



Homeland Security

March 22, 2006

MEMORANDUM FOR: Nick Russo
Principal Federal Officer
Joint Field Office
Biloxi, Mississippi
Cliff Melby
Cliff Melby
Gulf Coast Audit Manager

FROM:

SUBJECT: *Review of Hurricane Katrina Activities
City of D'Iberville, Mississippi
FEMA Disaster No. 1604-DR-MS
Report Number GC-MS-06-28*

We performed a review of emergency services and debris removal costs associated with Hurricane Katrina activities for the City of D'Iberville, Mississippi. The objective of the review was to determine whether the city was properly accounting for disaster related costs and whether such costs were eligible for funding under FEMA's disaster assistance programs.

The city received an award of \$3.6 million from the Mississippi Emergency Management Agency, a FEMA grantee, for emergency protective measures and the removal of debris necessitated by Hurricane Katrina. As of November 15, 2005, the cut-off date of our review, the city received \$1,658,405 of FEMA funds and had recorded expenditures of \$3.6 million.

Our review included an analysis of the city's accounting system and disaster related costs, contracting policies and procedures, as well as interviews with city officials. The nature and brevity of the 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 may have come to our attention.

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 and Rita. 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.

We concluded that the city accounted for and used program funds consistent with federal regulations and FEMA guidelines. Additionally, expenditures were supported by checks, invoices, and other

source documents. Because this report contains no recommendations, a response is not necessary. Auditors Mary Stoneham and Billy Howard performed this review.

Should you have any questions concerning this report, please contact me at (404) 486-3629.

cc: Under Secretary for Management
Acting Director, FEMA
Chief Financial Officer, DHS
Chief Procurement Officer, DHS
Audit Liaison, DHS
Chief Financial Officer, FEMA
Senior Procurement Officer, FEMA
Deputy Director, Gulf Coast Recovery
Mississippi State Coordinating Officer
FEMA Regional Director, Region IV