



### Why This Matters

The Federal Emergency Management Agency (FEMA) provides public 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. We perform audits of FEMA grantees and subgrantees to determine whether costs claimed under the awards are eligible and allowable under federal regulations and FEMA guidelines. The Harrison County Library System (Library) received a public assistance award of \$6.0 million for damages resulting from Hurricane Katrina, which occurred in August 2005.

### DHS Response

FEMA's written response is due within 90 days.

## FEMA Public Assistance Grant Funds Awarded to Harrison County Library System, Gulfport, Mississippi

### What We Determined

The Library accounted for expenditures on a project-by-project basis, as required by federal regulations and FEMA guidelines. However, the Library did not reduce eligible project costs for cash and other donations received for disaster recovery purposes, which resulted in \$2,420,650 of duplicated benefits. In addition, the Library overstated its funding request by \$2,107,836 for projects awarded by FEMA based on the "improved project" criteria. Finally, the Library did not take the necessary affirmative steps to assure that minority firms, women's business enterprises and labor surplus area firms were used, when possible, for contracted work totaling \$1,356,755.

### What We Recommend

We recommend that the Regional Director, FEMA Region IV:

1. Disallow \$2,420,650 of ineligible duplicate benefits.
2. Deobligate and put to better use \$2,107,836 of overstated FEMA funding obligated under multiple improved projects.
3. Disallow \$133,810 of costs awarded for contracts that were not procured in accordance with federal procurement requirements, unless FEMA makes an affirmative decision that the contract awards were fair and waives the procurement requirement.

### 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)