



New York City Comptroller
John C. Liu

NEWS RELEASE

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COMPTROLLER LIU OFFERS AUDITORS TO ASSIST CITY AGENCIES WITH FEDERAL DISASTER FUNDS

NEW YORK, N.Y. – In a letter to Mayor Bloomberg, City Comptroller John C. Liu today offered the expertise of his award-winning Audit Bureau to assist City agencies in obtaining and retaining Federal disaster funds associated with Superstorm Sandy.

“As we rebuild after Superstorm Sandy, our agencies must cross all of their ‘T’s’ and dot all of their ‘I’s’ to ensure that the City gets and keeps every single federal dollar to which it is entitled,” Comptroller Liu said. “My team of audit experts has been working directly with FEMA and stands ready to advise City agencies on how best to maximize federal reimbursement. At the end of the day, paperwork does matter.”

BACKGROUND:

The Comptroller’s office has made its experts available to advise City agencies on the process of recouping federal funds. In some instances, municipalities that have received federal funds in times of disaster later have had to return money because of poorly filed paperwork or lack of proper records. Comptroller Liu is seeking to ensure that this doesn’t happen to New York City in the case of Sandy.

Comptroller Liu’s letter to Mayor Bloomberg is below:

The Honorable Michael Bloomberg
Mayor
City Hall
New York, NY 10007

Dear Mayor Bloomberg,

As New York City continues its relief and rebuilding efforts following Superstorm Sandy, it is imperative that agencies have the resources and expertise they need to ensure that New York receives all federal funds that are available to it.

I am writing to offer the services of my Audit Bureau to assist City agencies seeking federal disaster funding.

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As you are aware, funds from the Federal Emergency Management Agency (FEMA) and other federal agencies come with an array of requirements and restrictions that, if violated, can result in forced repayment.

In the past, municipal agencies here and elsewhere in the country have forfeited federal funds after they failed to follow the rigorous guidelines that govern contracts, purchases, and accounting for federal dollars. In Fiscal Year 2011, for example, the Department of Homeland Security's Office of Inspector General (OIG) issued 54 reports that identified more than \$300 million in questionable costs related to disaster funding grants.

It is critical that New York City enact internal controls to avoid some of the common mistakes that can lead to forfeiture of federal disaster funds.

Our auditors have expertise in the assessment of internal controls. They are willing to work with agencies to provide recommendations that can help decrease the risk of fraud, waste, and abuse and to ensure compliance with federal disaster relief requirements. Feel free to have your office reach out to my Deputy Comptroller for Audit, Tina Kim, at 212-669-8459.

Sincerely yours,

John C. Liu

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