



### Why This Matters

The Office of Inspector General (OIG) serves as an independent body to deter, identify, and address fraud, abuse, mismanagement, and waste in the Department of Homeland Security (DHS) programs and operations. To this end, the OIG is responsible for conducting and supervising audits, investigations, and inspections relating to the programs and operations of the Department. The OIG examines, evaluates and, where necessary, critiques these operations and activities, recommending ways for the Department to carry out its responsibilities in the most effective, efficient, and economical manner possible.

### DHS Response

Within 90 days of the date of the grant audit report, Management should provide our office with a written response that includes their (1) agreement or disagreement, (2) corrective action plan, and (3) target completion date for each recommendation.

## FEMA Public Assistance Grant Funds Awarded to the Town of Fairfax, California

### What We Determined

We audited public assistance (PA) grant funds awarded to the Town of Fairfax, California (Town) for Federal Emergency Management Agency (FEMA) Disaster Number 1628-DR-CA.

Our audit objective was to determine whether the Town accounted for and expended FEMA grant funds according to federal regulations and FEMA guidelines.

Of the \$1.7 million we reviewed, Town officials did not account for and expend \$602,158 according to federal grant regulations and FEMA guidelines. Further, the Town had a remaining unused award amount of \$207,000 that should be deobligated and put to better use.

### What We Recommend

We recommended that the FEMA Region IX Administrator, in coordination with the California Emergency Management Agency (the grantee) (1) disallow \$206,034 (federal share \$154,526) in ineligible contract costs incurred without compliance with federal regulations and FEMA guidelines for Projects 2224, 2330, 2338, 2345, and 3041, (2) disallow \$345,217 (federal share \$258,913) in ineligible, excessive, and unreasonable costs for construction management, engineering, and design services for Projects 2330, 2338, 2345, and 3041, (3) disallow \$50,907 (federal share \$38,180) in ineligible project costs charged in error to Project 2122 and Project 2330, and (4) deobligate \$207,000 (federal share \$155,250) in unused hazard mitigation funding for Project 2338, and put those federal funds to better use

### 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)