

**Colorado Should Provide the
City of Evans More Assistance
in Managing FEMA Grant
Funds**





DHS OIG HIGHLIGHTS

Colorado Should Provide the City of Evans More Assistance in Managing FEMA Grant Funds

May 3, 2016

Why We Did This Audit

The City of Evans, Colorado (City) received a \$10.8 million grant from Colorado, a Federal Emergency Management Agency (FEMA) grantee, for damages from severe storms and flooding in September 2013. We conducted this audit early in the grant process to identify areas where the City may need additional technical assistance or monitoring to ensure compliance.

What We Recommend

FEMA should disallow \$3 million as ineligible contract costs and direct Colorado to increase its monitoring of the City to ensure it complies with Federal procurement standards for the \$7.2 million remaining grant funds.

For Further Information:

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

What We Found

The City accounted for disaster-related costs on a project-by project basis. However, the City did not follow Federal procurement standards in awarding 22 contracts totaling \$3.6 million, which included \$3.0 million for 12 non-exigent contracts and \$599,881 for 10 exigent contracts. As a result, full and open competition did not occur, and FEMA has no assurance that small and minority firms, women's business enterprises, and labor surplus area firms had sufficient opportunities to bid on federally funded work. In some instances, FEMA also has no assurance that costs were reasonable. We did not question any of the \$599,881 the City claimed for exigent contract work because lives and property were at risk. However, we did question all of the \$3 million the City claimed for non-exigent contract work.

At the time of the disaster, the City was unfamiliar with Federal requirements for contracting. Therefore, Colorado should have done more as FEMA's grantee to ensure the City was aware of and complied with Federal procurement standards. Because of our audit, the City modified its procurement policies to comply with Federal requirements and plans to amend its latest disaster contracts. If the City follows these new procedures, FEMA should have reasonable assurance that the City will spend the \$7.2 million that remains obligated for eligible disaster work according to Federal procurement standards.

FEMA Response

FEMA officials generally agreed with our findings and recommendations (see appendix C). FEMA provided planned actions to address the recommendations. Therefore, we consider this report open and resolved.




OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

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

May 3, 2016

MEMORANDUM FOR: Nancy J. Dragani
Acting Regional Administrator, Region VIII
Federal Emergency Management Agency



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

SUBJECT: *Colorado Should Provide the City of Evans
More Assistance in Managing FEMA Grant Funds*
Audit Report Number OIG-16-78-D

We audited Public Assistance grant funds awarded to the City of Evans, Colorado (City). The Colorado Department of Public Safety, Division of Homeland Security and Emergency Management (Colorado), a Federal Emergency Management Agency (FEMA) grantee, awarded the City \$10.8 million for damages resulting from severe storms and flooding in September 2013. The award provided 75 percent FEMA funding for debris removal, emergency protective measures, and permanent repairs to buildings and other facilities. We audited nine projects totaling \$10.3 million or about 96 percent of the total award (see appendix B, table 2). As of August 2015, the City had not completed work on most projects and, therefore, had not submitted a final claim to Colorado for all project expenditures.

We conducted this audit earlier in the Public Assistance process to identify areas where the City may need additional technical assistance or monitoring to ensure compliance. In addition, by undergoing an audit earlier in the grant cycle, grant recipients have the opportunity to correct noncompliance with Federal regulations before they spend the majority of their funding. It also allows them the opportunity to supplement deficient documentation or locate missing documentation before too much time elapses.

Background

In September 2013, devastating rains caused portions of the South Platte River to crest more than 8 feet above the flood stage. The resultant floodwaters inundated the City's park, displaced or destroyed 208 homes, and damaged many of the City's roads and public infrastructure. In addition, the scouring effect of the floodwaters uncovered an abandoned landfill that distributed glass shards and medical and household waste throughout the park.



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Figure 1: Eastwood Village, Evans, Colorado



Source: City of Evans, Colorado

Results of Audit

The City accounted for disaster-related costs on a project-by project basis. However, the City did not follow Federal procurement standards in awarding 22 contracts totaling \$3.6 million, which included \$3.0 million for 12 non-exigent contracts and \$599,881 for 10 exigent contracts. As a result, full and open competition did not occur, and FEMA has no assurance that small and minority firms, women's business enterprises, and labor surplus area firms had sufficient opportunities to bid on federally funded work. In some instances, FEMA also has no assurance that costs were reasonable. We generally do not question costs for work during exigent circumstances when lives and property are at risk. Therefore, we do not question any of the \$599,881 the City claimed for exigent contract work. However, we do question all of the \$3.0 million the City claimed for non-exigent contract work.

At the time of the disaster, the City was unfamiliar with Federal requirements for contracting. Therefore, Colorado should have done more as FEMA's grantee to ensure the City was aware of and complied with Federal procurement standards. Because of our audit, the City has modified its procurement policies and procedures to comply with Federal requirements and is taking steps to amend its latest disaster contracts. FEMA should direct Colorado to increase its monitoring of the City to ensure that the City complies with Federal procurement standards. Doing so should provide reasonable assurance that



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the City will spend the \$7.2 million that remains obligated for eligible disaster work according to Federal procurement standards.

Finding A: Improper Contracting

The City did not follow Federal procurement standards in awarding \$3.6 million for 22 contracts, which included \$3.0 million for 12 non-exigent contracts and \$599,881 for 10 exigent contracts. As a result, full and open competition did not always occur, which decreased opportunities for small and minority firms, women's business enterprises, and labor surplus area firms to compete for federally funded work, and may have increased the risk of fraud, waste, and abuse. In addition, because competition was inadequate, FEMA has no assurance that costs were reasonable.

We are not questioning any of the \$599,881 the City claimed for exigent work because lives and property were at risk. However, we are questioning all of the 12 non-exigent contracts totaling almost \$3.0 million as ineligible.

Federal procurement standards at 44 Code of Federal Regulations (CFR) 13.36, in part, require that subgrantees—

1. conduct procurement transactions in a manner providing full and open competition (44 CFR 13.36(c));
2. take all necessary affirmative steps to assure the use of minority firms, women's business enterprises, and labor surplus area firms when possible (44 CFR 13.36(e));
3. include required provisions in all their contracts (44 CFR 13.36(i); and
4. perform a cost or price analysis in connection with every procurement action and make independent estimates before receiving bids or proposals (44 CFR 13.36(f)(1)).



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Table 1: Non-compliance of Procurement Standards 1–4 Listed Previously

Notes	Contract Scope of Work	Number of Contracts	Contract Award Amount	Amount Questioned	Violations			
					1	2	3	4
Non-exigent, Permanent Work (12 Contracts)								
	Building Repair Work	1	\$1,554,512	\$1,554,512		X		
	Engineering and Consulting Services	4	515,020	515,020	X	X	X	X
1	Engineering and Consulting Services	2	59,215	59,215		X	X	
	Engineering and Consulting Services	2	533,086	533,086		X	X	X
2	Engineering and Consulting Services	1	168,407	168,407		X	X	X
	Flood Clean-up	1	47,856	47,856		X	X	
	Fencing Work	<u>1</u>	<u>79,950</u>	<u>79,950</u>		X	X	X
	Subtotal Non-exigent Work	<u>12</u>	<u>\$2,958,046</u>	<u>\$2,958,046</u>				
Exigent, Emergency Work (10 Contracts)								
3	Utility Repair Work	3	\$ 292,599	\$ 0	n/a	X	X	X
	Utility Repair Work	1	17,651	0	n/a	X	X	
	Protective Measure Supplies	1	105,090	0	n/a	X	X	
3	Protective Measure Supplies	1	21,650	0	n/a	X	X	X
	Road, Ditch and Berm Repairs	1	17,357	0	n/a	X	X	
2,3	Road, Ditch and Berm Repairs	2	79,211	0	n/a	X	X	X
	Debris Removal	<u>1</u>	<u>66,323</u>	<u>0</u>	n/a	X	X	X
	Subtotal Exigent Work	<u>10</u>	<u>599,881</u>	<u>0</u>				
	Grand Total	<u>22</u>	<u>\$3,557,927</u>	<u>\$2,958,046</u>				

Source: City documents and Office of Inspector General (OIG) analyses

1. FEMA has not yet obligated these costs; therefore, we classify these questioned costs as cost avoidance (see appendix B, table 2).
2. The City awarded these three contracts to minority firms and women’s business enterprises.
3. The City did not competitively award 6 of 10 exigent contracts; however, Federal regulations permit noncompetitive procurements during exigent circumstances.



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Full and Open Competition — Although the City competitively awarded its largest non-exigent contract (\$1.6 million or 44 percent of the total amount awarded), it awarded 4 of its 12 non-exigent contracts without full and open competition or without obtaining an adequate number of quotes.¹ These four non-exigent contracts were for engineering and consulting services, totaling \$515,020. Instead of soliciting competitive proposals, the City awarded the engineering and consulting contracts to an architectural and engineering (A/E) firm it had contracted with earlier in the disaster. The City selected the A/E firm because of its available capacity, depth of engineering expertise, and vital knowledge gained from working with the City over the past several years.

According to City officials, a FEMA representative directed them to proceed with the A/E firm because the City already had an existing contract with the firm awarded in accordance with its procurement process. However, the City's procurement policies did not conform to Federal requirements. The City also awarded 6 of its 10 exigent contracts without full and open competition. However, we did not consider this as a violation because Federal regulations allow an exception to competition when the public exigency or emergency for the requirement will not permit a delay resulting from competitive solicitation (44 CFR 13.36(d)(4)(i)(B)).

FEMA officials said they may have suggested that the City proceed with the A/E firm even if the initial contract did not comply with the procurement rules because it would not have made sense to delay work related to the City's wastewater treatment plant. Further, FEMA officials said they would have told the City to be prepared to support its contracting actions and to prepare a robust cost or price analysis to support the cost reasonableness of its noncompetitive contract.

Without full and open competition (or obtaining an adequate number of quotes for applicable small acquisitions), FEMA has little assurance that contract costs are reasonable. Full and open competition usually increases the number of bids received and thereby increases the opportunity for obtaining reasonable pricing from the most qualified contractors. It also allows greater opportunity for small businesses, minority firms, and women's business enterprises to compete for federally funded work. Full and open competition also helps discourage and prevent favoritism, collusion, fraud, waste, and abuse.

¹ For procurements less than the simplified acquisition threshold (\$150,000 at the time of the disaster), subgrantees must obtain price or rate quotes from an adequate number of qualified sources (44 CFR 13.36(d)(1)). See 75 Fed. Reg. 53,129, 53,130 (2010), as authorized under the Ronald W. Reagan National Defense Authorization Act for Fiscal Year 2005, Pub. L. No. 108-375, § 807, *modifying* 48 CFR § 2.101 (Federal Acquisition Regulation).



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Small, Minority- and Women-Owned Businesses — The City did not take the required affirmative steps to ensure the use of small and minority firms and women’s business enterprises whenever possible for any of the 22 contracts it awarded. Although the City did not actively consider these types of businesses, it did award three contracts totaling \$247,618 to minority firms and women’s business enterprises. City officials said they thought they met the required affirmative steps by publicizing projects in the local newspaper and posting projects to an e-purchasing system, which is available to anyone.

Federal regulations require the City to take affirmative steps to solicit these types of businesses when procuring goods and services under federally funded work (44 CFR 13.36(e)). The required steps include placing qualified small and minority businesses and women’s business enterprises on solicitation lists and using the services and assistance of the Small Business Administration and the Minority Business Development Agency of the Department of Commerce to solicit and use these firms (44 CFR 13.36(e)(2)(i) and (v)). Simply placing solicitations in the newspaper and e-purchasing system does not meet the requirements for affirmative steps.

Required Contract Provisions — The City did not include all required provisions in 21 of the 22 contracts it awarded. Federal regulations require specific provisions for contracts and subcontracts, including remedies and termination clauses, non-discrimination, compliance with labor laws, and prohibitions of “kickbacks” (44 CFR 13.36(i)). These provisions describe the rights and responsibilities of the parties and minimize the risk of misinterpretations and disputes. City officials said they were unaware of the need to include the Federal provisions within its contracts. City officials said they will include the provisions in all future contracts and are taking steps to amend two current contracts to include the provisions.

Cost or Price Analysis — The City did not perform the federally required cost or price analysis for 15 of the 22 contracts it awarded. The absence of a cost or price analysis increases the risk of unreasonable contract costs and misinterpretations or errors in pricing relative to scopes of work. Although the City did not always prepare a cost or price analysis, City officials said they had a general perception of what was reasonable based on their knowledge of the industry and prior experiences. Nonetheless, Federal regulations require subgrantees to perform a cost or price analysis in connection with every procurement action including contract modifications and to make independent estimates *before* receiving bids or proposals (44 CFR 13.36(f)(1)).



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Conclusion and Discussion with City Officials

The City violated one or more Federal procurement standards for each of its 22 contracts totaling \$3.6 million. We are not questioning any of the \$599,881 the City claimed for exigent work because lives and property were at risk. However, we are questioning all of the 12 non-exigent contracts totaling almost \$3 million as ineligible.

City officials stated that they were not fully aware of the required procurement standards for Federal grants, and that, although they received FEMA's subsequent procurement training, it was too technical to follow and needed to include simpler language. Because of our audit, the City updated its purchasing policy on January 5, 2016, to comply with Federal procurement standards. The new policy includes taking the necessary affirmative steps to assure the use of minority businesses, women's business enterprises, and labor surplus area firms when possible. The City is also taking steps to amend its latest contracts to include all required provisions. City officials estimated that they plan to spend about \$7.2 million for disaster-related contract work they have not yet started.

Finding B: Grant Management

Colorado should have done more as FEMA's grantee to ensure the City was aware of and complied with Federal procurement standards. In its FEMA-State Agreement (FSA-4145-DR-CO, Exhibit B, General Conditions), Colorado agreed to "comply with the requirements of laws and regulations found in the Stafford Act and 44 CFR." Further, Federal regulations at 44 CFR 13.37(a)(2) and 13.40(a) require grantees to (1) ensure that subgrantees are aware of Federal regulations, (2) manage the operations of subgrant activity, and (3) monitor subgrant activity to ensure compliance. It was Colorado's responsibility to ensure the City complied with applicable Federal regulations and FEMA guidelines. It is FEMA's responsibility to hold Colorado accountable for proper grant administration.

We discussed this issue with Colorado and FEMA officials, who said FEMA's Procurement Disaster Assistance Team had recently conducted multiple mandatory training sessions on Federal procurement standards for Public Assistance applicants, including the City. In addition, Colorado created a procurement guide for FEMA Public Assistance projects in June 2015 to assist eligible applicants in identifying and applying the required FEMA regulations when using FEMA grant funds.² Moreover, according to Colorado officials, the

² According to Colorado officials, Colorado sent an earlier version of the procurement matrix to the City on July 30, 2014.



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City had received assistance early in the disaster from the Department of Local Affairs Division of Local Government, which dedicated one of its regional managers to provide the City with guidance and support. Colorado officials also said that the City had hired a retired Colorado field manager to coordinate its recovery activities.³ Nonetheless, the City continued to award contracts that violated one or more procurement standards.

Because of our audit, the City modified its procurement policies and procedures to comply with Federal requirements. However, the City continues to need additional guidance on Federal procurement policies; therefore, Colorado should increase its monitoring of the City to ensure it complies with Federal procurement standards. Doing so should provide reasonable assurance that the City will spend the \$7.2 million that remains obligated according to Federal procurement standards.

Recommendations

We recommend that the Regional Administrator, FEMA Region VIII:

Recommendation 1: Disallow \$2,958,046 (\$2,218,535 Federal share) as ineligible contract costs, unless FEMA grants an exception for all or part of the costs as 44 CFR 13.6(c) allows and determines the costs are reasonable (finding A). We consider this recommendation to be resolved because, on March 24, 2016, FEMA Region VIII provided an action plan to perform a comprehensive review of the City's costs.

Recommendation 2: Direct Colorado to continue providing technical assistance to the City and increase its monitoring of the City to ensure it complies with Federal procurement regulations for awarding disaster contracts and to prevent the potential improper spending of approximately \$7,171,695 (\$5,378,771 Federal share) in procurements (finding B). We consider this recommendation to be resolved because, on March 24, 2016, FEMA Region VIII provided an action plan to direct Colorado to increase its proactive review of the City's procurement actions.

³ The Department of Local Affairs Division of Local Government (DLG) is a state department and agency dedicated to building capacity within local governments. FEMA trains DLG regional managers on the Public Assistance Program.



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Discussion with Management and Audit Follow-up

We discussed the results of our audit with City, Colorado, and FEMA officials during our audit. We also provided a draft report to FEMA, Colorado, and City officials and discussed it at exit conferences with FEMA and Colorado officials on February 11, 2016, and with City officials on February 12, 2016. We considered their comments in developing our final report and incorporated their comments as appropriate.

We received FEMA's written response to this report on March 24, 2016 (see appendix C). We determined that FEMA's planned actions were sufficient to resolve our two recommendations. Please provide our office a written response by the planned target completion date (February 1, 2017). Also, please include the contact information for responsible parties and any other supporting documentation necessary to inform us about the status of the recommendations. Please email a signed pdf copy of all responses and closeout request to paige.hamrick@oig.dhs.gov.

The Office of Emergency Management Oversight major contributors to this report are Paige Hamrick, Director; David B. Fox, Acting Audit Manager; Dwight McClendon, Auditor-In-Charge; and Douglas Denson, Auditor.

Please call me with any questions at (202) 254-4100, or your staff may contact Paige Hamrick, Director, Central Regional Office - North, at (214) 436-5200.



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Appendix A **Objective, Scope, and Methodology**

We audited Public Assistance grant funds awarded to the City of Evans, Colorado, Public Assistance Identification Number 123-25280-00. Our audit objective was to determine whether the City accounted for and expended FEMA grant funds according to Federal regulations and FEMA guidelines for FEMA Disaster Number 4145-DR-CO. The City received a Public Assistance award of \$10.8 million from Colorado for damages resulting from severe storms and flooding during September 11, through September 30, 2013. The award provided 75 percent FEMA funding for debris removal, emergency protective measures, and permanent repairs to buildings and other facilities. The award consisted of 11 large projects and 5 small projects.⁴

We audited nine projects (eight large and one small) totaling \$10.3 million or 96 percent of the total award (see appendix B, table 2). The audit covered the period September 11, 2013 (first day of the incident period), to November 18, 2015 (our audit cut-off date). We conducted this audit earlier in the Public Assistance process to identify areas where the City may need additional technical assistance or monitoring to ensure compliance before it spent the majority of its funding.

We interviewed FEMA, Colorado, and City officials; gained an understanding of the City's method of accounting for disaster-related costs and both its original and revised procurement policies and procedures; judgmentally selected (generally based on dollar value) and reviewed project costs and procurement transactions for the projects in our audit scope; reviewed applicable Federal regulations and FEMA guidelines; and performed other procedures considered necessary to accomplish our objective. We did not assess the adequacy of the City's internal controls applicable to grant activities because it was not necessary to accomplish our audit objective.

⁴ Federal regulations in effect at the time of disaster set the large project threshold at greater than \$67,500 [*Notice of Adjustment of Disaster Grant Amounts*, 77 Fed. Reg. 61,423 (Oct. 9, 2012)].



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Appendix A (continued)

We conducted this performance audit between August 2015 and February 2016 pursuant to 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 upon 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.



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Appendix B Potential Monetary Benefits

Table 2: Projects Audited, Questioned Costs, and Cost Avoidance

Project Number	FEMA Category of Work*	Award Amount	Questioned Costs (Finding A)	Cost Avoidance (Findings A & B)
227	F	\$ 48,759	\$ 50,000	\$ 0
997	G	5,639,332	558,086	0
1081	F	1,946,687	1,734,462	**53,716
23	B	239,455	0	**1,551
302	C	1,270,783	318,407	**134
608	G	588,377	25,000	0
617	A	82,049	50,000	0
634	G	117,340	115,020	**781
680	B	385,941	47,856	**3,034
Various		Unknown	0	***7,171,695
Total		\$10,318,723	\$2,898,831	\$7,230,911

Source: FEMA project worksheets City records and OIG analysis

* FEMA classifies disaster-related work by type: debris removal (Category A), emergency protective measures (Category B), and permanent work (Categories C through G).

** FEMA has not yet obligated \$59,215 the City expended in contracting costs; therefore, we classify them as a cost avoidance.

*** This is the amount of contract costs the City plans to spend to complete the remainder of its disaster-related projects. However, we cannot be sure to which projects these expenditures will relate.

Table 3: Summary of Potential Monetary Benefits

Type of Potential Monetary Benefit	Amounts	Federal Share
Questioned Costs – Ineligible	\$ 2,898,831	\$ 2,174,123
Questioned Costs – Unsupported	0	0
Cost Avoidance	7,230,911	5,423,183
Totals	\$10,129,742	\$7,597,306

Source: OIG analysis of report findings



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Appendix C
FEMA's Response to Draft Report


U.S. Department of Homeland Security
Region VIII
Denver Federal Center, Building 710
P.O. Box 25267
Denver, CO 80225-0267



FEMA

R8-Recovery

MEMORANDUM FOR: Paige Hamrick
Director, Central Regional Office – North
Office of Inspector General (OIG)

FROM: 
Robert A. Farmer
Acting Regional Administrator

SUBJECT: Management's Response to OIG Draft Report: "Colorado Should Give the City of Evans More Assistance in Managing FEMA Grant Funds"
Job Code: G-15-033

Thank you for the opportunity to review and comment on the subject draft report. FEMA is pleased to note that the draft report makes reference to the work the State of Colorado (State) did in several areas to provide the City of Evans, Colorado (City) with guidance and support. The Region also notes that both Grantees and Sub-recipients are responsible for complying with Federal grant management guidelines.

FEMA and the State have taken actions to ensure that the City better understands and complies with Federal procurement requirements. FEMA has provided procurement training to the City through the FEMA Procurement Disaster Assistance Team (PDAT) presentations. We recognize the extensive efforts initiated by the State to provide assistance to the City during the disaster and the resulting response and recovery periods.

The draft report contains two recommendations:

Recommendation 1: "Disallow \$2,958,047 (\$2,218,536 Federal share) as ineligible contract costs, unless FEMA grants an exception for all or part of the costs as 44 C.F.R. 13.6(c) allows and determines the costs are reasonable (finding A)."

Response: Concur. FEMA plans to conduct a comprehensive analysis of costs in accordance with FEMA doctrine on Large Project Closeout, and exercise its discretionary enforcement authority under C.F.R. § 13.43(a)(5) to allow reimbursement of the costs determined fair and reasonable.

FEMA and the State have taken actions to ensure the City better understands and complies with Federal procurement requirements. FEMA has provided procurement training to the City through their participation in PDAT training, arranged by the State and delivered by FEMA

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Appendix C (continued)

Management's Response to OIG Draft Report: "Colorado Should Give the City of Evans More Assistance in Managing FEMA Grant Funds"

Page 2

Headquarters and Regional staff. FEMA will continue to reinforce messaging through the State that failure to comply with Federal procurement requirements jeopardizes Federal funding. Additionally, the State conducts a review of all sub-recipient costs to insure they are reasonable and properly documented prior to disbursement of any funding. FEMA will further review all documentation and costs per Large Project Closeout doctrine, with specific emphasis on costs associated with properly awarded contracts. Based on the actions taken, FEMA requests that this recommendation be considered resolved and closed.

Recommendation 2: "Direct Colorado to continue providing technical assistance to the City and increase its monitoring of the City to ensure it complies with Federal procurement regulations for awarding disaster contracts and to prevent the potential improper spending of approximately \$7,171,695 (\$5,378,771 Federal Share) in procurements (finding B)."

Response: Concur. FEMA agrees with the importance and value of the State providing technical assistance and monitoring to its sub-recipients. We recognize the extensive efforts initiated by the State to provide assistance to the City during the disaster and the resulting response and recovery periods. As part of this effort, the State provided the City with full access to a regional manager from the Department of Local Affairs to provide direct assistance and support.

In addition, the State gave the City written resources dedicated to the Federal procurement process, including the OIG Audit Tips document and State-generated procurement aids. The State ensured the City participated in FEMA-sponsored PDAT training sessions as they became available. Representatives of the City attended two of these training sessions. To promote enhanced compliance with future procurement and contracting decisions, FEMA will remind the State to continue these efforts. FEMA also will ask the State to work with the City to encourage a proactive review of all future contracting efforts. Based on the actions taken, FEMA requests that this recommendation be considered resolved and open.

ECD: February 2017.

Again, thank you for the opportunity to review and comment on the subject draft report. Technical comments were previously provided under separate cover. Please contact Tom Bush at (303) 235-4860 should you have questions or need additional information, and we look forward to working with you in the future.



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Appendix D **Report Distribution**

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Appendix D (continued)

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