*Crosswalk – Financial Management Comments to Active NFRs*  
 September 30, 2015

| Component | NFR No. | Description  | Disposition |    |    |       |
|-----------|---------|--|-------------|----|----|-------|
|           |         |  | IAR         |    |    | FMC   |
|           |         |  | MW          | SD | NC | No.   |
| FEMA      | 15-01   | Failure to Review Policies and Procedures in Various Areas   |             |    |    | 15-01 |
| FEMA      | 15-02   | Issues Identified in Journal Voucher Testwork as of March 31, 2015   |             |    |    | 15-02 |
| FEMA      | 15-03   | Payroll Processing Control Deficiencies  |             |    |    | 15-03 |
| FEMA      | 15-04   | Deficiencies in the Web Integrated Financial Management Information System (WebIFMIS) Chart of Accounts  |             |    |    | 15-04 |
| FEMA      | 15-05   | Non-Compliance with 5 CFR Part 2634 and 5 CFR Part 2638 Related to Ethics Requirements   |             |    |    | 15-05 |
| FEMA      | 15-06   | Deficiencies in the WebIFMIS Transaction Codes   |             |    |    | 15-06 |
| FEMA      | 15-07   | Ineffective Controls over Procurement Contract Management and Non-Compliance with Federal Acquisition Regulation                               |             |    |    | 15-07 |
| FEMA      | 15-08   | Ineffective Controls over Grant De-obligations and Obligations   |             | D  |    |       |
| FEMA      | 15-09   | Ineffective Controls over Grants Management, Monitoring Efforts  |             | F  |    |       |
| FEMA      | 15-10   | Ineffective Controls over Intergovernmental Activity Payments  |             |    |    | 15-08 |
| FEMA      | 15-11   | Untimely De-obligation of Undelivered Orders   |             | D  |    |       |
| FEMA      | 15-12   | Deficiencies in Authorization and Approval of Personnel Actions  |             |    |    | 15-09 |
| FEMA      | 15-13   | Ineffective Controls over Grant Monitoring Efforts   |             |    | I  | 15-10 |
| FEMA      | 15-14   | Ineffective Controls over Assistance for Firefighters Grants Monitoring Efforts and Non-Compliance with Cash Management Improvement Act        |             | F  |    |       |
| FEMA      | 15-15   | Ineffective Controls over Grant Accrual Journal Vouchers   |             |    |    | 15-11 |
| FEMA      | 15-16   | Ineffective Controls over Procurement Obligations and Deobligations  |             | D  |    |       |
| FEMA      | 15-17   | Monitoring of Audit Findings in Accordance with OMB Circular No. A-133   |             | F  | I  |       |
| FEMA      | 15-18   | Ineffective Controls over Grants Eligible for Close-out  |             | F  |    |       |
| FEMA      | 15-19   | Deficiencies Identified over Claims' Case Reserves at Selected Insurance Companies that Participate in FEMA's National Flood Insurance Program |             |    |    | 15-12 |
| FEMA      | 15-20   | Non-Compliance with the Federal Financial Management Improvement Act (FFMIA)   |             |    | K  |       |

Federal Emergency Management Agency  
 Crosswalk – Financial Management Comments to Active NFRs  
 September 30, 2015

| Component | NFR No. | Description  | Disposition |      |    |       |
|-----------|---------|--|-------------|------|----|-------|
|           |         |  | IAR         |      |    | FMC   |
|           |         |  | MW          | SD   | NC | No.   |
| FEMA      | 15-21   | Lack of Manual Compensating Controls to Ensure Completeness of Undelivered Orders in WebIFMIS  |             | B, D |    |       |
| FEMA      | 15-22   | Lack of Implementation of Complementary User Entity Controls related to the U.S. Department of Health and Human Services Payment Management System |             |      |    | 15-13 |

<sup>1</sup>Disposition Legend:

|     |  |
|-----|--|
| IAR | Independent Auditors' Report dated November 13, 2015   |
| FMC | Financial Management Comment   |
| MW  | Contributed to a Material Weakness at the Department-level when combined with the results of all other components  |
| SD  | Contributed to a Significant Deficiency at the Department-level when combined with the results of all other components   |
| NC  | Contributed to Non-Compliance with laws, regulations, contracts, and grant agreements at the Department-level when combined with the results of all other components |
| NFR | Notice of Finding and Recommendation   |

Cross-reference to the applicable sections of the IAR:

|   |   |
|---|---|
| A | Financial Reporting   |
| B | Information Technology Controls and Financial System Functionality  |
| C | Property, Plant, and Equipment                                      |
| D | Budgetary Accounting  |
| E | Entity-Level Controls   |
| F | Grants Management   |
| G | Custodial Revenue and Refunds and Drawback                          |
| H | <i>Federal Managers' Financial Integrity Act of 1982 (FMFIA)</i>    |
| I | <i>Single Audit Act Amendments of 1996</i>                          |
| J | <i>Antideficiency Act, as amended (ADA)</i>                         |
| K | <i>Federal Financial Management Improvement Act of 1996 (FFMIA)</i> |



**OFFICE OF INSPECTOR GENERAL**  
Department of Homeland Security

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**Appendix B**  
**Report Distribution**

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