



Why This Matters

St. John the Baptist Parish (Parish) received a \$5.9 million award from the Governor's Office of Homeland Security and Emergency Preparedness, a Federal Emergency Management Agency (FEMA) grantee, for damages caused by Hurricane Ike, which occurred in September 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 concurred with our findings and recommendations at the exit conference. FEMA's written response is due within 90 days.

FEMA Public Assistance Grant Funds Awarded to St. John the Baptist Parish, Louisiana

What We Determined

The Parish generally accounted for FEMA grant funds on a project-by-project basis as required by Federal regulations. The Parish could not provide adequate documentation to support \$579,348 in costs incurred or authorized for contract work, force account labor, equipment rentals, and direct administrative costs (DAC) for four projects. In addition, the Parish claimed \$333,294 for five projects without adequate evidence that the damages were the result of Hurricane Ike. To be eligible for financial assistance, an item of work must be required as the result of the major disaster event (44 CFR 206.223(a)(1)).

The Parish claimed \$4,870,394 to complete drainage clean-up work under Project 1222. This amount is \$141,242 less than the \$5,011,636 FEMA estimated and obligated for this project.

Finally, while the Parish awarded contracts for disaster work competitively, it did not always follow other required procurement standards. These conditions occurred largely because GOHSEP did not always fulfill its responsibilities regarding grant management.

What We Recommend

We recommend that the Acting Regional Administrator, FEMA Region VI:

1. Disallow unsupported costs totaling \$579,348 unless the Parish can provide adequate documentation to support them. Also, see recommendation #3 below.
2. Disallow ineligible costs totaling \$333,294 unless FEMA determines the work is a direct result of Hurricane Ike.
3. Deobligate \$42,975 in unused Federal funds and put those funds to better use. If the Parish does not claim the costs recommended for disallowance in Recommendation #1 above, FEMA should deobligate them and put them to better use.
4. Ensure that GOHSEP takes steps to improve its grant management procedures, to include procedures for—
 - Informing subgrantees of their responsibility to comply with Federal requirements,
 - Monitoring subgrantees' operations to ensure compliance with Federal requirements,
 - Performing timely closeouts of completed large and small projects, and
 - Submitting quarterly progress reports that comply with FEMA's Public Assistance Guide for all uncompleted large projects.

For Further Information:

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