

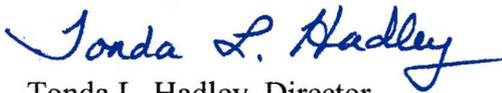
U.S. Department of Homeland Security
Central Regional Office
Office of Emergency Management Oversight
7460 Warren Parkway, Suite 275
Frisco, TX 75034



**Homeland
Security**

January 14, 2011

MEMORANDUM FOR: Beth Freeman, Regional Administrator
FEMA Region VII

FROM: 
Tonda L. Hadley, Director
Central Regional Office

SUBJECT: *City of Springfield, Missouri*
FEMA Disaster Number 1676- DR-MO
Public Assistance Identification Number 077-70000-00
Audit Report Number DD-11-06

We audited public assistance grant funds awarded to the City of Springfield, Missouri (City). Our audit objective was to determine whether the City accounted for and expended Federal Emergency Management Agency (FEMA) grant funds according to federal regulations and FEMA guidelines.

The City received an award of \$19.5 million from the State of Missouri Emergency Management Agency (SEMA), a FEMA grantee, for damages caused by severe winter storms and flooding that occurred January 12-22, 2007. The award provided 75% funding for 11 large and 10 small projects.¹ We audited six large and one small project or 95% of claimed costs (see Exhibit). The audit covered the period January 12, 2007, through March 13, 2009.

We conducted this performance audit under the authority of 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 and appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

We interviewed FEMA, SEMA, and City officials; reviewed judgmentally selected transactions (generally based on dollar value) of the City's claimed costs; and performed other procedures considered necessary to accomplish our objective. We did not assess the adequacy of the City's internal controls applicable to grant activities because it was not necessary to accomplish our audit

¹ Federal regulations in effect at the time of the disaster set the large project threshold at \$59,700.

objective. However, we did gain an understanding of the City's method of accounting for disaster-related costs and its procurement policies and procedures.

RESULTS OF AUDIT

The City accounted for and expended FEMA grant funds according to federal regulations and FEMA guidelines. Additionally, we noted that the City did an excellent job organizing and maintaining contracting and cost documentation to support its claim.

DISCUSSION WITH MANAGEMENT

We discussed the results of our audit with FEMA, SEMA, and City officials on January 6, 2011. These officials agreed with the audit results. Because the audit did not identify issues requiring further action from FEMA, we consider this audit closed. Significant contributors to this report were Moises Dugan, Sharon Snedeker, and Pat Epperly. Should you have questions concerning this report, please contact me, or your staff may contact Moises Dugan, Audit Manager, at (214) 436-5200.

cc: Audit Liaison, FEMA Region VII
Audit Liaison, FEMA (Job Code G-10-034)

**Schedule of Audited Costs
Springfield, Missouri
FEMA Disaster Number 1676-DR-MO**

Project Number	Award Amount
155	\$ 9,923,148
636	4,044,626
932	2,892,968
319	1,257,809
1100	276,989
1079	50,000
892	<u>12,318</u>
Total	<u>\$18,457,858</u>