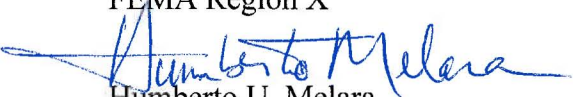




**Homeland
Security**

January 14, 2011

MEMORANDUM FOR: Kenneth D. Murphy
Regional Administrator
FEMA Region X

FROM: 
Humberto U. Melara
Western Regional Director

SUBJECT: *FEMA-1630-DR-ID*
Idaho Bureau of Homeland Security
Public Assistance Identification Number 000-UECRR-00
Homedale Highway District
Public Assistance Identification Number 073-00FBA-00
Owyhee County
Public Assistance Identification Number 073-99073-00
Audit Number DS-11-05

The Office of Inspector General audited public assistance funds awarded to the Idaho Military Department's Bureau of Homeland Security (IDBHS) and eligible subgrantees (Exhibit). The objective of the audit was to determine whether the IDBHS and its subgrantees expended and accounted for Federal Emergency Management Agency (FEMA) funds according to federal regulations and FEMA guidelines.

FEMA awarded \$1.5 million to IDBHS, a FEMA grantee for management and administrative costs, emergency protective measures, and permanent repairs to facilities damaged by severe storms and flooding beginning December 30, 2005 and continuing through January 4, 2006. The eligible subgrantees included IDBHS, the Homedale Highway District, and Owyhee County. Of the \$1.5 million award, FEMA provided 75% federal funding (\$1.1 million), and non-federal sources funded the remaining 25% for 2 large projects and 13 small projects.¹ The audit covered the period from January 4, 2006 to the closeout of the disaster on July 23, 2008. We audited one Project Worksheet (PW) for each of the three subgrantees (Exhibit) with total funding of \$1,057,783, or about 71% of the eligible amount.

We conducted this performance audit under the authority of the *Inspector General Act of 1978*, as amended, and according to generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient and appropriate evidence to provide a

¹ Federal regulations in effect at the time of the disaster set the large project threshold at \$57,500.

reasonable basis for our findings and conclusions based on our audit objective. The evidence obtained during the audit fulfilled those requirements.

We conducted interviews with FEMA and IDBHS officials. We reviewed a judgmentally selected sample of documentation supporting claimed project costs; and performed other procedures considered necessary to accomplish our objective. We did not assess the adequacy of the IDBHS' or the subgrantees' internal controls applicable to grant activities because it was not necessary to accomplish our audit objective. We did, however, gain an understanding of the method of accounting for the disaster-related costs.

We determined that IDBHS and its subgrantees expended and accounted for public assistance funds according to federal regulations and FEMA guidelines. We informed IDBHS and FEMA officials of the audit results on January 5, 2011. Since this report contains no recommendations, a response is not required. Contributors to this report were Ravinder Anand, Jeff Flynn, and Gloria Conner. Should you have any questions regarding this report, please contact me or Jack Lankford, Audit Manager, at (510) 637-1462.

cc: Audit Liaison, FEMA RX
Audit Liaison, FEMA (Job Code: G-10-048-EMO-FEMA)

Schedule of Audited Projects
Idaho Military Department's Bureau of Homeland Security
FEMA Disaster Number 1630-DR-ID

Project Number	Subgrantee	Amount Audited
5	Idaho Bureau of Homeland Security	\$77,441
1	Homedale Highway District	37,091
4	Owyhee County	943,251
Total Audited		\$1,057,783