

U.S. Department of Homeland  
Security  
3003 Chamblee-Tucker Road  
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Homeland  
Security

April 12, 2005

**MEMORANDUM**

TO: Joseph F. Picciano  
Acting Regional Director, FEMA Region II

FROM:   
Gary J. Barard  
Field Office Director

SUBJECT: V.I. Department of Housing, Parks and Recreation  
FEMA Disaster No. 1067-DR-VI  
Audit Report No. DA-15 -05

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The Office of Inspector General audited public assistance funds awarded to the V.I. Department of Housing, Parks and Recreation (Department). The objective of the audit was to determine whether the Department accounted for and expended FEMA funds according to federal regulations and FEMA guidelines.

The Department received an award of \$3,965,154 from the V.I. Office of Management and Budget, a FEMA grantee, for debris removal, emergency protective measures, and repairs to facilities damaged as a result of Hurricane Marilyn in September 1995. The award provided 90 percent FEMA funding for 7 large projects and 62 small projects<sup>1</sup>. We limited our audit to the \$3,540,322 awarded under the 7 large projects. The audit covered the period September 1995 to January 2003. During this period, the Department claimed \$3,520,148 and received \$3,142,973 of FEMA funds under the 7 large projects.

We performed the audit under the authority of the Inspector General Act of 1978, as amended, and according to generally accepted government auditing standards. The audit included tests of the Department's accounting records, a judgmental sample of expenditures, and other auditing procedures considered necessary under the circumstances.

We determined that the Department used and accounted for FEMA funds according to federal regulations and FEMA guidelines. On March 1, 2005, we informed Department

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<sup>1</sup> Federal regulations in effect at the time of the disaster set the large project threshold at \$43,600.

officials of the audit results. Since this report contains no recommendations, a response is not required.

Should you have any questions, or require additional information concerning this report, please contact me at (770) 220-5242.