



# U.S. DEPARTMENT OF HOMELAND SECURITY **OFFICE OF INSPECTOR GENERAL**

OIG-25-09

January 23, 2025

**FINAL REPORT**

## **FEMA Followed Applicable Laws and Reporting Requirements for Transferring Disaster Relief Funds**





# OFFICE OF INSPECTOR GENERAL

U.S. Department of Homeland Security

Washington, DC 20528 | [www.oig.dhs.gov](http://www.oig.dhs.gov)

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January 23, 2025

MEMORANDUM FOR: Cameron Hamilton  
Senior Official Performing  
the Duties of the Administrator  
Federal Emergency Management Agency

FROM: Joseph V. Cuffari, Ph.D.  
Inspector General

JOSEPH V  
CUFFARI

Digitally signed by JOSEPH V  
CUFFARI  
Date: 2025.01.23 18:16:30  
-05'00'

SUBJECT: *FEMA Followed Applicable Laws and Reporting Requirements for  
Transferring Disaster Relief Funds*

Attached for your action is our final report, *FEMA Followed Applicable Laws and Reporting Requirements for Transferring Disaster Relief Funds*. We incorporated the formal comments provided by your office. The report contains no recommendations.

Consistent with our responsibility under the *Inspector General Act*, we will provide copies of our report to congressional committees with oversight and appropriation responsibility over the Department of Homeland Security. We will post the report on our website for public dissemination.

Please contact me with any questions, or your staff may contact Kristen Bernard, Deputy Inspector General, Office of Audits, at (202) 981-6000.

Attachment



# DHS OIG HIGHLIGHTS

## FEMA Followed Applicable Laws and Reporting Requirements for Transferring Disaster Relief Funds

January 23, 2025

### Why We Did This Audit

FEMA manages the Disaster Relief Fund, which is the primary source of funding for the Federal Government's domestic general disaster relief programs. Recently, FEMA has also used the Disaster Relief Fund for non-disaster-related events. We conducted this audit to determine to what extent FEMA uses disaster relief funding for Stafford Act disaster-related activities.

### What We Recommend

We did not make any recommendations in this report.

#### For Further Information:

Contact our Office of Public Affairs at (202) 981-6000, or email us at: [DHS-OIG.OfficePublicAffairs@oig.dhs.gov](mailto:DHS-OIG.OfficePublicAffairs@oig.dhs.gov).

### What We Found

The Federal Emergency Management Agency (FEMA) obligated \$267.7 billion (95.3 percent) of disaster relief funding available between fiscal years 2017 and 2023 for disaster-related activities, as authorized by the *Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended*, 42 United States Code 5121 et seq. (Stafford Act). Approximately \$8.1 billion (2.9 percent of the disaster relief funding available) was set aside or transferred to other programs in accordance with applicable laws. Specifically, FEMA set aside \$4.6 billion for pre-disaster mitigation and transferred \$3.5 billion out of the Disaster Relief Fund to other appropriations.

Of the \$3.5 billion transferred out of the Disaster Relief Fund, \$3.3 billion was transferred to other disaster functions and \$193.8 million was transferred to fund non-disaster-related activities. These transfers and reprogramming actions were either permitted or required by appropriations laws or directed by the Department of Homeland Security, per applicable laws and congressional guidance.

FEMA reported its transfers, as required, to the Committees on Appropriations for the House and Senate and on its public website.

### FEMA Response

FEMA concurred with our assessment of its use of disaster relief funding for Stafford Act disaster-related activities. Appendix B contains FEMA's response in its entirety.



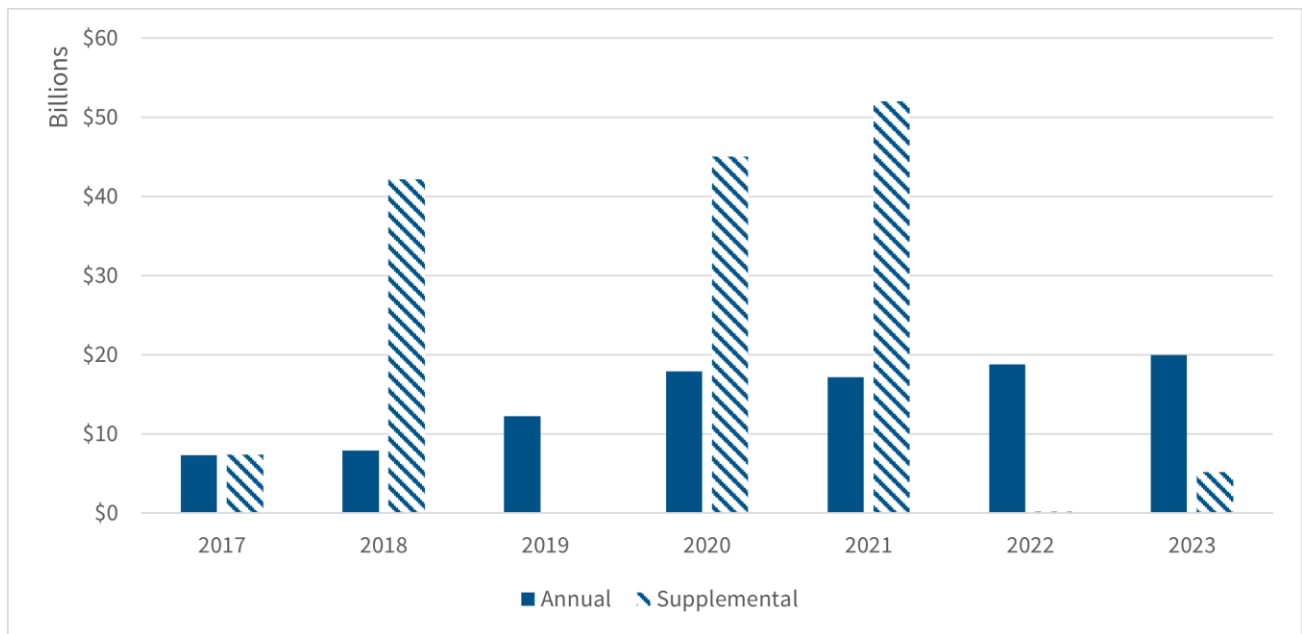
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### Background

The Disaster Relief Fund (DRF), managed by the Federal Emergency Management Agency (FEMA), is the primary source of funding for the Federal Government’s domestic general relief programs. The DRF receives annual and supplemental appropriations<sup>1</sup> under FEMA’s budget within the Department of Homeland Security Appropriations Act, and those appropriations are available to FEMA until expended.<sup>2</sup> Between fiscal years 2017 and 2023, FEMA received \$101 billion of annual DRF appropriations and \$152 billion of supplemental DRF appropriations. See Figure 1 for an annual breakdown of DRF funding.

Figure 1. DRF Appropriations from FYs 2017 through 2023



Source: DHS Office of Inspector General analysis of DRF appropriations

The DRF is divided into two accounts: Major Disasters and Base Disaster Relief (Base). The Major Disasters account is used to cover costs for declared major disasters.<sup>3</sup> This account includes

<sup>1</sup> Appropriation means a provision of law authorizing the expenditure of funds for a given purpose. Supplemental appropriation means an appropriation enacted after regular annual appropriations when the need for funds is too urgent to be postponed until the next regular annual appropriations act. Office of Management and Budget Circular No. A-11, *Preparation, Submission, and Execution of the Budget*, Aug. 2023.

<sup>2</sup> Funds that are available until expended do not expire at the end of a given FY, which is atypical for appropriations that usually expire after 1 FY. William L. Painter, *Disaster Relief Fund State of Play: In Brief*, Congressional Research Service R47676 (Updated Oct. 9, 2024).

<sup>3</sup> The President can declare a major disaster for any natural catastrophe or, regardless of cause, any fire, flood, or explosion, that the President determines has caused damage of sufficient severity and magnitude to warrant



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funding for FEMA’s Direct Disaster Programs, such as Individual Assistance, Public Assistance, and Hazard Mitigation Grant Programs, as authorized by the *Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended* (Stafford Act).<sup>4</sup>

The Base account covers most other Stafford Act–related costs including:<sup>5</sup>

- Pre-disaster surge activities — Before an emergency or major disaster declaration, FEMA deploys response teams and pre-positions equipment.
- Activity pursuant to emergency declarations — Federal assistance to supplement state and local efforts in providing emergency services in any part of the United States.
- Fire Management Assistance Grants — Grants for the mitigation, management, and control of any fires on public or private lands that could result in a major disaster declaration.
- Disaster readiness and support activities — Ongoing, non–incident-specific activities that allow FEMA to operate its programs and provide oversight of its emergency and disaster programs.

Base account funding cannot be used for the costs of major disasters.

### Reports to Congress

*The Department of Homeland Security Appropriations Act, 2015*, established requirements for FEMA to issue monthly reports on the status of the DRF to the Committees on Appropriations of the Senate and the House of Representatives, and on its public website.<sup>6</sup> The appropriations acts for subsequent years have carried forward FEMA’s responsibility to report on various aspects of the DRF, including:

- a summary of appropriations amounts made available by source; the transfers executed; previously allocated funds recovered; and the commitments, allocations, and obligations made;
- a table of disaster relief activity delineated by month, including the beginning and ending balances, the total obligations to include amounts obligated for DRF Base activities, the obligations for catastrophic events delineated by event and by state, and the amount of previously obligated funds that are recovered;

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assistance to supplement the efforts and available resources of state and local governments. 42 United States Code (U.S.C.) § 5122(2), Stafford Act.

<sup>4</sup> See 42 U.S.C. § 5189h(c)

<sup>5</sup> William L. Painter, *The Disaster Relief Fund: Overview and Issues*, Congressional Research Service R45484 (Updated Jan. 20, 2022).

<sup>6</sup> Pub. L. No. 114-4, 129 Stat. 39, 55-56, Mar. 4, 2015.



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- a summary of allocations, obligations, and expenditures for catastrophic events delineated by event; and
- the date on which appropriated funds will be exhausted.

We conducted this audit to determine to what extent FEMA uses disaster relief funding for Stafford Act disaster-related activities.

### Results of Audit

#### FEMA Obligated \$267.7 Billion in Disaster Relief Funds for Stafford Act Activities

FEMA obligated \$267.7 billion (95.3 percent) of the \$281 billion in disaster relief funding available between FYs 2017 and 2023 for Stafford Act disaster-related activities. Of the disaster relief funding obligated, FEMA used \$261.8 billion (or 97.8 percent) to cover costs for declared major disasters and \$5.9 billion (or 2.2 percent) to cover costs for Base account activities.

#### FEMA Set Aside or Transferred \$8.1 Billion in Disaster Relief Funds

FEMA set aside or transferred \$8.1 billion (or 2.9 percent) of the disaster relief funding available to other programs, per applicable laws. Specifically, FEMA set aside \$4.6 billion within the DRF for the Building Resilient Infrastructure and Communities (BRIC) grant program<sup>7</sup> and transferred \$3.5 billion out of the DRF to other programs (see Table 1).<sup>8</sup> FEMA reported these set-asides and transfers on its public website.

**Table 1. DRF Set-Asides and Transfers from FYs 2017 through 2023**

DRF Use	Type of Set-Aside or Transfer	Amount (in Millions)
Set-Asides	BRIC Pre-Disaster Mitigation	\$4,625
	<b>Total Set-Asides</b>	<b>\$4,625</b>
Transfers	Directed by Appropriations Laws	\$3,282
	Non-Disaster-Related Activities Directed by DHS	\$194
	International Disaster-Related Activities	\$32
	<b>Total Transfers</b>	<b>\$3,508</b>
<b>Total Set-Asides and Transfers</b>		<b>\$8,133</b>

Source: DHS OIG analysis of Integrated Financial Management Information System (IFMIS) and Office of Management and Budget data

<sup>7</sup> Pre-disaster mitigation funding is authorized by 42 U.S.C. § 5133, Stafford Act.

<sup>8</sup> The obligations, transfers, and pre-disaster mitigation set-asides do not account for 100 percent of available disaster relief funding. FEMA carries DRF balances over from year to year because appropriations to the DRF are available until expended. Obligations, transfers, and pre-disaster set-asides accounted for 98.2 percent of available disaster relief funding between FYs 2017 and 2023.



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### FEMA Set Aside \$4.6 Billion in Disaster Relief Funds for Pre-Disaster Mitigation

The *Disaster Recovery Reform Act of 2018* permitted FEMA to set aside 6 percent of Federal post-disaster grant expenditures to provide funds for state and local pre-disaster mitigation. From FYs 2019 through 2023, FEMA set aside a total of \$4.6 billion from the DRF's Major Disasters account for the BRIC program.<sup>9</sup> FEMA developed the BRIC program to administer pre-disaster mitigation initiatives created by the *Disaster Recovery Reform Act of 2018*.<sup>10</sup>

### FEMA Transferred \$3.3 Billion in Disaster Relief Funds as Directed by Appropriations Laws

Between FYs 2017 and 2023, appropriations laws directed FEMA to transfer \$3.3 billion from the DRF to the following disaster functions (see Appendix C):

- **Disaster Assistance Direct Loan Program (DADLP)** — Provides funding for local governments to operate their essential community services — such as police and fire protection, trash collection, and public facilities maintenance — after substantial revenue loss caused by major disasters. FEMA transferred \$724.8 million to the program from FYs 2017 through 2023. See Appendix D for a listing of each transfer.
- **DHS OIG** — Appropriations laws directed FEMA to transfer DRF funds to DHS OIG for audits and investigations of disaster response activities. FEMA transferred \$41 million to DHS OIG for oversight of DRF-funded disaster activities from FYs 2017 through 2023.<sup>11</sup>
- **Hermit's Peak/Calf Canyon Fires** — The *Continuing Appropriations and Ukraine Supplemental Appropriations Act, 2023*, specified that \$2.5 billion was to be transferred from DRF Base funds to the Hermit's Peak and Calf Canyon Fire Assistance Account. In October 2022, FEMA transferred these funds.<sup>12</sup>
- **FEMA Operations and Support** — In FY 2022 FEMA transferred \$16.5 million of DRF Base funds to FEMA's Operations and Support (O&S) account for salaries and expenses as it was authorized to do in *The Infrastructure Investment and Jobs Act*.<sup>13</sup>

<sup>9</sup> Although funds set aside for the BRIC program are not calculated in the available balance of the DRF, FEMA indicates in its monthly DRF reports that BRIC funds could be redirected to help cover costs pursuant to major disaster declarations if the Major Disasters account is otherwise depleted.

<sup>10</sup> *Disaster Recovery Reform Act of 2018*, Pub. L. No. 115-254, Div. D, 132 Stat. 3438, 3462 (Oct. 5, 2018).

<sup>11</sup> Pursuant to *Additional Supplemental Appropriations for Disaster Relief Requirements Act, 2017*, Pub. L. No. 115-72, 131 Stat 1224, 1224 (Oct. 26, 2017); *Coronavirus Aid, Relief, and Economic Security Act*, Pub. L. No. 116-136, 134 Stat. 281, 543 (Mar. 27, 2020); *Infrastructure Investment and Jobs Act*, Pub. L. No. 117-58, 135 Stat. 429, 1389 (Nov. 15, 2021); and *Consolidated Appropriations Act, 2023*, Pub. L. No. 117-328, 136 Stat. 4459, 5214 (Dec. 29, 2022).

<sup>12</sup> Pub. L. No. 117-180, 136 Stat. 2114, 2122 (Sep. 30, 2022).

<sup>13</sup> Pub. L. 117-58, 135 Stat. 429, 1387 (Nov. 15, 2021).



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### **FEMA Transferred \$193.8 Million in Disaster Relief Funds for Non-Disaster-Related Activities as Directed by DHS**

FEMA transferred \$193.8 million from the DRF for non-disaster-related activities. (See Appendix E.) These transfers and reprogramming actions were directed by DHS in accordance with applicable laws and congressional guidance.

If DHS components require resources for purposes other than those enacted by Congress through appropriations acts, the DHS Secretary may reprogram or transfer funds. Section 503 of the general provisions of DHS appropriations acts gives DHS the authority to transfer funding between appropriations. DHS must notify the Committees on Appropriations of the Senate and the House of Representatives 30 days before making such a transfer. DHS may transfer up to 5 percent of a component's available appropriation amount but cannot increase the receiving appropriation by more than 10 percent.<sup>14</sup>

Between FYs 2017 and 2023, DHS provided Congress with advanced notice of its intent to transfer DRF funds to several DHS components, including U.S. Immigration and Customs Enforcement (ICE), the Transportation and Security Administration (TSA), and the United States Secret Service (Secret Service). FEMA also reported its intent to transfer DRF funds to other non-disaster-related activities.

#### **DRF Transfers to ICE for Southwest Border Activities**

FEMA transferred \$118.7 million to ICE for Southwest border activities. In FY 2017, ICE determined that it would experience shortfalls within its Custody Operations program before the end of the year. Specifically, ICE projected it would require the following funds beyond those already appropriated to ICE's Custody Operations program in FY 2017:

- \$90.9 million for detention bed capacity to detain undocumented immigrants;
- \$22.6 million to cover unanticipated overtime payroll costs; and
- \$21.5 million for non-bed general expenses, such as training, transportation expenses, rent, utilities, communications, service contracts, supplies, equipment, leasehold improvements, legal fees, and indemnities.

DHS notified Congress it intended to partially address this shortfall in the Custody Operations program by transferring a total of \$80.7 million from DRF Base funds.

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<sup>14</sup> Even though the DRF Base appropriations do not expire at the end of any given FY, they must remain separated by the FY in which they were appropriated, and DHS cannot transfer more than 5 percent of any given FY's appropriation.





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In FY 2019, DHS reported that ICE required \$155 million in emergency funding to establish and operate temporary immigration hearing facilities along the Southwest border to help process a high volume of immigrants arriving at ports of entry on the border. DHS notified Congress it intended to transfer \$155 million from DRF Base funds to address this emergency. However, FEMA ultimately transferred only \$38 million in September 2019 to ICE for this need.

### **DRF Transfers for Non-Disaster FEMA Activities**

In FYs 2019, 2021, and 2022, DHS notified Congress of its intent to transfer a total of \$32.4 million from DRF Base funds to FEMA's O&S account to effectively maintain operations at co-located facilities while FEMA coordinated with the General Services Administration to relocate and consolidate those facilities. FEMA transferred these funds in August of 2019, 2021, and 2022.

In FY 2021, DHS also notified Congress of its intent to transfer \$11.4 million from DRF Base funds to modernize and expand FEMA's National Response Coordination Center. FEMA required audiovisual and information technology improvements, as well as improvements to the facility's structure. The intended transfer from DRF Base funds allocated \$6.9 million to FEMA's Procurement, Construction, and Improvements (PC&I) account and \$4.5 million to FEMA's O&S account. FEMA transferred these funds in August 2021.

### **DRF Transfers to Secret Service**

In FY 2017, DHS notified Congress of two transfers it intended to make from DRF Base funds to the Secret Service's PC&I account. The first notification was for a \$6.9 million transfer from DRF Base funds to the Operational Communications/Information Technology program to upgrade a backup data center and to deploy a resource management system. The second notification was for a \$9 million transfer from DRF Base funds to the Protection Assets and Infrastructure program to enhance explosive detection systems and expand the security infrastructure on the White House grounds. FEMA transferred these funds in August 2017.

### **DRF Transfer to TSA**

In FY 2017, TSA reported it needed technology investments in computed tomography<sup>15</sup> systems at airport checkpoints to address aviation transportation threats. DHS notified Congress it intended to transfer \$15.3 million from DRF Base funds to the Checkpoint Support program within TSA's PC&I appropriation to fund various investments in computed tomography. FEMA transferred these funds in August 2017.

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<sup>15</sup> Per TSA, computed tomography, more commonly known as CT, is the latest checkpoint x ray scanning equipment used to enhance threat detection capabilities for carry-on baggage. CT technology creates a 3-D image that allows computers to automatically detect explosives.



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### **FEMA Transferred \$31.9 Million in Disaster Relief Funds to the U.S. Agency for International Development**

FEMA transferred \$31.9 million from DRF Base funds to the United States Agency for International Development (USAID) for disaster relief and reconstruction assistance in the Federated States of Micronesia and the Republic of the Marshall Islands between FYs 2017 and 2023. According to *USAID/FEMA Operational Blueprint for Disaster Relief and Reconstruction in the Federated States of Micronesia (FSM) and the Republic of the Marshall Islands (RMI)* (January 31, 2017), FEMA will transfer funds to USAID in accordance with standard operating procedures for transfers of Federal appropriations.<sup>16</sup> Once transferred, USAID is responsible for the proper use and accounting of the funds. USAID will transfer any unused balance back to FEMA.

Because of the audit's limited scope, and because we determined that FEMA complied with requirements for transferring disaster relief funds to other programs, we did not make any recommendations.

### **Management Comments and OIG Analysis**

In response to our draft report, FEMA agreed with our assessment of its use of disaster relief funding. FEMA disagreed with our statement in Appendix A concerning delays in access to data. However, we stand by our conclusion. FEMA provided technical comments on the draft report, and we took FEMA's suggested changes into consideration. We included a copy of FEMA's management response in its entirety in Appendix B. Because there were no recommendations in the report, an action plan was not necessary.

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<sup>16</sup> *Foreign Assistance Act of 1961*, as amended, 22 U.S.C. 2392, allows the President to transfer funds to any agency of the U.S. Government to provide assistance for the relief of people and countries affected by natural and manmade disasters.



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### Appendix A: Objective, Scope, and Methodology

The Department of Homeland Security Office of Inspector General was established by the *Homeland Security Act of 2002* (Pub. L. No. 107–296) by amendment to the *Inspector General Act of 1978*.

The objective of this audit was to determine to what extent FEMA uses disaster relief funding for Stafford Act disaster-related activities. The audit analyzed transfers of funds appropriated to the DRF. Within our audit scope of FYs 2017 through 2023, the DRF received \$253.2 billion in appropriated funds. After accounting for recoveries and rescissions of prior years' appropriations, the total funding available to FEMA within the scope of our audit was \$281 billion.

We assessed the internal controls related to FEMA's management of DRF appropriated funds transfers. We reviewed DHS' congressional notifications of its intent to transfer appropriated funds within our audit scope. We identified DRF-specific transfers in those congressional notifications and determined the amounts, sources, receiving accounts, justifications, and mission impacts of DRF transfers and tested whether FEMA coordinated with and received DHS approval before transferring DRF funds. We interviewed officials from FEMA's Office of the Chief Financial Officer in Biloxi, Mississippi, with other FEMA officials joining meetings virtually. We gained an understanding of FEMA Field Based Operations' responsibilities for monthly reporting on the status of the DRF, including DRF transfers and reprogramming actions. Because our review was limited to addressing our audit objective, it may not disclose all internal control weaknesses that may have existed at the time of the audit.

Additionally, we reviewed the enacted appropriations laws that provided funds to FEMA's DRF within our audit scope of FYs 2017 through 2023. We determined the requirements the appropriations laws established for transferring and reprogramming DRF funds for our scope period. We then reviewed Office of Management and Budget Circular No. A-11, *Preparation, Submission, and Execution of the Budget*, August 2023 as well as the *Department of Homeland Security Financial Management Policy Manual* (September 15, 2021), to assess whether DHS and FEMA's requirements and responsibilities for transferring and reprogramming DRF funds aligned with requirements the appropriations laws established. Because the transfer restrictions apply to each FY's DRF appropriation, our analysis of the transfers directed by DHS examined whether DHS complied with the percentage restrictions as they applied to each FY's funds.

We obtained appropriations transfer data extracted from FEMA's official financial system of record, IFMIS. To assess the completeness and accuracy of the data extract, we reconciled the financial management system data with non-expenditure transfer details available on the Office



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of Management and Budget’s data sharing site. We determined that the data obtained was sufficiently reliable for the purposes of our audit.

We conducted this audit from December 2023 through July 2024 pursuant to the *Inspector General Act of 1978*, 5 U.S.C. §§ 401–424, and according to generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The major Office of Audits contributors are Yesenia Starinsky, Director; John Skrmetti, Audit Manager (retired); Christopher Stephens, Auditor-in-Charge; Celei Woods, Auditor; Kimberly Keene, Auditor; Michael Scoffone, Auditor; Rickey “Lynn” Smith, Auditor; Winsome Bentley, Auditor; and Kevin Dolloson, Communications Analyst.

### **DHS OIG’s Access to DHS Information**

During this audit, FEMA delayed DHS OIG’s access to the data contained in IFMIS. DHS OIG requested relevant data extracts from IFMIS on February 9, 2024, and FEMA provided complete, usable data more than 3 months later in May 2024.



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### Appendix B: FEMA Comments on the Draft Report

U.S. Department of Homeland Security  
Washington, DC 20472



BY ELECTRONIC SUBMISSION

December 2, 2024

MEMORANDUM FOR: Joseph V. Cuffari, Ph.D.  
Inspector General

FROM: Cynthia Spishak                      CYNTHIA  
Associate Administrator              SPISHAK  
Office of Policy and Program Analysis

Digitally signed by CYNTHIA  
SPISHAK  
Date: 2024.12.02 11:19:33  
-0500

SUBJECT: Management Response to Draft Report "FEMA Followed  
Applicable Laws and Reporting Requirements for  
Transferring Disaster Relief Funds"  
(Project No. 23-069-AUD-FEMA)

Thank you for the opportunity to comment on this draft report. The Federal Emergency Management Agency (FEMA) appreciates the work of the Office of Inspector General (OIG) in planning and conducting its review and issuing this report.

FEMA leadership is pleased to note OIG's recognition that FEMA obligated \$267.7 billion (95.3 percent) of disaster relief funding available between fiscal years (FY) 2017 and 2023 for disaster-related activities, as authorized by the Robert T. Stafford Disaster Relief and Emergency Assistance Act.<sup>1</sup> FEMA also appropriately reported the Disaster Relief Fund (DRF) obligations to Congress in accordance with the Department of Homeland Security Appropriations Act, 2015, which established requirements for FEMA to issue monthly reports on the status of the DRF. FEMA remains committed to assisting all Americans before, during, and after disasters, and takes seriously the agency's duty to manage the DRF faithfully and with care and transparency.

However, it is important that readers of this report understand that OIG's claims that FEMA delayed OIG's access to the data contained in the Integrated Financial Management Information System (IFMIS) are inaccurate and misleading as they lack meaningful context and other specifics regarding the extent of FEMA's efforts to ensure that OIG received information needed to conduct its important work. Throughout this audit, in fact, FEMA was fully responsive to the OIG's requests for large data sets and

<sup>1</sup> 42 U.S.C. § 5121 et. seq.



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undertook substantial efforts to work with the limited ability of the OIG's system to receive large amounts of data and to ensure that requested information was provided to OIG promptly. Specifically, on February 9, 2024, the OIG requested the following data extracts from IFMIS covering the period October 1, 2017 to February 9, 2024:

- Detailed records for all obligations from the DRF;
- Detailed records of all transfers and reprogramming of DRF, with all available fields, including details of the original and reprogrammed/transferred funds;
- Payments/expenditures records for all DRF transactions; and
- Vendor records for each recipient included in the payment/expenditure data, including data fields related to the payment and obligation data.

FEMA's Office of Chief Financial Officer (OCFO) requested an extension to February 21, 2024, to provide these extracts due to the substantial amount of data requested, with which the OIG agreed. Shortly thereafter OCFO sent the OIG 13 data files on February 26, 2024, fully satisfying the request. However, due to the extensive amount of data requested, the file sizes were too large for the OIG's system to receive, and further coordination was required between FEMA and OIG from February 26 to March 1, 2024, to successfully transfer all the data files. It is true that this process was extraordinarily complex and took longer than initially anticipated, but OIG confirmed receipt of all files on March 4, 2024—not "more than 3 months later in May 2024." Even with FEMA needing to re-send one file on March 13, 2024, because of technical difficulties encountered in the initial transfer, it is simply not accurate to characterize the data sent by FEMA as not complete or usable. The information transmitted in March 2024 was fully responsive to the information requested by the OIG in February 2024.

Further, on March 13, 2024, OIG made two additional requests for data—the first of which was for FEMA to provide extracts previously shared as a single file due to a technical issue with the file, which was provided to OIG the same day and for which OIG confirmed receipt. The second request was for FEMA to provide documents pertaining to allocations of the DRF from 2013 to 2024, which was provided to OIG in several transmissions sent between March 27 to April 1, 2024, and for which OIG confirmed receipt on April 1, 2024. Although FEMA had to re-send some of the allocations of the DRF documents to OIG on April 9, 2024, due to further technical issues, FEMA reacted as soon as these concerns were brought to FEMA's attention. Further, FEMA then provided clarifying information to OIG on April 12, 2024, with OIG confirming receipt five days after FEMA responded to this additional request.

In addition, although the OIG's original request could be characterized as for all obligations, expenditures, transfers, and reprogramming of DRF funds, this is an oversimplification. In fact, the initial request received by FEMA OCFO was for 10 years of expenditures data only, and FEMA OCFO only gained clarity that OIG was seeking



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additional data after meeting with the OIG on May 8, 2024, to discuss and get clarification on the full extent of OIG's request. Once FEMA clearly understood OIG's request, the data was transmitted to OIG on as a set of 38 files transmitted to the OIG between May 17-24, 2024.

Taking this detailed timeline into consideration, it is disappointing that OIG's otherwise positive draft report does not more accurately describe the full breadth and extent of the assistance FEMA provided. This includes multiple transfers of information using alternative means to work around limitations imposed by OIG's own systems which is not at all reflected in OIG's characterization of waiting more than three months to receive "usable" information.

The draft report contained no recommendations. FEMA previously submitted technical comments addressing several accuracy, contextual, and other issues under a separate cover for OIG's consideration, as appropriate.

Again, thank you for the opportunity to review and comment on this draft report. Please feel free to contact me if you have any questions.



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### Appendix C:

### DRF Transfers for Disaster-Related Activities as Directed by Appropriations Laws

Fiscal Year(s)	Transfer Destination	Amount
2017–2023	DADLP	\$724,837,179
2018–2023	DHS OIG	\$41,000,000
2023	Hermit’s Peak/Calf Canyon Fires	\$2,500,000,000
2022	FEMA O&S	\$16,500,000
	<b>Total</b>	<b>\$3,282,337,179</b>

Source: DHS OIG analysis of IFMIS and Office of Management and Budget data





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### Appendix D: DRF Transfers to the DADLP

Fiscal Year(s)	Amount Transferred to DADLP from DRF
2017	(\$56,872,752) <sup>17</sup>
2018	\$369,881,900
2018	\$9,858,068
2018	\$385,671,000
2018	\$6,128,100
2018	\$48,945,943
2019	\$1,250,000
2019	\$450,000
2020	\$1,300,000
2021	\$1,337,651
2021	\$2,950,000
2021	\$3,000,000
2021	\$30,000,000
2022	\$65,865,539
2023	(\$144,928,269) <sup>18</sup>
<b>Total</b>	<b>\$724,837,179</b>

Source: DHS OIG analysis of IFMIS data and Office of Management and Budget data

<sup>17</sup> Section 310 of Pub. L. 115-31 directed FEMA to transfer \$56,872,752 in unobligated balances from the DADLP account to the DRF.

<sup>18</sup> Pursuant to Section 503 of Pub. L. 117-328, FEMA transferred \$144,928,269 of funds authorized by Pub. L. 115-72 for direct loans to local governments as a result of Hurricanes Harvey, Irma, or Maria after the window to issue loans for those hurricanes lapsed.



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**Appendix E:**

**Non-Disaster DRF Transfers Executed at the Discretion of DHS and FEMA**

Transfer Type	Fiscal Year(s)	Transfer Destination	Amount Transferred (in Millions)
Discretionary Transfers for Southwest Border	2017	ICE O&S	\$80,700,000
	2019	ICE O&S	\$38,000,000
	<b>Southwest Border Total</b>		<b>\$118,700,000</b>
Other Discretionary Transfers	2019	FEMA O&S	\$23,400,000
	2021	FEMA O&S	\$4,557,000
	2022	FEMA O&S	\$4,457,000
	2021	FEMA PC&I and FEMA O&S	\$11,453,000
	2017	Secret Service PC&I	\$15,977,000
	2017	TSA PC&I	\$15,300,000
	<b>Other Discretionary Transfers Total</b>		<b>\$75,144,000</b>
<b>Discretionary Transfers Total</b>			<b>\$193,844,000</b>

Source: DHS OIG analysis of IFMIS and Office of Management and Budget data



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