



### Why This Matters

Public Law 110-53, *Implementing Recommendations of the 9/11 Commission Act of 2007*, requires the Department of Homeland Security, Office of Inspector General, to audit individual states' management of State Homeland Security Program and Urban Areas Security Initiative grants.

The Federal Emergency Management Agency (FEMA) awarded the State of New Mexico (State) \$20.6 million in Homeland Security Grant Program funds during fiscal years 2007 through 2009, of which \$16.5 million was for State Homeland Security Program grants.

### DHS Response

FEMA partially concurred with one recommendation and concurred with the remaining recommendations. State officials agreed with the recommendations.

FEMA will use the findings in the report to strengthen the effectiveness and efficiency of how it executes and measures its programs. FEMA recognizes the need to continue to improve the process, including addressing the recommendations raised in the report.

### For Further Information:

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

## The State of New Mexico's Management of State Homeland Security Program Grants

### What We Determined

Generally, the State did an effective and efficient job of managing the Homeland Security Grant Program funds during fiscal years (FY) 2007 through 2009. The State formed working groups to establish priorities, and spent grant funds in accordance with applicable federal laws and regulations. However, we identified six specific areas for improving grants management: the strategic planning process, performance and financial reporting, monitoring subgrantee performance, management and administrative costs, obligation of funds to local units of government, and improper payments for services and equipment.

### What We Recommend

Assistant Administrator, Grant Programs Directorate, FEMA require the State:

- Validate that the State's updated strategy reflects local governments' involvement and includes measurable goals, objectives, and appropriate performance measures; establish internal controls and written policies and procedures for strategy development; and inform subgrantees of the requirement for conducting and submitting needs assessments.
- Revise its policies, procedures, and timelines for review and approval of required Biannual Strategy Implementation Reports and Financial Status Reports, and submit the reports in accordance with requirements.
- Revise its subgrantee monitoring program to comply with appropriate guidance and regulations, ensure its personnel have proper training on performance monitoring, assess the sufficiency of personnel assigned to perform monitoring, and schedule and conduct on-site monitoring visits as appropriate.
- Implement policies and procedures to identify management and administrative costs charged to State Homeland Security Program grants, and determine management and administrative expenses to be charged to the FY 2009 State Homeland Security Program grant.
- Adhere to grant program requirements for withholding funds on behalf of local units of government, and ensure funds withheld have been properly authorized and documented by subgrantees.
- Establish and implement procedures to ensure that subgrantees are only reimbursed for equipment or services that have been received.