

Department of Homeland Security **Office of Inspector General**

**Catoosa County, Georgia, Effectively Managed
FEMA Public Assistance Grant Funds Awarded for
Severe Storms and Flooding in April 2011**



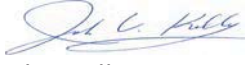


OFFICE OF INSPECTOR GENERAL
Department of Homeland Security

Washington, DC 20528 / www.oig.dhs.gov

September 19, 2014

MEMORANDUM FOR: Andrew Velazquez III
Acting Regional Administrator, Region IV
Federal Emergency Management Agency

FROM: 
John Kelly
Assistant Inspector General
Office of Emergency Management Oversight

SUBJECT: *Catoosa County, Georgia, Effectively Managed
FEMA Public Assistance Grant Funds Awarded for Severe
Storms and Flooding in April 2011*
FEMA Disaster Number 1973-DR-GA
Audit Report Number OIG-14-146-D

We audited Public Assistance grant funds awarded to Catoosa County, Georgia (County) (FIPS Code 047-99047-00). Our audit objective was to determine whether the County accounted for and expended Federal Emergency Management Agency (FEMA) grant funds according to Federal regulations and FEMA guidelines.

The County received a Public Assistance award of \$6.2 million from the Georgia Emergency Management Agency (Georgia), a FEMA grantee, for damages resulting from tornadoes and strong winds, which occurred in April 2011. The award provided 75 percent FEMA funding for debris removal activities and emergency protective measures. The award consisted of 5 large projects and 14 small projects.¹

We audited \$6.0 million awarded under four large projects as identified in table 1.

Table 1: Schedule of Projects Audited

Project Number	Category Of Work	Work Description	Amount Awarded
215	A	Debris Removal	\$ 149,050
293	B	Emergency Protective Measures	137,108
320	A	Debris Removal	5,444,594
343	B	Emergency Protective Measures	307,605
Total			\$6,038,357

Source: FEMA Project Worksheets

¹ Federal regulations in effect at the time of disaster set the large project threshold at \$64,200.



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The audit covered the period from April 26, 2011, to October 12, 2012, during which the County claimed \$6.2 million for all projects. At the time of our audit, the County had submitted final claims on all project expenditures to Georgia.

We conducted this performance audit between January 2014 and July 2014 under the authority of the *Inspector General Act of 1978*, as amended, 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 upon our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. To conduct this audit, we applied the statutes, regulations, and FEMA policies and guidelines in effect at the time of the disaster.

We interviewed County, Georgia, and FEMA personnel; gained an understanding of the County's method of accounting for disaster-related costs and its procurement policies and procedures; judgmentally selected (generally based on dollar values) and reviewed project costs and procurement transactions for the projects included in our audit scope; reviewed applicable Federal regulations and FEMA guidelines; and performed other procedures considered necessary to accomplish our audit objective. As part of our standard auditing procedures, we also notified the Recovery Accountability and Transparency Board of all contracts the County awarded under the grant to determine whether the contractors were debarred or whether there were any indications of other issues related to those contracts that would indicate fraud, waste, or abuse. As of the date of this report, the Recovery Accountability and Transparency Board's analysis of contracts was ongoing. When it is complete, we will review the results and determine whether additional action is necessary. We did not perform a detailed assessment of the County's internal controls applicable to its grant activities because it was not necessary to accomplish our audit objective.

RESULTS OF AUDIT

For the projects we reviewed, the County generally accounted for and expended FEMA Public Assistance grant funds according to Federal regulations and FEMA guidelines.

DISCUSSION WITH MANAGEMENT AND AUDIT FOLLOWUP

We discussed the results of our audit with County, Georgia, and FEMA officials during our audit. We also provided a draft report in advance to these officials and discussed it at an exit conference with FEMA on July 22, 2014 and with the County and Georgia on



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July 29, 2014. Because the audit did not identify any issues requiring further action from FEMA, we consider this audit closed.

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

Major contributors to this report are David Kimble, Director; Felipe Pubillones, Audit Manager; and Larry Jones, Auditor-in-Charge.

Please call me with any questions at (202) 254-4100, or your staff may contact David Kimble, Director, Eastern Regional Office, at (404) 832-6702.



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