



Why This Matters

The Ottawa Elementary School District #141 (Ottawa) received an award of \$16.3 million from the Illinois Emergency Management Agency (IEMA), a FEMA grantee, for damages caused by severe storms and flooding that occurred September 13, to October 5, 2008. FEMA provides such assistance to state, Tribal, and local governments, and certain types of private nonprofit organizations so that communities can quickly respond to and recover from major disasters or emergencies declared by the President.

DHS Response

FEMA officials generally agreed with our finding.

FEMA Public Assistance Grant Funds Awarded to Ottawa Elementary School District #141, Ottawa, Illinois

What We Determined

Ottawa accounted for grant funds on a project-by-project basis as required by Federal regulations. However, Ottawa did not obtain flood insurance required as a condition for receiving Federal disaster assistance for damages to its Central School or provide a waiver for the requirement. As a result, we question \$13,958,266, which represents \$15,947,786 estimated for eligible repairs reduced by \$1,989,520 in anticipated insurance proceeds.

What We Recommend

We recommend that the Regional Administrator, FEMA Region V:

- Disallow \$13,958,266 (\$10,468,699 Federal share) as ineligible unless Ottawa either obtains and maintains flood insurance coverage in the amount of \$15,947,786 or obtains a waiver for the requirement.
- Require IEMA to develop and implement procedures to ensure subgrantees comply with Federal requirements for insurance.

For Further Information:

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