



Why This Matters

Public Law 110-53, Implementing Recommendations of the 9/11 Commission Act of 2007, requires the Department of Homeland Security, Office of Inspector General, to audit individual states' management of State Homeland Security Program and Urban Areas Security Initiative grants.

The Federal Emergency Management Agency (FEMA) awarded the State of Minnesota (State) approximately \$62 million in Homeland Security Grant Program funds during Fiscal Years 2007 through 2009, of which almost \$55 million was for State Homeland Security Program and Urban Areas Security Initiative grants.

DHS Response

FEMA concurred with 11 of the 15 recommendations and concurred with the intent of the remaining 4 recommendations. Minnesota concurred with all of the recommendations.

FEMA acknowledged that the findings in the report will be used to strengthen the effectiveness and efficiency of how the Homeland Security Grant Programs are executed and measured. FEMA recognized the need to continue to improve the process, including addressing the recommendations raised in our report.

For Further Information:

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

The State of Minnesota's Management of State Homeland Security Program and Urban Areas Security Initiative Grants

What We Determined

Generally, the State did an efficient and effective job of administering program requirements in accordance with grant guidance and regulations. The State's plans linked funding to all-hazard capabilities and to goals that were established based on risk assessments. However, we identified seven areas for improving grants management.

Specifically, the State did not update its Homeland Security Strategy, adequately monitor subgrantee activities, or enforce the requirement that subgrantees establish and maintain effective property management control and accountability systems.

Further, the State did not have written policies and procedures to guide its financial review section in examining subgrantees requests for reimbursement, ensure subgrantees submitted quarterly financial status reports and progress reports in a timely manner, prepare a viable sustainment plan for its fusion center to ensure continuity of operations during funding shortfalls, or fully document internal controls or perform risk assessments over financial operations of the homeland security program.

What We Recommend

Assistant Administrator, Grant Programs Directorate, FEMA require the State to:

- Formalize procedures for periodically updating the State Strategy, and incorporate specific, measurable, achievable, results-oriented, and time-limited goals and objectives. Develop associated performance measures and collect data to measure subgrantee progress.
- Establish monitoring procedures that include the frequency of on-site visits, selection methodology, and protocols for reviewing financial and performance related activities.
- Establish procedures to ensure that subgrantees comply with property management requirements and submit timely financial status reports and progress reports.
- Prepare policies and procedures for the review and approval of subgrantee reimbursement requests, and ensure requests are supported by appropriate documentation.
- Develop a viable sustainability plan for its fusion center.
- Document internal controls and perform risk assessments of the administration of Homeland Security Grant funds.