



Why This Matters

The Department of Homeland Security (DHS) provides Federal funding through the Homeland Security Grant Program (HSGP) to help State and local agencies enhance capabilities to prevent, deter, respond to, and recover from terrorist attacks, major disasters, and other emergencies. Within DHS, the Federal Emergency Management Agency (FEMA) is responsible for administering the HSGP. FEMA supports preparedness by developing policies, ensuring that adequate plans are in place and validated, defining capabilities required to address threats, providing resources and technical assistance to States, and synchronizing preparedness efforts throughout the Nation.

DHS Response

FEMA concurred with four of the five recommendations. FEMA found the State Administrative Agency (SAA) to be compliant with its requirement to obligate at least 80 percent of the funds awarded under the State Homeland Security Program to local units of government within 45 days of receipt of funds. While FEMA believes that the SAA is compliant with the requirement to obligate at least 80 percent of the funds to the local units within 45 days of receipt of funds, we still believe that they are not. This is because the SAA requires subgrantees to spend their entire prior year's grant funds before they make grant funds available for the next fiscal year.

For Further Information:

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

The State of Arkansas' Management of State Homeland Security Program Grants Awarded During Fiscal Years 2008 Through 2010

What We Determined

The State of Arkansas distributed and spent HSGP funds in compliance with applicable laws and regulations. The Governor of Arkansas appointed the Arkansas Department of Emergency Management (ADEM) to serve as the State Administrative Agency.

The following improvements are needed: strategies should include measurable objectives; FEMA should issue guidance for developing adequate performance measures to assess overall State capabilities and preparedness; the State Administrative Agency should obligate grant funds to subgrantees more timely; and the State Administrative Agency should better monitor subgrantees to ensure compliance with requirements pertaining to procurement, inventory, and accountability. These issues exist because FEMA and the State Administrative Agency have not provided sufficient guidance and oversight for the grant process.

What We Recommend

The FEMA Assistant Administrator, Grant Programs Directorate

- 1) Require the Director of ADEM to revise its Homeland Security State Strategy to include specific, measurable, and results-oriented objectives in compliance with the most recent DHS guidance.
- 2) Issue guidance for developing adequate performance measures to assess all of the State's capabilities and preparedness.
- 3) Require the Director of ADEM to remove the requirement for expending prior grant years' funds from the memorandums of agreement so that funds are available to subgrantees in a timely manner.
- 4) Require the Director of ADEM to correct deficiencies identified pertaining to inventory records and property tags and emphasize during annual grant workshops the need to follow CFR Title 44 Section 13.36 and 13.32 (Federal procurement and property inventory requirements), highlighting deficiencies identified during this audit.
- 5) Require the Director of ADEM to increase on-site monitoring to ensure subgrantee compliance with procurement, inventory, and accountability requirements.