




STATE OF FLORIDA

# DIVISION OF EMERGENCY MANAGEMENT

Ron DeSantis  
Governor

Jared Moskowitz  
Director

## MEMORANDUM

**TO:** Jared Moskowitz, Director  
**FROM:** Susan Cureton, Inspector General   
**DATE:** February 20, 2020  
**SUBJECT:** Six-Month Status Report to Auditor General Report No. 2020-016

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Pursuant to § 20.055(6)(h), Florida Statutes, the Office of Inspector General conducted a six-month follow-up regarding the status of corrective actions for findings included in the Auditor General's report number 2020-016, *Operational Audit – Public Assistance Program and Prior Audit Follow-Up*. The final report was issued by the Auditor General in August 2019, and contained four findings and four recommendations related to FDEM.

Please find attached our six-month status report regarding management's update to the findings included in the Auditor General's report. We appreciate the assistance and cooperation provided by staff members of FDEM's Recovery Bureau, Preparedness Bureau, and Finance Section during this project.

If you have any questions, please let me know.

Attachment

CC: Kevin Guthrie, Deputy Director  
Jon Bussey, Chief of Staff  
Melinda Miguel, Chief Inspector General  
Joint Legislative Auditing Committee

# Florida Division of Emergency Management



## Office of Inspector General

Six-Month Status Report to  
Auditor General Report No. 2020-016

February 20, 2020



## **INTRODUCTION**

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Pursuant to § 20.055(6)(h), Florida Statutes, the Office of Inspector General (OIG) for the Florida Division of Emergency Management (FDEM) conducted a six-month follow-up regarding the status of corrective actions for findings included in the Auditor General's report number 2020-016, *Operational Audit – Public Assistance Program and Prior Audit Follow-Up*. The final report was issued by the Auditor General in August 2019, and contained four findings and four recommendations.

## **SUMMARY OF FINDINGS & MANAGEMENT'S RESPONSE**

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The OIG requested management in FDEM's Recovery Bureau, Preparedness Bureau, and Finance Section to provide a six-month status update regarding the findings included in the Auditor General's report number 2020-016. The following is a summary of the Auditor General's findings and recommendations, along with FDEM management's six-month status update.

### **AUDITOR GENERAL FINDING 1: PA Program Awards**

**Finding:** The Division had not established a time frame for notifying subgrantees of Federal Emergency Management Agency approval of subgrantee Project Worksheets and some subgrantees were notified 40 or more days after such approval. In addition, the Division did not always advance subgrantee projects through FloridaPA.org in accordance with established workflow requirements.

**Recommendation:** We recommend that Division management enhance policies and procedures to specify a timeframe for notifying subgrantees of FEMA Project Worksheet approval and ensure that subgrantees are timely notified pursuant to the established time frame. We also recommend that Division management ensure that projects are advanced through FloridaPA.org in accordance with established workflow requirements.

**FDEM Management Response:** We concur with this finding. A comprehensive Grants Management Standard Operating Procedure (SOP) has been developed and is currently in the formal adoption process. Recovery Bureau Staff is more closely monitoring all workflow steps to ensure timely progression of projects through the grant management process. Furthermore, the party responsible for each step is clearly identified in the SOP. Additionally, FEMA's process of project obligation (approval of Project Worksheets) has changed and subrecipients now receive notice from FEMA, via Grants Portal notifications, under the new FEMA Public Assistance Program Delivery Model. FloridaPA.org syncs daily with FEMA's Emergency Management Mission Integrated Environment (EMMIE) database to capture project obligations on a daily basis and notice is automatically sent via FloridaPA.org to all account holders assigned to that subrecipient who have opted in to receiving such notifications.

**FDEM Management Six-Month Status Update:** The comprehensive Grants Management Standard Operating Procedure (SOP) was finalized September 24, 2019 and is fully implemented. The Recovery Bureau has since expanded on several processes included in the SOP through job aides, such as Small Project Closeout, Large Project Closeout, Account Closeout, and Project



Amendments, with more in development. Workflows in FloridaPA.org have been adjusted to be more efficient. Additionally, the Recovery Bureau has updated the Subgrant agreement process for Hurricane Irma to mirror other disasters. An amendment is no longer needed for each obligated project, which allows projects to be reviewed and paid more quickly. Lastly, all processes included in our original response are still in effect, including notifications being sent through FloridaPA.org.

### **AUDITOR GENERAL FINDING 2: Subgrantee Quarterly Reports**

**Finding:** Division controls for subgrantee quarterly reporting need enhancement.

**Recommendation:** We recommend that Division management strengthen controls to ensure that subgrantees timely submit quarterly reports to the Division in accordance with established guidelines. Such control enhancements should include the establishment of policies and procedures to follow up with and, as appropriate, take enforcement action against, subgrantees who do not timely provide quarterly reports. Additionally, we recommend that Division management ensure that Division records evidence the completed review of all subgrantee quarterly reports prior to the submission of Quarterly Progress Reports to FEMA.

**FDEM Management Response:** We concur with this finding. The Recovery Bureau has made improvements to Florida PA whereby information needed from Subrecipients to complete the FEMA quarterly report is automatically compiled and provided in a format that matches the FEMA dictated format. This process will identify any Subrecipients who have not yet completed the quarterly reports, and staff or staff augmentation contractors at Bureau direction will follow-up with any noncompliant subrecipients. Quarterly Report management is part of the comprehensive Grants Management Standard Operating Procedure and a job aide for subrecipients was created and is also in the adoption/approval process, and will be made available to all Subrecipients. Additionally, the Recovery Bureau has created a Compliance Unit, whose mission is to monitor Subrecipient compliance with all federal and state program requirements and to perform programmatic and fiscal monitoring of Subrecipients. Submission of quarterly reports will be a part of this unit's risk assessment and monitoring.

**FDEM Management Six-Month Status Update:** The comprehensive Grants Management SOP (finalized September 24, 2019) includes the Quarterly Reports Workflow and the finalized Quarterly Reports job aide is on our website, FloridaPA.org, as a resource for subrecipients. Our current process includes safeguards that ensure all quarterly reports for large projects are received and sent to FEMA in an accurate, timely manner. Additionally, beginning in October 2019, the Recovery Bureau cleared the queue of previously unreviewed reports to ensure quarterly reports reflect an accurate (completed) reporting status in FloridaPA.org. All processes included in our original response are still in effect. The Compliance Unit uses the timely submission of quarterly reports as a factor in determining subrecipient risk and tailors subrecipient monitoring in accordance with this risk level.



### **AUDITOR GENERAL FINDING 3: Grant Matching Requirements**

**Finding:** Division policies, procedures, and processes for ensuring that grant award recipients meet State matching requirements continue to need improvement.

**Recommendation:** We recommend that Division management enhance policies and procedures to require counties to provide documentation to the Division demonstrating compliance with EMPA grant matching requirements. We also recommend that Division management revise the close-out report to address EMPA grant matching requirements.

**FDEM Management Response:** The Division concurs with this finding. To satisfy this audit finding, we will update our Close Out Report to require counties to provide us with final county budget expenditures to support the utilization of the \$105,806 EMPA award.

The Division will also work to update Florida Administrative Code 27P-19 to further define match requirements for base grant awards.

**FDEM Management Six-Month Status Update:** During FY2019-20 monitoring visits (on-site/desk-top), grants managers are requesting the sub-recipient's general ledger report which reflects current local EM general revenue expenditures. Unit has updated reporting forms to reflect final local general revenue match expenditures at close-out period. Unit is also updating Grants Handbook to address this reporting requirement.

### **AUDITOR GENERAL FINDING 4: Contract Information Reporting**

**Finding:** As similarly noted in our report No. 2016-188, the Division did not always timely post contract information to the Florida Accountability Contract Tracking System as required by State law and some contract information posted was not valid.

**Recommendation:** We recommend that Division management enhance procedures to ensure that valid contract information is timely posted to FACTS as required by State law.

**FDEM Management Response:** We concur. The Division is in the process of procuring a new grants management tool that will resolve these issues.

**FDEM Management Six-Month Status Update:** The new grants management tool has been procured. The vendor is in the process of creating workflows in the system for all grants management activities. Once the project is complete, we should be able to track agreements and process them timely in FACTS. Currently, the "go live" date is set for April 2020 (date subject to change).

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Florida Division of Emergency Management

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Inspector General