

**DHS Contracts and Grants  
Awarded through Other than  
Full and Open Competition,  
FY 2014**





# HIGHLIGHTS

## ***DHS Contracts and Grants Awarded through Other than Full and Open Competition, FY 2014***

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**April 10, 2015**

### **Why We Did This**

On January 17, 2014, Congress enacted Public Law 113-76, *Consolidated Appropriations Act, 2014*. According to Section 520 (a), the Secretary of Department of Homeland Security (DHS) shall submit a report not later than October 15, 2014, to the Office of Inspector General, listing all grants and contracts awarded by any means other than full and open competition during fiscal year (FY) 2014. As required, we reviewed the report and assessed departmental compliance with applicable laws, regulations, and departmental procedures.

### **What We Recommend**

We made no recommendations.

#### **For Further Information:**

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

### **What We Found**

In FY 2014, DHS awarded 399 noncompetitive contracts worth about \$306 million. This represents a continuing decrease of more than \$3 billion obligated through noncompetitive contracts over a 6-year period. We reconciled the entire FY 2014 contract listing against the Federal Procurement Data System and found that the data between the two lists were 99.8 percent identical.

Also in FY 2014, DHS awarded 66 noncompetitive grants worth about \$126 million. Although three noncompetitive grants worth approximately \$3.2 million did not meet accuracy, timeliness, or completeness standards, approximately 95.5 percent did meet the requirements as set forth in the *Federal Funding Accountability and Transparency Act of 2006*.

### **DHS' Response**

The Department did not provide formal management comments for inclusion in the final report but provided technical comments to the draft report which we incorporated as appropriate.



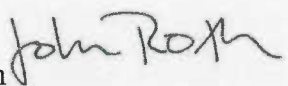
## OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

Washington, DC 20528 / [www.oig.dhs.gov](http://www.oig.dhs.gov)

April 10, 2015

MEMORANDUM FOR: The Honorable Chip Fulghum  
Acting Deputy Under Secretary for Management  
Department of Homeland Security

FROM: John Roth   
Inspector General

SUBJECT: *DHS Contracts and Grants Awarded through  
Other than Full and Open Competition, FY 2014*

For your information is our final report, *DHS Contracts and Grants Awarded through Other than Full and Open Competition (OTFOC), FY 2014*. We reviewed and incorporated technical comments from the Department and Components in the final report as necessary. The Department did not submit formal management comments. This report contains no recommendations.

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

The Office of Audits major contributors to this report are Donald Bumgardner, Audit Director; Andrew Smith, Audit Manager; Jeff Mun, Auditor-in-Charge; Kalimuddin Ahmad, Auditor; David Porter, Auditor; Kevin Dolloson, Communications Analyst; and Kevin King, Independent Referencer.

Please call me with any questions, or your staff may contact Mark Bell, Assistant Inspector General for Audits, at (202) 254-4100.

### Background

According to the *Competition in Contracting Act of 1984*, with limited exceptions, contracting officers are required to promote and provide for full and open competition in soliciting offers and awarding Federal government contracts. The Federal Acquisition Regulation (FAR) codifies uniform policies for acquiring supplies and services by executive agencies and requires Federal agencies to collect and report data to the Federal Procurement Data System – Next Generation (FPDS).

The government uses the data in FPDS to measure and assess the impact of Federal procurement on the Nation's economy; the system includes information





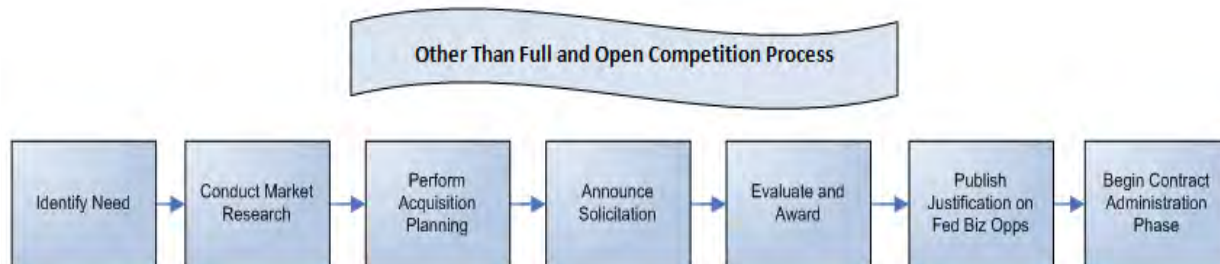
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Procurement Policy requires Federal agencies to certify annually that the data entered into FPDS is accurate and complete. We used the data in this system to review noncompetitive contracts.

As depicted in figure 1, the Department's process for awarding contracts through other than full and open competition begins when acquisition personnel identify a need. These acquisition personnel are to perform market research to determine the most suitable approach to acquire, distribute, and manage supplies and services to support the Department's mission. Next, acquisitions are planned to help ensure that the government is meeting its needs in the most effective, economical, and timely manner.

**Figure 1: Process for Awarding Contracts Through Other than Full and Open Competition**



Source: DHS-OIG

In September 2006, Congress passed the *Federal Funding Accountability and Transparency Act of 2006* (FFATA), which required the Office of Management and Budget (OMB) to ensure the existence and operation of a single searchable website for all Federal contracts and grants. FFATA requires that entries shall be updated not later than 30 days after the award of any Federal award requiring a posting. In December 2007, the website USAspending.gov was first launched to fulfill these requirements.

In June 2013, OMB issued the Memo *Improving Data Quality for USAspending.gov* to agency Chief Financial Officers. OMB officials stated that to ensure USAspending.gov is providing current and accurate information, OMB and Federal agencies must take steps to ensure data reliability and quality.

OMB required agencies, by October 1, 2013, to develop and implement procedures to validate USAspending.gov data, and within 60 days of the close of each quarter to report to OMB the accuracy rate of USAspending.gov data based on the Department's validation process. Based on the validation process, OMB required that by November 15, 2014, agencies must:

- make assurances that USAspending.gov data is correct;
- have adequate internal controls over the underlying spending; and



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- have implemented processes to ensure data completeness and accuracy on USAspending.gov.

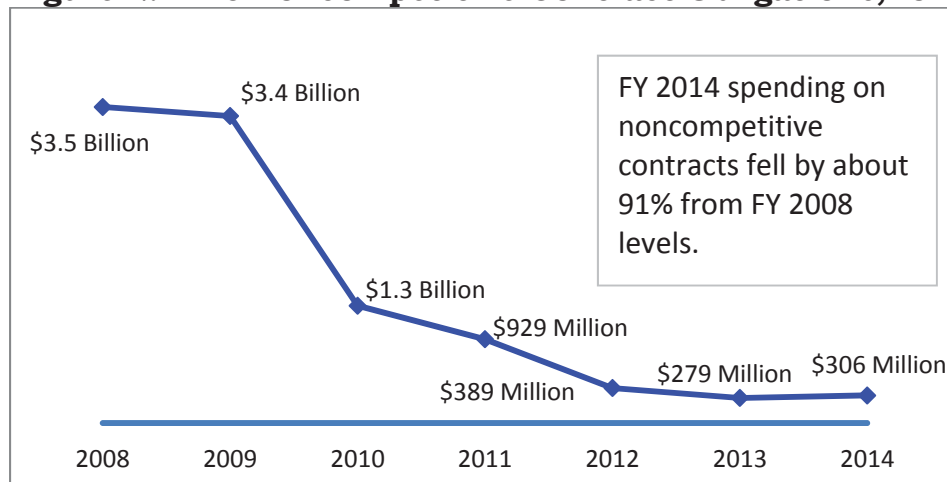
On January 17, 2014, the Congress enacted Public Law 113-76, *Consolidated Appropriations Act, 2014*, for the fiscal year (FY) ending September 30, 2014. According to Section 520 (a) of the law, the Secretary of Homeland Security shall submit a report not later than October 15, 2014, to the OIG of DHS listing all grants and contracts awarded by any means other than full and open competition during FY 2014. Section 520 (b) required the Inspector General shall review the report required by subsection (a) to assess departmental compliance with applicable laws and regulations and report the results.

As required by law, we reviewed the DHS Secretary's report provided by the Under Secretary for Management (USM) on October 31, 2014, listing all contracts and grants awarded by any means other than full and open competition (noncompetitive) during FY 2014; and assessed departmental compliance with applicable laws, regulations, and departmental procedures.

### Results of Audit

In FY 2014, DHS awarded 399 noncompetitive contracts worth about \$306 million. This represents a continuing decrease of more than \$3 billion obligated through noncompetitive contracts over a 6-year period as shown in figure 2.

**Figure 2: DHS Noncompetitive Contract Obligations, for FYs 08-14**



Source: DHS-OIG<sup>1</sup>

Also in FY 2014, DHS awarded about 13,700 grants worth approximately \$8.7 billion as listed in USAspending.gov. Of those, DHS awarded 66 individual

<sup>1</sup> Although categorized in FPDS in FY13 as a Noncompetitive Contract Obligation, we did not include the U.S. Coast Guard's #6 National Security Cutter award in this summation. This one sole source contract action obligated about \$487 million, but we considered it separately as part of the U.S. Coast Guard's ongoing acquisition program.



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noncompetitive grants worth about \$126 million.

On October 31, 2014, the DHS Acting USM provided a report to OIG listing all FY 2014 noncompetitive contracts and grants (see appendix C). We reviewed the USM's report listing the noncompetitive contracts and grants and assessed departmental compliance with applicable laws, regulations, and departmental procedures.

### Noncompetitive Contracts Listed in FY 2014

We reviewed the annual certifications for FPDS data quality submitted to the Department by U.S. Coast Guard (USCG), U.S. Immigration and Customs Enforcement (ICE), Transportation Security Administration (TSA) and U.S. Customs and Border Protection (CBP). We also compared the USM list to the list of FPDS noncompetitive contracts awarded in FY 2014, reviewing key data elements for completeness and accuracy (see appendix A for details). We reviewed the FYs 2013 and 2014 *Agency Procurement Data Quality Reports* (DQRs) for CBP, ICE, TSA, and USCG (see appendix A for details). These four agencies accounted for 86 percent of DHS contracts awarded in both FYs 2013 and 2014. Table 1 presents the agencies' (1) overall accuracy rate and (2) accuracy rate for other than full and open competition data.

**Table 1. Comparison of Component Accuracy Rates from Data Quality Reports (FYs 2013 and 2014)**

Agency	OTFOC Accuracy 2013	OTFOC Accuracy 2014
USCG	92.5%	96.4%
ICE	100%	100%
TSA	92%	98%
CBP	87.5%	90.5%

Source: Component Data Quality Reports

All four of the agencies certified the following in their DQRs:

- 1) 100 percent of their reportable contract actions were entered into FPDS within appropriate time frames and in accordance with applicable guidelines;
- 2) The results of their statistical sampling derived using the agency's data quality assurance procedures and appropriate sampling techniques;
- 3) Agency policies, procedures, and internal controls include regular reviews of qualitative data, such as performance and integrity data, to assess the quality of the information provided; and
- 4) Agency policies, procedures, and internal controls include regular reviews of contractor provided data to assess compliance with reporting requirements and the completeness of the data.

Components reported that the primary cause of the "invalid data" was user errors. Although CBP's overall accuracy declined minimally from 93.5 percent

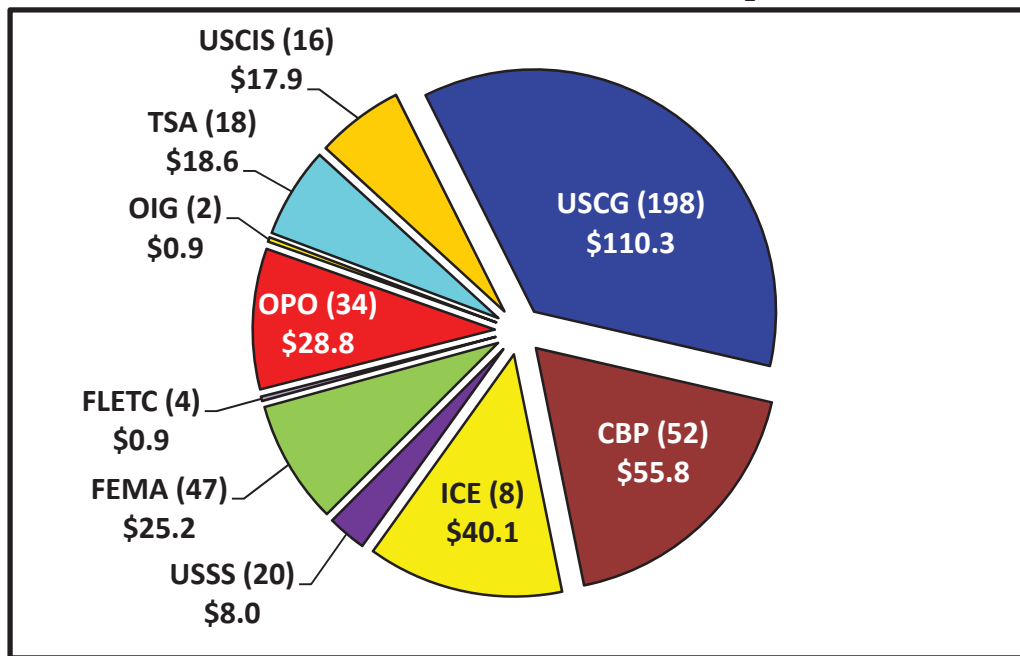


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in FY 2013 to 93.3 percent in FY 2014, three of the four components did improve their overall FPDS accuracy based on their statistical sampling. We compared the USM's listing to a list of all FY 2014 contract activities in FPDS and found that the data was 99.8 percent identical. DHS awarded 399 noncompetitive contracts in FY 2014 worth approximately \$306 million. As shown in figure 3, USCG and CBP awarded the most noncompetitive contracts in FY 2014.

**Figure 3 - Number and Cost (in Millions) of Noncompetitive Contracts Awarded in FY 2014 for each Component**



Source: DHS-OIG analysis of FPDS data<sup>2</sup>

Following FAR 4.6 and the *Homeland Security Acquisition Manual* (HSAM), we reviewed the data elements for all 399 noncompetitive contracts as entered in FPDS and found that the entered data elements were consistent with the guidelines.

We identified some inconsistencies in the obligation amounts and the number of contractual and Procurement Instrument Identifier numbers that did not meet the nomenclature requirements outlined in HSAM. However, we determined these variances were immaterial, and that data in the USM list were generally accurate and complete.

<sup>2</sup> Dollar amounts may not add to actual total due to rounding. Newly noted agency acronyms include: United States Citizenship and Immigration Services (USCIS); DHS Office of Procurement Operations (OPO); Federal Law Enforcement Training Center (FLETC); Federal Emergency Management Agency (FEMA); United States Secret Service (USSS)



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### Noncompetitive Grants Listed in FY 2014

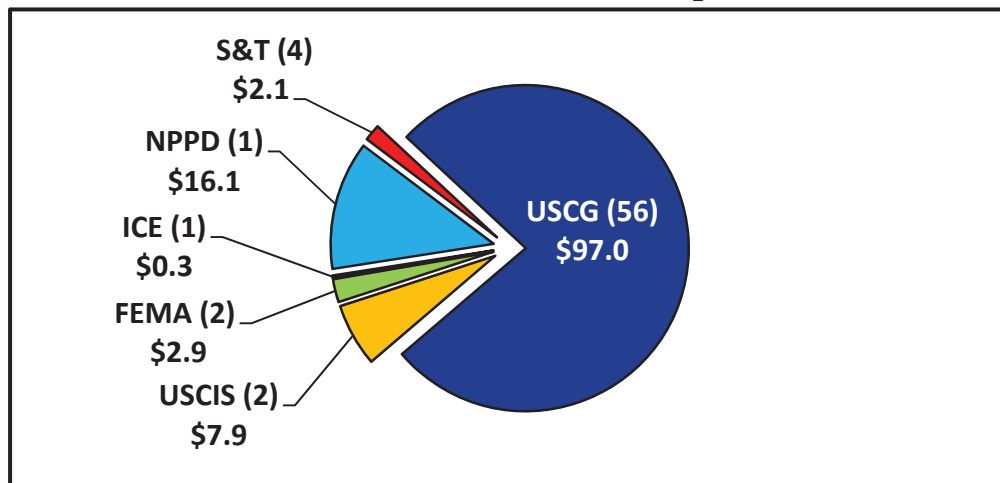
In FY 2014, DHS awarded about 13,700 grants worth approximately \$8.7 billion<sup>3</sup>. On October 31, 2014, the USM Report identified 66 grants worth approximately \$126 million as other than full and open competition grants awarded in FY 2014.

We reviewed these grants to ensure they met the requirements as set forth in the FFATA as implemented by DHS's Division of Financial Assistance Policy and Oversight (FAPO), and Grants and Financial Assistance Division (GFAD) (see appendix B for details).

We reviewed the USM Report listing grants award by other than full and open competition to assess departmental compliance with applicable laws and regulations. To ensure the grants met FFATA requirements, we analyzed and compared the USM Report's grant list to USAspending.gov.

As shown in figure 4, of the 66 noncompetitive grants listed in the USM Report, USCG had awarded 56, worth approximately \$97 million, through its Boating Safety Financial Assistance program. All 56 USCG grants were entered timely in USAspending.gov and had matching information when compared to the USM Report.

**Figure 4 - Number and Cost (in Millions) of Noncompetitive Grants Awarded in FY 2014 for each Component**



Source: DHS-OIG analysis of USAspending.gov data<sup>4</sup>

For the 10 remaining grants, GFAD provided grants management services to DHS components for 8 grants, while the Federal Emergency Management

<sup>3</sup> Data from USAspending.gov as of January 2015.

<sup>4</sup> Dollar amounts may not add to actual total due to rounding. Newly noted agency acronym includes: Science & Technology Directorate (S&T); National Protection and Programs Directorate (NPPD).





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Agency (FEMA) managed 2 of the grants. The eight GFAD managed grants were:

- ICE (1)
- NPPD (1)
- S&T (4)
- USCIS (2)

The ICE, NPPD, and USCIS grants were entered timely into the USAspending.gov system and had matching information when compared to the USM Report.

For the S&T grants three of the four were unidentifiable in USAspending.gov, as listed in the USM Report. After further discussion with a GFAD official, two of the grants listed in USAspending.gov were extensions of original 2008 DHS Centers of Excellence grants, totaling more than \$1.5 million. These two grants had different Federal Award ID numbers than listed in the USM Report. However, once identified with corrected Federal Award ID numbers, the two grants were found as listed in USAspending.gov.

For the one remaining S&T grant, the GFAD official stated that there were delays in setting up the new grant recipient in PRISM, which is a Department-wide contract management system. Based on this delay, the data was submitted to USAspending.gov, but rejected because of a Data Universal Numbering System issue. The \$300,000 grant money had been awarded, but the award information had not yet been successfully entered into USAspending.gov as of December 2014. This grant did not meet the timely, accurate, or complete data requirements.

We were unable to locate the two FEMA grants in USAspending.gov. After further discussion with FEMA officials, they confirmed that the two grants, worth a total of \$2.9 million, had been awarded, but were not listed in USAspending.gov. FEMA officials stated they would resubmit these two grants for posting on USAspending.gov. However, these grants did not meet the timely, accurate, or complete data requirements.

As a result, not all other than full and open competition grants listed in the USM Report met FFATA requirements for timely, accurate, and complete data in USAspending.gov. Although three grants, worth approximately \$3.2 million, did not meet accuracy, timeliness, or completeness requirements, approximately 95.5 percent of the USM Report grants, were entered timely into USAspending.gov. This is well within the Office of the Chief Financial Officer's (OCFO) objectives of accurately reporting grant information to the public.



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### Conclusion

Based on our review of the USM Report listing all grants and contracts awarded by any means other than full and open competition during FY 2014, the USM's Report listings and current internal controls were in compliance with applicable laws and regulations. We made no recommendations.

### Objective, Scope, and Methodology

We conducted this performance audit between September 2014 and February 2015 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. Our objective was to review the USM's Report listing all grants and contracts awarded by any other than full and open competition during FY 2014, and to assess departmental compliance with applicable laws and regulations.

We interviewed DHS and component financial assistance personnel, and reviewed and analyzed various Department policies and procedures.

We reviewed the annual certifications for FPDS data quality submitted to the Department by USCG, ICE, TSA, and CBP. We compared the USM list to the list of FPDS noncompetitive contracts awarded in FY 2014, reviewing key data elements for completeness and accuracy.

For our comparison, we pulled a list of all contracts awarded by USCG, ICE, TSA, and CBP from FPDS in FYs 2013 and 2014. We then specifically identified just the noncompetitive contracts for the DHS components. The list of noncompetitive contracts did not include any classified contracts within DHS.

We also compared the USM list to the list of USAspending.gov noncompetitive grants awarded in FY 2014, reviewing all entries for timeliness, accuracy, and completeness.

The Department did not provide formal management comments for inclusion in the final report but provided technical comments to the draft report which we incorporated as appropriate.



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### **Appendix A**

### **Contract Reporting Requirements**

FAR Subpart 4.6 - *Contract Reporting* prescribes uniform reporting requirements for the FPDS. It also requires agency Chief Acquisition Officers to certify annually each January to the General Services Administration that their previous fiscal year's FPDS records are complete and accurate.

OMB Memorandum - *Improving Federal Procurement Data Quality - Guidance for Annual Verification and Validation* (May 31, 2011) - describes the steps agencies are expected to take to ensure that FPDS data are reported correctly. Agencies are required to conduct statistically valid comparisons of their agency FPDS data and the underlying contract files.

Agency Procurement Data Quality Reports (DQRs): Agencies use the DQR to report the results to DHS's Office of the Chief Procurement Officer (OCPO). The DQR includes a template for reporting the overall accuracy rate of the sample as well as the accuracy for 25 key data elements. Some key data elements include type of contract, description of requirement, and whether the contract was awarded under other than full and open competition.



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### Appendix B DHS Internal Control Over Grants

Within the DHS Office of Chief Financial Officer (OCFO), the Division of Financial Assistance Policy & Oversight (FAPO) provides oversight related to accountability of funds, internal controls, and audit processing for grants. FAPO develops grant-related policy and oversees assistance programs and initiatives, which include coordinating functions with government-wide initiatives.

FAPO has been designated as the DHS point of contact for submission of the *Federal Funding Accountability and Transparency Act of 2006* (FFATA) financial assistance data, and was directed to apply appropriate internal controls to manage the submission process. Additionally, components must develop internal processes to meet all statutory and regulatory reporting requirements, and to implement the most efficient means of collecting and transmitting accurate grant data. Ultimately, components are responsible for the quality, accuracy, completeness, and timeliness of FFATA information reporting.

The FAPO defines completeness, accuracy, and timeliness as follows:

- **Completeness** means that all obligations reported in the components financial statements, less exemptions, are reported on USAspending.gov
- **Accuracy** means the Federal award amount on USAspending.gov matches the obligation amount in the component's financial system.
- **Timeliness** means that obligations were posted within 30 days of award to USAspending.gov

The *Financial Management Division's Component Requirement Guide* provides the components with a written policy and procedures to assess the data quality of the financial information in USAspending.gov. The components are required to perform a comparison at the transaction level to test accuracy and timeliness for data posted to USAspending.gov. If any of these metrics for completeness, accuracy, or timeliness falls below 95 percent, components are required to supply Corrective Action Plans to the division. This process has been in place and is reviewed annually since FY 2011. Starting in 2014, these results are reported to OMB on a quarterly basis.

Starting in FY 2013, Financial Management began performing annual sample testing of financial assistance data in USAspending.gov against source documentation to test other key qualitative attributes beyond obligation amount. The sample testing along with the quarterly reconciliations will be the basis for the FY 2014 assurances over prime award data in USAspending.gov.





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In August 2013, OCFO set the following goals for accurately reporting grant data in USASpending.gov:

<b>Objective 6.1. Accurately report financial assistance information to the public.</b>	<b>FY 2014</b>	<b>FY 2015</b>	<b>FY 2016</b>
Measure: Percentage of financial assistance data reported to USASpending that is complete and accurate.	85%	90%	95%
Measure: Percentage of financial assistance data reported to USASpending that is timely.	20%	40%	60%

Source: Financial Management Strategic Plan for FYs 2014–16 (August 2013)

Within DHS OCPO's office, the Grants and Financial Assistance Division (GFAD) oversees the grants management processes and procedures for departmental programs. GFAD assists DHS program offices with:

- development and pre-clearance preparation of grant funding announcements, and posting announcements to the government-wide website, Grants.gov;
- management of all application intake, negotiation, awards, post-award actions, and close-out; and
- currently providing grants management services to several DHS components.



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# Appendix C Under Secretary for Managements' Report Listing Noncompetitive Grants and Contracts for FY 2014

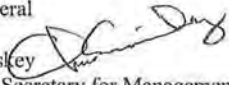
U.S. Department of Homeland Security  
Washington, DC 20528



Homeland  
Security

OCT 31 2014

MEMORANDUM FOR: John Roth  
Inspector General

FROM: Chris Cumiskey   
Acting Under Secretary for Management

SUBJECT: Statutory Requirement of Division F, Title V, Sec. 520. (a) of the  
*Consolidated Appropriations Act, 2014 (P.L. 113-76)* - Report of  
Grants and Contracts Awarded by Any Means Other than Full and  
Open Competition During FY 2014

The *Consolidated Appropriations Act, 2014 (P.L. 113-76)* requires that the Secretary of Homeland Security shall submit a report not later than October 15, 2014, to the Office of Inspector General (OIG) of the Department of Homeland Security (DHS) listing all grants and contracts awarded by any means other than full and open competition during fiscal year (FY) 2014.

For grants, we are providing a summary table below and a complete listing (Attachment A) for FY 2014. Because this listing excludes disaster grants awarded under the authority of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, we are also providing a legal opinion (Attachment B) with the rationale for this decision. For contracts, we are providing instructions and direct access for you and your staff, as appropriate, to download the data files. Further, we have identified points of contact to help ensure that you are able to obtain what is needed to complete your review. Please feel free to reach out to them directly should you have any questions. Additional details regarding this grant and contract information are outlined below.

### Grants

The table below summarizes by Component and dollar amount all grants (excluding disaster grants as noted above) awarded by DHS by any means other than full and open competition during FY 2014.

Component	Total Amount
Federal Emergency Management Agency (FEMA)	\$2,900,000
Immigration and Customs Enforcement (ICE)	\$305,000
National Protection and Programs Directorate (NPPD)	\$16,091,000
Science and Technology Directorate (S&T)	\$2,074,359
U.S. Citizenship and Immigration Services (USCIS)	\$7,900,000
U. S. Coast Guard (USCG)	\$96,948,019
<b>Grants Total</b>	<b>\$126,218,378</b>



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The FEMA Office of the Chief Financial Officer Financial Systems and Management Reporting Division is the source of the FEMA information provided herein. Please direct all inquiries to Mr. Michael Thaggard, [Michael.Thaggard@fema.dhs.gov](mailto:Michael.Thaggard@fema.dhs.gov).

The DHS Office of the Chief Procurement Officer (OCPO) Grants and Financial Assistance Division is the source of the ICE, NPPD, S&T, and USCIS information provided herein. Please direct all inquiries to Ms. Marsha Mathis, [Marsha.Mathis@hq.dhs.gov](mailto:Marsha.Mathis@hq.dhs.gov).

The USCG Boating Safety Division, Grants Management Branch is the source of the USCG information provided herein. Please direct all inquiries to Mr. Pavlo Oborski, [Pavlo.Oborski@uscg.mil](mailto:Pavlo.Oborski@uscg.mil).

Details are in the following attachments:

Attachment A. Listing of DHS Grants Awarded by Any Means Other than Full and Open Competition During FY 2014

Attachment B. FEMA Legal Opinion on Excludability of Disaster Grants

### **Contracts**

Data on contracts awarded by DHS by any means other than full and open competition during FY 2014 comes from the Federal Procurement Data System (FPDS)-Next Generation (NG) database. Please note that the data files generated are too large to transmit by email, therefore, the Department has uploaded the files to a secure SharePoint site for the OIG to download. The location is EPIC – Electronic Procurement Information Center: <http://mgmt-ocpo-sp.dhs.gov/sites/epic/oss/OIGDocumentRequests>. This practice is consistent with the transmission of data files in prior years for audit engagements. For your reference, the Department has also included FPDS report instructions. These instructions document the detailed procedures that the DHS OCPO used to extract contract data from the FPDS-NG database.

The DHS OCPO Oversight and Strategic Support, Acquisition Systems Branch is the source of the information provided herein. Please direct all inquiries to Ms. Sarah Haut, [Sarah.Haut@hq.dhs.gov](mailto:Sarah.Haut@hq.dhs.gov) and Mr. Brian Horst, [Brian.Horst@hq.dhs.gov](mailto:Brian.Horst@hq.dhs.gov).

Details are in the following attachment:

Attachment C. Instructions on Extracting Contracts Data from the FPDS-NG Database





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## Department of Homeland Security

Listing of DHS Grants Awarded by Any Means Other than Full and Open Competition During FY 2014

Awarding Component	ID # Title	ID #	Grant Recipient	Grant Award Amount
FEMA	Grant Award Number	EMW-2014-CA-00011	Emergency Management Assistance Compact (EMAC)	\$2,000,000.00
FEMA	Grant Award Number	EMW-2014-GR-AP-00111	Emergency Management Baseline Assessment Grant	\$300,000.00
JCE	Grant Award Number	2014 CE 076-000001	National Center for Missing and Exploited Children (NCMEC)	\$105,000.00
NPPD	Grant Award Number	2010-PD-123-000001	Center for Internet Security, Inc.	\$16,091,000.00
S&T	Grant Award Number	2008-ST-061-ND0001-07	The University of North Carolina at Chapel Hill	\$1,025,000.00
S&T	Grant Award Number	2008-ST-061-ND0002-07	Jackson State University	\$500,000.00
S&T	Grant Award Number	2014-ST-108-FRG004	Association of Public-Safety Communications Officials Intl (APCO)	\$249,359.00
S&T	Grant Award Number	2014-ST-108-FRG005	National Information Sharing Consortium (NISC)	\$300,000.00
USCIS	Grant Award Number	2014-CI-009-000001	U S Conference of Catholic Bishops [USCCB]	\$1,950,000.00
USCIS	Grant Award Number	2014-CI-009-000002	Church World Services, Inc. [CWS]	\$3,950,000.00
USCG	Federal Award Identification Number	3314FAS140101	Alabama Dept. of Cons and Natural Resources	\$2,058,251.00
USCG	Federal Award Identification Number	3314FAS140102	Alaska Dept of Natural Resources	\$833,435.00
USCG	Federal Award Identification Number	3314FAS140104	Arizona Game and Fish Department	\$1,422,558.00
USCG	Federal Award Identification Number	3314FAS140105	Arkansas Game and Fish Commission	\$1,330,431.00
USCG	Federal Award Identification Number	3314FAS140106	California Dept. of Boating and Waterways	\$5,537,968.00
USCG	Federal Award Identification Number	3314FAS140108	Colorado Dept. of Natural Resources	\$911,973.00
USCG	Federal Award Identification Number	3314FAS140109	Connecticut Dept. of Environmental Protection	\$1,240,123.00
USCG	Federal Award Identification Number	3314FAS140110	Delaware NREC Division of Fish and Wildlife	\$848,624.00
USCG	Federal Award Identification Number	3314FAS140111	District of Columbia Metropolitan Police Dept	\$839,084.00
USCG	Federal Award Identification Number	3314FAS140112	Florida Fish and Wildlife Conservation Comm	\$8,360,708.00
USCG	Federal Award Identification Number	3314FAS140113	Georgia Dept of Natural Resources	\$2,506,022.00
USCG	Federal Award Identification Number	3314FAS140115	Hawaii Dept of Land and Natural Resources	\$713,305.00
USCG	Federal Award Identification Number	3314FAS140116	Idaho Department of Parks and Recreation	\$1,201,553.00
USCG	Federal Award Identification Number	3314FAS140117	Illinois Department of Natural Resources	\$1,041,669.00
USCG	Federal Award Identification Number	3314FAS140118	Indiana Department of Natural Resources	\$1,325,064.00
USCG	Federal Award Identification Number	3314FAS140119	Iowa Department of Natural Resources	\$1,432,788.00
USCG	Federal Award Identification Number	3314FAS140120	Kansas Department of Wildlife and Parks	\$935,530.00
USCG	Federal Award Identification Number	3314FAS140121	Kentucky Dept. of Fish and Wildlife Resources	\$1,286,046.00
USCG	Federal Award Identification Number	3314FAS140122	Louisiana Department of Wildlife & Fisheries	\$2,156,880.00
USCG	Federal Award Identification Number	3314FAS140123	Maine Dept of Inland Fisheries and Wildlife	\$1,144,718.00
USCG	Federal Award Identification Number	3314FAS140124	Maryland Dept. of Natural Resources	\$2,605,360.00
USCG	Federal Award Identification Number	3314FAS140125	Massachusetts Environmental Police	\$1,483,059.00
USCG	Federal Award Identification Number	3314FAS140126	Michigan Department of Natural Resources	\$5,111,136.00
USCG	Federal Award Identification Number	3314FAS140127	Minnesota Department of Natural Resources	\$2,850,261.00
USCG	Federal Award Identification Number	3314FAS140128	Mississippi Dept of Wildlife, Fisheries and Parks	\$1,108,156.00
USCG	Federal Award Identification Number	3314FAS140129	Missouri State Highway Patrol	\$2,347,748.00
USCG	Federal Award Identification Number	3314FAS140130	Montana Fish, Wildlife and Parks	\$775,598.00
USCG	Federal Award Identification Number	3314FAS140131	Nebraska Game and Parks Commission	\$873,041.00
USCG	Federal Award Identification Number	3314FAS140132	Nevada Department of Wildlife	\$877,814.00
USCG	Federal Award Identification Number	3314FAS140133	New Hampshire Dept of Safety	\$1,043,481.00
USCG	Federal Award Identification Number	3314FAS140134	New Jersey State Police, Marine Services Bur	\$2,559,435.00
USCG	Federal Award Identification Number	3314FAS140135	New Mexico Energy, Min and Nat Res Dept	\$826,646.00
USCG	Federal Award Identification Number	3314FAS14013A	New York Office of Parks, Rec and Hist Pres	\$2,437,265.00
USCG	Federal Award Identification Number	3314FAS140137	North Carolina Wildlife Resources Commission	\$1,893,287.00
USCG	Federal Award Identification Number	3314FAS140138	North Dakota Game and Fish Department	\$818,907.00
USCG	Federal Award Identification Number	3314FAS140139	Ohio Dept of Natural Resources	\$3,918,414.00
USCG	Federal Award Identification Number	3314FAS140140	Oklahoma Department of Public Safety	\$1,523,512.00
USCG	Federal Award Identification Number	3314FAS14014A	Oregon State Marine Board	\$1,768,936.00
USCG	Federal Award Identification Number	3314FAS140142	Pennsylvania Fish and Boat Commission	\$2,189,496.00
USCG	Federal Award Identification Number	3314FAS140144	Rhode Island Dept of Environmental Mgmt	\$848,814.00
USCG	Federal Award Identification Number	3314FAS140145	South Carolina Dept of Natural Resources	\$2,285,860.00
USCG	Federal Award Identification Number	3314FAS140146	South Dakota Dept of Game, Fish and Parks	\$757,594.00
USCG	Federal Award Identification Number	3314FAS140147	Tennessee Wildlife Resources Agency	\$1,765,187.00
USCG	Federal Award Identification Number	3314FAS140148	Texas Parks and Wildlife Department	\$3,476,099.00
USCG	Federal Award Identification Number	3314FAS140149	Utah Division of State Parks and Recreation	\$1,145,461.00
USCG	Federal Award Identification Number	3314FAS140150	Vermont Department of Public Safety	\$721,429.00
USCG	Federal Award Identification Number	3314FAS140151	Virginia Dept of Game and Inland Fisheries	\$1,665,541.00
USCG	Federal Award Identification Number	3314FAS140153	Washington Parks and Rec Commission	\$1,785,315.00
USCG	Federal Award Identification Number	3314FAS140154	West Virginia Div of Natural Resources	\$789,064.00
USCG	Federal Award Identification Number	3314FAS140155	Wisconsin Department of Natural Resources	\$2,990,566.00
USCG	Federal Award Identification Number	3314FAS140156	Wyoming Game and Fish Department	\$667,159.00
USCG	Federal Award Identification Number	3314FAS140160	American Samoa Govt, Dept. of Public Safety	\$609,487.00
USCG	Federal Award Identification Number	3314FAS140166	Guam Police Department	\$628,617.00
USCG	Federal Award Identification Number	3314FAS140169	Commonwealth of the Northern Mariana Islands	\$618,924.00
USCG	Federal Award Identification Number	3314FAS140172	Puerto Rico Dept of Nat and Environmental Res	\$751,982.00
USCG	Federal Award Identification Number	3314FAS140178	Virgin Islands Dept of Planning and Nat Res	\$671,802.00
Totals				\$126,218,378.00





**OFFICE OF INSPECTOR GENERAL**  
Department of Homeland Security

U.S. Department of Homeland Security  
Washington, DC 20528



**Homeland  
Security**

October 17, 2014

MEMORANDUM FOR: Ed Johnson  
FEMA Chief Financial Officer

FROM: Michael Saltalamachea  
FEMA Attorney

SUBJECT: FEMA Legal Opinion on Excludability of Disaster Grants from  
Statutory Requirement of Division F, Title V, Sec. 520. (a) of the  
*Consolidated Appropriations Act, 2014 (P.L. 113-76)* - Report of  
Grants and Contracts Awarded by Any Means Other than Full and  
Open Competition During FY 2014

You have asked whether grants awarded under the authority of the Robert T. Stafford Disaster Relief and Emergency Assistance Act ("Stafford Act") must be included in the report that the Secretary must submit to the Office of Inspector General ("OIG") pursuant to Section 520 of the Department of Homeland Security Appropriations Act, 2014. Section 520 specifically requires that the Secretary submit a report not later than October 15, 2014, to the OIG listing "all grants and contracts awarded by any means other than full and open competition" during fiscal year 2014. Our opinion is no, Stafford Act grants do not need to be included in that report.

As a starting point, grant programs are either discretionary or mandatory. In a mandatory program, Congress directs awards to one or more classes of prospective recipients who meet specific eligibility criteria for eligibility, in specified amounts. These grants, sometimes called "entitlement" or "formula" grants, are often awarded on the basis of statutory formulas. The federal awarding agency has no basis to refuse the award altogether and, therefore, questions of grantee selection and competition do not arise. The concept of competition can only apply when the federal awarding agency has discretion to select one recipient over another. See 2 U.S. Government Accountability Office, Office of the General Counsel, Principles of Federal Appropriations Law, p. 10-25 (3rd ed. 2004).

The Federal Grant and Cooperative Agreement Act ("FGCAA") encourages competition in assistance programs where appropriate, in order to identify and fund the best possible projects to achieve program objectives. 31 U.S.C. § 6301(3) ("The purposes of this chapter are to—... (3) promote increased discipline in selecting and using procurement contracts, grant agreements, and cooperative agreements, maximize competition in making procurement contracts, and encourage competition in making grants and cooperative agreements."). This is, however, merely a statement of purpose, and there are few other legislative pronouncements specifying how this objective is to be achieved in discretionary grant programs with the same level of specificity as



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statutes applicable to federal procurements such as the Competition in Contracting Act of 1984 (“CICA”) (the fundamental, general rule under CICA is that federal agencies must conduct acquisitions on the basis of full and open competition to the maximum extent practicable; see 41 U.S.C. § 3301).

Public Assistance, Hazard Mitigation Grant Program (“HMGP”), and other grants awarded under the Stafford Act grants are discretionary and not mandatory in nature, such that FEMA has the discretion to make or not make them. See Stafford Act, §§ 406(a)(1) (“The President may make contributions to – (A) a State or local government for repair, restoration, reconstruction, or replacement of a public facility...; and (B)...to a person that owns or operates a private nonprofit facility...”); 407 (“The President, whenever he determines it to be in the public interest, is authorized...(2) to make grants to any State or local government or owner or operator of a private non-profit facility...”); 403 (“(a) Federal agencies may on the direction of the President, provide assistance essential to meeting immediate threats to life and property resulting from a major disaster, as follows:...(4) Contributions – Making contributions to State or local governments or owners or operators of private nonprofit facilities...”); 404 (“The President may contribute up to 75 percent of the cost of hazard mitigation measures...”).

But the discretionary (and not mandatory) nature of the Stafford Act grant programs do not make them appropriate for competition as generally described in the FGCAA. In very simple terms, in making award decisions, FEMA will only award a grant to the State or Indian tribal government for which the declaration was issued by the President and for those grant programs authorized under the declaration. There is, in other words, no competition among different states or Indian tribal governments for the award, and the grant award is limited to only the State or Indian tribal government to which the declaration applies. For example, when deciding to award a project as part of the Public Assistance grant to the State of Y for debris removal following a declaration for a hurricane, there is no competition from the State of X for that award. FEMA would, if it were to award some project for the State of X not under a declaration, violate appropriations law. Similarly, when the State of Y submits its mitigation projects for HMGP funding, the State of X cannot compete for that HMGP funding. FEMA may have discretion in whether to award a project, but it does not have discretion to make an award to another State or Indian tribal government for which the declaration does not apply.

Congress, when it promulgated Section 520, knew of the nature of the Stafford Act grant programs and their noncompetitive nature, and it is doubtful that Congress sought to have FEMA provide an annual report that listed every single Stafford Act grant award under every single declaration for FY 2014. Rather, the purpose of the Section 520 requirement was presumably aimed at requiring DHS to notify the OIG that, in turn notifies Congress, whenever DHS uses something other than full and open competition in making a grant award when the award of the grant would normally be subject to competition.





# OFFICE OF INSPECTOR GENERAL

## Department of Homeland Security

### Instructions on Extracting Contracts Data from the FPDS-NG Database

**Purpose:** To document the procedures the Office of the Chief Procurement Officer (OCPO) used to extract contract data from the Federal Procurement Data System (FPDS)-Next Generation for new contracts awarded under Federal Acquisition Regulations (FAR) 6.3 during October 1, 2012 through September 1, 2014 for Fiscal Years (FY) 2013 and 2014.

**Scope:** DHS Other Than Full and Open Competitive Contracts awarded October 1, 2012 -September 30, 2014

**Source:** DHS-Office of the Chief Procurement Officer (OCPO), Oversight and Strategic Support (OSS), Mrs. Pamela Campbell, Director of Acquisition Systems (Acting), (202) 447-5255, Pamela.Campbell@hq.dhs.gov and Mr. Brian Horst, DHS OCPO OSS, Acquisition Systems Branch (ASB), (202) 447-5659, Brian.Horst@hq.dhs.gov.

**Conclusion:** This document outlines the detailed procedures followed by OCPO to extract the OTFOC contract files for FY 2013-2014.

### OCPO Process

Log in to the FPDS-NG application (<https://www.fpds.gov/>) and select the **Standard Reports** icon.



Next, select **What** from the report ribbon, then select the **Federal Contract Actions and Dollars** report.



# OFFICE OF INSPECTOR GENERAL

## Department of Homeland Security

### Instructions on Extracting Contracts Data from the FPDS-NG Database

Name	Description
Contract Detail Report	This report provides the complete contractual data for the specified PMID.
<b>Federal Contract Actions and Dollars</b>	This report displays the federal contract actions and dollars for the specified date signed range.
Inherently Governmental Functions Actions and Dollars	This report displays the actions and dollars for 'Closely Associated', 'Critical Functions', 'Other Functions' and 'Null Inherently Governmental Functions' when 'Service' is selected for PSC.
Other Transaction Actions and Dollars Report	This report displays the Other Transaction actions and dollars for the specified date signed range.
Procurement History for Market Research Report	This report provides total dollars awarded to all vendors for a Product and Service Code (PSC) given in the search criteria. The dollars are

A dialog box for entering the report criteria will appear. Enter the date range for the data report in the **From Date** and **To Date** fields. Dates must be entered in 'mm/dd/yyyy' format. Since the complete report will comprise a larger amount of data than FPDS-NG is able to return results for, it is recommended that the task be broken up into quarterly date ranges and run separately for each quarter. Numbers may already be entered by default in the **Department ID** and **Agency ID** fields. If needed, change the **Department ID** to **7000** as shown. Delete any entry in the **Agency ID** field (to get results for all of DHS this field must be blank). Select **Execute**.

Need Help Using This Report? Click here

**Federal Contract Actions and Dollars**

Please enter the criteria for the report:

Search Name:	Default	
From Date (mm/dd/yyyy):	10/01/2012	
To Date (mm/dd/yyyy):	12/31/2012	
Department ID:	7000	
Agency ID:		
Organization Code:		
Contracting Office Region:		
Contracting Office ID:		

"From Date" and "To Date" correspond to the "Date Signed" on the FPDS-NG documents.

**Execute** Save Clear Cancel

FPDS-NG Data Pull Instructions

2





# OFFICE OF INSPECTOR GENERAL

## Department of Homeland Security

### Instructions on Extracting Contracts Data from the FPDS-NG Database

The report results will display as a summary report as shown below.

Department	Total Actions	Total Dollars	% Total Actions	% Total Dollars
HOMELAND SECURITY, DEPARTMENT OF (7000)	16,877	\$2,699,578,701.77	100.0000 %	100.0000 %
Total	16,877	\$2,699,578,701.77	100.0000 %	100.0000 %

To get the contractual details for awards and IDVs it will be necessary to access a drill down report. This is accomplished by using the right mouse button to click anywhere in the report area (red highlighted box below) and selecting **Award Detail** from the submenu that appear (as circled below).

Department	Total Actions	Total Dollars	% Total Actions	% Total Dollars
HOMELAND SECURITY, DEPARTMENT OF (7000)	16,877	\$2,699,578,701.77	100.0000 %	100.0000 %
Total	16,877	\$2,699,578,701.77	100.0000 %	100.0000 %

The final 'Award Detail' results will display as shown. Select the **Export** button.

Contracting Agency	Contracting Agency	Contracting Office	Contracting Office	Contracting Office	PIID	Modification	Transaction
7001	OFFICE OF PROCU	FC000	FPS CENTRAL CON	NO REGION IDENTI	HSCE009A00002	P00022	
7012	U.S. IMMIGRATION	ACL00	DETENTION MANA	NO REGION IDENTI	HSCE009D00001	P00016	
7012	U.S. IMMIGRATION	ACL00	DETENTION MANA	NO REGION IDENTI	HSCE009D00001	P00015	
7012	U.S. IMMIGRATION	TC000	INFORMATION TEC	NO REGION IDENTI	HSCETC12C00004	P00001	

The 'Export' submenu displays. The large amount of data automatically defaults to an export format of 'Comma Separated Value' (CSV). Select the **Export** button at the bottom of the submenu.



# OFFICE OF INSPECTOR GENERAL

## Department of Homeland Security

### Instructions on Extracting Contracts Data from the FPDS-NG Database

HOME ezSearch Advanced Close Help

**Award Detail**  
Active filters

Send Export Highlighting Drill Charts Workflow

**Export Report**  
Export this report to another format.

**Choose the format for export**  
This report has exceeded 6,000 rows. Therefore, this report can be exported only using CSV

☐ Microsoft Excel  
Retain FA Formatting

☒ CSV (Comma Separated Values) Document

☐ HTML (HyperText Markup Language) Document

☐ PDF (Portable Document Format) Document

**Choose export options**

**Orientation:**  
☐ Portrait  
☒ Landscape

**Layout:**  
☐ Fit width to Page  
☒ Fit to Page  
100 % of normal size  
☐ Wrap Table(s)

**Headers/Footers:**  
Size of header 1 inches  
Size of footer 1 inches

**Pagination:**  
☐ Insert page break after each report section

**Margins:**  
Top 0.25 inches Bottom 0.25 inches  
Left 1 inches Right 1 inches

**Show the following report information:**  
☒ Name  
☒ Filters  
☒ Description

Export Cancel

At the file download dialog box, select **Save** (or **Save As** from the dropdown menu) in order to save the file to a local or network drive. It is recommended to rename the file in a way that identifies the fiscal



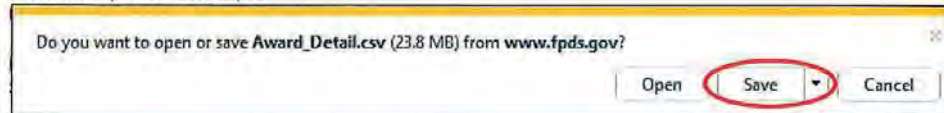
## OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

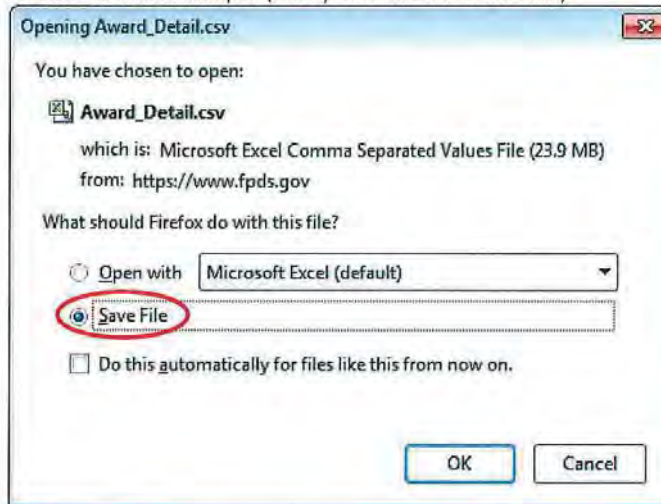
### Instructions on Extracting Contracts Data from the FPDS-NG Database

year and quarter contained in the report, rather than saving the report using the default file name.  
!! NOTE: This step may appear different depending on the web browser being used to access FPDS-NG.

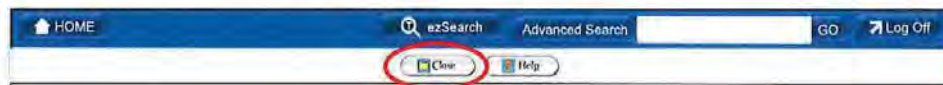
#### Internet Explorer 9 Example:



#### Firefox ESR 24.7.0 Example: (Here you would select **Save File**)



After saving the file, select the **Close** button at the top of the report. This will return you to the list of standard reports under the 'What' report menu ribbon selection.



Repeat the above procedures for the remaining quarters, beginning with selection of the 'Federal Contract Actions and Dollars' standard report under the 'What' report menu ribbon selection. After running and downloading reports covering the entire period, the complete data report may be consolidated into a single Excel file by opening each downloaded report and copying and pasting the report results into a single spreadsheet.



## OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

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### **Appendix D** **Report Distribution**

#### **Department of Homeland Security**

Secretary  
Deputy Secretary  
Chief of Staff  
General Counsel  
Director, GAO/OIG Liaison Office  
Assistant Secretary for Office of Policy  
Assistant Secretary for Office of Public Affairs  
Assistant Secretary for Office of Legislative Affairs

#### **Office of Management and Budget**

Chief, Homeland Security Branch  
DHS OIG Budget Examiner

#### **Congress**

Committees on Appropriations of the Senate and the House of Representatives



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Department of Homeland Security  
Office of Inspector General, Mail Stop 0305  
Attention: Hotline  
245 Murray Drive, SW  
Washington, DC 20528-0305