







## RECOMMENDATIONS

We recommend that the FEMA Region IX Administrator, in coordination with Cal EMA:

**Recommendation #1:** Deobligate \$360,266 (federal share \$270,200) in unused federal funds for Projects 2883 and 3520 that the District will not be submitting for reimbursement, and put those funds to better use (finding A).

**Recommendation #2:** Disallow \$8,731 (federal share \$6,548) in unsupported costs for Projects 2317 and 3719 (finding B).

## DISCUSSION WITH MANAGEMENT AND AUDIT FOLLOWUP

We discussed the results of this audit with District officials during our audit, and have included their comments in this report, as appropriate. We also provided written summaries of our findings and recommendations in advance to Cal EMA on August 29, 2011, and to FEMA on October 18, 2011. We discussed these findings and recommendations at exit conferences held with Cal EMA and District officials on August 31, 2011, and with FEMA on October 27, 2011. District officials generally agreed with our findings. FEMA and Cal EMA officials withheld comment until issuance of our final report.

Within 90 days of the date of this memorandum, please provide our office with a written response that includes your (1) agreement or disagreement, (2) corrective action plan, and (3) target completion date for each recommendation. Also, please include responsible parties and any other supporting documentation necessary to inform us about the current status of the recommendations. Until your response is received and evaluated, the recommendations will be considered open and unresolved.

Consistent with our responsibility under the *Inspector General Act*, we are providing copies of our report to appropriate congressional committees with oversight and appropriation responsibility over the Department of Homeland Security. To promote transparency, this report will be posted to our website. Significant contributors to this report were Humberto Melara, Devin Polster, Louis Ochoa, Renee Gradin, Elizabeth Finn, and Paul Sibal.

Should you have questions concerning this report, please contact me at (202) 254-4100 or Humberto Melara at (510) 637-1463.

cc: Administrator, FEMA  
Audit Liaison, FEMA Region IX  
Audit Liaison, FEMA (Job Code G-11-036)  
Audit Liaison, DHS

**EXHIBIT**

**Schedule of Projects Audited  
December 17, 2005, to August 31, 2011  
Marin Municipal Water District, California  
FEMA Disaster Number 1628-DR-CA**

<b>Project Number</b>	<b>Project Award Amount</b>	<b>Project Charges Reviewed</b>	<b>Unused Funds (Finding A)</b>	<b>Unsupported Questioned Costs (Finding B)</b>
2317	\$614,240	\$757,563		\$7,024
2883 <sup>3</sup>	287,300		\$287,300	
3520 <sup>3</sup>	72,966		72,966	
3593 <sup>4</sup>	29,414	33,887		
3719	110,808	222,729		1,707
<b>Total</b>	<b>\$1,114,728</b>	<b>\$1,014,179</b>	<b>\$360,266</b>	<b>\$8,731</b>

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<sup>3</sup> Projects reviewed to identify unused funds.

<sup>4</sup> Small project.

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