

DEPARTMENT OF HOMELAND SECURITY
Office of Inspector General

**Status Report on Open Recommendations
to DHS Components**



OIG-08-27

February 2008

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- Appendix A: Department Comments
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Abbreviations

ACE	Automated Commercial Environment
ACS	Automated Case Support
ADOS	Administrative Detention Operations Supervisor
ADRD	Alzheimer's Disease and Related Dementias
AEL	Authorized Equipment List
AFG	Annual Funding Guidance
AFR	Annual Financial Report
AMOC	Air and Marine Operations Center
APHIS	Animal and Plant Health Inspection Service
ASG	American Samoa Government
ATS	Automated Targeting System
BAA	Buy American Act
BPA	Blanket Purchase Agreement
BZP	Buffer Zone Plan
BZPP	Buffer Zone Protection Program
C4ISR	Command, Control, Communications, Computer, Intelligence, Surveillance and Reconnaissance
C&A	Certification and Accreditation
CAP	Criminal Alien Program or Corrective Action Plan
CAS	Core Accounting System
CBP	Customs and Border Protection
CBPMO	Customs and Border Protection Modernization Office
CBPO	Customs and Border Protection Officer
CD	Compact Disk
CFO	Chief Financial Officer
CFR	Code of Federal Regulations
CGDN	Coast Guard Data Network
CIO	Chief Information Officer
CIP	Construction in Progress
CLAIMS	Computer Linked Application Information Management System
COOP	Continuity of Operations
CPAF	Cost Plus Award Fee
CPO	Chief Procurement Officer
CPPC	Cost Plus Percentage of Cost
CREC	Central Rural Electric Cooperative
CSIRC	Computer Security Incident Response Center
DBA	Database Administrator
DCIA	Debt Collection Improvement Act of 1996
DEP	Department of Environmental Protection
DFB	Disaster Finance Branch
DHS	U.S. Department of Homeland Security
DOD	U.S. Department of Defense
DOI	U.S. Department of the Interior
DOJ	U.S. Department of Justice
DPS	Department of Public Safety
DRO	Office of Detention and Removal Operations

Abbreviations

DTO	Delivery Task Order
EA	Expedited Assistance
EDS	Explosives Detection System
EFS	Emergency Support Functions
EMPG	Emergency Management performance Grants
EOIR	Executive Office for Immigration Review
ePMO	Electronic Program Management Office
EP&R	Emergency Preparedness and Response
ETD	Explosive Trace Detection
FAR	Federal Acquisition Regulations
FASAB	Federal Accounting Standards Advisory Board
FBI	Federal Bureau of Investigation
FBwT	Fund Balance with Treasury
FCEN	Financial Crimes Enforcement Network
FCO	Federal Coordinating Officer
FDA	Food and Drug Administration
FDNS	Office of Fraud Detection and National Security
FDNS-DS	Fraud Detection and National Security Data System
FECA	Federal Employees' Compensation Act
FEMA	Federal Emergency Management Agency
FFMIA	Federal Financial Management Improvement Act
FFMS	Federal Financial Management System
FHA	Federal Highway Administration
FINCEN	Financial Crimes Enforcement Network
FIPS	federal information processing Standards
FISMA	Federal Information Security Management Act of 2002
FLETC	Federal Law Enforcement Training Center
FMFIA	Federal Managers Financial Integrity Act
FMTTF	Financial Management Transformation Task Force
FOUO	For Official Use Only
FPDS-NG	Federal Procurement Data System-Next Generation
FPS	Federal Protective Service
FSD	Federal Security Director
FSR	Financial Status Reports
FSTAR	Financial Strategy for Transformation and Audit Readiness
FY	Fiscal Year
GAAP	Generally Accepted Accounting Principles
GAO	Government Accountability Office
G&T	Grants and Training
GFPS	Grand Forks Public Schools
GPRA	Government Performance and Results Act
GSA	General Services Administration
GWA	Government Wide Accounting
HHS	U.S. Health and Human Services
HM	Hazard Mitigation
HMGP	Hazard Migration Grant Program

Abbreviations

HSCIS	Homeland Security Contract Information System
HQ	Headquarters
HSPD	Homeland Security Presidential Directive
I&A	Intelligence and Analysis
ICE	Immigration and Customs Enforcement
ICoFR	Internal Controls over Financial Reporting
IFG	Individual and Family Grant
IHP	Individuals and Households Program
INS	Immigration and Naturalization Service
IPAC	Intra-Governmental Payment and Collection
ISA	Interconnection Service Agreement
ISAC	Information Sharing and Analysis Center
IT	Information Technology
JFO	Joint Field Office
JV	Journal Voucher
KEC	Kiamichi Electric Cooperative
LAN	Local Area Network
LASD	Los Angeles Sheriffs Department
LEO	Law Enforcement Officer
LEPC	Law Enforcement Planning Commission
LHLS/EP	Louisiana Office of Land Security, Emergency Preparedness
MEMA	Mississippi Emergency Management Agency or Massachusetts Emergency Management Agency
MIP	Mapping Information Platform
MLDC	Mira Loma Detention Center
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MPC	Minnkota Power Cooperative
MSP	Michigan State Police
MRS	Military Retirement System
MSW	Municipal Solid Waste
MTF	Military Treatment Facility
NAICS	North American Industry Classification System
NAVD 88	North American Vertical Datum of 1988
NBIS	National Bio-Surveillance Integration System
NCR	National Capital Region
NDDEM	North Dakota Division of Emergency Management
NDPCI	National Domestic Preparedness Coalition Incorporated
NEMIS	National Emergency Management Information System
NFC	National Finance Center
NFIP	National Flood Insurance Program
NI	Non-intrusive
NIMS	National Incident Management System
NIST	National Institute of Standards and Technology
NPPD	National Protection and Programs Directorate
NPSC	National Processing Service Center

Abbreviations

NRP	National Response Plan
NSC	National Security Cutter
OCFO	Office of the Chief Financial Officer
OCIO	Office of the Chief Information Officer
ODP	Office for Domestic Preparedness
OEM	Oklahoma Department of Emergency Management
OFM	Office of Financial Management
OFO	Office of Fiscal Operations
OGC	Office of General Counsel
OHA	Office of Health Affairs
OHC	Office of Human Capital
OIG	Office of Inspector General
OJT	On-the-Job Training
OMB	Office of Management and Budget
OM&S	Operating Materials and Supplies
OPM	Office of Personnel Management
ORR	Office of Refugee Resettlement
OTM	Other Than Mexican
PA	Public Assistance
PCI	Personal Identity Verification Card Issuer
PD	Procurement Desktop
PDAs	Preliminary Damage Assessments
PEMA	Pennsylvania Emergency Management Agency
PII	Personally Identifiable Information
PIV	Personal Identity Verification
PMO	Project Management Office
POAM	Plan of Action and Milestones
POC	Point of Contact
POE	Port of Entry
PMO	Project Management Officer
PP&E	Property, Plants, and Equipment
PPQ	Plant Protection Quarantine
PPSO	Plaquemines Parish Sheriff's Office
PRISM	Procurement Information System for Management
PWS	Performance Work Statement
RRAD	Red River Army Depot
RSSI	Required Supplementary Stewardship Information
RVS	Remote Video Surveillance
S&T	Science and Technology Directorate
SAA	State Administration Agency
SAP	Systems, Applications, and Products Database
SBI _{net}	Secure Border Initiative Network
SDLC	Systems Development Life Cycle
SEMA	State Emergency Management Agency
SEMO	State Emergency Management Office
SFFAS	Statement of Federal Financial Accounting Standards

Abbreviations

SIC	Special Interest Countries
SLGCP	State and Local Government Coordination and Preparedness
SOP	Standard Operating Procedure
SPC	Service Processing Center
SSA	State Administrative Agency
SSWeb	Secret Service Web
SST	State Sponsors of Terrorism
TAC	Technical Assistance Contract
TAFS	Treasury Appropriation Fund Symbol
TDEM	Texas Division of Emergency Management
TECS	Treasury Enforcement Communications System
TEMCO	Territorial Emergency Management Coordinating Office
TIER	Treasury Information Executive Repository
TIP	Threat Image Projection
TOHS	Territorial Office of Homeland Security
TOPOFF	Top Officials Exercise
TRX	TIP-Ready X-Ray Machine
TSA	Transportation Security Administration
TSO	Transportation Security Officer
UASI	Urban Area Security Initiative
UDO	Undeliverable Orders
UN	Unmet Needs
UND	University of North Dakota
USACE	U.S. Army Corps of Engineers
US-CERT	United States Computer Emergency Readiness Team
USCG	U.S. Coast Guard
USCIS	U.S. Citizenship and Immigration Service
USDA	U.S. Department of Agriculture
US&R	Urban Search and Rescue
USSGL	United States Standard General Ledger
UVI	University of the Virgin Islands
VA-NPSC	Virginia - National Processing Service Center
VI	Virgin Islands
VMIS	Vehicle Management Information System
VPN	Virtual Private Network
VRPP	Vulnerability Reduction Protection Plan
VWP	Visa Waiver Program
WADS	Work Accomplishment Data System
WAPA	Water and Power Authority
WEM	Wisconsin Emergency Management
WFEC	Western Farmers Electric Cooperation

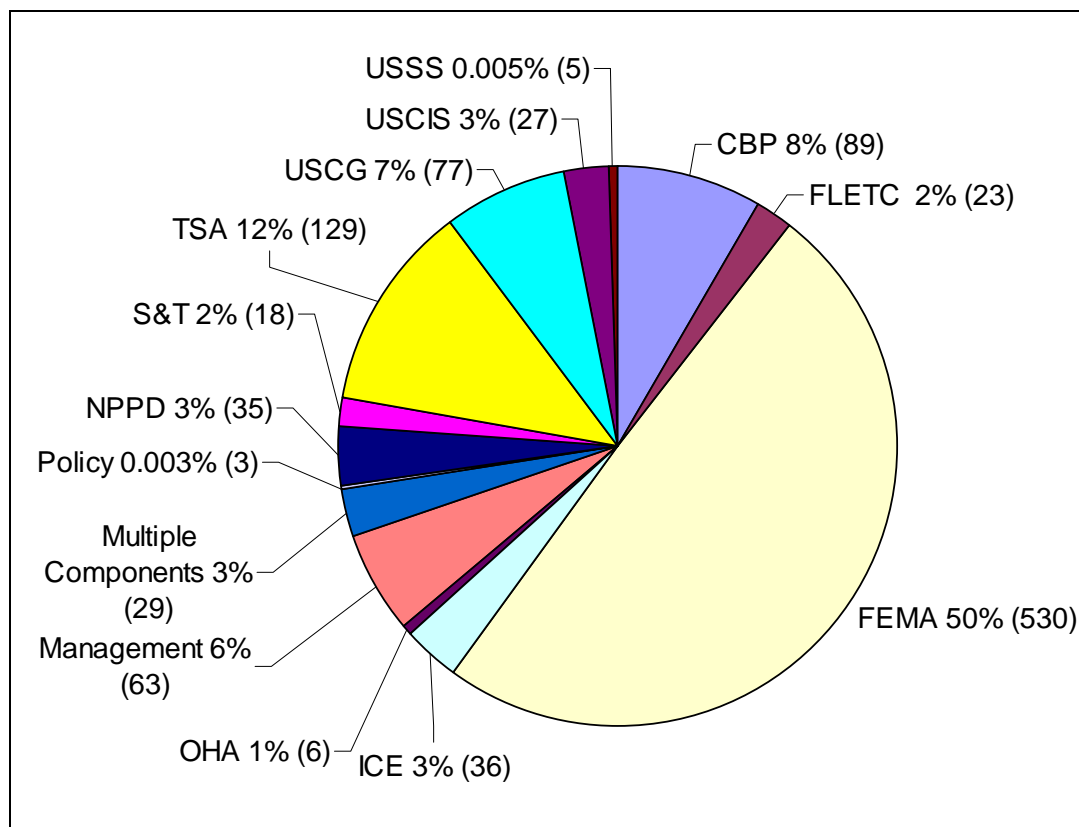
OIG

*Department of Homeland Security
Office of Inspector General*

Status of Unimplemented Recommendations

Our office issued 214 reports with 1,070 recommendations that, according to our records, had not been implemented as of December 31, 2007. Of the 1,070 recommendations, 27 were closed in January 2008. The largest number of open recommendations was made to the Federal Emergency Management Agency (FEMA). No other single DHS component accounts for more than 12% of unimplemented recommendations.

Chart 1: Distribution of DHS OIG Open Recommendations by Component



Federal Emergency Management Agency

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DA-01-05	Disallow excess contract charges in the amount of \$55,266.	Unknown	Status of implementation is unknown.
	Disallow unauthorized charges in the amount of \$21,078.	Unknown	Status of implementation is unknown.
	Disallow excess charges for equipment in the amount of \$78,259.	Unknown	Status of implementation is unknown.
	Disallow unauthorized work charges in the amount of \$52,039.	Unknown	Status of implementation is unknown.
DA-02-05	Disallow unsupported costs in the amount of \$859,199.	Unknown	Status of implementation is unknown.
	Disallow ineligible overtime salary charges in the amount of \$1,215,911.	Unknown	Status of implementation is unknown.
	Disallow unreasonable labor charges in the amount of \$7,319.	Unknown	Status of implementation is unknown.
DA-03-04	Disallow excess engineering charges in the amount of \$410,037.	Unknown	Status of implementation is unknown.
	Disallow ineligible repair costs in the amount of \$625,712.	Unknown	Status of implementation is unknown.
DA-06-04	Disallow unsupported charges in the amount of \$1,385.	Unknown	Status of implementation is unknown.
DA-06-05	Disallow unnecessary charges in the amount of \$117,778.	No	Action Plan Needed.
	Disallow unapplied program income in the amount of \$85,337.	No	Action Plan Needed.
	Disallow duplicate charges in the amount of \$8,413.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DA-07-03	Disallow \$9,621 of questioned costs.	Unknown	Status of implementation is unknown.
DA-07-05	Instruct the county to comply with federal procurement regulations.	Unknown	Status of implementation is unknown.
	Require the county to ensure the rate charges for debris monitoring by contractors are reasonable.	Unknown	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DA-07-06	Disallow \$365,633 in questioned costs.	Unknown	Status of implementation is unknown.
DA-07-08	Recommend Director of the Biloxi Transitional Recovery Office and the grantee require the county ensure that debris monitoring rates charged by the engineering firm are reasonable.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DA-07-09	Disallow \$1,721,725 associated with debris removal from federal-aid roads.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DA-07-10	Require the NY State Emergency Management Office to establish accounting procedures to ensure that its accounting system adequately supports SEMO's costs claimed under each FEMA grant.	Unknown	Status of implementation is unknown.
	Disallow \$653,408 of questioned costs.	Unknown	Status of implementation is unknown.
DA-07-11	Disallow \$3.8 million in questioned costs - \$408,775 under Hurricane Katrina and \$3,409,216 under Hurricane Wilma - resulting from excess and non-disaster-related charges, an unapplied credit, losses covered by insurance and excessive contract labor charges.	Unknown	Status of implementation is unknown.
DA-08-01	Director of FL Long Term Recovery Office disallow \$336,786 of unsupported costs.	Unknown	Status of implementation is unknown.
DA-08-02	Director of FEMA MS Transitional Recovery Office disallow \$43,751 in excessive contract charges.	Unknown	Status of implementation is unknown.
DA-08-03	Require the city to complete the subsidiary record to ensure that current and future project expenditures are accounted for separately.	Unknown	Status of implementation is unknown.
	Inform city to comply with federal procurement regulations for any future contracts under FEMA award.	Unknown	Status of implementation is unknown.
	Disallow questioned costs of \$102,244.	Unknown	Status of implementation is unknown.
DA-09-05	Require municipality to maintain accounting records per the 44§CFR.	Unknown	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DA-09-05	Disallow excess charges in the amount of \$234,810.	Unknown	Status of implementation is unknown.
	Disallow unsupported charges in the amount of \$113,898.	Unknown	Status of implementation is unknown.
	Disallow unsupported charges in the amount of \$3,013.	Unknown	Status of implementation is unknown.
	Disallow excess charges in the amount of \$6,766.	Unknown	Status of implementation is unknown.
	Disallow duplicate benefits charges in the amount of \$53,448.	Unknown	Status of implementation is unknown.
	Disallow for incomplete small projects in the amount of \$35,349.	Unknown	Status of implementation is unknown.
DA-10-05	FEMA Director disallow \$21,769 awarded for administrative costs.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DA-11-04	Disallow unsupported charges in the amount of \$11,662.	Unknown	Status of implementation unknown.
	Disallow duplicated charges in the amount of \$6,720.	Unknown	Status of implementation unknown.
DA-12-04	Region III ensure records are maintained by the grantee.	Unknown	Status of implementation unknown.
	Region III ensures grantee maintains financial reports per 44§C.F.R.13.20.	Unknown	Status of implementation unknown.
	Region III administrative plans for HM, PA and IFG include all elements.	Unknown	Status of implementation unknown.
	Region III ensures grantees develop and implement monitoring status reports.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DA-12-05	FEMA disallow small project not completed in the amount of \$4,506.	Unknown	Status of implementation unknown.
	FEMA disallow small project not completed in the amount of \$36,694.	Unknown	Status of implementation unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DA-12-05	FEMA disallow small project not completed in the amount of \$20,472.	Unknown	Status of implementation unknown.
	FEMA disallow small project not completed in the amount of \$1,400.	Unknown	Status of implementation unknown.
	FEMA disallow unsupported charges in the amount of \$175,506.	Unknown	Status of implementation unknown.
	FEMA disallow interest earned on funds in the amount of \$11,180.	Unknown	Status of implementation unknown.
	FEMA disallowed duplicate funding in the amount of \$89,884.	Unknown	Status of implementation unknown.
DA-13-03	Excess charges for tree stumps.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Excessive award for small project.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DA-14-05	Director Region II require OEM to develop and implement a personnel activity reporting system that documents and supports salary cost distributed among the various FEMA funded activities.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DA-16-05	FEMA Director is to instruct the city to comply with 44§C.F.R.	Unknown	Status of implementation is unknown.
	Disallow unsupported debris removal charges in the amount of \$254,233.	Unknown	Status of implementation is unknown.
	Disallow unapplied credits in the amount of \$2,537.	Unknown	Status of implementation is unknown.
DA-17-04	Region I require MEMA to establish a tracking system.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DA-17-04	Region I require MEMA to establish procedures for administrative allowances.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Region I require MEMA to establish IFG closeout procedures.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Region I require MEMA to implement procedures per federal guidelines.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DA-17-05	Disallow excess charges for engineering and design in the amount of \$168,559.	Unknown	Status of implementation unknown.
	Disallow excess charges for flood insurance in the amount of \$47,999.	Unknown	Status of implementation unknown.
	Disallow excess charges for a mathematical error in the amount of \$71,391.	Unknown	Status of implementation unknown.
	Disallow costs covered by insurance in the amount of \$260,086.	Unknown	Status of implementation unknown.
DA-18-05	Disallow excess charges for fringe benefit rates in the amount of \$3,904.	Unknown	Status of implementation unknown.
	Disallow excess charges for normal rate of compensation in the amount of \$2,915.	Unknown	Status of implementation unknown.
	Disallow excess charges for a mathematical error in that amount of \$1,352.	Unknown	Status of implementation unknown.
DA-20-03	FEMA Regional Director require OMB to reconcile disbursements in the subgrantee accounts for disasters 1067 and 1136, and make necessary adjustments.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	FEMA Director require OMB to record in the subgrant control accounts the amounts of matching contributions from non-profit organizations and independent Commonwealth agencies.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DA-20-03	FEMA instruct OMB to implement approved policy for advancing funds to subgrantees.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	FEMA instruct OMB to consider amending its cash management policy by eliminating the requirement for subgrantees to submit supporting documentation of costs incurred and require only a certificate.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	FEMA instruct OMB to require 15 subgrantees that received cash advances to return funds that are in excess of their immediate needs.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	FEMA instruct OMB to determine the amount of interest earned on cash advances and require subgrantees to remit to FEMA interest earned.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Deobligate \$45,441 of statutory administrative allowance provided to OMB under state management grants.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Require OMB to develop procedures for monitoring day-to-day operations of subgrantees.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Require OMB to establish an audit scheduling process that considers auditing subgrantees that have mismanaged grant funds, have experienced problems in administering projects, have received the largest dollar awards, or have been referred for audit by public officials.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Require OMB to develop an audit program that identifies the objectives of its subgrant audits and procedures to accomplish those objectives.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DA-20-03	Require OMB to instruct staff to become familiar with and adhere to GAGAS in the performance of subgrant audits and audit reporting.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DA-20-04	Region IV ensure that the grantee submit quarterly progress reports.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Region IV ensure that program and administrative plans are completed, as per federal regulations.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Region IV requires grantee to implement procedures for subgrantees.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DA-21-05	Region III Director must ensure that the grantee has all procedures in a SOP manual.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Region III Director should direct Grantee to prepare and submit closeout documents.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DA-22-05	FEMA Director to disallow excessive and unsupported charges in the amount of \$463,833.	Unknown	Status of implementation is unknown.
	FEMA Director to disallow excess equipment charges in the amount of \$30,777.	Unknown	Status of implementation is unknown.
	FEMA Director to disallow duplicate benefits in the amount of \$9,676.	Unknown	Status of implementation is unknown.
	FEMA Director to disallow duplicate funding in the amount of \$168,359.	Unknown	Status of implementation is unknown.
	FEMA Director to disallow charges covered by insurance in the amount of \$11,286.	Unknown	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DA-22-05	FEMA Director to disallow funds for incomplete work in the amount of \$331,875.	Unknown	Status of implementation is unknown.
	FEMA Director to disallow funds for work not performed in the amount of \$15,359.	Unknown	Status of implementation is unknown.
DA-23-04	Disallow unsupported costs in the amount of \$85,439.	Unknown	Status of implementation unknown.
	Disallow excess charges in the amount of \$49,893.	Unknown	Status of implementation unknown.
	Disallow administrative costs in the amount of \$23,719.	Unknown	Status of implementation unknown.
	Disallow ineligible regular time salaries in the amount of \$2,301.	Unknown	Status of implementation unknown.
DA-23-05	FEMA Director disallow duplicate charges in the amount of \$46,485.	Unknown	Status of implementation unknown.
DA-24-05	FEMA Director disallow ineligible project charges in the amount of \$11,419.	Unknown	Status of implementation unknown.
	FEMA Director disallow charges for incomplete work in the amount of \$8,333.	Unknown	Status of implementation unknown.
	FEMA Director disallow insurance costs in the amount of \$6,415.	Unknown	Status of implementation unknown.
	FEMA Director disallow excess administrative charges in the amount of \$4,429.	Unknown	Status of implementation unknown.
DA-25-05	FEMA Director to recoup unauthorized payment of \$597,855.	Unknown	Status of implementation unknown.
	FEMA Director to ensure proper support for \$13.9 million disbursement.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	FEMA Director to determine how \$1.8 million to Opa-Locka was spent.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DA-25-05	FEMA Director to ensure subgrantees spending is per 44§CFR13.21.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DA-26-04	Regional Director to request grantee to Advise FEMA on IFG program.	Unknown	Status of implementation unknown.
	Regional Director to require the grantee to do all paperwork in a timely manner.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Regional Director to monitor grantee procedures with state's process.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Regional Director to monitor grantee to ensure all procedures are current.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DA-26-05	FEMA Director to assess staffing level per Single Audit Act of 1996.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	FEMA Director to implement procedures for compliance of Act.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	FEMA Director to comply with 44§CFR 13.42.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	FEMA Director to implement effective cash management procedures.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DA-26-05	FEMA Director to improve accounting procedures.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DA-28-05	ODP Acting Executive Director require LEPC to coordinate their accounting efforts with the Department of Finance to ensure that records on program expenditures are timely and appropriately reconciled.	Unknown	Status of implementation unknown.
	ODP Acting Executive Director require LEPC to reallocate to the appropriate fund, costs that were charged to the wrong account.	Unknown	Status of implementation unknown.
	ODP Acting Executive Director disallow the \$111,540 of questioned charges.	Unknown	Status of implementation unknown.
	ODP Acting Executive Director require the LEPC to comply with applicable procurement and progress reporting requirements for ODP grants.	Unknown	Status of implementation unknown.
DA-29-03	Instruct the Authority to retain financial records for future FEMA projects for the period prescribed by federal regulations.	Unknown	Status of implementation unknown.
	Disallow the \$6,864 of questioned costs.	Unknown	Status of implementation unknown.
DA-30-04	Disallow ineligible repair costs in the amount of \$1,818,638.	Unknown	Status of implementation unknown.
	Verify that insurance recoveries and future FEMA grants are credited.	Unknown	Status of implementation unknown.
DA-33-04	Require the Department of Environmental and Natural Resources establish accounting procedures.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Require the Department of Environmental and Natural Resources implement a contract management system.	Unknown	Status of implementation unknown.
	Disallow unsupported costs in the amount of \$7,313,956.	Unknown	Status of implementation unknown.
DA-34-04	Disallow unsupported charges in the amount of \$565,950.	Unknown	Status of implementation unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DA-34-04	Disallow incomplete small projects in the amount of \$16,786.	Unknown	Status of implementation unknown.
DA-35-04	Disallow excessive charges in the amount of \$110,665.	Unknown	Status of implementation unknown.
	Disallow duplicate charges in the amount of \$16,246.	Unknown	Status of implementation unknown.
DA-36-04	Disallow unrelated project charges in the amount of \$159,456.	Unknown	Status of implementation unknown.
	Disallow ineligible regular labor costs in the amount of \$76,498.	Unknown	Status of implementation unknown.
	Disallow excessive equipment charges in the amount of \$12,628.	Unknown	Status of implementation unknown.
DA-37-04	Disallow unrelated project charges in the amount of \$191,828.	Unknown	Status of implementation unknown.
	Disallow unsupported charges in the amount of \$194,421.	Unknown	Status of implementation unknown.
	Disallow ineligible regular labor costs in the amount of \$12,525.	Unknown	Status of implementation unknown.
	Disallow excessive equipment charges in the amount of \$8,316.	Unknown	Status of implementation unknown.
DA-38-04	Disallow excess labor charges in the amount of \$58,403.	Unknown	Status of implementation unknown.
	Disallow excess fringe benefit charges in the amount of \$6,289.	Unknown	Status of implementation unknown.
DA-FL-07-12	Inform the city, for future declarations, to comply with applicable federal regulations and FEMA guidelines for procurement.	Unknown	Status of implementation is unknown.
	Disallow \$3,062,516 of project costs related to excessive contract charges, debris removal from federal-aid roads, ineligible project costs and unapplied credits.	Unknown	Status of implementation is unknown.
	De-obligate excess funding of \$122,794 received under Project 2929 for debris removal activities outside the authorized 72-hour period.	Unknown	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DA-FL-07-12	Inform the city, for future declarations, to adequately document the hazardous nature of stumps before removal to ensure reimbursement.	Unknown	Status of implementation is unknown.
DD-01-04	Unsupported contract equipment costs.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Unreasonable costs on "cost-plus" contract.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DD-01-05	Use of Administrative Allowances.	Yes	Closed after 12/31/07.
	HMG and PA Project Monitoring.	Yes	Closed after 12/31/07.
	PA Administrative Plans.	Yes	Closed after 12/31/07.
	PA Quarterly Progress Reporting.	Yes	Closed after 12/31/07.
	Payments for PA Small Projects.	Yes	Closed after 12/31/07.
DD-02-04	Unsupported and ineligible Volunteer credits.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Excessive and unreasonable costs.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Unsupported contractor labor costs.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Work not related to the disaster.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DD-02-04	Unallowable markups.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Unsupported contractor labor costs.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Unsupported Force Account labor.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Duplicate benefits.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Unsupported Force Account equipment and material.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DD-02-05	Require LHLS/EP to develop, document, and implement policies and procedures to ensure administrative plans meet all 44 CFR requirements.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Require LHLS/EP to develop, document, and implement procedures, to ensure quarterly progress reports are accurate, timely, and complete. These procedures should describe how to obtain adequate information from subgrantees and a staffing plan to ensure procedures are followed when multiple disasters occur.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
	<p>Require LHLS/EP to follow its procedures for performing final inspections and revise those procedures to include steps that assure FEMA work has been completed in accordance with federal regulations. Such procedures might include providing the Region a copy of the final inspection report along with the final reimbursement claim submitted on each approved project.</p>	<p>Yes</p>	<p>Action Plan provided. Awaiting confirmation of implementation by component.</p>
<p>DD-02-05</p>	<p>(1) Determine whether HMGP or Unmet Needs (UN) projects were funded under more than one disaster or program and, if so, disallow the resulting duplicate funding and (2) Develop, document, and implement policies and procedures to adequately perform project ranking and selection. Specifically, the procedures should be sufficient to ensure that LHLS/EP: (1) Does not select projects for mitigation under more than one disaster or program; (2) Prevents subgrantees from using funds to substitute or match funding available from other federal programs; (3) Revises the Individual Application Worksheet to include data relevant to determining whether properties should receive priority funding; (4) Consistently applies project priorities listed in its HMGP Administrative Plan during the project ranking and selection process.</p>	<p>Yes</p>	<p>Action Plan provided. Awaiting confirmation of implementation by component.</p>
	<p>Require LHLS/EP to: (1) Perform final project closeouts for all approved projects completed under the Hazard Mitigation and UN programs to determine whether costs claimed are supported and eligible; (2) Disallow unsupported and/or ineligible costs claimed for HMGP and UN projects; (3) Develop, document, and implement policies and procedures to review documentation to support costs claimed under all HMGP and UN projects. These procedures should be sufficient to ensure that subgrantees: Incurred claimed cost for eligible work on approved projects; Meet the non-federal cost-share requirement; and Minimized the time elapsed between receipt and disbursement of federal funds.</p>	<p>Yes</p>	<p>Action Plan provided. Awaiting confirmation of implementation by component.</p>

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DD-02-05	<p>Require LHLS/EP to develop, document, and implement procedures to ensure that all changes in scope of HMGP projects are properly approved in advance by FEMA.</p>	Yes	<p>Action Plan provided. Awaiting confirmation of implementation by component.</p>
	<p>The Regional Director, FEMA Region VI: (1) Disallow \$163,301 of the \$186,363 statutory administrative allowances claimed as of September 2003 and disallow the remaining \$23,062 claimed unless LHLS/EP can prove the eligibility of the remaining costs; (2) Disallow any claims subsequent to September 2003 for HMGP statutory administrative allowances unless LHLS/EP can prove costs claimed are eligible; (3) Require LHLS/EP to develop, document, and implement procedures to ensure that costs claimed under HMGP statutory administrative allowances are limited to extraordinary actual expenses supporting the Hazard Mitigation program and are properly recorded and allocated on an individual disaster basis.</p>	Yes	<p>Action Plan provided. Awaiting confirmation of implementation by component.</p>
	<p>The Regional Director, FEMA Region VI: (1) Disallow \$454,486 of the \$465,689 UN admin. and management costs claimed as of September 2003 and disallow the remaining \$11,203 claimed unless LHLS/EP can prove the eligibility of the remaining costs; (2) Disallow any claims subsequent to September 2003 for UN administrative and management costs unless LHLS/EP can prove costs claimed are eligible; (3) Require LHLS/EP to develop, document, and implement procedures ensuring that costs incurred to administer or manage the grant are properly recorded and monitored on an individual disaster basis and that costs claimed are limited to actual expenses incurred for the purpose of administering and managing the UN program; (4) Train LHLS/EP staff on the allowable use of Unmet Needs administrative and management funding.</p>	Yes	<p>Action Plan provided. Awaiting confirmation of implementation by component.</p>

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DD-02-05	Require LHLS/EP to develop, document, and implement procedures to ensure that cost estimates for Hazard Mitigation projects are adequately assessed for reasonableness.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DD-03-05	Disallow \$299,676 of unallowable and insufficiently documented claimed administrative costs and disallow any claims subsequent to September 2003 for administrative allowance costs unless LHLS/EP can prove the costs claimed were eligible and reported.	No	Action Plan needed.
	Determine the interest earned from early drawdowns of Federal funds for open PA programs.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Require LHLS/EP to refund to FEMA the overpayment of \$183,029 made to a subgrantee.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DD-06-05	Disallow \$1,802,562 of ineligible contracting costs and require the Oklahoma Department of Civil Emergency Management to develop, document, and implement procedures for future disasters to: (a) provide subgrantees guidance on federal regulations, standards, and guidelines related to procurement and (b) monitor subgrantees to ensure compliance with those federal regulations, standards, and guidelines.	No	Action Plan needed.
	Disallow \$72,762 of ineligible material costs.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DD-06-06	Require the Oklahoma Department of Civil Emergency Management to develop, document, and implement procedures for future disasters to (a) provide sub-grantees guidance on federal regulations, standards, and guidelines related to procurement and (b) monitor sub-grantees to ensure compliance with those federal regulations, standards, and guidelines. In addition, disallow \$3,232,188 of contract costs that WFEC incurred that did not meet minimum federal procurement standards.	No	Status of implementation is unknown.
	Disallow \$549,686 of ineligible damages to private property.	No	Status of implementation is unknown.
	Disallow \$234,210 of unsupported costs.	No	Status of implementation is unknown.
	Disallow \$37,725 of overstated fringe benefits.	No	Status of implementation is unknown.
	Disallow \$36,080 of duplicate administrative costs.	No	Status of implementation is unknown.
	Disallow \$20,387 in unallowable markups on contract costs.	No	Status of implementation is unknown.
	Disallow \$2,370 in ineligible costs for work not related to the disaster.	No	Status of implementation is unknown.
DD-07-02	Federal Coordinating Officer (FCO) ensure that St. Bernard Parish perform an independent cost or price analysis of the monitoring contract using current labor rates and an updated overhead rate from the engineering firm.	Yes	Action Plan needed.
	FCO ensure that St. Bernard Parish re-negotiate the fixed hourly rates in consideration of the results of the cost or price analysis and the updated overhead rate.	Yes	Action Plan needed.
	FCO ensure that St. Bernard Parish apply the revised rates to the hours claimed by the engineering firm for the monitoring activities.	Yes	Action Plan needed.
	FCO ensure that St. Bernard Parish modify the contract to delete the prohibited cost-plus-percentage of cost provision of the contract.	Yes	Action Plan needed.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DD-07-02	FCO Request the St. Bernard-based FEMA officials to resubmit the review results for consideration.	Yes	Implementation delayed. Working on implementation with component.
	FCO Require FEMA and state officials at the Joint Field Office to review the review results and determine the adjustments that should be made to the previously approved St. Bernard Parish invoices.	Yes	Implementation delayed. Working on implementation with component.
	FCO Disallow all costs associated with cuts determined to be ineligible based upon the FEMA and state JFO officials review.	Yes	Action Plan needed.
	FCO disallow all costs determined to be unallowable.	Yes	Implementation delayed. Working on implementation with component.
	FCO require FEMA to clarify its guidance on removing hangers and modify training to ensure that future claims are according to FEMA policy.	Yes	Action Plan needed.
	FCO review all current and future costs claimed by the monitoring contractor to ensure that: (a) the hourly rates being applied are fair and equitable in relation to the type of work being performed, and (b) the time claimed is directly in support of the debris monitoring activities as compared to being general management in nature.	Yes	Action Plan needed.
	FCO disallow any claims that were based upon unreasonable rates or that were duplicated as direct and indirect costs.	Yes	Action Plan needed.
DD-07-05	Disallow \$1,054,000 for mobile homes purchased but not occupied, and evaluate the remaining costs for eligibility and reasonableness.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DD-07-06	Require the state to update the Administrative Plans for the PA and HM Programs.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DD-07-06	Develop a system to assure Administrative Plans are updated prior to approval.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Develop policies and procedures for completing Financial Status Reports.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Provide training on how to complete Financial Status Reports.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Establish procedures for tracking expenses charged to statutory administrative funds.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Implement a time-keeping system to track time spent on federally funded projects.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Require and enforce prior approval of management grant costs incurred after closure of DFO.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow \$16.4 million billed for direct charges and recover payments made.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DD-07-08	Require the city to account for each large project separately.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DD-07-08	Require the city to prepare and maintain documentation adequate to support all disaster costs claimed.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Require the city to comply with federal procurement regulations for all future contracts.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Evaluate the \$1.4 million in contract costs for travel trailers to determine cost reasonableness.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Provide written guidance to the city for disposition of trailers no longer in use.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow \$679,150 for the following: \$239,000 -- excess fringe benefits; \$105,000 -- ineligible regular time labor costs (city fire dept); \$216,000 -- ineligible regular time labor (city employees); \$12,922 -- mechanics' salaries covered by FEMA equipment.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DD-07-10	Require the state to verify that the Parish did not claim \$593,461 billed by the monitoring contractor for ineffective performance.	No	Action Plan needed.
	Notify Parish officials that contract modifications on future FEMA projects should provide for full and open competition.	Yes	Closed after 12/31/07.
	Require the state to consider the cleanup of the park to be a large project.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Close the project according to large project closeout procedures.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DD-07-11	Advise the Parish on the federal requirements concerning how administrative allowance funds may be used.	Yes	Closed after 12/31/07.
	Ensure that the Parish returns any unused administrative funds to FEMA at closeout.	No	Action Plan needed.
	Instruct the Parish to immediately remit all interest on the excess FEMA funds (less \$100 for expenses) to FEMA. (Undetermined amount at time of audit)	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow \$743,700 of ineligible and unsupported costs for debris removal.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Require the state to analyze the cost concerns identified but not quantified during the review and provide results of their analysis to FEMA for determination whether additional costs should be disallowed.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow \$613,325 claimed by the Parish under PW 3144.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow \$741,086 of unsupported costs claimed under PW2643.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Advise the Parish on the federal requirements concerning how administrative allowance funds may be used.	Yes	Closed after 12/31/07.
	Ensure that the Parish returns any unused administrative funds to FEMA at closeout.	Yes	Closed after 12/31/07.
	Advise the Parish to comply with federal procurement standards at 44 CFR§13.36 in future disasters.	Yes	Closed after 12/31/07.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DD-07-11	Evaluate reasonableness of costs claimed for the monitoring contractor in light of the contractor's substandard performance in assuring the accuracy and supportability of the claims certified to the Parish and adjust the claimed costs accordingly.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DD-08-05	Disallow \$3,360,425 of ineligible contracting costs and require the Oklahoma Department of Civil Emergency Management to develop, document, and implement procedures for future disasters to: (a) provide subgrantees timely guidance on federal regulations, standards, and guidelines related to procurement and (b) monitor subgrantees to ensure compliance with those federal regulations, standards, and guidelines.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow \$1,247,200 of unsupported costs.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow \$649,168 of unreasonable contract costs.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow \$385,812 of duplicate costs.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Recover \$251,479 FEMA overpayment.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow \$197,259 of ineligible contract costs.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DD-08-05	Recover the \$105,941 FEMA overpayment.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow \$38,403 of ineligible contract costs for standby and idle equipment.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DD-08-06	Disallow \$3,005,823 of ineligible contract costs claimed for project management services.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DD-09-04	Disallow unreasonable contractor profits \$3,386,606 and develop, implement procedures for future disasters to ensure that grantees and subgrantees are knowledgeable of, and follow regulations and FEMA guidelines related to contracting.	Yes	Closed after 12/31/07.
	Disallow \$894,601 in ineligible (duplicate) charges.	Yes	Closed after 12/31/07.
	Disallow ineligible subgrantee statutory administrative allowance of \$133,303.	Yes	Closed after 12/31/07.
DD-09-05	Disallow unsupported engineering costs of \$56,435.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow ineligible travel costs of \$21,463.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Require the Oklahoma Department of Emergency Management to develop, document, and implement procedures for future disasters to (a) provide subgrantees guidance on federal regulations, standards, and guidelines related to procurement and (b) monitor subgrantees to ensure compliance with those federal regulations, standards, and guidelines.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DD-09-05	Disallow \$204,049 claimed for ineligible damages to private property.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow \$34,098 of overstated fringe benefit costs.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow \$15,984 of duplicate labor costs.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow \$5,720 of unsupported costs.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DD-09-06	Establish written procedures for improving grant management of the FEMA PA program.	No	Status of implementation is unknown.
	Establish written procedures to ensure that for future disasters subgrantees understand Federal regulations and FEMA guidelines regarding accounting for and expending federal grant funds and related internal controls; and documentation requirements for supporting claimed costs.	No	Status of implementation is unknown.
	Establish written procedures to ensure that for future disasters the city understands federal regulations and FEMA guidelines regarding procurement procedures.	No	Status of implementation is unknown.
	Disallow \$1,338,993 of questioned costs (PW 179).	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow \$1,898,547 of questioned costs (PW 637).	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DD-09-06	Disallow \$1,865,066 of questioned costs (PW 628).	No	Status of implementation is unknown.
	Disallow \$1,192,052 of questioned costs (PW 593).	No	Status of implementation is unknown.
	Disallow \$960,646 of questioned costs (PW 661).	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow \$577,311 of questioned costs (PW 652).	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow \$540,489 (PW 651) and \$441,155 (PW 557) of questioned costs.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow \$137,697 of questioned costs (PW 083).	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow \$157,012 of questioned costs (PW 270).	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow \$102,090 of questioned costs (PW 218).	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow \$12,344 of questioned costs (PW 588).	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DD-10-06	Have Region provide training for its staff for the 50% rule.	Yes	Action Plan provided. Awaiting confirmation of implementation by component
	Ensure cost estimates and calculations are done by unbiased parties.	Yes	Action Plan provided. Awaiting confirmation of implementation by component
	Develop, document, and implement procedures for future disasters for subgrantee guidance and monitoring.	Yes	Closed after 12/31/07.
DD-11-04	Require TDEM to develop and implement internal control procedures to ensure that administrative allowance funds are used only for extraordinary costs associated with the disaster program for which the funds are awarded.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Require TDEM to develop and implement procedures for closing individual projects as soon as possible after the work is completed rather than after P-4 certifications are received.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Require TDEM to develop and implement procedures to ensure that the Federal shares of outstanding checks for all open IFG programs are refunded to FEMA within 30 days from the date the closeout package for each program is submitted to Region VI.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DD-11-06	Provide additional training on federal procurement standards to grantees.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Require grantees to develop and implement procedures for future disasters to ensure that electric cooperatives are knowledgeable of and follow federal procurement standards.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DD-11-06	Require grantees to enforce compliance with federal procurement standards for FEMA Public Assistance grants to electric cooperatives by disallowing costs incurred under contracts that do not comply with the standards.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
DD-13-04	ODCEM develop and implement procedures for future disasters to ensure that subgrantees are knowledgeable of and follow federal regulations and FEMA guidelines related to procurement.	No	Action Plan needed.
DD-15-03	Develop and implement procedures for future disasters to ensure that subgrantees are knowledgeable of and follow federal regulations and guidelines related to procurement.	Yes	Closed after 12/31/07.
DD-16-03	Disallow \$7,849,566 of duplicate costs for EM-3134-IL.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow \$688,887 of questionable costs.	Yes	Closed after 12/31/07.
DD-18-04	Disallow \$1,114,192 in questioned costs and direct the State of Michigan to develop and implement procedures for future disasters to ensure subgrantees are knowledgeable of and follow federal regulations and FEMA guidelines related to procurement.	No	Action Plan needed.
DO-08-03	Unsupported FA Equipment costs.	No	Implementation delayed. Working on implementation with component.
	Ineligible Equipment Operating Costs.	No	Implementation delayed. Working on implementation with component.
	Excess Charges.	No	Implementation delayed. Working on implementation with component.
	Costs Covered under FEMA's Statutory Administrative Allowance.	No	Implementation delayed. Working on implementation with component.
	Non-disaster Related costs.	No	Implementation delayed. Working on implementation with component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
DO-12-03	Unsupported Fringe Benefit Costs.	No	Implementation delayed. Working on implementation with component.
DS-03-06	Duplicate payment for National Guard meals and lodging.	No	Implementation delayed. Working on implementation with component.
DS-07-01	Regional Administrator, FEMA Region X, in coordination with the Emergency Management Division disallow \$4,899,578 in costs claimed by the Department.	Unknown	Status of implementation is unknown.
DS-07-42	Fiscal Year 2002.	No	Implementation delayed. Working on implementation with component.
	Fiscal Year 2003 Part 1.	No	Implementation delayed. Working on implementation with component.
	Fiscal Year 2003, Part 2.	No	Implementation delayed. Working on implementation with component.
	Fiscal Year 2004.	No	Implementation delayed. Working on implementation with component.
	Identify deficiencies for First Responders.	No	Implementation delayed. Working on implementation with component.
	Review questioned costs.	No	Implementation delayed. Working on implementation with component.
	Establish policies and controls.	No	Implementation delayed. Working on implementation with component.
	Use existing authorities.	No	Implementation delayed. Working on implementation with component.
	Develop state strategic plan.	No	Implementation delayed. Working on implementation with component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
EMA-06-03	Disallow unsupported expenses in the amount of \$110,604.	Unknown	Status of implementation is unknown.
	Disallow duplicate charges in the amount of \$85,977.	Unknown	Status of implementation is unknown.
	Disallow unsupported charges in the amount of \$83,600.	Unknown	Status of implementation is unknown.
	Disallow ineligible fringe benefit costs in the amount of \$9,758.	Unknown	Status of implementation is unknown.
	Disallow ineligible grant funds in the amount of \$60,737.	Unknown	Status of implementation is unknown.
	Disallow ineligible and duplicate costs in the amount of \$7,364.	Unknown	Status of implementation is unknown.
GC-HQ-06-05	FEMA negotiate a not-to-exceed ceiling within a brief period (i.e., two - three weeks) after issuance of a new verbal authorizations and letter task orders.	Unknown	Status of implementation is unknown.
	FEMA negotiate not-to-exceed ceilings, as soon as possible, on all current verbal authorizations and letter task orders.	Unknown	Status of implementation is unknown.
	FEMA develop a binding spending schedule against the not-to-exceed ceiling for each verbal authorization and letter task order.	Unknown	Status of implementation is unknown.
GC-HQ-06-06	Review and test the system controls and procedures that are in place to prevent duplication of benefits to ensure that they are effective.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Have caseworkers review the 5,126 potential duplicates and recoup any overpayments that occurred.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
GC-HQ-06-09	FEMA require that the contractor continue to obtain appropriate credits to hotel billings where room charges are higher than published room rates plus applicable taxes.	Unknown	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
GC-HQ-06-09	FEMA request that GSA modify the contract to provide incentives for meeting contract cost estimates and/or penalties for failing to meet contract cost estimates.	Unknown	Status of implementation is unknown.
	FEMA work with Corporate Lodging Consultants and/or the American Red Cross to revise the process for selecting hotels to prevent excessive per night room charges.	Unknown	Status of implementation is unknown.
GC-HQ-06-10	Require applicants to provide co-applicant social security numbers and check those numbers against other applications to identify possible duplication.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Review all awards to applicants who provided false social security numbers and recoup any erroneous or ineligible payments.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
GC-HQ-06-12	Develop comprehensive plan to use, dispose of mobile and manufactured homes.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Monitor storage sites to prevent deterioration.	Unknown	Status of implementation is unknown.
	Recoup manufacturer repair costs for damage during delivery.	Unknown	Status of implementation is unknown.
	For future disasters, develop policies, plans, and procedures for acquisition of mobile/manufactured homes.	Unknown	Status of implementation is unknown.
GC-HQ-06-17	FEMA conduct a needs assessment of guard services required by FEMA facilities, including the need for armed and unarmed guards.	Unknown	Status of implementation is unknown.
	FEMA conduct a full and open competition to meet all long-term requirements for armed and unarmed guard services.	Unknown	Status of implementation is unknown.
GC-HQ-06-35	FEMA require Contract Officers' Technical Representatives to physically inspect contractor storage sites to ensure that contractors report damaged and non-mission capable travel trailers.	Unknown	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
GC-HQ-06-35	FEMA should determine responsibility for the damaged trailers and take appropriate action to return or repair damaged trailers or recover cost through warranty.	Unknown	Status of implementation is unknown.
GC-HQ-06-40	FEMA's CFO and ADRD take action to establish management cost rates for admin allowance & state grants.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
GC-HQ-06-41	Determine the extent of the unallowable charges under the lodging contract.	Unknown	Status of implementation is unknown.
	Initiate collection procedures to recoup unallowable charges from the American Red Cross.	Unknown	Status of implementation is unknown.
	Develop and implement controls to identify and prevent future unallowable charges under lodging contracts.	Unknown	Status of implementation is unknown.
GC-HQ-06-45	Develop a methodology to estimate and distribute costs among states where the goods and services are not state specific.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
GC-LA-06-54	Request the Parish to amend its documentation for PW 8 to deduct \$2,638,032 for charges ineligible or not applicable.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Review contract billings based on cost plus percentage of cost and verify that rates charged for labor, equipment, and materials were based on actual costs to the contractor.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow \$1,098,000 for the percentages added for overhead and profit on cost plus percentage of cost contracts.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Determine whether non-compliance with contracting requirements resulted in excessive or ineligible charges, and adjust funds accordingly.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
GC-MS-06-25	Require the FCO to disallow the \$1.9 million of debris removal costs for federal aid roads; Require the FCO to inform the city to request reimbursement from FHA for debris removal on federal aid roads.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Require the FCO to require the city to remit to FEMA the interest earned on FEMA advance.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
GC-MS-06-29	The FCO instruct the Contracting Officer to terminate blanket purchase agreements and to use GPO for any printing needs.	Unknown	Status of implementation is unknown.
GC-MS-06-36	FCO coordinate with MEMA and require the city to negotiate labor rates for debris monitors.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
GC-MS-06-37	FCO in coordination with MEMA disallow the \$207,068 of ineligible overtime cost.	Unknown	Status of implementation is unknown.
GC-MS-06-47	FCO, in coordination with MEMA, should require the county to take immediate action to negotiate labor rates for any existing debris monitors and ensure that under future FEMA projects, rates for services are commensurate with the nature of the work performed.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
GC-MS-06-48	FCO, in coordination with MEMA, require the county to take immediate action to determine whether the rates charged by the engineering firm for debris monitoring activities are reasonable, and adjust its claim for such services, as necessary.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
GC-MS-06-55	Require the city to negotiate debris monitor labor rates for ongoing work and ensure that under future FEMA-funded projects, rates for services are commensurate with the nature of work performed.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Require the city to remit to FEMA the interest earned on FEMA advances.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
GC-TX-06-26	Organize the lease agreements by apartment complex and verify accuracy of billing and payments totaling \$2.24 million.	Yes	Closed after 12/31/07.
	Obtain refunds from apartment complexes for improper payments and remit to FEMA, if appropriate.	Yes	Closed after 12/31/07.
M06-FEMA-HOU-22692	Citizenship status not a variable in the registration intake process.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.
	Term Qualified Alien not well defined on Form 90-69B.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.
M08-OGPO-MIA-00379	Establish a point of contact within the DHS OIG who is responsible for conducting basic law enforcement checks on the organizations/entities that are applying for UASI grants to determine if there is any derogatory information that may play a part in grant award determination.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.
	Require information during the grant submission process regarding the individual completing the actual application to determine multiple submissions by the same grant writer.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.
	Verify an organization's corporate identification number to determine if the organization/entity is in compliance with registered corporate status.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.
OIG-04-15	Accelerate the development for federal guidelines for first responder capabilities, equipment, training, and exercises.	Yes	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-04-15	Publish program monitoring guidance and ensure that states report their progress in achieving program and performance goals and objectives.	Yes	Status of implementation is unknown.
	Monitor state oversight of local jurisdictions' compliance with grant requirements and develop performance standards that can be used to measure the overall success of the grant programs, including baselines against which to measure progress.	Yes	Status of implementation is unknown.
OIG-05-20	Ensure that, for future declarations, preliminary damage assessments are performed to determine and document the type, extent, and location of disaster related damages whenever possible.	No	Status of implementation is unknown.
	Develop clearer guidance defining circumstances where complete PDAs may be unnecessary or infeasible.	No	Status of implementation is unknown.
	Modify FEMA'S inspection procedures to identify more accurately disaster-related losses of household items for which applicants should be compensated.	Yes	Status of implementation is unknown.
	Modify the IHP Inspection Guidelines to require inspectors to specify in the "PP Verbal" file the specific item(s) that was not available for inspection, the verbal representations made, and the evidence used to verify the loss.	Yes	Status of implementation is unknown.
	Develop eligibility criteria for funding automobile damage that can be tied to damages sustained as a result of a disaster.	Yes	Status of implementation is unknown.
	Modify guidelines to require contract inspectors to document verified automobile damages to allow FEMA to justify awards based on disaster-related needs.	Yes	Status of implementation is unknown.
	Work with the states to establish a more reasonable replacement value for destroyed automobiles based on the cost to acquire a comparable vehicle.	No	Status of implementation is unknown.
	Develop criteria and guidelines for determining "disaster-related deaths."	No	Status of implementation is unknown.
	Require staff to document their analysis of each request for funeral expense assistance in order to support approval or disapproval of such assistance.	No	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-05-20	Modify inspection guidelines to require contract inspectors to justify that funding recommendations for miscellaneous items are based upon disaster-related needs.	Yes	Status of implementation is unknown.
	Recoup the \$36,300 paid to individuals who did not report a need for rental assistance or damage to their home.	Yes	Status of implementation is unknown.
	Modify its home inspection procedures to require contract inspectors to document (1) the basis for determinations that homes are unsafe, and (2) instances of deferred maintenance, including an evaluation of the severity of such conditions for housing eligibility decisions.	No	Status of implementation is unknown.
	Modify its inspection guidelines to require inspectors to identify and document the types of disaster damages sustained to justify a decision that homes are destroyed.	Yes	Status of implementation is unknown.
	Modify, when feasible, inspection contracts to require contractors to review the quality of work of their inspector prior to submitting inspections data to FEMA.	Yes	Status of implementation is unknown.
	Modify NEMIS to include an edit review of inspector work for errors prior to processing payments to applicants.	Yes	Status of implementation is unknown.
	Modify inspection contracts to require inspectors to certify their independence for each inspection and to recuse themselves from inspections that present a possible conflict of interest.	Yes	Status of implementation is unknown.
OIG-05-43	Ensure that adequate controls for granting, monitoring, and removing NEMIS user access are implemented according to DHS requirements as well as NIST guidelines.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Develop and implement an IT contingency training and testing program for NEMIS to ensure that key personnel are trained on the plan annually, and that an annual test of the NEMIS IT contingency plan is conducted.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-05-43	Update the NEMIS database software to a version that is currently supported by the vendor, and ensure that all necessary patches are installed.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Develop and implement corrective action plans to address all identified NEMIS vulnerabilities and configuration weaknesses to reduce the risk of system compromise or failure.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-05-44	Review and revise the Multi-Year Flood Hazard Identification Plan Review and revise the Multi-Year Flood Hazard Identification Plan to improve sequencing and funding for mapping studies in high-risk areas to meet common goals and needs of the National Flood Insurance Program and local floodplain managers; and, to provide end-state objectives and a long-term strategy for producing and maintaining accurate flood maps nationwide.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Improve oversight of contractor program management.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Direct that the map modernization program office work with the DHS Geospatial Management Office to develop information sharing agreements with other federal agencies and programs to reduce redundancies in the costs and resources used to carry out map modernization activities.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Clearly communicate to stakeholders the objectives, benefits, and alternative approaches to converting from the former National Geodetic Vertical Datum of 1929 to the official North American Vertical Datum of 1988 (NAVD 88) to help ensure accuracy of modernized maps.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-05-44	Improve FEMA regional office outreach and communication to stakeholders to help ensure their commitment and participation in efforts to modernize flood maps.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Re-evaluate the Mapping Information Platform (MIP) system development.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-06-19	We recommend that the Director, DHS/ODP, require the Executive Director, State Emergency Management Agency (SEMA) to document and implement procedures for evaluating the state's progress in achieving the February 2002 strategic plan's goals and objectives, and either redirect spending to be in line with the plan or revise the plan based upon the progress achieved.	Yes	Status of implementation is unknown.
	We recommend that the Director, DHS/ODP, require the Executive Director, SEMA to review the state's plans and justifications for first responder grants subsequent to FY 2003, and make appropriate adjustments considering the state's progress in achieving the goals and objectives of the February 2002 strategic plan.	Yes	Status of implementation is unknown.
	We recommend that the Director, DHS/ODP, require the Executive Director, SEMA to improve the state's grant program management by expediting the awards to first responders, aggressively monitoring sub-grantee activities, and complying with Federal progress reporting requirements.	Yes	Status of implementation is unknown.
	We recommend that the Director, DHS/ODP, require the Executive Director, SEMA to disallow the \$260,718 used by sub-grantees to procure unapproved equipment, and the \$696,940 cost of equipment used by the sub-grantees for unapproved purpose.	Yes	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-06-19	We recommend that the Director, DHS/ODP, require the Executive Director, SEMA to disallow the \$278,857 disbursed to police departments and require that these funds be returned to SEMA.	Yes	Status of implementation is unknown.
OIG-06-32	Clarify the National Response Plan guidelines for federal, headquarters-level collection and synthesis of situational and operational information, with the intent of eliminating duplication of effort between the Interagency Incident Management Group and Homeland Security Operations Center.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Develop alternative housing resource plans that include a review of all identified resources within an affected area, determine whether potential duplication exists, and efficiently deliver services that are accommodating to the disaster victim.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Develop a more comprehensive program to recruit, train, and retain local hires for use in augmenting FEMA's Disaster Assistance Employees and permanent staff.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Address levels of coordination and expectations with Department of Defense entities under the NRP, including Northern Command and the Military Liaison, to facilitate coordination during responses to future domestic incidents.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Develop and implement a resource tracking system that is capable of documenting whether resources were delivered and the efficiency with which the resource was provided.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Define the Mobile Emergency Response Support authorizations for equipment and staffing, including requirements for mission support during a catastrophic disaster, and fund and staff the detachments to meet requirements.	No	Action Plan needed.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-06-32	Develop a disaster workforce plan that accounts for standing capability for permanent, temporary, and reserve staff that is responsive to the needs demonstrated in response to previous disasters, and also develop a plan that is scalable to other events irrespective of cause, size, or complexity.	No	Action Plan needed.
	Develop and implement a system that automates and tracks the selection, deployment, training, and demobilization of responders.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Provide training to additional National Processing Service Center staff and contractors to enhance FEMA's capability to perform applicant assistance and case management activities responsive to the needs of applicants.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Establish and test the information technology infrastructure of the system to ensure support of user demands and develop internal controls to decrease the potential for duplicate applications.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Develop a contract mechanism for its direct federal resources that clearly defines the expected roles, responsibilities, deliverables, and performance measures for contractors implementing FEMA's direct housing operations mission.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Establish clear roles and responsibilities for the Housing Area Command and define its reporting requirements and chain of command relationship with the FEMA headquarters, Joint Field Offices, and Technical Assistance Contractors.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Establish eligibility criteria, internal program controls, and a basis for testing a program before implementation to ensure the program meets disaster assistance provisions of the Stafford Act.	No	Action Plan needed.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-06-32	Place priority on analysis of new methods and technology to verify damage, occupancy, and ownership, when traditional methods of inspection are not responsive in the timely provision of assistance. Methods and applicable technology must be tested, based on supportable data, and provide the highest assurance of meeting program eligibility requirements.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	In coordination with federal, state, and nongovernmental partners, develop more effective and efficient plans for the delivery of assistance to address long-term housing issues, and test these plans in a simulated environment before application in actual disasters.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Create individual development plans (or a similar process) and implement a consolidated records system to maintain accurate information on training completed.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Finalize and distribute the Southeast Louisiana Catastrophic Hurricane Plan, using the lessons learned during Hurricane Katrina to improve the plan.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Request appropriation or provide other funding, resources, and institutional support to agency components and to state and local partners to complete draft or proposed catastrophic planning initiatives for natural disasters.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Oversee the Remedial Action Management Program to maintain focus and provide support for corrective action.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Direct its Remedial Action Management Program to identify interim remediation plans for issues that have a remediation completion date of greater than one year from the date assigned.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-06-32	Develop a method for determining the level of readiness of FEMA to respond to a disaster that exceeds a state's capabilities.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-06-34	Disallow \$152,747 in unsupported salary, fringe benefits, and ineligible G&A costs claimed by National Domestic Preparedness Coalition Incorporated of Orlando, Florida (NDPCI).	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Disallow \$87,770 of NDPCI's claim for licensing fees because it received credits in this amount from the software licensor.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Require NDCPI to implement grant management procedures to ensure that Financial Status Reports are properly completed.	No	Implementation delayed. Working on implementation with component.
	Direct NDCPI to draw down federal cash only as needed for actual incurred expenditures.	No	Implementation delayed. Working on implementation with component.
	Direct NDCPI to strictly follow federal regulations and guidelines for future travel, and make a retroactive adjustment to the travel costs that have already been reimbursed.	No	Implementation delayed. Working on implementation with component.
OIG-06-45	We recommend that ODP require the Commonwealth to implement procedures that will assure 2006 Strategy is complete, accurate, and a coordinated document that assesses threats, vulnerabilities, and risks.	Yes	Status of implementation is unknown.
	We recommend that ODP require that the Commonwealth complete its statewide strategy and needs assessment, and determine the best method to link the funds distribution to its threats, associated risks, and needs assessments.	Yes	Status of implementation is unknown.
	We recommend that ODP require the Commonwealth to implement a system of controls and monitoring processes over its subgrantees to comply with the requirements of 28 CFR§66.40(a).	Yes	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-06-45	We recommend that ODP require that the Commonwealth identify all existing cash advances from past grants, and recoup excess unspent funds	Yes	Status of implementation is unknown.
	We recommend that ODP require that the Commonwealth develop and implement procedures to ensure adequate controls over existing cash advances and advances under future awards.	Yes	Status of implementation is unknown.
	We recommend that ODP require that the Commonwealth establish and implement management controls to monitor purchases for compliance with ODP's Authorized Equipment List (AEL).	Yes	Status of implementation is unknown.
	We recommend that ODP require that the Commonwealth ensure that the FY 2003 SHSGP-1 closeout packages from local jurisdictions do not include purchases that were not identified and approved on the FY 2003 SHSGP-I worksheets, or submit revised worksheets to ODP for retroactive approval of those items.	Yes	Status of implementation is unknown.
	We recommend that ODP require that the Commonwealth identify equipment purchases not on the AEL and resolve each with ODP.	Yes	Status of implementation is unknown.
OIG-06-54	FEMA should coordinate with each task force and their sponsoring organizations to ensure that they have sufficient full-time staff to administer day-to-day activities and to achieve and maintain System objectives and standards.	No	Status of implementation is unknown.
	FEMA should obtain for each task force a detailed comprehensive analysis of grant funding needed to complete and maintain present and future grant goals and System standards.	No	Status of implementation is unknown.
	FEMA should develop and implement a plan for effective oversight of the US&R System, including on-site operational reviews.	No	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-02	We recommend that the Assistant Secretary, Office of Grants and Training require the Director of the State Administrative Agency (SSA) to document and implement procedures for evaluating their progress in achieving the plans, goals and objectives and either redirect spending in line with the plan or approve a revised plan based on the progress achieved.	No	Status of implementation is unknown.
	We recommend that the Assistant Secretary, Office of Grants and Training require the Director of the SSA to commit the necessary resources to an accounting system that adequately tracks and details grant expenditures by budgetary category. The accounting system should provide assurance of budgetary compliance as well as promote the most effective manner to expend grant funds for terrorism preparedness.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the Assistant Secretary, Office of Grants and Training require the Director of the SSA to establish policies to ensure that adequately trained and secured staffing are in place to effectively administer grant funds and provide a security analysis of sensitive data to limit access to only those authorized to use and process such information.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the Assistant Secretary, Office of Grants and Training require the Director of the SSA to establish written policies and procedures for consistent and effective administration of grant funds.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the Assistant Secretary, Office of Grants and Training require the Director of the SSA to establish processes to improve monitoring of funds allocated to subgrantees to ensure that subgrantee purchases: (1) Serve the objective of terrorism preparedness on a coordinated basis throughout each region within the state. (2) Meet interoperability objective. (3) Are evaluated for effectiveness and efficiency by state and local officials.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-02	We recommend that the Assistant Secretary, Office of Grants and Training require the Director of the SSA to spend grant money within the time period originally established by the grant or the approved extended period.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the Assistant Secretary, Office of Grants and Training require the Director of the SSA to support the allowability, allocability, and reasonableness of expenditures with adequate documentation.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the Assistant Secretary, Office of Grants and Training require the Director of the SSA to obtain approval documentation from appropriate parties.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the Assistant Secretary, Office of Grants and Training require the Director of the SSA to ensure that the grants accounting system properly accounts for grant expenditures.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the Assistant Secretary, Office of Grants and Training require the Director of the SSA to ensure that equipment procured is on the detail budget equipment listing or that deviations from the listing are approved.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the Assistant Secretary, Office of Grants and Training require the Director of the SSA to disallow costs of \$426,578.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-03	Make cost-effective plans for the use of all remaining modular home units.	Yes	Action Plan needed.
	Develop written policies and procedures that allow the purchase of modular home units only when the requirement has been clearly identified, and ensure that they are packaged adequately for storage and are properly stored.	Yes	Action Plan needed.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-13	We recommend that G&T perform a comprehensive and thorough root cause analysis fully supported and sustained by documentation to identify the underlying causes of the material weaknesses, including a review of financial IT systems, processes, and human resources. Root causes should be cross-referenced to the weaknesses identified by Management. The CAPS should be prioritized for action.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that G&T develop a CAP to mitigate and correct control deficiencies, based on management's own assessment of the issues. The CAP should include a description of the detailed tasks and milestones, as well as key success and performance metrics.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that G&T integrate the CAPs with the Department's plan for OMB Circular A-123 implementation and the annual FMFIA assurance statement. Management's plan for verification of corrective actions should be closely integrated with the Department's controls test work conducted to comply with OMB Circular A-123.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-17	Update the FEMA strategic plan to support achievement of DHS goals and ensure that all FEMA systems provide the performance data necessary to measure progress toward achieving response and recovery goals.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Direct the EP&R CIO to ensure that personnel, through the EP&R training division, receive adequate systems training, guidance, and communication needed to support disaster response and recovery activities effectively.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Direct the EP&R CIO to complete the FEMA enterprise architecture, linked to the department-wide architecture and ongoing initiatives that may impact EP&R operations.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-17	<p>Ensure cross cutting participation from headquarters, regions, and states in processes to develop and maintain a complete, documented set of FEMA business and system requirements.</p> <p>Direct the EP&R CIO to analyze alternatives and determine the most appropriate approach to providing the technology needed to support these business and system requirements.</p>	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	<p>Direct the EP&R CIO develop and maintain a testing environment that duplicates the real systems environment and ensures that all systems components are properly and thoroughly tested prior to their release. Additionally, direct the EP&R CIO to ensure that proper configuration management activities are followed and documented.</p>	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-26	<p>Require FEMA Region IX to abide by and carry out FEMA Headquarters appeal decisions and develop a method to track appeal decisions and their final regional resolutions.</p>	No	Action Plan needed.
	<p>Require that FEMA Region IX, in coordination with the Office of Emergency Services, disallow \$16,226,089 since the city did not comply with the terms and conditions of the grant award.</p>	No	Action Plan needed.
OIG-07-31	<p>FEMA require contractor to contact hotels where eligibility was questioned to resolve open issues.</p>	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	<p>FEMA require contractor to determine if rooms with no registration card were occupied by eligible evacuees.</p>	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	<p>FEMA require contractor to determine if rooms with no "signed" registration card were occupied by eligible evacuees.</p>	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-31	FEMA require contractor to credit FEMA for rooms that cannot be associated with an eligible evacuee.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Determine if pricing by hotels was within a reasonable range.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	FEMA require contractor to determine if payments made to hotels were accurately.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	FEMA require contractor to quantify credits to FEMA for early evacuee departure.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	FEMA require contractor to credit FEMA for any duplicate or erroneous payments.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-33	Study ways to integrate food defense awareness into existing transportation security programs fully and consider additional research to improve the security of food in transit.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Expand efforts to sponsor food contamination event exercises with an emphasis on exercises spanning multiple state and local jurisdictions	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-36	Emphasize the importance of assessing price reasonableness and price realism before awarding contracts.	Yes	Status of implementation is unknown.
	Develop written guidance for the implementation of the new statutory provision and interim rule to ensure FEMA contracting officers properly determine whether a business is local (FAR Subpart 26-2).	Yes	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-36	Reinforce the FAR requirement to disclose prices as part of post award debriefings.	Yes	Status of implementation is unknown.
OIG-07-41	Develop and enforce a nation-wide policy on sales of travel trailers and mobile homes that ensures fair and equitable prices.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-42	Actively partner with TOHS to identify deficiencies (a) identify deficiencies in immediate equipment and training needs and overall capabilities of ASG's first responders; and (b) develop a comprehensive State Homeland Security Strategy and Implementation Plan that clearly articulates measurable homeland security goals, objectives, and implementation milestones that will ensure consistent improvement of ASG's ability to respond to and recover from acts of terrorism.	Yes	Status of implementation is unknown.
	Review and report on the eligibility of the \$1.7 million in homeland security grant expenditures questioned in this report and disallow those costs determined to be ineligible, unallowable, or unsupported.	Yes	Status of implementation is unknown.
	Direct TOHS to establish practices and controls to account for grant expenditures by homeland security goal and objective and provide TOHS with technical assistance to create a financial and grant accountability system that (a) identifies expenditures applicable to the appropriate grant year; (b) documents actual expenditures by fund category based on ODP/Office of Grants and Training-approved budgets, and (c) maintains the documentation required to appropriately support all grant expenditures.	Yes	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-42	<p>In light of the "high-risk" grantee designation imposed on ASG by DOI and the results of the "program specific" audit of TOHS, (a) make greater use of existing authorities, up to and including TOHS as a "high-risk" grantee until TOHS strengthens management controls and practices; (b) monitor TOHS progress in improving grant accountability and ensure that it provides all first responder grant reporting documentation required by the grant award; and (c) initiate appropriate and timely sanctions should TOHS fail to meet agreed to programmatic and financial reform goals and milestones.</p>	Yes	Status of implementation is unknown.
	<p>Require the TOHS and the TEMCO to partner with the Task Force, established by the Governor on September 27, 2001, to develop and administer the strategic plan.</p>	Yes	Status of implementation is unknown.
OIG-07-47	<p>FEMA review procedures for the approval and payment of invoices to ensure that sufficient internal controls exist to prevent payment of erroneous charges. Only invoices that are consistent with the contract terms and pricing should be paid.</p>	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	<p>FEMA review and close contracts in a timely manner. Procedures should facilitate a review within a reasonable period of time after work is completed so that unused funds can be returned to Treasury or re-obligated as appropriate.</p>	Yes	Action Plan needed.
OIG-07-50	<p>Develop and implement a secure standard configuration for all computers. Further, the CIO should establish procedures to ensure that the model system is configured to protect FEMA data and verified prior to implementation.</p>	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	<p>Remedy the existing critical vulnerabilities identified on laptop computers based on DHS and federal configuration guidelines. Further, the CIO should confirm whether similar vulnerabilities and remediation are applicable to all government-issued computers within FEMA.</p>	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-50	Implement procedures to ensure that all FEMA laptops are patched and updated in a timely manner, including those that do not regularly connect to the FEMA network.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Implement appropriate inventory management controls to ensure that an accurate laptop inventory is maintained, including effective inventory reviews.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Adhere to DHS policy that requires every computing resource to be individually accounted for as part of a recognized IT system. Further, the CIO should ensure laptop computers are compliant with FISMA.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-51	Ensure that policy and procedural information distributed to other federal agencies regarding volunteer service program specifically addresses expense eligibility, travel and lodging arrangements, notification and deployment time frames, pre-identification of training skills, training requirements and post-deployment support options.	Unknown	Status of implementation is unknown.
	Identify a programmatic focal point within FEMA to establish procedures for collecting information, communicating with agency POCs, disseminating instructions, coordinating program activity, matching volunteer skills with needs and ensuring accurate and complete record keeping.	Unknown	Status of implementation is unknown.
	Compile a listing of DHS and other federal agency employees willing to provide volunteer services in impact areas and at call centers in advance of each hurricane season, identifying existing skills, knowledge, abilities and relevant training.	Unknown	Status of implementation is unknown.
	Develop a volunteer survey for use in conjunction with an after-action assessment of the volunteer service program to identify issues, and revise the relevant policies and procedures where appropriate.	Unknown	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-58	We recommend that the Deputy Administrator National Preparedness Directorate within FEMA require the Office of Attorney General to return to DHS amounts related to the unsupported expenditures.	Yes	Implementation delayed. Working on implementation with component.
	We recommend that the Deputy Administrator National Preparedness Directorate within FEMA require the Office of Attorney General to evaluate its requirements for sub recipient grants to maintain adequate supporting documentation.	Yes	Implementation delayed. Working on implementation with component.
	We recommend that the Deputy Administrator National Preparedness Directorate within FEMA require the Office of Attorney General to take steps to ensure the records retention requirements are being followed and records are maintained at a centralized location.	Yes	Implementation delayed. Working on implementation with component.
	We recommend that the Deputy Administrator National Preparedness Directorate within FEMA require the Office of Attorney General to submit the five Categorical Assistance Progress Reports that are missing.	Yes	Implementation delayed. Working on implementation with component.
	We recommend that the Deputy Administrator National Preparedness Directorate within FEMA require the Office of Attorney General to ensure in the future to retain evidence that they are complying with grant terms regarding Categorical Assistance Progress Reports.	Yes	Implementation delayed. Working on implementation with component.
	We recommend that the Deputy Administrator within FEMA strongly encourage the Office of Attorney General to finalize and implement written procedures related to the Financial Status Reports to ensure that the reports will be submitted timely.	Yes	Implementation delayed. Working on implementation with component.
OIG-07-60	Collaborate with DOJ to develop protocols, procedures, and processes to facilitate the appropriate sharing of information from FEMA disaster recovery assistance files among federal, state, local and tribal law enforcement agencies that are responsible for ensuring public safety.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-62	Require Write Your Own companies to document and make available to the NFIP the rationale and methodology for calculating flood and wind damage when there is evidence that both perils contributed to the damage, and revise the NFIP Claims Adjuster Manual to reflect these new requirements.	No	Action Plan needed.
	Expand the reinspection process to include a review of and determination that flood and wind damage on the same structure was settled in a fair and equitable manner to ensure that wind damage was not paid under the flood policy.	No	Action Plan needed.
	Provide clear and concise guidance for adjusting total loss claims after catastrophic events when structures are completely destroyed by wind and water.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-65	Establish procedures to exchange information with USACE on a routine basis to ensure reasonable and consistent unit pricing for debris removal.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-66	Respond to previous reported recommendations.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Describe actions to be taken to address all future OIG recommendations.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Ensure FEMA's recommendation tracking system contains all necessary information to provide adequate and timely follow-up.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-74	We recommend that FEMA continue to improve the timeliness of reconciling differences with Treasury so that "temporary" adjustments are not needed.	Yes	Action Plan needed.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-74	<p>We recommend that FEMA management emphasize the coordination of necessary accounting information agency-wide in its plan to address control deficiencies identified related to financial management and entity level controls. The plan should stress the importance of the maintenance of proper documentation in divisions and offices other than the Office of the Chief Financial Officer and the necessity of providing this documentation to the DFB timely upon request, thereby enabling the DFB to maintain adequate supporting documentation of asset capitalization determinations.</p>	Yes	Action Plan needed.
	<p>We recommend that FEMA management ensure that staff are properly trained on the internal controls surrounding JVs and that the requirements in the Office of the Chief Financial Officer Journal Voucher (JV) Process manual are enforced. In addition, FEMA management should prohibit the use of a signature stamp to denote approval of JVs unless the approver also initials next to the stamped signature.</p>	Yes	Action Plan needed.
	<p>FEMA adhere to its existing policies and procedures when processing mission assignment payments and credits, specifically its SOP Processing Mission Assignment and Interagency Payments for Fund Code 06. These procedures include posting suspense transactions to appropriate clearing accounts and charging back unsupported bills within the documented time frames if timely resolution attempts fail.</p>	Yes	Action Plan needed.
	<p>FEMA's Federal Payment team continues to develop and implement policies that will ensure the timely processing of suspense transactions within stated time frames. The procedures should include standardized Intra-Governmental Payment and Collection (IPAC) support templates with appropriately identified required fields to ensure prompt posting.</p>	Yes	Action Plan needed.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-74	The FEMA Chief Financial Officer requires DFB to properly account for IPAC suspense transactions in a Treasury recognized suspense account.	Yes	Action Plan needed.
	We recommend that FEMA develop and implement procedures to estimate and record the grants payable liability related to the AFG quarterly.	Yes	Action Plan needed.
	We recommend that FEMA develop and implement procedures to estimate and record the grants payable liability related to the AFG quarterly and communicate such information to G&T.	Yes	Action Plan needed.
	We recommend that FEMA continue to improve the timeliness of reconciling differences with Treasury to eliminate the need for temporary unsupported adjustments.	Yes	Action Plan needed.
OIG-08-03	We recommend that the Assistant Administrator, Grant Programs Directorate within FEMA advise the Director of PEMA to assess its administrative approval process for subgrantee allocation and determine areas for improvements.	Yes	Action Plan needed.
	We recommend that the Assistant Administrator, Grant Programs Directorate within FEMA advise the Director of PEMA to evaluate its organizational structure and focus to determine if it is sufficient to meet its domestic preparedness responsibilities and requirements.	Yes	Action Plan needed.
	We recommend that the Assistant Administrator, Grants Programs Directorate within FEMA require the Director of PEMA to comply with the administrative requirement to develop and implement a system to monitor and measure improved preparedness of the Commonwealth.	Yes	Action Plan needed.
	We recommend that the Assistant Administrator, Grants Program Directorate, within FEMA advise the Director of PEMA to institute a more effective system to ensure adequate documentation is available when requested.	Yes	Action Plan needed.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-03	We recommend that the Assistant Administrator, Grants Programs Directorate within FEMA advise the Director of PEMA to perform periodic inspections of the expenditure documentation to ensure the Commonwealth retention policy is followed effectively.	Yes	Action Plan needed.
	We recommend that the Assistant Administrator, Grant Programs Directorate within FEMA require the Director of PEMA to return to DHS the unauthorized amount totaling \$721,317.	Yes	Action Plan needed.
	We recommend that the Assistant Administrator, Grants Programs Directorate within FEMA advise the Director of PEMA to institute a system to ensure that all equipment acquisitions are included in the provided guidelines.	Yes	Action Plan needed.
	We recommend that the Assistant Administrator, Grants Programs Directorate within FEMA advise the Director of PEMA to ensure Comptroller verifies invoice description and compares it with authorized lists to ensure payments are made only for allowable expenses.	Yes	Action Plan needed.
	We recommend that the Assistant Administrator, Grants Programs Directorate within FEMA advise the Director of PEMA to develop policies and procedures that ensure the proper and timely submission of the Categorical Assistance Progress Reports.	Yes	Action Plan needed.
	We recommend that the Assistant Administrator, Grant Programs Directorate within FEMA require the Director of PEMA to submit the one Categorical Assistance Program Report that was not filed.	Yes	Action Plan needed.
	We recommend that the Assistant Administrator, Grants Programs Directorate within FEMA advise the Director of PEMA to revise its policies and procedures to ensure the timely submission of future Financial Status Reports (FSRs).	Yes	Action Plan needed.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-03	We recommend that the Assistant Administrator, Grants Programs Directorate within FEMA advise the Director of PEMA to perform a review of financial data from accounting system to determine the reconciling items that would cause a variance in FSRs.	Yes	Action Plan needed.
	We recommend that the Assistant Administrator, Grant Programs Directorate within FEMA advise the Director of PEMA to implement procedures to ensure that a sufficient audit trail is maintained and reviews are done on FSRs before submission.	Yes	Action Plan needed.
OIG-08-12	Provide its CFO with clear authority to develop and implement accounting and financial reporting policies, procedures, and internal controls throughout the agency. Program offices should be required to adhere to policies.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Evaluate the existing financial management organizational and internal control structure to determine the number of personnel and resources needed, along with the requisite skills and abilities necessary, to ensure that all significant transactions and account balances are accurately and completely recorded in FEMA's general ledger in a timely manner.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Assign accounting functions and responsibilities to staff to ensure proper segregation of duties.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Establish clear management oversight responsibilities and processes to effectively review adjustments to account balances and complex, nonroutine accounting transactions.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Develop and implement comprehensive CAPs to correct conditions that contribute to the Department-level material weaknesses in internal controls, and prevented FEMA management from providing reasonable assurance on the effectiveness of internal control.	No	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-12	Fully implement plans to place comptrollers in each regional office.	No	Status of implementation is unknown.
	Ensure that procedures are in place to maintain all job-related training, and other critical personnel actions.	Yes	Status of implementation is unknown.
	Devote necessary personnel to develop and implement proper accounting policies and procedures and related internal controls to ensure that its stockpiled inventory throughout the year.	Yes	Status of implementation is unknown.
	Establish and implement a plan to perform a closed annual inventory count as required by FEMA Manual 6150.1 Section 4-4g, Section g., Annual Inventory of Accountable Property.	Yes	Status of implementation is unknown.
	Provide more training and detailed instruction to Logistics Center staff on performing inventory counts, including the completion of count sheets and the performance of recounts.	Yes	Status of implementation is unknown.
	Reconcile the physical inventory counts, including the annual physical inventory, to the perpetual counts recorded in LIMS, and resolve related discrepancies.	Yes	Status of implementation is unknown.
	Develop, test (e.g., validation of data and assumptions made), and implement a reliable method to periodically estimate G&T grants payable [or advances] for accrual in the financial statements during the year.	No	Status of implementation is unknown.
	Implement policies and procedures to ensure full compliance with OMB Circular No. A-133.	No	Status of implementation is unknown.
	Require all regional offices to perform a complete UDO review, monitor timely completion of this review, and ensure that all identified mission assignment deobligations are processed in the general ledger promptly.	No	Status of implementation is unknown.
	Ensure that personnel follow the established policy for quarterly obligation reviews prior to the end of each quarter to timely determine whether the remaining balance on a mission assignment is valid, or whether a deobligation of the remaining balance is necessary.	No	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-12	Enforce the requirement that all OFA's submit not only a progress report when the mission assignment takes more than 60 days to complete, but a progress report every additional 30 days that the project remains either programmatically or financially additional 30 days that the project remains either programmatically or financially incomplete. The report should include an estimated completion date and, when applicable, Form 90-136 should be submitted for extension of the projected end-date whenever the estimate for programmatic completion is more than 30 days.	No	Status of implementation is unknown.
	Consider involving OMB in a permanent solution, such as Agreed-upon Procedures engagements, to ensure that FEMA receives sufficient and timely information from OFA's to properly account for obligations related to outstanding mission assignments.	No	Status of implementation is unknown.
	Consider adding additional temporary or permanent accounting staff to improve the deobligation process (our recommendations in I-A, Financial Management Oversight and Entity Level Controls, will also help address these conditions).	No	Status of implementation is unknown.
	We recommend that the Coast Guard, FEMA, and TSA fully implement the FMFIA process, as prescribed by the OCFO, to ensure full compliance with FMFIA and its OMB approved plan for Circular No. A-123 implementation in FY 2008. We also recommend that the OCFO consider additional training for its components, to ensure a thorough understanding of requirements.	No	Status of implementation is unknown.
	Further develop and implement a tracking system to identify each grantee for which an OMB Circular No. A-133 Single Audit is required, and the date the audit report is due.	No	Status of implementation is unknown.
	Strengthen communication with the cognizant agencies.	Yes	Status of implementation is unknown.
	Use the tracking system to ensure audit and performance reports are received timely, or to follow-up when reports are overdue.	Yes	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-12	Perform reviews of grantee audit reports, issue-related management decisions, and ensure that the grantees take appropriate corrective action, on a timely basis.	Yes	Status of implementation is unknown.
OIG-08-14 Classified	This report is Classified. This report has six open recommendations. Upon request, additional information will be provided to qualified recipients.		
OIG-08-16	We recommend that the Acting Assistant Administrator, Grant Programs Directorate monitor Colorado's review of its homeland security responsibilities and organizational structure and provide technical assistance, guidance and training.	Yes	Action Plan needed.
	We recommend that the Acting Assistant Administrator, Grant Programs Directorate monitor Colorado's development, maintenance, and use of its homeland security strategy as a long range planning instrument and evaluate the state's strategy planning cycle to ensure there is an adequate and effective evaluation of risk, capabilities, needs, and outcome.	Yes	Action Plan needed.
	We recommend that the Acting Assistant Administrator, Grant Programs Directorate provide Colorado technical assistance to ensure that it takes effective action to improve weaknesses identified, remit \$11,555 in interest earned on excessive federal drawdowns, and remit \$5,460 in interest earned by one sub-grantee on federal advances. (Total \$17,015)	Yes	Action Plan needed.
	We recommend that the Acting Assistant Administrator, Grant Programs Directorate review and report on eligibility of the \$7.8 million in homeland security grant expenditures questioned and disallow those costs determined to be unallowable or unsupported.	Yes	Action Plan needed.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-16	We recommend that the Acting Assistant Administrator, Grant Programs Directorate monitor Colorado's practices for grant allocations and work with state to ensure that it allocates grant funding to projects with the highest risk and priority.	Yes	Action Plan needed.
	We recommend that the Acting Assistant Administrator, Grant Programs Directorate assist Colorado in establishing a means to regularly monitor statewide equipment readiness, and effective exercise and training programs that are in compliance with the objectives of the state's homeland security programs.	Yes	Action Plan needed.
OIG-08-20	We recommend that the Assistant Administrator, Grant Programs Directorate within FEMA, require the Florida Division of Emergency Management to develop and implement monitoring policies and procedures to ensure compliance with grant requirements involving the allocation of funds to local jurisdictions, specific programs, and timeliness of awarding funds to subgrantees.	Yes	Action Plan needed.
	We recommend that the Assistant Administrator, Grant Programs Directorate within FEMA require the Florida Division of Emergency Management to demonstrate compliance with grant requirements before grant closeout for the FY 2003 Parts I and II and FY 2004 grants which may include disallowances for those expenditures incurred by state agencies in excess of grant allowances.	Yes	Action Plan needed.
	We recommend that the Assistant Administrator, Grant Programs Directorate within FEMA, require the Florida Division of Emergency Management to implement controls to comply with grant funding obligation stipulations requiring that the State Administrative Agency enter into Memorandums of Understanding with affected jurisdictions upon their request.	Yes	Action Plan needed.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-20	We recommend that the Assistant Administrator, Grant Programs Directorate within FEMA, require the Florida Division of Emergency Management develop a timetable to fully implement its policies and procedures for subgrantee monitoring.	Yes	Action Plan needed.
	We recommend that the Assistant Administrator, Grant Programs Directorate within FEMA, require the Florida Division of Emergency Management to develop and implement policies and procedures governing control and accountability for equipment distributed to local jurisdictions.	Yes	Action Plan needed.

Federal Law Enforcement Training Center

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-46	<p>We recommend that FLETC Management: a) Design and implement a process that ensures the Procurement Division consults with the Budget and Finance Division prior to entering into transactions or agreements to determine the budgetary and financial reporting effects of the proposed transactions or agreements; and b) Review all transactions prior to recording in FLETC's books and records to ensure transactions are recorded in accordance with GAAP.</p>	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	<p>We recommend that FLETC management continue its newly adopted purchases method of accounting for inventory, whereby inventory is expensed upon purchase.</p>	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	<p>We recommend that FLETC Management: a) Design and implement a process that ensures each project number applies to only one capital asset unit. (Conversely, FLETC may require the contractor to separate the costs of work performed on its contract invoices enabling FLETC to capture the cost to be applied to each unit).</p>	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	<p>We recommend that FLETC Management develop and implement a formalized process to train project managers on the financial reporting requirements for CIP projects.</p>	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-46	<p>We recommend that FLETC Management implement the Real Property SOP issued by FLETC on October 27, 2006. Among the procedures established, the SOP requires: a) the Facilities Division submit copies of all Capitalization Reports to the Property Management Division and the Finance Division within 10 days of project completion or final decision of additional cost resulting from litigation; b) the Finance Division validate construction/renovation project costs in Capitalization Reports; and c) the Finance Division maintain the CIP subsidiary ledger by project numbers and funds. The Finance Division will compile copies of paid invoices/bills by CIP project numbers and provide copies to the Property Management Division upon validation of Capitalization Report costs. After submission of the Capitalization Reports, the Finance Division will follow-up with the Project Managers for completed construction/renovation projects listed in the CIP subsidiary ledger.</p>	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	<p>d) Develop and implement a quarterly process to reconcile CIP projects listed in the subsidiary ledger with on-going construction projects as recognized by the Facilities Management Division.</p>	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	<p>a) Design, implement, and document an accrual process that will ensure each type of accounts payable is properly accrued for financial reporting purposes. This process should include a final review of the accrual details by senior management to ensure the process was properly executed and the accrual is reasonable.</p>	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	<p>b) Require the use of the accrual process to capture the financial reporting information required for inclusion in FLETC's quarterly financial statements, as required by OMB Circular A-136.</p>	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-46	c) Provide comprehensive training to every person involved in the accrual process. The training should include a discussion of the objective of the process, what each type of accounts payable requires to be accrued properly, the timing of the procedures to be performed, what form the reported results should take, to whom the results must be reported, and exactly how the information and methods used to obtain the information nor estimate are to be documented for later examination by persons internal or external to FLETC.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	d) Design and implement a plan to periodically review the reported accrual information provided by personnel both inside and outside the Financial Division. This will require a knowledgeable person going to the location of the individuals generating the accrual information and reviewing the accuracy of the information as well as the documentation as to how the information was obtained or estimated.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	e) Assign one person in the Finance Division the responsibility for ensuring that each person designated to submit the quarterly accrual information submits the information on time and in the format required. Any late, incomplete, or undocumented submissions should be reported to senior Financial Division management as well as Management of the Division in which the designated individual works.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	f) Include the timely and accurate submission of the accrual information as a part of each designated individual's performance evaluation.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that FLETC management design and implement a process that ensures the research and monthly adjustment of the deferred.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
	Inform the Finance Division staff that the concept of "materiality" is not appropriate for use.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-46	For entity-wide security program planning and management, we recommend that FLETC's management a) Enforce DHS policy to ensure that all contractors go through the appropriate background/suitability check, and b) Finalize the IT System Security Awareness and Training and enforce by having all new and existing FLETC users and contractors complete the training.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-46	<p>For access control a) Use unique database administrator DBA user accounts for accountability when performing DBA duties on Procurement Desktop (PD), b) Implement corrective actions noted in the results of our IT audit's vulnerability scans, c) Perform periodic scans of FLETC network environment, including the financial processing, d) Implement corrective actions to mitigate risks associated with vulnerabilities identified during periodic scans. Configure Momentum and PD applications to require a password to be minimum eight characters in length, contain combination of alphabetic, numeric, and special characters in compliance with DHS Information Technology Security Program Publication, 4300A Password Policy; e) Configure PD to lock out account users after three (3) invalid login attempts in compliance with DHS Information Technology Security Program Publication, 4300A, f) Develop policies and procedures regarding access to the FLETC Telecon Room, including a user authorization form, g) Perform a semi-annual review of FLETC Telecon Room access listing in compliance with DHS Information Technology Security Program Publication 4300A, h) Ensure FLETC Manual 4330: User Identification and Authentication Management is finalized, I) Develop and implement policies and procedures restricting access to Momentum system software, and promulgate it to all needed personnel, in compliance with DHS Information Technology Security Program Publication, 4300A, j) Develop and implement FLETC specific policies and procedures over authorization and use, and k) Develop and implement policies and procedures to proactively monitor sensitive access, via audit log review, to system software utilities for Momentum in compliance with DHS Information Technology Security Program Publication 4300A,</p>	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-46	a) Finalize and implement a SDLC methodology for Momentum, as well as incorporating security planning throughout the life cycle.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	b) Develop and implement documented policies and procedures over the Momentum and PD.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	c) Document a listing of all users with access to the Momentum and PD program libraries.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Ensure that access is prohibited to development staff. Ensure that logs are maintained and periodically reviewed by management.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	a) Identify and document incompatible duties and system roles and responsibilities within Momentum and b) Develop and implement policies and procedures segregating incompatible duties within the core financial system to be in compliance with DHS Information Technology Security Program Publication, 4300A.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	a) Periodically test the backup compact discs maintained onsite in compliance with DHS Information Technology Security Program Publication, 4300A, b) Affix external labels to the backup CDs indicating the distribution limitations and handling caveats of the information in compliance with DHS Information Technology Security Program Publication 4300A, and c) Perform a test of the Momentum's contingency plan, in compliance with DHS Information Technology Security Program Publication 4300A.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-46	a) Develop and implement a training requirement for all personnel processing invoices and payments ensure FLETC's compliance with 5 CFR§1315, the Prompt Payment Act. b) Develop and implement a quarterly review process to examine the documentation supporting payments for proper recording of receipt dates, ensure that dates and payment information are correctly entered into Momentum Financials Desktop, and ensure disbursements are scheduled in accordance with the requirements of the Prompt Payment Act.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Management Directorate

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-04-12	The Chief Procurement Officer, Office of the Under Secretary for Management: Review and update FEMA professionalism and warrant files to ensure that each employee meets the requirements for his or her position.	Yes	Status of implementation is unknown.
OIG-05-23	Provide additional training to procurement personnel regarding the BAA requirements and the application and use of BAA evaluation factors.	Yes	Status of implementation is unknown.
	Complete the scheduled implementation of automated contract writing systems for all DHS organizational components to ensure compliance with BAA and other FAR requirements.	Yes	Status of implementation is unknown.
	Consult with OMB regarding the necessity for government-wide tracking of BAA compliance within FPDS-NG.	Yes	Status of implementation is unknown.
	Revise HSCIS guidance to change the country of origin field to a mandatory field, when applicable.	Yes	Status of implementation is unknown.
	Require organizational components to continue manual data collection on domestic and foreign end product data, until automated systems to collect this information become available.	Yes	Status of implementation is unknown.
OIG-07-24	Ensure completion of the identification of systems that collect, process, or store personally identifiable information, as well as the assessment of the risk associated with the systems and data.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Encrypt personally identifiable information stored on laptop computers and mobile computing devices, as well as data transported and stored at an alternate facility.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Establish proper remote access security controls for access to PII, including two-factor authentication for remote access connections and session termination after 20 minutes of inactivity.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-24	Implement sufficient controls over electronic copies and extracts of personally identifiable information, including procedures to ensure that copies or extracts made by users or administrators are erased within 90 days if no longer required.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Identify aspects of the updated DHS policies and procedures requiring clarification, and provide additional guidance to component officials on the requirements.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-53 FOUO	This report is For Official Use Only. This report has 19 open recommendations. Upon request, additional information will be provided to qualified recipients.		
OIG-07-74	Periodically compare the GWA system to TIER to ensure the completeness and existence of TAFS reported in TIER. OFM should especially review the GWA system prior to changing TAFS to defunct to ensure that no balances exist. In addition, management approval for changes to the TAFS included in TIER should be documented and available for review.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	ICoFR, PMO, and OGC work to establish formal policies and procedures emphasizing the need for thorough, complete, and understandable responses in the legal letter. Additionally, ICoFR PMO should define the type and extent of information necessary to ensure that information in the management schedule and financial statements and related disclosures for contingent liabilities is complete and accurate.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	ICoFR PMO gather/update this information on a periodic basis.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	DHS continue to document the financial reporting process, identify the source and cause of the misstatements, if not already identified, and establish adequate corrective procedures within the financial reporting process.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-74	DHS continue to work with components to completely and accurately implement existing guidance related to FASAB Interpretation No. 6.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Perform a review of earmarked funds on an annual basis.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Incorporate the component management assessment of its earmarked funds into the Chief Financial Officer certification process, including compliance with the relevant standard operating procedures.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the Finance Branch perform the following, until the interface between FFMS and PRISM is implemented: 1) adhere to the existing policies and procedures to ensure that all obligations are entered into FFMS timely and prior to the receipt of any goods and/or services by the agency, 2) develop and implement controls to monitor the performance of procedures related to the timely recording of obligations within FFMS, and 3) reconcile all obligations created in PRISM to the general ledger.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-77	Improve the OIS' review process to ensure that all POA&Ms, including classified systems, are complete, accurate, and current. Specifically, the closure for all POA&Ms should be monitored by OIS to ensure that security weaknesses are mitigated timely. POA&Ms should also be reviewed by OIS to identify the causes for recurring and similar weaknesses across the department and determine the reasonableness of delayed completion.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Improve the OIS' review process to ensure that all C&A documents are properly prepared before a system is accredited. Systems should not be accredited unless all required artifacts are complete and weaknesses are incorporated into POA&Ms.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-77	Establish a process to ensure that configuration requirements are implemented and maintained on all systems.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Implement a department-wide vulnerability assessment program to perform periodic testing to evaluate DHS' security posture.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Establish appropriate training that is needed for all individuals with significant security responsibilities.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-08-01	Evaluate DHS' implementation plan and take necessary steps to include the identification of additional resources to ensure that milestones are met or exceeded and that further delays are avoided.	Yes	Action Plan needed.
	Develop a department-wide cost estimate to ensure the determination of the most cost effective technical solution and also ensure that sufficient resources are allocated to implement HSPD-12.	Yes	Action Plan needed.
	Work with all DHS components to identify the facilities access points and information systems where the PIV cards will be required.	Yes	Action Plan needed.
	Ensure that the agency head accredits the PIV-I processes. In addition, the DHS PMO should re-accredit the headquarters PCI services after the PIV system becomes operational and supporting documentation is revised to include all required information.	Yes	Action Plan needed.
	Revise component guidance to include procedures for issuing PIV cards, including adequate separation of duties, in compliance with FIPS 201 and DHS requirements.	Yes	Action Plan needed.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-01	Perform the certification and accreditation of the information systems used to implement HSPD-12 and FIPS 201 in accordance with applicable NIST and DHS guidance. In addition, the HSPD-12 PMO should provide agency officials with the most accurate information to make credible, risk-based decisions on whether to authorize a system to operate.	Yes	Action Plan needed.
	Ensure that OMB reporting statistics are posted on DHS' website.	Yes	Action Plan needed.
OIG-08-12	a) Develop a strategy to quickly provide full accounting and reporting services to newly created reporting entities. Identify a full-service accounting provider for OHA, that will address the allocation transfer accounting matters early in FY 2008, and make appropriate adjustments to the financial statements to accurately reflect activity and balances. Consider creating a permanent group within OCFO that will proactively identify and resolve accounting issues before they develop into significant problems, similar to the process used to assist US-Visit in FY 2007. When appropriate, and needed, this group should be directly involved in development and implementation of long-term accounting solutions, either within the Directorate or at an existing component.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	b) Fully implement a comprehensive proprietary to budget account analysis that is performed each month with TIER submissions, and require component entities to investigate and resolve differences in a timely manner. Monthly certifications received from component CFOs should specifically state the completion of this procedure, together with recording of correcting entries to the general ledger.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-12	c) Direct component CFO leadership to improve communication and coordination on unique accounting and transactional matters, and to improve the accuracy of routine monthly data submissions. Problems with timeliness, completeness, and accuracy of component data submissions, and/or responsiveness to OFM may need the support of the CFO to resolve.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	d) In coordination with other DHS components, further develop policies, procedures, and controls that will result in the timely reconciliation of intragovernmental activity and balances. Differences should be reconciled in a timely manner. This may involve setting up special arrangements with some trading partners, such as work OFM has begun with the Department of Defense. Procedures should include positive confirmation at least on a quarterly basis, all intragovernmental activity and balances with their intragovernmental trading partners, including other DHS component entities, as prescribed by Treasury guidance.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	e) Continue with implementation of the financial reporting management directives scheduled for release in FY 2008. Once implemented, the policies should be tested for effectiveness, and when necessary, make improvement to address weaknesses identified.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	f) Improve supervisory and monitoring control procedures over work prepared by accounting staff during the year, to ensure that they will reliably identify errors for correction, in a timely manner. Consider additional training for component accountants to improve the quality of submitted financial data, and for desk officers to improve the effectiveness of their initial reviews.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	g) OCFO and applicable component entities should develop financial information systems and document processes to accumulate and present cost data by DHS strategic goal, as required by SFFAS No. 4.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-12	DHS improve its financial management systems to ensure compliance with the FFMIA, and implement the recommendations provided in Exhibits I, II, and III in FY 2008.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	DHS continue to follow and complete the actions defined in its ICOFR "Playbook," to ensure that audit recommendations are resolved timely and corrective action plans addressing all DHS audit findings are developed and implemented together with appropriate supervisory review in FY 2008.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	DHS risk assessments be completed earlier in the year so that programs identified as high risk by risk assessments are the programs that are sample tested. DHS needs to strengthen oversight of components' progress in implementing corrective action plans and in recovering improper payments for high-risk programs. Also, DHS should review sample testing procedures and begin to independently validate the results of components' sample testing.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	DHS, and its components continue to implement the corrective action plans described in DHS' ICOFR "Playbook" (see Comment IV-I, Federal Managers' Financial Integrity Act of 1982 (FMFIA), above) to remediate the FY 2007 material weaknesses and significant deficiencies, and improve its policies, procedures, and processes, as necessary, to allow management to assert that all financial statements are fairly stated in compliance with accounting principles generally accepted in the United States, and are ready for an independent audit.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	DHS ensure full compliance with GPRA by completing its updated Strategic Plan and aligning all performance goals to its strategic objectives in FY 2008.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-12	DHS develop policies and procedures to ensure full compliance with the DCIA in FY 2008.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Multiple Components

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-04-25	The Under Secretary for Border and Transportation Security should initiate a business process reengineering effort to establish a clear vision of the overall federal operations that will be used to clear people entering and leaving the United States.	Yes	Status of implementation is unknown.
	The Under Secretary for Border and Transportation Security should work with the Chief Acquisition Officer and Chief Information Officer to develop an overall departmental acquisition strategy.	Yes	Status of implementation is unknown.
OIG-05-45	Establish an ongoing training program to ensure that all CBP and ICE employees whose duties bring them into contact with juvenile aliens understand and comply with the terms of Flores. This training should be standardized in format and participation should be centrally documented.	No	Action Plan needed.
	Implement procedures that require juvenile transportation and detention custodial records that provide sufficient detail and accountability for all juveniles apprehended by DHS.	No	Action Plan needed.
OIG-06-32	Design an information management system that allows users to track and share information more openly and efficiently; and, standardize the format and methodology for collecting and reporting information.	Yes	Action Plan needed.
	Review ESF-9 Annex capabilities for search and rescue and coordination within FEMA and other Department of Homeland Security components (such as U.S. Coast Guard and Customs and Border Protection) or with other federal departments and agencies, and either redistribute ESF-9 responsibilities or develop greater water rescue capabilities within FEMA.	Yes	Action Plan needed.
	Develop a surge plan and standard operating procedures for augmenting FEMA's ESF-9 coordination capability during catastrophic events with resources such as the U.S. Coast Guard and Customs and Border Protection personnel.	Yes	Action Plan needed.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-06-32	Develop a definitive ESF-15 organizational chart that is scalable to the size of an incident, with a clear hierarchical structure and information flow.	No	Action Plan needed.
	Complete the development of and fully implement the DHS Public Affairs state outreach program.	No	Action Plan needed.
	Establish measurable response expectations and provide the necessary financial, technical, and staff support to meet those expectations.	No	Action Plan needed.
	Develop a means to standardize and streamline the resource ordering and tracking process.	Yes	Action Plan needed.
	Determine and fill requirements to provide emergency responders with communications equipment capable of performing in austere conditions.	Yes	Action Plan needed.
	Jointly develop a formal mechanism to ensure continuity between preparedness, response, and recovery by including FEMA regional staff in the Preparedness Directorate's relationships with state emergency management agencies for grants, exercises, planning, technical assistance, and training.	Yes	Action Plan needed.
	Ensure all DHS employees receive training on DHS responsibilities under the NRP and NIMS.	No	Action Plan needed.
OIG-06-41 FOUO	This report is For Official Use Only. This report has one open recommendation. Upon request, additional information will be provided to qualified recipients.		
OIG-07-07	The CBP Commissioner, in coordination with the DHS Chief Procurement Officer (CPO), prepare a plan of action and milestones for developing its capacity to manage the program, administer its contracts and agreements, and ensure effective oversight and implementation. Each should specify the actions they will take to assist the program office in accomplishing the objectives of the plan, especially with regard to resources for capacity building.	Yes	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-07	The SBInet program office provide regular implementation status reports to the Commissioner and CPO on its plan for building program management and oversight capacity.	Yes	Status of implementation is unknown.
	The Commissioner and CPO should develop a plan of action and milestones for defining, validating, and stabilizing the program's operational requirements, translating them into contract requirements, and establishing a system of performance metrics and controls to gauge progress in meeting contract requirements and mission needs. Each should specify actions they will take in accomplishing the objectives of the plan, especially regarding resources needed to implement the plan and address ensuing contract and program cost estimate changes.	Yes	Status of implementation is unknown.
	The SBInet program office provide regular implementation status reports to the Commissioner and CPO on its plan to stabilize requirements and establish performance metrics and controls to the Commissioner and CPO.	Yes	Status of implementation is unknown.
OIG-07-33	Work with HHS and USDA to prepare an integrated food defense budget plan for Fiscal Year 2009 using a process that satisfies Homeland Security Presidential Directive 9 requirements.	No	Action Plan needed.
	Pursue the recruitment, hiring, and retention of several additional staff with expertise in matters of post-harvest food defense.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Expand food sector modeling to other portions of the food supply chain for the purpose of improving food contamination event consequence assessment and decision support.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-59	Require the Protective Security Coordination Division to certify: (1) that the equipment or resource enhancements requested in the VRPP are appropriate for the identified site vulnerabilities or the capability gap of the responsible jurisdiction; and (2) that the BZP approval is based on an analysis of the BZP plan's protective security strategy.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Provide instructions in the BZPP application requesting that responsible jurisdictions certify that all the equipment received will be available to all of the BZPP sites listed under the same Vulnerability Reduction Purchase Plan.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Clarify roles and responsibilities of the National Protection and Programs Directorate's Protective Security Coordination Division and FEMA's National Preparedness Directorate Capabilities Division and amend the BZPP Memorandum of Agreement accordingly.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-08-09	Replace the USCIS and ICE 100% Referral Memorandum of Agreement with a policy that limits and prioritizes USCIS adjudicator referrals to FDNS, and FDNS referrals to ICE.	Yes	Action Plan needed.
	Develop shared management reports on the status of referred petitions, and procedures for raising quality and timeliness concerns.	Yes	Action Plan needed.
	Develop standards for site visit reports that document USCIS and ICE workload, safety, and law enforcement coordination measures.	Yes	Action Plan needed.
OIG-08-19	Negotiate and execute a memorandum of agreement between the Domestic Nuclear Detection Office and the Federal Emergency Management Agency's Office of Grant Programs that defines funding responsibilities of each office for preventative radiological and nuclear training courses.	Yes	Action plan needed.

National Protection and Programs Directorate

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-06-07	Work and coordinate with the Department of Homeland Security, Office of the Secretary to clarify the designation process for an Incident of National Significance and define the resources and assets that thereby become available to state and local government.	No	Action Plan needed.
	Work with the Department of Homeland Security, Office of the Secretary to develop a disaster and emergency powers compendium for all states so that federal resources and assets may be more effectively coordinated during national exercise play.	No	Action Plan needed.
	Design an information management system for use in future exercises that allows participants to track and share information more openly and efficiently; and, standardize the format and methodology for collecting and reporting information.	No	Action Plan needed.
	Offer additional training, accompanied by exercise opportunities, to the private sector on how federal departments and agencies operate in response to an Incident of National Significance and Presidential disaster declarations so that the private sector obtains a better understanding of their roles and responsibilities under the NRP and of DHS functions.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Work and coordinate with the Department of Homeland Security, Private Sector Office to create a central repository for best practices and lessons learned from private industry to facilitate information sharing among critical and non-critical sectors.	No	Action Plan needed.
	Work and coordinate with DHS' Private Sector Office and with private sector entities throughout the exercise planning process to design and implement an effective two-way communication strategy for future exercise participation.	No	Action Plan needed.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-06-07	Solicit from each federal department and agency participating in TOPOFF exercises an estimated cost associated with planning and participation. After the completion of the exercise, document the costs and institutionalize the reporting of such costs.	No	Action Plan needed.
	Develop an action-tracking program that identifies and documents issues and recommendations made in TOPOFF exercises that can be used as a means for issue resolution.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-06-32	Provide states with training on the applicability of the National Preparedness System and preparedness grants to all hazards, including natural disasters.	No	Action Plan needed.
	Develop a system to assess state capability to respond to a disaster, without federal assistance and in respect to a minimum level of preparedness based on the Emergency Management Accreditation Program standard.	No	Action Plan needed.
OIG-07-33	Restore communication with the Food ISAC by re-establishing a DHS point of contact and creating food-industry-specific products for ISAC distribution.	No	Action Plan needed.
	Seek out improvement in DHS' relationship with food sector partners through: Better attention to the demands and information flow related to coordinating council comments on DHS initiatives; Higher level DHS official attendance at council meetings; and Increased responsiveness to council requests for information, briefings, and presentations by other DHS components.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Expand National Infrastructure Coordinating Center outreach efforts to include outreach targeted to the food sector, and actively seek to increase information flow related to the food sector.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-33	Evaluate the feasibility of providing financial support for and otherwise facilitate the detailing of state or local government and private sector representatives to support Office of Infrastructure Protection food sector efforts with an emphasis on the Homeland Security Information Network's Food and Agriculture Portal.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Expedite the review of existing food sector assessments to determine their suitability for use in comparative risk analysis, and collaboratively identify the role of these assessments in the sector-specific risk methodology.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Continue to develop and disseminate information about food subsystem-specific operational protective measures and operational best practices in collaboration with FDA and USDA.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-48	Establish priorities and milestones (short term and long term) for critical tasks using input from the CS&T Strategy Summary report, IT-Sector Specific Plan, and The National Strategy to Secure Cyberspace. Milestones should be based on available funding and resources.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Consolidate the tracking of all current and future initiatives and milestones, and review at least quarterly.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Develop additional performance measures for each branch that can be used to review and periodically evaluate the outcome or success of the division's programs.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Develop and implement procedures to review and analyze agencies' incidents submissions to identify underreporting of incidents by federal agencies.	No	Action Plan needed.
	Work with OMB and federal agencies to eliminate underreporting of cyber security incidents to US-CERT and complete the deployment of Einstein to all federal agencies.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-48	Participate in the Einstein program in order to detect and identify potential security incidents.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Develop clearer communications with key personnel and organizations in the private sector to explain the processes being used to capture, share, use, and secure cyber information.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Expand its communications program with a focus on key private sector executives to encourage corporations to more actively participate in the information-sharing program and to better secure its systems.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Develop and implement formal procedures for receiving, reviewing, and distributing sensitive and classified information. The procedures should include the types of information that can be shared, and the timing of receiving an unclassified (or reduced level) and redacted version or portion of the information that can be shared with cyber partners in the private sector. These procedures should be reviewed and agreed to by all organizations providing sensitive and classified information.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Ensure that certification and accreditation documents contain complete and accurate information to reflect the security postures of the system. In addition, security documents should be reviewed periodically and revised if necessary to ensure that agency officials are provided with the most accurate information to make credible, risk-based decisions on whether to authorize a system to operate.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Test contingency plans, at least annually, to ensure business and computer operations can be maintained or restored in the event of an emergency, system failure, or disaster.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-48	Perform security testing annually to evaluate the effectiveness of controls implemented.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Provide security awareness training to all contractors.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Remedy all vulnerabilities identified for which risks have not been assumed.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-59	Ensure that the BZPP grant guidance explicitly states that funding may be used to secure buffer zones surrounding federal facilities.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Continue expanding the involvement of all state homeland security or equivalent agencies in the identification of potential critical infrastructure/key resource sites.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Provide instructions in the BZPP application requesting that responsible jurisdictions include a complete description of all equipment, training, and capability needs necessary to protect the BZPP site or close capability gaps of the responsible jurisdiction.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-68	This report is For Official Use Only. In this report, two of the six open recommendations belong to NPPD. Upon request, additional information will be provided to qualified recipients.		

Office of Health Affairs

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-33	Evaluate the advisability and feasibility of integrating additional federal foodborne illness reporting, surveillance, and detection systems into the National Biosurveillance Integration System.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-61	Assess NBIS staffing needs and apply adequate resources to effectively oversee and support program management activities.	Yes	Action Plan needed.
	Develop and implement a program plan identifying a program activities, milestones, and outcomes needed to develop an integrated bio-surveillance system as required by HSPD-9 and -10.	Yes	Action Plan needed.
	Develop a concept of operations, outlining functional and user requirements for NBIS 2.0 to the IT systems contractor.	Yes	Action Plan needed.
	Develop a plan aimed at improving NBIS outreach and communication with stakeholders to ensure commitment and participation in the creation of an integrated bio-surveillance system.	Yes	Action Plan needed.
	Perform an information needs assessment, outlining interagency data content requirements to support NBIS 2.0 operational capability.	Yes	Action Plan needed.

Office of Policy

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-04-26	Develop a plan to ensure the accurate and timely submission of required VWP annual reports.	Yes	Closed after 12/31/07.
	Formally assign responsibility for conducting the required country reviews and develop formal protocols for conducting the reviews.	Yes	Closed after 12/31/07.
OIG-05-45	Consider formally designating the position of National Juvenile Coordinator as the DHS lead on juvenile alien policy and the official DHS point of contact on juvenile alien policy for other agencies and organizations.	No	Action Plan needed.

Science and Technology Directorate

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-06-42	Remedy the existing critical vulnerabilities in the standard configuration for laptops, based on DHS and federal configuration guidelines. Further, the CIO should confirm whether similar vulnerabilities and remediation are applicable to all government-issued computer within S&T.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Ensure that the updated model system is correctly implemented on all S&T laptop computers.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Develop procedures to ensure that all S&T laptops are patched and updated in a timely manner, including loaner and secondary unit laptops, as well as all government-issued computers.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Implement appropriate inventory management controls, including effective inventory reviews, physical security controls, and classification labeling.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-43 FOUO	This report is For Official Use Only. This report has 12 open recommendations. Upon request, additional information will be provided to qualified recipients.		
OIG-07-74	We recommend that S&T management implement policies and procedures to either participate in the quarterly Validation and Verification initiated by ICE OFM or perform its own control procedures to verify and validate undelivered orders balances.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-33	Develop and maintain, in collaboration with Office of Grants and Training and Office of Infrastructure Protection, a comprehensive report on DHS food sector research and education initiatives to be shared with FDA and USDA on a regular basis.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Transportation Security Administration

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-04-08	Document the Credentialing Program Office workload and then plan and hire staff to meet workload requirements.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-04-37	This report is Classified. There is one open recommendation in this report. Upon request, additional information will be provided to qualified recipients.		
OIG-04-44	Reform contract to avoid appearance of CPPC.	Yes	Status of implementation is unknown.
	Amend awarded fee pool to ensure it does not include increases unrelated to approved scope changes.	Yes	Status of implementation is unknown.
	Evaluate past performance and determine a reasonable award fee.	Yes	Status of implementation is unknown.
	Recoup unreasonable fees paid.	Yes	Status of implementation is unknown.
	Develop guidance for the determination of reasonable fees on CPAF contracts.	Yes	Status of implementation is unknown.
OIG-04-45	Complete the analysis for basic screener classroom training, both for passenger checkpoint and checked baggage screeners, and institute mechanisms to ensure that staff update the analysis at least annually and apply the results to curriculum revisions.	Yes	Action Plan needed.
	Ensure that passenger checkpoint and checked baggage basic course objectives (1) address the knowledge and skills necessary for routine screener performance, as identified by the most current task analysis, and (2) are presented to students at the beginning of course lessons.	Yes	Action Plan needed.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-04-45	Further revise written examinations and administration procedures, including the following steps: Ensure all course objectives receive an appropriate assessment of student learning; Thoroughly validate tests, including passing scores, if they are to be used for selection decisions; Pilot-test examination questions to ensure their clarity and objectivity; Schedule tests later during the course to enhance their ability to measure students' long-term retention of course material; and Incorporate post-test reviews to prevent screener misconceptions from being carried into the workplace.	Yes	Action Plan needed.
	Develop and distribute detailed test administration guidelines for Practical Demonstration of Proficiency Evaluations with the aim of increasing standardization.	Yes	Action Plan needed.
	Distribute effective training materials to reinforce learning and allow for individual study outside the classroom.	Yes	Action Plan needed.
	Require all TSA approved instructors to complete an appropriate form of OJT prior to providing instruction and to undergo annual recertification testing.	No	Action Plan needed.
	Analyze the cost and feasibility of establishing designated training sites where screening equipment, simulators, and training aids can be permanently located and readily available to students.	Yes	Action Plan needed.
	Use alternatives to lectures more frequently during classroom training to help maintain student attentiveness, contribute to the comprehension and mastery of new knowledge and skills, and foster retention of the material.	Yes	Action Plan needed.
	Ensure that leadership within the screener workforce diligently monitors screeners and immediately corrects identified failures to adhere to screening procedures and negligent screening techniques.	Yes	Action Plan needed.
	Continue the development of evaluations that will relate training to screener application of learning on the job and to organizational results.	Yes	Action Plan needed.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-04-45	Ensure that OJT guidance provides detailed, sequenced lists of specific tasks that each OJT student must perform, including instructional materials where needed, and establishes appropriate, function-specific time requirements for both newly hired and cross-trained screeners.	Yes	Action Plan needed.
	Revise OJT examinations in order to: Test screeners on all TSA-approved screening methods that they will be required to use upon completion of OJT; Enforce the use of tests with explosive material during ETD practical examinations; and Standardize and enforce limits on OJT retesting opportunities, including the Image Mastery Test.	Yes	Action Plan needed.
	Ensure OJT monitors are certified as having the skills and experience necessary to deliver and monitor OJT training and administer subsequent testing.	Yes	Action Plan needed.
	Examine the workforce implications of the three-hour training requirement and take steps to correct identified imbalances in future workforce planning to ensure that all screeners are able to meet the recurrent training standard.	No	Action Plan needed.
	Continue to pursue the development and application of TIP user adaptability features to maximize TIP training benefits.	Yes	Action Plan needed.
	Expedite TRX connectivity to realize administrative and information sharing gains related to TIP.	Yes	Action Plan needed.
	Further enhance local operational testing efforts by: (1) revising procedures and protocols to increase opportunities for realistic and difficult testing, and (2) expediting the development, certification, and distribution of ETD and EDS operational testing tools to enable assessment of screeners performing these duties.	Yes	Action Plan needed.
	Fund and resume installation of computer training labs and high-speed network connectivity to provide all screeners with full access to the Online Learning Center.	Yes	Action Plan needed.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-04-45	Ensure that screeners are scheduled for basic classroom training that provides initial certification on the specific make and model of ETD and EDS machines that they operate.	No	Action Plan needed.
	Improve management controls for the screener scheduling system, such as linking scheduling to employee qualifications in the Online Learning Center, to ensure that TSA schedules screeners to operate only equipment on which they are certified.	Yes	Action Plan needed.
OIG-04-47	Assistant Secretary of Homeland Security for TSA: Develop measurable criteria to compare and evaluate the performance of both contractor and federal screening operations.	No	Status of implementation is unknown.
	Establish a true passenger and baggage screening pilot program that allows greater flexibility for both contractor and federally staffed airports to test innovations and new approaches in hiring, training, and managing screeners.	Yes	Status of implementation is unknown.
OIG-05-18	Follow TSA policy, as well as applicable federal regulations, when acquiring real estate and procuring goods and services. The policy and regulations establish procedures to help ensure that funding is spent prudently. Although following the procedures may increase the amount of time necessary to complete purchases, it will protect TSA from wasteful and abusive acts. Specifically, the TSA Assistant Secretary should: a) ensure that TSA procurement personnel coordinate all procurements with their TSA customer; and b) ensure that the requirements for all projects are defined, documented, and followed, so that program objectives are met in the most cost-effective manner.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Recover the \$83,313 overpayment to the tool company and such other sums for which [TSA] may have a legal remedy.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-05-51	Establish a process to regularly review and evaluate how timely Contact Center personnel are handling the communications and implement additional corrective actions, as needed.	Yes	Status of implementation is unknown.
	Revise the Security directive to require air carriers to retain aircraft security search documentation, including the aircraft search checklists, for a minimum of 30 days.	Yes	Status of implementation is unknown.
	Require that, as part of the annual work plan, each FSD inspector workforce personally observe a random sample of aircraft searches at least once every quarter and inspect search documentation to ensure airlines are complying with the documentation retention requirement.	Yes	Status of implementation is unknown.
OIG-05-52	Expedite the selection of the uniform biometric credential to be used, develop and implement a comprehensive plan of action that identifies the work to be completed, milestone completion dates, project cost, and funding.	Yes	Status of implementation is unknown.
	Revise operating procedures to require that LEO carry-on bags be manually inspected before the LEO enters the sterile area of the airport, at least until a uniform biometric credential is in place.	No	Status of implementation is unknown.
OIG-06-18	TSA's Deputy Assistant Administrator for Acquisition, Chief Procurement Executive, Office of Acquisitions, further improve TSA acquisition policies and procedures to control contract costs and provide effective project management as indicated in the conclusion section of the report.	Yes	Status of implementation is unknown.
	TSA's Assistant Administrator for Finance and Administration and Chief Financial Officer, Office of Finance and Administration, strengthen and formalize TSA's policies and procedures governing funds certification, status of funds reporting, and recordation practices, consistent with OMB and DHS guidelines.	Yes	Status of implementation is unknown.
OIG-06-31	Develop or acquire technology to permit effective and timely in-flight communication for air marshals.	Yes	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-06-31	Establish departmental guidance to clarify each departmental agency's roles and responsibilities and require coordination and information sharing when handling suspicious passengers and activities.	Yes	Status of implementation is unknown.
	Execute an MOU with the FBI concerning post-flight investigations.	Yes	Status of implementation is unknown.
OIG-06-35	Collect the \$2.7 million in unpaid passenger security fee amounts identified in this report and continue efforts to validate that all air carriers not covered by this audit have accurately collected and remitted all passenger security fees.	Yes	Status of implementation is unknown.
	Continue efforts to develop and implement a viable plan to perform an increased number of annual passenger security fee audits incorporating the issues raised by this audit and any others identified in the audits performed by Customs and Border Protection personnel.	Yes	Status of implementation is unknown.
	Enforce the interim final rule on passenger security fees as clarified by Docket 10, and resolve ticket reservation system software issues with the airline industry to assure collection and remittance of all passenger security fees on future air carrier tickets.	Yes	Status of implementation is unknown.
OIG-06-60	Ensure that TSA program offices fulfill their assigned responsibilities under the TSA HQ COOP plan and provide the support necessary for TSA to implement a viable COOP plan and program.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	FEMA should ensure DHS MGT Directive 9300.1 is revised to reflect the current DHS organization. The directive should clearly assign and delineate COOP oversight responsibilities and authority to ensure all DHS components have a viable COOP program.	No	Action Plan needed.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-06-65	Conduct a workforce analysis of FSD administrative staff and develop a staffing model to identify the number of employees actually needed at airports. This analysis should identify key mission areas and responsibilities; take into consideration the time and nature of administrative work performed by screeners when assessing its workforce requirements.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Review proposed adjustments to FSD staffing levels and ratios of administrative to screener personnel. In particular, proposed changes to Hawaii's administrative staff caught our attention as warranting more review.	Yes	Closed after 12/31/07.
	Continue to study technologies or systems that will automate data entry functions at airports.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Reclassify administrative positions using more inclusive position titles to incorporate more of the functions employees perform and facilitate the hiring of administrative personnel.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-13	We recommend that TSA implement milestones in the UDOs CAP that require that require review of TSA's accounting within TSA, and assess their presentation in the DHS consolidated balance sheet at Sept. 30, 2006.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that TSA implement milestones in the UDOs CAP that require the implementation of policies and procedures to annually validate that the methodology used to estimate its grant accrual provides a reasonable estimate of the actual amount owed.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that TSA integrate the CAPs with the Department's plan for OMB Circular A-123 implementation and the annual FMFIA assurance statement.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-18 FOUO	This report is For Official Use Only. This report has 19 open recommendations. Upon request, additional information will be provided to qualified recipients.		
OIG-07-35 Classified	This report is Classified. This report has one open recommendation. Upon request		
OIG-07-45	We recommend that the Assistant Secretary of TSA develop agency polices and procedures on the FECA program to include roles and responsibilities for OHC and airport personnel to ensure, at a minimum, that OHC and the airport workers' compensation coordinators: a) Regularly review and verify agency long-term case files for recent medical evidence to substantiate the continuing disability of agency claimants; b) Document all actions and update medical status quarterly for each injured worker in well-maintained case files; c) Maintain quarterly contact with claimants, supervisors and care providers of injured claimants; d) Challenge questionable claims; and e) Actively identify, pursue and monitor the status of third-party and fraud related claims.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the Assistant Secretary of TSA develop and implement a centralized, automated case management system to track the status of the agency's workers' compensation cases.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the Assistant Secretary of TSA provide sufficient training to managers and staff involved in the FECA program at OHC and at the airports.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-57	TSA establish a system of cargo screening oversight that includes guidance on what aspects of the security program requirements should be inspected and how often, including the self-audit requirement for air carriers to ensure that screening activities are conducted according to TSA requirements.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-57	TSA establish a system of cargo screening oversight that includes a quality control program to improve the consistency, thoroughness, and quality of cargo security inspections.	Yes	Status of implementation is unknown.
	TSA improve the Performance and Results Information System and provide better guidance and detailed training to all users, especially Aviation Security Inspectors, on the quality or quantity of information that should be collected and entered to ensure data integrity and enhance the system as a management tool.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	TSA improve the Performance and Results Information System and provide sufficient staff and funding for database operations and maintenance. Including information technology support, to ensure data integrity and improve reporting capabilities.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-64 Classified	This report is Classified. This report has one open recommendation. Upon request		
OIG-07-67	Create and implement employment forms that collect information on the applicant pursuant to eligibility standards. Adjudicators should review these forms prior to a TSO's entry on duty.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Complete a comprehensive screener position risk designation using criteria provided by personnel security officials in the Department of Homeland Security and appropriate TSA offices.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Select the background check most appropriate for the TSO position based on the findings from the risk designation process.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Issue a notice of disqualification to applicants or a letter of termination to TSOs who fail to respond to letters of interrogatory within 30 days of receipt.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-67	Establish clear and objective policies for adjudication of false statements and omissions, including more specific suitability guidelines.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Develop training specific to TSO adjudications to focus on ways adjudicators can make more complete and accurate decisions.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Implement systems changes to ensure that the Personnel Security Division, the Office of Human Capital, and Federal Security Directors are concurrently aware of a TSO under review for termination as a result of the adjudication process.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Ensure sufficient resources exist in the Personnel Security Division to move the issuance of adjudication termination letters from Employee Relations in the Office of Human Capital to the Personnel Security Division.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Construct and implement an internal auditing function that will study the overall background check process, including an ongoing review of the type of check performed for the TSO population, to maximize efficiencies and improve the administration of particular segments of the process.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-74	TSA develop and implement procedures to develop and track relevant outcomes and outputs and report them as part of RSSI.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	TSA develop and implement procedures to create and track relevant outcomes and outputs and report them as part of RSSI	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-05	<p>We recommend that TSA work with DHS personnel to ensure that the prior period adjustment at DHS level resulting from the analysis completed in April 2007 is properly presented and disclosed in DHS' FY 2007 Performance and Accountability Report.</p>	Yes	<p>Action Plan provided. Awaiting confirmation of implementation by component.</p>
	<p>We recommend that TSA implement formal, documented policies and procedures for the monthly and year-end closing processes to ensure complete and accurate TIER financial data, financial statements, and RSSI can be prepared, and adequately disclose all TIER deficiencies on its certification statement to DHS. These procedures should identify the responsibilities of the accounting services provider and TSA; allow for adequate time for TSA to review financial information provided; provide for the timely resolution of abnormal balances, analytical variances and intra-DHS elimination differences; and allow adequate time to reconcile and adjust balances to reflect actual line item amounts. Ensure key financial management personnel are aware of their roles and responsibilities in performing a hard close in compliance with DHS standards. Develop and implement a process to identify a complete listing of post-closing adjustments to be provided to the accounting services provider and DHS.</p>	Yes	<p>Action Plan provided. Awaiting confirmation of implementation by component.</p>
	<p>We recommend that TSA work with its accounting services provider to (a) develop or refine existing system tools that simplify the process of identifying, summarizing, and reporting accounting transactions to allow for the timely identification and research of procurement and expenditure documentation, and (b) fully implement programming logic in the accounting system to capture and report prior year recoveries at the transaction level.</p>	Yes	<p>Action Plan provided. Awaiting confirmation of implementation by component.</p>

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-05	We recommend that TSA develop and implement procedures to review outstanding obligations for validity on a periodic basis, and document this review.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that TSA work with its accounting services provider to ensure that the interface between Sunflower and the general ledger functions properly, and discontinue the use of the property holding account.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that TSA ensure adequate supporting documentation exists and is readily available to support the acquisition cost and date of property and equipment items.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that TSA formally document and consistently implement policies and procedures for the preparation and approval of journal vouchers for submission to its accounting services provider. Policies and procedures should include requirements for (a) full completion of the journal voucher form itself and (b) attached documentation to support each journal voucher.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that TSA for all grant awards made prior to FY 2006, review the remaining UDOs to determine if the obligations are valid or should be deobligated due to expiration of the period of performance, inability of the grantee to expend all funds, or other reasons.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that TSA in coordination with the DHS component responsible for managing most of the grant programs funded by TSA, implement monitoring procedures to ensure that grantees submit requests for reimbursement and related reports in a timely manner.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-05	We recommend that TSA in coordination with the DHS component responsible for managing most of the grant programs funded by TSA, continue to refine its grant accrual methodology to properly consider grantees that do not submit requests for reimbursement in a timely manner (non-reporters).	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that TSA develop and implement a tracking system to identify each grantee for which an OMB Circular No. A-133 audit is required and the date that the audit report is due. TSA should then use this system to track the receipt of all completed audit report is due. TSA should then use this system to track the receipt of all completed audit reports, the issuance of TSA's management decision on TSA-related findings (if any), and the completion of appropriate corrective action by the grantee.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that TSA establish sufficient and ongoing communication with the DHS OIG to verify the receipt and status of all OMB Circular No. A-133 reports for TSA grantees, and place higher emphasis on following up with grantees and the DHS OIG for the audit reports that identify questioned costs or other significant findings and ensure that timely resolution is documented.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that TSA's accounting services provider, in coordination with TSA, investigate the programming logic which summarizes accrued leave information for recordation in the general ledger and make corrections where required to properly report the annual leave balance in the general ledger each pay period.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that TSA implement the recommendations identified in Findings "Financial Reporting", "Financial Systems Security", "Undelivered Orders and Contract File Maintenance" and "Property and Equipment" of Exhibit I to address its FFMIA noncompliance.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-05	We recommend that TSA review the full requirements of the DCIA and establish policies and procedures to ensure Dunning Notices are sent to debtors in a timely manner with interest, penalties, and administrative charges properly assessed.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	TSA implement the recommendations identified in Findings "Financial Systems Security," "Undelivered Orders," "Property and Equipment," and "Financial Reporting" to address its FFMI noncompliance.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	TSA implement the recommendations identified in Finding "Accounts Receivable" to address its DCIA noncompliance.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-08-07	Empowering the CIO with agency-wide IT budget and investment review authority to ensure that IT initiatives and decisions support accomplishment of TSA mission objectives.	Yes	Action Plan needed.
	Developing a consolidated strategic planning approach to ensure that IT plans across the agency are well-aligned and linked to the DHS strategic plan, providing a clear vision of how information and technology will be managed to support TSA and DHS mission objectives.	Yes	Action Plan needed.
	Completing and implementing an enterprise architecture to establish technical standards and guidelines for systems acquisitions and investment decisions.	Yes	Action Plan needed.
	Establishing and communicating guidelines and procedures for acquiring, developing, and managing IT solutions in a consistent, integrated, and efficient manner.	Yes	Action Plan needed.
	Applying adequate staff resources to strengthen the IT Division in addressing IT needs and providing support to TSA operations agency-wide.	Yes	Action Plan needed.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-07	a) Consistently adhere to policies and perform procedures for the preparation and approval of on-top adjustments for submission to its accounting services provider.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	b) Develop and implement procedures to properly identify all on-top adjustments that require reversal in the subsequent period and to ensure the timely reversal of these adjustments.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-08-12	c) Once accounting and reporting processes stabilize in FY 2008, perform a financial organization and human resource needs assessment in coordination with its accounting services provider to determine the optimum number of accounting personnel and skill sets required and the most effective organizational structure to sustain efficient accounting operations. TSA's accounting operations should be designed and staffed to most efficiently support timely responses to auditor inquiries during the year, without also causing significant disruption to on-going accounting operations.	Yes	Status of implementation is unknown.
	a) Formally modify its policy to define the placed in service date, which then begins the process of recording periodic depreciation expense.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	b) Implement needed IT system changes to properly account for and maintain placed in service dates.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	c) Work with its accounting services provider to discontinue the use of USSGL Account No. 1890 and record PP&E to the proper general ledger account upon purchase.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-12	d) Develop and implement management review controls over equipment purchase contracts to ensure that amounts advanced to vendors are properly accounted for given the terms of the underlying contract.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	a) Develop and perform procedures to enable management to assert to the appropriateness of the "beginning" accrued leave balance at a point in time (e.g., October 1, 2007). For example, these procedures may involve validating leave balances for all TSA employees at the selected point in time. These procedures should require that sufficient documentation be retained for purposes of the annual financial statement audit.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	b) Develop and implement policies and procedures to reconcile annual leave balances per its payroll provider output records to input records submitted by TSA and to the TSA general ledger each pay period. These reconciliations should be documented, reviewed by an appropriate supervisor, and maintained.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	a) Require contracting officers to review and certify whether obligations are valid or require deobligation on a periodic basis (e.g., quarterly).	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	b) Refine or develop a new general ledger reporting tool that provides the contracting officers accurate information regarding outstanding obligated balances to include information related to the last activity date to assist in aging the balance.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	c) Refine existing processes by which the Business Management Office periodically examines outstanding obligations and makes recommendations (e.g., deobligation) on outstanding balances.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	d) Develop formal policies and procedures to assist in expediting deobligations of funds associated with invalid obligations in advance of a formal contract close out.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-12	We recommend that the TSA fully implement the FMFIA process, as prescribed by the OCFO, to ensure full compliance with FMFIA and its OMB approved plan for Circular No. A-123 implementation in FY 2008.	Yes	Status of implementation is unknown.
	We recommend that TSA continue to implement the remedial actions resulting from its internal investigation of this matter.	Yes	Status of implementation is unknown.

U.S. Citizenship and Immigration Service

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-05-42	Strengthen procedures to ensure that adequate controls for granting, monitoring, and removing user access to the Central Index System are implemented according to DHS requirements and NIST guidelines.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Review and retain audit trail information to facilitate the detection and investigation of inappropriate access or malicious.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Develop an adequate IT contingency plan for Central Index System applications; and, ensure that annual tests of the plan and quarterly tests of data restoration procedures are conducted.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-06-06	Expand the use of biometric identification in security checks, as consistent with risk assessment.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Establish a comprehensive, risk-based plan for the selection and completion of security checks.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Set measurable objectives for the conduct and completion of all security checks and reorganize management controls to ensure objectives are met.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Implement an automated system that stores applicants' biometric information and supports its use in security checks.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Implement an automated system that supports running, documenting, reviewing, and monitoring security checks.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-06-06	Define accountability and timelines for implementing changes to the security check process that include the development of the plan for completion of security checks, check completion objectives, and reorganized management controls.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-11	Develop and modernization strategy that includes short- and long-term goals, funding plans, and performance measures to guide USCIS entities in accomplishing their citizenship and immigration services missions.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Complete implementation of plans to centralize IT by placing all USCIS IT employees, budgets, and systems under the CIO's authority and control	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Ensure that the centralized CIO operation and its IT transformation plans are systems initiatives are linked to and effectively support the consolidated USCIS strategy.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Review, analyze, and reengineer benefits adjudication activates to help eliminate duplication, transition from paper-based processes, better integrated systems, and provide system access to the users who need it.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Finalize and implement plans to upgrade and standardize IT hardware and software systems to support reengineered processes and systems integration and access improvement initiatives.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Ensure representation and participation of users at the various levels from across USCIS in all process reengineering and IT transformation activities.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-74	We recommend that the service center continue efforts to move the receipt of all Service Center applications and petitions with fees to lockbox operations by the end of FY 2007.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-74	We recommend that the Office of Domestic Operations incorporate a control to ensure the timely update within CLAIMS 3 and CLAIMS 4 of completed work within its periodic quality assurance reviews.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the Financial Management Division, until the interface between FFMS and PRISM is implemented, assume responsibility for recording all obligations within FFMS.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the Financial Management Division, until the interface between FFMS and PRISM is implemented, develop and implement controls to monitor timely recording of obligations within FFMS.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the Financial Management Division, until the interface between FFMS and PRISM is implemented, reconcile all obligations created in PRISM to the general ledger.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-08-09	Establish performance measures for fraud detection in the USCIS immigration benefit caseload.	Yes	Action Plan needed.
	Require the National Security and Records Verification Directorate to develop a quarterly report on fraud goals and accomplishments for the USCIS Director.	Yes	Action Plan needed.
	Require adjudicators to identify petitions with articulable fraud in an electronic system accessible to FDNS, to begin establishing fraud patterns and trends.	Yes	Action Plan needed.
	Establish a quarterly reporting requirement from USCIS Adjudications to the USCIS Director on adjudicator participation in identifying articulable fraud.	Yes	Action Plan needed.
	Develop a process for proactive data analysis across a wide range of immigration data to identify potential fraud patterns and leads, to both generate leads for FDNS and inform proper adjudications.	Yes	Action Plan needed.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-09	Restructure FDNS-DS to improve case tracking and management reports. Case tracking should be streamlined, and FDNS program measures should be developed to be incorporated into the database structure, along with an interface to extract management reports at both the headquarters and field level.	Yes	Action Plan needed.
	Review the value of FDNS-DS as a tool to research referrals as compared to alternate approaches currently used. Labor-intensive data entry should be reduced by eliminating redundant and marginal data fields, automating data entry, and streamlining the data entry interface.	Yes	Action Plan needed.

U.S. Coast Guard

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-05-29	Analyze historical and current trend data for each of the civilian pay components when formulating the civilian pay budget and monitoring its execution.	Yes	Status of implementation is unknown.
	Document policies and procedures for formulating the civilian pay budget. The procedures should include (a) step by step instructions for each component, (b) duties of the individuals responsible for formulating the budget, (c) data sources and reports to be utilized, and (d) periodic review of procedures for continued validity.	Yes	Status of implementation is unknown.
	Formalize policies and procedures related to monitoring budget execution to require: (a) identification of relevant monitoring information, (b) supervisory reviews, (c) designation of responsible individuals, (d) timeliness for monitoring activities, and (e) periodic review of procedures for continued validity.	Yes	Status of implementation is unknown.
OIG-05-30	Implement a security testing program for CGDN+ (including the LANs connected to it) as recommended by NIST 800-42 to include periodic network scanning, vulnerability scanning, penetration testing, password analysis, and war driving.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Maintain and review audit trail information to facilitate the detection and investigation of inappropriate access or malicious changes to SSWeb and its applications.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Develop, update, and implement policies as well as procedures for standard configuration of network devices, and passwords, as required by DHS Policy and DHS Handbook.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-05-30	Centralize the configuration and patch management process to ensure that all network devices are properly configured and all necessary patches are applied in a timely manner to reduce the risk of system compromise or failure. All high and medium vulnerabilities that are identified should be addressed and corrected.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Develop, update, and implement policies as well as procedures to ensure audit trails are reviewed and maintained.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-06-55	Develop, update, and implement policies as well as procedures to define the acceptable use of wireless technologies, and the consequences of non compliance. Perform scans for rogue wireless devices regularly.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Establish C4ISR spending priorities to help ensure that "system-of-systems" objectives are achieved in line with budget realities.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Review and revise the Deepwater training approach to ensure the sufficient training, adequate instructors, and reference materials are available to support the C4ISR systems users.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the Coast Guard obtain support from executive leadership, since effective corrective action and progress toward corrective action could falter without continuous reinforcement from leadership. Develop a risk management plan.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-06-61	Perform a thorough root cause analysis to identify the underlying causes of the four material weaknesses, including a review of IT systems, processes, and human resources. Coast Guard should not rely on the financial statement audit to identify all of the significant causes of control weaknesses, and should only use the audit to corroborate management's findings.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
	<p>Develop CAPs to mitigate and ultimately correct control deficiencies, based on management's own assessment of the issues. The CAPs should include a description of the detailed tasks and milestones, key success and performance metrics, and a designated person who is primarily accountable for completion of the effort. The identified root causes should be cross-referenced to the weakness identified by management (as well as those identified by the financial statement auditor). The CAPs should be prioritized for correction, to minimize duplication of effort where corrective actions overlap correction of IT system posting logic errors may resolve multiple issues, or mitigate the need for process changes.</p>	Yes	<p>Action Plan provided. Awaiting confirmation of implementation by component.</p>
	<p>Make a realistic assessment of the resource requirements, human and financial, needed to perform the investigations to identify the root causes of material weaknesses, develop and execute thorough CAPs, and then to verify correction. This assessment should include input from all affected areas, CG-842 (FINCEN) and CG-841 (IT systems). In filling key financial management vacancies, the Coast Guard should ensure that the position holders have the necessary skills and experience to successfully execute the CAPs.</p>	Yes	<p>Action Plan provided. Awaiting confirmation of implementation by component.</p>
	<p>Obtain support from executive leadership, since effective correction will at times compete with other mission.</p>	Yes	<p>Action Plan provided. Awaiting confirmation of implementation by component.</p>

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
	<p>Define the exact criteria which will be used to ascertain when the corrective action has been successfully completed, as well as the method for testing against such criteria as part of OMB A-123 implementation steps (i.e. tests of design and tests of operating effectiveness of internal controls). Additionally, integrate the CAPs with the Coast Guard's plan for OMB A-123 implementation and annual FMFIA assurance statement. Management's plan for validation of corrective actions should be closely integrated with their controls test work conducted to comply with OMB A-123.</p>	Yes	<p>Action Plan provided. Awaiting confirmation of implementation by component.</p>
OIG-07-13	<p>We recommend that the Coast Guard perform a comprehensive and thorough root cause analysis fully supported and sustained by documentation to identify the underlying causes of the five material weaknesses, including a review of financial IT systems, processes, and human resources. Root causes should be cross-referenced to the weaknesses identified by Management. The CAPS should be prioritized for action.</p>	Yes	<p>Action Plan provided. Awaiting confirmation of implementation by component.</p>
	<p>We recommend that the Coast Guard develop CAPs to mitigate and ultimately correct control deficiencies based on management's own assessment of the issues. The CAPs should include a description of the detailed tasks and milestones, key success and performance metrics, and a designated person accountable for completion of the effort.</p>	Yes	<p>Action Plan provided. Awaiting confirmation of implementation by component.</p>
	<p>We recommend that the Coast Guard make a realistic assessment of the resource requirements needed to identify the root causes of the material weaknesses, develop and execute thorough CAPs, and verify completion.</p>	Yes	<p>Action Plan provided. Awaiting confirmation of implementation by component.</p>
	<p>We recommend that the Coast Guard obtain support from executive leadership, since effective corrective action and progress toward corrective action could falter without continuous reinforcement from leadership. Develop a risk management plan.</p>	Yes	<p>Action Plan provided. Awaiting confirmation of implementation by component.</p>

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
	We recommend that the Coast Guard reconcile database(s) used to document other forms of CAPs or more detailed Caps with the ePMO database and monitor their completion. Establish accountability for the results of the CAPs and responsibility for the remediation of material weaknesses.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the Coast Guard include CAP validation procedures that should be performed by Coast Guard personnel.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the Coast Guard integrate the CAPs with the Department's plan for OMB Circular A-123 implementation and the annual FMFIA assurance statement. Management's plan for verification of corrective actions should be closely integrated with the Department's controls test work conducted to comply with OMB Circular A-123.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-23	The Coast Guard Commandant should develop and implement a plan to ensure the National Security Cutter is capable of fulfilling the operational profiles defined in the Deepwater contract.	Yes	Status of implementation is unknown.
	The Coast Guard Commandant should provide assurances that a solution to the cutter's structural design issues are fully developed and the costs associated with the solutions are identified before issuing any new work orders (DTOs) for NSCs 3 - 8.	Yes	Status of implementation is unknown.
	The Chief Procurement Officer, DHS, in coordination with the Department's Office of General Counsel should ensure that all future department contracts, including those governing the Deepwater acquisition, contain terms and conditions that clearly stipulate the DHS/OIG's right of unfettered access to contract and subcontract documents and personnel, including private, confidential interviews, information, inter-office correspondence, and pre-decisional documentation.	No	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-29	<p>Validate the existing CAP root cause analyses. The Coast Guard should utilize existing contract support to review the identification of root causes for the CAPs and the analysis prepared to support the development of the remediation plans in coordination with A-123 implementation efforts. This effort should assist in determining whether additional root causes exist, and in validating that the current CAPs are adequately aligned to address the material weakness and include the necessary steps to implement the CAPs.</p> <p>To develop remediation plans effectively, the Coast Guard must understand and identify the process and system-level factors that are contributing to the material weakness. Understanding the problem at the process/system level should assist with developing remediation plans and with establishing evaluation criteria for determining whether the plans are addressing the root causes and are properly aligned to correct the material weakness.</p>	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	<p>Develop crosswalks to ensure all conditions leading to identified material weaknesses are tracked to root causes.</p>	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
	<p>Update the current work breakdown structures for the remediation plans after the root cause analysis and validation efforts are completed. Future updates to the work breakdown structures should be coordinated with the PMO to ensure all remediation efforts are integrated. The updated work breakdown structures should include the efforts are integrated. The updated work breakdown structures should include the individuals responsible for implementing the activities, a detailed set of process and system-level activities that must be addressed to resolve the issues, the level of effort required by each individual to implement the detailed activities, detailed timelines with intermediate milestones, and methodologies for monitoring and reporting on work completed.</p>	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-29	<p>Develop a risk-based plan for each of the four CAPs to prioritize tasks and assist with aligning resources to high-value tasks. The materiality of the financial statement line items to which the CAPs relate should be used as the basis for assessing risk.</p>	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	<p>The CAPs should address alternatives for addressing resource constraints, such as: a) the transfer of other resources from departments within the Coast Guard; b) the use of contractors specified in terms of hours and period of performance for specific define tasks, and c) the hiring of resources, including a plan to mitigate the risks of the hired individuals not completing sufficient training and not having sufficient logistical support to complete their assignments. Each of these plans should include a matrix to identify and prevent the duplication of contracting effort and to help ensure that such effort is aligned to assist the Coast Guard in addressing specific weaknesses and issues.</p>	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-29	Designate a Coast Guard owner or senior-level executive responsible for the coordination of all financial management and reporting improvement initiatives. The owner's duties would include the integration of contractor support effort, FMTTF activities, and updates to CAPs. The coordination of the various CAP efforts should help reduce the duplication of remediation efforts and potentially eliminate costly contract modifications.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Undertake an independent validation and verification to determine whether the root causes listed in the CAPs have been adequately implemented and whether the CAPs have resolved the material weaknesses.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Implement the navigational dashboard currently under development by the PMO to standardize the reporting and tracking functions and define the criteria for evaluating percentage to completion.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Define specific expectations for the contracts, considering the root cause of the material weakness and NFRs (link conditions and consider recommendations). In addition, the Coast Guard should review the existing PWS and consider modifications, if necessary, to align them with necessary remediation efforts. This effort should assist in confirming that the cause of the problem is being addressed and not just the symptoms, and should provide clear definitions for what needs to be done under the contract to assist with remediation efforts.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Help ensure that project plans exist and are approved by the appropriate Coast Guard personnel for each contract. The plans should include detailed tasks and timelines for accomplishments.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-29	Enhance the contract development process to ensure management consensus is reached to preclude disputes about contract content after the contract is signed, thereby avoiding potentially costly contract modifications (longer periods can lead to more costly solutions).	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Provide adequate government human resources for the oversight and validation of contract Fork. Even though the contracts are fixed-price, the work must be reviewed for adequacy and - timelines must be met according to Coast Guard standards.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Continue efforts to validate the root causes of the material weaknesses as a prerequisite to developing the contract PWSs for remediation activities. This validation should help provide confidence that the causes, and not the symptoms, of the material weaknesses are being addressed by the contracts.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Coordinate and align the contract support plans with the POAM developed by the FMTTF and the CAPS developed by the process owners. This should confirm that all staff and contractors are working toward a cohesive plan for the remediation of the material weaknesses.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Assess the need for human capital, both in number and competency, and provide sufficient human resources to ease reliance on contractor support.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Similar to the CAPS recommendation discussed previously, enhance the contract development process to ensure management consensus is reached to preclude disputes about contract content after the contract is signed and thereby avoiding potentially costly contract modifications (longer periods can lead to more costly solutions).	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-29	Obtain additional contract technical managers and ensure they have obtained the appropriate COTR training and certification.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Validate the success of the contract work. The validation should be documented in writing by the Coast Guard to determine whether performance measurements are established and reviewed to determine the adequacy and completeness of the contract work.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Secure adequate human resources to complete the planning and to implement the actions identified in the POAM, as well as to identify actions necessary to achieve and sustain clean - audit opinions. Further, the CG-8 team should be led by an individual with sufficient leadership skills, financial expertise, and the authority to implement changes.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Document in writing any changes to directives, whether in tasks or due dates, and include the written approval by the appropriate authority or authorities. Although documentation in briefings and dashboards indicate that Coast Guard leadership may have been aware of the delays, it does not indicate their approval.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Ensure that the POAM is integrated with the CAPS. To ensure that efforts are not duplicated or that gaps do not exist in the plans, all activities, timelines, and schedules need to be coordinated and integrated.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-08-12	Initialize the CAP/FSTAR process with an assessment of the control environment (entity-level controls), develop effective corrective actions, and implement improved financial processes and systems.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-12	<p>Delegate responsibility for sound fiscal management centrally with the CFO who has full authority to implement change as needed, including new policies, procedures, controls and IT systems requirements, to have the ability, and appropriate resources for Coast Guard financial management and reporting functions.</p>	Yes	<p>Action Plan provided. Awaiting confirmation of implementation by component.</p>
	<p>Engage an expert from outside the organization to evaluate the existing financial management organizational and internal control structure. The organizational specialist should conduct an assessment of the financial management organizational structure to consider the conditions cited above. In addition, the organizational specialist should consider other conditions identified in Exhibit I-B, Financial Reporting, below, such as the number and type of personnel and resources needed, along with the requisite skills and abilities necessary, to provide effective guidance and oversight to program offices that are significant to financial management and reporting, and make recommendations to senior management for appropriate changes.</p>	Yes	<p>Action Plan provided. Awaiting confirmation of implementation by component.</p>
	<p>Ensure that its CAP/FSTAR actions as designed and performed are: a) Effective in addressing all of the material weaknesses described in this Exhibit; b) Coordinated and prioritized with the input from Departments CFO to address matters that are preventing the Department from preparing reliable financial statements and executing its fiscal management responsibilities.</p>	Yes	<p>Action Plan provided. Awaiting confirmation of implementation by component.</p>

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-12	<p>Conduct an assessment of its current financial reporting process, including a review of its three general ledger systems, with the goal of establishing a general ledger that is FFMI compliant at the transaction level, e.g., all financial transactions are recorded in the general ledger at the detail USSGL level as they occur, all financial statement line items are fully reconciled and supported by transactional detail contained in the general and subsidiary ledgers, reducing complexity, implementing appropriate internal controls, improving financial systems integration and automating manual processes.</p>	Yes	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
<p>OIG-08-12</p>	<p>Establish new or improve existing policies, procedures, and related internal controls to ensure that:</p> <p>a) The year-end, close-out process; reconciliations; and financial data and account analysis procedures are supported by documentation, including evidence of effective management review and approval, and beginning balances in the following year are determined to be reliable and auditable;</p> <p>b) On-top adjustments to account balances and abnormal balances and account relationship discrepancies, e.g., budgetary to proprietary reconciliations are identified, reviewed and documented; c) Account reconciliations, for each of the three general ledgers and the monthly TIER submission, are performed timely and completely each month, and differences are researched and resolved before the next month's reporting cycle.</p> <p>Reconciliations should include all funds maintained by the Coast Guard, including revolving, special, and trust funds; d) The Coast Guard identifies all accounts receivables and then implements comprehensive Coast Guard-wide policies and procedures, including internal controls, at a sufficient level of detail to determine that the accounts receivable process is effective to support management assertions, in compliance with generally accepted accounting principles, for the accounts receivable balance reported on the Coast Guard balance sheet; and</p> <p>e) The Coast Guard develops and implements effective policies, procedures and internal controls to compile, support, review and report financial statement disclosures submitted for incorporation in the DHS financial statements, to include the effective completion the GAO Disclosure Checklist and valid support for the preparation of statement of net cost disclosure.</p>	<p>Yes</p>	<p>Status of implementation is unknown.</p>

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-12	Investigate potential financial system problems such as potential posting logic errors and automated changes to financial data through scripts (system modifications).	Yes	Status of implementation is unknown.
	Establish a formal documented review and approval process over reconciliation activities performed by Coast Guard to ensure that all intragovernmental activity and balances are identified and differences are being resolved in a timely manner in coordination with the OFM (see Exhibit II-B, Financial Reporting). Procedures should also include obtaining positive confirmation of balances with DHS trading partners and make appropriate system changes to include updating and validating the information in the vendor tables for trading partner data, and correct known errors.	Yes	Status of implementation is unknown.
	Establish policies, procedures, and internal controls, including effective reconciliations and the use of a financial system that complies with federal financial system requirements, as defined in OMB Circular A-127, and the requirements of the JFMIP, to fully support the fiscal year 2007 FBwT activity and balance at September 30, 2007. These policies and procedures should allow the Coast Guard to: a) Perform complete and timely FBwT reconciliations using the tools provided by Treasury GWA; b) Better manage its suspense accounts to include researching and clearing items carried in suspense clearing accounts in a timely manner during the year, and maintaining documentation of periodic reconciliations of FBwT; and c) Ensure payroll data, supporting payroll transactions processed through FBwT (account 1010), is properly maintained and available for audit testwork, as needed.	Yes	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-12	Improve controls and related processes and procedures to ensure that documentation supporting PP&E acquisitions, to include the CIP process and existence, including additions, transfers, and disposals, is maintained to support capitalized PP&E.	Yes	Status of implementation is unknown.
	Implement processes and controls to record PP&E transactions accurately, consistently, and timely in the fixed asset system; record an identifying number in the fixed asset system at the time of asset purchase to facilitate identification and tracking; and ensure that the status of assets is accurately maintained in the system.	Yes	Status of implementation is unknown.
	Revise procedures for performing physical inventories of repairable items, to include procedures for resolving differences, and reporting results, to ensure that repairable PP&E is accurately and completely classified and recorded. Support the pricing methodology used to value repairable PP&E to ensure that balances, as presented in the financial statements, approximate amortized historical cost.	Yes	Status of implementation is unknown.
	Review policies and procedures to account for improvements and impairments to buildings and structures, capital leases, and identify proper useful lives for depreciation purposes in accordance with GAAP.	Yes	Status of implementation is unknown.
	Update OM&S physical count policies, procedures, and controls, and provide training to personnel responsible for conducting physical inventories, and include key elements of an effective physical inventory in the policies.	Yes	Status of implementation is unknown.
	Consider adopting a system of bar-coding or tagging OM&S as a method of tracking usage and maintaining a perpetual inventory of OM&S on hand.	Yes	Status of implementation is unknown.
	Establish processes and controls to support the calculated value of OM&S to ensure accounting is consistent with GAAP.	Yes	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-12	Establish and document policies, procedures, and effective controls to ensure the completeness and accuracy of the actuarial pension, medical, and postemployment travel benefit liabilities.	Yes	Status of implementation is unknown.
	Establish and document policies, procedures and effective controls to ensure the completeness and accuracy of participant data, medical cost data, and trend and experience data provided to, and used by, the actuary for the calculation of the MRS pension, medical, and postemployment travel benefit liabilities.	Yes	Status of implementation is unknown.
	Perform a periodic reconciliation between the medical expenditures recorded in the subsidiary ledger and those recorded in the CAS, and address differences before data is provided to the actuary. This reconciliation should be performed for all significant sources of medical actuarial data, including TriCare, and DOD Military Treatment Facilities (MTFs). In addition, this reconciliation should be reviewed by someone other than the preparer to ensure accuracy.	Yes	Status of implementation is unknown.
	Analyze and make appropriate improvements to the methodology used to estimate accounts payable and support all assumptions and criteria with appropriate documentation to develop and subsequently validate the estimate for financial reporting.	Yes	Status of implementation is unknown.
	Implement corrective action, including appropriately designed and implemented internal controls, to support the completeness, existence and accuracy of changes in member personnel data records and military payroll transactions, and to include recorded accrued military leave and payroll liabilities.	Yes	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-12	Develop consistent written agency-wide policies, procedures, processes, and controls to ensure identification of and recording of all environmental liabilities, define the technical approach, cost estimation methodology, and overall financial management oversight of its environmental remediation projects. The policies should include: a) Procedures to ensure the proper calculation and review of cost estimates for consistency and accuracy in financial reporting, including use of tested modeling techniques, use of verified cost parameters, and assumptions; b) Periodically validate estimates against historical costs; and c) Ensure that detailed cost data is maintained and reconciled to the general ledger.	Yes	Status of implementation is unknown.
	Develop, document, and implement a reliable methodology as well as formal policies and procedures, to include internal controls, to verify and support the accuracy of the legal liability estimate and related disclosures.	Yes	Status of implementation is unknown.
	Improve policies, procedures, and the design and effectiveness of controls related to processing obligation transactions, including periodic review and validation of UDOs. Emphasize to all fund managers the need to perform effective reviews of open obligations, obtain proper approvals, and retain supporting documentation.	Yes	Status of implementation is unknown.
	Fully implement policies and the design and effectiveness of controls to ensure that contract awards are recorded in the general ledger in a timely manner.	Yes	Status of implementation is unknown.
	Improve segregation of duties for transactions related to the creation and approval of purchase requisitions, certification of funds availability, and the recording of the obligations, and record contracts timely.	Yes	Status of implementation is unknown.
	Revise controls and related policies and procedures to periodically review commitments.	Yes	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-12	Improve procedures, processes, and internal controls to verify the completeness and accuracy of the year-end obligation pipeline adjustment to record all executed obligations for financial reporting.	Yes	Status of implementation is unknown.
	Establish automated system controls to prevent incurring a commitment/obligation in excess of established targets so that funds are not obligated in excess of the apportioned and allotted amounts and preclude the processing of procurement transactions if the contracting officer's warrant authority had expired.	Yes	Status of implementation is unknown.
	We recommend that the Coast Guard fully implement the FMFIA process, as prescribed by the OCFO, to ensure full compliance with FMFIA and its OMB approved plan for Circular No. A-123 implementation in FY 2008.	Yes	Status of implementation is unknown.

U.S. Customs and Border Protection

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
M04-BCBP-LAX-07060	Policies and procedures for securing valuables taken from individual or alien detainees should be updated, adhered to, and distributed to all employees.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.
	CBP should prepare a standard safe log to be used with each safe.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.
	The CBP safes should remain locked at all times. Combinations to the safes should be restricted to Supervisory personnel with a need to access the safe. The safe combinations should be changed on a regular basis and/or when there is a change in Supervisory personnel. A record of all employees with the combination to the safes should be maintained.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.
	The safe log should be secured and maintained by supervisory personnel.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.
	Each shift supervisor entering on duty should conduct an inventory of items in the safe followed by a notation in the safe log and ensure that no tampering of the numbered security seal has occurred.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
M04-BCBP-LAX-07060	Property receipts and security seals should be used in sequential order.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.
	CBP management should conduct a full inventory of the contents of the safe on a regular basis to determine if abandonment of property procedures should be initiated.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.
	A log should be made of each entry into the safe with the names of the employees placing and/or retrieving items.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.
M05-BICE-LAX-00125	The contract between Detention and Removal (DRO), ICE, and the Los Angeles Sheriffs Department (LASD) for the Mira Loma Detention Center (MLDC) should be updated, amended, and/or fully renegotiated to require production of information relating to operations at MLDC, as requested by components of the Department of Homeland Security, such as DRO, ICE, and DHS/OIG.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
M05-CBP-LAR-12693	The Department of Homeland Security (DHS), Customs and Border Protection (CBP) should implement a policy that dictates proper procedures outlining how undocumented immigrant's property should be inventoried, accounted, and properly disposed. The policy should include a check and balance system to ensure integrity. The US Border Patrol, Rio Grande Valley Sector, has a Standard Operating Procedure (SOP) that was developed and utilized for the property storage and disposal of undocumented immigrant's property prior to the inception of the DHS. The procedure should include the undocumented immigrant's initials or signature acknowledging items and/or currency inventoried.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.
M05-CBP-MIA-11844	Relocate the CBP container seal to a limited -access area where only those CBP employees with an official need to access the seals have the ability to do so.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.
	Create an inventory control system for the accountability of the CBP container seals.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.
M06-CBP-ELC-18604	It is recommended that FLETC and DHS and all of its agencies adopt an official policy prohibiting the use of hogtying as a restraint technique.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.
	It is further recommended that training be incorporated at FLETC and all DHS field offices to reflect the adoption of the policy to inform all DHS personnel of the policy.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
M06-CBP-SND-19040	The license plate reader for all TECS terminals should come on automatically without need for prompting the officer to activate the reader by pushing "PF5."	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.
	The "PF5" functions should be removed, preventing CBPOs from deactivating the license plate reader. CBPOs should not be able to reboot their TECS terminal while on duty at the inspection lane without a supervisor's assistance.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.
	First line supervisors and managers should have the ability to monitor all the port's traffic lanes on one screen concurrently and the vehicle license plates recorded as entering through those lanes in real time.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.
	The supervisor should be notified via TECS if the subordinate has deactivated the license plate reader, not activated the reader when first signing onto TECS, or has rebooted the terminal taking the TECS terminal off-line for a period of time.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.
OIG-04-01	Require contracted technical advisors to provide CBPMO management with meaningful reports on reviews with alternatives, risk, and recommendations.	Yes	Status of implementation is unknown.
OIG-04-20	Revise AMOC guidelines for providing assistance to federal, state, and local agencies in law enforcement and emergency humanitarian efforts.	Yes	Status of implementation is unknown.
	Provide refresher training for all operations floor staff and reiterate the importance of understanding and following existing procedures.	Yes	Status of implementation is unknown.
	Document the type of assistance provided, e.g., law enforcement or humanitarian, so that these statistics can be easily tracked by the new electronic contact database developed by AMOC.	Yes	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-04-20	Develop organizational performance measures and individual performance standards to evaluate the effectiveness and productivity of both AMOC and its personnel.	Yes	Status of implementation is unknown.
	Prepare meaningful productivity reports to show workload statistics that measure overall operations floor and individual DSS productivity. These reports should also document the number and type of assistance provided.	Yes	Status of implementation is unknown.
OIG-04-22	Ensure core security requirements that provide the basic security controls are incorporated and tested during systems acceptance testing for Release 3.	Yes	Status of implementation is unknown.
OIG-05-21	We recommend that the Commissioner of CBP evaluate the Outbound Program, including current resources, staff needs, along with consistency of enforcement practices and make adjustments necessary to ensure that all of their enforcement responsibilities are accomplished.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-05-26	CBP identify and correct the causes for the inconsistencies in port and headquarters' inspection data.	Yes	Status of implementation is unknown.
OIG-05-45	Formally request that EOIR ensure that the lists of free legal services providers are current and accurate. Updated lists should be distributed on a regular basis to all Border Patrol stations and POEs.	No	Closed after 12/31/07.
	Formulate and disseminate official policies, applying to all CBP facilities that hold juvenile aliens, which stipulate the exceptions to the time guidelines on holding juveniles; the deadlines and formats for notification; and specific officials who are authorized to approve extensions.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-05-47	Require the Sector to evaluate vehicle age, mileage, maintenance and repair history, general physical appearance, and the condition of the chassis and suspension for fleet vehicles not tracked in SAP or VMIS.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-05-47	Develop a policy on cannibalizing scrap vehicles for useable parts and components, and if cannibalization is authorized by CBP, establish specific guidelines and controls to ensure that such parts and components are adequately documented in Government Vehicle Work Orders and are properly accounted for and inventoried.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Require the Sector to include all Government Vehicle Work Orders in applicable history files when maintenance services and repairs are performed.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Monitor Sector compliance with vehicle sale and transfer policies, procedures, and practices currently based on CBP's information notices and monthly newsletters and ultimately to be based on its new Fleet Management Handbook.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Require the Sector to submit to the appropriate CBP Headquarters approving official properly prepared SF 120 Excess Property Forms for surplus property not tracked in SAP.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-06-15	We recommend that the Commissioner, Customs and Border Protection, continue to work with GSA and the RVS contractor to settle remaining claims under the BPA, financially reconcile funding provided to GSA, and obtain the return of the unused funds to DHS.	Yes	Closed after 12/31/07.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-06-21	Commissioner of CBP should conduct a risk analysis and develop procedures and minimum requirements for selecting and inspecting trucks carrying MSW. The procedures should require inspections throughout the year and physical inspections should not be limited to special operation days. (a) OFO will review the analysis and develop procedures/requirements for selecting and inspecting MSW trucks. (b) OFO will review the analysis and develop procedures/requirements for selecting and inspecting MSW trucks. (c) OFO will implement the new selection criteria and inspection procedures.	Yes	Status of implementation is unknown.
OIG-06-41 FOUO	This report is For Official Use Only. This report has 17 open recommendations. Upon request, additional information will be provided to qualified recipients.		
OIG-07-09	Determine whether targeters should use the Watchtower 96-Hour Intelligence Review.	Yes	Status of implementation is unknown.
	Require all ports to routinely check and periodically measure the performance of their container inspection and control process.	Yes	Status of implementation is unknown.
	Establish a policy requiring each port to identify a higher "second level" ATS score.	Yes	Status of implementation is unknown.
	Require that ports provide NI inspection imagery to officers conducting secondary level inspections.	Yes	Status of implementation is unknown.
OIG-07-16	Remedy the existing critical vulnerabilities in the standard configuration for laptops, based on DHS and federal configuration guidelines. Further, the CIO should confirm whether similar vulnerabilities and remediation are applicable to all government-issued computers within CBP.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-16	Implement procedures to ensure that all CBP laptops are patched and updated in a timely manner, including those that do not regularly connect to the CBP network, as well as all CBP government-issued computers.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Implement appropriate inventory management controls to ensure that an accurate laptop inventory is maintained, including effective inventory reviews and adequately trained local property officers.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Report computer security incidents to DHS CSIRC in a timely manner to ensure that the incidents are investigated and appropriate corrective action is taken.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-32	Develop a staffing model and a comprehensive nationwide plan for agriculture specialist staffing.	Yes	Status of implementation is unknown.
	Coordinate with USDA and develop procedures and systems in accordance with the MOA, to efficiently and properly monitor T&E and other in-bond shipments. Assess penalties where violations occur.	Yes	Status of implementation is unknown.
	Provide adequate instructions, resources, training, and supervision to CBP personnel to ensure WADS and PPQ-280 data are accurately compiled and entered in the computer system, and related records are properly retained.	Yes	Status of implementation is unknown.
OIG-07-54	Develop plans and procedures to timely and routinely monitor post-deployment operations, including post-deployment reviews, for Release 4 ports and future ACE releases.	Yes	Status of implementation is unknown.
	Develop plans and procedures to timely communicate ACE problems, operational fixes, and system changes to CBP Officers at the ports.	Yes	Status of implementation is unknown.
OIG-07-68 FOUO	This report is For Official Use Only. This report has six open recommendations. Upon request, additional information will be provided to qualified recipients.		

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-72	CBP should use examination results in the rule making process.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-74	Continue developing, implementing, and maintaining environmental liability management efforts including developing policies, procedures, and management software systems; Obtain and compile the cost estimates for all UST projects that show the assumptions used and calculation methodology, ensure that all sunk costs are excluded from the calculation, and document the overall environmental liability identified for the UST projects.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Continue to re-evaluate the estimates related to CBP's firing range liability as additional information becomes available and update estimates annually through indexing (inflation factoring), if necessary, where no other material changes have occurred and follow up on any issues identified in previous or current facility surveys.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-76	Modify the CBP regulations to require advance electronic cargo information used to screen all shipments. Continue to work with Census to implement changes to Census regulations and systems to obtain advanced electronic cargo information prior to export.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Ensure that CBP collects and regularly reports information necessary to exercise sufficient oversight of the outbound program.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Develop and report performance measures of compliance with U.S. export laws and regulations.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-08-06	This report is For Official Use Only. This report has three open recommendations. Upon request, additional information will be provided to qualified recipients.		

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-10	CBP establish training and management controls to ensure that contracting officers select the NAICS that best describes the principal purpose of each procurement.	Yes	Status of implementation is unknown.
	CBP determine whether exercising option years on the current contract will provide the government the best value for enforcement equipment maintenance and field operations support, and if not, develop and implement a new acquisition strategy to procure these services.	Yes	Status of implementation is unknown.
	CBP (a) determine and document whether Chenega complied with the federal and contract limitations on subcontracting; and (b) establish training and management controls that ensure on-going oversight of Chenega's compliance with subcontracting limitations.	Yes	Status of implementation is unknown.
	CBP (a) ensure that Chenega implements all Defense Contract Management Agency recommendations for Chenega's purchasing system; and (b) after Chenega remediates all deficiencies, certify the purchasing system so that CBP does not have to consent separately to each large subcontract.	Yes	Status of implementation is unknown.
OIG-08-12	Implement effective internal controls over drawback claims as part of any new systems initiatives, including the ability to compare, verify, and track essential information on drawback claims to the related underlying consumption entries and export documentation for which the drawback claim is based, and identify duplicate or excessive drawback claims.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Implement automated controls within ACS to prevent overpayment of a drawback claim that is subject to deem-liquidation.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-08-12	Provide additional detail in the guidelines, specifying the sample size, procedures to perform, and documentation requirements for the CM Coordinator's review of Import Specialists' review. The guidance should also readdress the timing requirements for the monitoring reports or data queries and documentation retention.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Conduct periodic training to ensure that all port personnel have comprehensive knowledge of the CM program requirements.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Ensure adequate communication of the ports requirements related to compliance reviews and risk assessments and provide effective timely training so that all responsible personnel are aware of and can consistently execute all of the requirements.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Implement a standard procedure to periodically compile the results of all In-bond audits performed during the year and develop an analysis function in order to evaluate importers' compliance with regulations as well as the overall effectiveness of the In-bond audits at a national level.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

U.S. Immigration and Customs Enforcement

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
M05-BICE-ELC-05480	<p>Securing the passports at one location within the Department of Homeland Security (DHS), Immigration and Customs Enforcement (ICE), Service Processing Center (SPC), El Centro, CA.</p>	Unknown	<p>Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.</p>
	<p>The Standard Operating Procedures (SOP) should include a schedule for auditing passports under the care of the Administrative Detention Operations Supervisor (ADOS).</p>	Unknown	<p>Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.</p>
	<p>The SOP should specifically address what outside agencies need to be contacted in the event of a lost or stolen Official Government Passport.</p>	Unknown	<p>Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.</p>
	<p>Once an SOP has been finalized and approved, it should be disseminated to all agents who have government-issued passports and their supervisors.</p>	Unknown	<p>Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.</p>
	<p>In order to ensure that affected personnel understand the new SOP and its requirements, there should be a brief training session provided to escort agents, first line supervisors, and other management officials who deal with government-issued passports.</p>	Unknown	<p>Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.</p>
M05-BICE-TUC-07713	<p>Immediately, disseminate an officer's safety notice to all law enforcement authorities using 2004 Blue Bird Express buses that have been retrofitted by Unicor. The notice should call attention to the types of security door modifications that were made to the buses in this report.</p>	Unknown	<p>Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.</p>

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
M05-BICE-TUC-07713	Direct officers to use the key dead bolt on the security door until fabrication changes take place to the security door that would prevent a hand from going through the cut outs.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.
	Single officer escorts should not be permitted in buses that have this modification unless the officer driver has an officer observer.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.
	Re-evaluate the current design standards and carry out necessary modifications to ensure the integrity of the interior cage door.	Unknown	Management Implication Report provided by Office of Investigations. Awaiting confirmation of implementation by component.
OIG-05-45	Consider the costs and benefits for DRO to obtain additional bed space in facilities with family unity capacity. If determined to be beneficial, evaluate and determine the most advantageous locations for family unity facilities based on factors including volume of juvenile apprehensions and proximity to border areas or POEs.	No	Closed after 12/31/07.
	Propose to ORR that ORR and DRO jointly evaluate apprehension rates by geographic area and provide adequate bed space near significant areas of apprehensions in order to minimize DHS initial interstate transfers of unaccompanied juveniles.	No	Closed after 12/31/07.
	Request ORR to enter into an MOU with DRO on respective responsibilities for unaccompanied juvenile aliens. The MOU should contain specific requirements for releases, including mandatory record checks on potential juvenile sponsors.	No	Action Plan needed.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-06-29	Ascertain the impact of administrative costs on FPS' operating budget and identify a source of funding for FPS' administrative costs, including additional budget authority if necessary, in the annual DHS budget request.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Obtain a thorough justification of FY 2004 ICE charges to FPS and require ICE to return any overcharge, if identified, to FPS to ensure compliance with the HSA.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Obtain a legal opinion on the legitimacy of the transactions discussed in this report, i.e., were the transactions in compliance with appropriations law, and take appropriate corrective actions, as necessary.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-06-33	We recommend that the Assistant Secretary, ICE: develop a detailed plan to ensure that ICE has the capacity to detain, process, and remove aliens that pose a potential national security or public safety risk to the U.S., including SIC, SST, and CAP aliens. The plan should include personnel, training, equipment, infrastructure, and funding requirements.	No	Status of implementation is unknown.
	Intensify efforts to obtain the resources needed to expedite the development of alternatives to detention to minimize required detention bed space levels.	Yes	Status of implementation is unknown.
	In collaboration with the Department of State, develop a detailed plan to resolve travel document and related issues that are preventing or impeding ICE's ability to repatriate OTM aliens. The plan should include timelines, milestone dates, the identity of personnel and organizations responsible for creating and implementing the plan, and any funding requirements.	Yes	Status of implementation is unknown.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-06-33	Expedite efforts to develop and implement a data management system that is capable of meeting its expanding data collection and analyses needs relating to the detention and removal of illegal aliens. The plan should include timelines, milestone dates, equipment and infrastructure requirements, a bi-annual reporting requirement outlining the progress being made on the project, the identity of the organizational entities to be responsible for implementing the planned upgrade, and any short and long-term funding requirements.	Yes	Status of implementation is unknown.
OIG-07-01	In consultation with the Division of Immigration Health Services, establish quality assurance measures to ensure the medical staff at detention facilities consistently follow all detention standards regarding: (a) initial medical screening and subsequent physical examinations for new arrivals, (b) timeliness of responding to non-emergency sick call requests, (c) monitor detainees on hunger strikes and (d) monitor detainees identified as a suicide risk.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	In consultation with the Division of Immigration Health Services, develop specific criteria to define reasonable time for medical treatment.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Revise the ICE Detention Standard to: (a) Explicitly address how detainees should report allegations of abuse and civil rights violations, along with violations of officer misconduct, directly to ICE management or the DHS Office of Inspector General; and (b) Require detention facilities to provide appropriate written guidance to correctional officers to ensure that treatment of immigration detainees is specifically germane to their custody status.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-01	Validate that each detention facility issues a handbook for immigration detainees that: (a) Specifically identifies detainees' rights, responsibilities, and rules; (b) Includes a section on detainee's rights regarding the reporting of allegations of abuse and civil rights violations; and (c) Includes a provision that detainees may report allegations of abuse and civil rights violations directly to the DHS Office of Inspector General.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-05	NCR Director review all inspection reports and proposed deductions for period 3/1/03 through present and initiate collection actions on all contracts found to be deficient.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-28	Develop and staff a program to improve oversight of all aliens who have been in detention longer than 180 days after a final order of removal. Oversight should include periodic field office meetings with local pro bono organizations.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-74	We recommend that the Dallas Finance Center, in coordination with the Office of Financial Management at Headquarters review and modify, as appropriate, the vendor tables in FFMS on a routine basis to ensure that attributes related to the Prompt Payment Act are accurate, thus allowing vendors who are due prompt payment interest to receive this interest.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the Dallas Finance Center adhere to its existing standard operating procedures for IPAC transactions.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the Office of Financial Management examine current policies and procedures and enhance as necessary for post validation particularly for receipt and acceptance of goods and services, when disbursements are processed through the IPAC system.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-74	We recommend that the Office of Financial Management develop and implement controls to monitor the execution of its policies and procedures, particularly related to IPAC transactions, to ensure that they are being adhered.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the Dallas Finance Center, in coordination with the Office of Financial Management at Headquarters continue to instruct the ICE's program office on the requirements to submit invoices to DFC in a timely manner so that the payments can be made more timely, and thus avoiding the payment of interest, in compliance with the Prompt Payment Act.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the Office of Acquisition Management adhere to its existing policies and procedures regarding the approval of procurement documentation by contracting officers to ensure that authorization occurs prior to the entity's resources being obligated in FFMS.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the Dallas Finance Center, in coordination with the Office of Financial Management at Headquarters issue guidance to ICE's customers instructing them on the requirements to submit invoices to DFC in a timely manner.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that all program offices and the Office of Acquisition Management consider the feasibility of using PRISM for all the procurement needs of the entity.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the Office of Financial Management, in coordination with the Office of Acquisition Management continue its efforts to implement an interface between PRISM and FFMS.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	We recommend that the timekeepers adhere to existing policies and procedures by performing leave audits when discrepancies are reported by NFC and timely research and resolve the differences.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-07-74	We recommend that the Office of Human Resources develop and implement controls to monitor the execution of these policies and procedures, particularly related to the leave audits, to ensure that they are being followed.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

U.S. Secret Service

Report Number	Recommendation Text	Agrees (Yes, No, Unknown)	Current Status
OIG-05-37	Ensure that adequate controls for granting, monitoring, and removing SSWeb user access are implemented according to DHS requirements and NIST guidelines.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Develop an IT contingency plan for SSWeb, and ensure that annual tests of the plan and quarterly tests of data restoration procedures are conducted.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Develop and implement corrective action plans to address all identified SSWeb vulnerabilities and configuration weaknesses to reduce the risk of system compromise or failure.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
	Examine methods to implement strong encryption between SSWeb clients and servers to ensure that sensitive data is adequately protected.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.
OIG-07-74	The Forensic Services Division and the Financial Management Division continue working with the field offices to provide training and ensure the offices are aware of the reconciliation process and the timeframe for submitting information.	Yes	Action Plan provided. Awaiting confirmation of implementation by component.

Report Summaries

Report Number DA-07-03

Title: Virgin Islands Water and Power Authority.

Issued: November 2006.

Abstract: The report audited hazard mitigation funds awarded to the Virgin Islands Water and Power Authority (WAPA) under Projects VI-0009 and VI-0010. The objective of the audit was to determine whether WAPA accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: WAPA generally accounted for and used grant funds according to federal regulations and FEMA guidelines. However, the review of WAPA's claim disclosed questioned costs resulting from unrelated and duplicated charges.

Recommendation Summary and Status: As of December 31, 2007, the recommendation in this report was open. It is unknown whether the recommendation has been implemented. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$9,621.

Non-Monetary Benefits: N/A

Report Number DA-13-03

Title: Harrison County, Mississippi.

Issued: June 2003.

Abstract: We performed an audit of public assistance funds awarded to Harrison County, Mississippi. The objective of the audit was to determine whether the county accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The county's claim included \$1,723,666 of excessive charges for tree stumps. Also, FEMA mistakenly awarded \$6,000 of funds under a small project that should be de-obligated and used elsewhere.

Recommendation Summary and Status: As of December 31, 2007, the two recommendations in this report were open. The component has responded by providing a corrective action plan implementing the open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$1,729,666.

Non-Monetary Benefits: N/A

Report Number DA-20-03

Title: Commonwealth of Puerto Rico, Office of Management and Budget Administration FEMA's Disaster Public Assistance.

Issued: August 2003.

Abstract: We performed an audit to determine whether the Commonwealth of Puerto Rico, OMB accounted for, used, and managed public assistance program funds according to federal regulations and FEMA guidelines.

Key Findings: We concluded that OMB was not staffed or organized in a manner to effectively administer the Public Assistance program. Improvements are needed in the areas of financial and program management.

Recommendation Summary and Status: As of December 31, 2007, 11 of the 21 recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$45,441.

Non-Monetary Benefits: N/A

Report Number DA-29-03

Title: Washington Metropolitan Area Transit Authority, Washington, D.C.

Issued: September 2003.

Abstract: We performed an audit of public assistance funds awarded to the Washington Metropolitan Area Transit Authority, Washington, D.C. The objective of the audit was to determine whether the Authority accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The Authority did not retain all project financial records for the period prescribed by the federal regulations. Additionally, the Authority's claim included questioned costs of \$6,864 (FEMA share \$5,148) resulting from excessive material chares.

Recommendation Summary and Status: As of December 31, 2007, the two recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$6,864.

Non-Monetary Benefits: N/A

Report Number DA-03-04

Title: City of Barnesville, Georgia.

Issued: November 2003.

Abstract: We performed an audit of the public assistance funds awarded to the City of Barnesville, Georgia. The objective of the audit was to determine whether the city accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The contractor provided the city with a "Certification of Liability Insurance" showing the required amount of bidder's risk insurance on the project. However, contrary to Article 4M, the insurance policy did not cover flood damages. We concluded that the contractor, not the city, was legally responsible for the cost of emergency protective measures and repairs to the Eddie Creek Dam and Reservoir.

Recommendation Summary and Status: As of December 31, 2007, the two recommendations in this report were open. It is unknown whether the recommendations have been implemented.

Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$1,035,749.

Non-Monetary Benefits: N/A

Report Number DA-06-04

Title: Town of Randolph, Vermont.

Issued: November 2003.

Abstract: We performed an audit of the public assistance funds awarded to the Town of Randolph, Vermont. The objective of the audit was to determine whether the town accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: Except for the questioned costs of \$1,385 (FEMA share \$1,039) resulting from unsupported material charges under Project 35273, the town properly accounted for and expended FEMA funds.

Recommendation Summary and Status: As of December 31, 2007, the recommendation in this report was open. It is unknown whether the recommendation has been implemented. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$1,385.

Non-Monetary Benefits: N/A

Report Number DA-11-04

Title: Town of Lincoln, Vermont.

Issued: February 2004.

Abstract: We performed an audit of public assistance funds awarded to the Town of Lincoln, Vermont. The objective of the audit was to determine whether the town accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The town's claim included questioned costs of \$18,382 (FEMA share \$13,787) resulting from unsupported and duplicate charges.

Recommendation Status and Summary: As of December 31, 2007, the two recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$18,382.

Non-Monetary Benefits: N/A

Report Number DA-12-04

Title: State of West Virginia Administration of Disaster Assistance Funds.

Issued: February 2004.

Abstract: We performed an audit of the disaster assistance grant programs administered by the West Virginia Office of Emergency Services (grantee) was completed. The audit objectives were to determine whether the Grantee administered FEMA grant programs according to Federal regulations, and accounted for, reported and used program funds properly.

Key Findings: The audit found that the Grantee needed to improve its procedures for: (1) managing administrative allowances; (2) performing financial management functions; (3) disbursing disaster funds; (4) documenting its internal controls and monitoring procedures; (5) preparing state Administrative Plans; and (6) ensuring subgrantees complied with Single Audit Act requirements.

Recommendation Status and Summary: As of December 31, 2007, four of the six recommendations in this report were open. The component has responded by providing a corrective action plan implementing one of the open recommendations. It is unknown whether the remaining recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure program improvement and compliance with requirements.

Report Number DA-17-04

Title: State of Massachusetts Administration of Disaster Assistance Funds.

Issued: February 2004.

Abstract: We performed an audit of the Massachusetts Emergency Management Agency's (MEMA) administration of FEMA's disaster assistance grant programs was completed. The objective of this audit was to determine the effectiveness of MEMA's management and administration of disaster assistance programs.

Key Findings: Improvements were needed in: MEMA's financial management system to properly account for and report on the status of FEMA disaster assistance programs; MEMA's accounting system to ensure that FEMA approved administrative allowances and management grants were used or accounted for according to Federal requirements; MEMA's closure processes to ensure timely closure of programs; the preparation and submission of required administrative plans for the Individual and Family and Public Assistance Programs, and the program plans for the Hazard Mitigation Grant program; and procedures for obtaining Single Audit Act reports from subgrantees.

Recommendation Status and Summary: As of December 31, 2007, four of the five recommendations in this report were open. The component has responded by providing a corrective action plan implementing the open recommendation. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure compliance with program requirements.

Report Number DA-20-04

Title: Audit of the State of South Carolina Administration of Disaster Assistance Funds.

Issued: March 2004.

Abstract: We performed an audit of the South Carolina Emergency Management Division (grantee) administration of FEMA's disaster assistance grant programs. The objective of the audit was to determine the effectiveness of the grantee's management and administration of the disaster assistance programs.

Key Findings: Improvements were needed in: the state's preparation and submission of HMGP and PA quarterly progress reports; the preparation and submission of program and administrative plans; the grantee's procedures for ensuring that HMGP and PA subgrantees comply with the requirements of the Single Audit Act; and the state's procedures for allocating federally funded management costs. In addition, the grantee had not reimbursed FEMA for the state's share of two mission assignments and had used administrative allowances to pay expenses that were not extraordinary as defined by federal regulations.

Recommendation Summary and Status: As of December 31, 2007, three of the seven recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: N/A

Report Number DA-23-04

Title: DeKalb County, Georgia.

Issued: May 2004.

Abstract: We performed an audit of public assistance funds awarded to DeKalb County, Georgia. The objective of the audit was to determine whether the county accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The county's claim included questioned costs of \$161,352 (FEMA share \$121,014) resulting from unsupported, excessive, and ineligible project charges.

Recommendation Summary and Status: As of December 31, 2007, the four recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$161,352.

Non-Monetary Benefits: N/A

Report Number DA-26-04

Title: Audit of the State of Kentucky Administration of Disaster Assistance Funds.

Issued: May 2004.

Abstract: We performed an audit of the Commonwealth of Kentucky Division of Emergency Management's administration and management of disaster assistance programs. The objectives of the audit were to determine whether the Commonwealth of Kentucky had administered FEMA disaster assistance programs according to federal regulations and properly accounted for and expended FEMA disaster assistance funds.

Key Findings: Improvements were needed in the grantee's preparation and submission of program plans, Financial Status Reports, and quarterly progress reports. The grantee needed to develop a process to track outstanding checks and develop procedures for ensuring compliance with the provisions of the Single Audit Act by the subgrantees.

Recommendation Summary and Status: As of December 31, 2007, four of the six recommendations in this report were open. The component has responded by providing a corrective action plan implementing three of the recommendations. It is unknown whether one of the recommendations has been implemented. Upon verification of implementation the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Program improvements.

Report Number DA-30-04

Title: University of the Virgin Islands.

Issued: June 2004.

Abstract: We performed an audit of public assistance funds awarded to the University of the Virgin Islands (UVI). The objective of the audit was to determine whether UVI accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The Stafford Act prohibits the use of public assistance funds for damages covered by insurance. As such, grant recipients are responsible for pursuing commercially reasonable insurance recoveries and crediting FEMA projects with all applicable proceeds. However, UVI's claim included \$1,818,638 of building repair cost (FEMA share \$1,636,774) that was covered by insurance.

Recommendation Summary and Status: As of December 31, 2007, the two recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$1,818,638.

Non-Monetary Benefits: N/A

Report Number DA-33-04

Title: North Carolina Division of Parks and Recreation.

Issued: August 2004.

Abstract: We performed an audit of public assistance funds awarded to the North Carolina Division of Parks and Recreation. The objective of the audit was to determine whether the Division of Parks and Recreation accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: Parks and Recreation did not have procedures to record expenditures on a project-by-project basis and effectively administer contracts. In addition, its claim included questioned costs of \$7,313,956 (FEMA share \$6,582,560) resulting from unsupported costs, unauthorized work, pre-existing damages, and mathematical errors.

Recommendation Summary and Status: As of December 31, 2007, four of the six recommendations in this report were open. The component has responded by providing a corrective action plan implementing three of the recommendations. It is unknown whether two of the recommendations have been implemented. Upon verification of implementation the recommendations will be closed.

Estimated Cost Savings: \$7,313,956.

Non-Monetary Benefits: Ensure that proper accounting and contract management processes are in place.

Report Number DA-34-04

Title: Municipality of San Juan, Puerto Rico.

Issued: September 2004.

Abstract: We performed an audit of public assistance funds awarded to the Municipality of San Juan, Puerto Rico. The objective of the audit was to determine whether the municipality accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The municipality's claim contained equipment and labor costs of \$565,950 that we determined were excessive or unsupported. The municipality also claimed \$16,786 for work that was not completed. We questioned these charges totaling \$582,736 (FEMA share \$524,462).

Recommendation Status and Summary: As of December 31, 2007, the two recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$582,736.

Non-Monetary Benefits: N/A

Report Number DA-35-04

Title: City of Macon, Georgia.

Issued: September 2004.

Abstract: We performed an audit of public assistance funds awarded to the City of Macon, Georgia. The objective of the audit was to determine whether the city accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The city's claim contained charges of \$126,911 (FEMA share \$114,220) that were excessive or duplicative in nature.

Recommendation Status and Summary: As of December 31, 2007, the two recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$126,911.

Non-Monetary Benefits: N/A

Report Number DA-36-04

Title: Brevard County, Florida.

Issued: September 2004.

Abstract: We performed an audit of public assistance funds awarded to Brevard County, Florida. The objective of the audit was to determine whether the county accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The county's claim contained charges of \$248,582 (FEMA share \$186,437) that were either unrelated to the projects charged, ineligible, or excessive.

Recommendation Summary and Status: As of December 31, 2007, the three recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$248,582.

Non-Monetary Benefits: N/A

Report Number DA-37-04

Report Title: Brevard County, Florida.

Issued: September 2004.

Abstract: We performed an audit of public assistance funds awarded to Brevard County, Florida. The objective of the audit was to determine whether the county accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The county's claim contained charges of \$407,090 (FEMA share \$305,318) that were either unrelated to the projects charged, unsupported, ineligible, or excessive.

Recommendation Status and Summary: As of December 31, 2007, the four recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$407,090.

Non-Monetary Benefits: N/A

Report Number DA-38-04

Title: Greenville Utilities Commission.

Issued: September 2004.

Abstract: We performed an audit of public assistance funds awarded to the Greenville Utilities Commission, Greenville, North Carolina. The objective of the audit was to determine whether the Commission accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: Except for \$64,692 of excess labor and fringe benefit charges (FEMA share \$58,223), the Commission properly accounted for and used FEMA funds.

Recommendation Status and Summary: As of December 31, 2007, the two recommendations we made in this report were open.

It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$64,692.

Non-Monetary Benefits: N/A

Report Number DA-01-05

Title: North Carolina Department of Transportation.

Issued: October 2004.

Abstract: We performed an audit of the public assistance funds awarded to the North Carolina Department of Transportation. The objective of the audit was to determine whether the department accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The department's claim included \$206,642 (FEMA share \$154,982) of project charges that were excessive or unauthorized.

Recommendation Summary and Status: As of December 31, 2007, the four recommendations in this report were open. It is unknown whether the recommendation has been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$206,642.

Non-Monetary Benefits: N/A

Report Number DA-02-05

Title: Hudson County, New Jersey.

Issued: October 2004.

Abstract: At the request of FEMA Region II, we performed an audit of the public assistance funds awarded to Hudson County, New Jersey. The objective of the audit was to determine whether the county and other recipients of grant funds accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: Jersey City did not maintain an effective system to account for and document overtime salary charges made under various projects. Additionally, we determined that costs claimed by Jersey City, Hudson County, and the Town of Weehawken included \$2,082,429 of overtime salary charges that were unsupported, ineligible, or unreasonable.

Recommendation Summary and Status: As of December 31, 2007, the three recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$2,082,429.

Non-Monetary Benefits: N/A

Report Number DA-06-05

Title: Crisp County, Georgia.

Issued: June 2007.

Abstract: We performed an audit of the public assistance funds awarded to Crisp County, Georgia. The objective of the audit was to determine whether the county accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The county's claim contained charges of \$211,528 (FEMA share \$190,375) that were either unnecessary, not reduced by project income, or were duplicative in nature.

Recommendation Summary and Status: As of December 31, 2007, the three recommendations in this report were open. The component has responded by providing a corrective action plan implementing one open recommendation. We have not come to agreement with the component on two of the recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$211,528.

Non-Monetary Benefits: N/A

Report Number DA-07-05

Title: Review of Hurricane Katrina Activities, Hancock County, Mississippi.

Issued: December 2006.

Abstract: We performed an interim review on emergency services and debris removal costs associated with Hurricane Katrina activities for Hancock County, Mississippi. The objective of the review was to determine whether the county was properly accounting for disaster-related costs and whether such costs were eligible for funding under FEMA's disaster assistance programs.

Key Findings: The county accounted for funds on a project-by-project basis according to federal regulation for large projects. Additionally, project expenditures were supported by checks, invoices, and other source documentation. However, the county did not always comply with federal procurement standards when contracting for debris removal activities.

Recommendation Summary and Status: As of December 31, 2007, the two recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure best use of government resources.

Report Number DA-08-05

Title: New Hanover County, North Carolina.

Issued: December 2004.

Abstract: We performed an audit of public assistance funds awarded to New Hanover County, North Carolina. The objective of the audit was to determine whether the county accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The county's claim of \$1.5 million under Project 78826 included charges of \$596,581 (FEMA share \$536,923),

which should have been offset by earned income. We questioned these charges.

Recommendation Summary and Status: As of December 31, 2007, the recommendation in this report was open. It is unknown whether the recommendation has been implemented. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$596,581.

Non-Monetary Benefits: N/A

Report Number DA-09-05

Title: Municipality of Maunabo.

Issued: January 2005.

Abstract: We performed an audit of public assistance funds awarded to the Municipality of Maunabo, Puerto Rico. The objective of the audit was to determine whether the Municipality accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The Municipality's grant accounting system did not provide adequate details to support the expenditures allocable to FEMA projects. Additionally, the Municipality's claim included questioned costs of \$447,284 (FEMA share \$402,557) resulting from excessive and unsupported charges, duplication of benefits, and incomplete implementation of small projects.

Recommendation Summary and Status: As of December 31, 2007, the seven recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$447,284.

Non-Monetary Benefits: N/A

Report Number DA-10-05

Title: State of Rhode Island Administration of Disaster Assistance Funds.

Issued: February 2005.

Abstract: We performed an audit of the State of Rhode Island's administration and management of FEMA disaster assistance grant programs. The overall objective of this audit was to determine the effectiveness of the Rhode Island Emergency Management Agency's (grantee) administration and management of disaster assistance programs.

Key Findings: The audit concluded that the State of Rhode Island, for the most part, had effectively managed FEMA's PA grant program according to Federal requirements. However, as indicated by the report findings, some weaknesses in internal controls and noncompliance situations were identified.

Recommendation Summary and Status: As of December 31, 2007, one of the two recommendations in this report was open. The component has responded by providing a corrective action plan implementing the open recommendation. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$21,769.

Non-Monetary Benefits: N/A

Report Number DA-12-05

Title: Municipality of Mayaguez.

Issued: March 2005.

Abstract: We performed an audit of the public assistance funds awarded to the Municipality of Mayaguez, Puerto Rico. The objective of the audit was to determine whether the Municipality accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: Prior to the audit, FEMA disallowed \$1,260,522 of debris removal charges under three of the large projects audited because the amount of debris reportedly removed and claimed exceeded the amount verified by FEMA. However, our audit revealed additional questioned charges of \$328,462 (FEMA share \$295,616) resulting from small projects that were not completed and unsupported and duplicative charges. Additionally, the Municipality earned \$11,180 of interest on FEMA funds that should have been, but was not returned to FEMA.

Recommendation Status and Summary: As of December 31, 2007, the seven recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$339,642.

Non-Monetary Benefits: N/A

Report Number DA-14-05

Title: State of New Jersey Administration of Disaster Assistance Funds.

Issued: March 2005.

Abstract: We performed an audit of the administration of disaster assistance grant programs by the State of New Jersey, Division of State Police, Office of Emergency Management (OEM) was performed. The audit objectives were to determine whether OEM administered FEMA disaster grant programs according to federal regulations, properly accounted for and used FEMA program funds, and submitted accurate financial expenditure reports.

Key Findings: The audit revealed that: (1) Improvements were needed in the preparation of PA and HM administrative plans; (2) OEM was not always submitting required HM quarterly progress reports; (3) OEM did not submit complete HM project applications; (4) OEM did not effectively monitor subgrantee's activities; and (5) OEM did not have an adequate labor distribution system to support personnel costs charged to management grants.

Recommendation Summary and Status: As of December 31, 2007, one of the five recommendations in this report was open. The component has responded by providing a corrective action plan implementing the open recommendation. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: N/A

Report Number DA-16-05

Title: City of Columbus, Mississippi.

Issued: May 2005.

Abstract: We performed an audit of public assistance funds awarded to the City of Columbus, Mississippi. The objective of the audit was to determine whether the city accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The city did not follow proper contracting procedures for awarding contracts for project activities. Also, the city's claim included project charges of \$256,770 (FEMA share \$192,578) that were determined to be either unsupported or improper, or not reduced by applicable credits.

Recommendation Summary and Status: As of December 31, 2007, the three recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$256,770.

Non-Monetary Benefits: N/A

Report Number DA-17-05

Title: Monroe County School District, Key West, Florida.

Issued: June 2005.

Abstract: We performed an audit of public assistance funds awarded to Monroe County School District, Key West, Florida. The objective of the audit was to determine whether the District accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The District's claim included questioned costs of \$548,035 (FEMA share \$411,026) resulting from charges that were either excessive or covered by insurance.

Recommendation Summary and Status: As of December 31, 2007, the four recommendations in this report were open. It is unknown whether the recommendations have been implemented.

Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$548,035.

Non-Monetary Benefits: N/A.

Report Number DA-18-05

Title: City of Owensboro, Kentucky.

Issued: June 2005.

Abstract: We performed an audit of public assistance funds awarded to the City of Owensboro, Kentucky. The objective of the audit was to determine whether the city accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The city's claim included \$8,171 (FEMA share 46,128) of excess fringe benefits, labor and equipment charges.

Recommendation Summary and Status: As of December 31, 2007, the three recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$8,171.

Non-Monetary Benefits: N/A

Report Number DA-21-05

Title: Audit of District of Columbia Administration of Disaster Assistance Funds.

Issued: July 2005.

Abstract: We performed an audit of disaster assistance grant programs administered by the District of Columbia Emergency Management Agency (grantee). The audit objectives were to determine whether the grantee administered FEMA grant programs according to federal regulations, and accounted for, reported and used program funds properly.

Key Findings: Financial and Program management findings included: the grantee did not document internal and management control systems to ensure its controls were adequate and being followed; HM project files did not include sufficient evidence to support effective project monitoring; and closeout documents for the IFG program were not prepared within the required timeframes.

Recommendation Summary and Status: As of December 31, 2007, two of the three recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure compliance with program requirements.

Report Number DA-22-05

Title: Municipality of Coamo.

Issued: August 2005.

Abstract: We performed an audit of public assistance funds awarded to the Municipality of Coamo, Puerto Rico. The objective of the audit was to determine whether the Municipality accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The Municipality's claim included \$1,031,165 (FEMA share \$928,049) of costs that were questioned, resulting from excessive charges, duplication of benefits, and incomplete implementation of large and small projects.

Recommendation Summary and Status: As of December 31, 2007, the seven recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$1,031,165.

Non-Monetary Benefits: N/A

Report Number DA-23-05

Title: City of Portsmouth, Virginia.

Issued: August 2005.

Abstract: We performed an audit of public assistance funds awarded to the City of Portsmouth, Virginia. The objective of the audit was to determine whether the city accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The city's claim contained questioned costs of \$46,485 (FEMA share \$34,864) resulting from duplicate charges.

Recommendation Summary and Status: As of December 31, 2007, the recommendation in this report was open. It is unknown whether the recommendation has been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$46,485.

Non-Monetary Benefits: N/A

Report Number DA-24-05

Title: City of Clarksville, Tennessee.

Issued: August 2005.

Abstract: We performed an audit of public assistance funds awarded to the City of Clarksville, Tennessee. The objective of the audit was to determine whether the city accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The city's claim included \$30,596 of questioned costs (FEMA share \$22,947) resulting from charges that were ineligible, for work not completed, covered by insurance, or excessive.

Recommendation Summary and Status: As of December 31, 2007, the four recommendations in this report were open. It is unknown whether the recommendations have been implemented.

Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$30,596.

Non-Monetary Benefits: N/A

Report Number DA-25-05

Title: Audit of the State of Florida Administration of Disaster Assistance Funds.

Issued: August 2005.

Abstract: We performed an audit of the administration of the disaster assistance grant programs by the Florida Department of Community Affairs, Division of Emergency Management (grantee) was completed. The objectives were to determine whether the grantee administered FEMA grant programs according to Federal regulations, and accounted for, reported and used program funds properly.

Key Findings: The audit found that the grantee needed to improve procedures for: reporting total disaster costs; managing obligations and expenditures for State Management grants; making payments to subgrantees; and monitoring projects and project closeouts.

Recommendation Summary and Status: As of December 31, 2006, four of the 16 recommendations in this report were open. The component has responded by providing a corrective action plan implementing three of the open recommendations. We do not agree with the component on one of the open recommendations. Upon verification of implementation the recommendations will be closed.

Estimated Cost Savings: \$597,855.

Non-Monetary Benefits: N/A

Report Number DA-26-05

Title: Audit of the State of New Hampshire Administration of Disaster Assistance Funds.

Issued: August 2005.

Abstract: We performed an audit of the administration of the disaster assistance grant programs by the New Hampshire Bureau of Emergency Management (grantee) was performed. The objectives of the audit were to determine whether the grantee administered the FEMA disaster Assistance Grant Program according to federal regulations and properly accounted for, reported, and expended FEMA funds

Key Findings: The grantee needed procedures to ensure compliance with the Single Audit Act; did not have supporting documentation for costs claimed under the Individual and Family grant; had weak controls over the grant disbursement activities; did not have adequate procedures in place to prevent overpayments to subgrantees; and needed improvements in completing and supporting Financial Status Reports.

Recommendation Summary and Status: As of December 31, 2007, the five recommendations in this report were open. The component has responded by providing a corrective action plan implementing the open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Effective performance of grant management function.

Report Number DA-28-05

Title: First Responder Grant Funds Awarded to Virgin Islands Law Enforcement.

Issued: September 2005.

Abstract: We performed an audit of first responder grant funds awarded by the Office of Domestic Preparedness to the Virgin Islands (VI) Law Enforcement Planning Commission (LEPC). The audit objectives were to determine whether the VI Government had: adequate controls to account for and ensure appropriate use of grant funds; and implemented the first responder program according to federal regulations and grant requirements.

Key Findings: The VI Government needs to improve its control over the accountability and use of program funds. Specifically, reconciliations of accounting data were not performed and the

LEPC incurred questionable charges of \$111,540 resulting from purchases made prior to the grant period and poor contracting and spending practices. Also, LPEC did not follow ODP reporting requirements for the preparation of progress reports.

Recommendation Summary and Status: As of December 31, 2007, the four recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$111,540.

Non-Monetary Benefits: N/A

Report Number DA-07-06

Title: Interim Review of Hurricane Wilma Activities, City of Coral Gables, Florida.

Issued: December 2006.

Abstract: We performed an interim review on emergency services and debris removal costs associated with Hurricane Wilma activities for the city of Coral Gables, Florida. The objective of the review was to determine whether the city was properly accounting for disaster-related costs and whether such costs were eligible for funding under FEMA's public assistance program.

Key Findings: The city had an effective system for accounting for disaster-related costs. A separate cost account had been established to record project expenditures and accounting entries could be systematically traced to supporting source documents. Also, the city's contracts for debris removal activities were awarded according to federal procurement regulations. However, the city's claim under several projects included \$365,633 of excessive force account equipment costs resulting from idle equipment time.

Recommendation Summary and Status: As of December 31, 2007, the recommendation in this report was open. It is unknown whether the recommendation has been implemented. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$365,633.

Non-Monetary Benefits: N/A

Report Number DA-07-08

Title: Review of Hurricane Katrina Activities, Jones County, Mississippi.

Issued: February 2007.

Abstract: We performed an interim review on debris removal costs associated with Hurricane Katrina activities for Jones County, Mississippi. The objective of the review was to determine whether the county was properly accounting for disaster-related costs and whether such costs were eligible for funding under FEMA's disaster assistance programs.

Key Findings: The county accounted for funds on a project-by-project basis consistent with federal regulations for large projects. Additionally, expenditures were supported with checks, invoices, and other source documentation. Also, the county's contracts for debris removal activities were generally awarded according to federal procurement regulations. The county however, did not ensure that it obtained the best price for debris contract monitors.

Recommendation Summary and Status: As of December 31, 2007, the recommendation in this report was open. The component has responded by providing a corrective action plan implementing the remaining open recommendation. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Safeguard the use of government funds related to Hurricane Katrina.

Report Number DA-07-09

Title: Audit of Hurricanes Katrina and Wilma Activities, Monroe County, Florida.

Issued: March 2007.

Abstract: The interim audit focused on emergency services and debris removal costs for activities associated with Hurricane Katrina and Wilma for Monroe County, Florida. The objective of the review was to determine whether the county was properly

accounting for disaster-related costs and whether such costs were eligible for funding under FEMA's disaster assistance programs,

Key Findings: The county accounted for the FEMA funds on a project-by-project basis according to federal regulations for large projects. Additionally, checks, invoices, and the source documentation supported project expenditures. Moreover, the county complied with federal procurement standards when contracting for debris removal activities. However, \$1,721,725 of project expenditures for activities associated with removing debris from federal-aid roads are the responsibility of the Federal Highway Administration.

Recommendation Summary and Status: As of December 31, 2007, the recommendation in this report was open. The component has responded by providing a corrective action plan implementing the open recommendation. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$1,721,725.

Non-Monetary Benefits: N/A

Report Number DA-07-10

Title: Audit of Personnel Costs Claimed by New York State Emergency Management Office Under FEMA Grant Programs.

Issued: March 2007.

Abstract: The audit focused on the personnel costs claimed by the New York State Emergency Management Office under various FEMA grant programs. The objective of the audit was to determine whether the costs claimed were properly supported and not duplicated among grant programs.

Key Findings: The New York State Emergency Management Office did not properly account for FEMA grant funds. Moreover, the claim included \$653,408 of duplicative personnel costs—salaries and fringe benefits.

Recommendation Summary and Status: As of December 31, 2007, the two recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$653,408.

Non-Monetary Benefits: Ensure that proper accounting practices are followed.

Report Number DA-07-11

Title: Audit of Hurricanes Katrina and Wilma Activities City of Miami, Florida.

Issued: June 2007.

Abstract: The audit focused on emergency services and debris removal costs for activities associated with Hurricane Katrina and Wilma for the City of Miami, Florida. The objective of the review was to determine whether the city was properly accounting for disaster-related costs and whether such costs were eligible for funding under FEMA's disaster assistance programs.

Key Findings: The city had an effective system for accounting for disaster-related costs. A separate cost account had been established to record project expenditures and accounting entries could be systematically traced to supporting documents. However, questioned costs of \$3,817,991 (FEMA share \$3,374,876) were identified resulting from excess and non-disaster-related charges, an unapplied credit, losses covered by insurance, and excessive contract labor charges.

Recommendation Summary and Status: As of December 31, 2007, the recommendation in this report was open. It is unknown whether the recommendation has been implemented. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$3,817,991.

Non-Monetary Benefits: N/A

Report Number DA-08-01

Title: Audit of Hurricane Jeanne Activities Hillsborough County, Florida.

Issued: November 2007.

Abstract: The audit focused on emergency services and debris removal funds awarded to Hillsborough County, Florida (county),

as a result of Hurricane Jeanne in September 2004. The audit objective was to determine whether the county accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The county's accounting records did not accurately reflect all costs claimed and reimbursed for debris removal activities. In addition, the county's claim contained \$336,786 (FEMA share \$303,107) of unsupported debris removal charges.

Recommendation Summary and Status: As of December 31, 2007, the recommendation in this report was open. It is unknown whether the recommendation has been implemented. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$336,786.

Non-Monetary Benefits: N/A

Report Number DA-08-02

Title: Review of the Hurricane Katrina Activities for City of Pascagoula, Mississippi.

Issued: November 2007.

Abstract: The review focused on emergency services and debris removal costs associated with Hurricane Katrina activities for the City of Pascagoula, Mississippi. The objective of the review was to determine whether the city properly accounted for disaster-related costs and whether such costs were eligible for funding under FEMA disaster assistance programs.

Key Findings: The city accounted for FEMA funds on a project-by-project basis according to federal regulations for large projects. However, the costs claimed under the FEMA projects included \$725,237 of ineligible regular-time labor and excessive contract charges.

Recommendation Summary and Status: As of December 31, 2007, the recommendation in this report was open. It is unknown whether the recommendation has been implemented. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$43,751.

Non-Monetary Benefits: N/A

Report Number DA-08-03

Title: Audit of Hurricane Katrina Activities for City of Ocean Springs, Mississippi.

Issued: December 2007.

Abstract: The audit focused on disaster costs associated with Hurricane Katrina activities for the City of Ocean Springs, Mississippi. The objective of the review was to determine whether the city properly accounted for disaster-related costs and whether such costs were eligible for funding under FEMA disaster assistance programs.

Key Findings: The city's accounting system did not separately account for project expenditures on a project-by-project basis as required by federal regulations. Also, the city did not comply with federal contracting regulations when awarding a debris removal contract. Further, \$102,244 of questioned costs resulted from ineligible and duplicative project charges.

Recommendation Summary and Status: As of December 31, 2007, the three recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$102,244.

Non-Monetary Benefits: Ensure that proper accounting practices are followed and the best use of government resources.

Report Number DA-FL-07-12

Title: Review of Hurricane Wilma Activities, City of Pembroke Pines, Florida.

Issued: July 2007.

Abstract: This audit focuses on Hurricane Wilma emergency services and debris removal costs for the city of Pembroke Pines, Florida. The objective of the audit was to determine whether the city was properly accounting for disaster-related costs and whether

such costs were eligible for funding under FEMA's disaster assistance programs

Key Findings: The city accounted for funds on a project-by-project basis consistent with federal regulations for large projects. However, the city did not always comply with federal procurement standards when contracting for disaster-related services.

Recommendation Status and Summary: As of December 31, 2007, the four recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$3,186,310.

Non-Monetary Benefits: Ensure best use of government resources.

Report Number DD-01-04

Title: Minnkota Power Cooperative, Inc. Grand Forks, North Dakota.

Issued: October 2003.

Abstract: This audit focuses on public assistance funds awarded to Minnkota Power Cooperative, Inc., Grand Forks, North Dakota (MPC). The objective of the audit was to determine whether MPC expended and accounted for FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: MPC did not expend and account for FEMA funds according to federal regulations and FEMA guidelines. Further, MPC did not follow federal procurement regulations to contract for \$4,015,277 in disaster work. As a result, fair and open competition did not occur and FEMA had no assurance that contract costs claimed were reasonable.

Recommendation Status and Summary: As of December 31, 2007, two of the five recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$476,248.

Non-Monetary Benefits: N/A

Report Number DD-01-05

Title: Grant Management: Wisconsin's Compliance with Disaster Assistance Program's Requirements.

Issued: October 2004.

Abstract: This report focuses on Wisconsin's Emergency Management's (WEM) agency (grantee) systems and processes for ensuring that grant funds were managed, controlled, and expended according to the Stafford Act and the requirements set forth in Title 44 of the Code of Federal Regulations (44 CFR).

Key Findings: The audit concluded that the State of Wisconsin, for the most part, had effectively managed FEMA's disaster assistance programs according to Federal requirements. However, as indicated by the reported findings, some weaknesses in internal controls and noncompliance situations were identified.

Recommendation Summary and Status: As of December 31, 2007, the five recommendations in this report were open. We received verification in 2008 of implementation and the recommendations have been closed.

Estimated Cost Savings: \$84,933.

Non-Monetary Benefits: N/A

Report Number DD-02-04

Title: City of Hoisington, Kansas.

Issued: October 2003.

Abstract: This audit focuses on public assistance funds awarded to the City of Hoisington, Kansas. The objective of the audit was to determine whether the city expended and accounted for FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The city did not expend and account for FEMA funds according to federal regulations and FEMA guidelines. In addition, the city did not follow federal procurement regulations to

contract for \$779,269 in construction services. As a result, fair and open competition did not occur and FEMA had no assurance that contract costs were reasonable.

Recommendation Status and Summary: As of December 31, 2007, nine of the 10 recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$196, 513.

Non-Monetary Benefits: N/A

Report Number DD-02-05

Title: Grant Management: Louisiana's Compliance With Disaster Assistance Program's Requirements.

Issued: November 2004.

Abstract: This audit focuses on the administration of the Hazard Mitigation Grant Program (HMGP) and Unmet Needs (UN) funding by the State of Louisiana's Office of Homeland Security and Emergency Preparedness (LHLS/EP). The audit objective was to determine whether LHLS/EP administered FEMA HMGP and UN according to federal regulations and properly accounted for and used FEMA program funds.

Key Findings: The review determined that LHLS/EP did not administer the FEMA Hazard Mitigation Grant and Unmet Needs Programs according to federal regulations and did not properly account for and use FEMA program funds. As a result, \$617,787 of ineligible management and administrative costs were questioned and other conditions that increased the likelihood that fraud, waste, and abuse occurred without detection were identified. LHLS/EP's inadequate administration was largely due to its not having procedures for administering grant funds and staff having minimal program knowledge and experience.

Recommendation Summary and Status: As of December 31, 2007, the nine recommendations in this report were open. The component has responded by providing a corrective action plan implementing the open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$651,849.

Non-Monetary Benefits: Ensure program improvement and compliance with requirements.

Report Number DD-03-05

Title: Grant Management: Louisiana's Compliance With Disaster Assistance Program's Requirements.

Issued: February 2005.

Abstract: This audit focuses on the State of Louisiana Office of Homeland Security and Emergency Preparedness (LHLS/EP) administration and management of FEMA grant assistance programs.

Key Findings: The State of Louisiana needs to improve its program and financial management controls to ensure compliance with Federal grant management requirements. Significant internal controls weaknesses and noncompliance situations were identified during the audit.

Recommendation Summary and Status: As of December 31, 2007, three of the six recommendations in this report were open. We did not agree with the component on one of the open recommendations. However, the component has responded by providing a corrective action plan implementing two of the remaining open recommendations. The Office of Emergency Management Oversight has requested additional documentation to verify full implementation. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$482,705.

Non-Monetary Benefits: N/A

Report Number DD-06-05

Title: Central Rural Electric Cooperative, Inc. Stillwater, Oklahoma.

Issued: May 2005.

Abstract: This audit focuses on public assistance funds awarded to the Central Rural Electric Cooperative (CREC), located in Stillwater, Oklahoma. The objective of the audit was to determine whether CREC accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: CREC did not account for and expend FEMA funds according to federal regulations and FEMA guidelines. Specifically, CREC awarded non-competitive time-and-materials contracts that did not comply with federal procurement standards. As a result, fair and open competition did not occur and FEMA has no assurance that contract costs claimed were reasonable.

Recommendation Summary and Status: As of December 31, 2007, the two recommendations in this report were open. We did not agree with the component on one of the open recommendations. However, the component has responded by providing a corrective action plan implementing one open recommendation. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$1,406,494.

Non-Monetary Benefits: N/A

Report Number DD-06-06

Report Title: Western Farmers Electric Cooperative, Anadarko, Oklahoma.

Issued: January 2006.

Abstract: We audited public assistance funds awarded to Western Farmers Electric Cooperative, (WFEC) Anadarko, Oklahoma. The objective of the audit was to determine whether the WFEC expended and accounted for FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: WFEC did not expend and account for all FEMA funds according to federal regulations and FEMA guidelines. WFEC did not comply with federal procurement standards or FEMA guidelines in awarding \$7,947,354 of contracted utility and debris removal work. As a result, fair and open competition did not occur and FEMA has no assurance that the contract work was reasonable. Further, questioned costs totaled \$4,112,646 (\$3,084,485 FEMA share), or 37% of the \$11,092,047 claimed.

Recommendation Status and Summary: As of December 31, 2007, the seven recommendations in this report were open. We did not agree with the component on the open recommendations. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$3,084,486.

Non-Monetary Benefits: N/A

Report Number DD-07-02

Title: St. Bernard Parish, Louisiana's Management of State Homeland Security Grants Awarded For the Removal of Debris From Hurricane Katrina.

Issued: November 2006.

Abstract: A review of ongoing Hurricane Katrina debris removal activities in St. Bernard Parish, Louisiana, was performed. The objective of the review was to determine whether the awarded contracts and contractor billings were in compliance with applicable Federal criteria.

Key Findings: Several reportable conditions were identified. The conditions included non-compliance with Federal requirements, claims for ineligible or unreasonable costs, and opportunities for improved controls and accuracy during the debris removal process. There were other issues that impacted the Parish's progress in removing debris.

Recommendation Summary and Status: As of December 31, 2007, 11 of the 15 recommendations in this report were open. The component has not provided a corrective action plan implementing eight of the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$209,115.

Non-Monetary Benefits: Ensure best use of government resources and compliance with regulations.

Report Number DD-07-05

Title: Interim Review of Hurricane Katrina Activities Plaquemines Parish Sheriff's Office, Louisiana.

Issued: February 2007.

Abstract: The interim review focused on public assistance funds awarded to the Plaquemines Parish Sheriff's Office (PPSO), Louisiana. The objective was to determine whether PPSO expended and accounted for FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: PPSO did not expend and account for FEMA funds according to federal regulations and FEMA guidelines. Specifically, PPSO did not track costs on a project-by-project basis or support cost eligibility. If left uncorrected, PPSO's final claim could include errors and ineligible costs. Further, PPSO did not follow federal procurement regulations when it awarded contracts for mobile homes and site preparation. As a result, FEMA has no assurance that costs were reasonable.

Recommendation Summary and Status: As of December 31, 2007, one of the four recommendations in this report was open. The component has responded by providing a corrective action plan implementing the open recommendation. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$1,054,000.

Non-Monetary Benefits: N/A

Report Number DD-07-06¹

Title: Grant Management: Connecticut's Compliance with Disaster Assistance Program's Requirements.

Issued: March 2006.

Abstract: The audit focused on the State of Connecticut's administration of federal disaster assistance grant programs for the federal fiscal year ending September 30, 2002. The objective of the audit was to determine whether the state (the grantee) had administered the programs according to applicable federal regulations, properly accounted for and expended federal funds, and submitted accurate financial reports.

¹ Two reports, unrelated and covering different topics, were issued under the same report number.

Key Findings: The administrative plans for the PA and HM programs were determined to be missing required procedures. The general ledger accounting records did not support the amounts reported on the Financial Status Reports (FSRs) by the State of Connecticut. The State of Connecticut's Office of Policy and Management and Department of Environmental Protection (DEP) did not support expenditures under the administrative allowances awarded for both the PA and HM programs. DEP did not properly support labor costs claimed under the HM management grant and did not have those costs properly approved by the Regional Director.

Recommendation Summary and Status: As of December 31, 2007, the seven recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A.

Non-Monetary Benefits: Ensure compliance with program requirements resulting in program improvements.

Report Number DD-07-06²

Title: Interim Review of Contract Costs, Clearbrook, LLC

Issued: February 2007.

Abstract: The interim review focused on costs incurred under a contract with Clearbrook, LLC, for base camp services associated with Hurricane Katrina activities in Louisiana. Our objectives were to determine whether FEMA properly administered the contract and whether Clearbrook's billings are reimbursable under the agreements and federal regulations.

Key Findings: As a result of FEMA's haste to establish base camps, and the shortage of trained and experienced contracting officials, the Clearbrook contract was not effectively administered, leading to contractual deficiencies, excessive billings, and questionable costs of \$16.4 million. FEMA's contract administration of Clearbrook's second work order improved

² Two reports, unrelated and covering different topics, were issued under the same report number.

significantly and included a reduction in the fixed unit price and a well-defined scope of work.

Recommendation Summary and Status: As of December 31, 2007, one of the two recommendations in this report was open. The component has responded by providing a corrective action plan implementing the remaining open recommendation. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$16,400,000.

Non-Monetary Benefits: N/A

Report Number DD-07-08

Title: Interim Review of Hurricane Katrina Activities, City of Kenner, Louisiana.

Issued: March 2007.

Abstract: The interim review focused on public assistance funds awarded to the City of Kenner, Louisiana. Our objective was to determine whether the city expended and accounted for FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The city did not track costs on a project-by-project basis or support cost eligibility. If left uncorrected, the city's final claim could include errors and ineligible costs. Further, the city did not follow federal procurement regulations when it awarded \$1.4 million in contracts for the purchase of travel trailers. As a result, FEMA has no assurance that costs were reasonable.

Recommendation Summary and Status: As of December 31, 2007, six of the seven recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$679,150.

Non-Monetary Benefits: Ensure proper accounting practices are followed and best use of government resources for overall program improvement.

Report Number DD-07-10

Title: Review of Hurricane Katrina Debris Removal Activities, St. Tammany Parish, Louisiana.

Issued: August 2007.

Abstract: A review of ongoing Hurricane Katrina debris removal activities in St. Tammany Parish, Louisiana was performed. The objective of the review was to determine whether the awarded contracts and contractor billings were in compliance with applicable federal criteria.

Key Findings: In the wake of Hurricane Katrina, the Parish successfully removed large volumes of debris. The removal of debris helped to restore public health and safety and ensure economic recovery throughout the Parish. Also, the Parish established an internal audit activity shortly after the hurricane occurred that resulted in significant cost savings. However, the review identified some reportable conditions concerning the Parish's management of the debris removal. The conditions included ineffective contractor performance, the amendment of a contract without competition, and noncompliance with federal project and cash management requirements.

Recommendation Summary and Status: As of December 31, 2007, the seven recommendations in this report were open. We received verification of implementation in 2008 and two of the recommendations have been closed. We did not agree with the component on two of the open recommendations. The component has responded by providing a corrective action plan implementing three of the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: Amount pending FEMA and state review.

Non-Monetary Benefits: Ensure compliance with program requirements and overall program improvement.

Report Number DD-07-11

Title: Review of Hurricane Katrina Debris Removal Activities Washington Parish, Louisiana.

Issued: August 2007.

Abstract: A review of ongoing Hurricane Katrina debris removal activities in Washington Parish, Louisiana, was performed. The objective of the review was to determine whether the awarded contracts and contractor billings were in compliance with applicable Federal criteria.

Key Findings: The review identified reportable conditions that resulted in questioned costs of \$2,098,111 for unsupported costs for right-of-way debris removal, direct labor hour charged for administrative personnel, unsupported costs for tree stumps, limited use of administrative allowance funds, contractual concerns with the monitoring contract and excess costs for leaners and hangers.

Recommendation Summary and Status: As of December 31, 2007, the eight recommendations in this report were open. We received verification of implementation in 2008 and three of the recommendations have been closed. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the remaining recommendations will be closed.

Estimated Cost Savings: \$2,098,111.

Non-Monetary Benefits: Ensure best use of government resources.

Report Number DD-08-05

Title: Kiamichi Electric Cooperative, Inc. Wilburton, Oklahoma.

Issued: July 2005.

Abstract: We audited public assistance funds awarded to the Kiamichi Electric Cooperative, Inc. (KEC), located in Wilburton, Oklahoma. The objective of the audit was to determine whether KEC accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: KEC did not account for and expend FEMA funds according to federal regulations and FEMA guidelines. Specifically, KEC did not follow federal procurement standards in awarding \$8,381,786 of contract work. As a result, fair and open competition did not occur and contract costs were excessive. Further, questioned costs totaling \$6,235,687 (\$5,657,548 FEMA share) were identified.

Recommendation Summary and Status: As of December 31, 2007, the eight recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$5,333,907.

Non-Monetary Benefits: N/A

Report Number DD-08-06

Title: University of North Dakota Grand Forks, North Dakota.

Issued: June 2006.

Abstract: We audited public assistance funds awarded to the University of North Dakota (UND) in the amount of \$43.9 million from the North Dakota Division of Emergency Management (NDDEM), a FEMA grantee. The objective of the audit was to determine whether UND accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: Overall, UND accounted for and expended \$25.4 million for repairs to its steam lines according to federal regulations and FEMA guidelines. However, UND did not comply with federal regulations and FEMA guidelines in awarding contracts for project management services totaling \$3,005,823. As a result, full and open competition did not occur and FEMA has no assurance that the contract costs were fair and reasonable. Therefore, \$3,005,823 was questioned as ineligible contract costs.

Recommendation Summary and Status: As of December 31, 2007, one of the two recommendations in this report was open. The component has responded by providing a corrective action plan implementing the remaining open recommendation. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$2,254,367.

Non-Monetary Benefits: N/A

Report Number DD-09-04

Title: Audit of Michigan State Police, Emergency Management Division Lansing, Michigan.

Issued: June 2004.

Abstract: This audit focuses on public assistance funds awarded to the Michigan State Police, Emergency Management Division (MSP), Lansing, Michigan. The objective of the audit was to determine whether MSP accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: MSP did not account for and expend FEMA funds according to federal regulations and FEMA guidelines. MSP's claim included \$4,492,408 (\$3,402,632 FEMA share) of costs that we determined questionable. The questioned costs included unreasonable contractor profits, ineligible mobilization costs, ineligible subgrantee administrative allowance, unsupported engineering costs, and ineligible travel costs.

Recommendation Summary and Status: As of December 31, 2007, the five recommendations in this report were open. We received verification in 2008 of implementation and three of the recommendations were closed. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$3,402,632.

Non-Monetary Benefits: Program improvements.

Report Number DD-09-05

Title: Western Farmers Electric Cooperative, Anadarko, Oklahoma.

Issued: September 2005.

Abstract: We audited public assistance funds awarded to WFEC, Anadarko, Oklahoma. The objective of the audit was to determine whether WFEC expended and accounted for FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: WFEC did not expend and account for all FEMA funds according to federal regulations and FEMA guidelines. WFEC did not comply with federal procurement standards or FEMA guidelines in awarding \$592,643 of contracted utility and

debris removal work. Further, WFEC's claim included \$259,851 (\$245,901 FEMA share) of costs that were questionable. The questioned costs included ineligible damages to private property (\$204,049), overstated fringe benefits (\$34,098), duplicate labor costs (\$15,984), and unsupported costs (\$5,720).

Recommendation Summary and Status: As of December 31, 2007, the five recommendations in this report were open. The component has responded by providing a corrective action plan implementing the open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$245,901.

Non-Monetary Benefits: Program improvements.

Report Number DD-09-06

Title: City of Kansas, Missouri.

Issued: July 2006.

Abstract: This audit focuses on public assistance funds awarded to City of Kansas City, Missouri. The audit objectives were to determine whether Missouri SEMA effectively performed its grant management function regarding the city's award and whether the city accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: Overall, SEMA did not perform its grant management responsibilities in an effective manner or according to federal regulations. Further, the city's systems and processes were ineffective in managing and controlling federal funds; and the city did not account for and expend all FEMA funds according to federal regulations and FEMA guidelines.

Recommendation Summary and Status: As of December 31, 2007, 14 of the 16 recommendations in this report were open. We did not agree with the component on five of the open recommendations. The component has responded by providing a corrective action plan implementing nine of the open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$8,782,247.

Non-Monetary Benefits: Effective performance of grant management function.

Report Number DD-10-06

Title: Grand Forks Public School District, Grand Forks, ND.

Issued: August 2006.

Abstract: We audited public assistance funds awarded to Grand Forks Public School District, Grand Forks, ND, (GFPS). The objective of the audit was to determine whether GFPS accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: GFPS did not expend and account for FEMA funds according to federal regulations and FEMA guidelines. GFPS's claim included \$27,396,148 (\$24,656,533 FEMA share) of costs that we questioned. The questioned costs consisted of costs to replace schools that should have been repaired (\$23,745,386), unreasonable project management fees (\$3,416,855), unsupported contract costs (\$207,666), and duplicate administrative costs (\$26,241). Further, GFPS did not follow federal procurement standards to contract for \$5,321,074 of construction management services. As a result, full and open competition did not occur, and FEMA has no assurance that contract costs claimed were fair and reasonable.

Recommendation Summary and Status: As of December 31, 2007, three of the seven recommendations in this report were open. We received verification of implementation in 2008 and one of the recommendations has been closed. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Strengthened program management; improved controls to ensuring best use of government resources and protection of government assets.

Report Number DD-11-04

Title: Grant Management: Texas' Compliance with Disaster Assistance Program's Requirements.

Issued: July 2004.

Abstract: This audit focuses on the Texas Division of Emergency Management's (TDEM) administration and management of FEMA disaster assistance grant programs. The overall objective of this audit was to determine the effectiveness of TDEM's administration and management of disaster assistance programs authorized by the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Public Law 93-288, as amended) and applicable Federal regulations.

Key Findings: The State of Texas, for the most part, had effectively managed FEMA disaster assistance program funds according to Federal requirements. However, some weaknesses in internal controls and noncompliance situations were identified.

Recommendation Summary and Status: As of December 31, 2007, three of the 11 recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Improved effectiveness of TDEM's administration and management of disaster assistance programs authorized by the Robert T. Stafford Disaster Relief and Emergency Assistance Act.

Report Number DD-11-06

Title: Recap of Procurement Problems Identified in Audits of Electric Cooperatives.

Issued: September 2006.

Abstract: From September 2002 to January 2006, we issued nine audit reports containing findings that electric cooperatives did not follow federal procurement standards in awarding contracts for utility repairs and debris removal work. As a result, full and open competition did not occur and FEMA had no assurance that contract costs were reasonable. The nine audits covered \$59.2 million in electric cooperative subgrantee claims, of which \$39.3 million were for costs incurred under non-competitive contracts.

Key Findings: FEMA grants a substantial amount of federal funding annually to electric cooperatives for natural disasters. For example, FEMA Regions V, VI, VII, and VIII provided \$391 million in federal grants to electric cooperatives from 2000 through 2004. Based on past experience, we estimated that more than half of that funding reimburses electric cooperatives for costs incurred under contracts that do not comply with federal procurement standards.

Recommendation Summary and Status: As of December 31, 2007, the three recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Program improvements.

Report Number DD-13-04

Title: Cookson Hills Electric Cooperative, Inc., Stigler, Oklahoma

Issued: August 2004.

Abstract: This audit focuses on public assistance funds awarded to the Cookson Hills Electric Cooperative, Inc. (Co-op), located in Stigler, Oklahoma. The objective of the audit was to determine whether the Co-op expended and accounted for FEMA funds according to federal regulations and FEMA guidelines

Key Findings: The Co-op did not follow federal procurement regulations to contract for \$907,274 in disaster work. As a result, fair and open competition did not occur and FEMA had no assurance that contract costs claimed were reasonable. Further, the Co-op claimed \$255,462 (\$209,231 FEMA share) of costs that we determined questionable.

Recommendation Summary and Status: As of December 31, 2007, one of the six recommendations in this report was open. We did not agree with the component on the open recommendation. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Program improvement to ensure subgrantees follow federal regulations and FEMA guidelines related to procurement.

Report Number DD-15-03

Title: Grand Forks, ND.

Issued: September 2003.

Abstract: This audit focuses on public assistance funds awarded to the City of Grand Forks, North Dakota. The objective of the audit was to determine whether the city expended and accounted for FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The city did not expend and account for FEMA funds according to federal regulations and FEMA guidelines. In addition, the city did not follow federal procurement regulations to contract for \$12,123,852 in construction, engineering, and project management services. As a result, fair and open competition did not occur, and FEMA had no assurance that contract costs were reasonable.

Recommendation Status and Summary: As of December 31, 2007, one of the seven recommendations in this report was open. We received verification in 2008 of implementation and the recommendation has been closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Program improvement to ensure subgrantees follow federal regulations and FEMA guidelines related to procurement.

Report Number DD-16-03

Title: City of Chicago, Illinois.

Issued: September 2003.

Abstract: This audit focused on public assistance funds awarded to the City of Chicago, Illinois. The objective of the audit was to determine whether the city expended and accounted for FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The city did not expend and account for FEMA funds according to federal regulations and FEMA guidelines. The audit identified \$8,945,093 of claimed costs for FEMA disaster number 3134-EM-IL that were either ineligible or unsupported. Further, the city did not follow federal procurement regulations to contract for \$1,705,640 in disaster work. As a result, FEMA had no assurance that contract costs claimed were reasonable. Under FEMA disaster number 3161-EM-IL, the city's claim included questioned costs of \$1,452,330 (\$1,089,248 FEMA share) in duplicate benefits.

Recommendation Status and Summary: As of December 31, 2007, two of the five recommendations in this report were open. We received verification of implementation in 2008 and one of the recommendations has been closed. The component has responded by providing a corrective action plan implementing the remaining open recommendation. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$5,887,175.

Non-Monetary Benefits: N/A

Report Number DD-18-04

Title: Montcalm County Drain Commission Stanton, Michigan.

Issued: March 2005.

Abstract: This audit focused on public assistance funds awarded to the Montcalm County Drain Commission (Montcalm), located in Stanton, Michigan. The objective of the audit was to determine whether Montcalm accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: Montcalm did not account for and expend FEMA funds according to federal regulations and FEMA guidelines. Specifically, Montcalm awarded a non-competitive contract for \$4,383,330 that did not comply with federal procurement standards. As a result, fair and open competition did not occur and Montcalm's claim included \$1,037,459 in contractor profits and \$76,733 in markups on subcontractor costs that we questioned as unreasonable and excessive. Montcalm also did not justify ineligible cost overruns that exceeded FEMA-approved estimates by \$2,844,779; and did not account for FEMA funds by project, as

required. As a result, FEMA had no assurance that claimed costs were reasonable and within the scope of work defined for the individual projects.

Further, MSP, the grantee, did not properly manage its subgrant to Montcalm. MSP did not: (1) ensure that Montcalm was aware of federal regulations, (2) properly process requests for project time extensions, or (3) provide FEMA with timely and accurate progress reports. As a result, FEMA Region V did not have the information needed to fulfill its grant oversight responsibilities.

Recommendation Summary and Status: As of December 31, 2007, one of the four recommendations in this report was open. We did not agree with the component on the open recommendation. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$835,644.

Non-Monetary Benefits: N/A

Report Number DO-08-03

Report Title: FEMA Disaster Number 0979-DR Victor Valley Wastewater Reclamation Authority, Victorville, California.

Issued: May 2003.

Abstract: We audited public assistance funds awarded to the Victor Valley Wastewater Reclamation Authority, Victorville, California (Authority). The objective of this audit was to determine whether the Authority expended and accounted for FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: The Authority's claim included questionable costs of \$362,799 for project 95364 (FEMA's share - \$272,099). The questionable costs consisted of \$148,284 of unsupported force account equipment costs, \$82,086 of ineligible equipment operating costs, \$81,856 of excess charges, \$41,629 of costs covered under FEMA's statutory administrative allowance, \$5,000 of non-disaster related costs, and \$3,944 of unsupported force account labor costs.

Recommendation Summary and Status: As of December 31, 2007, the five recommendations in this report were open. We have

come to partial agreement with the component on the open recommendations. The response for these recommendations is due in 2008. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$269,142.

Non-Monetary Benefits: N/A

Report Number DO-12-03

Title: Los Angeles County Department of Public Works
Alhambra, California.

Issued: June 2003.

Abstract: We audited public assistance funds awarded to the Los Angeles County Department of Public Works, Alhambra, California. The objective of this audit was to determine whether the department's force account labor fringe benefits claim was reasonable and according to federal regulations and FEMA guidelines.

Key Findings: The department's claim included questionable costs of \$100,252 (FEMA's share \$75,189) for unsupported fringe benefits costs on overtime labor (\$45,446 for Disaster 1005 and \$54,806 for Disaster 1044). The records provided to us by the department indicated that the fringe benefits rate for regular pay was reasonable; however, the rate for the overtime labor was overstated because it included costs for retirement, sick leave, and unemployment insurance benefits. Generally, these costs are based on the regular salaries of the employees and do not vary with the payment of overtime costs.

Recommendation Summary and Status: As of December 31, 2007, the recommendation in this report was open. We have come to partial agreement with the component on the open recommendation. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$75,189.

Non-Monetary Benefits: N/A

Report Number DS-03-06

Title: Audit of Sonoma County, Santa Rosa, California.

Issued: April 2006.

Abstract: The audit was conducted on public assistance grant funds awarded to Sonoma County, Santa Rosa, California. The objective of the audit was to determine whether the county expended and accounted for FEMA funds according to federal regulations and FEMA guidelines.

Key Findings: We questioned \$442,644 claimed by the county (FEMA share \$331,983). Specifically, \$361,673 in costs claimed but not properly supported, \$57,853 in ineligible costs, \$13,050 of credit not provide to FEMA, and \$10,068 in costs covered under FEMA's statutory administrative allowance were questioned.

Recommendation Summary and Status: As of December 31, 2007, one of the four recommendations in this report was open. We have come to partial agreement with the component on the open recommendation. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$11,048.

Non-Monetary Benefits: N/A

Report Number DS-07-01

Title: Audit of Federal Emergency Management Agency Public Assistance Grant Funding Awarded to the State of Washington's Department of General Administration after the Nisqually Earthquake.

Issued: August 2007.

Abstract: The report assessed the eligibility of work funded under FEMA's Public Assistance Program, and the eligibility of costs claimed by the sub-grant recipient, State of Washington's Department of General Administration.

Key Findings: The audit report findings and the department's responses highlight instances where pertinent documentation cannot be located to justify FEMA's acceptance of claimed costs. Although the disaster occurred over 5 years ago, the Emergency Management Division and the department have not submitted final expenditure reports or a final project completion and certification

report; and FEMA has not made a final closeout determination of eligible costs.

Recommendation Summary and Status: As of December 31, 2007, the recommendation in this report was open. It is unknown whether the recommendation has been implemented. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$4,899,578.

Non-Monetary Benefits: N/A

Report Number DS-07-42

Title: State Homeland Security Grants Awarded to the American Samoa Government.

Issued: May 2007.

Abstract: We audited ASG's management of state homeland security grants, known as "first responder" grants, awarded by the Office for Domestic Preparedness during FY 2002, 2003, and 2004. The audit objective was to determine whether ASG developed and implemented an appropriate homeland security strategic plan and grants management practices and controls.

Key Findings: The review determined that the ASG strategic plans were fundamentally flawed in that they did not sufficiently identify deficiencies in immediate equipment and training needs and overall capabilities of ASG's first responders. The strategic plans also did not sufficiently identify ways to solve the homeland security vulnerabilities identified in the plans. In addition, systemic deficiencies in ASG's grants management practices and controls were identified, and more than \$1.7 million in costs claimed against the grants were questioned, of which \$151,999 was unsupported.

Recommendation Summary and Status: As of December 31, 2007, the nine recommendations in this report were open. We have come to partial agreement with the component on the open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$1,713,117.

Non-Monetary Benefits: Improved management of state Homeland Security grants.

Report Number EMA-06-03

Title: Maine Emergency Management Agency.

Issued: May 2003.

Abstract: We performed an audit of the FY2000 and 2001 Emergency Management Performance Grants (EMPG) awarded to the Maine Emergency Management Agency (MEMA). The objective of the audit was to determine whether MEMA accounted for and expended EMPG funds according to federal regulations and FEMA guidelines.

Key Findings: MEMA's claim included questioned costs of \$358,040 (FEMA share \$265,722) resulting from unsupported costs, duplicate charges, and the unauthorized carry over and late use of funds provided to local governments.

Recommendation Summary and Status: As of December 31, 2007, the six recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$358,040.

Non-Monetary Benefits: N/A

Report Number GC-HQ-06-05

Title: Management Advisory report on the Major Technical Assistance Contracts.

Issued: November 2005.

Abstract: This review focused on the FEMA's contract management of the four major Technical Assistance Contracts: Bechtel National, Inc; CH2M Hill Constructors, Inc.; Fluor Enterprises, Inc.; and Shaw Environmental, Inc. Our objective was to determine whether FEMA had implemented effective processes for managing the four Technical Assistance Contracts.

Key Findings: Much of the effort being undertaken by the four Technical Assistance Contracts (TACs) is based on verbal authorizations and are not currently based on executed task orders. FEMA's procurement activities are consistent with the Federal Acquisition Regulations and can be justified under the critical need for expedited action resulting from Hurricane Katrina. However, the current process of using pre-award cost authorizations without spending limits does not provide for effective control of total costs for the effort.

Recommendation Summary and Status: As of December 31, 2007, the three recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensures best use of government resources; protects government assets.

Report Number GC-HQ-06-06

Title: Expedited Assistance Overpayment.

Issued: November 2005.

Abstract: We initiated this review based on information that a married couple received two checks for Expedited Assistance (EA) resulting in a \$2,000 duplicate payment. The review objective was to identify the events that took place and determine why internal controls did not prevent the duplicate payment.

Key Findings: EA was officially authorized for the hurricane ravaged states of Louisiana, Mississippi (DR-1604) and Alabama (DR-1605) on September 6, 2005, with the stipulation that an equal amount of assistance be awarded to all eligible households that met the following criteria: 1) registration must be for the primary residence only; 2) registrant must be displaced due to the disaster or have their access restricted; and 3) registrant is in need of shelter. According to the Virginia National Processing Service center (VA-NPSC) officials, on September 8, 2005, FEMA HQ asked that EA be enabled in the NEMIS with the same system controls in place as those used last year for EA provided after the Florida hurricanes. At that time, FEMA apparently did not limit payments to one person per household. The couple's payments

were processed during that period, slightly less than one day, when the controls were not in place to prevent duplicate payments. Consequently they each received a \$2,000 payment. Of the 125,714 EA payments made during that period, VA-NPSC has identified over 5,126 that may be duplicate payments.

Recommendation Summary and Status: As of December 31, 2007, two of the three recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: Pending.

Non-Monetary Benefits: Ensure proper internal controls are in place to prevent duplicate payments.

Report Number GC-HQ-06-09

Title: Management Advisory Report on Invoices submitted under Order HSFEHQ-06-F-0047 by Corporate Lodging Consultants, Inc.

Issued: February 2006.

Abstract: This review focused on the FEMA's contract management and administration of a task order under a Blanket Purchase Agreement (BPA) Number QPN-BQR-0016 awarded by the General Services Administration to Corporate Lodging Consultants, Inc. (CLC). The objective was to determine whether FEMA had used effective contract management processes to award and administer a task order to provide emergency lodging for Katrina evacuees.

Key Findings: The BPA provided fixed rates per room night for CLC's services with lodging costs priced separately at cost. The BPA did not provide any mechanisms to control lodging costs (i.e., provided neither monetary incentives for meeting lodging cost goals nor penalties for not meeting lodging cost goals).

Recommendation Summary and Status: As of December 31, 2007, the three recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: Pending.

Non-Monetary Benefits: Ensure effective process for contract management to award and administer task orders.

Report Number GC-HQ-06-10

Title: Strengthening Registration Intake Controls.

Issued: February 2006.

Abstract: This review focused on the effectiveness of procedures in place governing the process that applicants use to register for individual disaster assistance.

Key Findings: The review disclosed certain shortcomings with FEMA's registration intake controls including instances where employees overrode the controls that were in place. Specifically, some reviewing employees approved applications for payment without thoroughly verifying that the information was correct and that there was no duplication. It is recognized that some controls were eased to expedite assistance to as many applicants as possible. However, now that the majority of victims have registered, FEMA should reinstate these controls.

Recommendation Summary and Status: As of December 31, 2007, two of the three recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$65,000.

Non-Monetary Benefits: Ensure effectiveness of procedures in place governing the process that applicants use to register for individual disaster assistance.

Report Number GC-HQ-06-12

Title: Mobile Homes and Modular Homes at Hope and Red River.

Issued: February 2006.

Abstract: This review focused on procedures used by FEMA to accept and maintain manufactured homes and modular homes staged at Hope, Arkansas and Red River Army Depot (RRAD), Texas. The objectives were to determine whether FEMA established reasonable requirements for these types of housing units and to evaluate the current arrangements for staging them.

Key Findings: There are currently 10,777 homes at the Hope site and about 1,900 at the RRAD site. FEMA began receiving the homes at the two sites in September 2005, but only 17 from Red River have been used to house evacuees, and none from Hope have been delivered to evacuees.

During site visits to the Hope staging site, inspectors found that some of the homes had minor damages, which occurred during delivery, and some were beginning to sink in mud as a result of heavy rainfall. Also, frames on some of the larger homes were beginning to warp because they were stored on wheeled trailer hitches without adequate support. Although the damages did not appear to be serious, there was concern that, if preventative measures were not taken soon, more serious deterioration may occur. FEMA officials said that they were going to cover the silt with crushed rock for stability and shore up the homes with jacks to prevent frames from warping.

Recommendation Summary and Status: As of December 31, 2007, the four recommendations in this report were open. The component has responded by providing a corrective action plan implementing one of the open recommendations. It is unknown whether three of the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure best use of government resources and protect government assets.

Report Number GC-HQ-06-17

Title: Management Advisory Report on Armed Guard Services Provided by Blackwater Security Consulting, LLC under contract HSCEFC-05-J-F00002.

Issued: March 2006.

Abstract: This review focused on whether the Federal Protective Services' (FPS's) contract number HSCEFC-05-J-F0002 awarded to Blackwater Security Consulting, LLC (Blackwater Security) was appropriate and the costs were reasonable. FPS awarded Blackwater \$33.3 million through December 31, 2005, for guard services in Louisiana.

Key Findings: FPS' contractor selection process for armed guard services was appropriate and the contract prices were reasonable. FEMA established a number of field offices for its response and recovery missions and these facilities required protection, FPS officials said that the services that Blackwater Security provided satisfied the security needs at the FEMA operational facilities. However, security requirements have changed from the initial response period and there may be opportunities to reduce costs by soliciting competitive proposals using a mix of armed and unarmed security personnel.

Recommendations Summary and Status: As of December 31, 2007, the two recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure appropriate awarding and costs of contracts are reasonable.

Report Number GC-HQ-06-35

Title: Cannibalization of Travel Trailers by Bechtel.

Issued: April 2006.

Abstract: This review focused on an allegation that Bechtel National, Inc. was cannibalizing travel trailers at its forward staging areas in Mississippi. Bechtel is one of FEMA's technical assistance contractors responsible for delivering and installing travel trailers in response to Hurricanes Katrina and Rita.

Key Findings: FEMA officials told us that 51 trailers had been cannibalized at Bechtel forward staging areas. We visited two of the three staging areas and determined 36 cannibalized trailers, as well as other trailers that were not mission capable. Cannibalization was a way to make at least some of the damaged

trailers mission capable to meet the needs of evacuees. However, both Federal Acquisition Regulations and the Bechtel contract require that Bechtel notify FEMA of any property received in a condition not suitable for its intended use. In addition, some of the deficient trailers may have been eligible under the manufacturer's warranty, but Bechtel's decision to cannibalize damaged trailers may have voided the manufacturer's warranty.

Recommendation Summary and Status: As of December 31, 2007, the two recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Improved program management; ensuring best use of government resources and protection of government resources.

Report Number GC-HQ-06-40

Title: Review of FEMA Policy for Funding Public Assistance Administrative Costs.

Issued: April 2006.

Abstract: This review focused on FEMA awards of funds to cover grantee operations associated with the administration of public assistance grants.

Key Findings: FEMA should initiate immediate action to correct weaknesses in awarding funds to cover grantee operations associated with the administration of public assistance grants. Currently, FEMA provides assistance in the form of an administrative allowance, as well as state management administrative grants to cover needs that are unmet by the allowance. However, there is a real potential for excess funding and a financial windfall for state grantees because the two fund sources cover essentially the same activities and no provisions exist for the state grantees to report or return unused funds granted under the allowance.

Recommendation Summary and Status: As of December 31, 2007, one of the four recommendations in this report was open. The component has responded by providing a corrective action

plan implementing the remaining open recommendation. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensures proper accounting practices are followed.

Report Number GC-HQ-06-41

Title: Management Advisory Report on Contract HSFEHQ-06-C-0024 to Provide Assistance to Eligible Evacuees in Need of Housing and Pharmaceuticals.

Issued: June 2006.

Abstract: This review focused on Katrina evacuee hotel invoices submitted by the American Red Cross to FEMA for reimbursement under the subject contract. The objectives of the review are to determine whether: (1) lodging rates were reasonable, allowable, and necessary; (2) evacuees were eligible to receive lodging; and (3) effective contracting practices were adhered.

Key Findings: The American Red Cross identified unallowable charges it billed to FEMA for lodging its employees and volunteers. Only evacuee lodging expenses are allowable costs under the contract with the American Red Cross. The American Red Cross has identified \$103,293 of such billings to date, and is continuing to identify additional unallowable billings.

Recommendation Summary and Status: As of December 31, 2007, the three recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure best use of government resources; protect government assets.

Report Number GC-HQ-06-45

Title: Improvements Needed in the Classification and Distribution of Hurricane Katrina Disaster Relief Costs.

Issued: July 2006.

Abstract: This review focused on procedures for classifying Hurricane Katrina disaster relief costs as part of ongoing oversight of Hurricane Katrina operations. The objective was to determine whether the classification of direct and administrative costs for Alabama, Louisiana, and Mississippi was reasonable and accurate.

Key Findings: FEMA needs to improve its cost identification and classification. Because it did not classify costs properly, FEMA provided inaccurate information to managers, Congress, and the public on how taxpayer funds were spent. First, in Alabama, Louisiana, and Mississippi, FEMA charged direct costs to an administrative cost category, resulting in overstated administrative costs and understated direct costs. Second, FEMA charged costs to the Mississippi disaster that should have been distribution among the three states.

Recommendation Summary and Status: As of December 31, 2007, one of the two recommendations in this report was open. The component has responded by providing a corrective action plan implementing the remaining open recommendation. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure proper accounting practices are followed.

Report Number GC-LA-06-54

Title: Interim Review of Hurricane Katrina Activities, St. Bernard Parish, Louisiana.

Issued: September 2006.

Abstract: This review focused on emergency protective services and other disaster costs associated with Hurricane Katrina activities for St. Bernard Parish, LA. The objective of the review was to determine whether the Parish was accounting properly for disaster-related costs, and whether such costs were eligible for funding under FEMA's Public Assistance program.

Key Findings: The Parish's management of its disaster activities was deficient in three principal areas: (1) the accounting system did not allocate costs properly or document cost eligibility; (2) the

Parish did not comply with federal contracting procedures; and (3) the Parish did not maintain accountability for capital asset purchases.

Recommendation Summary and Status: As of December 31, 2007, four of the seven recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$3,736,032.

Non-Monetary Benefits: N/A

Report Number GC-MS-06-25

Title: Review of Hurricane Katrina Activities, City of Biloxi, Mississippi.

Issued: March 2006.

Abstract: This review focused on emergency services and debris removal costs associated with Hurricane Katrina activities for the City of Biloxi, MS. The objective of the review was to determine whether the city was properly accounting for disaster related costs and whether such costs were eligible for funding under FEMA's disaster assistance programs.

Key Findings: The city accounted for funds on a project-by-project basis consistent with federal regulations for large projects. Additionally, project expenditures were supported by invoices, cancelled checks, and other source documentation. However, FEMA awards and the city records included \$1.9 million for debris removal from federal aid roads that are the responsibility of the Federal Highway Administration (FHA). According to 44 CFR, FEMA cannot pay for the cost of activities that are the responsibility of another federal agency.

Recommendation Summary and Status: As of December 31, 2007, the two recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$1,900,000.

Non-Monetary Benefits: N/A

Report Number GC-MS-06-29

Title: Review of FEMA Contracts Awarded by Contracting Officers at the Jackson, Mississippi Joint Field Office.

Issued: March 2006.

Abstract: This review focused on contracts awarded by FEMA contracting officers at the Jackson, MS Joint Field Office (JFO) to determine whether the FEMA contracting officers complied with Title 48 of the Federal Code of Regulations, also known as the FAR, in selection of contractors for government services and products.

Key Findings: FEMA contracting officers at the Jackson, MS JFO generally complied with the FAR. However, in one instance, a \$200,000 sole source contract for printing services was awarded without the required justification. Controls to ensure the most beneficial price for government printing services were circumvented.

Recommendation Summary and Status: As of December 31, 2007, the recommendation in this report was open. It is unknown whether the recommendation has been implemented. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure best use of government resources.

Report Number GC-MS-06-36

Title: Review of Hurricane Katrina Activities, City of Wiggins, Mississippi.

Issued: April 2006.

Abstract: This review focused on debris removal costs associated with Hurricane Katrina activities for the City of Wiggins, Mississippi. The objective of the review was to determine whether the city was properly accounting for disaster related costs and

whether such costs were eligible for funding under FEMA's disaster assistance program.

Key Findings: The city accounted for funds on a project-by-project basis consistent with federal regulation for large projects, 44 CFR§206.205. Additionally, expenditures were supported by checks, invoices, and other source documents. Also, the city's contracts for debris removal activities were competitively awarded and generally complied with federal regulation 44 CFR§13.36.

However, the city did not take action to ensure that it obtained the best price for debris contract monitors. Rather than attempt to negotiate a lower price for debris monitoring, the city paid the firm the rates in the existing contract.

Recommendation Summary and Status: As of December 31, 2007, the recommendation in this report was open. The component has responded by providing a corrective action plan implementing the remaining open recommendation. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure best use of government resources; protect government assets.

Report Number GC-MS-06-37

Title: Review of Hurricane Katrina Activities, Dixie Electric Power Association.

Issued: April 2006.

Abstract: This review focused on emergency services and debris removal costs associated with Hurricane Katrina for the Dixie Electric Power Association. The objective of the review was to determine whether the association was properly accounting for disaster-related costs and whether such costs were eligible for funding under FEMA's disaster assistance programs.

Key Findings: The association accounted for funds on a project-by-project basis consistent with federal regulation for large projects 44 CFR§206.205. Additionally, expenditures were supported by checks, invoices, and other source documents. However, for six large projects, the association's grant expenditures included \$207,068 of ineligible overtime salary

(\$118,089) and fringe benefit (\$88,979) costs for association managers and supervisors.

Recommendation Summary and Status: As of December 31, 2007, the recommendation in this report was open. It is unknown whether the recommendation has been implemented. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$ 207,068.

Non-Monetary Benefits: N/A

Report Number GC-MS-06-47

Title: Review of Hurricane Katrina Activities Pearl River County, MS.

Issued: August 2006.

Abstract: This review focused on debris removal costs associated with Hurricane Katrina activities for Pearl River County, Mississippi. The objective of the review was to determine whether the county was properly accounting for disaster-related costs and whether such costs were eligible for funding under FEMA's disaster assistance program.

Key Findings: The county accounted for funds on a project-by-project basis consistent with federal regulation for large projects, 44 CFR§206.205. Additionally, expenditures were supported by checks, invoices, and other source documents. Also the county's contracts for debris removal activities were competitively awarded and generally complied with federal regulation 44 CFR§13.36. However, the county did not take action to ensure that it obtained the best price for debris contract monitors. The county elected to retain an engineering firm, with whom it had an existing contract relationship, to monitor the activities of debris contractors.

Recommendation Summary and Status: As of December 31, 2007, the recommendation in this report was open. The component has responded by providing a corrective action plan implementing the remaining open recommendation. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure best use of government resources; protect government assets.

Report Number GC-MS-06-48

Title: Review of Hurricane Katrina Activities Stone County, Mississippi.

Issued: August 2006.

Abstract: This review focused on debris removal costs associated with Hurricane Katrina for Stone County, Mississippi. The objective of the review was to determine whether the county was properly accounting for disaster-related costs and whether such costs were eligible for funding under disaster assistance programs.

Key Findings: The county accounted for funds on a project-by-project basis consistent with federal regulation for large projects, 44 CFR§206.205. Additionally, expenditures were supported by checks, invoices, and other source documents. Also, the county's contracts for debris removal activities were generally awarded according to federal procurement regulations 44 CFR§13.36.

However, the county did not ensure that it obtained the best price for debris contract monitors. The county elected to retain an engineering firm, with whom it had an existing contract, to monitor the activities of debris contractors.

Recommendation Summary and Status: As of December 31, 2007, the recommendation in this report was open. The component has responded by providing a corrective action plan implementing the remaining open recommendation. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure best use of government resources; protect government assets.

Report Number GC-MS-06-55

Title: Review of Hurricane Katrina Activities City of Long Beach, Mississippi.

Issued: September 2006.

Abstract: This review focused on emergency services and debris removal costs associated with Hurricane Katrina activities for the

City of Long Beach, Mississippi. The objective of the review was to determine whether the city was properly accounting for disaster-related costs and whether such costs were eligible for funding under FEMA's disaster assistance programs.

Key Findings: The city accounted for finds on a project-by-project basis consistent with federal regulations for large projects, 44 CFR§ 5 206.205. Additionally, it supported expenditures with checks, invoices, and other source documentation. Also, the city's contracts for debris removal activities were generally awarded according to federal procurement regulations 44 CFR§13.36. The city, however, did not ensure that it obtained the best price for debris contract monitors.

Recommendation Summary and Status: As of December 31, 2007, the two recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: Pending.

Non-Monetary Benefits: Ensure best use of government resources; protect government assets.

Report Number GC-TX-06-26

Title: Review of Hurricane Katrina Activities City of San Antonio, Texas.

Issued: March 2006.

Abstract: The review focused on the emergency sheltering costs associated with Hurricane Katrina activities for the City of San Antonio, Texas. The objective of the review was to determine whether the city was properly accounting for disaster related costs and whether such costs were eligible for funding under FEMA's disaster assistance programs.

Key Findings: Except for control weaknesses related to the \$2.24 million paid to apartment complexes the city had an effective system of accounting for and ensuring the appropriate use of disaster grant funds. The control weaknesses resulted from the city's not verifying the accuracy of bills received from apartment complexes housing Hurricane Katrina evacuees. Additionally, the

city had not organized apartment lease agreements in a manner to facilitate such verifications.

Recommendation Summary and Status: As of December 31, 2007, the two recommendations in this report were open. We received verification of implementation in 2008 and the recommendations have been closed.

Estimated Cost Savings: \$2,240,000.

Non-Monetary Benefits: N/A

Report Number M04-BCBP-LAX-07060

Title: Customs and Border Protection, Los Angeles International Airport.

Issued: October 2004.

Abstract: We received information alleging that funds in the amounts of \$10,000 and \$15,000 was discovered missing from the CBP safe at the Tom Bradley International Terminal, Los Angeles International Airport, California. The funds were inventoried on multi-copy property receipts, placed into security pouches with a copy of the receipts, secured with numbered security seals, and placed in the CBP safe.

Key Findings: The investigation revealed that CBP has a policy for processing valuables held and inventoried while aliens/individuals are detained. The policy requires the maintenance of a log to record the placement of the items in the safe. However, logs are not standardized, maintained consistently, accurately or securely, and parts of the logs have been discovered missing. The local policy requires an audit of the log and contents of the safe at the beginning of each shift. However, the audits were not performed; thereby the thefts went undetected for an unspecified period of time. Additionally, the CBP safe was left open for undetermined periods of time allowing all CBP employees access. Finally, CBP management does not know the number of CBP employees that have the safe combination.

Recommendation Summary and Status: As of December 31, 2007, the eight recommendations in this report were open. The component has received a Management Implication Report. Upon

completion and verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Complete standardization of CBP safe security procedures at the Los Angeles International Airport, California.

Report Number M05-BICE-ELC-05480

Title: Lack of Passport Accountability, Department of Homeland Security, U.S. Immigrations and Customs Enforcement, El Centro Service Processing Center.

Issued: March 2005.

Abstract: We received information regarding the misplacement of an official government passport by personnel at the DHS ICE El Centro Service Processing Center, CA. These passports are used by ICE Immigration Enforcement Agents to escort detainees to their home countries after a formal order of deportation has been issued. Since June 2004, on two separate occasions, five passports have been identified as missing. Four of the passports have been located, but one is still missing.

Key Findings: The investigation revealed a number of passport security deficiencies. The current security procedures are inadequate, inefficient, and leave opportunities for loss. The current standard operating procedure does not address certain critical elements and is not known by most employees at the center.

Recommendation Summary and Status: As of December 31, 2007, the five recommendations in this report were open. The component has received a Management Implication Report. Upon completion and verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Increased security procedures for storing Official Government Passports at the DHS ICE El Centro Service Processing Center, California.

Report Number M05-BICE-LAX-00125

Title: Mira Loma Detention Center, Detention and Removal Operations, U.S. Immigration and Customs Enforcement.

Issued: May 2005.

Abstract: We received information regarding an alien who was allegedly deprived of his civil rights by an Immigration Enforcement Agent from the ICE, Detention and Removal Operations at the Mira Loma Detention Center, California. The alien alleged that he was physically and verbally assaulted by the agent who was incited by officers of the Los Angeles County Sheriff Department. The alien further alleged that he was being racially profiled by the Los Angeles County Sheriff Department.

Key Findings: The Mira Loma Detention Center is owned and fully staffed by the Los Angeles County Sheriff Department. The ICE, Detention and Removal Operations, Los Angeles, contracted with the center in 1997 to house and support operations involving detention of aliens in the Los Angeles/Orange County areas. Throughout the investigation the Los Angeles County Sheriff Department refused to provide, without a subpoena, full and complete documentation of an internal investigation it had conducted of the alleged event. The refusal by the Los Angeles County Sheriff Department hindered the conduct of the investigation, its timeliness, and possibly, its outcome.

Recommendation Summary and Status: As of December 31, 2007, the one recommendation in this report was open. The component has received a Management Implication Report. Upon completion and verification of implementation, the recommendation will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: An improved contract between ICE, Detention and Removal Operations, and the Los Angeles County Sheriff Department for use of facilities at the Mira Loma Detention Center, California.

Report Number M05-BICE-TUC-07713

Title: Unsafe Conveyance Allowing for Prisoner Escape.

Issued: March 2005.

Abstract: Our Tucson Field Office received information regarding circumstances surrounding the escape of three undocumented alien prisoners from the custody of ICE, Detention and Removal, Tucson, Arizona, while be transported on a DRO bus.

Key Findings: The investigation revealed that certain modifications made to buses used by ICE Detention and Removal Operations to transport undocumented alien prisoners have facilitated prisoner escapes and created a safety concern for the officers manning the buses. It was discovered that the process of retrofitting the buses to accommodate rooftop air conditioning systems required modifications to the interior cage doors that, in turn, rendered the doors less secure.

Recommendation Summary and Status: As of December 31, 2007, the four recommendations in this report were open. The component has received a Management Implication Report. Upon completion and verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Secured transportation of undocumented alien prisoners in the custody of ICE Detention and Removal Operations.

Report Number M05-CBP-LAR-12693

Title: Lack of CBP Policy Regarding Detainee Property.

Issued: May 2006.

Abstract: We received information regarding an undocumented immigrant whom was missing personal property for which there was a receipt.

Key Findings: The investigation revealed that CBP did not have a policy to dictate the record keeping requirements for maintaining custody of undocumented immigrant's property when seized by CBP. Further, it was determined that CBP did not have a policy to outline the standard operating procedure for the disposal of the undocumented immigrant's property.

Recommendation Summary and Status: As of December 31, 2007, the recommendation in this report was open. The Report.

Upon completion and verification of implementation, the recommendation will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Formulation of proper procedures to inventory, account, and properly dispose of undocumented immigrant's property.

Report Number M05-CBP-MIA-11844

Report Title: Lack of Control System for CBP Container Seals at the Port of Miami.

Issued: October 2005.

Abstract: Our Miami Field Office received information regarding allegations of a non-DHS employee was attempting to facilitate the illegal sale of CBP container seals obtained from the Port of Miami, Florida.

Key Findings: The investigation revealed that the CBP container seals used at the Port of Miami to indicate containers have been inspected and cleared by CBP inspectors are stored and issued to CBP employees without the use of an adequate control system. A CBP inspector stationed at the Port of Miami removed several CBP container seals from the post of duty and lost control of them at a personal residence. The spouse, a non-DHS employee, retrieved the CBP container seals and attempted to illegally sell them to a DHS special agent acting in an undercover capacity.

Recommendation Summary and Status: As of December 31, 2007, the two recommendations in this report were open. The component has received a Management Implication Report. Upon completion and verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Establishment of adequate control system for CBP container seals.

Report Number M06-FEMA-HOU-22692

Title: Need Improvements to the FEMA Telephone Registration Intake Script and FEMA Form 90-69B, Declaration and Release.

Issued: November 2006.

Abstract: We received information that an alien nonimmigrant student visa holder, category F1, had received disaster benefits from FEMA. For disaster benefit purposes, F1 visa holders are not Qualified Aliens and are ineligible for such benefits.

Key Findings: The investigation revealed that at least 44 foreign nonimmigrant visa-holders in Beaumont, Texas, received disaster benefits from FEMA to which they were not entitled. A nonimmigrant visa holder is not a Qualified Alien as defined by FEMA, and is therefore ineligible for disaster benefits. The investigation further disclosed that FEMA's telephone registration procedures do not incorporate provisions to identify and screen out ineligible aliens, and the Form 90-69B does not properly define the term Qualified Alien.

Recommendation Summary and Status: As of December 31, 2007, the two recommendations in this report were open. The component has received a Management Implication Report. Upon completion and verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A.

Non-Monetary Benefits: Assurance that F1 visa holders do not receive disaster benefits from FEMA.

Report Number M06-CBP-ELC-18604

Title: Techniques and Training Methods for Subduing and Restraining Combative Detainees.

Issued: April 2007.

Abstract: Our El Centro Resident Office received information regarding the in-custody death of a United States Citizen at the CBP Calexico Port of Entry, California. The citizen was encountered at the primary vehicle inspection lane, and became combative and aggressive toward CBP officers. The citizen was subdued by a large group of CBP officers and restrained in a hogtie position. Within one to two minutes of being hogtied, the citizen lost consciousness. Emergency personnel were summoned and transported the citizen to a nearby hospital. The citizen was pronounced dead shortly after arrival. Subsequent autopsy results

indicated that the citizen died of cardiac arrest caused by acute ethanol and methamphetamine intoxication with excited delirium needing restraint.

Key Findings: The investigation revealed that DHS has no definitive policy regarding hogtying at FLETC, nor is hogtying addressed in training received by CBP officers. The investigation further identified a deficiency in the training received by field personnel regarding the identification of drug abuse symptoms and the proper response.

Recommendation Summary and Status: As of December 31, 2007, the two recommendations in this report were open. The component has received a Management Implication Report. Upon completion and verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Development of guidance to CBP officers regarding the use of hogtying techniques.

Report Number M06-CBP-SND-19040

Title: Suggested Modifications to TECS.

Issued: November 2006.

Abstract: We received information concerning allegations of a CBP officer at the San Diego Ports of Entry, California, was assisting a resident alien in smuggling undocumented aliens into the United States from Mexico. This investigation was conducted jointly with the Federal Bureau of Investigation, Department of Justice, and members of the Border Corruption Task Force.

Key Findings: The investigation revealed the CBP officer would communicate with the alien smugglers via cellular telephone and pager. A date, time, and traffic lane to approach would be provided by the CBP officer 15 minutes before the shift began. Upon approach, the CBP officer would turn off the automatic license plate reader in the traffic lane. With the lane reader off, none of the license plates on vehicles entering from Mexico into the United States could be recorded in the Treasury Enforcement Communications System (TECS).

Recommendation Summary and Status: As of December 31, 2007, the four recommendations in this report were open. The component has received a Management Implication Report. Upon completion and verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Assurance that CBP officers at ports of entry record all license plate information into TECS.

Report Number M08-OGPO-MIA-00379

Title: UASI Nonprofit Security Grant Program.

Issued: December 2007.

Abstract: Our Miami Field Office received information regarding an allegation that an organization and two affiliated individuals, allegedly with links to terrorism, had received a DHS grant funds as an At-Risk Nonprofit.

Key Findings: The investigation revealed that organizations and entities that apply for grants under the Urban Area Security Initiative (UASI), Nonprofit Security Grant Program, did not undergo any examination by law enforcement entities prior to issuance of award monies. Particularly, these organizations were not scrutinized using law enforcement databases to determine whether any derogatory information is revealed, which might halt the approval of some grants.

Recommendation Summary and Status: As of December 31, 2007, the three recommendations in this report were open. The component has received a Management Implication Report. Upon completion and verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Assurance that organizations and entities with links to terrorism do not receive federal grant funds.

Report Number OIG-04-01

Title: Automated Commercial Environment Secure Data Web Portal: Quality of Deliverables Can Be Improved.

Issued: November 2003.

Abstract: We conducted an audit of U.S. Customs and Border Protection's (CBP) Automated Commercial Environment (ACE) secure data web portal. ACE will allow the private sector trade community to submit data meeting all federal requirements for cargo entering and leaving the U.S., including data used for targeting cargo for inspection, revenue collection, and trade statistics. In the first of three reports, we reported on the quality of deliverables, called "releases," received from the prime contractor, a consortium headed by IBM Global Services. Some of the initial deliverables did not meet all requirements and were accepted with conditions by legacy Customs to allow the contract to continue as scheduled. Release 2 was to provide a working system accessible to internal CBP account managers and 41 trade companies, and problems were being encountered in meeting some of the requirements. Because Release 2 was the foundation for all further ACE development efforts, we recommended the release not be accepted for delivery until it is complete and meets all contract requirements.

Key Findings: We determined that a subcontractor providing technical support to the consortium was submitting activity and progress reports with insufficient detail to identify important issues for action, including recommended solutions and alternatives. We recommended that the reports be improved.

Recommendation Summary and Status: As of December 31, 2007, one of the two recommendations in this report was open. It is unknown whether the recommendation has been implemented. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Better information to improve the quality of contract deliverables for a critical \$3 billion contract.

Report Number OIG-04-08

Title: Background Checks for Federal Passenger and Baggage Screeners at Airports.

Issued: January 2004.

Abstract: The Aviation and Transportation Security Act of 2001 directed the TSA to hire airline passenger and baggage screeners by November 19 and December 31, 2002, respectively. The law requires that federal screeners undergo a background investigation, including a criminal history records check and a review of available law enforcement databases and records of other U.S. governmental and international agencies.

Key Findings: TSA met the hiring deadlines, employing approximately 55,600 screeners, but, as of June 2003, background checks for more than half of the screener pool were incomplete. TSA did not maintain control over the quantity, quality, or timeliness of background check documentation and processing. TSA's personnel security office did not: (1) develop a comprehensive plan, including screener position risk designations, to administer the background checks effectively; (2) have sufficient staff to meet workload demands; (3) provide substantive oversight of the contractors' performance; or, (4) develop an adequate information tracking system to manage the process. As a result, TSA allowed some screeners to work without first completing a criminal history.

Recommendation Summary and Status: As of December 31, 2007, one of the 12 recommendations in this report was open. The component has responded by providing a corrective action plan implementing the remaining open recommendation. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Improved ability for TSA to ensure timely background checks for airport screeners.

Report Number OIG-04-12

Title: Federal Emergency Management Agency's Acquisition Workforce.

Issued: March 2004.

Abstract: FEMA's mission was to reduce the loss of life and property and protect our institutions from all hazards. In support of this mission, FEMA processed more than 2,600 procurement actions for \$429 million during Fiscal Year (FY) 2002. In March 2003, FEMA became part of DHS.

Key Findings: We audited FEMA’s management of its acquisition workforce and concluded that FEMA did not devote sufficient attention or resources to maintain its acquisition files and policies or managing its acquisition workforce. Numerous deficiencies in FEMA’s record keeping prevented us from performing a thorough analysis of acquisition workforce capability and workload management or determining whether acquisition personnel met training, education, and experience requirements. Also, it was not possible to evaluate workload management; however, there were indications that FEMA needs to manage workload more effectively. The absence of capability and performance information in employee files, and the absence of operational reviews indicated that managers might not have the information needed to manage workload.

Recommendation Summary and Status: As of December 31, 2007, one of the four recommendations in this report was open. It is unknown whether the recommendation has been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure FEMA devotes sufficient attention or resources to maintaining and updating its acquisition files and policies or managing its acquisition workforce.

Report Number OIG-04-15

Title: Distributing and Spending “First Responder” Grant Funds.

Issued: March 2004.

Abstract: Spurred by the attacks of September 11, 2001, Congress, state and local politicians, “first responders,” and the general public have become more aware of the need to increase preparedness against terrorist incidents. Recipients of preparedness funds have complained that the funds are being distributed too slowly. We conducted an audit to determine whether first responder funds were being distributed and spent in a timely fashion, and, if not, the reasons for the delay.

Key Findings: States, localities, and first responder organizations have been slow to receive and spend Office for Domestic Preparedness (ODP) first responder grant funds.

In some instances, states and local jurisdictions had delayed spending funds pending the development of detailed spending plans, believing that spending the funds wisely was more important than spending them immediately. Numerous other reasons delayed spending. While some of the delays are unavoidable, others can be reduced. ODP's application process was not a major reason for delays. Some state officials praised ODP and believed that ODP processed grant applications in a timely manner.

Recommendation Summary and Status: As of December 31, 2007, three of the seven recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure development of federal guidelines for first responder capabilities, equipment, training, and exercises.

Report Number OIG-04-20

Title: AMOC Needs to Improve Written Guidelines For Providing Assistance to Other Agencies.

Issued: March 2004.

Abstract: We initiated an audit of the Air and Marine Operations Centers (AMOC) in response to congressional concerns regarding assistance AMOC provided to the Texas Department of Public Safety (DPS) in locating a missing aircraft with Texas state legislators on board. AMOC is a national interagency law enforcement facility using civil aviation and military sensor networks to support law enforcement and national defense operations throughout the Western Hemisphere. The audit assessed the propriety of AMOC's guidelines for rendering assistance to federal, state, and local law enforcement agencies.

Key Findings: We concluded that assistance rendered to the Texas DPS by AMOC was consistent with AMOC's mission and policy of providing assistance to federal, state, and local law enforcement agencies. AMOC's policy was to presume that any request from a law enforcement agency, whether law enforcement or humanitarian oriented, was valid and would not be denied when staffing and resources were available. We recommended

corrective action for issues regarding AMOC's procedures and operations

Recommendation Summary and Status: As of December 31, 2007, the five recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Enhance productivity and effectiveness of AMOC personnel.

Report Number OIG-04-22

Title: Audit of the Automated Commercial Environment Secure Data Portal: Security Requirements Need To Be Implemented.

Issued: May 2004.

Abstract: The development of the ACE is a massive and multifaceted effort directly related to the success of the CBP mission. The goal of ACE is to create a single portal for all federal requirements for international cargo. This will benefit the trade community by providing a single web-based interface to make periodic payments, post transactions, and view statement records by account. The federal government will benefit from the creation of a common knowledge-based risk management system for joint enforcement targeting and intelligence development.

Key Findings: We concluded that there were weaknesses in the basic security features. These basic security requirements need to be in place to have proper safeguards and reduce exposure to risks from individuals or groups with malicious intent. The goal of ACE is to allow the federal government to provide a "single window" on border cargo regulation to reduce the complexity, redundancy, and burden on the trade. The CBP plans for ACE to be a customer-oriented, account-centric process that provides real-time access to internal and external revenue, sensitive law enforcement, and proprietary corporate information through a secure global channel for travel and trade. CBP agreed to have all basic system security requirements in place prior to continuing the project.

Recommendation Summary and Status: As of December 31, 2007, the one recommendation in this report was open. It is unknown whether the recommendation has been implemented. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure basic system security controls are in place.

Report Number OIG-04-25

Title: Passenger Processing Reengineering.

Issued: March 2004.

Abstract: One of the main aims of DHS is to keep track of people entering and leaving the U.S. This is necessary to prevent terrorism, narcotics smuggling, and illegal alien smuggling, and to enforce trade laws and collect revenue, all while facilitating international travel. Over the next five years, DHS will invest billions of dollars to modernize the passenger processes and systems inherited from the legacy bureaus.

Key Findings: Efforts are being made to realign certain operations and systems within the newly created DHS. However, business processing reengineering for the overall federal passenger processing requirements was not conducted. Further, DHS did not have an overall modernization acquisition strategy for the legacy Customs, Immigration and Naturalization Services (INS), Transportation and Security Administration (TSA), and Animal and Plant Health Inspection Service systems related to passenger processing. An acquisition strategy based on a re-engineered vision of how DHS will process international travelers, in alignment with the enterprise architecture, should result in better and more definitive contract requirements. This would increase the probability of achieving mission requirements while reducing cost.

Recommendation Summary and Status: As of December 31, 2007, the two recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure system developed meets user requirements.

Report Number OIG-04-26

Title: An Evaluation of the Security Implications of the Visa Waiver Program.

Issued: April 2004.

Abstract: The Visa Waiver Program (VWP) enables citizens of 27 countries to travel to the United States for tourism or business for 90 days or less without obtaining a visa. CBP needs to strengthen and improve VWP performance in significant areas. Since the dissolution of the INS, the VWP has had a series of acting managers and responsibility for the program has been diffused among DHS components.

Key Findings: At the time of our review, responsibility for the VWP program was not clear to many within DHS or other federal agencies. This ambiguity, coupled with funding issues, threatened to render CBP delinquent in its conduct of mandatory country reviews of each VWP-designated country every two years. In addition, lost and stolen passports (LASP) constitute VWP's most serious security problem. CBP has not thoroughly checked LASP against U.S. entry and exit information to determine whether the passports have been used to enter the United States. Collection of LASP data from VWP governments is not proactive or uniform, nor is the data disseminated in an organized fashion. Further, LASP problems are complicated by the absence of international standardization in passport numbering systems that can result in a failure to identify male fide travelers using stolen VWP passports.

Recommendation Summary and Status: As of December 31, 2007, two of the 14 recommendations in this report were open. We received verification in 2008 of implementation and the recommendations have been closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Increased clarity of responsibilities for CBP, better documentation on individuals entering and exiting the United States, and enhanced awareness of the VWP internationally.

Report Number OIG-04-37 Classified

Title: Audit of Passenger and Baggage Screening Procedures at Domestic Airports.

Issued: September 2004.

This report is **Classified**. There is one open recommendation in this report. Upon request, additional information will be provided to qualified recipients.

Report Number OIG-04-44

Title: Evaluation of TSA's Contract for Installation and Maintenance of Explosive Detection Equipment at United States Airports.

Issued: September 2004.

Abstract: As part of its review of the federalization of airport security screeners and the management of major DHS procurements, we reviewed DHS' contract with the Boeing Service Company. Issues arose as to whether the contract was properly administered as a cost-plus-award-fee-contract and whether the level of profits paid to Boeing was reasonable.

Key Findings: We determined that until December 2003, TSA paid contract fees based on a percentage of total invoiced costs, which had the effect of creating a cost-plus-a-percentage-of-cost type contract. This type of contract is prohibited in the federal government. The contract did not contain an award fee determination plan to evaluate the contractor's performance until December 2003, eighteen months after contract award, and it included cost increases unrelated to approved scope changes in the calculation of the award fee pool. Through December 2003, TSA had paid more than \$44 million in provisional award fees without any evaluation of the contractor's performance. The profit paid to the contractor was disproportionately high when compared to the contractor's cost and risk and compared to what other agencies allow as profit under such contracts. Based on these factors, we concluded that TSA paid Boeing at least \$49 million in excess profit.

Recommendation Summary and Status: As of December 31, 2007, the five recommendations in this report were open. It is

unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Improve contract reliability and appropriateness for TSA.

Report Number OIG-04-45

Title: Evaluation of the Transportation Security Administration's Screener Training and Methods of Testing.

Issued: September 2004.

Abstract: Steps taken by the TSA to update, modify, and improve the training and testing of security screeners incrementally improved basic screener training. TSA's December 2003 revisions to the passenger and checked baggage basic training aligned the course materials with TSA's latest standard operating procedures, presented detailed and technically accurate information, and addressed many instructional topics in sufficient depth. Furthermore, TSA revised and eliminated repetitive and simplistic test questions that we reported previously (ISP-02-03, August 2003).

Key Findings: The curriculum and test revisions were not supported by a systematic or comprehensive instructional systems design process and, as a result, were incomplete. Classroom and on-the-job training could have benefited from more thorough advance planning and analysis to select course content and frame the curriculum. Test design and administration for the basic classroom and on-the-job-training require greater standardization and validation. For recurrent training, TSA made significant improvements, setting a three-hour-per-week screener training requirement and distributing an array of training materials and tools to airports. TSA also recently completed its first annual screener re-certification testing. However, to maximize their benefit, both programs require further development.

Recommendation Summary and Status: As of December 31, 2007, 20 of the 22 recommendations in this report were open. The component has not provided a corrective action plan implementing the remaining open recommendations. We did not agree with the component on three of the open recommendations. Upon

verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Better training and testing of TSA screeners.

Report Number OIG-04-47

Title: Review of the TSA Passenger and Baggage Screening Pilot Program.

Issued: September 2004.

Abstract: The Aviation and Transportation Security Act of 2001 (Public Law 107-71) required TSA to assume control of security screening at the nation's airports and to implement a two-year private security screening pilot program designed to determine whether, with proper government supervision and controls, contract screening companies could attain or exceed the performance levels provided by TSA's federal screener workforce. On October 10, 2002, TSA awarded four pilot program contracts covering five different airports. The pilot program began at the airports on November 19, 2002.

Key Findings: TSA's passenger and baggage screening pilot program has two primary weaknesses: (1) the hiring, staffing, and training of screeners remained either completely or partially under the control of TSA, which limited the opportunities for the pilot contractors to test new innovations and approaches in these areas; and (2) TSA did not have criteria for evaluating the performance of either the pilot program contractors or the federal screening workforce.

Recommendation Summary and Status: As of December 31, 2007, the two recommendations in this report were open. We did not agree with the component on the open recommendations. We have requested additional documentation to verify full implementation. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure the hiring, staffing, and training of screeners is improved and development of criteria for evaluating

the performance of either the pilot program contractors or the federal screening workforce.

Report Number OIG-05-18

Title: Irregularities in the Development of the Transportation Security Operations Center.

Issued: March 2005.

Abstract: In May 2004, TSA's Office of Internal Affairs and Program Review reported to us the results of its review of suspicious purchases made during the development and building of the Transportation Security Operations Center. In our follow-up inspection of the acquisition and procurement activities involved in the development of the center, we confirmed office's determination that multiple violations of procurement policy and regulations had occurred. Inappropriate activities included the unauthorized expenditures of \$500,000 for decorative artwork and plants; the deliberate splitting of purchases to exceed purchase card spending limits; the acquisition of extravagant kitchen appliances and excessive fitness center equipment; and the construction of offices that exceed TSA office size standards.

Key Findings: We concluded that inadequate management controls left the project vulnerable to waste and abuse. The breakdown in the system was attributable largely to a self-imposed 90-day deadline to complete the project as well as to the senior managers, who believed that full compliance with federal regulations and TSA rules governing procurements would impede meeting the deadline. Senior management's not enforcing procurement regulations and policy created an environment that fostered improper or questionable purchases and construction decisions, as well as a disregard for the ethical duty of impartiality.

Recommendation Summary and Status: As of December 31, 2007, two of the three recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: TSA will be better positioned to avoid wasteful and abusive procurement actions.

Report Number OIG-05-20

Title: FEMA's Individuals and Households Program in Miami-Dade County, Florida, for Hurricane Frances.

Issued: May 2005.

Abstract: We sought to determine whether FEMA had sufficient evidence to support the county's eligibility for Individuals and Households Program (IHP) assistance and whether adequate program controls existed to ensure that funds were provided only to eligible applicants, for eligible expenses. The administration of the IHP has two key control points: (1) the disaster declaration and related amendment process, which is designed to assess damages and losses and determine and document the need for a major disaster declaration and FEMA assistance; and (2) the inspection of damages and verification of losses reported by individuals and households to determine whether the losses are disaster-related and eligible for FEMA assistance.

Key Findings: Our review of the IHP in Miami-Dade disclosed shortcomings in both areas. FEMA designated Miami-Dade County eligible for the Individual Assistance program without a proper preliminary damage assessment. Funds provided for repairs and replacement of household room items were not based on actual disaster-related damages or losses. The verification of some personal property damages or losses were based on undocumented verbal representations. Guidance and criteria for replacing and repairing of automobiles and the reimbursement of expenses for funerals and other items were generally not in place. Some Expedited Rental Assistance awards were made to some applicants without reasonable assurance of eligibility. Further, FEMA's oversight of inspections needs improvement. Specifically contractors were not required to review inspections prior to submission; edit checks for inspection errors were made after payment rather than before; and, no provisions existed for inspectors to reclude themselves from inspections that may have presented possible conflicts of interest.

The policies, procedures, and guidelines used in Miami-Dade County for the IHP were used throughout the State of Florida, casting doubt about the appropriateness of IHP awards made to individuals and households in other counties of the state as a result of the four hurricanes, particularly those counties that had only marginal damage. Further, according to FEMA officials, most of

the procedures were used for disasters in other states making the conditions and recommendations broadly applicable to FEMA's implementation of the IHP nationwide

Recommendation Summary and Status: As of December 31, 2007, the 16 recommendations in this report were open. We did not agree with the component on six of the open recommendations. It is unknown whether the 16 recommendations have been implemented. We have requested additional documentation to verify full implementation. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Establish sufficient evidence to support the county's eligibility for IHP assistance and adequate program controls to ensure that funds were provided only to eligible applicants, for eligible expenses.

Report Number OIG-05-21

Title: Controls Over the Export of Chemical and Biological Commodities.

Issued: June 2005.

Abstract: The *National Defense Authorization Act* requires Inspector Generals to review the controls over the export of militarily sensitive technologies to countries and entities of concern. We evaluated CBP's enforcement practices to determine whether they are in place and working effectively to prevent the illegal export of chemical and biological commodities. The review is part of a series of interagency reviews on the transfer of militarily sensitive technologies.

Key Findings: CBP does not consistently document the location of licenses issued by the Department of State in its Automated Export System. Exporters physically lodge state licenses with CBP at the port where shipments are expected primarily to occur; however, exports may be made through any authorized U.S. port of exit. Such license information is necessary to determine whether an individual shipment is being made in compliance with the associated license conditions. When an exporter ships from a port where the state license is not lodged, it becomes difficult for enforcement personnel at the port of shipping to readily obtain license information. As a result, CBP's ability to enforce

Department of State licensed exports in a timely and efficient manner is reduced. Also, CBP needs to improve its enforcement of license requirements for shipments that have been processed against commerce licenses.

Recommendation Summary and Status: As of December 31, 2007, one of the two recommendations in this report was open. The component has responded by providing a corrective action plan implementing the remaining open recommendation. The response for this recommendation is due in 2008. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Effective and consistent administration of the CBP Outbound Program at all ports of exportation.

Report Number OIG-05-23

Title: Buy American Act Compliance.

Issued: June 2003.

Abstract: As directed by Congress in the FY 2005 Conference Report accompanying H.R. 4567, we audited DHS' compliance with the *Buy American Act (BAA) of 1933* (41 USC 10a-10d). We concluded that DHS and its organizational component procurement offices have sufficient policies and procedures to ensure compliance with BAA requirements. However, we were unable to fully validate compliance with BAA requirements because of DHS' inability to identify conclusively all procurements subject to BAA requirements and the tight time constraints under which the audit had to be conducted.

Key Findings: Neither the Federal Procurement Data System - Next Generation (FPDS-NG) nor the Homeland Security Contract Information System have the capability to collect data regarding the amounts and types of foreign end products being procured by DHS. While DHS organizational components identified acquisitions worth approximately \$165 million involving foreign end products, these acquisitions do not represent the entire BAA universe at DHS. While DHS believes that acquisition of foreign end products occurs infrequently, system limitations make it difficult to determine the actual frequency of foreign acquisitions. Additionally, ICE incorrectly applied BAA evaluation factors during the source selection process for a major procurement of

pistols. Finally, automated contract writing systems that help ensure BAA compliance are not available at all procurement offices at this time.

Recommendation Summary and Status: As of December 31, 2007, the five recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure that DHS and its organizational component procurement offices have sufficient policies and procedures to ensure compliance with BAA requirements.

Report Number OIG-05-26

Title: Targeting Oceangoing Cargo Containers.

Issued: July 2005.

Abstract: In response to a congressional mandate in the United States Coast Guard and Maritime Transportation Act of 2004, we reviewed the Automated Targeting System (ATS) used by CBP for selecting ocean-going cargo containers for inspection. Our review also included an overview of oceangoing container supply chain security.

Key Findings: We concluded that CBP could improve the effectiveness of the ATS by using of more complete and accurate shipping data and systematically analyzing container examination results to refine existing targeting rules and develop new rules. In addition, the examination statistics contained at the ports and CBP headquarters showed inconsistencies. Additionally, physical controls over containers selected for examination needed improvement.

Recommendation Summary and Status: As of December 31, 2007, one of the three recommendations in this report was open. It is unknown whether the recommendation has been implemented. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Allow management at the ports and at headquarter to make decisions using the same data reports.

Report Number OIG-05-29

Title: The Coast Guard's Civilian Pay Budget Process.

Issued: August 2005.

Abstract: In response to a request from the Chairman of the House Subcommittee on Homeland Security, Committee on Appropriations, we engaged the independent accounting firm KPMG LLP (KPMG) to perform an audit of the United States Coast Guard's (USCG) FY 2004 civilian pay expenses and related budget reprogramming requests.

Key Findings: KPMG reported that USCG had not designed appropriate processes and internal controls for the development and execution of the civilian pay budget. As a result, USCG had difficulty supporting its FY 2004 reprogramming requests with respect to civilian pay. Prior to FY 2004, civilian pay was part of a much larger budget category that included military pay. Thereafter, civilian pay became its own budget category, with more visibility. KPMG made several recommendations to improve USCG's budgeting process for civilian pay.

Recommendation Summary and Status: As of December 31, 2007, the three recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure USCG designs appropriate processes and internal controls for the development and execution of the civilian pay budget.

Report Number OIG-05-30

Title: Improved Security Required for U.S. Coast Guard Networks.

Issued: August 2005.

Abstract: We audited the DHS security program and its organizational components to determine the effectiveness of controls implemented on selected wired-based sensitive but unclassified networks. Our audit included a review of applicable DHS and USCG security policies, procedures, and other appropriate documentation. In addition, we performed vulnerability assessments to evaluate the effectiveness of controls implemented on selected network devices.

Key Findings: Security controls must be improved in order for USCG to provide adequate and effective security over its networks. Our vulnerability assessments identified security concerns resulting from inadequate password controls, missing critical patches, vulnerable network devices, and inconsistent configuration and patch management. These security concerns indicate increased potential for unauthorized access to USCG resources and data. Effective network management and security controls are needed in order to protect the confidentiality, integrity, and availability of sensitive information.

Recommendation Summary and Status: As of December 31, 2007, the six recommendations in this report were open. The component has sent a corrective action plan and implementation is pending. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Improved USCG system security.

Report Number OIG-05-37

Title: Security Weaknesses Increase Risks to Critical United States Secret Service Database.

Issued: September 2005.

Abstract: We audited DHS and its organizational components' security program to determine the security and integrity of select sensitive but unclassified mission critical databases. Our audit included reviews of access controls, change management, and continuity of operations policies and procedures.

Key Findings: The USSS has not established adequate or effective database security controls for USSS Web (SSWeb). Although the USSS has developed and implemented many essential security

controls—including a process to ensure that system access is removed upon employee separation as well as a change management policy for implementing routine and emergency changes—additional work remains to implement the access controls, configuration management procedures, and continuity of operations safeguards necessary to protect sensitive SSWeb data effectively. The USSS has not implemented effective procedures for user administration; established a configuration management plan; or, developed and tested an IT contingency plan. In addition, vulnerabilities existed on an SSWeb database server related to access rights and password administration, configuration management, as well as other security measures. We made several recommendations to assist the USSS to secure SSWeb.

In addition, to comply with the OMB's FISMA reporting requirements, we evaluated the effectiveness of the USSS's information security program and practices as implemented for SSWeb. The USSS has not yet fully aligned its security program with DHS' overall policies or procedures. For example, a contingency plan has not been established and tested; security control costs have not been integrated into the life cycle of the system; and, system and database administrators have not obtained specialized security training.

Recommendation Summary and Status: As of December 31, 2007, four of the six recommendations in this report were open. The component has sent a corrective action plan and implementation is pending. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Enhanced protection of USSS information assets.

Report Number OIG-05-42

Title: Security Weaknesses Increase Risks to Critical United States Citizenship and Immigration Services Database.

Issued: September 2005.

Abstract: We audited USCIS' security program to determine whether USCIS had implemented adequate and effective controls over sensitive data contained in its Central Index System.

Information contained in the Central Index System is used to assist in the enforcement of United States immigration laws.

Key Findings: USCIS is in the process of building an IT Security Office and implementing security, privacy, systems development, and continuity of operations best practices.

Recommendation Summary and Status: As of December 31, 2007, three of the six recommendations in this report were open. The component has sent a corrective action plan and implementation is pending. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Improved system security.

Report Number OIG-05-43

Title: Security Weaknesses Increase Risks to Critical Emergency Preparedness and Response Database.

Issued: September 2005.

Abstract: We audited the DHS and its organizational components' security program to determine whether Emergency Preparedness and Response (EP&R) had implemented adequate and effective controls over sensitive data contained in its NEMIS.

Key Findings: EP&R has not established adequate or effective database security controls for NEMIS. EP&R has developed and implemented many essential security controls for the NEMIS system, including the establishment of a change management process and the development of a NEMIS IT contingency plan. However, additional work remains to implement the access controls and continuity of operations safeguards necessary to protect sensitive NEMIS data properly. EP&R has not (1) implemented effective procedures for granting, monitoring, and removing user access; or (2) conducted NEMIS IT contingency training or testing. In addition, vulnerabilities existed on NEMIS servers related to access rights and password administration, configuration management, as well as other security measures.

In addition, to comply with the OMB's FISMA reporting requirements, we evaluated the effectiveness of EP&R's information security program and practices as implemented for

NEMIS. EP&R has not aligned fully its security program with DHS' overall policies, procedures, or practices. For example, security controls had not been tested in over a year; a contingency plan has not been tested; security control costs have not been integrated into the life cycle of the system; and, system and database administrators have not obtained specialized security training.

Recommendation Summary and Status: As of December 31, 2007, the four recommendations in this report were open. The component has sent a corrective action plan and implementation is pending. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Enhanced protection of information assets.

Report Number OIG-05-44

Title: Challenges in FEMA's Flood Map Modernization Program.

Issued: September 2005.

Abstract: Floods are among the most frequent and costly of all natural disasters and have great impact in terms of economic and human losses each year. Since 1978, FEMA has been charged with assisting communities by producing flood maps that detail areas at risk; identify where flood insurance is needed; and, help limit construction within flood zones. However, the majority of FEMA's maps are outdated and in unalterable paper format. In response to demands for more accurate mapping products, FEMA has embarked on a six year, \$1.475 billion program to update and digitize the nation's flood maps. We conducted an audit to assess FEMA's management approach; coordination with federal, state, and local entities; and, acquisition and use of technology to meet map modernization program objectives.

Key Findings: We determined that while FEMA is making progress in map modernization, a number of significant challenges remain. Specifically, FEMA has developed a plan that outlines the priorities, resources, and standards for accomplishing map modernization in communities across the U.S. However, because of budget limitations, FEMA's plan does not reflect user or funding needs. Also, the plan does not provide guidance on how

new mapping standards will be achieved. Due to these deficiencies, the plan discourages stakeholder buy-in and may not help FEMA meet its map modernization schedule and quality goals.

Further, FEMA has enhanced its efforts to partner and communicate with its mapping stakeholders, but the agency has not maximized the benefits possible through these relationships. Additionally, as part of its map modernization efforts, FEMA is developing a web-based technology platform and tools to support efficient production and sharing of digital maps. However, FEMA's IT development approach has limited program progress; unclear contractor expectations; underestimation of program scope and complexity; and, poorly defined requirements, which have resulted in significant system acquisition delays and cost overruns.

Recommendation Summary and Status: As of December 31, 2007, six of the eight recommendations in this report were open. The component has sent a corrective action plan and implementation is pending. Upon verification of implementation, all recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Improve Security and Controls on DHS Financial Systems.

Report Number OIG-05-45

Title: DHS' Responsibilities for Juvenile Aliens.

Issued: September 2005.

Abstract: We reviewed the effectiveness of the coordination between CBP and ICE after CBP apprehends and initially holds juvenile aliens. Our review included the process by which CBP informs the ICE DRO that a juvenile alien was apprehended, the process for transferring the juvenile alien to ICE DRO custody, and the effectiveness of the current system for transferring care and custody of unaccompanied juvenile aliens to the Department of Health and Human Services. Finally, we assessed the progress of relevant DHS components in implementing three open recommendations from a prior Department of Justice OIG report.

Key Findings: We concluded that DHS adhered to its responsibilities for treating apprehended juvenile aliens with

dignity and concern. The department is proficient in key areas of apprehending and processing juvenile aliens, prioritizing processing and transportation of juveniles after they are apprehended, and providing appropriate information to juveniles on their legal rights. Generally, the department placed juvenile aliens in longer-term housing facilities in a timely manner.

Recommendation Summary and Status: As of December 31, 2007, the eight recommendations in this report were open. We received verification in 2008 of implementation and three of the recommendations have been closed. The component has responded by providing a corrective action plan implementing one of the remaining open recommendations. We did not agree with the component on four of the open recommendations. We have requested additional documentation to verify full implementation of the one. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Establishment of responsibilities and policy for use in operations involving juvenile aliens.

Report Number OIG-05-47

Title: Vehicle Disposal and Sales Program Within U.S. Border Patrol's San Diego Sector.

Issued: September 2005.

Abstract: In response to a request from the U.S. House of Representatives member for the 51st District of California, we audited the fleet vehicle disposal and sales activities of the U.S. Border Patrol's San Diego Sector (the Sector) while under its legacy agency, the INS. The Congressman's request was primarily spurred by a constituent's assertions that (1) vehicles were prematurely disposed of after major restoration work; (2) vehicles were reported as inoperable and downgraded to scrap although the majority were actually in good condition; (3) useable vehicles reported as inoperable or in poor condition were sold to scrap dealers with major components intact; (4) vehicles downgraded to salvage were sold to select individuals and companies at extremely low prices without following traditional sales procedures; and (5) vehicles and heavy-duty equipment were improperly transferred to an Indian Tribe.

Key Findings: We confirmed the validity of the five assertions. The Sector did not manage its aging fleet of vehicles in an effective manner or ensure that the disposal of government assets complied with established policies. It is noteworthy that the Sector was experiencing a severe shortage of serviceable vehicles needed to meet the Border Patrol's operational readiness standards. The Sector's stopgap solution in 2001 resulted in 129 aging vehicles being restored and, as of March 17, 2005, the Sector reported that 69 of those vehicles remained operational in its fleet. CBP now has oversight of the Sector and is working to standardize vehicle fleet management throughout the Bureau; however, to address the deficiencies of the Sector, additional improvements are needed.

Recommendation Summary and Status: As of December 31, 2007, the five recommendations in this report were open. The component has responded by providing a corrective action plan implementing the open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure proper maintenance, sale, and transfer of government equipment at the San Diego Sector.

Report Number OIG-05-51

Title: Transportation Security Administration's Revised Security Procedures.

Issued: September 2005.

Abstract: In response to a request from the U.S. House Committee on Government Reform, our office conducted a review of procedures initiated by TSA in response to the security breaches experienced in 2003 on Southwest Airlines aircraft. The findings and recommendations were presented to the committee in a sensitive security information report.

Key Findings: We assessed TSA's changes to procedures used by its Contact Center for handling emails and other correspondence, and any changes related to the inspection of aircraft.

Recommendation Summary and Status: As of December 31, 2007, the three recommendations in this report were open. It is unknown whether the recommendations have been implemented.

Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Improve the efficiency and effectiveness of TSA operations and government oversight of air carrier compliance with security regulations.

Report Number OIG-05-52

Title: Transportation Security Administration's Procedures for Law Enforcement Officers Carrying Weapons on Board Commercial Aircraft.

Issued: September 2005.

Abstract: The Ranking Democratic Member, Committee on Transportation and Infrastructure, requested that we determine whether current TSA operating procedures ensure the safe and secure transport of weapons on commercial aircraft by law enforcement officers. Further, the Congressman also asked us to report the number of federal, state, and local officers authorized to carry weapons on commercial aircraft.

Key Findings: TSA procedures to verify the identity of law enforcement officers, flying armed, need to be strengthened. In addition, TSA should establish procedures to manually inspect a random sample of officers' carry-on bags and ask the officer, during processing, whether they are carrying hazardous materials such as pepper spray or mace in their carry-on bags.

Recommendation Summary and Status: As of December 31, 2007, the two recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Increased air security reducing risk of unauthorized person or weapons present aboard airplanes.

Report Number OIG-06-06

Title: A Review of U.S. Citizenship and Immigration Services' Alien Security Checks.

Issued: November 2005.

Abstract: The USCIS conducts approximately 35 million security checks each year. The checks prevent ineligible applicants from obtaining benefits and help law enforcement agencies identify people who pose risks to national security or public safety. We assessed the scope, proper completion, and efficiency of USCIS' security checks.

Key Findings: USCIS' security checks are overly reliant on the integrity of names and documents that applicants submit. USCIS has not developed a measurable, risk-based plan to define how they will improve the scope of security checks. In addition, our sampling of most benefits showed that management controls are not sufficiently comprehensive to ensure that staff completes checks correctly. Finally, USCIS needs improved automation and staff coordination to eliminate inefficient security check processes.

Recommendation Summary and Status: As of December 31, 2007, six of the seven recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Improves USCIS' ability to verify applicants' identity and increases efficiency and quality control of security checks in order to prevent identity fraud and accompanying security threats.

Report Number OIG-06-07

Title: Review of Top Officials 3 Exercise.

Issued: November 2005.

Abstract: The Top Officials Exercise (TOPOFF) is a congressionally mandated biennial cycle of seminars, planning events, and national exercises designed to strengthen the United States' capacity to prevent, prepare for, respond to, and recover from large scale terrorist attacks. Every two years the cycle

culminates in an exercise that simulates a coordinated terrorist attack. G&T, formerly SLGCP, sponsors the TOPOFF series and manages the design, planning, conduct, and evaluation of the exercises.

Key Findings: Overall, exercise objectives were addressed and generally met, but the exercise highlighted at all levels of government a fundamental lack of understanding for the principles and protocols set forth in the National Response Plan (NRP) and NIMS. Further, integration issues relative to the private sector and the Department of Defense require further discussion and analysis. Several issues affect the overall effectiveness of the TOPOFF series. The first concerns the high investment cost required of participating states and whether or how the federal government should provide funding assistance. The second issue concerns DHS' dependency on contractor expertise and support. Finally, TOPOFF 3 demonstrated unresolved issues from previous exercises that continue to affect and inhibit the ability of organizations at all levels to coordinate effectively an integrated response.

Recommendation Summary and Status: As of December 31, 2007, eight of the 14 recommendations in this report were open. The component has responded by providing a corrective action plan implementing two of the remaining open recommendations. We did not agree with the component on six of the open recommendations. We have requested additional documentation to verify full implementation of the two. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Enhances coordination of federal resources and assets during an Incident of National Significance and improves the effectiveness of future exercises.

Report Number OIG-06-15

Title: Review of Remote Surveillance Technology Along U.S. Land Borders.

Issued: December 2005.

Abstract: We reviewed the effectiveness of the border surveillance, remote assessment, and monitoring technology used by CBP's Office of Border Protection to detect illegal entry into

the United States between official ports of entry. Despite an investment of more than \$429 million since 1997 and two major program initiatives, the Integrated Surveillance Intelligence System and America's Shield Initiative, we determined that limitations of border surveillance, remote assessment, and monitoring technology and significant delays and cost overruns in the procurement of remote video camera systems have impeded the success of CBP's remote surveillance program.

Key Findings: The intelligence system's components, cameras and sensors, are not fully integrated to the extent represented at the program's onset. Cameras must be manually oriented, via toggling control keyboards, in the direction of the triggered sensor. Deficiencies in the contract management and processes; delays in installing, testing, and bringing on-line camera sites that are operational; and incomplete installation of 168 camera sites resulted in more than \$37 million in DHS funds remaining in GSA accounts.

Recommendation Summary and Status: As of December 31, 2007, one of the seven recommendations in this report was open. The component has responded by providing a corrective action plan implementing the remaining open recommendation. We received verification in 2008 of implementation the recommendation has been closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Increased effectiveness of CBP's remote surveillance program.

Report Number OIG-06-18

Title: Review of the Transportation Security Administration's Management Controls Over the Screener Recruitment Program.

Issued: December 2005.

Abstract: As a result of the September 11, 2001 terrorist attacks, TSA faced a formidable challenge to hire a federalized screener workforce, while concurrently standing up an agency with a one-year Congressional mandate. Although TSA successfully recruited more than 56,000 airport screeners within the mandated period, success came at a high cost. The recruitment contract costs grew more than 600% over a 10-month period. In response to Congressional concerns over press reports of perceived wasteful

government spending by the TSA's recruitment contractor, NCS Pearson, we audited TSA's management and oversight of the recruitment program.

Key Findings: As a brand new agency, TSA did not have the staff or infrastructure necessary to plan and manage the actions and contracts properly, such as the NCS Pearson contract. As a result, TSA made critical decisions that greatly increased costs without the benefit of sound acquisition planning or adequate cost control. The establishment of temporary assessment centers, delays and revisions in issuance of the airport federalization schedule and staffing requirements, and higher than expected applicant rejection rates significantly impacted NCS Pearson's costs to establish and operate the assessment centers. By the contract's end, NCS Pearson had assessed more than nine times the number of screeners originally estimated in less than half the time originally allotted. Consequently, the increased candidate volume necessitated larger and more accessible assessment centers. All of these factors contributed to the escalation of contract costs from the original estimate of \$104 million to the settlement amount of \$742 million. In addition, TSA's delay in recording contractual obligations may have put the agency at increased risk for *Antideficiency Act* violations.

Recommendation Summary and Status: As of December 31, 2007, the two recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure better controls to keep costs down when establishing and operating TSA assessment centers.

Report Number OIG-06-19

Title: The State of Indiana's Management of State Homeland Security Grants Awarded During Fiscal Years 2002 and 2003.

Issued: December 2005.

Abstract: Foxx and Company, an independent accounting firm under contract with us, reviewed \$48 million in grants awarded by the ODP to the State of Indiana from the FY 2002 State Domestic Preparedness Program, and from the FY 2003 State Homeland

Security Grant Program Parts I and II. The audit assessed the Indiana State Emergency Management Agency's (SEMA) management of these first responder grant programs and included visits to 18 sub-grantees. The state of Indiana's emergency management agency awarded the 18 sub-grantees about \$7.2 million from the FY 2002 and FY 2003 first responder grant programs.

Key Findings: The auditors concluded that while Indiana attempted to conscientiously manage the first responder grant programs, it did not follow its ODP-approved strategic plan. Although the deviations from the plan might have been justifiable by the Indiana SEMA, the state did not document the reasons for the deviations or ask for ODP's approval. Frequent changes in the grantee's management team through April 2005 adversely affected the state's management of the programs, and the magnitude of the grantee's responsibilities was inconsistent with the number of program management staff. Specifically, the state needed more staff to ensure that: (1) sub-grants were awarded timely, (2) sub-grant activities were properly monitored, (3) progress reports were submitted to ODP and were consistent with ODP's program guidelines, and (4) costs claimed for critical infrastructure protection were properly supported with documentation proving that the costs were incurred by sub grantees. The audit questioned \$1,236,515 of the costs, of which \$278,857 was unsupported. The auditors made nine recommendations to strengthen controls over grant spending, improve grants management, and recover unsupported and disallowed costs.

Recommendation Summary and Status: As of December 31, 2007, the five recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$278,857.

Non-Monetary Benefits: Ensure documentation and implementation of procedures for evaluating the state's progress in achieving the February 2002 strategic plan's goals and objectives, and either redirect spending to be in line with the plan or revise the plan based upon the progress achieved.

Report Number OIG-06-21

Title: Audit Screening of Trucks Carrying Canadian Municipal Solid Waste.

Issued: February 2006.

Abstract: At the request of two Senators and a Representative, our office reviewed the effectiveness of CBP's screening of trucks carrying Canadian municipal solid waste. The greater Toronto, Canada area has been shipping municipal solid waste to Michigan landfills for disposal since 1998. During calendar year 2004, Michigan landfills received approximately 100,000 truckloads of Canadian municipal solid waste, an 8% increase over calendar year 2003. Another 10,000 shipments of municipal solid waste enter the U.S. through nine other ports of entry that accept Canadian and Mexican municipal solid waste. Over the past two years, trucks carrying Canadian municipal solid waste were determined to contain medical waste, illegal drugs, and illegal currency.

Key Findings: We determined that there are limitations in the inspections of municipal solid waste. Improvements are needed in conducting inspections and the radiation portal monitor, and Vehicle and Cargo Inspection System examinations. We recommended that the Commissioner of CBP conduct a risk analysis and develop minimum requirements for selecting and inspecting trucks carrying Canadian municipal solid waste.

Recommendation Summary and Status: As of December 31, 2007, the recommendation in this report was open. It is unknown whether the recommendation has been implemented. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Increased effectiveness of CBP's screening of trucks carrying Canadian municipal solid waste.

Report Number OIG-06-29

Title: FPS Related Funds Transferred from GSA to DHS.

Issued: March 2006.

Abstract: In response to a request from two representatives, we reviewed certain funds transferred from the US General Services Administration (GSA) to DHS for the Office of Federal Protective Service (FPS). We attempted to determine whether DHS was in

compliance with the *Homeland Security Act of 2002*, which required that any GSA rents and fees transferred to DHS be used solely for the protection of buildings and grounds owned or occupied by the Federal government.

Key Findings: We concluded that DHS did not violate the terms of the *Homeland Security Act* in FY 2003 or FY 2005; however, the potential for a violation exists in FY 2004.

Recommendation Summary and Status: As of December 31, 2007, the three recommendations in this report were open. The component has responded by providing a corrective action plan implementing the open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Financial management improvement for the FPS program.

Report Number OIG-06-31

Title: Review of the Department's Handling of Suspicious Passengers Aboard Northwest Flight 327.

Issued: March 2006.

Abstract: We audited the handling of suspicious passengers to: (1) determine the specific circumstances relating to Northwest Airlines Flight 327 from Detroit to Los Angeles on June 29, 2004, including the department's handling of the suspicious airplane passengers before boarding, during flight, and after landing; and (2) identify any lessons learned as a result of the department's handling of the suspicious incident. On this flight, 13 Middle Eastern men behaved in a suspicious manner that aroused the attention and concern of the flight attendants, passengers, air marshals, and pilots.

Key Findings: We concluded that DHS' internal system for communicating and coordinating information on suspicious passengers, activities, and incidents in the gate area and aboard aircraft needs improvement. In addition, both the Federal Air Marshal Service and the Federal Bureau of Investigations (FBI) have statutory authority to investigate in-flight incidents, thereby causing possible confusion, duplication, and the potential for compromising investigative cases.

Recommendation Summary and Status: As of December 31, 2007, the three recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Improve the overall effectiveness of the FBI and air marshals in handling in-flight missions and incidents.

Report Number OIG-06-32

Title: A Performance Review of FEMA's Disaster Management Activities in Response to Hurricane Katrina.

Issued: March 2006.

Abstract: Reviewing the FEMA activities in response to Hurricane Katrina, we examined FEMA's responsibilities for three of the four major phases of disaster management – preparedness, response, and recovery – during the first five weeks of the federal response. We reviewed whether FEMA's authorities, plans and procedures, organizational structure, and resources were adequate and effective. In addition, we evaluated FEMA's preparedness and readiness efforts over the past ten years to determine its organizational capability and posture prior to Hurricane Katrina.

Within the past two years, the DHS published the National Incident Management System and the National Response Plan, restructuring how federal, state, and local government agencies and emergency responders conduct disaster preparation, response, and recovery activities. Implementation of the National Incident Management System and the National Response Plan was still underway when Hurricane Katrina made landfall. FEMA's initial response was significantly impeded by the adjustments it was making in implementing its responsibilities under the National Response Plan.

Key Findings: The Hurricane Katrina response demonstrated some positive features of the incident command structure under the National Incident Management System; however, it also highlighted severe deficiencies and multiple areas where FEMA and DHS headquarters must make adjustments to the National Response Plan. In comparison with its efforts during other

disasters, FEMA provided record levels of support to Hurricane Katrina victims, states, and emergency responders. However, insufficient visibility in the resource ordering process, difficulty deploying sufficient numbers of trained personnel, and unreliable communication systems demonstrate a need for improved response support capabilities.

FEMA's efforts to support state emergency management and to prepare for federal response and recovery in natural disasters were insufficient for an event of Hurricane Katrina's magnitude. Difficulties experienced during the response directly correlate with weaknesses in FEMA's grant programs, staffing, training, catastrophic planning, and remediation of issues identified during previous disasters and exercises.

Finally, the integration of FEMA, all hazards preparedness, and disaster response and recovery capabilities within DHS requires additional attention. Although an "all-hazards" approach can address preparedness needs common to both man-made and natural events, DHS must ensure that all four phases of emergency management – preparedness, response, recovery, and mitigation – are managed throughout the department on an all hazards basis.

Recommendation Summary and Status: As of December 31, 2007, 33 of the 38 recommendations in this report were open. The component has responded by providing a corrective action plan implementing 18 of the remaining open recommendations. The component has not provided a corrective action plan for six of the recommendations. We did not agree with the component on nine of the open recommendations. We have requested additional documentation to verify full implementation. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Enhances DHS and FEMA readiness to respond to a disaster that exceeds a state's capabilities by improving disaster planning, resource coordination, and policies.

Report Number OIG-06-33

Title: Detention and Removal of Illegal Aliens, U.S. Immigration and Customs Enforcement.

Issued: April 2006.

Abstract: We conducted an audit of Immigration and Customs Enforcement's (ICE) program for detaining and removing illegal aliens apprehended in the United States and at ports of entry (POE). The program is administered through ICE's Office of Detention and Removal (DRO). The objective of our review was to determine the extent to which the detention and removal office is performing its mission to repatriate all illegal aliens who are removable, including those that pose a potential national security or public safety threat to the U.S.

Key Findings: Currently, the DRO is unable to ensure the departure from the U.S. of all removable aliens. Of the 774,112 illegal aliens apprehended during the past three years, 280,987 (36%) were released largely due to not having the personnel, bed space, and funding needed to detain illegal aliens while their immigration status is being adjudicated. This presents significant risks due to the inability of CBP and ICE to verify the identity, country-of-origin, and terrorist or criminal affiliation of many of the aliens being released. Further, the declining personnel and bed space level is occurring when the number of illegal aliens apprehended is increasing. For example, the number of illegal aliens apprehended increased from 231,077 in FY 2002 to 275,680 in FY 2004, a 19% increase. However, during the same period, authorized personnel and funded bed space levels declined by 3% and 6%, respectively. These shortfalls encourage illegal immigration by increasing the likelihood that apprehended aliens would be released while their immigration status is adjudicated.

Further, historical trends indicate that 62% of the aliens released will eventually be issued final orders of removal by the U.S. Department of Justice, Executive Office of Immigration Review, and later fail to surrender for removal or abscond. Although the detention and removal office has received additional funding to enhance its Fugitive Operations Program, it is unlikely that many of the released aliens will ever be removed. As of December 30, 2005 there were more than 544,000 released aliens with final orders of removal who have absconded.

Recommendation Summary and Status: As of December 31, 2007, the four recommendations in this report were open. We did not agree with the component on one of the recommendations. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure ICE's program for detaining and removing illegal aliens apprehended in the United States and at POEs performs its mission to repatriate all illegal aliens who are removable, including those that pose a potential national security or public safety threat to the U.S.

Report Number OIG-06-34

Title: Grant 2004-TK-TX-003 and 2006-GH-T5-001, National Domestic Coalition of Preparedness, Orlando FL.

Issued: May 2006.

Abstract: We audited State Domestic Preparedness Equipment Support Program grant funds awarded by the Office of State and Local Government Coordination and Preparedness (SLGCP) to the National Domestic Preparedness Coalition Incorporated (NDPCI) of Orlando, Florida under grants 2004-TK-TX-0003 and 2005-GH-T5-0001. The audit objective was to determine whether NDPCI accounted for and expended grant funds according to federal regulations and grant guidelines.

Key Findings: NDPCI did not account for grant funds according to federal regulations and grant guidelines because its claim consisted of \$134,386 in unsupported labor costs, \$16,861 in overstated operating and administrative expenses, and \$1,500 in unallowable travel costs. Total questioned costs equal \$152,747. In addition, NDPCI did not credit the grants for \$87,770 in licensing fee reimbursements it received from its software developer. Also, NDPCI needs to improve its grant management procedures regarding (1) the preparation and submission of Financial Status Reports, (2) cash management, and (3) compliance with grant requirements for travel.

Recommendation Summary and Status: As of December 31, 2007, the five recommendations in this report were open. We have come to partial agreement with the component on three of the open recommendations. The component has responded by providing a corrective action plan implementing two of the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$240,517.

Non-Monetary Benefits: Ensure NDPCI accounts for and expends grant funds according to federal regulations and grant guidelines.

Report Number OIG-06-35

Title: Review of TSA Collection of Aviation Security Fees.

Issued: May 2006.

Abstract: We evaluated TSA monitoring controls and oversight of passenger security fees to determine whether the air carriers properly identified, collected, and remitted these fees to TSA. At the request of TSA, we also evaluated calendar year 2000 passenger and property screening expenses reported by air carriers to determine the accuracy of the costs reported and if the costing methodologies used by these air carriers provided a fair and reasonable basis for computing the air carriers' aviation security infrastructure fee costs to TSA.

Key Findings: For passenger security fees, TSA had not developed adequate controls and had not conducted audits to oversee the accuracy of the air carriers' collection and remittance practices until late 2004. As a result, TSA did not know that the three air carriers reviewed did not identify, collect, and remit \$2.7 million in fees for the period covered during the audit.

Recommendation Summary and Status: As of December 31, 2007, three of the seven recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure TSA develops monitoring controls and oversight of passenger security fees to determine whether the air carriers properly identified, collected, and remitted these fees to TSA.

Report Number OIG-06-41 FOUO

Title: Information Technology Management Letter for the FY 2005 Customs and Border Protection Balance Sheet Audit.

Issued: June 2006.

This report is **For Official Use Only**. This report has 18 open recommendations. Upon request, additional information will be provided to qualified recipients.

Report Number OIG-06-42

Title: Improved Administration Can Enhance Science and Technology Laptop Computer Security.

Issued: June 2006.

Abstract: We audited the DHS and its organizational components' security program to evaluate the security and integrity of select government-issued laptop computers. The report focuses on the S&T. Our objective was to determine whether S&T has established and implemented adequate and effective security policies and procedures related to physical security and logical access to government-issued laptop computers.

Key Findings: The report identified existing critical vulnerabilities in the standard model configuration for laptops. The possibility of similar vulnerabilities and remediation for all S&T issued computers exists and the updated model system must be correctly implemented. Procedures need to be developed to ensure that all S&T laptops are patched and updated in a timely manner. Appropriate inventory management controls, including effective inventory reviews, physical security controls, and classification labeling completed.

Recommendation Summary and Status: As of December 31, 2007, the four recommendations in this report were open. The component has sent a corrective action plan and implementation is pending. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Enhanced protection of information assets.

Report Number OIG-06-45

Title: Commonwealth of Virginia's Management of State Homeland Security Grants Awarded During Fiscal Years 2002 and 2003.

Issued: July 2006.

Abstract: Cotton and Company, under contract with us, completed an audit of the Commonwealth of Virginia's (Commonwealth) management of the DHS' ODP State Homeland Security Grant Program (SHSGP) to determine whether the state (1) effectively and efficiently implemented the first responder grant programs, (2) achieved the goals of the programs, and (3) spent funds according to grant requirements. The goal of the audit was to identify problems and solutions that would help the Commonwealth prepare for and respond to terrorist attacks.

Key Findings: The audit disclosed several areas where the Commonwealth could improve its grant performance. Specifically, the Commonwealth did not properly document its plan and implementation of the grant programs, allocate ODP grant funds based on its risk assessment or stated needs and goals, could not effectively monitor local jurisdictions, did not have adequate internal controls over monitoring cash advances, and did not adhere to grant requirements regarding equipment purchases.

Recommendation Summary and Status: As of December 31, 2007, the eight recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$471,768.

Non-Monetary Benefits: Ensure effective and efficient implementation of the first responder grant programs.

Report Number OIG-06-54

Title: Audit of the National Urban Search and Rescue Response System.

Issued: August 2006.

Abstract: The National Urban Search and Rescue Response System (US&R System) is a rapidly deployable federal source for first response to nationwide emergencies, including Weapons of Mass Destruction (WMD) events. FEMA is responsible for administering the US&R System. After September 11, 2001, Congress provided substantial increases to US&R System funding.

Federal preparedness funding for the US&R System reached a high of \$65 million in FY 2004, or about 550% more than FY 2001, but fell to \$30 million in FY 2005. The objective of this audit was to determine to what extent DHS had achieved the US&R System's preparedness goals and to identify opportunities for improvement in US&R task force preparedness.

Key Findings: While the US&R System has made improvements, especially in WMD training and equipment preparedness, the task forces are falling short in achieving system objectives and standards in three primary areas of readiness: operational, logistical, and management. Systemic deficiencies existed for many of the operational and logistical readiness objectives.

Recommendation Summary and Status: As of December 31, 2007, the three recommendations in this report were open. We did not agree with the component on the open recommendations. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure appropriate use and funding of the US&R system.

Report Number OIG-06-55

Title: Improvements Needed in the U.S. Coast Guard's Acquisition.

Issued: August 2006.

Abstract: Declining readiness of “Deepwater” assets, including aircraft and cutters of various sizes, has hindered the USCG’s effectiveness in accomplishing its homeland security, law enforcement, and regulatory missions. To meet the demand for improved communications, interoperability, and maritime security in today’s environment, the USCG has embarked in an estimated 20-year, \$20 billion acquisitions to modernize and strengthen its aging Deepwater fleet.

Key Findings: To ensure the success of the Deepwater program, the commandant should direct the program executive officer to address the Command, Control, Communications, Computer,

Intelligence, Surveillance, and Reconnaissance (C4ISR) planning and implementation issues.

Recommendation Summary and Status: As of December 31, 2007, two of the nine recommendations in this report were open. The component has sent a corrective action plan and implementation is pending. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Improve Security and Controls on DHS Financial Systems.

Report Number OIG-06-60

Title: Transportation Security Administration Continuity of Operations Program.

Issued: August 2006.

Abstract: The TSA's ability to continue its mission-essential functions during a variety of emergencies is at risk because TSA does not have a comprehensive and effective Continuity of Operations (COOP) plan and program. The TSA Headquarters (HQ) COOP Plan and Program only partially address the 11 required elements that define a viable COOP.

Key Findings: Without a complete and viable COOP plan, TSA's ability to support, coordinate, and direct intermodal transportation security during an emergency could be impaired or fail. In addition, DHS, through its lead component on COOP matters -- FEMA -- has provided only limited oversight of TSA COOP activities and has not assessed the extent to which TSA, as well as other DHS components, are maintaining a COOP plan and program that is current and contains all required information.

Recommendation Summary and Status: As of December 31, 2007, two of the four recommendations in this report were open. We did not agree with the component on one of the open recommendations. The component has responded by providing a corrective action plan implementing one of the remaining open recommendations. We have requested additional documentation to verify full implementation. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure TSA maintains a COOP program, can support missions during emergencies, and clearly assigns responsibilities to DHS components.

Report Number OIG-06-61

Title: Audit of DHS' Corrective Action Plan Process for Financial Reporting - Report No. 2.

Issued: September 2006.

Abstract: This is a performance audit report related to DHS' overall corrective action plan process in fiscal year 2006, prepared by the independent public accounting firm, KPMG. It is the second of a series of performance audit reports intended to provide an assessment of planned DHS corrective actions to improve internal control.

Key Findings: DHS is working to identify and develop effective CAPs to address the four material weaknesses at the Office of the Chief Financial Officer (OCFO), USCG, and ICE over financial management oversight, financial reporting, fund balance with the Department of Treasury, and actuarial liabilities, as reported in the Department's independent auditors' report included in the FY 2005 *Performance and Accountability Report*. The OCFO, USCG, and ICE have drafted CAPs intended to address their respective sections of the material weaknesses. The department deems these CAPs as critical steps towards its objective of obtaining an unqualified audit opinion on its consolidated financial statements, as well as on its internal controls over financial reporting. Our performance audit was limited to a review of the CAPs themselves and not the outcomes achieved as a result of the execution of the procedures outlined in the CAPs.

Recommendation Summary and Status: As of December 31, 2007, the five recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Financial management improvement of the four material weaknesses at the OCFO, USCG, and ICE.

Report Number OIG-06-65

Title: Review of TSA Non-screener Administrative Positions.

Issued: September 2006.

Abstract: The Chairman of the House Aviation Subcommittee raised concerns that TSA's administrative staff was top-heavy and underused at several airports and included overpaid supervisory screeners. The staff of 1,850 employees supports a passenger and baggage screening workforce of 47,037 screeners.

Key Findings: We determined that TSA's initial staffing actions did not have coherency and resulted, in some cases, in significant disparities in staffing at airports. Additionally, TSA had not determined the precise number of federal security director administrative positions it needs.

Recommendation Summary and Status: As of December 31, 2007, the four recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed. We received verification in 2008 of implementation and one recommendation has been closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Equitable distribution of non-screener staff based on airport requirements.

Report Number OIG-07-01

Title: Treatment of Immigration Detainees Housed at Immigration and Customs Enforcement Facilities.

Issued: December 2006.

Abstract: We assessed the extent to which ICE facilities that house immigration detainees were complying with detention standards. We focused on detention standards regarding Health Care, Environmental Health and Safety, General Conditions of Confinement, and Reporting of Abuse at five facilities used by ICE. The five facilities were:

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- Berks County Prison, Leesport, Pennsylvania;
 - Corrections Corporation of America Facility, San Diego, California;
 - Hudson County Correction Center, Kearny, New Jersey;
 - Krome Service Processing Center, Miami, Florida; and
 - Passaic County Jail, Paterson, New Jersey.

Key Findings: All five facilities had instances of noncompliance with ICE Detention Standards. Regarding health care standards, four of the five detention facilities had instances of noncompliance, including timely initial and responsive medical care. Three of the five detention facilities reviewed had environmental health and safety concerns. Instances of noncompliance with ICE Detention Standards regarding general conditions of confinement at the five facilities included: disciplinary policy, classifying detainees, and housing together detainees classified at different security levels. Two facilities also had inadequate inventory controls over detainee funds and personal property. Further, the ICE Detention Standard on Detainee Grievance Procedures does not provide a process for detainees to report abuse or civil rights violations. In addition, two detention facilities did not issue handbooks specifically addressing detainee's rights, responsibilities, and rules, and three facilities did not translate handbooks and orientation material into Spanish and other prevalent languages.

Recommendation Summary and Status: As of December 31, 2007, four of the 12 recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Improve treatment of immigration detainees at ICE Facilities.

Report Number OIG-07-02

Title: The State of North Carolina's Management of State Homeland Security Grants Awarded During Fiscal Years 2002 and 2003.

Issued: October 2006.

Abstract: ODP awarded about \$58 million to the State of North Carolina from the FY 2002 State Domestic Preparedness Program, and from Parts I and II of the FY 2003 State Homeland Security Grant Program. McBride, Lock and Associates, under a contract with our office, conducted the audit to determine whether North Carolina: (1) effectively and efficiently implemented the first responder grant programs, (2) achieved the goals of the programs, and (3) spent funds according to grant requirements.

Key Findings: While North Carolina attempted to conscientiously manage the first responder grant programs, it did not measure accountability in achievement of the Office for Domestic Preparedness-approved strategic plan. Frequent changes in the grantee's management team adversely affected the state's management of the programs. Additionally, the need for written policies and procedures and the inadequacy of the budget structure diminished the effectiveness of the administration of the programs. The need to hire through temporary employment agencies also caused security concerns because of the sensitive nature of information that they may have processed. The state made some payments for unnecessary equipment and other unsupported purchases and did not always properly monitor sub-grantees. We reported delays in the expenditure of grant funds as well as limitations on measurement standards to determine the effectiveness or efficiency of North Carolina's progress in preparing for terrorist incidents.

Recommendation Summary and Status: As of December 31, 2007, the 11 recommendations in this report were open. We did not agree with the component on one of the open recommendations. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Non-Monetary Benefits: Commit the necessary resources to an accounting system that properly tracks and details grant expenditures by budgetary category.

Report Number OIG-07-03

Title: Management Advisory Report on Condition, Losses, and Possible Uses of FEMA Modular Housing.

Issued: October 2006.

Abstract: As part of oversight responsibilities regarding FEMA's management of modular homes that were purchased in the wake of Hurricane Katrina but never used, we revisited the emergency housing sites at Texarkana, Texas, and Hope, Arkansas, where more than 1,000 modular homes are stored. The objectives were to assess whether FEMA correctly implemented recommendations made in February 2006 to ensure that the units were properly stored and maintained to mitigate deterioration, and that damaged units were repaired.

Key Findings: Most of the modular homes were not properly stored and have been significantly damaged. Based on an evaluation by representatives of the homes' manufacturers, it is estimated that the cost of the damage is several million dollars.

Recommendation Summary and Status: As of December 31, 2007, two of the five recommendations in this report were open. The component has not provided a corrective action plan implementing the open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure best use of government resources; protect government assets.

Report Number OIG-07-05

Title: Federal Protective Service Needs To Improve Its Oversight of the Contract Guard Program.

Issued: October 2006.

Abstract: We assessed the FPS' contract guard monitoring efforts within its National Capital Region (NCR) Region 11 to determine whether effective controls are in place to ensure qualified contract guards are deployed at federal buildings and if FPS effectively monitors contractor performance and compliance with contract provisions. In addition, we assessed the extent to which contract guard company invoices were paid on time according to the Prompt Payment Act.

Key Findings: We concluded that FPS' Region 11 is not consistently deploying qualified and certified contract guards because FPS personnel were not effectively monitoring the contract guard program. Contract guards were on post without

current suitability determinations or with expired certifications. Also, security contractors were not performing their security services according to the terms and conditions of their contracts. In addition, FPS is not paying invoices in a timely manner for its contract guard services nationwide and is in violation of the Prompt Payment Act. Of the 25,557 invoices paid from October 1, 2004, to November 21, 2005, only 12% were paid within 30 days, as required by the Prompt Payment Act. This condition occurred, in part, because the FPS transition from the General Services Administration's Financial Management System to the ICE Federal Financial Management System was improperly planned. As a result, FPS paid more than \$1.2 million in interest to guard companies that are contracted by FPS to protect federal buildings for late payments made during this time period.

Recommendation Summary and Status: As of December 31, 2007, one of the five recommendations in this report was open. The component has responded by providing a corrective action plan implementing the remaining open recommendation. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: \$1,300,000.

Non-Monetary Benefits: N/A

Report Number OIG-07-07

Title: Risk Management Advisory for the SBInet Program Initiation.

Issued: November 2006.

Abstract: We performed an assessment of risks and controls over DHS' new major acquisition program, Secure Border Initiative network Program (SBInet), which is aimed at transforming border control technology and infrastructure. The SBInet program's objective is to develop solutions to manage, control, and secure the borders using a mix of proven, current, and future technology, infrastructure, personnel, response capability, and processes. SBInet replaces and expands on two previous efforts to gain control of the borders: the Integrated Surveillance Intelligence System and the America's Shield Initiative. The FY 2007 budget request for SBInet included \$100 million for border security technology, and similar FY 2008 budget estimates are under development; however, early forecasts and estimates of the program costs range from \$8 to \$30 billion.

Key Findings: Our objectives were to determine whether lessons learned from other DHS major acquisition programs were being applied to minimize risks to accomplishing SBInet's objectives. By the end of our review, DHS was applying lessons learned from previous major acquisition programs. However, the program management office did not have the capability to effectively oversee and assess contractor performance and effectively control cost and schedule. Also, the underlying operational requirements for the program were not properly defined, validated, and stabilized, thereby jeopardizing the program's success and precluding cost and schedule control.

Recommendation Summary and Status: As of December 31, 2007, the four recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Improve effectiveness and reduce risks to this investment by ensuring adequate government management and oversight of contracts and program decisions.

Report Number OIG-07-09

Title: Targeting Oceangoing Cargo Containers.

Issued: November 2006.

Abstract: This report is the second annual review of the ATS used by CBP for sea containers, in response to a congressional mandate in the *Coast Guard and Maritime Transportation Act of 2004*.

Key Findings: CBP did not fully use available information and intelligence sources. Differences in interpreting the Advance Targeting Unit policy exist as to which CBP port personnel need to have security clearances to better affect the targeting mission. In addition, National ATS performance measures are still under development. Also, local controls over container movement and inspection need to be evaluated and improved, and additional guidance for inspection of shipments with elevated ATS scores was needed. Finally, non-intrusive inspection imagery was not always available to CBP Officers conducting cargo inspections.

Recommendation Summary and Status: As of December 31, 2007, four of the six recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure further examination of exceedingly high-risk cargo containers.

Report Number OIG-07-11

Title: United States Citizenship and Immigration Services' Progress in Modernizing Information Technology.

Issued: November 2006.

Abstract: Effective use of IT, coupled with updated processes, is vital to increase efficiency and address demands in immigration benefits processing. In our September 2005 report, *USCIS Faces Challenges in Modernizing Information Technology* (OIG-05-41), we reported inefficiencies in the United States Citizenship and Immigration Service's (USCIS) operational environment and an unfocused approach to improving processes and systems in order to provide citizenship and immigration services more effectively. In the report, we recommended a number of actions that USCIS can take to leverage IT to achieve its modernization objectives. Such actions also will be critical to support potential increases in benefits processing workloads that could result from proposed immigration reform legislation.

Key Findings: Although USCIS has exhibited new commitment to business transformation, the bureau faces challenges in finalizing its approach and advancing to transformation implementation. USCIS has accomplished the first phase of its IT staffing integration effort, however, remaining phases are on hold until the bureau makes necessary organizational improvements to issues that affect day-to-day IT operations.

USCIS has made progress in applying IT to support mission business operations, but improved strategic planning by the Office of the Chief Information Officer (OCIO) could help in managing IT resources. Process engineering is contingent on implementing a "to-be" transaction-based environment and a supporting acquisition approach. While significant progress in IT

infrastructure upgrades has been made, plans to complete remaining sites are on hold pending funding approval. USCIS has outlined strategies to increase stakeholder involvement in transformation planning to promote buy-in and minimize risks that redesigned processes and systems may not meet user needs.

Recommendation Summary and Status: As of December 31, 2007 the six recommendations in this report were open. The component has sent a corrective action plan and implementation is pending. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Improve Security and Controls on DHS Financial Systems.

Report Number OIG-07-13

Title: DHS' Corrective Action Plan Process for Financial Reporting - Report No. 3.

Issued: December 2006.

Abstract: KPMG, under contract with us, performed an audit of DHS' corrective action plans developed to address five of the ten material weaknesses in internal control cited in the Independent Auditor's Report included in the department's FY 2005 Performance and Accountability Report.

Key Findings: The five material weaknesses are: property, plant, and equipment; operating materials and supplies; undelivered orders, accounts and grants payable, and disbursements; budgetary accounting; and intra-governmental and intra-departmental balances. These weaknesses are primarily attributable to five entities within DHS: OCFO, USCG, ICE, TSA, and G&T, now part of FEMA.

Recommendation Summary and Status: As of December 31, 2007, 13 of the 23 recommendations in this report were open. The component has responded by providing a corrective action plan implementing the open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Financial management improvement.

Report Number OIG-07-16

Title: Improved Administration Can Enhance U.S. Customs and Border Protection Laptop Computer Security.

Issued: December 2006.

Abstract: We audited the DHS and its organizational components' security program to determine the security and integrity of select government-issued laptop computers. CBP has employed many essential security controls for its sensitive but unclassified laptops. Our audit work was based on direct observations; vulnerability and wireless system security scans; and an analysis of applicable CBP documents. In addition, we interviewed CBP management officials and security personnel.

Key Findings: Significant work remains for CBP to further strengthen the configuration, patch, and inventory management controls necessary to protect its government-issued laptop computers. Specifically, CBP has not established: (1) a standard configuration for its laptops that meets required minimum-security settings; (2) effective procedures to patch laptop computers; and, (3) adequate inventory management procedures. As a result, sensitive information stored and processed on CBP's laptop computers may not be protected properly. Further, because CBP uses the same procedures to develop a model for its desktop computers, the configuration weaknesses in laptop computers are relevant to all government-issued computers assigned within CBP.

Recommendation Summary and Status: As of December 31, 2007, four of the seven recommendations in this report were open. The component has sent a corrective action plan and implementation is pending. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Enhanced protection of information assets.

Report Number OIG-07-17

Title: FEMA's Progress in Addressing Information Technology Management Weakness.

Issued: December 2006.

Abstract: FEMA is responsible for coordinating disaster relief efforts across federal, state, and volunteer organizations, such as the American Red Cross. FEMA relies heavily on information technology (IT) systems to carry out its response and recovery operations. Strategic management of these assets is important to ensure that the technology can perform effectively during times of disaster and tremendous stress.

Key Findings: FEMA has not documented or communicated a strategic direction to guide long-term IT investment and system development efforts. FEMA also has not performed crosscutting requirement gathering to determine business needs, which would allow Information Technology Services Division personnel to analyze alternatives to continued development of the complex, custom NEMIS system. In addition, FEMA has several resource challenges to accomplishing these tasks, including personnel needs, time limitations, and funding constraints. Therefore, constrained by limited resources, FEMA focused its efforts on preparation for the 2006 hurricane season and has made little progress in addressing long-term needs, such as updating strategic plans, defining cross-cutting requirements, and evaluating systems alternatives.

Recommendation Summary and Status: As of December 31, 2007, the five recommendations in this report were open. The component has sent a corrective action plan and implementation is pending. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Improve Security and Controls on DHS Financial Systems.

Report Number OIG-07-18 FOUO

Title: Information Technology Matters Related to TSA's FY 2005 Financial Statements.

Issued: December 2006.

This report is **For Official Use Only**. This report has 19 open recommendations. Upon request, additional information will be provided to qualified recipients.

Report Number OIG-07-23

Title: Acquisition of the National Security Cutter, U. S. Coast Guard.

Issued: January 2007.

Abstract: We assessed the extent to which the USCG's National Security Cutter will meet the cost, schedule, and performance requirements contained in the Integrated Deepwater System ("Deepwater") contract. Deepwater is a \$24 billion, 25-year acquisition program to replace and modernize the USCG's aging and deteriorating fleet of ships and aircraft. Deepwater employs a nontraditional "system-of-systems" by which a private sector Systems Integrator is authorized to develop an optimal mix of assets to accomplish all defined USCG Deepwater missions, typically defined as operations more than 50 miles from shore. On June 25, 2002, USCG awarded Integrated Coast Guard Systems a joint venture between Lockheed Martin and Northrop Grumman, an initial 5-year contract to serve as the Deepwater Systems Integrator. This Deepwater implementation plan specifies that a total of eight National Security Cutters will be built.

Key Findings: As designed and constructed, the National Security Cutter will not meet performance specifications established in the Deepwater contract. Specifically, due to design deficiencies, the structure provides insufficient fatigue strength to meet its contractual performance capability of being underway for 230 days per year, on average, in both the Caribbean (General Atlantic) and Gulf of Alaska (North Pacific) regions over a 30-year operational service life. To mitigate the effects of these deficiencies, USCG intends to task Integrated Coast Guard Systems with modifying the design to support an annual operating profile of 170 to 180 days underway, on average, in the North Pacific region, which is less than the 230-day performance standard required by contract. The design and performance deficiencies are fundamentally the result of USCG's need to improve technical oversight over the design and construction of its Deepwater assets.

Recommendation Summary and Status: As of December 31, 2007, three of the six recommendations in this report were open. We did not agree with the component on one of the open

recommendations. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Costs Savings: N/A

Non-Monetary Benefits: Ensure the USCG's National Security Cutter will meet the cost, schedule, and performance requirements contained in the Integrated Deepwater contract.

Report Number OIG-07-24

Title: DHS' Implementation of Protective Measures for Personally Identifiable Information.

Issued: January 2007.

Abstract: We reviewed the DHS' implementation of the recommendations set forth in the OMB Memorandum 06-16, *Protection of Sensitive Agency Information*. Our objective was to determine whether DHS has effectively implemented safeguards to protect sensitive and personally identifiable information (PII).

Key Findings: The Chief Privacy Officer should ensure completion of the identification of systems that collect, process, or store PII, as well as the assessment of the risk associated with the systems and data.

Recommendation Summary and Status: As of December 31, 2007, the five recommendations in this report were open. The component has sent a corrective action plan and implementation is pending. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Enhanced protection of information assets.

Report Number OIG-07-26

Title: Audit of Federal Emergency Management Agency Public Assistance Grant Funding Awarded to the City of Richmond California After the Loma Prieta Earthquake.

Issued: February 2007.

Abstract: We audited public assistance grant funds awarded to the City of Richmond, California for FEMA Disaster Number 845-DR-CA. The objective of the audit was to determine whether the city expended and accounted for the funds according to federal regulations and FEMA guidelines.

Key Findings: With the Region's approval, the city spent all the funds received for repairs to the Ford Assembly Building but did not finish the reduced scope of work described in Damage Survey Report 21043 (supplement to Damage Survey Report 78123) before selling the building. The Region did not implement the final agency determination. Specifically, the Region reduced the scope of work approved by the FEMA Director but allowed the city to claim all of the \$15.5 million awarded for disaster repairs and mitigation as a result of the city's third appeal. Additionally, the Region further reduced the scope of work approved in the Director's determination and did not ensure that the city complied with grant requirements.

Recommendation Summary and Status: As of December 31, 2007, the two recommendations in this report were open. We did not agree with the component on the open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$12,169,567.

Non-Monetary Benefits: Ensure best use of government resources; protect government assets.

Report Number OIG-07-28

Title: ICE's Compliance With Detention Limits for Aliens With a Final Order of Removal From the United States.

Issued: February 2007.

Abstract: ICE Office of Detention and Removal Operations manages the detention and deportation of aliens with a final order of removal from the United States. In addition to current laws, regulations, and internal guidance, this office must comply with two Supreme Court rulings that generally prohibit periods of detention longer than six months for some aliens, unless certain conditions apply. We reviewed ICE's compliance with detention time limits for aliens with a final order of removal, including the

reasons for exceptions or noncompliance. We focused on: (1) compliance with the Supreme Court rulings in *Zadvydas v. Davis* 533 U.S. 678 (2001) and *Clark v. Martinez* 543 U.S. 371 (2005), and implementing regulations; (2) the quality of guidance provided by DRO headquarters; and (3) ICE's management practices, including its ability to track and prioritize cases and conduct nationwide quality assurance.

Key Findings: ICE has introduced quality assurance and tracking measures for case review; however, outdated databases and current staffing resources limit the effectiveness of its oversight capabilities. Although approximately 80% of aliens with a final order are removed or released within 90 days of an order, ICE's Post-Order Custody Reviews for the remaining cases were not conducted in more than 6% of cases, and were not performed on time in more than 19% of cases. Moreover, some aliens have been suspended from the review process without properly documented evidence that the alien is not complying with efforts to secure removal. In addition, cases are not prioritized to ensure that aliens who are dangerous or whose departure is in the national interest are removed, or that their release within the United States is properly supervised. Finally, ICE has not provided sufficient guidance on applying the Supreme Court's "reasonably foreseeable future" standard, and does not systematically track removal rates—information that is necessary for negotiating returns and for determining whether detention space is used effectively.

Recommendation Summary and Status: As of December 31, 2007, one of the five recommendations in this report was open. The component has responded by providing a corrective action plan implementing the remaining open recommendation. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Improved oversight of aliens who have been in detention longer than 180 days after a final order of removal.

Report Number OIG-07-29

Title: DHS' Corrective Action Plan Process for Financial Reporting - Report No. 4.

Issued: February 2007.

Abstract: We conducted a review of DHS' corrective action plan process for financial reporting to (1) assess the integrity of the corrective action plans, updated as of September 30, 2006, related to 4 of the 10 material weaknesses that were cited in the independent auditors' report; (2) evaluate the alignment of 5 contracts awarded to support actions to correct specific material weaknesses; and (3) evaluate the Financial Management Transformation and CFO Audit Remediation task force activities taken in response to the Commandant's Order issued July 3, 2006.

Key Findings: The initial root cause exercise that was performed to draft the corrective action plans contained weaknesses. For the plans reviewed, it remains difficult to determine whether all conditions of the material weaknesses have been identified and whether the root causes that have been identified are adequate to assist management with developing effective remediation plans. Also, USCG management did not consider business risks, materiality, or cost versus benefit analysis when developing the remediation plans. The plans include high-level work breakdown structures but not resource estimates for each subtask of the milestones or a formal process for reporting progress against each CAP's milestones. For the four plans, accountability for all areas, including accountability below the process owner level, has not been fully determined. In addition, USCG has not defined procedures to assess the effectiveness of its remediation activities.

Recommendation Summary and Status: As of December 31, 2007, the 21 recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure financial management improvements for the USCG.

Report Number OIG-07-31

Title: Special Transient Accommodations Program for the Evacuees from Hurricanes Katrina and Rita.

Issued: February 2007.

Abstract: FEMA entered into contracts with the American Red Cross and Corporate Lodging Consultants (the Consultants) to provide temporary housing for evacuees displaced by Hurricanes Katrina and Rita. The review focused on whether FEMA, through the American Red Cross and the Consultants, effectively implemented a plan that would properly determine: (1) evacuee eligibility for lodging; (2) allowableness of charges; (3) reasonableness of room rates; and (4) compliance with Federal Acquisition Regulations.

Key Findings: The American Red Cross and the Consultants did not always follow procedures authorized by FEMA for determining evacuee eligibility or require hotels and motels to follow standard industry protocols. Billed room rates were greater than published rates. Definitive proof of occupancy prior to authorizing payments was not required. From our judgmental sample of 3,000 evacuees, we questioned costs of \$3.4 million.

Recommendation Summary and Status: As of December 31, 2007, the eight recommendations in this report were open. The component has responded by providing a corrective action plan implementing the open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$26,000,000.

Non-Monetary Benefits: N/A

Report Number OIG-07-32

Title: Review of Customs and Border Protection's Agriculture Inspection Activities.

Issued: February 2007.

Abstract: We conducted a joint review with the United States Department of Agriculture (USDA) OIG of selected agricultural inspection activities that were transferred to CBP from USDA. With the DHS creation in March 2003, CBP assumed responsibility to inspect agricultural goods arriving at U.S. ports while USDA-Animal and Plant Health Inspection Service retained responsibility for agriculture related policies and procedures.

Key Findings: CBP generally conducted agriculture inspection activities in compliance with procedures at ports visited. However, improvements were needed to ensure that Agricultural Quarantine

Inspection Monitoring sampling, staffing, and performance measures are adequate. CBP's agricultural quarantine sampling, which helps USDA predict potential future risks to agriculture from pests and diseases, did not meet sampling requirements for 13 of 18 pathway activities at four ports (such as air passengers and truck cargo agricultural inspections). CBP also needed a current staffing model for agriculture specialists and performance measures for many activities to ensure the most effective use of personnel.

CBP has other noncompliance and control issues. At Miami CBP, agriculture specialists were not following proper procedures for selecting flower samples for inspection. Miami CBP also made an operational change to procedures for inspections of cut flowers but did not have a specific formal process for notifying USDA concerning this change. This affects the inspection practices for 87% of the cut flowers entering the United States. In addition, CBP ports did not properly monitor Transportation and Exportation shipments. We also reported significant inaccuracies in data used to track agriculture inspection activities. For example, 107 of 148 Work Accomplishment Data System activity codes were reported incorrectly or did not have supporting documentation to allow verification.

Recommendation Summary and Status: As of December 31, 2007, three of the 10 recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure development of agriculture related policies and procedures.

Report Number OIG-07-33

Title: The Department of Homeland Security's Role in Food Defense and Critical Infrastructure Protection.

Issued: February 2007.

Abstract: The federal government is charged with defending the food supply from intentional attacks and natural hazards. While DHS is not the designated lead for a number of key activities in this area, Congress and the President have assigned DHS many

important food defense and critical infrastructure protection responsibilities. This report examines DHS activities relating to post-harvest food, and focuses on prevention, protection, preparedness, and detection efforts.

Key Findings: We observed four main limitations in DHS' related efforts. DHS could improve internal coordination of its related efforts, improve its engagement of public and private food sector partners, do more to prioritize resources and activities based on risk, and fully discharge its food sector responsibilities.

Recommendation Summary and Status: As of December 31, 2007, 13 of the 16 recommendations in this report were open. The component has responded by providing a corrective action plan implementing 11 of the remaining open recommendations. We did not agree with the component on two of the open recommendations. We have requested additional documentation to verify full implementation of the open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Improved efficiency and coordination in the federal effort to protect the food supply.

Report Number OIG-07-35 Classified

Title: Access to Airport Secured Areas.

Issued: March 2007.

This report is **Classified**. This report has one open recommendation. Upon request, additional information will be provided to qualified recipients.

Report Number OIG-07-36

Title: FEMA's Award of 36 Trailer Maintenance and Deactivation Contracts.

Issued: March 2007.

Abstract: At the request of Senators Byron L. Dorgan and Mary L. Landrieu, we reviewed FEMA's award of 36 contracts worth \$3.6 billion for the maintenance and deactivation of travel trailers

and manufactured housing needed after hurricanes Katrina and Rita. The Senators' letter asked us to investigate the bid process and address concerns raised by witnesses who testified before the Senate Democratic Policy Committee on May 19, 2006.

Key Findings: FEMA contracting officials treated bidders fairly during the bid process. However, to fully realize the goal of maximizing local participation, they should have established better criteria for determining whether a bidder was a local firm. FEMA officials did not design the solicitation to maximize preference to local businesses. They also should have analyzed prices more thoroughly before awarding the contracts to ensure that costs were reasonable. Contracting officials also did not properly assess the wide range of prices proposed by bidders and thereby exposed FEMA to both the risk of paying too much for contract line items as well as not paying enough to ensure proper performance. Finally, FEMA officials did not provide unsuccessful bidders with line item prices, as required during post award debriefings.

Recommendation Summary and Status: As of December 31, 2007, the three recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure best use of government resources; protect government assets.

Report Number OIG-07-41

Title: Sales of Federal Emergency Management Agency Travel Trailers and Mobile Homes.

Issued: May 2007.

Abstract: We reviewed the results of the FEMA travel trailer and mobile home sales that took place in 2005 and 2006 in Alabama, Florida, Mississippi, and Texas to determine whether the sales were at fair and equitable prices, provided the best return for the government, and complied with applicable regulations.

Key Findings: FEMA needs a consistent and equitable sales policy for travel trailers and mobile homes. FEMA has sold travel trailers and mobile homes for as little as \$1 and as much as

\$20,000. Pricing has not resulted in the best return for the government and has been inequitable to buyers. Because FEMA field offices were using inconsistent pricing practices, FEMA officials in October 2006, directed that sales be placed on hold pending development of a national sales policy. FEMA needs to expedite the development of that policy.

Recommendation Summary and Status: As of December 31, 2007, the recommendation in this report was open. The component has responded by providing a corrective action plan implementing the remaining open recommendation. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure best use of government resources; protect government assets.

Report Number OIG-07-42

Title: Audit of State Homeland Security Grants Awarded to the American Samoa Government.

Issued: May 2007.

Abstract: We audited American Samoa Government's (ASG's) management of state homeland security grants (first responder grants) awarded by the ODP during FYs 2002, 2003, and 2004. Our audit objective was to determine whether ASG developed and implemented an appropriate homeland security strategic plan and grants management practices and controls.

Key Findings: We determined that the ASG's strategic plans were fundamentally flawed in that they did not sufficiently identify deficiencies in immediate equipment and training needs and overall capabilities of ASG's first responders. The strategic plans also did not sufficiently identify ways to solve the homeland security vulnerabilities identified in the plans.

Recommendation Summary and Status: As of December 31, 2007, the five recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$1,713,117.

Non-Monetary Benefits: Improvement of ASG's ability to respond to and recover from acts of terrorism.

Report Number OIG-07-43 FOUO

Title: Additional Physical, System, and Management Controls Can Enhance Security at Plum Island.

Issued: May 2007.

This report is **For Official Use Only**. This report has 12 open recommendations. Upon request, additional information will be provided to qualified recipients.

Report Number OIG-07-45

Title: Transportation Security Administration's Management of Its Federal Employees' Compensation Act Program.

Issued: May 2007.

Abstract: The physical activity required to screen passengers and baggage at the Nation's airports has resulted in an inordinate number of injuries for TSA screeners. The annual costs for injured agency screeners increased from \$39 million to \$66 million between fiscal years 2004 and 2006. Furthermore, the estimated future liability to the agency based on currently approved Federal Employees' Compensation Act (FECA) cases in fiscal year 2006 was estimated to be approximately \$600 million. The objective of our audit was to determine whether the agency is effectively managing its FECA program to minimize lost workdays and compensation costs, and is taking aggressive steps to reduce workplace injuries.

Key Findings: Despite improvements in timeliness and a reduction in the number of new claims filed by injured workers, the TSA is not aggressively and effectively managing long-term FECA cases in order to return work-capable employees to work as soon as medically possible. In addition, the agency does not have a process to validate its workers' compensation chargeback reports, putting the agency at risk of improperly paying compensation and medical costs. As a result, TSA may be paying benefits to individuals who are not entitled to them, may not be returning injured employees to work in the most expeditious timeframe possible, and may be at risk for significant workers' compensation-related fraud and abuse.

Recommendation Summary and Status: As of December 31, 2007, three of the 12 recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Defining roles and responsibilities will improve the monitoring of worker compensation cases to ensure that the employee returns to work or enters a vocational rehabilitation program.

Report Number OIG-07-46

Title: Independent Auditors' Report on the Federal Law Enforcement Training Center's Fiscal Year 2006 Balance Sheet.

Issued: May 2007.

Abstract: KPMG, under a contract with us, issued an unqualified opinion on the DHS Federal Law Enforcement Training Center (FLETC).

Key Findings: KPMG identified eight reportable conditions with six considered material weakness and instances of non-compliance with the Federal Financial Management Improvement Act of 1996 and the Prompt Payment Act. Material weaknesses included financial reporting, capital lease liabilities, valuation of inventories, accounts payable, environmental cleanup costs, and construction in progress. Other reportable conditions included deferred revenue and financial systems security. KPMG also reported other matters related to compliance with the Anti-Deficiency Act.

Recommendation Summary and Status: As of December 31, 2007, 23 of the 32 recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure financial management improvements for financial reporting, capital lease liabilities, valuation of inventories, accounts payable, environmental cleanup costs, and construction in progress at FLETC.

Report Number OIG-07-47

Title: Congressional Inquiry Regarding Southwest Charter Lines, Inc.

Issued: May 2007.

Abstract: At the request of Senator John McCain, we reviewed the contract awarded by FEMA in September 2005 to Southwest Charter Lines Inc. of Mesa, Arizona to provide mobile shower facilities for the FEMA Urban Search and Rescue Base located at Saints' Field in New Orleans.

Key Findings: The allegation that Southwest Charter Lines Inc. intentionally over-billed FEMA was not substantiated. It was determined that the alleged over-billing was unintentional. However, during this review, there were issues of concern regarding internal controls and billing errors for items such as overtime and delivery charges, which were not allowed under the contract.

Recommendation Summary and Status: As of December 31, 2007, the two recommendations in this report were open. The component has responded by providing a corrective action plan implementing one open recommendation. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure best use of government resources; protect government assets.

Report Number OIG-07-48

Title: Challenges Remain in Securing the Nation's Cyber Infrastructure.

Issued: June 2007.

Abstract: Since our last review in 2004, the National Cyber Security Division has taken actions to further implement *The*

National Strategy to Secure Cyberspace and made progress in meeting its mission. The division established a fully operational incident-handling center; began to implement programs that promote cyber security awareness among the public and private sectors; and planned, coordinated, and conducted cyber exercises with the public and private sectors. However, many of the division's initiatives are not complete and the progress to date has been limited; performance measures to monitor the results and impacts of the division's programs have not been developed; the private sector expressed concerns over the focus of the division's information sharing and communications programs; and all known cyber incidents from across the federal government are not being reported.

Key Findings: The division needs to establish priorities to ensure that its mission-critical tasks supporting its programs are completed timely; to develop enhanced performance measures that can be used to evaluate the effectiveness in meeting its mission; to develop information sharing and communications programs with the private sector; and to develop and implement enhanced procedures to ensure that all known cyber incidents from across the federal government are being reported.

Recommendation Summary and Status: As of December 31, 2007, the 14 recommendations in this report were open. We did not agree with the component on one of the open recommendations. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Enhanced protection of information assets.

Report Number OIG-07-50

Title: Improved Administration Can Enhance Federal Emergency Management Agency Laptop Computer Security.

Issued: June 2007.

Abstract: Significant work remains for FEMA to further strengthen the configuration, patch, and inventory management

controls necessary to protect its government-issued laptop computers.

Key Findings: Specifically, FEMA has not established: (1) effective processes to apply the domain security policy to its laptops that meets required minimum-security settings; (2) effective procedures to patch laptop computers; and (3) adequate laptop computer inventory management procedures. As a result, sensitive information stored and processed on FEMA laptop computers may not be protected properly. Further, because FEMA applies the same domain security policies for its desktop computers, the configuration weaknesses identified with laptop computers are relevant to all government-issued computers assigned within FEMA. Finally, we were unable to evaluate the FISMA 2002 requirements because FEMA had not accounted for its laptop computers as part of a recognized information technology system. Our recommendations focused on developing a standard configuration, remedying existing vulnerabilities, patching and updating laptop computers, implementing inventory management controls, and complying with FISMA requirements.

Recommendation Summary and Status: As of December 31, 2007, five of the seven recommendations in this report were open. The component has sent a corrective action plan and implementation is pending. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Enhanced protection of information assets.

Report Number OIG-07-51

Title: Federal Emergency Management Agency Volunteer Service Program Following Hurricane Katrina.

Issued: June 2007.

Abstract: The review focused on FEMA's mission assignments to federal departments and agencies to provide volunteers in response to the 2005 Gulf Coast hurricanes. The objective was to determine whether the volunteer service program was managed efficiently and effectively.

Key Findings: The volunteer service program was initiated in a short time frame and with limited prior experience or planning, but was generally implemented efficiently and effectively, and provided needed resources to assist with relief efforts. Volunteers overwhelmingly cited their service as particularly rewarding. However, POCs and volunteers identified several areas that need to be addressed prior to the next hurricane season to improve the efficacy of the volunteer service program.

Recommendation Summary and Status: As of December 31, 2007, the four recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure best use of government resources; protect government assets.

Report Number OIG-07-53 FOUO

Title: Information Technology Management Letter for the Fiscal Year 2006 Department of Homeland Security Financial Statement Audit.

Issued: August 2007.

This report is **For Official Use Only**. This report has 19 open recommendations. Upon request, additional information will be provided to qualified recipients.

Report Number OIG-07-54

Title: Automated Commercial Environment Release 4 Post-Deployment Problems.

Issued: June 2007.

Abstract: CBP is developing a new cargo processing system to modernize the targeting, inspection, enforcement, border security, revenue collection, and trade statistics processes for all cargo entering and leaving the United States. The ACE Release 4, e-Manifest: Trucks provides an electronic truck manifest; a primary officer interface, which has the screens CBP officers use; and expedited importation processing.

Key Findings: Generally, problems referred to the ACE help desk, the principal method used by CBP to detect and resolve problems with ACE at the land border ports, were effectively resolved. However, CBP did not detect and resolve some operational problems that occurred at the ports and did not provide adequate communication and guidance to the ports.

Recommendation Summary and Status: As of December 31, 2007, the two recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Identify and resolve problems that occur in the deployment of the new automated system.

Report Number OIG-07-57

Title: Transportation Security Administration's Oversight of Passenger Aircraft Cargo Security Faces Significant Challenges.

Issued: July 2007.

Abstract: TSA relies on inspections carried out by Aviation Security Inspectors as an integral part of a multilayered approach to ensure air carrier compliance with cargo security regulations.

Key Findings: We concluded that TSA's inspection process may not accurately represent the extent to which air carriers comply with cargo screening requirements. The current level of oversight does not provide assurance that air carriers are meeting congressionally mandated goals of tripling the amount of cargo screened for passenger aircraft and that air carriers are properly applying exemption rules for cargo screening. Consequently, the process increases the opportunities for the carriage of explosives, incendiaries, and other dangerous devices on passenger aircraft.

Recommendation Summary and Status: As of December 31, 2007, four of the seven recommendations in this report were open. The component has responded by providing a corrective action plan implementing three of the remaining open recommendations. It is unknown whether one recommendation has been

implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Improved oversight and consistent cargo security.

Report Number OIG-07-58

Title: The State of New Jersey's Management of State Homeland Security Grants Awarded During Fiscal Years 2002 Through 2004.

Issued: July 2007.

Abstract: The State of New Jersey received \$115.3 million in State Homeland Security Grants, known as "first responder" grants, during FYs 2002 through 2004.

Key Findings: We determined that the State of New Jersey (1) effectively and efficiently implemented the first responder grant programs, (2) achieved the goals of the programs, and (3) spent funds according to grant requirements. However, there were areas that needed improvement. Supporting documentation and accounting records were not retained for \$247,199 in federal expenditures. This occurred because the grantee and subgrant recipients had inefficient internal controls over record retention and did not adhere to recordkeeping and reporting requirements. In addition, the state did not provide five of 27 required Categorical Assistance Progress Reports, nor timely submit 12 of 46 required Financial Status Reports.

Recommendation Summary and Status: As of December 31, 2007, the six recommendations in this report were open. We have come to agreement with the component on the open recommendations and a response is pending. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$247,199.

Non-Monetary Benefits: Ensure best use of government resources and protect government assets.

Report Number OIG-07-59

Title: Review of the Buffer Zone Protection Program.

Issued: July 2007.

Abstract: The Buffer Zone Protection Program (BZPP) is jointly managed by the National Protection and Programs Directorate and the National Preparedness Office under FEMA. The BZPP was designed to focus terrorism detection and prevention efforts at high-priority critical infrastructure facilities and key resources sites throughout the United States. Modifications in the program, delays, and administrative challenges stemming from the multiple agencies involved, the relative complexity of the grant application process, and the co-management of the program within DHS slowed the approval of grant applications and the delivery of equipment to local jurisdictions.

Key Findings: Program managers have taken steps to strengthen the BZPP and have addressed issues that inhibited the program including the type and number of sites to participate, the amount of money to be allotted per site, the method used to assess site vulnerability, the allowable equipment, and the grant requirements. These adjustments will help the program achieve its intended results.

Recommendation Summary and Status: As of December 31, 2007, six of the 12 recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Increased functionality of the BZPP and further enhancements of critical infrastructure protection within the US.

Report Number OIG-07-60

Title: Improvements to Information Sharing Are Needed To Facilitate Law Enforcement Efforts During Disasters.

Issued: July 2007.

Abstract: Law enforcement efforts to provide public safety and security, and detect disaster assistance fraud, are complicated by: (1) FEMA concerns about improperly disclosing Privacy Act-

protected information; and (2) the Computer Matching and Privacy Protection Act, which prevents federal Inspectors General from expeditiously conducting computer matches among recipients of disaster assistance.

Key Findings: Law enforcement agencies were not given direct access to FEMA disaster recovery assistance files to locate missing children, sex offenders, and fugitive felons following Hurricane Katrina.

DHS and the Department of Justice have not established an arrangement that provides law enforcement with direct access to FEMA disaster recovery assistance files for all public safety and security needs, such as identifying the whereabouts of registered sex offenders and fugitive felons following a disaster. The Computer Matching and Privacy Protection Act prevented proactive fraud investigations by federal Inspectors General because it required a time-consuming review and approval process before computer matching could be performed. Computer matching to identify fraud following a disaster is crucial to mitigate recurring improper payments and to recover improperly disbursed funds. Only the U.S. Congress has the authority to exempt federal law enforcement agencies, including the Inspectors General, from the Computer Matching and Privacy Protection Act to support their efforts to identify and prevent fraud, waste, and abuse.

Recommendation Summary and Status: As of December 31, 2007, one of the three recommendations in this report was open. The component has responded by providing a corrective action plan implementing the remaining open recommendation. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Increased sharing of federal law enforcement information.

Report Number OIG-07-61

Title: Better Management Needed for the National Bio-Surveillance Integration System Program.

Issued: June 2007.

Abstract: In 2004, the President directed DHS to consolidate federal agency bio-surveillance data in one system. In response, DHS began efforts to develop the National Bio-Surveillance Integration System (NBIS), the Nation's first system capable of providing comprehensive and integrated biosurveillance and situational awareness.

Key Findings: We recommended that the Assistant Secretary and Chief Medical Officer of the OHA ensure that NBIS program management.

Recommendation Summary and Status: As of December 31, 2007, the five recommendations in this report were open. The component has not provided corrective action plan. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Improve security and controls on DHS financial systems.

Report Number OIG-07-62

Title: Interim Report: Hurricane Katrina: A Review of Wind Versus Flood Issues.

Issued: July 2007.

Abstract: The Department of Homeland Security Appropriations Act, 2007 (Public Law 109-295), directed that we investigate whether, and to what extent, insurance companies participating in the National Flood Insurance Program (NFIP), referred to as Write-Your-Own Companies, improperly attributed damages from Hurricane Katrina to flooding rather than to windstorms covered under homeowner policies or wind insurance pools.

The objective for this interim report was to determine whether NFIP claim records included indications that participating insurance companies attributed wind damage to flooding.

Key Findings: A review of sample flood claims did not reveal evidence that the NFIP was used to subsidize wind damage. However, there is little evidence in flood claim files to determine whether payouts from the NFIP were fair and equitable for

damages caused by both wind and water affecting the same structure.

Recommendation Summary and Status: As of December 31, 2007, the three recommendations in this report were open. We did not agree with the component on two of the open recommendations. The component has responded by providing a corrective action plan implementing one of the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure best use of government resources; protect government assets and program improvement.

Report Number OIG-07-64 Classified

Title: Aviation Security at Foreign Airports.

Issued: August 2007.

This report is **Classified**. This report has one open recommendation. Upon request, additional information will be provided to qualified recipients.

Report Number OIG-07-65

Title: Exchanging Contract Information With U. S. Army Corps of Engineers.

Issued: August 2007.

Abstract: Debris removal and demolition activities following a disaster are administered by local governments, funded by FEMA public assistance grants or by U.S. Army Corps of Engineers (USACE) funded by Mission Assignments from FEMA. The state determines whether the local government or USACE will perform the work. Following Hurricane Katrina, local governments and USACE administered debris removal operations in the same geographic area, such as neighboring counties or parishes.

Key Findings: FEMA contract award guidance recognizes that comparing the cost data from other agencies on similar contracts is often beneficial in estimating contract costs. However, contract information was not exchanged between FEMA and USACE in

Baton Rouge and New Orleans, despite the existence of this information and its potential value. Additionally, FEMA staff, which have access to applicant cost proposals as part of their review responsibility, did not share local government contract information with USACE and auditors from the Army Audit Agency who were reviewing USACE contracts because of disclosure concerns.

Recommendation Summary and Status: As of December 31, 2007, the recommendation in this report was open. The component has responded by providing a corrective action plan implementing the remaining open recommendation. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure improvement of program by establishing proper procedures.

Report Number OIG-07-66

Title: Review of FEMA's Recommendation Tracking Process.

Issued: August 2007.

Abstract: As required by the Inspector General Act of 1978, as amended, and OMB Circular A-50, agency management officials are responsible for receiving and analyzing audit reports and taking prompt corrective action where appropriate. We are responsible for monitoring the resolution and implementation actions to ensure that disagreements between our office and management are resolved as promptly as possible, and that corrective actions are implemented as agreed upon by management officials.

Key Findings: Between October 5, 2005 and June 12, 2007, we issued 85 reports with 162 recommendations. Of the 162 recommendations, 22 are open and resolved, 86 are open and unresolved, and 54 are closed and resolved as of June 12, 2007. Of the 86 open and unresolved recommendations, 64 are open and unresolved because a response from FEMA had not been received. A majority of the reports cover housing and debris removal activities and include issues regarding questionable contract costs and other contracting concerns.

Recommendation Summary and Status: As of December 31, 2007, the three recommendations in this report were open. The

component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure improvements to management by implementing previous recommendations.

Report Number OIG-07-67

Title: A Follow up Review of the Transportation Security Officer Background Check Process.

Issued: August 2007.

Abstract: In January 2004, we reported on the efficiency of the background check process for TSA's Transportation Security Officers (TSOs). This follow-up review reported that TSA's background check process has improved, but some important challenges remain.

Key Findings: TSOs undergo a background investigation with employment standards exceeding most national security positions. However, implementation of the background checks is inefficient in some respects. TSA has not implemented all necessary steps that would improve security and reduce costs.

Recommendation Summary and Status: As of December 31, 2007, the nine recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Improves the efficiency of TSA's background check process for Transportation Security Officers

Report Number OIG-07-68 FOUO

Title: A Review of Homeland Security Activities Along a Segment of the Michigan-Canadian Border.

Issued: November 2007.

This report is **For Official Use Only**. This report has six open recommendations. Upon request, additional information will be provided to qualified recipients.

Report Number OIG-07-72

Title: Targeting Oceangoing Cargo Containers 2007.

Issued: September 2007.

Abstract: This report is the review of the Automated Targeting System used by CBP for sea containers, in response to the Coast Guard and Maritime Transportation Act of 2004 congressional mandate.

Key Findings: CBP is not consistently monitoring entry data for all shipments, resulting in some high-risk containers being allowed to leave ports without examination. Also, CBP has not mandated or actively monitored the implementation of corrective actions by ports in response to our previous recommendations. Furthermore, flaws in the Cargo Enforcement Reporting and Tracking System may result in improper container releases, and CBP still has not automated its integration of examination findings into the Automated Targeting System.

Recommendation Summary and Status: As of December 31, 2007, one of the four recommendations in this report was open. The component has responded by providing a corrective action plan implementing the remaining open recommendation. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Increased security resulting from proper implementation of the ATS used by CBP for sea containers.

Report Number OIG-07-74

Title: Management Letter for the Fiscal Year 2006 Department of Homeland Security Financial Statement Audit.

Issued: September 2007.

Abstract: KPMG, under a contract with us, was unable to express an opinion on the department's balance sheet and statement of custodial activity for the year ended September 30, 2006.

Key Findings: The disclaimer of opinion was due primarily to financial reporting problems at four bureaus and at the department level. KPMG also looked at DHS' internal control over financial reporting. KPMG documented certain matters involving internal control and other operational matters that resulted in a total of 79 financial management comments at 12 components and one comment related to the consolidation financial statements. The comments are in addition to the reportable conditions presented in the Independent Auditors' Report on DHS' FY 2006 Financial Statement.

Recommendation Summary and Status: As of December 31, 2007, the 39 recommendations in this report were open. The components have responded by providing a corrective action plan implementing 29 of the open recommendations. The components have not provided action plans for nine of the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Improved methods and controls for internal control over financial reporting.

Report Number OIG-07-76

Title: CBP Export Control Activities.

Issued: September 2007.

Abstract: This was the eighth and final review in a series of interagency audits required by Congress.

Key Findings: Our audit concluded CBP does not devote sufficient resources to the function, does not have the information necessary to effectively monitor the program, and does not have performance measures to evaluate program results. The agency has reallocated resources devoted to export targeting and inspection since September 11, 2001. As a result, shipments could be exported that violate export laws and regulations.

Recommendation Summary and Status: As of December 31, 2007, the three recommendations in this report were open. The component has responded by providing a corrective action plan implementing the remaining open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: To effectively target and monitor outbound shipments that could be exported in violation of US export laws.

Report Number OIG-07-77

Title: Evaluation of Department of Homeland Security's Information Security Program for Fiscal Year 2007.

Issued: September 2007.

Abstract: DHS continues to improve and strengthen its information security program. During the past year, the department implemented a performance plan to measure components' progress toward full compliance with its information security program. The performance plan tracks key elements indicative of a strong, functioning security program.

Key Findings: The report identified a need to improve management oversight of the component's implementation of the department's policies and procedures to ensure the quality of the certification and accreditation process and that all information security weaknesses are tracked and remediated. Other information security program areas that need improvement include security configuration management, incident detection and analysis, and security training.

Recommendation Summary and Status: As of December 31, 2007, the five recommendations in this report were open. The component has sent a corrective action plan and implementation is pending. Upon verification of implementation, all recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Enhanced protection of information assets.

Report Number OIG-08-01

Title: Progress Has Been Made But More Work Remains in Meeting Homeland Security Presidential Directive 12 Requirements.

Issued: October 2007.

Abstract: DHS has taken actions to implement Homeland Security Presidential Directive 12 (HSPD-12) requirements. The department established a Program Management Office to provide guidance and logistic support to implement HSPD-12 requirements at its headquarters and components; developed a three-phase implementation plan and a procedures reference book that documents the processes to enroll applicants and issue credentials; prepared a privacy impact assessment providing details about personally identifiable information collected for issuing credentials; and established an HSPD-12 Council to facilitate the implementation of HSPD-12 throughout the department. However, the department is experiencing delays in implementing a technical solution and issuing compliant HSPD-12 cards to its employees and contractors. In addition, the department had not assessed the total cost to implement HSPD-12.

Key Findings: The report identified the need for the Program Management Office to evaluate its implementation plan and take necessary steps to ensure that milestones are met and that further delays are avoided; develop department-wide cost estimates to implement HSPD-12; identify facilities access points and information systems where cards will be required; ensure the proper accreditation of Personal Identity Verification (PIV) processes and re-accredit the headquarters PCI services; and certify and accredit information systems used for implementation of HSPD-12 and FIPS 201 requirements.

Recommendation Summary and Status: As of December 31, 2007, the seven recommendations in this report were open. The first 90-day response for these recommendations is due in 2008. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Enhanced protection of information assets.

Report Number OIG-08-03

Title: The Commonwealth of Pennsylvania's Management of State Homeland Security Grants Awarded During Fiscal Years 2002 through 2004.

Issued: October 2007.

Abstract: Williams, Adley and Company, LLP, under contract with us, completed an audit of the DHS State Homeland Security Grants awarded to the Commonwealth of Pennsylvania. The objectives of the audit were to determine whether the Commonwealth (1) effectively and efficiently implemented the first responder grant programs, (2) achieved the goals of the programs, and (3) spent funds according to grant requirements. The goal of the audit was to identify problems and solutions that would help the Commonwealth of Pennsylvania prepare for and respond to terrorist attacks.

Key Findings: The audit determined that the Commonwealth (1) generally implemented the first responder grant programs in an effective and efficient manner; (2) did not measure whether it achieved the goals of the programs; and (3) generally spent the funds according to grant requirements. However, the following exceptions and areas of non-compliance detailed in the body of this report warrant attention. The Pennsylvania Emergency Management Agency was not in compliance with the grant requirements when it:

- had a burdensome, time consuming, and inefficient administrative subgrant award process;
- did not implement a system to monitor and measure improved preparedness and subrecipient performance;
- did not provide access to supporting documentation for expenditures charged to federal funds;
- acquired various unauthorized warranties, maintenance agreements, spare parts, and other expenses totaling \$721,317;
- submitted 16 of 25 Categorical Assistance Progress Reports late and one was not submitted;
- did not submit the final FY 2002 Financial Status Report timely; and
- reported unliquidated obligations on the Financial Status Reports that were not in agreement with the accounting system for six Financial Status Reports.

Recommendation Summary and Status: As of December 31, 2007, the 13 recommendations in this report were open. The first 90-day response for these recommendations is due in 2008. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: \$721,317.

Non-Monetary Benefits: Commonwealth of Pennsylvania will be better prepared for and able to respond to terrorist attacks.

Report Number OIG-08-05

Title: Independent Auditor Report on TSA's FY 2006 Balance Sheet.

Issued: October 2007.

Abstract: This report presents the results of the audit of TSA's consolidated balance sheet as of September 30, 2006. We contracted with the independent public accounting firm KPMG to perform the audit. KPMG issued a disclaimer of opinion on TSA's financial statements for fiscal year 2006.

Key Findings: KPMG's report identified seven material weaknesses related to financial reporting, financial systems security, undelivered orders and contract file maintenance, property and equipment, journal voucher preparation and approval, grant accrual methodology and monitoring, and accrued leave. It also identified instances of noncompliance with six laws and regulations, including one violation of the *Anti-deficiency Act* that affected certain previously issued financial statements. KPMG is responsible for the attached auditor's report dated December 21, 2006, and the conclusions expressed in the report. We do not express opinions on TSA's financial statements or internal control or conclusions on compliance with laws and regulations.

Recommendation Summary and Status: As of December 31, 2007, the 17 recommendations in this report were open. The component has responded by providing a corrective action plan implementing the open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure sound financial management of TSA's consolidated balance sheets.

Report Number OIG-08-06 FOUO

Title: Better Administration of Automated Targeting Systems Controls Can Further Protect Personally Identifiable information.

Issued: October 2007.

This report is **For Official Use Only**. This report has three open recommendations. Upon request, additional information will be provided to qualified recipients.

Report Number OIG-08-07

Title: Information Technology Management Needs to Be Strengthened at the Transportation Security Administration.

Issued: October 2007.

Abstract: As part of our ongoing responsibility to assess the efficiency, effectiveness, and economy of departmental programs and operations, we reviewed TSA's IT management programs and activities. The objectives of this review were to evaluate TSA's management of current technologies and infrastructure to ensure effective transportation security mission operations and information management and exchange across internal and external stakeholders.

Key Findings: TSA does not manage and apply IT effectively to support accomplishment of its mission objectives. Due to early pressures to meet tight congressional time frames and the public's demand for increased transportation security, TSA's technology environment evolved quickly and in a highly decentralized manner. The resulting IT infrastructure has limited system integration and data sharing and has perpetuated inefficient manual work processes. Additionally, without the authority and standard policies to govern technology implementation across TSA offices, the agency's chief information officer (CIO) faces significant challenges in conducting agency-wide IT planning and investment management to counter the fragmented environment. The declining number of staff within the central IT Division also impedes the CIO's ability to manage the IT infrastructure and support new technology requirements. Further, TSA faces disparate aviation stakeholder challenges, such as technical

limitations and privacy assurance requirements, which largely remain outside of the agency's control.

Recommendation Summary and Status: As of December 31, 2007, the five recommendations in this report were open. The first 90-day response for these recommendations is due in 2008. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Improve Security and Controls on DHS Financial Systems.

Report Number OIG-08-09

Title: Review of the USCIS Benefit Fraud Referral Process.

Issued: December 2007.

Abstract: In USCIS, the Office of Fraud Detection and National Security (FDNS) has primary responsibility for resolving immigration petitions with potential fraud indicators. However, with the notable exception of conspiracies that FDNS identified for criminal investigation by ICE, FDNS had limited measurable effect on immigration benefit fraud.

Key Findings: FDNS resources were diverted by higher priority national security and public safety background checks and by the labor-intensive commitment to refer all articulable fraud petitions to ICE for review. USCIS adjudicators referred less than 1% of immigration benefit petitions to FDNS as having articulable fraud indicators. ICE Special Agents in Charge accepted less than 1% of these referrals for criminal investigation. The FDNS tracking database was not adequate for case management, program oversight, and data analysis.

Recommendation Summary and Status: As of December 31, 2007, the ten recommendations in this report were open. The first 90-day response for these recommendations is due in 2008. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure the appropriate identification of fraud patterns for adjudicators by establishing reporting requirements, data analysis techniques, and standards for site visits.

Report Number OIG-08-10

Title: Customs and Border Protection Award and Oversight of Alaska Native Corporation Contract for Enforcement Equipment Maintenance and Field Operations Support.

Issued: October 2007.

Abstract: We reviewed the 2003 CBP sole source award of an integrated logistics and operations support contract for almost 10,000 pieces of inspection equipment. Before this contract with Chenega Technology Service Corporation, four CBP staff managed more than 20 separate contracts for logistics, maintenance, and training on metal detectors, X-ray machines, and explosive trace detectors at land border crossings, commercial airports, and seaports. Our review objectives were to determine whether CBP complied with federal regulations in awarding the contract and performed adequate oversight during implementation.

Key Findings: CBP did not comply with federal regulations when it awarded Chenega the contract under an incorrect industry classification code. Furthermore, CBP did not effectively monitor Chenega's compliance with regulatory and contract limitations on subcontracting.

Recommendation Summary and Status: As of December 31, 2007, the four recommendations in this report were open. It is unknown whether the recommendations have been implemented. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensure proper awarding of sole source integrated logistics and operations support contract.

Report Number OIG-08-12

Title: Independent Auditors' Report on DHS' FY 2007 Financial Statements.

Issued: November 2007.

Abstract: KPMG, under contract with us, presented financial information excerpted from DHS' *Annual Financial Report (AFR)* and the results of the DHS financial statement audits for FY 2007 and FY 2006. We contracted with the independent public accounting firm KPMG to perform the audits.

Key Findings: KPMG was unable to provide an opinion on DHS' balance sheet as of September 30, 2007 and 2006. The FY 2007 auditor's report discusses eight significant deficiencies, seven of which are considered material weaknesses in internal control, and eight instances of noncompliance with laws and regulations.

Recommendation Summary and Status: As of December 31, 2007, the 87 recommendations in this report were open. It is unknown whether 48 of the recommendations have been implemented. The component has responded by providing a corrective action plan implementing 39 of the remaining open recommendations. We did not agree with the component on 11 of the open recommendations. Upon verification of implementation, the recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Financial management improvement.

Report Number OIG-08-14 Classified

Title: Improved Administration Can Enhance Federal Emergency Management Agency Classified Laptop Computer Security.

Issued: November 2007.

This report is **Classified**. This report has six open recommendations. Upon request, additional information will be provided to qualified recipients.

Report Number OIG-08-16

Title: Audit of the State of Colorado Homeland Security Grant Program.

Issued: December 2007.

Abstract: At the request of the G&T, we audited the State of Colorado's (Colorado) management of homeland security and urban areas security initiative grants awarded by G&T during fiscal years 2003, through 2006. The objective of our audit was to determine whether Colorado effectively and efficiently implemented its homeland security program, achieved the goals of the program, and spent funds according to grant requirements. Our goal was to identify problems and recommend solutions to help the DHS and Colorado improve the nation's ability to prevent, prepare for, and respond to major disasters, terrorist attacks, and other emergencies, known as 'all-hazards' preparedness.

Key Findings: Colorado has improved its management of the grant programs, including the hiring of additional executive and technical personnel and initiating program reviews to improve the effectiveness of its homeland security efforts. However, Colorado has not complied with critical Homeland Security Grant Program requirements, as the state has not ensured adequate oversight of program activities and compliance with its homeland security strategy. In addition, the state's internal controls for managing homeland security grant programs, and ensuring sub-grantee compliance and program readiness were ineffective. This report highlights (1) the challenges facing Colorado's homeland security organization, (2) Colorado's need to ensure adherence to its homeland security strategy has been followed, (3) areas where grant management could be improved, and (4) opportunities for improving program readiness.

Recommendation Summary and Status: As of December 31, 2007, the six recommendations in this report were open. The first 90-day response for these recommendations is due on 3/10/2008. Upon verification of implementation, all recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Ensuring grant funding is allocated to projects with the highest risk and priority.

Report Number OIG-08-19

Title: DHS' Domestic Nuclear Detection Office Progress in Integrating Detection Capabilities and Response Protocols.

Issued: December 2007.

Abstract: The Domestic Nuclear Detection Office is working to coordinate federal, state, and local government efforts to expand and improve detection capabilities. Further, the Domestic Nuclear Detection Office, in conjunction with the FEMA's Office of Grant Programs, is collaborating with state and local officials in developing and delivering radiological and nuclear detection programs and training. It is also coordinating with federal partners to identify and prevent overlap of federal radiological and nuclear detection programs.

Key Findings: The office has also made progress in developing a multilayered system of detection technologies, programs, and guidelines designed to enhance the ability to detect the threat of a radiological or nuclear attack.

Recommendation Summary and Status: As of December 31, 2007, the recommendation in this report was open. The first 90-day response for these recommendations is due in 2008. Upon verification of implementation, the recommendation will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Defines funding responsibilities of each office for preventative radiological and nuclear training courses.

Report Number OIG-08-20

Title: The State of Florida's Management of State Homeland Security Grants Awarded During Fiscal Years 2002 through 2004.
Issued: December 2007.

Abstract: Cotton and Company LLP, under contract with us, completed an audit of the DHS State Homeland Security Grants awarded to the State of Florida. The objectives of the audit were to determine whether the state (1) effectively and efficiently implemented the first responder grant programs, (2) achieved the goals of the programs, and (3) spent funds according to grant requirements. The audit goal was to identify problems and solutions that would help the State of Florida prepare for and respond to terrorist attacks.

Key Findings: Florida Division of Emergency Management could develop or improve policies and procedures over grant processes. Our findings, summarized below.

-
1. Florida Division of Emergency Management did not have effective policies and procedures to ensure compliance with grant requirements for funding allocations and timeliness;
 2. Florida Division of Emergency Management did not enter into Memorandums of Understanding with subgrantees properly; and
 3. Florida Division of Emergency Management did not have effective controls for its subgrantees.

Recommendation Summary and Status: As of December 31, 2007, the five recommendations in this report were open. The first 90-day response for these recommendations is due in 2008. Upon verification of implementation, all recommendations will be closed.

Estimated Cost Savings: N/A

Non-Monetary Benefits: Effective and efficient implementation of first responder grants.

Appendix A
Department Comments

U.S. Department of Homeland Security
Washington, DC 20528



Homeland
Security

February 25, 2008

Mr. Richard L. Skinner
Inspector General
U.S. Department of Homeland Security
Washington, DC 20528

Dear Mr. Skinner:

Thank you for the opportunity to comment on your report OIG-08-27 which responds to Chairman Waxman's December 7, 2007 request for information on unimplemented recommendations made to the Department by your office.

We note that the approximately 1070 recommendations cited in your report have not been confirmed by our component agencies. In the coming weeks we will be working with the Office of the Inspector General (OIG) to identify those recommendations we both agree have not yet been fully implemented. We will also be working to expeditiously close recommendations. We would also like to point out that these open recommendations represent only a quarter (24%) of the approximately 4500 recommendations that have been issued by the OIG since the inception of the Department through September 2007 (based on a review of data contained in the OIG Semiannual Reports to Congress).

Again, thank you for the opportunity to comment on your report.

Sincerely,

A handwritten signature in dark ink that reads "Steven J. Pecinovsky".

Steven J. Pecinovsky
Director
Departmental GAO/OIG Liaison Office

Appendix B

Major Contributors to this Report

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