

Spotlight

Department of Homeland Security



Office of Inspector General

June 2012 DD-12-14

Why This Matters

The City of Milwaukee received a \$15.4 million award from Wisconsin Emergency Management (WEM), a Federal Emergency Management Agency (FEMA) grantee, for damages caused by severe storms, tornadoes and flooding which occurred on June 5, 2008. FEMA provides such assistance to State, Tribal, and local governments, 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.

DHS Response

FEMA officials agreed with most of our findings and recommendations, however, disagreed with Recommendation 5. FEMA's written response is due within 90 days.

For Further Information:

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

FEMA Public Assistance Grant Funds Awarded to City of Milwaukee, Wisconsin

What We Determined

FEMA did not properly account for funds authorized for Project 2476, the Menomonee Valley Pumping Station, which made up about 96 percent of the City's total award (\$14.8 million of \$15.4 million). As a result, \$10.9 million in unneeded funds remain approved. In addition, FEMA and WEM officials did not always fulfill their responsibilities regarding grant management. Although the City generally accounted for and expended FEMA grant funds according to Federal regulations and FEMA guidelines, we identified \$12,129 of ineligible costs, or less than 1 percent of the amount we audited.

What We Recommend

We recommend that the Regional Administrator, FEMA Region V: (1) deobligate \$10.9 million (\$8.2 million Federal share) from an approved alternate project and put those funds to better use; (2) develop and implement procedures to ensure that obligations are properly recorded to reflect the most accurate estimates available of funds needed to complete projects; (3) require WEM to submit quarterly progress reports for all disasters that comply with FEMA's Public Assistance Guide; (4) disallow \$10,566 (\$7,925 Federal share) of ineligible costs related to duplicate funding, and determine whether the City of Milwaukee or the City of Wauwatosa had legal responsibility for providing and installing water metering equipment at the State Street Water Meter Pit facility; and (5) disallow \$1,563 (\$1,407 Federal share) of claimed costs that were ineligible because the project's scope of work was unclear.