

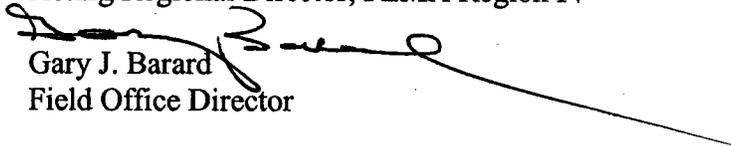


# Homeland Security

June 16, 2004

## MEMORANDUM

**TO:** Mary Lynne Miller  
Acting Regional Director, FEMA Region IV

**FROM:**   
Gary J. Barard  
Field Office Director

**SUBJECT:** City of Birmingham, Alabama  
FEMA Disaster No. 1362-DR-AL  
Audit Report No. DA-29-04

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The Office of Inspector General (OIG) audited public assistance funds awarded to the City of Birmingham, Alabama. The objective of the audit was to determine whether the City accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

The City received an award of \$1.9 million from the Alabama Emergency Management Agency, a FEMA grantee, for debris removal, emergency protective measures, and repair of sidewalks and other facilities damaged as a result of severe storms in March 2001. The award provided 75 percent FEMA funding for 3 large projects and 21 small projects<sup>1</sup>. Audit work was limited to the \$1,265,790 awarded and claimed under the 3 large projects.

The audit covered the period March 2001 to March 2004. During this period, the City received \$949,343 of FEMA funds under the 3 large projects.

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The OIG performed the audit under the authority of the Inspector General Act of 1978, as amended, and according to generally accepted government auditing standards. The audit included tests of the City's accounting records, a judgmental sample of expenditures, and other auditing procedures considered necessary under the circumstances.

The OIG determined that the City accounted for and used FEMA funds according to federal regulations and FEMA guidelines. On May 4, 2004, City officials were informed of the audit results. Since this report contains no recommendations, a response is not required.

Should you have any questions concerning this report, please contact David Kimble or me at (770) 220-5242.

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<sup>1</sup> According to FEMA regulations, a large project costs \$50,600 or more and small project costs less than \$50,600.