



### Why This Matters

Prairie Land Electric Cooperative Inc., received an award of \$27 million from the Kansas Division of Emergency Management, a Federal Emergency Management Agency (FEMA) grantee, for damages caused by a severe winter storm on November 27–28, 2005. FEMA provides such assistance to state, Tribal, and local governments, and certain types of private nonprofit organizations so that communities can quickly respond to and recover from major disasters or emergencies declared by the President. We perform audits of FEMA grantees and subgrantees, focusing on grants with potential for problems and areas that are of interest to Congress and FEMA.

### DHS Response

FEMA Regional officials agreed with our finding and recommendation but contended that FEMA headquarters will grant a mutual aid policy waiver, which will negate the need to disallow funding. FEMA's written response is due within 90 days.

### For Further Information:

Contact our Office of Public Affairs at (202)254-4100, or email us at [DHS-OIG.OfficePublicAffairs@dhs.gov](mailto:DHS-OIG.OfficePublicAffairs@dhs.gov)

## FEMA Public Assistance Grant Funds Awarded to Prairie Land Electric Cooperative, Inc., Norton, Kansas

### What We Determined

Prairie Land Electric Cooperative, Inc., generally accounted for and expended Federal Emergency Management Agency (FEMA) grant funds according to federal regulations and FEMA guidelines. However, we question \$133,440 because Prairie Land Electric Cooperative Inc., claimed mutual aid costs for completing permanent restorative work, which is not eligible according to FEMA policy.

### What We Recommend

We recommend that the Regional Administrator, FEMA Region VII, disallow \$133,440 (\$100,080 federal share) of ineligible costs for mutual aid work that FEMA classified as permanent work.