

# Department of Homeland Security **Office of Inspector General**

Connecticut's Management of Homeland  
Security Program Grants Awarded During  
Fiscal Years 2008 Through 2010



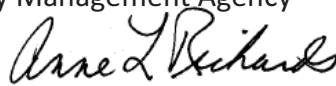


**OFFICE OF INSPECTOR GENERAL**  
Department of Homeland Security

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

FEB 28 2013

MEMORANDUM FOR: David J. Kaufman  
Acting Assistant Administrator  
Grant Programs Directorate  
Federal Emergency Management Agency

FROM: Anne L. Richards   
Assistant Inspector General for Audits

SUBJECT: *Connecticut's Management of Homeland Security Program  
Grants Awarded During Fiscal Years 2008 Through 2010*

Attached for your action is our final report, *Connecticut's Management of Homeland Security Program Grants Awarded During Fiscal Years 2008 Through 2010*. We incorporated the formal comments from the Federal Emergency Management Agency and the State of Connecticut in the final report.

The report contains two recommendations aimed at improving the State of Connecticut's management of State Homeland Security Program and Urban Areas Security Initiative Grants. Your office concurred with the two recommendations. Based on information provided in your response to the draft report, we consider the recommendations open and resolved. Once your office has fully implemented the recommendations, please submit a formal closeout letter to us within 30 days so that we may close the recommendations. The memorandum should be accompanied by evidence of completion of agreed-upon corrective actions and of the disposition of any monetary amounts.

Consistent with our responsibility under the *Inspector General Act*, we are providing copies of our report to appropriate 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 John E. McCoy II, Deputy Assistant Inspector General for Audits, at (202) 254-4100.

Attachment



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## Abbreviations

|       |  |
|-------|--|
| CFR   | Code of Federal Regulations                            |
| DHS   | Department of Homeland Security                        |
| DEMHS | Division of Emergency Management and Homeland Security |
| DESPP | Department of Emergency Services and Public Protection |
| FEMA  | Federal Emergency Management Agency                    |
| FY    | fiscal year  |
| GPD   | Grant Programs Directorate                             |
| HSGP  | Homeland Security Grant Program                        |
| MOA   | memorandum of agreement                                |
| OIG   | Office of Inspector General                            |
| OMB   | Office of Management and Budget                        |
| SAA   | State Administrative Agency                            |
| SHSP  | State Homeland Security Program                        |
| UASI  | Urban Areas Security Initiative                        |



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### Executive Summary

Public Law 110-53, *Implementing Recommendations of the 9/11 Commission Act of 2007*, requires the Department of Homeland Security (DHS), Office of Inspector General (OIG) to audit individual States' management of State Homeland Security Program and Urban Areas Security Initiative grants. This report responds to the reporting requirement for the State of Connecticut.

The objectives of the audit were to determine whether the State of Connecticut distributed and spent State Homeland Security Program and Urban Areas Security Initiative grant funds effectively and efficiently and in compliance with applicable Federal laws and regulations and complied with the Department's guidelines governing the use of funding. We also addressed the extent to which funds awarded enhanced the State's ability to prevent, prepare for, protect against, and respond to natural disasters, acts of terrorism, and other manmade disasters. The State received grant awards of approximately \$43.9 million in State Homeland Security Program and Urban Areas Security Initiative grants for fiscal years 2008 through 2010.

In most instances, the State administered grant program requirements effectively and efficiently and in compliance with grant guidance and regulations. The State's strategic plans linked goals and objectives to national priorities and DHS mission areas. Adequate controls existed over the approval of expenditures and reimbursement of funds.

However, the State can improve its subgrantee monitoring activities and timeliness of grant fund obligations. We made two recommendations to the Federal Emergency Management Agency (FEMA) that, if implemented, should strengthen program management, performance, and oversight. Both FEMA and the State of Connecticut concurred with our recommendations and are in the process of taking corrective actions.



## Background

DHS provides Federal funding through the Homeland Security Grant Program (HSGP) to help State and local agencies enhance capabilities to prevent, deter, respond to, and recover from terrorist attacks, major disasters, and other emergencies. (See appendix F for additional details regarding the HSGP.)

The governor of the State of Connecticut (State) designated the Connecticut Department of Emergency Services and Public Protection (DESPP) as the State Administrative Agency (SAA). Within the DESPP, the Division of Emergency Management and Homeland Security (DEMHS) administers grants. The SAA is responsible for managing the grant programs in accordance with established Federal guidelines and allocating funds to local, regional, and other State government agencies. The SAA subawarded the HSGP funds to two urban areas (Bridgeport and Hartford), five regions, and various State agencies. (See appendix E for a regional map of Connecticut.)

The State received grant awards of approximately \$45.5 million for the HSGP during fiscal years (FYs) 2008, 2009, and 2010. This included approximately \$28.8 million in State Homeland Security Program (SHSP) funds and approximately \$15.1 million in Urban Areas Security Initiative (UASI) grant funds. Appendix A provides details on the purpose, scope, and methodology for this audit.

## Results of Audit

### **The State of Connecticut's Grant Management Practices**

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In most instances, the State did an effective job of administering grant program requirements in accordance with grant guidance and regulations. The State developed written procedures for program administration, linked its Homeland Security Strategic Plan goals and objectives to the national priorities and DHS mission areas, and allocated and spent funds based on national and State priorities. The State also had adequate controls over the approval of expenditures and reimbursement of funds.

However, the following improvements will enhance Connecticut's grant management practices:

- Strengthen subgrantee monitoring.
- Obligate grant funds timely.



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**Subgrantee Monitoring**

The SAA did not conduct onsite monitoring visits to SHSP and UASI grant recipients for FYs 2008 and 2009 grant awards. Because of the State’s recent distribution of FY 2010 grant awards, sufficient monitoring data were not available for FY 2010 grant funds awards. In lieu of site visits for FYs 2008 and 2009, the SAA performed a small percentage of desk monitoring for its SHSP and UASI subgrantees. As table 1 shows, the SAA performed desk monitoring for about 7 percent of its FY 2008 and 13 percent of FY 2009 UASI and SHSP subgrantees.

**Table 1. FYs 2008 Through 2010 Subgrantee Monitoring as of July 2012**

| SHSP and UASI Subgrantees Monitored<br>FYs 2008 Through 2010                       |                        |                        |                                |
|--|------------------------|------------------------|--------------------------------|
| Program  | FY 2008<br>Subgrantees | FY 2009<br>Subgrantees | FY 2010 Grant Awards           |
| SHSP and UASI  | 30                     | 31                     | Monitoring Data<br>Unavailable |
| Subgrantees onsite monitored   | 0                      | 0                      | Monitoring Data<br>Unavailable |
| Subgrantees desk monitored   | 2                      | 4                      | Monitoring Data<br>Unavailable |
| Subgrantees monitored resulting<br>from a cash advance or<br>reimbursement request | 1                      | 3                      | Monitoring Data<br>Unavailable |
| <b>Percentage of subgrantees<br/>monitored</b>                                     | <b>7%</b>              | <b>13%</b>             | Monitoring Data<br>Unavailable |

Source: DHS OIG, compiled from SAA source documents.

The Code of Federal Regulations, Office of Management and Budget (OMB), FEMA, and the SAA have specific guidance on grantee monitoring requirements.

- Code of Federal Regulations (CFR) Title 44 §13.40, *Monitoring and Reporting Program Performance*: Grantees are responsible for managing the day-to-day operations of grant- and subgrant-supported activities and ensuring that grant recipients comply with applicable Federal requirements and achieve program performance goals. This regulation also specifies that grantees’ monitoring programs must cover each program, function, or activity.
- OMB Circular A-133, *Audits of States, Local Governments, and Non-profit Organizations*, Compliance Supplement, Part 3-M: Grantees are responsible for monitoring subgrantee use of Federal awards through reporting, site



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visits, regular contact, or other means. Grantee monitoring should provide reasonable assurance that the subgrantee administers Federal awards in compliance with laws and regulations, as well as the provisions of contracts or grant agreements.

- FEMA, *Homeland Security Grant Program Guidance and Application Kit*: Grant recipients are responsible for monitoring award activities, including subawards, to provide reasonable assurance that the Federal award is administered in compliance with requirements.
- SAA, *Subrecipient Grant Management and Monitoring Procedures*: The SAA is responsible for conducting onsite monitoring visits for 10 percent of all subrecipients each fiscal year and conducting office-based desk monitoring reviews for 25 percent of the HSGP subgrantees.

In addition to the guidance listed above, FEMA noted deficiencies with the SAA's limited subgrantee monitoring. During a financial monitoring visit in June 2010, FEMA determined that the SAA did not adequately monitor subrecipients and recommended that it develop and implement a subgrantee monitoring plan that included both routine desk reviews and onsite financial monitoring.

SAA officials are aware of this matter and discussed the need for improved subgrantee monitoring. One SAA official expressed concern that the State does not have assurance that equipment procured with grant funds is maintained and functioning properly because of limited onsite monitoring. Another SAA official discussed the need for improved desk monitoring to include all subgrantees, not just those submitting cash advance or reimbursement requests.

SAA officials said that their review of cash advance and cash reimbursement requests and quarterly progress and financial reports provides the SAA with a mechanism to monitor subgrantees for potential performance or financial issues. However, this type of review does not provide the SAA with the firsthand knowledge obtained through onsite monitoring visits or sufficient oversight of the SHSP and UASI subgrantee awards. As of July 2012, SAA personnel had not monitored about \$12.5 million, or 61 percent, of FYs 2008 and 2009 UASI and SHSP grant subawards (see table 2).





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**Table 2. FYs 2008 Through 2010 Grant Subawards Monitored as of July 2012**

| SHSP and UASI Subgrantees Monitored<br>FYs 2008 Through 2010 |                         |                         |                             |
|--|-------------------------|-------------------------|-----------------------------|
| Program  | FY 2008 Grant Subawards | FY 2009 Grant Subawards | FY 2010 Grant Subawards*    |
| SHSP and UASI  | \$9,439,924             | \$11,043,309            | Monitoring Data Unavailable |
| Grant funds monitored through onsite monitoring              | None                    | None                    | Monitoring Data Unavailable |
| Grant funds desk monitored                                   | \$2,872,595             | \$5,074,990             | Monitoring Data Unavailable |
| <b>Unmonitored SHSP and UASI grant funds</b>                 | <b>\$6,567,329</b>      | <b>\$5,968,319</b>      | Monitoring Data Unavailable |

Source: DHS OIG, compiled from FEMA and SAA source documents.

As a result of the limited monitoring, the SAA did not fully evaluate whether the State spent funds in compliance with grant requirements and associated Federal and State regulations. Implementing a monitoring plan for all subgrantees through periodic onsite visits and office-based desk monitoring would address this problem and provide the SAA with firsthand knowledge of the subgrantees' use of SHSP and UASI grant funds. It would also ensure that the SAA monitors all subgrantees, not just those submitting cash reimbursement or cash advance requests.

**Recommendation**

We recommend that the Assistant Administrator, Grant Programs Directorate (GPD):

**Recommendation #1:**

Require the Connecticut Department of Emergency Services and Public Protection's Division of Emergency Management and Homeland Security to ensure that the monitoring plan complies with all Federal and State monitoring guidelines. The monitoring plan should include a subgrantee monitoring schedule with on-site and desk monitoring for all SHSP and UASI subgrantees.



## **Management Comments and OIG Analysis**

**FEMA and the State's Response to Recommendation #1:** FEMA and the State concurred with this recommendation. FEMA shall require the State of Connecticut's DESPP DEMHS to develop and implement a subgrantee monitoring plan that meets the requirements of 44 CFR § 13.40, *Monitoring and reporting program performance*. The Director shall submit to the FEMA GPD a copy of the subgrantee monitoring plan and schedule of site visits no later than 90 days after the issuance of the OIG final report. Based on the response in appendix C, the State is currently in the process of reviewing all grant programs in a total program/process review. This review includes the establishment of a detailed monitoring plan that addresses on-site visits by DEMHS personnel to subgrantees. Additionally, the review will include office-based desk monitoring, as required, of subgrantees. The State's intent is to ensure that funds expended are in full compliance with grant requirements and all Federal and State regulations.

**OIG analysis:** We consider FEMA's actions responsive to the intent of recommendation 1, which is open and resolved. This recommendation will remain open pending confirmation of the submission of the subgrantee monitoring plan to FEMA GPD by the State of Connecticut, which includes on-site and desk monitoring.

## **Timeliness of Grant Fund Obligations**

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The SAA did not obligate grant funds timely. For FYs 2008 through 2010, the State did not meet the required 45-day obligation for SHSP and UASI grant funds. OMB Circular A-133 Compliance Supplement and FEMA's FYs 2008, 2009, and 2010 HSGP guidance requires the SAA to obligate 80 percent of funds awarded under SHSP and UASI grant programs to local units of government within 45 days of receipt of the funds. In addition, FEMA strongly encourages the timely obligation of funds from local units of government to other subgrantees. FEMA's grant guidance states, "four requirements must be met to obligate grant funds:

- There must be some action to establish a firm commitment on the part of the awarding entity.
- The action must be unconditional on the part of the awarding entity (i.e., no contingencies for availability of SAA funds).
- There must be documentary evidence of the commitment.
- The award terms must be communicated to the official grantee."



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The SAA did not meet the grant requirements because of its lengthy approval and obligation process. The process begins when DEMHS issues grant application packages to subgrantees after it receives the grant award from FEMA in August or September. The applicants submit their completed applications, along with all attachments and signatures, to the SAA. To work around the need for county government structure within the State, DEHMS divided the State into five regions. Each region must also submit memorandums of agreement (MOAs)—between the region and each municipality within the region—to the SAA with its completed application package. (See appendix E for the DEHMS regional map.)

This process can take days or months to complete. According to SAA and regional officials, the MOA process is an ongoing problem. Some regions obtain the necessary timely MOAs, while others cannot do so because of the procedures of the individual municipalities. Some municipalities meet monthly, while others may meet once or twice per year. These differences create a problem for the regions because they cannot submit their completed application without the signed MOAs from all municipalities.

The SAA receives the grant award from FEMA and sends initial grant award letters to subgrantees for their review and approval. As with the MOA process, the subgrantees must follow their respective review and award processes. Once the award letters are reviewed and approved, the subgrantees send their signed award letters back to the SAA for final signature. The SAA prohibits subgrantees from expending any grant funds until they receive an executed grant award (agreement signed by all parties) from the SAA.

The SAA fully obligated grant funds, on average, about 712 days after the 45-day requirement in FY 2008; about 636 days in FY 2009; and about 138 days in FY 2010. For example, although the State received grant awards from FEMA on September 3, 2008, the Capitol Region Council of Governments did not receive a fully executed award until March 2, 2012. To determine the number of days past the 45-day requirement, we calculated the number of days between the 46th day after FEMA's award date and the day that the SAA signed the award letter. Table 3 provides detailed information regarding each grant award by fiscal year.



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**Table 3. Grant Obligations, FYs 2008 Through 2010**

| Grant Award Year | Award Number    | FEMA Award | Days to Obligate  | Avg. days past 45-day requirement |
|------------------|-----------------|------------|-------------------|-----------------------------------|
| 2008             | 2008-GE-T8-0004 | 9/3/08     | 279 to 1,276 days | 712 days                          |
| 2009             | 2009-SS-T9-0087 | 8/21/09    | 203 to 1,026 days | 636 days                          |
| 2010             | 2010-SS-T0-0020 | 8/18/11*   | 74 to 302 days    | 138 days                          |

\*FEMA issued a grant adjustment notice on August 18, 2011, to reobligate the FY 2010 grant award because of a vendor number issue. FEMA’s initial award date was September 17, 2010. We used FEMA’s grant adjustment notification date for analysis purposes.

Source: DHS OIG, compiled from FEMA and SAA source documents.

For FY 2010, the SAA could not access the grant in FEMA’s system and did not make subawards until the grant was reobligated in August 2011. Additionally, the SAA subgrantees cannot expend grant funds until the SAA receives a fully executed grant award and establishes a cost center in the State’s accounting system. SAA officials acknowledged that they missed the 45-day requirement, but do not believe that they could ever meet it because of their processes and the complexities of the “home rule State.”

The SAA’s lengthy obligation process resulted in a large percentage of SHSP and UASI grant funds remaining unused within the 3-year performance period, requiring the SAA to request grant extensions from FEMA or risk losing the funds. Table 4 illustrates the percentage of grant awards as of June 13, 2012, that the SAA had not drawn down for grants awarded during FYs 2008–2010.

**Table 4. Connecticut Homeland Security Grant Program Drawdowns as of July 2012**

| Grant Year | Date of FEMA Award | Total Grant Award | Total Drawdowns | Undrawn Balance | Percentage Undrawn |
|------------|--------------------|-------------------|-----------------|-----------------|--------------------|
| 2008       | 9/3/08             | \$14,875,427      | \$10,857,972    | \$4,017,455     | 27%                |
| 2009       | 8/21/09            | \$15,630,488      | \$3,062,223     | \$12,568,265    | 80%                |
| 2010       | 8/18/11*           | \$14,954,871      | \$401,698       | \$14,553,173    | 97%                |

\*FEMA issued a grant adjustment notice on August 18, 2011, to reobligate the FY 2010 grant award because of a vendor number issue. FEMA’s initial award date was September 17, 2010. We used FEMA’s grant adjustment notification date for analysis purposes.

Source: DHS OIG, compiled from FEMA and SAA source documents.

Updating the obligation process would make it more efficient and less time-consuming for the SAA to obligate grant awards to subgrantees. It would also help the SAA draw down funds in a more timely manner.



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### **Recommendation:**

We recommend that the Assistant Administrator, Grant Programs Directorate:

### **Recommendation #2:**

Require the Connecticut Department of Emergency Services and Public Protection's Division of Emergency Management and Homeland Security to review and update its obligation and approval process to identify ways to shorten the time needed to meet grant requirements.

### **Management Comments and OIG Analysis**

**FEMA and the State's Response to Recommendation #2:** FEMA and the State concurred with this recommendation. FEMA shall require the Director of Connecticut's DESPP DEMHS to assess and streamline (where possible) processes and procedures for obligating funds to subgrantees. The Director shall report to GPD the results of this assessment and potential steps to be taken to expedite the obligation of funds to subgrantees no later than 90 days after the issuance of this report.

As previously noted, the State is currently reviewing all grant programs in a total program/process review. In its response, included as appendix C, the State noted that timeliness in the obligation of funds is a top priority. The State acknowledges that the approval process needs to be efficient, streamlined, and less time consuming. Although the State noted that it has made progress in the timely obligation of funds, it also noted that the standard of 45 days established by OMB and FEMA to obligate funds under SHSP and UASI grant programs are ideally designed for States with county governments. Furthermore, the State noted that Connecticut is one of only two States that do not have county governments. As a result, the State deals directly with 170 separate municipalities and two Tribal Nations, which directly affects its ability to attain the standard.

**OIG analysis:** We consider FEMA's actions responsive to the intent of recommendation 2, which is open and resolved. This recommendation will remain open pending confirmation of the report to GPD of the results of the assessment and potential steps to be taken to expedite the obligation of funds to the subgrantees.



## Appendix A Objectives, Scope, and Methodology

The Department of Homeland Security (DHS) Office of Inspector General (OIG) was established by the *Homeland Security Act of 2002* (Public Law 107-296) by amendment to the *Inspector General Act of 1978*. This is one of a series of audit, inspection, and special reports prepared as part of our oversight responsibilities to promote economy, efficiency, and effectiveness within the Department.

The purpose of this audit was to determine whether the State of Connecticut distributed and spent SHSP and UASI grant funds strategically, effectively, and in compliance with laws, regulations, and guidance. We also addressed the extent to which the funds awarded enhanced the State’s ability to prevent, prepare for, protect against, and respond to natural disasters, acts of terrorism, and other manmade disasters. The audit identified problems and solutions that will assist FEMA and the State in improving the Nation’s ability to prevent and respond to all hazards on a local and statewide level.

Together, the entire HSGP and its five interrelated grant programs (see table 5) fund a range of preparedness activities, including planning, organization, equipment purchase, training, exercises, and management and administration costs. However, for compliance, we reviewed only SHSP and UASI funding, and equipment and programs supported by the grant funding. Appendix F provides additional information on these grant programs.

**Table 5. State of Connecticut Homeland Security Grant Program Awards for FYs 2008 Through 2010**

| State of Connecticut’s Homeland Security Grant Program Awards<br>FYs 2008 Through FY 2010 |                       |              |              |              |
|---|-----------------------|--------------|--------------|--------------|
| Funded Activity   | Grant Program Amounts |              |              |              |
|   | 2008                  | 2009         | 2010         | Totals       |
| SHSP  | \$10,380,000          | \$9,545,500  | \$8,894,442  | \$28,819,942 |
| UASI  | \$3,964,000           | \$5,554,400  | \$5,564,404  | \$15,082,804 |
| Subtotals   | \$14,344,000          | \$15,099,900 | \$14,458,846 | \$43,902,746 |
| Citizens Corps Program  | \$210,206             | \$209,367    | \$178,606    | \$598,179    |
| Metropolitan Medical Response System  | \$321,221             | \$321,221    | \$317,419    | \$959,861    |
| Total   | \$14,875,427          | \$15,630,488 | \$14,954,871 | \$45,460,786 |

Source: DHS OIG, compiled from FEMA source documents.

The audit methodology included interviews with FEMA representatives as well as work at the SAA, the five regions, and various subgrantee locations. To achieve our audit objective, we analyzed data, reviewed documentation, and interviewed key State and



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local officials directly involved in State HSGP management and administration. In addition to the SAA, we visited the following 12 subgrantee organizations:

#### **UASI Recipients**

- Region 1 – City of Bridgeport and its fiduciary (City of Stamford)
- Region 3 – City of Hartford

#### **Regional Offices**

- Region 1 – City of Bridgeport
- Region 2 – Connecticut River Estuary Regional Planning Agency
- Region 3 – City of Hartford
- Region 4 – Windham Region Council of Governments
- Region 5 – Council of Governments of Central Naugatuck Valley

#### **State Agencies**

- State Capitol Police Department
- Department of Emergency Services and Public Protection

#### **Local Jurisdictions and First Responders**

- Capital Region Council of Governments
- Eastern Connecticut State University
- University of Connecticut

To determine the effectiveness of the State's grant program and compliance with requirements, we conducted site visits and held discussions with appropriate officials from selected subgrantees, urban areas, and local jurisdictions. We reviewed documentation supporting State and subgrantee management of grant funds, including expenditures for equipment, training, and exercises. We tested property and payment transactions, inspected some of the equipment procured with the grant funds, and analyzed the procurement process. In addition, we met with representatives of first responder organizations such as fire and police departments to discuss the grant process and the benefits the grant funds have brought to their organization and communities. These key management processes included the following:

- Threat, capability, and needs assessment
- State strategic plans



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- Training and exercise
- Grant application preparation and submission
- Grant funds allocation
- Grant expenditure and reporting
- Grant monitoring

We reviewed documentation related to 72 grants awarded to subgrantees from FYs 2008 to 2010. We relied on the grant award documents provided by the State and tested these documents for completeness. We also reviewed a judgmental sample of the grant expenditures, representing approximately 13 percent of the dollar value awarded for the FYs 2008–2010 grants, to determine whether the expenditures were supported and allowable under the grants. We judgmentally chose specific equipment items to observe at local sites. We did not test for completeness for FY 2010, since that year’s subgrants were in the award process.

We relied on computer-processed data provided by the State for information regarding its drawdowns from FYs 2008–2010 grant awards. We did not perform any internal control testing of this information, as it was not the basis for our report findings and recommendations. We judgmentally selected a sample of 24 purchases and verified the accuracy of the information obtained from the computer system.

We conducted this performance audit between March and July 2012 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 objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based upon our audit objectives.





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**Appendix B**  
**Management Comments to the Draft Report**


U.S. Department of Homeland Security  
Washington, DC 20472



**FEMA**

JAN 17 2013

MEMORANDUM FOR: Anne L. Richards  
Assistant Inspector General for Audits  
Office of Inspector General

FROM: David J. Kaufman   
Associate Administrator for  
Policy, Program Analysis and International Affairs

SUBJECT: Response to OIG Draft Report: Response to Draft Report *Connecticut Management of SHSP and UASI Grants Awarded During Fiscal Years 2008 Through 2010*

Thank you for the opportunity to comment on the draft report. The findings in the report will be used to strengthen the effectiveness and efficiency of how we execute and measure our programs. We recognize the need to continue to improve the process, including addressing the recommendations raised in this report. Our responses to the recommendations are as follows:

**Recommendation #1:** We recommend that the Assistant Administrator, Grant Programs Directorate require the Connecticut Department of Emergency Services and Public Protection's Division of Emergency Management and Homeland Security to ensure that the monitoring plan complies with all Federal and State monitoring guidelines. The monitoring plan should include a subgrantee monitoring schedule with onsite and desk monitoring for all SHSP and UASI subgrantees.

**FEMA Response:** FEMA concurs with this recommendation. The Assistant Administrator, Grant Programs Directorate shall require the Director of Connecticut Department of Emergency Services and Public Protection's Division of Emergency Management and Homeland Security to develop and implement a subgrantee monitoring plan that meets the requirements of 44 CFR § 13.40 Monitoring and reporting program performance. The Director shall submit to GPD a copy of the subgrantee monitoring plan and schedule of site visits no later than 90 days after the issuance of the OIG final report.

FEMA requests this recommendation be resolved and open pending the submittal of the Connecticut subgrantee monitoring plan and schedule to GPD. Estimated Completion Date (ECD): June 28, 2013.

**Recommendation #2:** We recommend that the Assistant Administrator, Grant Programs Directorate require the Director of Connecticut Department of Emergency Services and Public



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Protection's Division of Emergency Management and Homeland Security to review and update its obligation and approval process to identify ways to shorten the time needed to meet grant requirements.

**FEMA Response:** FEMA concurs with this recommendation. The Assistant Administrator of the Grants Programs Directorate shall require the Director of Connecticut Department of Emergency Services and Public Protection's Division of Emergency Management and Homeland Security to assess and streamline (where possible) processes and procedures for obligating funds to subgrantees. The Director shall report to GPD the results of this assessment and potential steps to be taken to expedite the obligation of funds to the subgrantees no later than 90 days after the issuance of the OIG final report.

FEMA requests this recommendation be resolved and open pending the completion of the corrective action. ECD: June 28, 2013.

Thank you for the work that you and your team did to better inform us throughout this audit. We look forward to the final report. Please direct any questions regarding this response to Gary McKeon, FEMA's Chief Audit Liaison, at 202-646-1308



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**Appendix C**  
**State of Connecticut's Management Comments for the Draft Report**



STATE OF CONNECTICUT  
DEPARTMENT OF EMERGENCY SERVICES & PUBLIC PROTECTION  
DIVISION OF EMERGENCY MANAGEMENT & HOMELAND SECURITY



January 8, 2013

Ms. Anne L. Richards  
Assistant Inspector General for Audits  
Office of the Inspector General  
Department of Homeland Security  
Washington, DC 20528

Dear Ms. Richards:

This memorandum is in reference to the Department of Homeland Security (DHS) Office of the Inspector General (OIG) Audit of Connecticut's Management of Homeland Security Program Grants Awarded During Fiscal years 2008 Through 2010 - OIG Project Number 12-106-AUD-FEMA – DRAFT.

In reviewing the DHS OIG Draft Audit Findings referenced above, the following comments are provided.

**Finding/Recommendation # 1 – Strengthen Subgrantee Monitoring.** The Department of Emergency Services and Public Protection (DESPP), Division of Emergency Management and Homeland Security (DEMHS) concurs with the findings and recommendations regarding Subgrantee Monitoring. DESPP/DEMHS is currently in the process of reviewing all grant programs in a total program/process review. This program/process review specifically includes the establishment of a detailed monitoring plan that addresses on-site visits by DEMHS personnel to subgrantees. Additionally, the program review will also include office-based desk monitoring, as required, of subgrantees. The intent is to ensure that funds expended are in full compliance with grant requirements and all appropriate federal and state regulations.

**Finding/Recommendation # 2 – Obligate Grant Funds Timely.** DESPP/DEMHS concurs with the findings and recommendations regarding the Timeliness of Grant Funds Obligations. As mentioned above, DEMHS is currently in the process of reviewing all grants programs in a total program/process review. From senior leadership on down, the timeliness in the obligation of funds is one of our top priorities. The approval process needs to be efficient, streamlined, and less time-consuming.

While DEMHS has made significant progress in improving the timely obligation of funds, we still have a way to go. The standard of 45 days established by the Office of

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Management and Budget (OMB) and the Federal Emergency Management Agency (FEMA) to obligate funds awarded under the State Homeland Security Program (SHSP) and Urban Area Security Initiative (UASI) grant programs is ideally designed for states that have county government. Connecticut is one of only two states that do not have county government. As such, the State of Connecticut must directly deal with 170 separate municipalities and two Tribal Nations. While this is addressed in the draft audit, considerations should be made in the future for the unique form and type of government that exists in Connecticut as it directly affects the ability of the State of Connecticut to attain the standard.

Please let me know if you have any questions or if you require any additional information. I can be reached at 860.256.0810 or via e-mail at [william.shea@ct.gov](mailto:william.shea@ct.gov).

Sincerely,

William P. Shea  
Deputy Commissioner  
Department of Emergency Services and Public Protection  
Division of Emergency Management and Homeland Security

cc:  
Reuben F. Bradford, Commissioner DESPP  
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Brenda M. Bergeron, Chief of Staff, DEMHS  
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**Appendix D**  
**Subgrantee SHSP and UASI Grant Obligations**

**FY 2008 Subgrantees**

| Subgrantee   | Grant Award | Award Amount | Date of FEMA Award | Obligation Date | Days to Obligate |
|--|-------------|--------------|--------------------|-----------------|------------------|
| Capitol Region Council of Governments                | 008ACRGD    | \$7,500      | 9/3/2008           | 3/2/2012        | 1,276            |
| Litchfield Hills Council of Elected Officials        | 008ALHCB    | \$7,500      | 9/3/2008           | 2/15/2012       | 1,260            |
| Litchfield Hills Council of Elected Officials        | 008ALHCA    | \$40,000     | 9/3/2008           | 2/15/2012       | 1,260            |
| Windham Region Council of Governments                | 008AWINB    | \$7,500      | 9/3/2008           | 12/28/2011      | 1,211            |
| Department of Energy and Environmental Protection    | 008ADEPA    | \$40,000     | 9/3/2008           | 11/30/2011      | 1,183            |
| Town of Westport                                     | 008A158A    | \$7,500      | 9/3/2008           | 11/8/2011       | 1,161            |
| Capitol Region Council of Governments                | 008ACRGA    | \$1,091,600  | 9/3/2008           | 6/6/2011        | 1,006            |
| South Central Regional Council of Governments        | 008ASCRA    | \$40,000     | 9/3/2008           | 5/24/2011       | 993              |
| Capitol Region Council of Governments                | 008ACRGC    | \$40,000     | 9/3/2008           | 12/30/2010      | 848              |
| City of Hartford                                     | 008A064A    | \$60,000     | 9/3/2008           | 12/20/2010      | 838              |
| City of Bridgeport                                   | 008A015A    | \$1,020,600  | 9/3/2008           | 12/9/2010       | 827              |
| City of New Haven                                    | 008A093A    | \$30,000     | 9/3/2008           | 11/12/2010      | 800              |
| Town of Wilton                                       | 008A161A    | \$60,000     | 9/3/2008           | 11/12/2010      | 800              |
| Connecticut River Estuary Regional Planning Agency   | 008ACREA    | \$150,000    | 9/3/2008           | 10/29/2010      | 786              |
| Department of Public Health                          | 008ADPHA    | \$276,963    | 9/3/2008           | 9/3/2010        | 730              |
| Town of Clinton                                      | 008A027A    | \$60,000     | 9/3/2008           | 8/5/2010        | 701              |
| Borough of Naugatuck                                 | 008A088A    | \$60,000     | 9/3/2008           | 7/27/2010       | 692              |
| Town of Waterford                                    | 008A152A    | \$60,000     | 9/3/2008           | 7/26/2010       | 691              |
| Capitol Region Council of Governments                | 008MCRGA    | \$321,221    | 9/3/2008           | 6/9/2010        | 644              |
| University of Connecticut                            | 008AUCTA    | \$14,797     | 9/3/2008           | 2/4/2010        | 519              |
| Department of Emergency Services & Public Protection | 008ADPSA    | \$221,370    | 9/3/2008           | 2/4/2010        | 519              |
| University of Connecticut Health Center              | 008AUCHA    | \$5,008      | 9/3/2008           | 1/22/2010       | 506              |
| Western Connecticut State University                 | 008AWCSA    | \$5,761      | 9/3/2008           | 1/22/2010       | 506              |



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|--|----------|-------------|----------|-----------|-----|
| Southern Connecticut State University              | 008ASCSA | \$7,518     | 9/3/2008 | 1/22/2010 | 506 |
| Council of Governments of Central Naugatuck Valley | 008ACNVA | \$935,100   | 9/3/2008 | 1/22/2010 | 506 |
| State Capitol Police Department                    | 008ACAPA | \$7,734     | 9/3/2008 | 1/19/2010 | 503 |
| Eastern Connecticut State University               | 008AECSA | \$6,012     | 9/3/2008 | 1/13/2010 | 497 |
| Windham Region Council of Governments              | 008AWINA | \$951,700   | 9/3/2008 | 9/30/2009 | 392 |
| City of Stamford                                   | 008U135A | \$1,937,495 | 9/3/2008 | 6/9/2009  | 279 |
| Capitol Region Council of Governments              | 008UCRGA | \$1,967,045 | 9/3/2008 | 6/9/2009  | 279 |

Source: DHS OIG, compiled from FEMA and SAA source documents.

**FY 2009 Subgrantees**

| Subgrantee  | Grant Award | Award Amount | Date of FEMA Award | Obligation Date | Days to Obligate |
|---|-------------|--------------|--------------------|-----------------|------------------|
| Town of Westport                                  | 009A158B    | \$16,373     | 8/21/2009          | 6/12/2012       | 1,026            |
| City of New Haven                                 | 009A093A    | \$834        | 8/21/2009          | 3/14/2012       | 936              |
| Windham Region Council of Governments             | 009AWINB    | \$5,000      | 8/21/2009          | 3/6/2012        | 928              |
| Capitol Region Council of Governments             | 009ACRGD    | \$5,000      | 8/21/2009          | 3/2/2012        | 924              |
| Litchfield Hills Council of Elected Officials     | 009ALHCB    | \$5,000      | 8/21/2009          | 2/15/2012       | 908              |
| Litchfield Hills Council of Elected Officials     | 009ALHCA    | \$40,000     | 8/21/2009          | 2/15/2012       | 908              |
| City of Hartford                                  | 009A064B    | \$31,772     | 8/21/2009          | 12/29/2011      | 860              |
| Department of Energy and Environmental Protection | 009ADEPA    | \$40,000     | 8/21/2009          | 11/30/2011      | 831              |
| Town of Westport                                  | 009A158A    | \$5,000      | 8/21/2009          | 11/8/2011       | 809              |
| Capitol Region Council of Governments             | 009MCRGA    | \$321,221    | 8/21/2009          | 11/3/2011       | 804              |
| South Central Regional Council of Governments     | 009ASCRA    | \$40,000     | 8/21/2009          | 10/12/2011      | 782              |
| Town of Clinton                                   | 009A027A    | \$60,000     | 8/21/2009          | 7/20/2011       | 698              |
| City of Hartford                                  | 009A064A    | \$60,000     | 8/21/2009          | 7/20/2011       | 698              |
| Town of Wilton                                    | 009A161A    | \$60,000     | 8/21/2009          | 7/20/2011       | 698              |
| Town of Waterford                                 | 009A152A    | \$60,000     | 8/21/2009          | 7/8/2011        | 686              |
| Borough of Naugatuck                              | 009A088A    | \$60,000     | 8/21/2009          | 6/29/2011       | 677              |
| Department of Public Health                       | 009ADPHA    | \$255,000    | 8/21/2009          | 6/9/2011        | 657              |
| City of Bridgeport                                | 009A015A    | \$973,750    | 8/21/2009          | 5/31/2011       | 648              |



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|---|----------|-------------|-----------|------------|-----|
| Capitol Region Council of Governments                 | 009ACRGC | \$40,000    | 8/21/2009 | 5/27/2011  | 644 |
| Capitol Region Council of Governments                 | 009ACRGB | \$914,500   | 8/21/2009 | 5/27/2011  | 644 |
| Southern Connecticut State University                 | 009ASCSA | \$7,572     | 8/21/2009 | 5/25/2011  | 642 |
| Council of Governments of Central Naugatuck Valley    | 009ACNVA | \$698,875   | 8/21/2009 | 4/8/2011   | 595 |
| Central Connecticut State University                  | 009ACCSA | \$6,556     | 8/21/2009 | 3/31/2011  | 587 |
| Connecticut River of Estuary Regional Planning Agency | 009ACREA | \$851,250   | 8/21/2009 | 3/18/2011  | 574 |
| Department of Emergency Services & Public Protection  | 009ADPSA | \$222,456   | 8/21/2009 | 3/11/2011  | 567 |
| Eastern Connecticut State University                  | 009AECSA | \$6,556     | 8/21/2009 | 12/30/2010 | 496 |
| University of Connecticut                             | 009AUCTA | \$17,804    | 8/21/2009 | 12/30/2010 | 496 |
| Windham Region Council of Governments                 | 009AWINA | \$759,625   | 8/21/2009 | 12/30/2010 | 496 |
| State Capitol Police Department                       | 009ACAPA | \$8,080     | 8/21/2009 | 12/16/2010 | 482 |
| Capitol Region Council of Governments                 | 009ACRGA | \$2,705,845 | 8/21/2009 | 3/30/2010  | 221 |
| City of Stamford                                      | 009A135A | \$2,765,240 | 8/21/2009 | 3/12/2010  | 203 |

Source: DHS OIG compiled from FEMA and SAA source documents

**FY 2010 Subgrantees**

| Subgrantee                            | Grant Award | Award Amount | Date of FEMA Award | Obligation Date | Days to Obligate |
|---------------------------------------|-------------|--------------|--------------------|-----------------|------------------|
| Capitol Region Council of Governments | 010MRCGA    | \$317,419    | 8/18/2011          | 6/15/2012       | 302              |
| Hartford UASI                         | 010ACRGB    | \$2,683,242  | 8/18/2011          | 6/15/2012       | 302              |
| Western CT State University           | 010AWCSA    | \$5,504      | 8/18/2011          | 5/18/2012       | 274              |
| Department of Public Health           | 010ADPHA    | \$297,500    | 8/18/2011          | 4/12/2012       | 238              |
| Windham Region Council of Governments | 010AWINA    | \$679,625    | 8/18/2011          | 1/26/2012       | 161              |
| University of Connecticut             | 010AUCTA    | \$17,087     | 8/18/2011          | 1/13/2012       | 148              |
| Southern Connecticut State University | 010ASCSA    | \$7,193      | 8/18/2011          | 1/11/2012       | 146              |
| State Capitol Police Department       | 010ACAPA    | \$7,664      | 8/18/2011          | 1/11/2012       | 146              |
| Eastern Connecticut State University  | 010AECSA    | \$6,228      | 8/18/2011          | 1/9/2012        | 144              |



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|---|----------|-----------|-----------|------------|----|
| Council of Governments of<br>Central Naugatuck Valley | 010ACNVA | \$608,875 | 8/18/2011 | 10/31/2011 | 74 |
| Connecticut River Estuary<br>Regional Planning Agency | 010ACREA | \$827,250 | 8/18/2011 | 10/31/2011 | 74 |

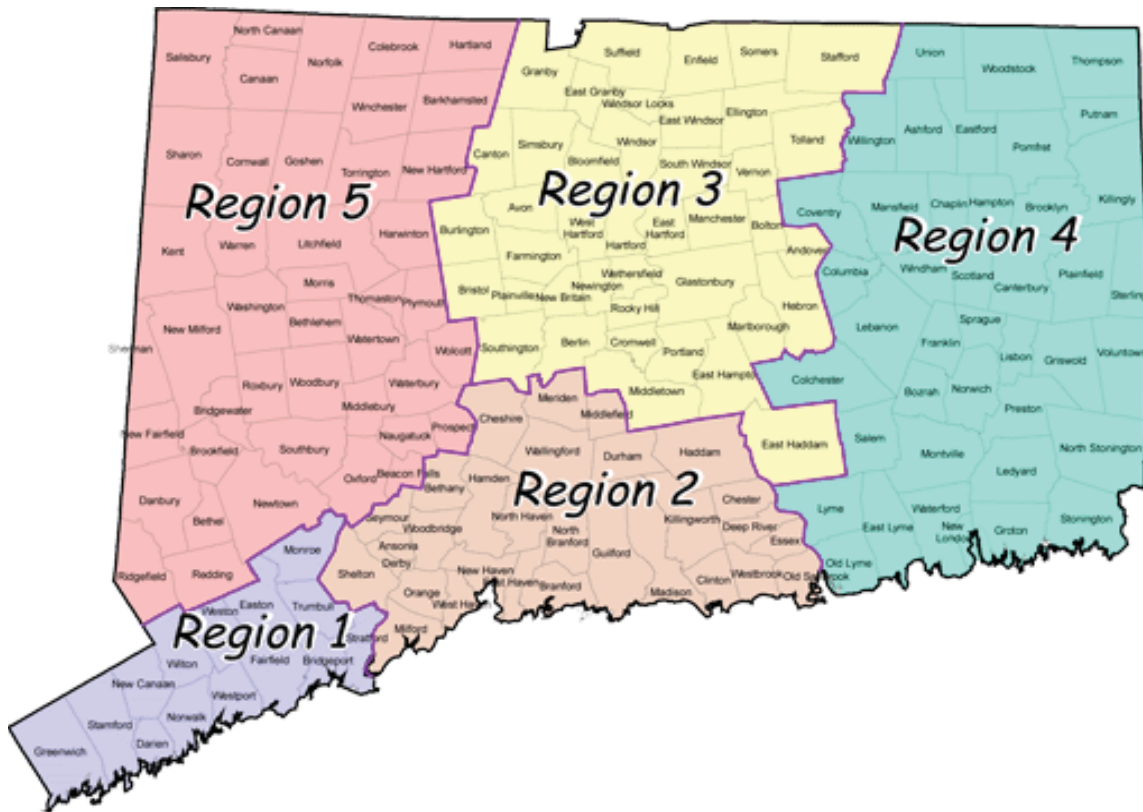
Source: DHS OIG, compiled from FEMA and SAA source documents.





## Appendix E Regional Map of Connecticut

Connecticut, through DEMHS, designated 169 municipalities and two Native American Tribal Nations as local jurisdictions. Although the State has eight distinct counties, there are no corresponding government entities that either provide or support public safety services. Therefore, DEMHS developed five regions to provide a system of emergency management coverage to the State.



Source: Connecticut DESPP DEMHS



## **Appendix F**

### **Homeland Security Grant Programs**

The HSGP provides Federal funding to help State and local agencies enhance their capabilities to prevent, deter, respond to, and recover from terrorist attacks, major disasters, and other emergencies. The HSGP encompasses several interrelated Federal grant programs that together fund a range of preparedness activities, including planning, organization, equipment purchase, training, and exercises, as well as management and administration costs. Programs include the following:

- **State Homeland Security Program** — Provides financial assistance directly to each of the States and territories to prevent, respond to, and recover from acts of terrorism and other catastrophic events. The program supports the implementation of the State Homeland Security Strategy to address the identified planning, equipment, training, and exercise needs.
- **Urban Areas Security Initiative** — Provides financial assistance to address the unique planning, equipment, training, and exercise needs of high-risk urban areas, and to assist in building an enhanced and sustainable capacity to prevent, respond to, and recover from threats or acts of terrorism and other disasters. Allowable costs for the urban areas are consistent with the SHSP. FEMA expends funding based on the Urban Area Homeland Security Strategies.

In addition, the Homeland Security Grant Program includes other interrelated grant programs with similar purposes. Depending on the fiscal year, these include the following:

- Metropolitan Medical Response System
- Citizen Corps Program
- Operation Stonegarden (beginning in FY 2010)



## **Appendix G**

### **Major Contributors to This Report**

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