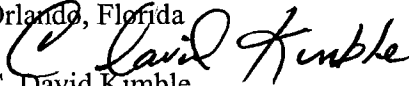




Homeland Security

June 16, 2006

MEMORANDUM FOR: Scott Morris
Director
FEMA's Florida Long Term Recovery Office
Orlando, Florida

FROM: 
C. David Kimble
Acting Audit Director
Atlanta Field Office

SUBJECT: *Review of Hurricane Wilma Activities
Saint Lucie County, Florida
FEMA Disaster No. 1609-DR-FL
Report Number: GC-FL-06-42*

We performed an interim review of costs associated with Hurricane Wilma activities related to debris removal and emergency protective measures for Saint Lucie County, Florida. The objectives of the review were to determine whether the county (1) was properly accounting for disaster-related costs and whether such costs were eligible for funding under FEMA's public assistance program, and (2) awarded contracts according to federal procurement standards and FEMA guidelines, and had adequate procedures for monitoring the activities of the contractors.

The county received an award of \$3.6 million from the Florida Department of Community Affairs, a FEMA grantee, for debris removal and emergency protective measures. The award provided 75 percent FEMA funding for five projects under which the county let six contracts, as follows:

Project	Approved Scope of Work	Amount Awarded	Number of Contracts
1201	Debris collection, hauling, and disposal	\$2,056,242	1
1205	Debris collection, hauling, and disposal (force account)	\$516,224	N/A
1197	Contractor Monitoring	\$838,424	1
278	Aerial pesticide spraying for mosquito control	\$77,544	2
503	Health and safety public service announcements	\$69,688	2
Total		\$3,558,122	6

As of April 11, 2006, the cut off date of our review, the county had recorded expenditures of \$2.6 million under the projects and had received \$1,947,866 of FEMA funds.

We analyzed the county's accounting system and reviewed the county's contracting practices, contract documents, contractor billings, and monitoring procedures. We also interviewed FEMA, county, and contractor officials.

We concluded that the county had an effective system for accounting for disaster-related costs. A separate cost account had been established to record project expenditures and accounting entries could be systematically traced to supporting source documents. Moreover, the county procured debris removal contracts competitively, maintained detailed contract files, and had adequate monitoring procedures for reviewing and approving the activities and billings of the contractors. Because this report contains no recommendations, no further actions are required.

The review was conducted in conjunction with the President's Council on Integrity and Efficiency (PCIE) as part of its examination of relief efforts provided by the federal government in the aftermath of Hurricanes Katrina, Rita, and Wilma. As such, a copy of the report has been forwarded to the PCIE Homeland Security working group, which is coordinating the Inspectors General review of this important subject.

The nature and brevity of this assignment precluded the use of our normal audit protocols; therefore, this review was not conducted in accordance with generally accepted government auditing standards. Had we followed such standards, other matters might have come to our attention.

Auditors Marvin Burr and Ron Cummings performed this review. Should you have any questions concerning this report, please contact me at (770) 220-5240.

cc: Under Secretary for Management
Under Secretary for Federal Emergency Management
Office of General Counsel, DHS
Chief Financial Officer, DHS
Chief Procurement Officer, DHS
Audit Liaison, DHS
Audit Liaisons, FEMA
Chief Financial Officer, FEMA
Senior Procurement Officer, FEMA
Deputy Director, Gulf Coast Recovery
Florida State Coordinating Officer
FEMA Regional Director, Region IV