

# Spotlight

Department of Homeland Security



## Office of Inspector General

January 2013 DS-13-03

### 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.

### For Further Information:

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

## The City of San Buenaventura, CA, Did Not Properly Account for and Expend FEMA's PA Grant Funds

### What We Determined

The City of San Buenaventura, California, (City), did not properly account for and expend Federal Emergency Management Agency's (FEMA) Public Assistance (PA) grant funds according to Federal regulations and FEMA guidelines, PA Identification Number 111-65042-00.

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

Of the \$2,131,549 in project charges we reviewed, the City did not properly account for and expend \$1,517,065 in accordance with Federal grant regulations and FEMA guidelines. Additionally, the City has \$86,585 in unneeded funding that can be deobligated and put to better use.

### What We Recommend

We recommended that the FEMA Region IX Administrator (1) disallow \$1,014,589 (Federal share \$760,942) for ineligible repair and hazard mitigation costs incurred under Project 897, (2) disallow \$467,946 (Federal share \$350,960) for ineligible hazard mitigation costs under Projects 897 and 906 – to avoid duplicating hazard mitigation costs questioned under recommendation #1, do not deduct \$233,973 to the extent of FEMA's disallowance of costs questioned in recommendation #2, (3) disallow \$268,503 (Federal share \$201,377) for ineligible project replacement costs under Project 906, and (4) deobligate \$86,585 (Federal share \$64,939) from Project 905 and put those Federal funds to better use.