

# Spotlight

Department of Homeland Security



## Office of Inspector General

May 2012 DA-12-19

### Why This Matters

The Federal Emergency Management Agency (FEMA) provides public assistance to state, tribal, and local government, and certain types of private nonprofit organizations so that communities can quickly respond to and recover from major disasters or emergencies declared by the President. We perform audits of FEMA grantees and subgrantees to determine whether cost claimed under the awards are eligible and allowable under Federal regulations and FEMA guidelines. The Catholic Charities Housing Association of Biloxi, Inc. (Catholic Charities Housing), Biloxi, Mississippi received an award of \$30.7 million for damages resulting from Hurricane Katrina.

### DHS Response

FEMA's written response is due within 90 days.

## FEMA Public Assistance Grant Funds Awarded to the Catholic Charities Housing Association of Biloxi, Inc.

### What We Determined

The Catholic Charities Housing generally accounted for expenditures on a project-by-project basis, as required by Federal regulations and FEMA guidelines. However, we identified \$1,177,564 of project funding that should be deobligated and put to better use, which consists of \$952,515 for project work not implemented and \$225,049 of ineligible funding resulting from a miscalculation of estimated project management costs. In addition, we question \$65,528 of project costs claimed for unauthorized work.

### What We Recommend

Our report contained five recommendations to the Regional Administrator, FEMA Region IV, for the deobligation of \$1,177,564 of funding, disallowance of \$65,528 of questioned costs, and review of the Cost Estimating Format calculations on other disaster projects.

### For Further Information:

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