



**Office of Inspector General**  
U.S. Department of Homeland Security

Hotline



# Hurricane Katrina

- **FEMA Should Recover \$216.2 Million Awarded to the Recovery School District in Louisiana for Hurricane Katrina**

## Executive Summary

As of October 2016, the Recovery School District in Louisiana (RSD) had received a \$1.5 billion Public Assistance grant from Louisiana, a Federal Emergency Management Agency (FEMA) grantee, for damages resulting from Hurricane Katrina. We examined \$1.3 billion for a consolidated project as part of the total amount awarded. In some instances, RSD accounted for and expended portions of the \$1.3 billion in Public Assistance grant funds we reviewed according to Federal regulations. However, FEMA improperly awarded \$216.2 million to repair or replace more than 292 Orleans Parish school facilities in RSD. We made eight recommendations to FEMA to de-obligate \$216.2 million of ineligible costs; follow Federal regulations and FEMA guidelines; and re-evaluate documented proof of assessments for the 35 identified projects and reclassify them, as appropriate, to repair-eligible, and de-obligate the cost difference. FEMA concurred with recommendations 2 through 7 but did not concur with recommendations 1 and 8. We consider recommendations 2 through 7 resolved and open; recommendations 1 and 8 are unresolved and open.

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[Recovery School District](#)

[Louisiana](#)

[Hurricane Katrina](#)

[Disaster Recovery](#)

[Repair or Replace](#)

**Fiscal Year** 2020

- **Summary and Key Findings of Fiscal Year 2017 FEMA Disaster Grant and Program Audits**

Executive Summary

Collectively, our FY 2017 work shows that FEMA continues to face systemic problems and operational challenges, as the variety of findings summarized in this report illustrates. In FY 2017, FEMA did not manage disaster relief grants and funds adequately and did not hold grant recipients accountable for properly managing disaster relief funds. We continue to identify problems such as improper contract costs, and ineligible and unsupported expenditures.

In FY 2017, we identified \$2.08 billion in questioned costs, which represents 96 percent of the \$2.16 billion audited.<sup>2</sup> We issued 37 reports concerning FEMA grants, programs, and operations funded by the DRF. Specifically, we conducted 16 grant audits, 13 proactive audits, and 8 program audits. In the last 9 fiscal years, we audited grant funds totaling \$13.75 billion and reported potential monetary benefits of \$6.55 billion.

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[Texas](#)

[New Orleans](#)

[Sewerage and Water Board of New Orleans](#)

[FEMA Region 6](#)

[Stafford Act](#)

**Fiscal Year** 2018

- **FEMA Should Disallow \$2.04 Billion Approved for New Orleans Infrastructure Repairs**

Executive Summary

We determined that FEMA did not have sufficient evidence to support its decision that Hurricanes Katrina and Rita directly caused damages to the roads and water distribution system. The demonstration of direct cause is necessary for work to be considered eligible for Federal disaster assistance funding, as required by the Stafford Act and FEMA's own

policies. As a result, FEMA should not have awarded the initial \$785 million, or the additional \$1.25 billion to complete the repairs. We recommended that FEMA disallow \$2.04 billion in questioned costs —the initial award of \$785 million, plus the additional \$1.25 billion award. We made two recommendations and FEMA non-concurred with both of our recommendations.

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[New Orleans](#)

[Hurricane Katrina](#)

[Hurricane Rita](#)

[Disaster Recovery](#)

**Fiscal Year** [2017](#)

- ## [Roman Catholic Church of the Archdiocese of New Orleans](#)

[Executive Summary](#)

The Roman Catholic Archdiocese of New Orleans is a division of the Roman Catholic Church and is the second-oldest diocese in the United States. The Archdiocese encompasses 8 civil parishes in the New Orleans metropolitan area and includes 108 church parishes. In addition to the religious facilities of each church parish, the Archdiocese also owns primarily non-religious facilities including school buildings, elderly and disabled persons housing, and charitable assistance buildings. Hurricane Katrina's high winds and flooding caused extensive damage to many of the Archdiocese's primarily non-religious buildings. The Archdiocese accounted for disaster costs on a project-by-project basis, as required. However, the Archdiocese did not always follow federal procurement standards, and its claim included \$520,952 in ineligible costs for markups on contract costs (\$510,328) and costs not incurred (\$10,624).

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New Orleans  
Hurricane Katrina

**Fiscal Year** 2010  
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