

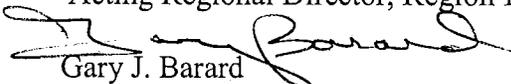


Homeland Security

August 03, 2004

MEMORANDUM

TO: Mary Lynne Miller
Acting Regional Director, Region IV

FROM: 
Gary J. Barard
Field Office Director

SUBJECT: City of Goldsboro, North Carolina
FEMA Disaster No. 1292-DR-NC
Audit Report No. DA-31-04

The Office of Inspector General (OIG) audited public assistance funds awarded to the City of Goldsboro, North Carolina. 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 \$4,199,388 from the North Carolina Emergency Management Agency, a FEMA grantee, to remove debris, provide emergency protective measure, and repair facilities damaged as a result of Hurricane Floyd in September 1999. The award provided 90 percent FEMA funding for 10 large projects and 30 small projects¹. Audit work was limited to \$3,695,853 awarded under the 10 large projects (see Exhibit).

The audit covered the period September 1999 to April 2003. During this period, the City claimed \$2,507,730 and received \$2,256,957 of FEMA funds under the 10 large projects.

The OIG performed the audit under the authority of the Inspector General Act of 1978, as amended, and according to general 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. However, the funds FEMA awarded to the City exceeded the City's claim and actual needs by \$1,188,123 (see Exhibit). As a result of the OIG audit, FEMA Region IV agreed to deobligate the excess award amount so that the funds could be available for use under other disaster declarations.

Since this report contains no recommendations, a response is not required. Should you have any questions concerning this report, please contact George Peoples or me, at (770) 220-5242.

¹ According to FEMA regulations, a large project costs more than \$47,800 and small projects costs \$47,800 or less.

City of Goldsboro, North Carolina
FEMA Disaster No. 1292-DR-GA
Schedule of Claimed Cost and Excessive Award

<u>Project Number</u>	<u>Amount Awarded</u>	<u>Amount Claimed</u>	<u>Excessive Award Amount</u>
845	\$ 82,601	\$ 82,601	
2686	55,364	55,364	
2687	379,299	379,299	
2688	64,200	64,200	
2739	239,632	239,632	
4063	296,504	188,675	\$ 107,829
4314	329,166	329,166	
4366	289,803	236,419	53,384
4367	104,958	57,169	47,789
4368	<u>1,854,326</u>	<u>875,205</u>	<u>979,121</u>
Totals	<u>\$3,695,853</u>	<u>\$2,507,730</u>	<u>\$1,188,123</u>