




# Homeland Security

March 16, 2006

MEMORANDUM FOR: Berl D. Jones, Jr.  
Acting Branch Chief  
Recovery Division, Individual Assistance

FROM: Matt Jadacki   
Special Inspector General  
Gulf Coast Hurricane Recovery

SUBJECT: *FEMA Trailers at Pontchartrain Guest House*  
*Report Number GC-HQ-06-23*

We reviewed an allegation that 16 travel trailers, provided by FEMA to a Louisiana nursing facility to house its workers, were not being used; and that there may be additional unused travel trailers at other sites owned by the same person who owned the nursing facility. The trailers were provided to Gulf South Medical Enterprise, which operates the Pontchartrain Guest House, a nursing facility in Mandeville, Louisiana. The trailers were to house employees that were also Hurricane Katrina evacuees. We initiated this review in response to a referral from U.S. Congressman Bobby Jindal's office. Our objective was to determine whether the 16 trailers were being used and whether additional vacant trailers existed at other company-owned property.

We interviewed FEMA and State officials from the Baton Rouge Joint Field Office, and conducted site visits in three Louisiana cities: Mandeville, Hammond, and New Orleans. We performed other procedures as necessary to achieve our objectives.

We found 15 vacant FEMA travel trailers located behind the Pontchartrain Guest House. We visited two other sites owned by the same person who owned Gulf South Medical Enterprise, but found no additional trailers. It appeared that the 15 (not 16 as stated in the allegation) trailers had never been set up or used. They were not hooked up to power, water, or sewer sources. FEMA officials said that a contractor delivered the trailers to the site early in October 2005. FEMA's Direct Housing Operations (DHOPS) staff did not have a file on the Pontchartrain Guest House, but the contractor who delivered the trailers said that the trailers were for Gulf South Medical Enterprise. DHOPS officials provided names of additional businesses owned by the same person who owned the Gulf South Medical Enterprise, but found no records of travel trailer deliveries. The contractor and Federal Protective Service officers also ran searches of properties owned by the same person, but had no records of travel trailers being delivered to those sites.

We recommend that FEMA recover the vacant trailers and place them back in FEMA's inventory.

FEMA DHOPS officials told us they are issuing a work order to recover the trailers at the Pontchartrain Guest House, please advise this office when the trailers have been returned to FEMA's inventory.

The nature and brevity of this assessment 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.

This 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 Hurricane Katrina. 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.

Should you have any questions, please call me at (202) 254-4100.

cc: Under Secretary for Management  
Acting Director, FEMA  
Deputy Director, Gulf Coast Recovery  
Audit Liaison, DHS