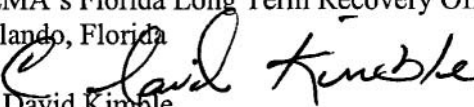




Homeland Security

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
City of Plantation, Florida
FEMA Disaster No. 1609-DR-FL
Report Number GC-FL-06-44*

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

The city received an award of \$19.3 million from the Florida Department of Community Affairs, a FEMA grantee, for debris removal activities. The award provided 75 percent FEMA funding for one project under which the city let six contracts, as follows:

Project Number	Approved Scope of Work	Amount Awarded	Number of Contracts
163	Collection and Hauling of Vegetative & Construction & Demolition Debris	\$9,309,000	2
	Disposal Costs	7,968,000	3
	Contractor Monitoring	2,073,500	1
Total		\$19,350,500	6

As of February 24, 2006, the cut-off date of our review, work under the project was ongoing. The city had recorded expenditures of \$13.1 million and had received \$10,884,656 of FEMA funds under the project.

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

The city 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. Additionally, the city procured debris removal contracts competitively, maintained detailed contract files, and had adequate monitoring procedures for reviewing and approving the activities and billings of the contractor. Because this report contains no recommendations, no action is required.

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 Oscar Andino, Vilmarie Serrano, and Danny Helton 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