

Spotlight

Department of Homeland Security



Office of Inspector General

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Why This Matters

The Federal Emergency Management Agency (FEMA) provides Public Assistance (PA) grants so that communities can quickly respond to and recover from major disasters or emergencies declared by the President. These grants can include an allowance for administrative costs or allow subgrantees to claim administrative costs directly on each project. We perform audits of FEMA grantees and subgrantees, focusing on grants with potential for problems and areas that are of interest to Congress and FEMA.

DHS Response

FEMA officials agreed with our finding and recommendation. FEMA's written response is due within 90 days.

FEMA Region VII Direct Administrative Costs for Harrison County, Missouri

What We Determined

During an audit of PA funds awarded for a subgrantee in the State of Louisiana, we determined the amount of direct administrative costs FEMA approved for all subgrantees under disasters declared between August 29, 2005, and November 12, 2007, (the effective date of FEMA's implementation of amended management cost regulations). We identified one project that FEMA Region VII approved that included \$40,800 of direct administrative costs for Harrison County, Missouri that were not eligible because it duplicates costs the subgrantee already received under the administrative allowance.

What We Recommend

We recommend the Regional Administrator, FEMA Region VII, disallow \$40,800 of ineligible direct administrative costs.

For Further Information:

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