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THE NEW FEMA: IS THE AGENCY BETTER PREPARED FOR A CATASTROPHE NOW THAN IT WAS IN 2005?

HEARING

BEFORE THE

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS UNITED STATES SENATE

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THE NEW FEMA: IS THE AGENCY BETTER PREPARED FOR A CATASTROPHE NOW THAN IT WAS IN 2005?

THURSDAY, APRIL 3, 2008

U.S. SENATE,
COMMITTEE ON HOMELAND SECURITY
AND GOVERNMENTAL AFFAIRS,
Washington, DC.

The Committee met, pursuant to notice, at 10:05 a.m., in Room SD–342, Dirksen Senate Office Building, Hon. Joseph I. Lieberman, Chairman of the Committee, presiding.

Present: Senators Lieberman, Carper, Pryor, Landrieu, McCaskill, Collins, Voinovich, and Coleman.

OPENING STATEMENT OF CHAIRMAN LIEBERMAN

Chairman LIEBERMAN. Good morning and welcome to this hearing. I appreciate the presence of the witnesses particularly.

The question before us today is at the core of our Committee's homeland security responsibilities, and it is: Is the Federal Emergency Management Agency (FEMA) better prepared for a catastrophe now than it was in 2005?

The answer that is given by the testimony that we will hear today seems to be yes. It may be a qualified yes, but it is a yes, according to a report that will be presented to us by the Department of Homeland Security Inspector General (DHS IG), Rick Skinner. The report finds progress in eight of the nine areas reviewed, and I think that is something to note with appreciation: Moderate progress in five areas, modest progress in three, and little or no progress in one.

While this progress has been made, obviously there is still more that remains to be done before FEMA, and our country, are prepared for the next catastrophe. And I know that Chief Paulison agrees with that as well.

We only need remember those searing images that were beamed live into our homes of a drowning New Orleans—its people trapped on rooftops or sweltering in the Superdome—to focus our attention and rivet our efforts on getting FEMA as close to perfect as we can. We only need recall the needless deaths caused by the failure to adequately evacuate the poorest, most vulnerable residents and the ongoing challenges that remain trying to help a devastated region get back on its feet. The failed response to Hurricane Katrina shook the American people's confidence more broadly in our government, and that trust, I believe, will only be fully restored by the

kind of steadily improving performance in FEMA that the IG report recognizes.

To adequately understand where FEMA is today, I think we have to remember the state of FEMA when Hurricane Katrina made landfall in 2005. Following the Hurricane Katrina disaster, this Committee conducted an extensive investigation into what went wrong. The record is full of the documentation of what we felt went wrong, but suffice it to say here that the list of failures and inadequacies that our investigation uncovered in FEMA at that time was long and deeply troubling.

That is why the Post-Katrina Emergency Management Reform Act, drawn up in this Committee following those hearings, aimed to create a new FEMA—a stronger, proactive disaster response agency that would be equipped to prepare for and, for the first time, respond to a catastrophe like Hurricane Katrina—in other words, to do both—or a terrorist attack even worse than September 11, 2001, which we must contemplate happening in the age in which we live.

Knowing that the Post-Katrina Emergency Management Reform Act was only signed into law in October 2006, I am heartened to see that this IG report concludes there has been real progress across so many fronts in the past year and a half.

I am also pleased by the way FEMA is working hard to implement these directives, as noted in the report, and if I may say so, I appreciate FEMA's new attitude, which under Chief Paulison is: If it is legal and it will help somebody, do it!

One thing this report makes clear is that Congress must continue to invest in FEMA if the agency is to realize its full potential. FEMA received a much needed funding increase in the fiscal year 2008 appropriations bill that was an essential first step in the long process of building the new FEMA, but the actual dollars were only received by the agency a few months ago.

An important point running through this DHS IG report is that additional substantial funding increases for FEMA are still necessary. That is very important to note. In almost every category reviewed—Planning, Coordination and Support, Interoperable Communications, Logistics, Evacuations, Housing, Disaster Workforce, Mission Assignments, and Acquisition Management—one of the reasons continually cited for lack of more substantial progress was a shortage of staff, a shortage of financial resources, or a shortage of both. So we are not going to have the first-rate, totally ready FEMA unless we invest in it.

In many cases, the lack of adequate communications in the aftermath of Hurricane Katrina's landfall meant that first responders and other key officials lacked the situational awareness needed to respond effectively.

Mississippi Governor Haley Barbour told the Committee, as my colleagues will remember, that the head of the National Guard of Mississippi might as well have been a "Civil War general" for the first 2 or 3 days because the only way he could find out what was going on was by actually "sending somebody" to find out and to report back to him.

In the Post-Katrina Emergency Management Reform Act, Congress created the Office of Emergency Communications (OEC) to

lead and coordinate interoperability efforts at the Department. The OEC, I am pleased to say, is up and running today but remains significantly understaffed, as this IG report points out. And I wanted to point that out myself because it remains such a priority for me, Senator Collins, and this whole Committee.

Last year, in the second chapter of the 9/11 Commission legislation, Congress created a new grant program solely dedicated to improving interoperable communications. In the Post-Katrina Emergency Management Reform Act, we made FEMA responsible for implementing all of the homeland security grants, including almost $2 billion in Urban Area Security Initiative and State Homeland Security Grant funds, so that they can be more appropriately targeted to strengthen critical systems, including communications, needed to respond to all hazards.

So, bottom line, this is an encouraging report, but we on this side of the table, along with you on that side of the table, are committed to continuing to improve FEMA, to be ready not just for the natural disasters that it has proven itself increasingly capable to deal with, but also for catastrophic events, such as Hurricane Katrina and, God forbid, a terrorist attack against the United States.

I look forward to hearing our witnesses outline for us what has gone right and how we can improve on it and what has not gone right and how we can together fix it.

Senator Collins.

OPENING STATEMENT OF SENATOR COLLINS

Senator COLLINS. Thank you, Mr. Chairman.

We are approaching the third hurricane season since Hurricane Katrina and, later this year, the second anniversary of the Post-Katrina Emergency Management Reform Act that the Chairman and I, and Senator Coleman and others, worked so hard to enact. Today's hearing gives us an opportunity to evaluate how well FEMA has drawn on the lessons learned from Hurricane Katrina and acted on congressional mandates to prepare for a new catastrophe—a challenge that we know is inevitable, and yet hope will never come.

As I reviewed the report of the DHS Inspector General, I read comments that mirrored my own observations. The IG found that FEMA has made progress in all of the areas reviewed, but that in some important ways, the progress has been limited or modest.

I do not believe that we should underestimate just how difficult it is to completely revamp procedures, processes, and people while continuing to cope with many natural disasters. I know that FEMA has improved and is working hard on its deficiencies. Last year, I saw firsthand the agency's effective response to the devastating Patriots' Day storm in my State. I also observed a training exercise in Massachusetts and Rhode Island that was impressive in its coordination and scope. The regional approach that the Chairman and I advocated is clearly producing results.

Nevertheless, the effective implementation of all of the comprehensive reforms is essential if FEMA is to learn the lessons of Hurricane Katrina and to prepare for even worse disasters, such as biological, chemical, or even nuclear attacks.

Of the nine key areas of readiness reviewed by the IG, four showed only "modest progress" and one was judged to show "limited progress."

The weakest area concerned mission assignments—the system for issuing and coordinating task orders among Federal agencies. Our investigation of the Hurricane Katrina catastrophe identified fundamental flaws in the mission assignment process, particularly between FEMA and the Defense Department. These were a major roadblock to a quick and effective response, and I am concerned that we have not made as much progress in that key area.

The IG report also notes that obstacles like staffing shortages, inadequate funding, lack of coordination, incomplete strategic plans, lack of accountability, and resistance to change from both internal and external stakeholders continued to be problems.

There are some overarching issues as well. The IG observes that FEMA is working on plans for catastrophic preparedness and response on the Gulf Coast, in the New Madrid Fault seismic zone, and in major cities. But the IG adds that the plans are "very geocentric" and that disaster officials regard them as not readily transferable. I want, however, to discuss this further with the IG since a regional approach focusing on the most likely scenario for that area strikes me as making good sense and it is consistent with the reform act.

Moreover, the Department has devoted considerable resources to national planning. For example, FEMA and the Operations Directorate of the Department—in concert with other Federal departments and agencies—have been drafting strategic plans for each of the 15 national planning scenarios.

Just a few months ago, FEMA issued its National Response Framework, which articulates the national doctrines, principles, and architecture for our Nation's preparedness for any emergency, whether manmade or natural. It is important to note, however, that plans are only as effective as the people implementing them and as the adequacy of resources backing them. And that is why the budget issues that the Chairman mentioned are still critical as is getting the right people into the right positions—something that I know that David Paulison has worked very hard to do. It is also precisely why FEMA's efforts to establish robust regional offices—as required by the reform act—is so vital.

One of the changes that I think is making a real difference is having a Department of Defense coordinating official actually sitting in the regional FEMA offices. I have heard that has made a big difference and is improving coordination enormously. Since we came up with that proposal, I always like to highlight it as one of the successes.

Chairman LIEBERMAN. That is OK with me. [Laughter.]

Senator COLLINS. The regional offices are also working much more closely than ever before with State and local emergency managers and with first responders on the entire preparedness cycle, including training, exercises, equipment, education, and homeland security grants, in addition to planning.

The drive for a stronger and more effective FEMA also requires that we maintain the agency's location within the Department of Homeland Security, and I bring that issue up because we continue

to hear some Members who pursue the idea of taking FEMA out of the Department of Homeland Security. That would require a huge duplication of effort. FEMA has made real progress, but as the GAO warned us last year, "successful transformations of large organizations, even those faced with less strenuous reorganizations than DHS, can take from 5 to 7 years to achieve." Another reorganization at this time would simply introduce distractions and disruptions that would undermine the progress that we are making without addressing any of the issues that have constrained that progress.

I look forward to hearing from both of our distinguished witnesses today. We have worked very closely with them. We are eager to help you sustain FEMA's progress and catch up in areas where improvements have lagged. We want to fully realize the promise of the "New FEMA" envisioned in our 2006 reforms.

Thank you, Mr. Chairman.

Chairman LIEBERMAN. Thanks, Senator Collins, for that very thoughtful statement. It struck me as you were talking about the regional offices, what we know on the Committee, and the gentlemen at the table know, that there has been an enormous amount done in our government post-Hurricane Katrina and, of course, post-September 11, 2001, to be better prepared. Most of it is not seen—and, of course, in that sense not appreciated—by the general public. The test, which we hope does not come, will come in a crisis, of course, in terms of how we prepare. But I think we feel on this Committee, in terms of what we have seen, that we have come a long way. Senator Collins talked about there being a representative of the Pentagon in each of the regional offices. That is critically important. We had testimony a while ago from the Northern Command about the extraordinary work that they are doing within that command focused on homeland protection responsibilities of the Department of Defense, now standing up over the next few years three units of almost 4,000 soldiers who are uniquely prepared to come in to help in catastrophic cases, including the worst nightmare cases of biological, chemical, nuclear, or radiological attacks.

So it creates some satisfaction, and I want to express appreciation to both of you who are here and those who are not for what has happened, and though there is always a lot of controversy in this town, this would not have happened, we would not have made this progress without cooperation between the Executive Branch and those of us in Congress. So that is something to note with appreciation.

On a point of personal privilege, I do want to note in the room, Wayne Sanford, who is the Deputy Director of the Connecticut Department of Emergency Management and Homeland Security. Chief Paulison, you will be happy to hear that he is in town for the Congressional Fire Services meetings this week, and he has with him a dozen University of New Haven fire sciences students. We have a great program up at the University of New Haven in fire science. Why don't you all stand up and just let us say hello to you. Thanks for your interest in public service.

Thanks also to Senator Coleman and Senator Voinovich for being here. As you know, they bring not only their distinguished service

as Members of the Senate, but past experience respectively as a mayor and a governor.

General Skinner—I enjoy using that title—please go forward with your testimony.

TESTIMONY OF HON. RICHARD L. SKINNER,[1] INSPECTOR GENERAL, U.S. DEPARTMENT OF HOMELAND SECURITY

Mr. SKINNER. Thank you and good morning, Chairman Lieberman, Ranking Member Collins, and Members of the Committee. It is my pleasure to be here today, and I am particularly pleased to be able to testify side-by-side with Chief Paulison. Together, I am confident that we can paint a clearer picture of the challenges facing FEMA in the efforts underway to build a stronger, more robust organization capable of responding to a catastrophic disaster.

Today, as you know, I published a report summarizing the results of a review my office just completed on the progress FEMA has made over the past 2-plus years to prepare itself better for the next catastrophic disaster. Today I would like to discuss the observations we made in that report. But first I would like to point out that our report is not a comprehensive assessment of all the initiatives that FEMA now has underway relating to catastrophic disaster preparedness; nor is it an in-depth, in-the-weeds analysis of FEMA's disaster preparedness activities; nor is it a scorecard of FEMA's catastrophic response capability. Rather, it is a snapshot or an overview of the progress FEMA has made in certain critical areas that, in our opinion, are essential to effective and efficient disaster preparedness.

Also, our assessment was not intended to gauge FEMA's ability to respond to disasters or emergencies that are less than catastrophic in nature, such as the California wildfires or the Midwest floods which we are currently witnessing. FEMA has and continues to perform reasonably well responding to non-catastrophic or traditional types of disasters. Instead, we focused on the progress FEMA has made to prepare for a catastrophic event such as Hurricane Katrina and its aftermath.

The title of this hearing asks: Is FEMA better prepared for a catastrophe now than it was in 2005? And I believe the short answer to that question is yes. The work we have conducted shows that FEMA is making some progress in key preparedness areas and is in various stages of implementing the requirements of the Post-Katrina Emergency Management Reform Act. However, since much of the work has not been completed, one can only conclude that overall progress is somewhat limited.

We identified nine key areas where progress needs to take place in order for FEMA to be better prepared for the next catastrophe. Overall, FEMA has made moderate progress in five of those areas, and those are: Overall planning, coordination and support, interoperable communications, logistics, and acquisition management. This means that FEMA has taken a number of actions to address problems, but much work remains before FEMA can say all of its problems in these areas have been resolved.

[1] The prepared statement of Mr. Skinner appears in the Appendix on page 39.

It has made modest progress in three areas: Evacuations, housing, and disaster workforce. This means that FEMA identified many corrective actions that need to be taken and has taken some fundamental steps to address them, but few have been accomplished or fully implemented. And, finally, it made limited progress in one area: Mission assignments. This means that FEMA is aware of critical issues that need to be addressed, but few corrective actions have been taken or initiated.

FEMA officials said that budget shortfalls, reorganizations, inadequate IT systems, and confusing or limited authorities have negatively impacted progress. We agree that these factors may have impeded FEMA progress, but we also believe FEMA needs to do a better job of documenting and communicating its overall strategy for improving its catastrophic disaster preparedness capabilities.

Although FEMA may have developed some operating plans to address problems on a function-by-function or project-by-project basis, it does not have a comprehensive, integrated operating plan or strategic plan with explicit goals and objectives and the strategies that it will use to achieve them or its catastrophic disaster preparedness program. This would include performance metrics with timelines to measure progress; a summary of the resources, systems, and processes that are critical to achieving the preparedness goals; external factors that could affect achievement of its goals, such as budget shortfalls; and a team dedicated to the achievement of the goals and objectives.

FEMA is spending millions of dollars on new initiatives and enhancements in its disaster management systems. These initiatives are critical to enhancing its ability to better respond to disasters, but it is not apparent that they are well planned or integrated. It does not appear that FEMA's top management is effectively communicating its visions and plans for these initiatives to staff and other stakeholders or that there is assigned responsibility and accountability for each initiative. FEMA would benefit from better knowledge management; that is, greater sharing of information between and among its various stakeholders, both inside and outside the organization.

Furthermore, as FEMA is planning to meet the demands of a successful all-hazards mission, its programs and approach to business are evolving. FEMA's 2009 budget request, for example, targets processes and technology initiatives that will advance the agency's preparedness capabilities. However, these types of initiatives could take years to accomplish. That is why it is important that FEMA develop a performance plan that will not only aid in setting a strategic direction, but it would also link resource needs to performance goals, ensure resource requirements target the highest priorities, and promote greater involvement of the emergency management community at all levels—Federal, State, and local. In doing so, FEMA would need to examine whether it will need additional funds and staff as well as additional statutory authorities.

We are recommending that FEMA conduct a comprehensive needs analysis to determine where it is now and where it needs to be as an agency in terms of preparedness for a catastrophic disaster. This could serve as a baseline for the development of a com-

prehensive, integrated, strategic, and operational plan. Also, to help FEMA measure performance, we are recommending it develop or acquire the tools needed to track the progress of programs, initiatives, and enhancements, both planned and underway.

Last, to further enhance accountability and transparency and to bolster the ability of key stakeholders to assist FEMA in achieving its mission, we are recommending that FEMA provide regular updates regarding progress on all major preparedness initiatives and projects.

We recognize that FEMA sometimes views oversight as excessive and burdensome. Nevertheless, we believe FEMA's catastrophic disaster preparedness efforts will require special attention during the upcoming year as the Department prepares to transition to a new Administration. Regular reporting—and I am sure Congress will agree—can be an invaluable oversight tool for improving program management, enhancing accountability, ensuring transparency, and providing a basis for making informed policy decisions.

In closing, I would like to say that FEMA is making a good-faith effort to address the many challenges associated with the development and execution of initiatives to better prepare itself for the next Hurricane Katrina-like disaster. However, the ability of FEMA to sustain these efforts is fragile at this point in time because of the early stage they are in and the disruptions that may accompany the transition of a new Administration in less than a year. It is imperative that FEMA formulate a comprehensive performance plan with unambiguous milestones and metrics to gauge or measure performance and progress, ensure transparency and accountability, and help guide program execution.

Mr. Chairman, this concludes my remarks. I will be happy to answer any questions that you or the Committee may have.

Chairman LIEBERMAN. Thank you very much. That gets us off to a good start.

I want to put an exclamation point after the distinction you made and I tried to make in my opening statement, which is that this evaluation of FEMA is with regard to its ability to deal with a catastrophic incident. And although it seems that when you say something is a disaster, it is hard to distinguish between a disaster and a catastrophe, but there is a distinction. And maybe at some point in the questioning I will ask you about how you think they are doing in their ability to respond to disasters. But we are talking about the mega events, like Hurricane Katrina. Thanks very much.

Chief Paulison, thanks for being here, and we look forward now to your response to the IG report.

TESTIMONY OF HON. R. DAVID PAULISON,[1] ADMINISTRATOR, FEDERAL EMERGENCY MANAGEMENT AGENCY, U.S. DEPARTMENT OF HOMELAND SECURITY

Mr. PAULISON. Thank you, Mr. Chairman, Ranking Member Collins, and Members of the Committee. I am really pleased to be here

[1] The prepared statement of Mr. Paulison appears in the Appendix on page 60.

today to talk about some of the reforms past, present, and future that we are implementing at FEMA.

I also want to start off by saying, since we have a lot of press here, that I am not leaving, despite what you have read in the papers. I think the *Miami Herald* did not understand when I was talking about how we are going to transition to the next Administration. But my intent is to stay here throughout the term of the Administration and to help whoever the new FEMA administrator is into this new system.

Chairman LIEBERMAN. I am glad I did not read the *Miami Herald,* but I am also encouraged that we will have you to kick around for a year more. [Laughter.]

Mr. PAULISON. My wife keeps saying, and you are thinking, "Why?"

The FEMA of 2008 is not the FEMA of 2005. We have learned from the past and are dramatically improving our capabilities. The results were evidenced in our response to recent floods and tornadoes as well as our larger responses to last year's California wildfires, how we responded to Hurricane Dean and Tropical Storm Erin potentially making landfall in Texas, and the more than 400 disasters that we have responded to since Hurricane Katrina.

I spoke just yesterday at the National Hurricane Conference on some of the reforms and improvements at FEMA. To start, we have placed additional resources and focus on planning and preparedness before a disaster strikes. FEMA has brought in operational planners, both at the national and the regional level. We are using a gap analysis tool in conjunction with the States to determine what Federal resources will most be needed to plan and where to meet those needs.

FEMA has initiated a proactive, forward-leaning, geospecific catastrophic disaster planning initiative designed to ensure that FEMA and its partners plan and prepare for an appropriate, timely, and efficient response to a truly catastrophic disaster. As part of this initiative, we are partnering with the State of Florida to address a Category 5 hurricane that could potentially place most of the Southern portion of the State in harm's way and impact as many as 7 million people. And I want to personally thank Craig Fugate, the State emergency manager, and the governor for the work they have done on this catastrophic planning. But I do believe also that this catastrophic planning we are doing is transferable to other areas. In addition to the Florida project, there are planning projects for earthquakes along the New Madrid Seismic Zone and also earthquakes in California.

All of this is in conjunction with our National Response Framework, which was issued earlier this year, as Senator Collins pointed out. This system is easier to use and easier to understand than it was in the past and will help our planning and our response efforts in the future.

FEMA's operational capabilities have been greatly expanded. To coordinate with our Federal partners, we have 233 pre-scripted mission assignments in place today, and that is up from 44 last year, with over 31 Federal agencies. We will have incident management assistance teams operational this year with the core professionals ready to deploy to a disaster site in hours to coordinate the

Federal response. We have a new logistics system online that is better able to track and coordinate key materials as needed. In fact, FEMA's Logistics Management Directorate now has contracts and interagency agreements that will improve our capabilities in providing supplies and services, base camp support, evacuations, and transportation needs for our States.

FEMA is better prepared to help communities get back on their feet once a disaster has struck. FEMA now has 60 mobile disaster recovery centers that can be deployed on-site in a disaster to help people get the support they need. FEMA continues to work with Federal, State, and voluntary partners to build robust systems for evacuations, shelter, and housing, including our collaboration with the American Red Cross to implement a national shelter system. We have established a national emergency family registry and locator system and a national emergency child locator center to help those displaced to find their loved ones—one of the major lessons learned in the aftermath of Hurricane Katrina. We also have a new policy to help those with pets. We are now focused on streamlining and improving the housing and individual assistance programs also.

It is worth highlighting that since March 2003, FEMA has provided direct material and financial assistance to well over 3.5 million individuals across this Nation. Today, we are continuing with these planned reforms, and I detail those in my written testimony. But I would like to take a moment to say that these changes and improvements would not have been possible without the hard work of the FEMA staff that has been supporting me. FEMA has made it a major priority to hire seasoned professionals, whether in the field of logistics, in IT, in acquisitions, as operational planners, or as experts able to deliver assistance to those in need. Our disaster assistance employees are now a cadre of experts ready to help in an emergency. The President and the Secretary have allowed me to select senior leaders with experience in the fields of emergency management and preparedness.

All of these have essential roles to play. I hope that the Congress will help us by confirming my Acting Deputy Administrator Harvey Johnson, retired Vice Admiral from the U.S. Coast Guard. Admiral Johnson has been my right hand in making these changes and improvements. He is a man of integrity with more than 30 years of on-the-ground experience in emergency management. These people working for me who pour their hearts and souls into FEMA make it really what it is today and will make the agency that I have described in my vision.

I am happy today to be joined by our Inspector General's office to discuss the recent findings. We do review this report as a validation of our efforts and as additional learning opportunities as we continue our progress. A copy of FEMA's response to the draft of the IG report is attached with my formal statement.

FEMA appreciates the IG's assessment of improvements that have been made since 2005. We also understand, as he reported, that the IG had relatively little time to conduct its research and, as a result, we feel did not have the opportunity to conduct an in-depth assessment. With this in mind, we believe there are aspects that could have benefited from a more detailed examination. Let

me highlight just two of those that are illustrative of how FEMA is not only using this report as an additional learning opportunity, but also an example of how FEMA in many ways is already ahead of the curve.

The IG recommends we assess where we are and where we need to be in terms of preparedness for a catastrophic disaster, and we have been doing this since I joined FEMA more than 2 years ago. Last year, we asked independent experts to conduct assessments in 17 key areas and then use the results to develop our new strategic plan and our vision statement on preparedness.

In addition, FEMA has been the subject of dozens of engagements, studies, and reports by outside entities, including the IG, the Government Accountability Office (GAO), and Congress. The Post-Katrina Emergency Management Reform Act specified more than 250 actions for FEMA. There are more than 100 open recommendations from the GAO and more than 600 from the IG, and many of these, quite frankly, overlap. The sheer workload associated with responding to more than 700 recommendations is really starting to impact our efforts to actually implement them. Instead, FEMA should be given the opportunity to implement our plans and continue to take action on the remaining Post-Katrina Emergency Management Reform Act requirements, as well as these GAO and IG recommendations.

Another IG recommendation which has been previously addressed is that we provide regular updates regarding progress on all major preparedness initiatives and projects. FEMA is already actively providing these updates and is working on a comprehensive reporting effort that will be completed in April 2008.

While there are still many areas with a need for improvement, we have had our share of successes, and they are worth remembering as we demonstrate our improvements and how they are impacting our constituents today. In the past year alone, FEMA has responded to 63 major disasters and 13 emergency presidential declarations and has also issued over 60 Fire Management Assistance Grants. From Greensburg, Kansas, to the fires in California, to the current flooding along the Mississippi, we have seen improved and effective response from FEMA. I have visited these disaster scenes firsthand and seen the difference. As your own colleague, Senator Boxer, said after the California fires, "The important difference between FEMA during Hurricane Katrina and now is that they have actually learned to bring people together as a team." And that is a key—teamwork.

Our focus on engaged partnership, our stronger ties with our Federal partners; the tribal, State, and local governments; the private sector; and nonprofit community is building a stronger network and team that responds to disasters. From the relatively small to catastrophic, we are doing it, but we are doing it together. The National Response Framework strengthens this coordinated activity. Our reforms and resources are all aimed at getting the right tools to the right people at the right time.

In this past year, FEMA has responded rapidly and effectively to the disasters we have encountered. We are more nimble and responsive than in the past. We will continue to move forward with many of the recommendations that come to us from all sources. We

will never be perfect, but we can be the Nation's premium emergency management agency and preparedness group and a member of the team of which all Americans should and can be proud.

I want to thank you and this Committee for your support and this opportunity. I want to thank the IG's office for their support. And like General Skinner said, I will be happy to answer questions also.

Chairman LIEBERMAN. Thanks very much, Chief. I appreciate your testimony and your work.

Mr. Skinner, let me pick up on what I said after you spoke. I know it is not exactly what we asked you to focus on in this report, which is focused on catastrophic incidents. But since so many of these functions of FEMA would obviously also be in play in what we would term a disaster as opposed to a catastrophe, can we assume that the level of progress made would be higher if you were reaching that judgment? Or is the progress what it is and it would be true for a natural disaster like a tornado or a normal hurricane as opposed to the catastrophic hurricane that Hurricane Katrina was?

Mr. SKINNER. I think it is important to understand that FEMA was never, ever prepared to address a catastrophic disaster such as Hurricane Katrina.

Chairman LIEBERMAN. Yes. That is very important to say.

Mr. SKINNER. FEMA has, prior to Hurricane Katrina and subsequent to Hurricane Katrina, the ability to respond to and help citizens recover from—I hate to use the term "garden variety disasters" as that implies that people have not suffered as a result of the event—normal disasters such as these we are seeing in the Midwest floods. These are contained events. They are predictable. And FEMA has, I believe, the resources and the wherewithal to address those type of disasters. What we are addressing here is: Do we have the capability to deal with a "catastrophic" event?

Chairman LIEBERMAN. Right.

Mr. SKINNER. And therein lies the problem, I believe.

Chairman LIEBERMAN. All right. I hear you, because you are right. We asked you a comparative question, which is: Is the agency better prepared for a catastrophe today than it was in 2005 when Hurricane Katrina struck? And that is why you are measuring progress here. And as I said at the beginning, though obviously we would like to see substantial progress in every category, nonetheless it has been a year and half, so we understand that it is difficult to turn these things around quickly. And, overall, we see progress. But I also hear you now saying that in your judgment the agency, FEMA, is prepared, in some sense always has been, but hopefully is even better prepared today as a result of post-Hurricane Katrina action, to respond to a natural disaster as opposed to a catastrophe.

Mr. SKINNER. That is correct.

Chairman LIEBERMAN. OK. I appreciate that.

Chief Paulison, one of the areas here where you have given a higher mark, as it were, for moderate progress is logistics. The logistical failures in response to Hurricane Katrina were really some of the most infuriating and embarrassing, including, of course, the ice that found its way for some reason to Senator Col-

lins' State as opposed to the Gulf Coast. Talk a little bit more about what you have done to avoid a waste and embarrassment such as the misdirected ice and everything else that happened around Hurricane Katrina.

Mr. PAULISON. It was, Senator, a combination of things that we had to do to fix what happened in Hurricane Katrina. And you are right, it was a major failure across the board. It was not just logistics pieces, although that was a big part of it also. Not having the ability to track supplies, not having the ability to get them to the right places, not having the ability to make sure that there was an end-to-end supply chain set-up from the time of ordering until the time of delivery, we've worked very hard to correct that. We brought in experts from UPS. We have a loaned executive from UPS working with us. We hired one of the top experts from the Defense Logistics Agency to revamp our system. Also, I took logistics out of operations and made a division which reports directly to me to give them more visibility and more strength and power to do the things it needed to do.

But one of the more important issues that we had to fix was a lack of communication, the breakdown between the local and the State and then the State and the Federal Government, making sure that we all understood who was responsible for what and that supplies were there on time.

And then the third piece of that was changing the culture of the organization. FEMA, based on the way the Stafford Act was written, was designed to be a reactive organization. We saw in Hurricane Katrina that does not work. FEMA has to be a proactive organization. And I want to use an example because I do disagree with the IG—and we disagree professionally—on our ability to respond to a catastrophic event.

What happened in Hurricane Katrina was FEMA waited until the storm hit before it decided to start moving buses and looking for transportation.

Chairman LIEBERMAN. In some cases, even to acquire what was necessary.

Mr. PAULISON. That is correct. The other issue was contracting. I will not even get into that. I am trying to keep my answers as short as I can.

Chairman LIEBERMAN. Sure.

Mr. PAULISON. What we did in Hurricane Dean, which was a Category 5 moving into the Brownsville, Texas, area, with an extremely vulnerable population of people who live in really substandard housing, some 400,000 along that Texas coast——

Chairman LIEBERMAN. What was the date of that, just for the record?

Mr. PAULISON. Just last year. I don't remember the exact date of Hurricane Dean. We worked with the State of Texas prior to the storm landing, we amassed hundreds of buses with drivers, hundreds of ambulances with drivers. We had the Department of Defense set up to do air transportation of the most vulnerable population that cannot take care of themselves, those in nursing homes, those who were invalid, to transfer those people to safe harbor. I put six Urban Search and Rescue Teams on the ground, we put

communications equipment on the ground—all prior to the storm making landfall.

Had that happened in Hurricane Katrina, we would not have had the fatalities that we had. We would have had a better evacuation plan in place. People would have been bused out of the areas instead of being stuck where they were. So we have learned a lot of lessons from Hurricane Katrina.

Chairman LIEBERMAN. Well, that is great. I take it by the reference to UPS—I am not here to do an advertisement for UPS, but I can tell you that my wife and I just happened to buy something here that we wanted to ship up to our home in Connecticut, and she got so many notices from UPS as to where the shipment was at that moment that she began to complain to me. So it is easy to do, and I take it, therefore, that you now have a system that will tell you when you are moving materials to a disaster or a catastrophe area exactly where they are and how soon they are going to reach the destination.

Mr. PAULISON. We do that, and it is available across the country, and we can tell a governor very clearly where those trucks are. My goal really is to move that equipment into the State even before they have to ask for it, like we did with the snowstorms in Oklahoma. We moved generators and equipment into the State before they got a declaration. And so when the governor asked for the generators, they were already there.

Chairman LIEBERMAN. Thanks very much. Senator Collins.

Senator COLLINS. Thank you.

Chief Paulison, as part of the FEMA Reform Act, we also directed FEMA to enter into pre-disaster contracts as much as possible so that we did not see once again the problems in the wake of Hurricane Katrina where these enormous sole-source contracts were awarded and far more money was spent than if the contracts had been negotiated in advance and then could just be pulled off the shelf when disaster struck.

I am also pleased to see that with the additional funding that we have provided, FEMA has increased its contracting staff. As I recall, there were only 35 during Hurricane Katrina, and today you have 162 contracting positions. So that allows you to do far better planning and avoid an excessive or unnecessary reliance on noncompetitive contracts.

However, the IG's report still expresses a concern about FEMA's ability to monitor a contract after it has been awarded, and the GAO last November also was critical about FEMA's management of a contract for managing and maintaining group manufactured housing sites in Mississippi and reported more than $30 million in questionable payments. These payments occurred, according to GAO, for the period between June 2006 and February of last year, so it is not in the immediate aftermath of Hurricane Katrina.

What is FEMA doing going forward to ensure better contract management after the award of the contract? It seems to me you have made a lot of progress on the front end, but there are still problems on the back end.

Mr. PAULISON. One of the big issues is having enough people to do that, and with the number of positions that this Congress has given us, we are in the process of hiring people to do that. Like you

say, we have over 100 contract people now, but that also includes our contract specialists who monitor those contracts. We are putting more and more of those people on the ground. We do not have enough yet, but with the 2009 budget, if the 2009 budget is approved as submitted, FEMA would have gone from 2,100 full-time employees to 4,300 in just 2 years. So we would have almost doubled the size of this organization. That gives us the resources that you are talking about that we need to fulfill those. The IG and the GAO both reported to us that we need to do a better job of monitoring the contracts.

Senator COLLINS. Well, just this week a general complained to me that all of the good DOD contract officials are now going to FEMA, so apparently you are making some progress. That actually is a serious problem throughout the Federal Government. The procurement workforce is very strained. Many of them are eligible for retirement, and as part of the contracting reform bill that this Committee has reported and the Senate has passed, we take direct aim at bolstering the contracting workforce, which I know is a problem throughout the Federal Government.

Mr. Skinner, shortly after Hurricane Katrina, you testified to this Committee or before this Committee about the work of the Hurricane Katrina Fraud Task Force because, unfortunately, at that time FEMA did not have the common-sense safeguards in place to prevent fraud in the individual assistance program, and we held hearings which revealed widespread fraud in that program, truly outrageous examples of prisoners, for example, receiving housing assistance.

What is the status of the work of that task force?

Mr. SKINNER. It is still working. It is going very strong. We are located now in Baton Rouge. We are working collectively with over a dozen IGs and other law enforcement agencies—the FBI, Secret Service, and Postal Inspectors. We are continuing to receive allegations. Approximately, I believe, we are getting right now in Louisiana alone about 100 allegations a week. In Mississippi, where there are less, we are receiving approximately 30 to 40 allegations a month on various corruption schemes. Just in the past quarter, we have had over 30 arrests and 20-some indictments. We have approximately 200 to 300 open cases in Louisiana alone. We are working about 50 cases with other IGs.

We have committed to that task force, and we intend to stay there for the long haul, not only in Baton Rouge to cover the Louisiana storms, but also in Texas for Hurricane Rita, as well as offices that we have set up in Biloxi and Vicksburg, Mississippi.

So it is going strong, and we have invested the resources there, and we intend to keep them there as long as they are needed.

Senator COLLINS. Do you think that FEMA has implemented sufficient safeguards in its process for awarding individual assistance to prevent the kind of fraud that you found through your investigations? For example, I remember that one of the deficiencies was that if you applied online, there were certain checks that were done to ensure the identity and location of the individual, but that if you called, you were able to get assistance without those kinds of checks, or maybe it was the other way around. But do you believe

FEMA has put in place the kinds of safeguards to prevent that kind of blatant fraud?

Mr. SKINNER. I believe FEMA always had those safeguards. After Hurricane Katrina, they were waived, and that opened a window of opportunity for those that wanted to take advantage of the system, and that is what they did.

I think FEMA needs to invest in its systems. I think they are archaic. I think they can improve in their abilities to process applications so they do not have to waive requirements in a catastrophic environment. That is something that FEMA is looking at, and I understand that, in their 2009 budget, it is something that they want to begin to invest heavily in, that is, the enhancement of their IT systems.

Senator COLLINS. Thank you.

Chairman LIEBERMAN. Thanks very much, Senator Collins. We will go to Senator Coleman next.

OPENING STATEMENT OF SENATOR COLEMAN

Senator COLEMAN. Thank you, Mr. Chairman.

Mr. Chairman, I do want to start first by thanking you and the Ranking Member for your continued leadership in this area, both right after Hurricane Katrina and the incredibly extensive hearings and review that we did, and then following up right now. I do not think there is any question that this is a different FEMA than what we all saw and experienced in 2005. On the non-catastrophic level, the disaster level—and I have to presume from many of my colleagues who have had the same experience, we have seen FEMA in operation in southeastern Minnesota. We had a series of very devastating floods, and Director Paulison was there on the ground. And even long after he left, I had a chance to interact on many occasions with FEMA personnel, and there is a more positive spirit, a greater sense of pride in working in an organization. And I think that is critical. Leadership makes a difference, and we see that. Nevertheless, this is a race without a finish line, and we need to continue to improve on a constant basis.

During the oversight hearing, in fact, the Inspector General had made the comment that we had food and everything was in the pipeline, but we could not track it. And the Chairman has raised the question about logistics using technology. In fact, my comment was, "Why didn't you call FedEx or UPS? They have systems."

General Skinner's report does, on logistics, indicate that there is an improved Total Asset Visibility (TAV) system, but then the report does indicate that FEMA personnel said there are many gaps in the system. And so I would just like to explore that a little more fully.

Director Paulison, you indicated your confidence that we contract things, but the report talks about gaps, talks about in particular overcoming TAV user resistance from the field. I want to get a little better understanding. Are the gaps we talk about here gaps in the ability to track the logistics? And if so, what are we doing to overcome them?

Mr. SKINNER. What we were referring to is that FEMA now has the capability to track commodities which are in its possession. What it is not capable of doing is tracking commodities that are or-

dered at the local level or at the regional level in response to a disaster, or track those commodities that are provided by other Federal agencies or by the private sector. And therein lies one of the issues, I think FEMA still needs to continue to study and to work on this issue.

Senator COLEMAN. And certainly in a world in which on the private side, wherever we get something, people simply expect that we have the technological capability, no matter who provides it, to track it. Director Paulison, tell me what we are doing to fix that gap.

Mr. PAULISON. What we want FEMA logistically to be is more in control of logistics than just those of FEMA, and that is what the IG was talking about. We want to be able to track all of the Federal assets, regardless of where they come from, including the local governments. One of the examples that I will use is just recently we had floods—I think it was in Nevada—and we had tons of water in Moffett Field in California. Instead of shipping it from Moffett Field, we just went to the local Wal-Mart, talked to them; they took care of the process. They used their drivers, their trucks, their water, and delivered it for us. So we are looking more at using the third-party logistics, using more of the private sector, getting them involved with us. There is no reason for us to reinvent the wheel. But what we are trying to do—and we are not quite there yet—is to have a total visibility of all the assets across this country, whether it is with the Red Cross, whether it is with another Federal agency, or whether it is with the private sector. And that is where we are heading with this, and we do have money in the 2009 budget to help us with that process that General Skinner talked about.

Senator COLEMAN. Can you also talk a little bit about openness to technology? Again, that was my concern post-Hurricane Katrina that there was tracking technology and we were not going to use it. I was looking at something the other day, a device to create water out of air, an Israeli process. Folks said that, yes, we have talked to FEMA. I often get—and, again, there are a million great ideas out there, but there is always this question about whether the bureaucracy in the system is open to things that come from outside the system.

Talk to me a little bit about working with the new technology, innovation, and how ready the agency is to kind of adapt tech into that. I do not know, Inspector General Skinner, whether you looked at that, but I am interested in how do we make sure that we are tapping into the 21st Century technology that is available.

Mr. PAULISON. I agree, we do not want to reinvent the wheel if it is already out there. We have a couple of those units that we purchased in the aftermath of Hurricane Wilma. But the bottled water still serves us the best right now. We do have those units and supply it if we brought them up. But they cannot produce water as fast as we can take a tractor-load of bottled water and deliver it to somebody. And it just produces the water. We still have to bottle it and package it somehow, and it is just not quite where we want to be. And even the units we have purchased, there are others out there from other companies that, quite frankly, will do a better job than what we have.

But right now, the bottled water works well for us. It is easy to move. It is readily accessible anywhere around the country. And like I said, we can go to a Wal-Mart, K-Mart, or any other place and get it if we do not even have it in our own stocks somewhere close. That is really what is serving us best right now.

Senator COLEMAN. Mr. Chairman, are we going to have another round?

Chairman LIEBERMAN. We will.

Senator COLEMAN. Good. Thank you, Mr. Chairman.

Chairman LIEBERMAN. Thanks, Senator Coleman. Senator Voinovich.

OPENING STATEMENT OF SENATOR VOINOVICH

Senator VOINOVICH. Thank you, Mr. Chairman.

First of all, I would like to say that my experience with your agency has been terrific. We had floods in Hancock County and Huron County in Ohio. I had a roundtable there, and the reaction from the community in terms of cooperation and coordination between the Federal and State Government was great. So you should feel real good about that.

Second, I want to thank you for sticking around. I am concerned that people in responsible positions like yours are leaving the Administration. One of the things that I am concerned about is that Inspector General Skinner said in his report that FEMA has yet to complete many of the workforce-related actions required by the Post-Katrina Emergency Management Reform Act. I have several questions:

Why the delay?

What percentage of FEMA's Senior Executive Service is eligible to retire?

Do you have the authorities you need to recruit, retain, and reward folks, which are extremely important?

Mr. PAULISON. That is a handful. Let me talk about the transition to the new Administration first because that is an important issue for us.

All of our career senior positions are filled, so when the politicals leave, there are people there who will transition to the next group. I have asked Nancy Ward, our career Region IX administrator, to be that transition lead. If, come January 20, the new Administration has not appointed a FEMA administrator or FEMA team, she will be there to carry on across into the next Administration to make sure that is in place.

The political appointees will leave. I mean, they are going to leave between now and January 20. Hopefully they will not leave until then. But I have been given the authority to fill those slots. In one example, our Region VIII director out of Denver left and took a job at a State, and we have already filled that slot—well, not quite filled yet, but we picked a person to do that, and he is in the process and should be coming aboard within a few weeks. And that is a political position. We were still able to go out and recruit a person with 30 years of experience in emergency management to come, and even though there is only 9 months left, or 8 months now, to come in and do that. So I am comfortable that we are able to track good people. I have worked very hard to put this

organization on track, and I do not want to lose it because we are changing the Administration. So I am working very hard to make sure that does not happen.

There are a lot of pieces of the Post-Katrina Emergency Management Reform Act that we have not quite done yet, and we are working hard to make those happen. There are a lot of them. There are too many to get done and still manage the organization. We have been able to hire a lot of people, and that is really going to help us to do more of that.

One of the issues is the Housing Plan. We have been working with Senator Landrieu, and my deputy promised we would have that done by April 1. We have the draft done, and I believe you are going to be briefed on it here shortly, in the next couple days. But that has to be circulated among our stakeholders, and I want to do that so that they have a piece of that. And also, according to the Post-Katrina Emergency Management Reform Act, we have to make sure that the National Advisory Council that was created reviews that and has input into that also.

Senator VOINOVICH. Will your Human Capital Plan be completed before you leave?

Mr. PAULISON. Yes, sir. The Human Capital Plan should be done. We are working on it very hard. A lot of this stuff is in progress. It is just not quite done yet. My most important thing was rebuilding the organization; that we have done. The National Response Framework had to come first before the Housing Plan fell in place. So there are several things that are falling in place, and I am going to make sure that we get as many of them done as we can before we transition. And there will be a plan in place for the next group.

Senator VOINOVICH. Mr. Skinner, how do you feel about what Chief Paulison has just talked about, the transition and succession planning?

Mr. SKINNER. First, I must say that the Secretary as well as FEMA and other components within the Department have given a lot of attention to transition planning, recognizing that the Department of Homeland Security's mission is much too important just to be put on hold for——

Senator VOINOVICH. I want to say this publicly, that I am very impressed with the plan that they are putting together.

Mr. SKINNER. Yes.

Senator VOINOVICH. My concern is that the plan that they put together is implemented. [Laughter.]

Senator VOINOVICH. But it is good to have a plan.

Mr. SKINNER. Yes. Planning is everything. Plans are meaningless if they are not implemented.

The concerns that we would have here—and I am focusing on FEMA right now—is that they are putting people in place, they are filling critical positions, but the people that they are putting in, although they are experienced, they are not experienced in doing business with FEMA. They do not understand the culture of FEMA. They have to learn how the Stafford Act works. They have to learn how Title 44 of the Code of Federal Regulations (CFR), the regulations that implement their programs, work. You do not do that overnight. FEMA's programs are complex, and it takes time to learn those programs. And that is our major concern right now.

They have a lot of turnover at the very highest levels within FEMA, over the last 6 months. Yes, they are bringing people in, but warm bodies in itself is not always the answer. They need to be trained. They need to acclimate themselves to the culture and have a complete and thorough understanding on how those programs are supposed to work. And those are the issues that we have to deal with over the next 9 months.

Senator VOINOVICH. If you could provide me with your estimate of the turnover of your Senior Executive Service, I would appreciate it.[1]

Mr. PAULISON. Yes, sir, we can do that.

Senator VOINOVICH. And you might even point out why you think some of them are deciding to leave.

Mr. PAULISON. Well, all of our senior positions are filled. And we have had some people retire. They have 30 years of service in the Federal Government and made decisions to move. A lot of the people that are brought back in were former FEMA employees. Like when Deidre Lee left, I brought Al Sligh back in to fill that slot. So we are filling them.

Mr. Skinner and I have a little bit of a disagreement. I do not necessarily want people to come in that understand the culture of FEMA. We are trying to develop a new culture, and this turnover that we had and bringing new people in has allowed me to get much further along than we would have if that had not happened.

So it is a good thing and a bad thing. It is a bad thing because we have a lot of hiring to do, but the good thing is we have a lot of new people on board who are really on board with this new FEMA philosophy of leaning further forward.

Senator VOINOVICH. Thank you.

Chairman LIEBERMAN. Thanks, Senator Voinovich.

I know everyone in this room knows, but one of the problems we have found with FEMA in response to Hurricane Katrina was that it was way down in terms of positions being filled. I have forgotten the number. Do you remember? Was it 80 percent?

Mr. PAULISON. It was lower than that when I took over. I think we were around 70 percent of authorized strength.

Chairman LIEBERMAN. Yes, and now you have essentially filled all the positions.

Mr. PAULISON. We were at 97 percent until you gave us new funding for new positions, and now we are down probably around 75 percent. But we have proven——

Chairman LIEBERMAN. But you are in the process of filling those.

Mr. PAULISON [continuing]. That we can hire, and we are going to continue to do that.

Chairman LIEBERMAN. Excellent. Senator Landrieu, and then Senator McCaskill.

OPENING STATEMENT OF SENATOR LANDRIEU

Senator LANDRIEU. Thank you, Mr. Chairman, and to the Ranking Member as well, for your continued focus on an area that still needs a great deal of focus and support.

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[1] The response to Senator Voinovich's request from Mr. Paulison appears in the Appendix on page 100.

As my colleagues know, I am normally a person that sees a glass half-full as opposed to half-empty. But I have to say today that I still remain concerned, Chief Paulison, about the lack of progress in substantial areas. I recognize that we have made moderate progress, but I still continue to be frustrated by the lack of apparent urgency on the part of several officials—not necessarily you, Chief, but others—that do not quite seem to understand how important it is to get those Stafford Act changes in place before another catastrophic disaster hits.

Even Secretary Chertoff, who has been, in my view, not very forthcoming about the need to approach these things differently, in his Valentine's Day testimony before this Committee, said, "Senator, I will tell you what, I think that—and I have said this publicly before—the dimension of the challenge and what is being requested in connection with the Gulf Coast is an order of magnitude that is vastly different from the normal disaster mechanisms for which the Stafford Act applies. I think," he says, "we should take a more general look at whether the way we approach reconstruction efforts of this magnitude that you are talking about should be taken out of the normal model rather than making the normal model fit into it."

What are the five changes that you are recommending to the Stafford Act that need to be done in order to deal with a catastrophic disaster? And I would like to ask the IG the same question.

Mr. PAULISON. I do not know if I can rattle off five. I can tell you that my plans are—before I leave—to make sure that we provide this Committee with what I feel are detailed changes, but let me give you some right now.

One, you need to give the FEMA director more flexibility to respond to disasters like you are talking about.

Two, I agree with the Secretary that maybe we want to look at a different model for those truly catastrophic events—and I do not know what the answer is, but I think we do need to put a group together to decide what that is—and maybe there is something else we need to do when these things are truly catastrophic.

Three, there needs to be more latitude for the FEMA Administrator to put things in place prior to a disaster declaration so we can move things and be able to spend money out of the disaster relief fund even if there is not a declaration.

So those are three that I can give you off the top of my head. There are others that you and I can talk about, or if you want to put a group together with this Committee, I would be glad to do that, to sit down and brainstorm.

The Stafford Act was a great document when it was put together, but it does not work, as you clearly know, in an event like Hurricane Katrina. It is too restrictive, and you cannot do some of the innovative things you really want to do to do that.

Senator LANDRIEU. And would the IG answer, please?

Mr. SKINNER. That is a very tough question, and it is something that I think requires a lot of thought.

When we talk about the Stafford Act, I think we have to look beyond just FEMA. I think what we have to do, when we start talking about catastrophic type events, is look at what the Federal

Government's overall responsibilities are for rebuilding a community. I think you have to start looking at economic development, long-term housing, things of that nature, things for which, I think, FEMA historically does not have responsibility and I do not want to suggest that they should have responsibility. But I think the Stafford Act needs to be amended to be able to address those type of issues.

Senator LANDRIEU. Well, I thank you for that testimony, but I would remind the Committee of the urgency that there is another hurricane season that starts June 1, and none of this has been, to my knowledge, put in place yet. And if we are hit by another catastrophic hurricane that causes similar flooding or displacement of a million people, Mr. Chairman, I am not sure we are actually any better off today than we were 2½ years ago when Hurricanes Katrina and Rita struck.

Let me raise one other issue. My Subcommittee on Disaster Recovery has held eight hearings. We have identified many problems. One of them is the tangled public assistance program. I have specifically said that I will continue the hold on the nomination of your Deputy Administrator until a third party is set up to arbitrate the ongoing, never-ending battles between local governments and the Federal Government about what is owed to each to build a school, a post office, etc. So if that is done, I will release my hold. If it is not, it will not get released.

But on the subject of trailers, just yesterday we were contacted, Mr. Chairman, by Jennifer Donaldsonville from Pass Christian, Mississippi. It is a very tragic report. She had been housed in a trailer during her first trimester of her pregnancy. She moved out of the trailer because the fumes were bothering her. Just yesterday, we got a call from her and her doctor, toxicologist Jack Thrasher. The baby had stopped breathing at 6 months old. The baby was brain dead for 20 minutes. The baby was revived but now has brain damage. There is no conclusive evidence yet that it was related to the fact that she lived in a trailer, but that is going on right now.

As to the thousands of people that are still living in trailers laced with formaldehyde, the report that was due in July 2007 was extended to April 2008. It is still not in; April 1 was a few days ago. When are we going to get something from this Administration on what we are going to do with people to house them in something other than trailers laced with formaldehyde?

Mr. PAULISON. Well, first of all, in my tenure, we are never going to use travel trailers again, regardless of the formaldehyde.

Senator LANDRIEU. Thank you.

Mr. PAULISON. Second, the Housing Plan that you have asked for was given to me April 1. It is a draft. We are going to brief you on it. I think it is either tomorrow or next week, whatever your schedule is, to show you what we have. We are going to give it to our National Advisory Council as required to be law and get input from our stakeholders. It will be in place before June 1. I know we did not meet the April deadline, but it will be a good policy. There is a planning aspect to it. There is a realignment. We have to look at the realignment of who is responsible for what. That got mixed up after Hurricane Katrina.

Senator LANDRIEU. And I agree that it is not FEMA's complete responsibility to prevent, respond, recover, and rebuild. And somebody in this government has to realize that the Department of Housing and Urban Development (HUD) has to step up. The Department of Commerce has to step up. The U.S. Fish and Wildlife has to step up. And we have to get that organized pretty quickly. If another Category 5 hurricane slams into Galveston, God help the people of Galveston.

But one more thing—and then I am going to let you go—aside from housing. The question of the staffing is very important. You are testifying that you are fully staffed, but the question is: Have you asked for more funding from the Administration? Not from Congress. I think this Committee has been quite generous and so have your appropriators. But what have you asked of your Administration, either verbally or in writing? And say what they have given you or what you are disappointed they have not approved in your budget request. Could you be specific? And that will be my last question.

Mr. PAULISON. Yes, we have asked for more people and funding for that, and we have been given that. FEMA has the largest budget that it has ever received in its history in the 2008 budget. We have asked for more people in 2009 and the——

Senator LANDRIEU. Was there anything you asked for that the Administration denied you?

Mr. PAULISON. No, they did not. Everything we have asked for we have received.

Senator LANDRIEU. OK.

Mr. PAULISON. And that is a significant issue considering the budget constraints that we are having. I asked for more people in 2009. The President is recommending those to Congress. And I appreciate the support from the Secretary and the President because they recognize we have to have more people if we are going to do the things you are asking us to do.

Senator LANDRIEU. Thank you.

Mr. PAULISON. Thank you.

Chairman LIEBERMAN. Thanks, Senator Landrieu. Senator McCaskill.

OPENING STATEMENT OF SENATOR MCCASKILL

Senator MCCASKILL. Thank you, Mr. Chairman.

Let me start with all the sweetness and sugar. I know you are on the ground in Missouri subsequent to the flooding. Unfortunately, we have precipitation reports that are not good. We have incredibly saturated ground. We have, as you know, reservoirs that are filled to the brink at the current time. But I must compliment you and FEMA for the quick response and for the help that is on the ground. There have been several heart-warming stories of people who were at wits' end and walked in and got answers, got them quickly, and are getting help.

So before I begin any of the critical stuff, let me tell you that I think you have done a very good job in terms of Missouri. I know you are still on the ground, and I think you are going to be there for a while because I have a bad feeling about rain through the

weekend and what it might mean, particularly for the Meramec and some of the reservoirs down south.

Let me first ask about the flood mapping. Senator Pryor and I sent a letter about Zone X warnings on flood maps to which we have not gotten a response. Usually I am all about GAO and the reports, and they are anxious for you to expand the base and get more money into the program. But, frankly, that is unrealistic that we can expand the base to absorb the incredible rock that the snake swallowed related to Hurricanes Rita and Katrina.

I was up on a bluff in southeast Missouri and with levees that have never been a problem in the area, and the guys on this bluff tell me that they are going to get mapped in. And, of course, there are consequences when they get mapped in because that means no bank is going to loan money without flood insurance. This is an expensive proposition for people who have no risk.

Now, I understand that FEMA says, well, you can individually appeal. But telling an individual they can appeal to the Federal Government is worse than saying you are going to have a bad day. That is a formidable task to tell an individual you just need to tackle that Federal Government.

What can you tell me about this mapping and the fact that Senator Pryor and I have not received an answer to our letter concerning this issue?

Mr. PAULISON. Well, first of all, I will find out about the letter. We try to respond to those very quickly, particularly with the flood issues, because those are important issues for all of us.

Two, we are not expanding the base to collect more money. What is happening across the country as we are doing—we are remapping the entire country, and we are going to have almost all of it completed here just in a couple years. And part of the issue also is the certification of levees. If the Army Corps of Engineers cannot tell us that a levee is certified, then we have to take away that protection of that levee. We have to act as if it is not there. And it is not the individual that has to appeal. The State or the community can appeal. I have dealt with several just recently and have made some changes in some of the flood maps because they brought us new information.

I will be happy—and not only happy, thrilled—to sit down with anyone you want us to, to go over if we have made a mistake with the flooding mapping or if they feel like we are in error. And we are doing that across the country.

Senator MCCASKILL. OK, good.

Mr. PAULISON. We are giving our best based on what we see are the potential hazards—we are just trying to protect people.

Senator MCCASKILL. I get that.

Mr. PAULISON. Really, we are. But we do not want to make a mistake and cause somebody to—I mean, if I lived on a bluff, I would have flood insurance anyway. What we just saw in your State and what we just say in our——

Senator MCCASKILL. I do not think if you lived on this bluff you would.

Mr. PAULISON. Well, maybe not.

Senator MCCASKILL. Trust me. I mean, we have got some serious common sense in Missouri——

Mr. PAULISON. But in Arkansas——

Senator MCCASKILL [continuing]. And I have a feeling your common sense would prevail and say, no, there is not going to be a flood here.

Mr. PAULISON. But we saw thousands and thousands of people in Arkansas and Missouri who got flooded who did not have flood insurance. Now, they are going to get up to $28,000 from FEMA, but that is not near enough to repair their homes. So that is why we are pushing people to get flood insurance.

Senator MCCASKILL. And there is a balancing test, and I know that, and I appreciate that.

Mr. Inspector General, as you may or may not know, I am trying to be the best friend of the IGs, if I possibly can, in Congress, and there are others here that have done a lot of work. The Ranking Member and the Chairman have done an awful lot of work with IGs, and obviously Senator Grassley and many others who have come before me, and I stand on their shoulders. But when I read in a report that you had difficulty getting access to something, all my bells and whistles and sirens go off.

Would you please tell me what the problem was, and particularly what you had trouble getting here—which was pre-disaster contracts. Well, obviously the contracts that are in place that have been entered into are very important in terms of the accountability measures that are in those. Tell me what happened with your inability—while Mr. Paulison is here, tell me why—what you could not get, and then I can make him tell me why you could not get it. [Laughter.]

Mr. SKINNER. Well, first of all, Senator, I am well aware of the support you have given the IG community, and I and the IG community, in fact, are very appreciative of your support.

The issues that we are dealing with here with the contracts—and these are issues that go back almost 12 months, and as a result of allegations that we had received with regards to some improprieties, with regards to certain contracts, we asked for those contracts and related files. We did not receive those.

I cannot give you an explanation of why we did not receive those files, but we waited and we waited and we waited, until eventually the U.S. Attorney or the Assistant U.S. Attorney opted to subpoena FEMA for those files.

I have since met with Chief Paulison, Deputy Administrator Harvey Johnson, and others in FEMA to discuss our concerns about getting access to files, getting access to people, and to facilitate better and increased cooperation.

Since then, we have seen improved cooperation with FEMA. FEMA's staff both at headquarters and in the field have been more responsive to our requests for documentation of——

Senator MCCASKILL. Have you seen the documents yet?

Mr. SKINNER. Yes, we have.

Senator MCCASKILL. You have seen them now.

Mr. SKINNER. Yes. We now have all those documents.

Senator MCCASKILL. OK. And, Secretary Paulison, why did they have to resort to a subpoena to get documents that common sense would tell you they should have access to and it should happen immediately without having to resort to a subpoena?

Mr. PAULISON. They did not have to. If they had come to me, I would have made sure they got them. We had people who for some reason or another were not giving the documents they were asked to give. We met with General Skinner and Matt Jadacki. They explained they were having difficulties. I made it extremely, extremely clear to my staff that any documents they are asked for by the IG's office or by the GAO, they are to give them. And since then, that has happened.

Senator MCCASKILL. Have you identified who it was that had a bad attitude?

Mr. PAULISON. I do not know if that person is still with us or not, but——

Senator MCCASKILL. Well, I would like to know if they are.

Mr. PAULISON. We will.

Senator MCCASKILL. And if they are still with you, I would like to know if they were reprimanded in writing, if there were any actions taken against that employee that inappropriately denied access to the IG to important contracts that they had the right to. Have you informed your staff in writing about——

Mr. PAULISON. Yes.

Senator MCCASKILL [continuing]. Access of the IG?

Mr. PAULISON. Yes.

Senator MCCASKILL. And could I get a copy of that?

Mr. PAULISON. Yes.[1]

Senator MCCASKILL. OK. Thank you very much.

Thank you, Mr. Chairman.

Chairman LIEBERMAN. Thank you, Senator McCaskill. Good, brisk interchange, exchange there. Thank you. General Pryor.

OPENING STATEMENT OF SENATOR PRYOR

Senator PRYOR. Thank you, General Lieberman.

Chairman LIEBERMAN. We have General Skinner here today, too. [Laughter.]

Senator PRYOR. I noticed that.

Chairman LIEBERMAN. We are two previous Attorneys General who really miss that title, so that is why we like to use it when we can.

Senator PRYOR. That is exactly right. Thank you, Mr. Chairman.

I will be brief this morning, and let me first thank Administrator Paulison for coming to Arkansas twice in the last 2 months—first for tornadoes and second for floods—and, really, I am getting very positive feedback from the State and local entities in Arkansas for the work that FEMA has done, so we appreciate your promptness very much. As you and I have talked about there in Little Rock earlier this week, you want to change FEMA from a reactive agency into a proactive agency, and I think that is actually a good thing. I am not asking for your opinion on this today, but my personal view is that FEMA should be a Cabinet-level position where, when a crisis happens, FEMA has the resources of all the Federal Government there. But we can talk about that further.

[1] The response to Senator McCaskill's request from Mr. Paulison with attachments appears in the Appendix on page 101.

But I would like to follow up with a question that Senator Landrieu asked a few moments ago about the Stafford Act. She asked you for your thoughts on, say, five changes you might make to the Stafford Act if you could. But let's talk about that just for a moment in more general terms.

In a general sense, what do you think and why do you think we need to change the Stafford Act?

Mr. PAULISON. What I saw in Hurricanes Katrina and Rita, and even to a certain extent in Hurricane Wilma, is the lack of the flexibility that the FEMA Administrator has in doing some things because of restrictions in the Stafford Act. I am probably speaking out of turn for the Administration, but I feel that there should be much more flexibility to have access to the disaster relief fund prior to a declaration being signed by the President. There are things that we see that should be happening much faster sometimes, although I have to tell you, the new process we put in place for declarations has changed things from happening from weeks into hours, just like you saw what we did in your State and also in Missouri, where we have turned those around in a couple hours. Obviously, there was significant damage there.

But if you are looking for general terms, that is what I am looking for, a little more flexibility for the next FEMA Administrator.

Senator PRYOR. Well, that is good, and I think that it is important if a FEMA Administrator comes in and says, hey, we feel that the primary statute we work under needs to be changed a little bit, I think certainly we need to sit down with you and talk about those changes in a more detailed fashion. And I would be glad to do that, and I look forward to doing that with you as soon as we can.

Mr. PAULISON. And if I can interupt one more time, sorry, we also have our National Advisory Council. I have asked them to look at the Stafford Act, and they have already set aside a subcommittee to look at those changes that they would recommend from their views, and these are primarily the users out there.

Senator PRYOR. Great. That is good.

Let me change gears, if I may. I heard the question a few moments ago about FEMA trailers and mobile homes, and I do think that is one of the legacy issues you have inherited from the previous two administrators, especially from Administrator Brown, which is what to do with these mobile homes and trailers that you have in the system right now.

I filed a bill several months ago, S. 2382, that I would encourage your staff to examine. We call it the FEMA Accountability Act—which I know is a very creative title, but we call it the FEMA Accountability Act, and basically what we ask you to do is to report back to us and tell us how many temporary housing units you need, whatever combination that may be, and then go through a process over a period of a year to get to that number, and to keep us posted as we go through that process.

I think it is a very common-sense approach. I think probably you might consider adopting that as policy instead of us passing it. But regardless of that, I would encourage you to take a look at it.

Let me ask, if I may, one question about the scorecard that is posted here.[1] In the mission assignment, you are in the "limited to no progress." I want to ask about that in a moment, but before I do, let me just ask generally about the scorecard that the IG did. Do you agree with the conclusions and the findings of the IG?

Mr. PAULISON. No. [Laughter.]

Senator PRYOR. OK.

Mr. PAULISON. We do agree with most of it. We agree that they have shown that we have made substantial progress in a lot of areas. I don't feel that they had the time to really get in-depth with some of the things that we have really tried to accomplish. But at the same time, this is a great learning tool for us.

Under the mission assignment, that is the one I really do not agree with because I feel like that has been one of our success stories. When I took over FEMA, we only had 14 pre-scripted mission assignments. We now have over 230 pre-scripted mission assignments with over 30 Federal agencies. So I feel like that is a success story.

I think where the IG was coming from is the implementation of those, he feels like there are not enough controls over them, and I think there are. But at the same time, I have to go back and look at that. If he has seen something I have not seen, then we need to look at that very carefully.

We are having a very good relationship with the IG's office of working together with them and using them to help us rebuild this organization, particularly in regard to fraud. I mean, that is really sending a signal out to people that we are serious about this. So it is a good relationship, and when we disagree on issues, we have a very professional conversation about it.

Senator PRYOR. Mr. Skinner, on the mission assignments, tell us why you feel there has been little or no progress.

Mr. SKINNER. Keep in mind this was a snapshot in time. And, yes, there has been substantial progress as far as identifying what mission assignments there are. But with that comes additional responsibilities, and that is managing those mission assignments. And we saw no progress whatsoever—or essentially no progress whatsoever in FEMA's ability to manage those projects.

If you ask FEMA today how many mission assignments have they made, what funds have been obligated, what is the status of those funds, and what is the outcome—what service has been provided, they cannot give you that answer. They could not give us that answer, so, therefore, that is why we said there was very limited progress.

Senator PRYOR. Mr. Skinner, is it a matter of resources from your viewpoint? Is it a matter of resources within——

Mr. SKINNER. Absolutely. There are three things here that are pervasive across the board: And they are resources, processes, and technology. They do not have the systems right now to be able to track the status of their mission assignments. They do not have the resources to manage those mission assignments. And they do not have the processes of identifying what mission assignments are necessary and who they should be passed on to.

[1] The chart submitted by Mr. Skinner appears in the Appendix on page 59.

This is pervasive across FEMA. Their management support functions are something that have been ignored for years, not just in the last 8 years, but since it has been created back in 1978. Their financial management systems are archaic. Their IT systems are stovepiped and archaic, and not integrated and not secured. Their HR systems are in poor shape. In terms of their property management system, which gets back to their logistics and is one of the reasons they got a poor grade there, they cannot give you an accurate accountability as to where their property is. It is the management support functions. They need to invest in those systems and in those processes and hire the people needed to support their operational mission.

Senator PRYOR. Good.

Mr. Chairman, just in closing, I might say that we talked about the flood maps, and I know we have already had a question about that, and we have met with you and your team about the flood maps. That is an important issue not just in Arkansas but around the country as this unfolds nationwide. If you look at February, there are areas of Arkansas and Missouri that got 16 inches of rain. There are lots of areas that got 12 inches of rain or 10 inches of rain, but there was a band of area that got 16 inches of rain. That is also true in Tennessee and, I believe, in Kentucky. They got an area band there of 16 inches of rain.

But if you look at the flooding in Arkansas, none of it is on the Mississippi River system. It is on the other systems, but the Mississippi River flood control system is just different. And so that is one of the reasons why we have been asking FEMA to look at the differences in the various levee systems, not just in the State but around the country, and treat those accordingly.

Thank you.

Chairman LIEBERMAN. Thanks, Senator Pryor. Thanks very much.

Before I call on Senator Carper, I did want to note for the record that at this hour there is a ceremony going on in the Capitol to note and commemorate the assassination of Dr. Martin Luther King, which occurred, I believe, on April 4. And I had thought to terminate the hearing, but if one can imagine this, I thought if I could ask Dr. King, he would direct us to continue this hearing to fix FEMA. And so that is my judgment, but I do it with respect for the ceremony going on.

Senator Carper.

OPENING STATEMENT OF SENATOR CARPER

Senator CARPER. Thank you, Mr. Chairman. Is it General Skinner?

Mr. SKINNER. Mr. Skinner would be fine. I feel like I have to be wearing a uniform when you say general.

Senator CARPER. Well, certainly a lot of generals around here do not wear uniforms. [Laughter.]

As an old Navy captain, I feel I am outranked, but I am still happy to be here. In the military, we used to be accused of—and still are, I guess, in some ways—always training and preparing to fight the last war as if it is going to be the next war. And with respect to FEMA, we are certainly interested, I know my colleague

Senator Landrieu is interested, and others from the Gulf Coast, to make sure that FEMA is prepared to fight the last war if we ever have a hurricane incident like Hurricane Katrina again.

Hopefully, we are not going to see that kind of situation again in the Gulf Coast, but some other wars we might be called on to fight and to face. And let me just ask, when you think about the areas outside of the Gulf Coast, outside of Louisiana and Mississippi and all, how do you feel about your preparedness for those battles?

Mr. PAULISON. I think we are doing well. Obviously, the hurricane States from Texas to Maine are obvious targets for a hurricane, but we have the rest of the country to worry about also. We are doing catastrophic planning for an earthquake in the New Madrid Fault. We are doing catastrophic earthquake planning in California.

Last year, we did a gap analysis of all the States from Texas to Maine for hurricanes. That was so successful and gave us such good information that we are transporting that across the rest of the country this year to do all the other States. And the other States are actually asking for it. It covers areas like evacuations, sheltering, commodity distribution, fuel on evacuation routes, a whole series of things that this gap analysis does for us. And it helps the States recognize what they need to work on, and it helps us gear our response to a particular State, because they are not all the same.

So I am comfortable that we are doing much better, primarily because Hurricane Katrina was a wake-up call for the emergency management system around the country. And I see a lot more planning going in place. I see a lot more exercises in place. And I think this country as a whole is much better off than it was just a few years ago.

Senator CARPER. All right. Thank you.

General Skinner, how long have you been in your current position as IG?

Mr. SKINNER. Since July, I believe, 2005.

Senator CARPER. I was interested in reading and heard Senator Pryor talking about the IG report where you focused on areas where you have seen progress, modest progress, greater progress, and where you have seen no progress or inadequate progress. And he asked Mr. Paulison to comment on whether or not there are any areas where he disagreed, and we just had a little discussion about one area where he thought that you did not give him enough credit. Are there any, Mr. Paulison, where you think they gave you the benefit of the doubt or maybe graded you too high as opposed to too low?

Mr. PAULISON. I do not think he scored us too high anywhere. [Laughter.]

This is actually a very good document for us because it causes us to go back and look at ourselves again; and where we and the IG office may disagree on a particular level, it forces us to look at it and make sure that we are where we think we are. And so it is a good—there is no dog fight over this. Yes, we may disagree on how they rated us in a certain area, but it is a great document for us.

Senator CARPER. Senator McCaskill may have gotten to this earlier. I describe myself as a recovering governor. She is a recovering State auditor. But in State government in Delaware we would have the State auditor's office come in and audit the various State agencies throughout the course of the year. We would also have exit meetings where we would go over what went well, what did not go well.

I am sure that there is a back-and-forth, I presume, while the IG is doing their work, coming to conclusions about the work, and maybe submitting their report and recommendations and findings. Just describe that back-and-forth, the communication that occurs between, in this case, you, Mr. Paulison, and the IG. And do you find it constructive or not? How could it be more constructive?

Mr. PAULISON. I think every conversation we have had with them is very constructive. They are looking at us from a different perspective than we are looking at ourselves. We have done some internal introspective stuff also. We did assessments on 17 of our business practices. We did that ourselves. We have found fraud issues also that we have turned over to the IG and asked him to investigate for us.

So we have a good relationship. It is not a cozy relationship, and it should not be a cozy relationship. But it is a professional relationship. They have a great staff. They have people on their staff who used to work at FEMA, so they know the inner workings and that helps us. So when we try to explain things, they already get it. So I think the back-and-forth is very positive for both of us.

Senator CARPER. All right. Thank you.

General Skinner, do you want to comment?

Mr. SKINNER. Yes. During the course of any review, the dialogue is continuous, I mean, from the day of the entrance conference to the day of the issuance of the report. And we are constantly trying to assimilate all the information that various people and various officers at headquarters, in the region, as well as other stakeholders, are providing to us.

Now, I understand that in this review, one of the things we have to recognize is we did not go into the weeds here. We did not try to do a comprehensive assessment, because if we did, it would take us months and months and a lot more resources than we have available right now to dedicate to this particular job. So we tried to do a 30,000-foot snapshot of progress being made, and we relied on information from a variety of sources, not just FEMA's top management.

So where there are disagreements, those are essentially based on input that we are getting from other sources, that is, other stakeholders as well as staff people with the boots on the ground who are out there. And that helped us formulate our opinion in this scorecard.[1]

Senator CARPER. Good. Well, we are pleased to hear that some progress is being made, and I think a lot depends on the rank-and-file in an agency or in a military unit or whatever to make progress. But we also value highly the leadership, and I commend you, Mr. Paulison, for your leadership.

[1] The chart submitted by Mr. Skinner appears in the Appendix on page 59.

As you know, we have firefighters who are gathering in our Nation's capital from all over the country, and a bunch of them are coming from Delaware, and you have a lot of friends in the First State. And I heard Senator Pryor say in his questions, he mentioned that you had been down to Arkansas a couple times in the last several months. Fortunately, we have not had any calamities of that nature in the First State so we have not had to call on you to come, but we know if we did that you would, and we appreciate that. Thank you both very much for your service and for being here today.

Chairman LIEBERMAN. Thanks very much, Senator Carper.

Just a couple more questions from me, gentlemen. Chief Paulison, let me ask you to go back to the most searing images that remain in our mind from Hurricane Katrina, which is the failure to evacuate. And I know you talked earlier about how you have been proactive in the Texas hurricane, lining up buses, etc. I want you to talk a little bit more about what we have changed now to make sure that would not happen.

But then the second part, because I presume there may be catastrophes that will strike so quickly that you will not be able to do that advance preparation, how do we avoid the human calamity and really inhuman conditions that people in New Orleans had to go through in the Superdome?

Mr. PAULISON. The no-notice events are the toughest to deal with, like you mentioned. There are hurricanes coming in. We cannot preposition equipment, people, supplies, buses, ambulances, aircraft, all of those types of things, and that is what we are going to do. The no-notice events are much more difficult. That is where we fall back on the premise that all disasters are local. And so we have to do a better job of making sure the local community is prepared, the State is prepared, and we are prepared to respond much more quickly.

Chairman LIEBERMAN. That is a really good point. So how do you do that? In other words, in the other metropolitan areas of the country, do you try to get the local officials or State officials prepared for a facility that can accommodate a large number of people in a catastrophe?

Mr. PAULISON. There are a couple things. One, we have worked with the Red Cross to put together a shelter registry that we never had before, so we have a pretty good handle on where the shelters are.

Second, when they are identified, the Red Cross does a survey to see if they meet certain standards for wind loads and things like that. We are working with Florida right now. They want to go back and retrofit schools, and so we are working with them on that wind load factor to make sure those schools will be a safe place to house people should they call for an evacuation.

Also, in the emergency management performance grants, this year we have mandated that the States set aside at least 25 percent of those dollars for planning. One of the things we saw in our gap analysis is we saw a lack of planning, and as we are going across the rest of the country, we want to make sure that every State and every community has the best plans possible. That was not very popular. We got a lot of pushback from it. But I am stick-

ing by that because I think it is important that they spend those dollars to have some very robust planning capabilities at the State and local level across the country. That will resolve a lot of the issues that you are talking about because it forces them to really look at their disaster plan and assess adequacy. Are the shelters in place? Do they have good evacuation plans in place? What are they going to do with people? How are they going to house them for the short term until the State and the Federal Government can move in?

Chairman LIEBERMAN. OK. That is reassuring. How about the ice? I do not know if there is a direct answer except to say that it was so ridiculous that it can never happen again. But how are you going to make sure it does not?

Mr. PAULISON. We are not going to—we are not in the ice business anymore. I made that statement yesterday at the hurricane conference yesterday in Orlando. That is not a life-saving commodity for most people. We will provide it for people who have a medical need, but we are not going to be handing out bags of ice along the route.

I know you did not ask this question, but one of the big issues that we have to do in this country is get back to taking on personal preparedness and personal responsibility for taking care of ourselves and our families for the first 3 or 4 days. Some people cannot. Those are the ones government should be taking care of. But most of us around this country can prepare our homes and our families for a catastrophic event, having food, water, and ice.

At my home, we take gallon water jugs and put them in the freezer June 1, and we have that ice. If the power goes out, at least we have the ice for a few days, and then we can drink the water when it melts.

Those are the types of things we are asking people to do, and the State emergency managers and local emergency managers are picking up on that, and they are pushing that also in their own communities.

Chairman LIEBERMAN. Are there public education programs that are encouraging people to do that? Post-September 11, 2001, we have a big container in our basement of a lot of stuff that we would need.

Mr. PAULISON. We do. We have Ready.gov, and I was actually in Arkansas, and we got off the plane and saw a big banner for Ready.gov, make sure, is your family ready?

Chairman LIEBERMAN. Right.

Mr. PAULISON. So we do have literature and also website access to that type of stuff.

Chairman LIEBERMAN. In your review of Hurricane Katrina, did you make any other decisions, like the one about ice when you said we should not be in the business, that there were certain things that FEMA did then that really were not appropriate Federal responsibilities?

Mr. PAULISON. I do not know. Housing is a big issue. It is a Federal responsibility. That long-term housing really belongs to HUD, and we now have an agreement with them for the Disaster Housing Assistance Program (DHAP) to take over that longer-term housing. But there were so many lessons learned in Hurricane

Katrina that went wrong that we have been working on them to make sure they do not happen again. I do not know that we have captured all of them, but we have sure gone a long ways.

The horrific thing that people in Louisiana went through, and Mississippi and Alabama—particularly Louisiana, though—should not happen again in this country, and I am going to make sure on my watch it does not.

Chairman LIEBERMAN. Amen. Thank you. Senator Landrieu.

Senator LANDRIEU. Thank you. A picture speaks a thousand words. I was not sure we would have this chart.[1] Mr. Chairman, if you do not mind, I brought my own. It is just a different way of saying that while we have made progress, you can see the column to the right is without a mark because there has been no substantial progress made; little, modest, moderate, but nothing substantial.

In addition, another way—if our staff would put up the second chart—to bring again the point of urgency, is that we have made zero substantial progress.[2] And while I am happy to hear the testimony today that additional resources have been requested from the Administration, I am particularly pleased to hear that everything you have asked for, they have provided because that has not been my experience with this Administration. But I am pleased to hear that. But I still have a few questions.

First, I accept the testimony today that both of you agree that the Stafford Act has got to be rewritten to deal with a catastrophic disaster. I agree with it. But I do not agree that we have to wait to make any changes until that is done. So I want to say for the record that there have been examples of very modest suggestions that our offices and others have made.

For instance, we have asked FEMA to help with the housing thing by letting landlords use their money to repair rental units. FEMA have said no, they do not have the authority to do that; the only thing they can use is trailers. Yet when we requested legislative authority to do it, FEMA and HUD have opposed that request.

When we asked if Louisiana does not have the authority to allow us to use Hazard Mitigation funds to elevate flooded homes, which was part of our plan, we asked, yet FEMA and Homeland Security have said no, no, no, until finally, begrudgingly yes, but it is still held up on the floor of the Senate by a Senator who does not agree. Now, that is not your fault, but it took you all 2½ years to basically start saying, well, maybe.

Then we asked FEMA to offer case management retroactively. You said it is against the law. We have tried to change the law. You all object.

So my point is since we all agree that the law does not work, can we all agree today to start fixing the law? And I do not think, Mr. Chairman, we have to wait until every study is done, every paragraph is written, everything is vetted, looked at, reviewed, and passed at one time. My suggestion is when it is clear that there is something that could be and should be changed, that we do it, Mr. Chairman, as soon as possible. And this is what I want to ask. Will

[1] The chart submitted by Senator Landrieu appears in the Appendix on page 98.
[2] The chart submitted by Senator Landrieu appears in the Appendix on page 99.

we begin to change things as it comes apparent to us that it should be fixed? Or are you testifying today that you are going to wait until it can all be done at once?

Mr. PAULISON. No, I do not think that is necessary. I do agree that if we see things that are appropriate that we can work with you to help change, then we will work with you to do that. We really want the best response we can give out of this organization, and I am talking about—it should not be just this organization. It should be across the board at the local, State, and the entire Federal Government to do that.

I know we have disagreed on some of the issues, but I think both of our goals are to provide the best service we can to the people out there, and that is what we are trying to do. We have been working with the State and with the parishes lately. I have sent my deputy director down there twice now. He is going down every 3 weeks, meeting with the governor's staff, meeting with the parish presidents, to see how we can better spur this thing along to come up with some of——

Senator LANDRIEU. And I thank you because those——

Mr. PAULISON [continuing]. Those innovative ideas.

Senator LANDRIEU. I thank you, and not to cut you off, I thank you because those meetings have been very effective, and the feedback that I am getting from our local officials, finally there is somebody with power and authority that is listening and helping us work through this morass.

But I want to ask you, Mr. Skinner, is it your opinion that when we identify, whether it is this Committee, the House Committee on Homeland Security, FEMA, or HUD, some things that could be changed given that everyone now seems to agree that the Stafford Act is not in itself adequate, would you suggest that we try to modify it? Or is your suggestion that we wait until we can do it all at once?

Mr. SKINNER. No, we most certainly should not wait and do it all at once. There are a couple things here at play. One is the interpretation of the Stafford Act. I think if you take a very close look, that maybe we are overinterpreting the requirements or the mandates of the Stafford Act. For example, prepositioning supplies, we always said you cannot do that under the Stafford Act. Well, after Hurricane Andrew, we started doing it.

Now, Chief Paulison is asking maybe we need—it would be helpful to have legislative language that will legitimize that, but we have interpreted the law to say that we are in a position to preposition and use disaster relief funds when we think there is an imminent danger or an imminent disaster about to strike our country. We did not need to change the Stafford Act. What we might want to do is go back and start thinking how we can reinterpret what our requirements are and how we can best utilize the Stafford Act.

Now, there are areas, and I think a good example would be—and I know this is an issue that has come up very often in New Orleans and in Louisiana—cost reimbursement. We are saying you must first spend your funds before we can reimburse you. I question that interpretation. I think what we can say is that we can advance you funds so that you can get the work started and submit to us reports, and then we will——

Senator LANDRIEU. OK. And, Mr. Chairman, let me just finalize on this point——

Chairman LIEBERMAN. Go right ahead.

Senator LANDRIEU [continuing]. If I could, so that you could hear me say this. This point gets to the heart of this issue. Let's just not take New Orleans, but let's take St. Bernard Parish, 67,000 people. Every home was destroyed in St. Bernard Parish. The entire parish went underwater. The place where the local officials—the sheriff, the parish president—were gathered—everyone had evacuated. They had almost a 100-percent evacuation out of St. Bernard. It was not 100 percent but it was close—95 percent out of St. Bernard. Some people had to stay back, the officials, and they almost drowned in their building. The sheriff had to swim out of the second floor of his building and saved his deputies. So get a clear picture of this.

The Federal response to this particular parish under the law that we are operating under now was this; after the water went down and the sun came up and everything was destroyed, like Sodom and Gomorrah, this was the Federal Government's response: When you can get your plan together, of course, finding your city planners and your architects that have been scattered all over, and you all can get a plan together, tell us exactly how you want this parish rebuilt, then submit 15 copies of well-typed-out forms that can document everything you lost, from pencils to screwdrivers to hammers, then after that go find some money to rebuild it, and we will reimburse you.

That is what we are operating under today. So when I hear people criticize my people in St. Bernard, I do not think my people in St. Bernard could do anything wrong that would overshadow the idiocrasy, the stupidity of that system.

So when I see the chart at zero, all that says to me is that the 67,000 people that lost their homes in St. Bernard—67,000 still, Mr. Chairman, do not have—2½ years later—any real plan that makes sense to them. And let me be clear. I am not going to stop talking about this until it is fixed or until I am not sitting in this chair any longer. So we will just keep on going. Thank you.

Chairman LIEBERMAN. Thanks, Senator Landrieu.

Look, the IG report shows that progress is being made in FEMA's ability to deal with catastrophic events like Hurricane Katrina. But as the emotion and truth with which Senator Landrieu speaks, we are still living with the painful consequences; that is, the people of the Gulf Coast, more particularly New Orleans, are still living with the painful consequences of the catastrophe that was Hurricane Katrina, and the inability of the Federal, State, and local governments to respond adequately at that time. So Senator Landrieu speaks passionately and eloquently for her people because they are suffering still, and it is our responsibility to listen to her and try to do what we can both do, as rapidly as possible, to alleviate that suffering, but also to continue the progress to make sure the next time that catastrophe strikes, we are a lot better prepared than we were in Hurricane Katrina. And from the IG's report, I take encouragement that will be the case.

But the journey goes on, and I know, Chief Paulison, you feel that with a special sense of urgency. So we look forward to working

with you in the months ahead. Thank you, General Skinner, for an excellent report, and we obviously look forward to working with you.

We are going to leave the record of this hearing open for 15 days. There are some other Members of the Committee that want to submit some questions to you in writing, and, of course, that gives you the opportunity for 15 days to submit additional comments as well.

With that, I thank you. The hearing is adjourned.

Mr. PAULISON. Thank you.

[Whereupon, at 12:04 p.m., the Committee was adjourned.]

APPENDIX

STATEMENT OF RICHARD L. SKINNER

INSPECTOR GENERAL

U.S. DEPARTMENT OF HOMELAND SECURITY

BEFORE THE

COMMITTEE ON HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS

April 3, 2008

Good morning, Mr. Chairman and Members of the Committee. I am Richard Skinner, Inspector General for the Department of Homeland Security (DHS). Thank you for the opportunity to discuss the Federal Emergency Management Agency's (FEMA) level of preparedness for a catastrophic disaster.

FEMA's efforts to support state emergency management and to lead the federal response and recovery efforts after Hurricane Katrina were insufficient. FEMA is addressing weaknesses identified in a range of post-Katrina reports and is in various stages of implementing the requirements of the *Post-Katrina Emergency Management Reform Act of 2006* (P.L. 109-295, Title VI – National Emergency Management, of the Department of Homeland Security Appropriations Act of 2007) (*Post-Katrina Act*). FEMA continues to perform well responding to non-catastrophic or "garden variety" disasters; however, it still has much to do to become a cohesive, efficient, and effective organization to prepare for and respond to the next catastrophic event.

As FEMA is planning to meet the demands of a successful all-hazards mission, the agency's programs and approach to business are evolving. FEMA's 2009 budget request targets processes and technology initiatives that will transition the agency to be better prepared for a catastrophic event. Increased funding to develop core competencies, integrate preparedness, and support new business systems will help. FEMA also is making efforts to retain experienced staff, and recruit and train new staff to build a highly qualified disaster management workforce. However, transition of this kind takes years to accomplish.

It is critically important that all disaster stakeholders at the federal, state, and local levels maintain momentum and continue to implement needed changes over time. Only by doing so will we, as a nation, be better prepared for the next catastrophic disaster, whether man-made or natural.

On July 31, 2007, the House Committee on Oversight and Government Reform held a hearing to review the level of FEMA's preparedness. During the hearing, the Committee requested that the Office of Inspector General (OIG) provide a high-level assessment of the progress made by FEMA since Hurricane Katrina. Today, I will focus my remarks on the results of the work we conducted and our recommendations for the agency. There are nine critical areas our report addressed:

- Overall Planning
- Coordination and Support
- Interoperable Communications
- Logistics
- Evacuations
- Housing
- Disaster Workforce
- Mission Assignments
- Acquisition Management

Our goal is to help FEMA turn lessons learned into problems solved.

BACKGROUND

In responding to emergency situations, whether natural or man-made, current doctrine dictates that government agencies and organizations most local to the situation act as first responders. When state and local governments become overwhelmed by the size or scope of the disaster, state officials may request assistance from the federal government; federal agencies must always be prepared to provide support when needed. To better address the federal government response, President Carter issued an executive order in 1979 that called for merging many of the separate disaster-related federal functions into one agency, the Federal Emergency Management Agency (FEMA). Following the terrorist attacks on September 11, 2001 (9/11), the *Homeland Security Act of 2002* (P.L. 107-296) (*Homeland Security Act*) realigned FEMA and made it part of the newly formed Department of Homeland Security (DHS).

FEMA's statutory authority comes from the *Robert T. Stafford Disaster Relief and Emergency Assistance Act*, as amended (P.L. 100-707) (*Stafford Act*), which was signed into law in 1988 and amended the *Disaster Relief Act of 1974* (P.L. 93-288). To access federal assistance under the *Stafford Act*, states must make an emergency or major disaster declaration request that is reviewed by FEMA for Presidential approval. The *Stafford Act* also permits FEMA to anticipate declarations, and pre-stage federal personnel and resources when a disaster threatening human health and safety is imminent, but not yet declared.

Hurricane Katrina, which made landfall on August 29, 2005, was the Nation's most costly natural disaster, killing more than 1,800 individuals, destroying 300,000 Gulf Coast homes, and displacing about 1 million people. Current estimates suggest that Hurricane Katrina caused over $81 billion in damages.

Reports issued by Congress, the White House, federal OIGs, and the Government Accountability Office (GAO), among others, identified several issues as contributors to the poor response. These issues included questionable leadership decisions and capabilities, organizational failures, overwhelmed response and communications systems, and inadequate statutory authorities.

After Katrina, Congress enacted a number of changes to enhance the federal government's response capabilities for emergency management. In total, six statutes enacted by the 109th Congress contain changes that apply to future federal emergency management actions. While most of the laws contained relatively few changes to federal authorities related to emergencies and disasters, the *Post-Katrina Act* contained many changes that have long-term consequences for FEMA and other federal entities. That statute reorganizes FEMA, expands its statutory authority, and imposes new conditions and requirements on the operations of the agency.

When a catastrophic event occurs, it is important to keep in mind that response and recovery are not solely a FEMA responsibility—it is inherently the Nation's responsibility. The National Response Plan (NRP), now the National Response Framework (NRF), was established to marshal all the Nation's resources and capabilities to address threats and challenges posed by disasters, both natural and man-made. This concept made it different from the old Federal Response Plan, which primarily outlined the federal government's role in disasters. A successful response to and subsequent recovery from a catastrophic event can therefore be directly tied to

the resources and capabilities of citizens, local and state governments, the federal government, nongovernmental organizations, and the private sector. FEMA is the face of our Nation's response to large-scale disasters and is charged with coordinating the deployment of our Nation's resources and capabilities; but success can be realized only when all stakeholders are fully prepared and willing to contribute.

Our office has prepared a report to assess FEMA's readiness to respond to the next catastrophic disaster, entitled, "*FEMA's Preparedness for the Next Catastrophic Disaster.*" Through the review of reports, including those of the DHS OIG, GAO, and congressional testimony, we were able to identify nine key areas critical to successful catastrophic preparedness efforts. In collaboration with FEMA officials, we identified two to five critical components within each key area. We assessed FEMA's progress in each of the areas using a four-tiered scale: substantial progress, moderate progress, modest progress, and limited or no progress. Overall, FEMA has made moderate progress in five of the nine key areas, modest progress in three areas, and limited progress in one area. FEMA is making strides in transforming itself to be better prepared to lead the federal effort in responding to a catastrophic disaster. FEMA can build on this progress by continuing to develop the nine key areas discussed in the report.

OVERALL PLANNING (Moderate Progress)

We reviewed five critical areas in Overall Planning:

- Develop a strategic framework and guidance;
- Complete assessments of capabilities/readiness;
- Enhance preparedness at all levels;
- Enhance community preparedness; and
- Enhance preparedness for the management and resolution of catastrophic events.

Led by the National Preparedness Directorate (NPD), FEMA is focusing its efforts to respond to the next disaster and has achieved moderate progress overall.

It is the responsibility of the NPD to develop a single, strategic framework for integration of prevention, response, and recovery efforts of FEMA's various offices and programs. Officials have said that currently they are working from "dozens of different national strategies and directives." Reconciling multiple sources is hindering the achievement of "strategic coherence."

Only modest progress has been seen in the area of complete assessments of capabilities and readiness. The NPD is currently working to conduct assessments of capabilities and readiness at the national, state, and local levels, but the "assessment problem" is complex. Comprehensive state assessments raise questions about how to collect the right information without undue burden on the states. Performing nationwide assessments will be expensive and will require dedicated program support and funding. The office with principal responsibility for the assessments has a small budget and no separate appropriation, and it did not receive the level of staffing requested. The NPD has said their past progress was affected by not having all of the people involved with national preparedness efforts in one place within the DHS organizational structure, friction between FEMA and the former DHS Preparedness Directorate, and the

disruption of their analytical resources. The preparedness realignment prompted by the *Post-Katrina Act* has consolidated preparedness activities, and NPD officials said they believe they are now on the path to achieving unity of effort.

NPD officials said that while there is a long history of recovery and response planning, the preparedness and protection mission areas are just being built, and these areas and their preparedness requirements are still being defined. The challenge is mostly cultural; for example, federal efforts focus primarily on planning for low probability but high consequence events, while state, local, and tribal efforts tend to focus on events that are more probable but are usually not as damaging. The NRF stresses the important balance between these two planning structures. NPD is currently revising a guide for state and local emergency planning, and coordinating with core groups and other agencies to plan for a range of potential events.

In working to enhance preparedness, NPD officials face both budget and staffing challenges. The directorate faces an approximately one-quarter-vacancy rate, attributable to the temporary effect of realignment and significant workforce attrition. NPD officials said they have the necessary authorities and policies, but they lack the resources to get the job done.

Since 9/11, there has been increased recognition of the role citizens play in protecting the homeland and supporting first responders. After Hurricane Katrina, the White House recommended that "DHS should make citizen and community preparedness a National priority." Implementation of National Priority 8, "Community Preparedness: Strengthening Planning and Citizen Capabilities," is the responsibility of the Community Preparedness Division (CPD) of the NPD. Officials said that while the inclusion of citizen preparedness as a National Priority was a significant step, this is an ongoing challenge that requires actively seeking out "points of cooperation" and educating DHS and FEMA staff on the significant value of community preparedness and planning.

As with the other areas, budget and staffing affect the success of CPD's efforts. The office is very small and has a very lean budget. Additionally, long delays in getting Office of Management and Budget (OMB) approval for data collection have hindered state and local data collection and research efforts.

Another challenge is that multiple offices within DHS have responsibility for elements of community preparedness and partnerships with nongovernmental entities. Some officials said it might be more effective to place the responsibility for all community preparedness and nongovernmental partnership efforts in a single office.

NPD officials discussed several planning efforts underway that will enhance preparedness for catastrophic events, including in the Gulf Coast, Florida, the New Madrid seismic zone, and Tier 1 Urban Areas. FEMA has made and is making significant progress. The primary problem is that the planning efforts discussed above are very geocentric. Disaster Operations officials said that the plans are not transferrable among jurisdictions; however, they also said that the planning efforts can provide a foundation for additional planning.

Given that individual citizens' preparedness can greatly enhance or hamper response, community preparedness planning should receive adequate funding and staff, and be better integrated into planning programs. Consideration should also be given to whether all community and individual preparedness programs should be coordinated by a single office in DHS or FEMA.

COORDINATION AND SUPPORT (Moderate Progress)

In August 2005, the NRP was used in response to Hurricane Katrina, but it fell far short of the seamless, coordinated effort that had been envisioned at its creation. Problems ranging from poor coordination of federal support, to confusion about the roles and authorities of incident managers, to inadequate information sharing among responders all plagued the response to this catastrophic disaster.

To assess progress in this area, we assessed FEMA's efforts to:

- Implement the new NRF and Specific Operational Plans;
- Clarify the roles, responsibilities, and authorities of the Principal Federal Official and Federal Coordinating Official; and
- Ensure law enforcement access to FEMA records in support of Emergency Support Function – 13 (ESF-13), *Public Safety and Security.*

A revised NRP incorporating lessons learned from the 2005 hurricane season was released nine months after Hurricane Katrina. In September 2006, DHS initiated another revision process of both the NRP and the National Incident Management System (NIMS). FEMA officials said they reviewed several thousand comments on the newly named *National Response Framework* prior to releasing it on January 22, 2008. However, FEMA's National Advisory Council was not established in time to have meaningful input into the development of the NRF.

As part of the National Preparedness Guidelines, DHS developed 15 National Planning Scenarios to establish the range of response requirements to facilitate preparedness planning. However, FEMA officials said that operational plans, which build on the National Planning Scenarios and govern the response to disasters, have not been finalized.

Of particular concern in response to Hurricane Katrina was the confusion about the respective roles, responsibilities, and authorities of the Principal Federal Official (PFO) and the Federal Coordinating Officer (FCO). While FEMA officials stressed their confidence in the PFO/FCO clarification, there has been little time to assess whether the clarification is well understood by emergency management practitioners and other stakeholders. It will take additional exercises or an actual disaster before we will know for certain whether the roles are sufficiently clarified and understood in the field.

The greatest progress in FEMA's coordination and support was found in providing law enforcement access to FEMA records. Months after Hurricane Katrina made landfall, DHS and the Department of Justice (DOJ) executed an agreement providing law enforcement officials direct access to FEMA disaster recovery assistance files for fraud investigations. In January 2007, DHS and DOJ executed an access agreement for the purpose of locating missing children

displaced due to disasters. Recently, FEMA officials said that a third agreement was executed with the United States Marshals Service, which grants limited access to disaster assistance records for the purposes of locating sex offenders and apprehending fleeing felons in the aftermath of a disaster. FEMA said that work in establishing protocols, procedures, and processes with DOJ to improve data access and information sharing is 75% complete.

Overall, the operational plans that govern the federal response to a disaster are incomplete or have not been adequately reviewed or tested. Also, a single planning system has not been finalized to ensure the integration of strategic, concept, and operational planning across all levels of national preparedness. During FY 2008, our office plans to review FEMA's Remedial Action Management Program (RAMP) to determine to what extent FEMA is using RAMP to implement lessons learned from disasters and exercises, including a focus on communications and information sharing.

INTEROPERABLE COMMUNICATIONS (Moderate Progress)

Multiple components within DHS and FEMA have roles and responsibilities for improving interoperable communications, which is a vital element of disaster response. The duties of the FEMA Administrator, as described in the NRF and *Post-Katrina Act*, include preparing for all-hazard incidents and helping ensure the acquisition of operable and interoperable communications capabilities by federal, state, local, and tribal governments and emergency response providers. We assessed the following critical areas, in which FEMA has made moderate progress:

- Achieve coordination among all DHS components charged with improving interoperable communications;
- Ensure federal disaster communications and operating procedures are in place for disaster response and recovery;
- Manage federal interoperable communication grants and programs.

Actions taken by DHS to improve disaster response communications and interoperability involved a major reorganization of DHS components charged with advancing communications interoperability. If success is to be achieved, DHS must achieve coordination among all its components, including FEMA, especially with respect to planning and establishing lines of authority, roles, and responsibilities. However, currently there is no single entity to coordinate the ongoing interoperability activities and initiatives.

DHS established the Office of Emergency Communications (OEC) to support "the Secretary of Homeland Security in developing, implementing, and coordinating interoperable and operable communications for the emergency response community at all levels of government." The OEC's goal is to better integrate DHS' emergency communications planning, preparedness, protection, crisis management, and recovery capabilities, including attainment of interoperable and emergency communications nationwide.

The *Post-Katrina Act* required the development of a National Communications Baseline Assessment to identify needed capabilities of first responders, assess current capabilities, identify

gaps and obstacles, and establish a national interoperable emergency communications inventory. According to DHS officials, the National Communications Baseline Assessment will provide the first comprehensive assessment of emergency communications capabilities, including operability and interoperability, across all levels of government. The final assessment and recommendations are expected in May 2008 and will be used to develop the National Emergency Communications Plan.

It is important to note that although technological improvements are important, cultural issues related to coordination and cooperation among emergency responders, and standard operating procedures and guidelines, are an equal or greater challenge.

FEMA is developing disaster emergency communications policies and procedures to facilitate effective emergency management operability and interoperability during catastrophic events. However, achieving effective coordination among all DHS components specifically charged with improving interoperable communications remains difficult. Each organization continues to operate independently within the limits of its own authorities established during the DHS reorganization. FEMA officials said they need specific authority to coordinate with and direct DHS components providing emergency communications during disasters to achieve substantial progress in this critical area.

FEMA officials said there is a renewed commitment to make emergency communications a core competency of the agency. The Disaster Operations Directorate is responsible for disaster interoperable communications, including tactical and operational functions, such as those provided by the Mobile Emergency Response Support (MERS). It is anticipated that Incident Response Vehicles with expanded communications capabilities will be available in each of FEMA's ten regions. FEMA continues to work with state, local, and tribal entities on interoperability plans, available equipment, and multi-jurisdictional interoperability.

FEMA officials said that the agency has hosted or participated in a number of conferences and exercises to share technological resources and knowledge, and practice interoperability across the full spectrum of disaster response operations using deployable systems of partner organizations and first responders. Also, FEMA has created the Disaster Emergency Communications Division and intends to be an informed and engaged advocate for disaster emergency communications issues and the communications needs of emergency responders.

A number of outstanding issues regarding interoperable communications still need to be addressed. Completion of the National Communications Baseline Assessment, incorporation of federal interoperability into SAFECOM, and the acquisition of additional MERS and Incident Response Vehicles are outstanding issues that need to be addressed before the next catastrophic disaster. In addition, there are overarching concerns. First, various DHS components have specific roles and responsibilities for improving interoperability, yet there is no single mechanism in place to link and orchestrate the numerous programs and initiatives underway, nor is there a clear line of accountability. Second, OEC is currently operating with a skeletal, full-time equivalent staff. OEC has assumed a large portion of responsibilities and programs directed at improving interoperable communications, and it requires additional staff and an adequate budget.

LOGISTICS (Moderate Progress)

In April 2007, as part of the FEMA reorganization, Logistics was elevated from a branch to a directorate-level program office. The Logistics Management Directorate (LMD) is the agency's major program office responsible for logistics policy, guidance, standards, execution, and governance of logistics support, services, and operations. Its mission is to effectively plan, manage, and sustain the national logistics response and recovery operations, in support of domestic emergencies and special events. LMD is organized around four core competencies:

- Logistics Operations;
- Logistics Plans and Exercises;
- Distribution Management; and
- Property Management.

In times of domestic disasters, FEMA's LMD responsibilities include acquiring, receiving, storing, shipping, tracking, sustaining, and recovering commodities, assets, and property. LMD's ability to track commodities is one of the keys to fulfilling its mission. The disasters of 2004 and 2005 highlighted FEMA's lack of standardized policies and procedures, as well as inconsistencies stemming from multiple, independent computer and paper-based systems that generated incompatible tracking numbers not readily cross-referenced.

FEMA management is keenly focused on improving the logistics core competencies to a level that will effectively and efficiently respond to a catastrophic disaster. We reviewed two critical areas in FEMA's efforts to improve logistics:

- Establish total asset visibility; and
- Improve pre-positioning of commodities.

After the 2004 hurricane season, FEMA recognized a need for an improved total asset visibility (TAV) program. At the time Katrina struck, however, the TAV program was not fully tested. Currently, the TAV system is able to track the movement of more than 200 types of assets and commodities, with a primary focus on the "Big 8" commodities: water, emergency meals (MREs), blue roof plastic sheeting, tarps, cots, blankets, temporary housing units, and emergency generators. However, FEMA personnel said that there are many gaps in the system.

FEMA personnel said that two of the primary challenges to improving the TAV system are retaining a sufficient amount of staffing and overcoming TAV user resistance from the field. Officials said that field resistance is being addressed by increasing communications throughout FEMA and by providing role-based training.

The specific type and quantity of commodities and support assets that the public will need in the aftermath of a disaster or other incident varies, but emergency response experience indicates some common needs. Typically, state and local governments meet their initial citizens' needs for common commodities, but when state and local governments' capabilities are exceeded, the state may request FEMA's assistance. FEMA personnel said they did have supplies pre-

positioned during the 2005 hurricane season, but the quantities were insufficient and delivery was not timely.

LMD estimated that to pre-position commodities in the 11 hurricane prone states alone would cost $350 million. FEMA has determined through an in-depth analysis that pre-positioning commodities is not logistically prudent nor an effective use of taxpayers' funds. Instead, FEMA is focusing on meeting disaster needs by obtaining goods through agreements with other federal agencies and the private sector.

FEMA has interagency agreements with key partners, including:

- Defense Logistics Agency,
- U.S. Army Corps of Engineers,
- Department of Transportation,
- American Red Cross, and
- General Services Administration.

FEMA's goal is to be able to support 1 million people and 20,000 federal responders within 72 hours of a "no-notice" event. Interagency agreements are expected to provide FEMA with MREs, fuel, ice, medical supplies, water, cots, blankets, tarps, and heavy equipment.

In an effort to develop a more responsive, flexible, and sustainable supply chain management strategy, LMD established a Distribution Management Strategy Working Group. The Working Group will support LMD as the National Logistics Coordinator (NLC), which will collaborate with other federal agencies, in addition to public and private sector partners, nongovernmental organizations, and other stakeholders, ensuring a fully coordinated and effective service and support capability.

LMD has made progress in a number of areas, but still needs to develop standardized policies and procedures, effective internal controls, and sufficient funding and resources. FEMA's reactive approach has traditionally encouraged short-term fixes rather than long-term solutions, contributing to the difficulties FEMA has encountered in supporting response and recovery operations. Without taking the time to fully define and document systems requirements, it is difficult for FEMA to evaluate viable alternatives to its custom-designed systems. Also, the reactive manner in which information technology systems are funded and implemented has left little time for proper systems testing before they are deployed.

EVACUATIONS (Modest Progress)

In the aftermath of Hurricanes Katrina and Rita, it became apparent that the federal government might need to put resources into place proactively when state and local governments delay or are unable to request assistance, especially in the area of evacuations. According to one FEMA official, the agency is now working to better position itself to provide "accelerated federal assistance" to respond to a disaster. FEMA is also working with state and local officials to identify shortcomings in existing evacuation plans and find ways to mitigate those shortcomings prior to a disaster.

There is no one office at FEMA responsible for federal evacuation planning and operational efforts. The responsibility spans several directorates, including Logistics Management, Disaster Operations, and Disaster Assistance, as well as the Office of Acquisition Management. For this reason, it was difficult to gain a clear picture of FEMA's progress in preparing for a future disaster in the area of evacuations.

We gathered information on specific planning initiatives underway in the area of evacuations:

- Develop the Gap Analysis Program; and
- Enhance Gulf Coast Mass Evacuation Capability.

The Gap Analysis Program (GAP), which began in February 2007, serves as the starting point for planning efforts, beginning at the local level and working up through the states, to FEMA regions, and then to FEMA Headquarters entities. The first iteration of the GAP, conducted in 18 states in preparation for the 2007 hurricane season, focused on seven critical areas where needs of citizens must be addressed in the first 72 hours after a disaster: mass evacuation, sheltering, interim housing, fuel distribution, commodities distribution, debris removal, and medical needs. For the 2008 assessment, officials decided to drop interim housing since it is not actually necessary in the first 72 hours, and they added search and rescue.

Officials said GAP is helping to build trust between local, state, and federal partners. GAP gives FEMA officials a better idea of what preparations state and local governments have made, what assets they have, and where additional assistance might be needed. With assistance needs identified, FEMA can tap into its interagency partners to arrange additional assistance.

A lack of funding, which results in a lack of staffing, has slowed down the completion of the first round of GAP analyses for all states. Officials said they have the authority they need to carry out the GAP analyses, but they expressed frustrations in the area of information technology (IT). They do not have a dedicated IT staff for GAP, and they have been told they must use in-house IT support even though they believe they could get better IT support, including better analysis tools, by using a contractor.

Hurricane Katrina demonstrated a number of evacuation challenges. These included ensuring adequate transportation for evacuees, other states' willingness to accept evacuees, and coordinating resources, including buses and other modes of transportation. An additional challenge was to ensure that localities were not relying on the same resources in their individual evacuation plans.

The Gulf Coast Mass Evacuation Capability Enhancement Initiative was a structured program, carried out between April 2007 and July 2007, that targeted the Gulf Coast region's (excluding Florida) evacuation needs. The goal was to develop an organized plan for evacuating states and to have state-to-state agreements in place for transporting and sheltering evacuees. An important by-product of the initiative was starting a dialogue with and between states to discuss their planning shortcomings and how states could help one another.

Since the initiative was a one-time planning effort that is now complete, the responsibility for continuing the planning process will fall to FEMA's regional offices. For planning to proceed from the FEMA Headquarters level, additional funding will be necessary. This initiative merits the rating of substantial progress; however, despite repeated requests, FEMA has not yet provided us with the final report, i.e., briefing slides, on this project. Consequently, we cannot say with certainty that this initiative met its intended results.

The two programs highlighted above have helped FEMA in assessing evacuation needs and enhancing evacuation planning. However, adequate funding for continuing evacuation planning is an issue. Additionally, because of the multiple offices and disciplines involved in evacuation planning, FEMA should establish a single entity to take "ownership" of overall evacuation planning and implementation. Recognizing the span of responsibility across directorates/offices, FEMA needs an overarching strategic plan if federal evacuation efforts are to be successful.

HOUSING (Modest Progress)

One of the major criticisms of FEMA after Hurricane Katrina focused on FEMA's inability to provide immediate, short-term housing assistance to evacuees, and then transition those still in need to more permanent forms of housing. According to FEMA, the National Disaster Housing Strategy (NDHS) will help guide future disaster housing assistance, but during the time of our review this document was still in draft.

FEMA needs to improve communications with state and local governments and other agencies with respect to disaster housing assistance, particularly with respect to what assistance FEMA can be expected to provide after a disaster. FEMA also needs to improve program guidance for state and local governments.

We reviewed three critical components to identify FEMA's progress in efforts to:

- Establish a National Disaster Housing Strategy;
- Develop plans to purchase, track, and dispose of temporary housing units; and
- Strengthen state and local commitment to house affected citizens.

When Hurricane Katrina struck the Gulf Coast region, there were not adequate plans in place at the federal, state, or local level to deal with the unprecedented movement of displaced evacuees or to provide sheltering or transitional housing on the scale required after this catastrophic disaster. The NRP, which guided the response to Hurricane Katrina, did not explicitly address catastrophic disaster housing plans.

The *Post-Katrina Act* requires FEMA to develop, coordinate, and maintain an NDHS. This strategy will not only guide FEMA and other federal agencies during disasters, but also will help identify operational gaps and additional authorities needed to improve sheltering and housing operations. The strategy should be flexible and scalable to meet the unique needs of individual disasters. FEMA needs to improve communications with state and local governments, and other agencies, with respect to disaster housing assistance, as well as improve the program guidance for state and local governments. While catastrophic housing is to be addressed by the NDHS,

FEMA officials said that there is a lack of adequate funding and resources to test the strategy once it has been finalized.

At the time of our review, the draft NDHS was still being reviewed, coordinated, and refined among FEMA and its interagency partners. The lack of a comprehensive disaster housing strategy could have a significant impact on FEMA's ability to meet housing needs for disaster victims in a future catastrophic disaster.

Under FEMA's Recovery (Interim) Policy 1003, FEMA will establish an annual baseline inventory for fully mission-capable temporary housing units, including travel trailers and mobile homes. This policy will guide FEMA in maintaining a sufficient inventory of temporary housing units to meet an immediate demand after a declared disaster. In FY 2008, it is FEMA's goal to have three to five indefinite delivery/indefinite quantity contracts in place for commercial production of housing units. These units will be built based on FEMA's specifications to ensure that new units are designed and constructed to emit limited levels of formaldehyde that are well below industry and HUD standards, and units will be tested to ensure they meet these specifications.

FEMA officials said they are continuing to make improvements to the Individual Assistance Technical Assistance Contracts (IA-TAC), which are used to support FEMA's housing mission after a disaster. FEMA's goal for the most recent IA-TAC contracts is to have a more comprehensive pre-disaster contract in place that will better address accountability, quality assurance, and tracking. FEMA officials said there is much work to be done in developing pre-disaster contracts for procurement of housing units and in developing an agency-wide strategy for disposing of housing units. LMD currently expends significant resources storing units that may never be used again because there is no clear disposition strategy in place.

In the wake of Hurricane Katrina, a number of local communities were very reluctant, or even directly refused, to accept FEMA mobile home and travel trailer group sites in their communities. In some cases, state or local governments agreed to temporary housing sites, but then reversed their decision after housing installation had begun. Each time this happened, FEMA was further delayed in housing disaster victims and incurred additional costs.

FEMA's current Mass Sheltering and Housing Assistance strategy to support catastrophic housing needs starts with exploiting all available existing rental or vacant household dwellings in the affected area, then expanding outward into other jurisdictions or states. However, FEMA still lacks some of the resources necessary to successfully and expediently execute the strategy, and many states have restricted the number of out-of-state evacuees they are willing to accept, potentially restricting access to otherwise available housing units. FEMA housing officials said that the absence of universal acceptance by state and local governments for contingency housing missions will inhibit an optimal response.

While FEMA is striving to improve its disaster housing assistance strategy and coordination, it needs to develop and test new and innovative catastrophic disaster housing plans to deal with large-scale displacement of citizens for extended periods. Traditional housing programs for non-traditional disaster events have been shown to be inefficient, ineffective, and costly. This raises

concerns about how FEMA plans to temporarily house disaster victims for future disasters when hotels, motels, and other rental units are often unavailable due to damage.

Recently the Centers for Disease Control and Prevention and FEMA released the preliminary results of the testing for formaldehyde in travel trailers and mobile homes used in the Gulf region to house Hurricane Katrina evacuees. The test results show that unacceptable levels of formaldehyde were detected in both types of units. The FEMA administrator stated, "We [FEMA] will not ever use trailers again."

In July 2007, FEMA entered into an interagency agreement with HUD to administer the Disaster Housing Assistance Program (DHAP). The DHAP provides temporary housing assistance, by means of a monthly rent subsidy, to eligible families displaced by Hurricanes Katrina and Rita. Under the interagency agreement, HUD will act as the servicing agent for this program. We believe FEMA needs to carefully monitor the services provided by HUD and the costs associated with them.

DISASTER WORKFORCE (Modest Progress)

The need for a trained, effective disaster workforce is one issue mentioned consistently in reports regarding FEMA's response to Hurricane Katrina. FEMA's disaster workforce consists mainly of reservists who serve temporarily during a disaster with no employee benefits. FEMA struggled to provide adequate staff in response to Hurricane Katrina and did not have the automated support needed to deploy over 5,000 disaster personnel on short notice. New hires did not receive adequate training during FEMA's accelerated orientation process, and FEMA lacked a central training records management system. The shortage of qualified staff for key positions responding to Hurricane Katrina negatively impacted the effectiveness of FEMA's response and recovery operation.

As FEMA and DHS have evolved, the disaster workforce structure and systems have not kept pace. Since 1992, FEMA has initiated 12 studies to look at the use and structure of its disaster workforce; however, FEMA has not implemented the recommendations from any of those studies. In FY 2006, FEMA obligated over $2 million for another examination of its disaster workforce to remedy problems in three major areas: workforce structure, automated workforce management systems, and training and credentialing. This initiative resulted in a report entitled "FEMA: A New Disaster Reserve Workforce Model," dated September 30, 2007.

We reviewed two critical areas identified as weaknesses after Katrina:

- Adopt a Strategic Human Capital Plan, including specific strategies for the development of a surge capacity disaster workforce; and
- Manage the disaster workforce consistent with the Strategic Human Capital Plan and integrate workforce management tracking systems to deploy, train, and credential disaster workforce employees.

FEMA has been criticized by both GAO and our office for not having a Strategic Human Capital Plan (SHCP). To its credit, FEMA has met its goal of increasing permanent, full-time staff to

95% of allowed on-board level by June 2007, hired a new Human Capital Director and Deputy Director, and begun a project to optimize the Human Capital Division. However, more work remains, including finalizing the SHCP and ensuring that newly hired staff are fully trained.

The report "FEMA: A New Disaster Reserve Workforce Model," makes recommendations for structuring the disaster workforce and lays out a roadmap for accomplishing the recommendations. One significant recommendation is to establish a director-level office, the FEMA Office of Reserves, to improve the effectiveness and efficiency of professional operations and to drive integrated efforts from an agency-wide perspective. The study also discusses realigning and reducing FEMA's disaster cadres from 23 to 9.

The study recommends:

- Establishing clear lines of authority and responsibility within a new Office of Reserves;
- Providing employee benefits to disaster workforce reservists;
- Increasing training and credentialing funds; and
- Creating consolidated systems to track the deployment and training of the disaster workforce.

FEMA has assigned a Project Management Officer to determine the feasibility of implementing these and other recommendations, including establishing a FEMA Office of Reserves.

Most of these recommendations are not new. FEMA has historically been slow to implement effective change for its disaster workforce. FEMA has already studied this problem 12 times but did not implement recommendations from any of the previous studies. FEMA has not taken advantage of two relatively quiet hurricane seasons since Hurricane Katrina to make needed changes to its Disaster Workforce. FEMA reports that it does not have the budget, staffing, policies, authorities, or IT needed to implement the corrective actions. Some of the recommended changes also will require legislative action to amend the *Stafford Act*.

FEMA has not completed 18 of the 36 corrective actions (50%) that it agreed to take in response to disaster workforce-related recommendations in our FY 2006 report, "A Performance Review of FEMA's Disaster Management Activities in Response to Hurricane Katrina." All but one of the incomplete actions originally had target completion dates before June 2007.

FEMA also has not completed or could not verify the completion of six of nine workforce-related actions required by the *Post-Katrina Act*. The six incomplete or unconfirmed actions are:

- Developing a Strategic Human Capital Plan;
- Establishing career paths;
- Conferring with state, local, and tribal government officials when selecting Regional Administrators;
- Training regional strike teams as a unit and equipping and staffing these teams;
- Implementing a surge force capacity plan; and

- Providing a report describing progress toward integrating various tracking systems (Logistics Information Management System (LIMS)/Automated Deployment Database (ADD)/National Emergency Management Information System (NEMIS)).

MISSION ASSIGNMENTS (Limited Progress)

FEMA is responsible for coordinating the urgent, short-term emergency deployment of federal resources to address disaster needs and it uses mission assignments (MA) to accomplish this. FEMA is also responsible for stewardship of the associated expenditures from the Disaster Relief Fund. Past audits and reviews regarding MAs have concluded that FEMA's management controls were generally not adequate to ensure:

- Deliverables (missions tasked) met requirements;
- Costs were reasonable;
- Invoices were accurate;
- Federal property and equipment were adequately accounted for or managed; and
- FEMA's interests were protected.

MA policies, procedures, training, staffing, and funding have never been fully addressed by FEMA, creating misunderstandings among federal agencies concerning operational and fiduciary responsibilities. FEMA guidelines regarding the MA process, from issuance of an assignment through execution and close-out, are vague.

In November 2007, FEMA initiated an ambitious project to re-engineer the processes, relationships, and resources involved in managing MAs. Reflecting upon lessons learned from Hurricane Dean, the California wildfires, and TOPOFF-4, FEMA's Disaster Operations Directorate formed an intra/interagency Mission Assignment Working Group (MAWG) to review MA processes and procedures and develop recommendations for the management of MAs. The effort focused on meeting the goals of FEMA's FY2008-2013 Strategic Plan issued in draft in November 2007, complying with congressional mandates, and responding to various audits and studies. It is anticipated that the review, development, and implementation of these improvements will be completed by June 2008.

We reviewed three critical components to identify FEMA's progress:

- Improve guidance for mission assignments, i.e., regulations, policies, and operating procedures;
- Improve staffing and training; and
- Enhance management of mission assignments.

FEMA officials said there are 223 pre-scripted MAs under development and listed in the operational working draft of the "Pre-Scripted Mission Assignment Catalogue," which FEMA intends to publish by June 2008. FEMA has developed a standard operating procedures (SOP) manual for MAs that outlines the policies, procedures, and processes that FEMA uses to collaborate with other federal agencies and organizations when responding to disasters and intends to release an updated draft of this manual in March 2008.

Overall, the process for developing pre-scripted MAs is now well-established and ready for use in future incidents. FEMA plans to post approved pre-scripted MAs to the Homeland Security Information Network (HSIN) to increase interagency coordination and real-time situational awareness. However, these pre-scripted MAs are only one of an assortment of tools for conducting response operations and do not, by themselves, provide a complete picture of FEMA's readiness to carry out mission assignments. Additionally, our audit of HSIN disclosed that this network is not used extensively by those in the emergency management community and may not be the best avenue to make other federal agencies aware of pre-scripted MAs.

The MAWG's Strategic Plan identifies the goal of having new policies, procedures, training materials, and recommended revisions to federal regulations and possibly legislation completed by the beginning of hurricane season 2008. The most substantial MAWG recommendation concerned the establishment of and investment in MAs as a program area rather than a collateral functional process or duty that only comes into play during an incident response. The MAWG participants see development of an MA program office, with dedicated full-time staff and management team, pre-established budget, and officially delegated authorities and responsibilities, as the best chance for substantial improvement in all aspects of the MA process.

According to the MAWG's Strategic Plan, FEMA intends to develop a schedule of appropriate training by March 2008, which will be conducted through June 2008. The MAWG also plans to identify a cadre of MA managers and will introduce a credentialing program.

Support from FEMA management will be required to implement the MAWG's Strategic Plan, which calls for an infrastructure overhaul of the MA process. A significant investment of resources—personnel, training, time, and budget—will be required to begin the re-engineering efforts. After the revised infrastructure has been put into place, an MA program office will need resources to sustain the effort.

ACQUISITION MANAGEMENT (Moderate Progress)

FEMA's acquisition function was heavily tasked in responding to hurricanes Katrina and Rita, and suffered from several shortcomings. These shortcomings included:

- A lack of pre-existing preparedness contracts;
- Untrained staff; and
- Poor planning for post-award monitoring and oversight.

Post-Katrina, FEMA management has focused on developing the acquisition function to a level that can effectively and efficiently respond to another catastrophic disaster. Moderate progress has been made overall, based on our review of the following three critical components:

- Have pre-disaster contracts in place;
- Recruit, train, and retain sufficient acquisition staff; and
- Provide for post-award oversight.

Prior to Hurricane Katrina, FEMA had few contracts in place to be used at the time of a disaster. Without pre-disaster contracts in place, FEMA is forced to award contracts on a non-competitive basis or to less qualified vendors in order to support a prompt response after the disaster occurs.

FEMA's Office of Acquisition Management (OAM) has awarded approximately 27 pre-disaster response contracts, up from the 9 pre-disaster contracts in place before Hurricane Katrina struck. Additionally, approximately 70 recovery contracts have been awarded. OAM also has entered into interagency agreements with other federal agencies, which will allow FEMA to use those agencies' pre-existing contracts. OAM officials said that all FCOs now have a list of these pre-disaster agreements in a "disaster response contract toolbox." However, OAM only recently provided us a list of those contracts and, consequently, we have not had the opportunity to review them.

OAM has also created an Acquisition Program & Planning (AP&P) branch, which will function as the primary link between acquisitions and the program areas that generate requirements, to assist with pre-disaster contracts.

When Hurricane Katrina struck, FEMA had just 35 contracting staff in place. Since Hurricane Katrina, this number has grown to 162 positions authorized, with 136 positions filled. OAM has expanded its policy office and is upgrading its contract writing system. Additionally, FEMA has updated its "Emergency Acquisition Field Guide," which is designed to define the critical elements of an emergency acquisition in plain language so that any member of the disaster support team can understand and apply proper procedures.

FEMA reports significantly increasing staffing of both Contracting Officer's Technical Representatives (COTR) and Contracting Officers. FEMA has established a COTR Program Management Office "to ensure COTRs have the training, support, and tools needed for effective contract administration." To date, more than 700 program officials have been trained and certified as COTRs.

OAM also reported building their training initiatives to ensure contracting staff have the necessary skills for their positions. The office has worked with the Defense Acquisition University and the Federal Acquisition Institute to ensure that OAM staff complete the courses necessary to meet qualifications requirements.

A lack of post-award oversight was a problem for FEMA in its response to Hurricane Katrina. Since then, FEMA reports taking some important steps in improving contract oversight. FEMA officials said that they have developed Contract Administration Plans (CAP) intended to improve post-award contract execution by providing consistency in how FEMA competes, orders, and administers task orders. FEMA said they believe CAPs will also foster consistent contract administration processes for COTRs across FEMA regions. FEMA also said the additional training and support being provided to COTRs through the new COTR Program Management Office will contribute to better post-award oversight.

While FEMA has made progress in a number of areas and seemingly improved its acquisition management function, many concerns remain. FEMA said that many more pre-disaster contracts

are in place, ensuring fair and reasonable prices. However, FEMA has not afforded us the opportunity to review them, nor have we been able to determine whether guidance on the use of the contracts has been developed and communicated to all federal, state, and local partners.

In our acquisition management scorecard published in April 2007, we reported several areas of concern. Of those, OAM is making some progress in the following areas:

- Developing a full partnership with other FEMA components;
- Developing policies and procedures for comprehensive program management; and
- Hiring and training a sufficient number of contracting staff.

However, FEMA continues to show weaknesses in:

- Developing an integrated acquisition system; and
- Developing reliable, integrated financial and information systems.

CONCLUSION AND RECOMMENDATIONS

FEMA has made progress in all of the areas we reviewed, although in some areas this progress has been limited or modest. FEMA officials said that budget shortfalls, reorganizations, inadequate IT systems, and confusing or limited authorities negatively affected their progress. We agree with FEMA. We also believe FEMA would benefit from better knowledge management and plans for sustaining initiatives that are underway.

Our report includes the following three recommendations:

Recommendation 1- We recommend that FEMA conduct a comprehensive "needs analysis" to determine where they are now and where they need to be, *as an agency*, in terms of preparedness for a catastrophic disaster. This will assist FEMA with integrating their projects and avoiding duplicative efforts.

Recommendation 2- We recommend that FEMA develop and sustain a system for tracking progress of programs, initiatives, and enhancements, both planned and underway, using project management tools, e.g., Quad charts, Gantt charts, or similar tools. This system would benefit FEMA by providing a means of increasing awareness of FEMA's efforts and the planning behind them. It would also help ensure that knowledge and vision that may reside with the agency's leadership is shared among staff and other stakeholders. For each project, a single leader accountable for the success of the project should be identified.

Tracking system tools should, for each initiative or project, contain information including:

- Name of the project leader;
- Status of the project, including budget, schedule, and where necessary, approvals from DHS and OMB;
- Performance requirements or parameters; and

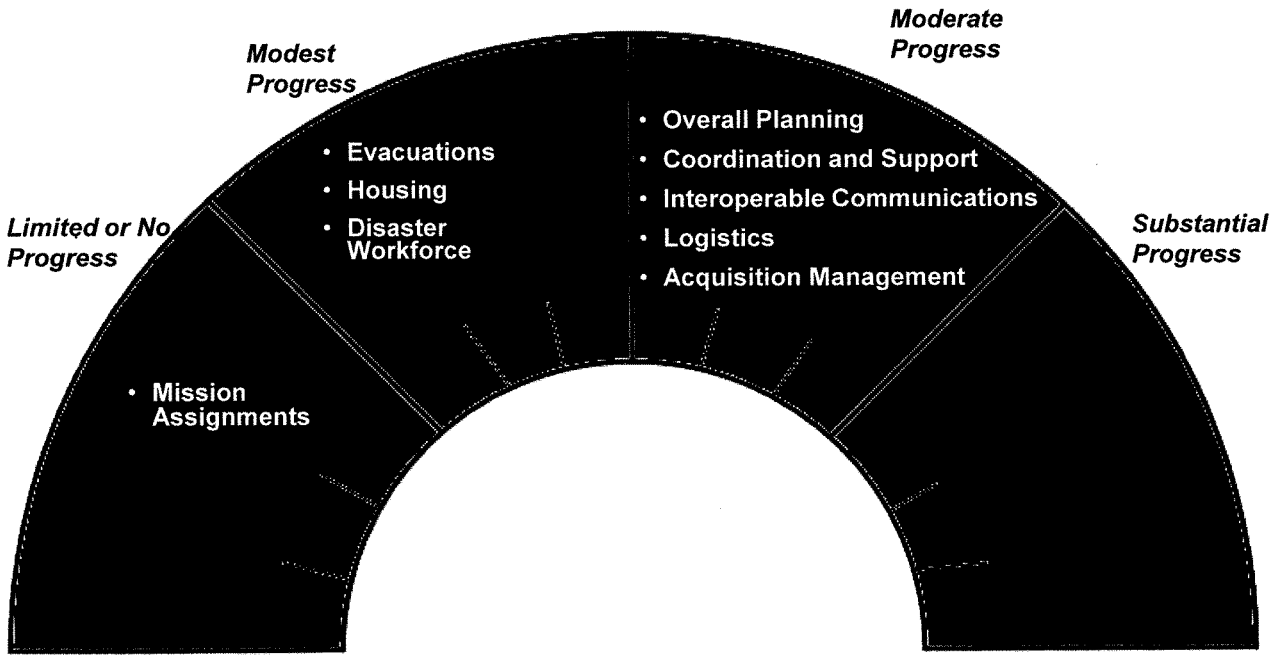
- Other key issues, concerns, or challenges to completion of the project, e.g., lack of funding or staffing, legislative changes needed, cooperation of other federal agencies needed.

Recommendation 3- To enhance accountability and transparency, and to enhance the ability of key stakeholders to assist FEMA in achieving its mission, we recommend that FEMA provide regular updates regarding progress on all major preparedness initiatives and projects.

Let me end my statement by reiterating our goal and intention, which is to take the lessons learned from the response to Hurricane Katrina and assist FEMA to form the foundation for critical improvements to prepare for the response to its next catastrophic event.

Mr. Chairman, this concludes my prepared remarks. I would be happy to answer any questions that you or the Committee Members may have.

Scorecard for Selected FEMA Preparedness Areas



Statement of

R. David Paulison
Administrator
The Federal Emergency Management Agency
U. S. Department of Homeland Security

Committee on Homeland Security and Governmental Affairs

United States Senate

April 3, 2008

Mr. Chairman, Ranking Member Collins and Members of the Committee, I am pleased to be here today to discuss progress toward the Federal Emergency Management Agency's (FEMA) preparedness for catastrophic events. Through lessons learned from both Hurricanes Katrina and Rita, FEMA has built and continues to build our Nation's capability to respond to any and all incidents that may occur, and to aid in the country's recovery process as necessary.

It is important to provide the committee and the American people with an update of what FEMA has accomplished with the resources provided by Congress over the past two-and-a-half years since Katrina and Rita. The FEMA of 2008 is not the FEMA of 2005. We have dramatically improved our ability to aid the Nation in preparing for, responding to, recovering from, and mitigating against disasters, both natural and man-made. In doing so, we have worked with the emergency management community, the Congress, and all stakeholders at the State and local levels of government.

The FEMA of 2008 is a forward-leaning organization poised to partner with State, tribal, and local officials at the onset of a disaster. This has resulted in FEMA receiving tremendous accolades, most recently with the tornadoes that devastated Arkansas, Tennessee, and Kentucky.

When I took over the position as Administrator of FEMA, I knew that a complete turn around would be neither easy nor quick. With a dedicated staff and hard work, we are carrying out a three-phase approach to bring FEMA back to its position of being the Nation's preeminent preparedness and emergency management agency. The first phase established the vision of what the New FEMA would be. This vision, which we structured around the Post-Katrina Emergency Management Reform Act (PKEMRA) and other legislation directed at clarifying FEMA's roles, was our major focus in FY 2007 and early FY 2008. This legislation guided us on our path forward. The physical transition of preparedness components into FEMA on April 1, 2007, completed Phase 1 of our transformation.

Phase 2 is the ongoing implementation phase. We are not just paying lip-service to the guidance Congress gave in legislation, but the breadth of full implementation has been neither quick nor simple. I pledge that I will try to complete Phase 2 "Implementation" before I leave my post. We experience success every day implementing reforms from the legislation; whether it is providing timely reports to Congress or reaching our goal of staffing 95 percent of our authorized strength.

The progress that FEMA is able to make and the success we experience would be impossible without our dedicated employees. The FEMA workforce has made me proud in the three years that I have been Administrator. Every day, whether they have been in their jobs for three months or 30 years, they work hard despite being routinely pummeled for decisions made in the past or press accounts that ignore the facts in favor of a punch line. I have never worked with a group that is more skilled or more committed to its mission. This is true for our long-time career employees, the new professional staff we have brought in, and the leaders in which President Bush and Secretary Chertoff have

placed their faith. We are committed to building a strong team for today and tomorrow that is based in a sound management philosophy. I hope congress will act to help us here by confirming our acting Deputy Administrator - Harvey Johnson. A retired Vice Admiral from the U.S. Coast Guard, Admiral Johnson has been my right-hand in making all of these changes and improvements as our Chief Operating Officer of FEMA. He is well known as a man of impeccable integrity, has more than three decades of direct, on-the-ground relevant experience, and has the respect of his peers, our partners, the Secretary and the President. He is truly an example of the expert and professional we are trying to attract at FEMA in both career and non-career roles. His confirmation will compliment our efforts to identify, recruit, retain and develop the best possible leaders and managers for today and tomorrow by placing a cadre of career senior executive service in all key offices and programs across FEMA.

FEMA has made it a priority to hire seasoned professionals in emergency management into leadership positions. The career employees that FEMA hires are at the top of their game, whether in the field of logistics, in IT or acquisitions, as operational planners, or as experts able to deliver disaster assistance. These are the people who pour their hearts and souls into FEMA and make it what it is, and that will make it the agency that I have described in my vision. Our political employees are individuals with experience in the fields of emergency management and preparedness. Some of these folks have been lieutenant governors, state directors of homeland security, CEOs of nonprofits, firefighters, local emergency managers, and police chiefs. These are qualified individuals whom I trust to stand by me and who allow me to make fast and informed decisions during times of disaster.

As we move forward, the New FEMA will reflect the expanded scope of the agency's mission – a mission supported through building a National Emergency Management System that provides for a more nimble, flexible use of national resources. It will strengthen coordination among FEMA elements and with other DHS components, and will enable FEMA to better coordinate with agencies and departments outside of DHS. It will also deliver enhanced capabilities to partners at the State and local levels and engage the capabilities of the private sector. FEMA will be an organization in touch with America and valued across all jurisdictions as an engaged, agile, responsive, and trusted leader and partner.

We do not take the trust of the American people for granted. The American taxpayers are investors in our agency and we want to be able to give them a return far beyond the dollars they invest in our annual budget. FEMA is meeting the critical challenge of outlining a clear course of action to transform the agency into the Nation's preeminent emergency management and preparedness agency. This effort continues to require a concerted and comprehensive strategic approach and results-oriented planning to efficiently and effectively use future agency budget dollars to build the core competencies and support systems needed to achieve FEMA's vision.

Phase 3 of our transformation will begin in FY 2009. I would like to see much of the groundwork in place this fall. My intent is to leave this agency in a much better position

to serve the American public than I found it, and lay the foundation to allow FEMA to continue as a leader in times of need.

Recently, the Department of Homeland Security's Inspector General (IG) reviewed several aspects of FEMA's operations and issued a report on its findings. The primary objective of the IG's assessment was to identify key areas for preparing for catastrophic events and to determine the progress FEMA has made in key areas since Katrina struck in August 2005. We view the IG report as validation of our efforts and as an additional learning opportunity as we continue our progress. A copy of FEMA's response to the draft of that IG report is attached as a supplement to my formal statement.

FEMA appreciates the IG's assessment that improvements have been made to all components of the agency since Hurricane Katrina in 2005. I believe that FEMA's pace of improvement has been steady, and we have tried to use our resources wisely as we move forward on the many requirements identified and recommended by Congress and others, and through our own self-examination.

While our specific responses to the IG's report are discussed in a formal document recently provided to the IG, I prefer to stress the overall positive nature of this third-party view of FEMA's efforts. We appreciate the IG's recognition in the report's executive summary, which acknowledges and highlights our improvements. FEMA is committed to continuing these efforts. We are continuously bringing on energetic new employees and promoting experienced ones from within, updating our technologies and IT infrastructure, improving our procurement practices, improving the quality of policies and guidance to our Nation, conducting exercises, and actively responding to emergencies.

Without using this formal statement to examine the report's 60-plus pages, I would like to discuss two of the IG's recommendations as illustrative of how FEMA is not only using this report as an additional learning opportunity, but also as an example of how FEMA, in many ways, is already ahead of the curve. That said, I am happy to discuss this report in more detail with the committee either through oral questions during this hearing or through written responses to questions submitted for the record.

Among the IG's points is *Recommendation 1: We recommend that FEMA conduct a comprehensive "needs analysis" to determine where they are now and where they need to be, as an agency, in terms of preparedness for a catastrophic disaster. This will assist FEMA with integrating their projects and avoiding duplicative efforts.*

FEMA agrees with this recommendation, but also believes the report does not reflect the full extent of the work in this area, nor the vast amount of information FEMA has available to identify needs and corrective actions. Indeed, needs have been identified on an ongoing basis and corrective actions are already underway. For example, FEMA recently completed its new Strategic Plan, which takes into account the combined lessons learned from Katrina, as well as suggestions and requirements from numerous sources. This strategic plan, which is being finalized and will go to print shortly, was already

being used as a draft working document by all of the FEMA directorates for the past nine months. Indeed it was instrumental in guiding FEMA's directorates in improving their program development processes. Further, back in December 2006, FEMA published its agency vision and its disaster preparedness concept of operations. Both documents have guided many of our internal actions and priority development. In 2007 FEMA completed 17 specific needs assessments and analyses that spanned our business functions, logistics, and communications. Those assessments provide a blueprint for our change efforts. Also in the past year, we stood up a Program Analysis and Evaluation capability for the first time in FEMA and reinvigorated the Investment Working Group.

Each FEMA office has numerous projects and programs underway to improve service and interoperability with other parts of FEMA, DHS, and our partners across the government and in states and localities. This entire effort is being managed through the combined efforts of frequent senior-staff meetings, working-level staff meetings, the Investment Working Group, and the program analysis division of the Office of Policy and Program Analysis to eliminate duplication and increase our preparedness, mitigation, recovery, and response capabilities.

Since the landfall of Hurricane Katrina in 2005, FEMA has been the subject of dozens of analyses, engagements, studies, and reports. Many of these reports were created by outside entities, including the IG, the Government Accountability Office (GAO), and Congress. The IG cites a number of these documents on pages 60 and 61 of their draft report. Furthermore, the Post-Katrina Emergency Management Reform Act (PKEMRA) specified more than 250 actions for FEMA to pursue.

FEMA now has more than 100 open engagements each with the GAO and the IG. This translates to more than 100 open recommendations from GAO, and more than 600 open recommendations from the IG. Many of these recommendations are overlapping and/or complementary.

Clearly there is no shortage of recommended improvements at FEMA and our capability gaps have been clearly spelled out. The sheer workload associated with responding to the administrative documentation requirements of more than 700 recommendations from the IG and GAO is directly impacting our continued efforts to improve FEMA. We believe another assessment or analysis is not required. FEMA officials instead believe that the agency should be given an opportunity to implement the new Strategic Plan and continue to take action on the remaining PKEMRA requirements and any outstanding GAO and IG recommendations.

Another IG recommendation on which FEMA has made progress is: *Recommendation 3: To enhance accountability and transparency, and to enhance the ability of key stakeholders to assist FEMA in achieving its mission, we recommend that FEMA provide regular updates regarding progress on all major preparedness initiatives and projects.*

FEMA is already actively providing these updates and is working on a comprehensive reporting effort that will be completed in April 2008. PKEMRA mandated FEMA brief

Congress on nearly all aspects of preparedness on a quarterly basis. The next briefings to the House and Senate committees are scheduled for early May 2008.

PKEMRA also mandated FEMA provide a number of monthly and quarterly reports to Congress on topics including our quarterly staffing vacancies, National Capital Region planning efforts, the disaster relief fund, disaster contracting, disaster declarations, etc. As we continue to promulgate our national plans and guidance, including the National Response Framework, we have updated Congress and have future legislatively mandated updates scheduled

Finally, per PKEMRA, at the request of Congressional committees, and on our own initiative, FEMA continues to brief Congress on all manner of preparedness, response, recovery, mitigation, and disaster logistics issues.

Mr. Chairman, I firmly believe that there is absolutely no doubt that FEMA, based on its own internal efforts, as well as the efforts of our stakeholders, the Congress, our partners in State and local governments, and our colleagues in the FEMA regions, has seized the opportunities to improve and has rededicated itself to its critical mission and responsibilities. Yes, there is more to be done. Indeed, given the ever-changing events that challenge us every day, there will always be more to do. At the same time, FEMA – and the Nation – have much to be proud of in how we as a country both prepare for and respond to emergencies and disastrous events. In the past 12 months alone, we have exemplified the capabilities of the new FEMA and demonstrated a new way of doing business.

RESPONDING TO DISASTERS THIS PAST YEAR

In the past year, FEMA has responded to many disasters in all regions of the country to include 63 major disaster and 13 emergency presidential declarations. In addition, FEMA issued 60 Fire Management Assistance Grants to assist communities in lessening or averting catastrophes from wildfires. While all of the disasters in 2007 and 2008 were "natural," an effective response to a natural disaster is a good indication that, with the help of the Federal government, local and State officials will be able to respond effectively to a man-made disaster or act of terror. FEMA has been praised for its readiness and its adept responsiveness in the past year. The following are some of the disasters that FEMA participated in.

FEMA's response to the tornado in Greensburg, Kansas, for example, was an instance where FEMA's response was well coordinated, well timed, efficient, and effective. Within hours after the deadly F5 tornado, FEMA arrived onsite with command and control mobile facilities. We began providing temporary housing and direct aid to victims within the first 24 hours, and FEMA's Disaster Assistance Directorate is playing an integral part in ensuring that needed funds are available for rebuilding.

Following additional tornadoes in the Southeast, FEMA grants made possible a temporary facility to fill in for a destroyed high school and then to replace it permanently

in Alabama. Through a new construction concept, a destroyed hospital in Georgia will be replaced in record time. FEMA's responses to the threat of Hurricane Dean making landfall in the United States, the levee break in Nevada, and the wildfires that raged in California were equally impressive. Coordination occurred among local, State, and Federal emergency managers in each of these instances, and FEMA had true visibility into the resources they needed. Our efforts to improve are working. The American people should feel safer knowing that we are being tested and we are responding well.

During the 2007 California wildfires, FEMA employed a more forward-leaning posture, engaged in stronger collaboration and partnerships at the local, State, and Federal levels, and adopted a greater operational focus, resulting in stronger and more agile disaster response capabilities. The California wildfires included 20-plus fires that burned more than 500,000 acres. The fires destroyed more than 3,000 structures; damaged 200 more; and led to the evacuation of more than 300,000 people. The Federal response included the deployment of more than 10,000 emergency response staff. The response to the California wildfires provided an opportunity to implement and evaluate FEMA's new and enhanced capabilities.

- Upgrades to the National and Regional Response Coordination Centers (NRCC/RRCC) improved our operational capabilities by providing seamless connectivity with the DHS National Operations Center (NOC), California's Emergency Operations Centers, other Federal agencies. The centers provided a forum to share situational awareness and a common operating picture, which allow for immediate decision-making.

- The NRCC also exhibited its new and improved ability to coordinate and exchange information. For example, FEMA held regular and ongoing video teleconferences (VTCs) to facilitate synchronized efforts among the State of California, the Joint Field Office (JFO) and the NRCC. Approximately 25 to 30 organizations participated by video and 50 by audio in daily national VTCs, including substantial and direct involvement of DHS components, Department of Defense senior leadership, and other interagency partners such as the U.S. Forest Service. Using U.S. Forest Service weather reports, a first for FEMA, proved to be invaluable in supporting response efforts.

- FEMA also demonstrated the flexible and scalable response capability of its Federal response teams. Emergency Response Team-National (ERT-N) members were deployed to staff the JFO, and the Atlanta-based Federal Incident Response Support Team (FIRST) provided real-time situational awareness onsite (deployed to Qualcomm Stadium and then to Local Assistance Centers). FEMA had complete and full integration of FEMA and CA OES operations at the JFO.

- Operational planners, a new addition to FEMA staff, also provided improved planning capability at FEMA headquarters. The planners worked with the NRCC activation team and demonstrated their ability to rapidly identify critical issues. They also helped coordinate medical evacuation planning with the Department of

Defense, Department of Health and Human Services (HHS), and JFO, and they synchronized interagency planning with NORTHCOM and the DHS Incident Management Planning Team.

The response to Hurricane Dean in August 2007 also provided an opportunity to implement and evaluate FEMA's new and enhanced capabilities.

- The agency demonstrated flexible and scalable response capability, with forward deployment of FIRST Atlanta to Puerto Rico to provide real-time situational awareness, followed by its redeployment to the mainland, along with FIRST Chicago's deployment to Texas. FEMA also staged six urban search and rescue task forces in Texas and executed ambulance contracts with HHS to support the State of Texas (results of the gap analysis facilitated the response).

- Operational planners provided improved capabilities in the areas of current and future planning. They also supported Regions II, IV, and VI liaisons in extensive planning with the States and facilitated extensive evacuation coordination and planning between Region VI and Texas.

- FEMA relied on greater use of Pre-scripted Mission Assignments (PSMA), executing about 28 PSMAs with 13 organizations.

- Improved coordination and information exchange took place through daily video teleconferences. About 75 organizations participated by video and 120 by audio in the daily national VTCs.

- The response included substantial and direct involvement of Department of Defense senior leadership, including the Office of the Secretary of Defense, the Joint Director of Military Support, the National Guard Bureau, NORTHCOM, and ARNORTH.

- The NRCC/RRCC participated in internal State of Texas conference calls, which improved situational awareness linkages and enhanced decision making.

- Piloted Gap Analysis Program (GAP): methodology providing snapshot of resource shortfalls at local and State levels requiring Federal support. The program focused on debris removal, interim housing, sheltering, evacuation, commodity distribution, medical needs, fuel, and communications. Piloted in 18 hurricane-prone States—facilitated support to Texas.

- More structured After Action Reviews were conducted: Senior Level, Interagency, Regional, NRCC, and Emergency Support Functions.

The position that we are in now, with the support requested in the FY 2009 budget, will help us to further institutionalize these processes that were not possible in the past.

FEMA will also continue to implement internal reforms, perform external outreach, and reorganize into the best agency possible in FY 2009.

BECOMING THE NATION'S PREEMINENT EMERGENCY MANAGEMENT AND PREPAREDNESS AGENCY

Each FEMA directorate and office contributes to reducing the loss of life and property and protecting the Nation from all hazards, including natural disasters, acts of terrorism, and other man-made disasters. Our staff does so by leading and supporting the Nation in a risk-based, comprehensive emergency management system of preparedness, response, recovery, and mitigation.

I would like to highlight the major steps that, with your support, FEMA was able to take last year, as well as our plans for further integrating these programs. This has also included the establishment or modification of several FEMA directorates as well as the establishment or modification of several agency initiatives. Let me take this opportunity to highlight a few of these changes, which very much enhance our preparedness efforts.

National Continuity Programs Directorate

In FY 2009, the National Continuity Programs Directorate (NCP) will work to complete capability demonstration of the Integrated Public Alert Warning System (IPAWS). The objective of IPAWS is to warn and alert the American people in situations of war, terrorist attack, natural disaster, and other hazards to public safety and well-being with a threshold of 85 percent within 10 minutes and target of 95 percent within 10 minutes. NCP also will update protocol to communicate essential and accurate information to the public prior to, during, and after a catastrophe.

FEMA's current warning system, known as the Emergency Alert System (EAS), was put in place in 1994 to replace the Emergency Broadcast System (EBS), which launched in 1963. The EAS allows the President to transmit a national alert to citizens within 10 minutes, and it allows State and local government officials to send messages during non-Federal emergencies. IPAWS leverages digital and satellite technology to expand alerts and warnings from audio to new communication mediums, including text and video available over radio, television, telephones, cell phones, and e-mail. In 2007, NCP partnered with the Sandia National Laboratory on an IPAWS partial-system pilot in the Gulf Coast States of Alabama, Louisiana, and Mississippi during hurricane season. This successful three-state pilot ran from August 2007 through December 31, 2007, and dramatically increased the States' ability to protect residents during an emergency. This program established FEMA's role as the lead Federal agency for national alerts and warnings.

In the event of a national emergency, the President will have the capability to speak to 90 percent of the listening public through the Emergency Alert System (EAS) using radio broadcast stations.

NCP will continue to use its resources to sustain continuity of operations, continuity of government, and contingency programs that are well-developed and operational and continue to enhance interagency communications to support national-level command and control systems. NCP will also continue to develop and deploy new technologies to improve contingency system programs.

In support of FEMA's mission to provide continuity guidance and support to Federal, State, and local governments nationwide, NCP coordinated with DHS and other key stakeholders to draft and publish the National Continuity Implementation Plan, which the President signed in August 2007. NCP also published two Federal Continuity Directives (FCD1 and FCD2) directing executive branch departments and agencies to carry out identified continuity planning requirements and assessment criteria. Additionally, NCP coordinated and supported continuity activities at the national, State, and local levels nationwide, including Philadelphia Liberty Down, an interagency continuity of operations exercise that involved more than 700 key government officials.

Mitigation Directorate

FEMA has also made a significant investment in its Mitigation Directorate, especially in the Directorate's workforce and its ability to affect real change in practices that make the Nation safer, stronger, and more resistant to disaster. Over the past year, FEMA's Mitigation Directorate succeeded in its effort to get improved disaster-resistance standards included in the Nation's material and building codes, to train more inspectors than ever, and to support communities nationwide through technical assistance and grants.

The directorate's National Hurricane Program, for example, will complete four hurricane evacuation studies that affect coastal counties in four States (to be determined) by providing technical information in order to safely evacuate those coastal populations that may be impacted by potential storm surge inundation from Category 1-5 hurricanes. Further, the National Dam Safety Program will continue the development and implementation of technologies and tools to identify and prioritize the risks associated with state-regulated high- and significant-hazard potential dams. Risk assessment and risk prioritization of our Nation's aging dam infrastructure is a clear priority. Regional and Disaster Support will develop a system to track and ensure the continued relevance of disaster field operations training; quantify best practices of mitigation and insurance disaster operations and provide mechanisms to standardize practices across JFOs; develop customer service feedback; and measure the impact of public mitigation information in increasing mitigation measures taken.

National Preparedness Directorate

As a direct result of the Post-Katrina Emergency Management Reform Act of 2006, FEMA created the National Preparedness Directorate (NPD). Established on April 1, 2007, NPD oversees coordination and development strategies necessary to prepare for all-hazards. FEMA renewed its focus on building a culture of preparedness in America through its integration of NPD, an expanded Citizen Corps Program and coordinated activities with Ready.gov and the Department of Homeland Security.

In 2007, NPD took part in several major preparedness initiatives. In October, the directorate assisted in the administration of Top Officials 4 (TOPOFF 4), the fourth exercise in the series designated to strengthen the national capacity to combat terrorist attacks. TOPOFF 4 simulated a coordinated terrorist attack that involved a radiological detonation device or "dirty bomb" released in Guam, Arizona, and Oregon.

In December 2007, in an effort to better perform FEMA's mission of preparing the Nation for all-hazards, NPD was instrumental in facilitating selections of the newly created Federal Preparedness Coordinators (FPC). FPCs will play an integral role in FEMA's effort to coordinate national preparedness and will be responsible for strengthening, integrating and institutionalizing regional preparedness efforts to prevent, protect against, respond to, and recover from threatened or actual disasters.

In January 2008, NPD released the National Response Framework (NRF), the successor to the National Response Plan (NRP). The NRF establishes a comprehensive, national, all-hazards approach to domestic incident response and incorporates many NRP elements and lessons learned. Incorporating input from hundreds of individuals, organizations, and governmental partners, the new NRF provides clear guidance on the integration of community, State, tribal, and Federal response efforts. Moving into FY 2009, FEMA will continue to provide training, exercise and planning dollars to support Federal, State and local implementation of the NRF and the National Incident Management System (NIMS).

NPD, in coordination with FEMA's Disaster Operations Directorate and the Department's Office of Operations Coordination, has begun efforts to implement Annex I to HSPD-8, including its mandate to provide a common Federal planning process that will support developing a family of related planning documents. These related planning documents will include strategic guidance statements, strategic plans, concept plans, operations plans, and tactical plans. The Annex to HSPD-8 is designed to "enhance the preparedness of the United States by formally establishing a standard and comprehensive approach to national planning" in order to "integrate and effect policy and operational objectives to prevent, protect against, respond to, and recover from all hazards."[1] A document called the Integrated Planning System (IPS), currently under development, is intended to describe the common Federal planning process and establish uniformity and standardization among planning communities. FEMA continues to be a significant

[1] HSPD-8, Annex I *National Planning*, pp. 1, 2

contributor to the draft IPS, and will also be involved in developing the family of plans for each of the national planning scenarios as required by the Annex.

Another success of NPD is the Community Preparedness Division (CPD). In 2007, CPD achieved success in its efforts to build preparedness at the community level by coordinating and encouraging citizen participation in preparedness activities. Working through the Citizen Corps Program, CPD continues in 2008 to bring together community and government leaders to increase all-hazards emergency preparedness, planning, mitigation, response and recovery efforts.

Logistics Management Division

The Logistics Management Division (LMD) is also critical to FEMA's core mission. Delivering the right material, to the right place, at the right time is one of the most critical missions FEMA coordinates and performs. To support this important area, the agency is embarking on a process to develop an effective and efficient logistics planning and operations capability similar to Department of Defense strategic level logistics organization. To accomplish this goal, FEMA elevated its logistics function to the directorate level in April 2007 and is developing it as a core competency area. FEMA will transform its logistics operating capability and enhance logistics management by leveraging public sector partnerships and incorporating industry best practices to efficiently support domestic emergencies.

In FY 2009, the directorate plans to transform logistics management of supplies and services by engaging the private sector and incorporating industry best practices. This includes incorporating a Third Party Logistics structure into the directorate.

The LMD is the agency's major program office responsible for policy, guidance, standards, execution and governance of logistics support, services and operations. The mission is to effectively plan, manage and sustain the national logistics response and recovery operations in support of domestic emergencies and special events -- to act as the National Logistics Coordinator. The LMD strengthened its business practices by enhancing its relationships with both the public and private sector for a more coordinated logistics response operation. Preparations for Hurricane Dean, and the responses to the California wildfires, Midwest ice storms and the West Coast winter storms, successfully proved the new business processes and new "National Logistics Coordinator" concept.

FEMA implemented the Total Asset Visibility (TAV) program to provide enhanced visibility, awareness, and accountability over disaster relief supplies and resources. The TAV program assists in resource flow and supply chain management. FEMA implemented Phase 1 of TAV as the lead Federal agency for incident management, preparedness, and response.

To support transformation, the LMD put in place contracts and interagency agreements (IAA) that provide an enhanced logistics capability such as:

- Contractor support (personnel/organic drivers/fleet management)
- Vehicle maintenance contract (organic fleet) maintenance
- Supplies and services (IAA with the Government Services Administration)
- National bus evacuation readiness
- Plastic sheeting (blue roof)
- Supplies and services (IAA with the Defense Logistics Agency)
- Total Asset Visibility (Phase 1A extension/Phase 1B)
- E-Tasker version 2 for regions' single point ordering and tracking
- Logistics Management Transformation Initiative
- Base camp support contracts

Among the LMD's most prominent accomplishments is its lead role in the Loaned Executive Program. The directorate began hosting the Loaned Executive Program as a pilot program for DHS and FEMA. Organized through the U.S. Chamber of Commerce and the United Parcel Service (UPS) Foundation, the program is designed to bring a seasoned UPS executive into the LMD to share private-sector expertise. The valuable knowledge and input from the loaned executive will help the directorate adopt the best business practices of private-sector logistics companies. The Loaned Executive Program will hopefully be one of FEMA's success stories for FY 2008 and FY 2009 as we attempt to expand the program through our new Private Sector Office.

In FY 2009, the LMD is planning to upgrade National Distribution Centers (DCs), which are at the core of FEMA's Supply Chain Transformation effort and are essential to FEMA's fundamental readiness mission. Strategic positioning of national-level assets at DCs enables a proactive readiness approach that relies on stocking the most critical disaster support life-saving and life-sustaining assets at levels required for immediate distribution to disaster victims. The "new FEMA" warehousing strategy will provide the capacity and flexibility to respond effectively and efficiently to the full set of disaster scenarios.

Disaster Assistance Directorate

FEMA has always regarded the protection and preservation of life and property as its top priority. Accordingly, the Disaster Assistance Directorate (DAD) focuses maximum effort on ensuring the timely and effective provision of critical financial and technical assistance to disaster-impacted individuals, households, and communities available under FEMA's Stafford Act authorities. New initiatives, partnerships, and collaborations define the changes and improvements that have taken place within the DAD.

FEMA will continue to refine its evacuee hosting guidance and in FY 2008 complete five State hosting plans for large numbers of evacuees. FEMA also is completing enhancements to systems that support mass care and housing activities following a disaster. Debris management strategies will be tested and improved. We will implement standard protocols and staff training for long-term recovery planning. FEMA will continue to refine plans and procedures for managing disaster assistance operations under the varying conditions of different catastrophic and extraordinary disaster scenarios.

One of my priorities is to ensure FEMA has a comprehensive, non-redundant deployable command and control capability for each Region for all-hazards response. To fulfill the goals of our National Response Framework, we want 100 percent of State disaster assistance counterparts to indicate a good understanding of roles, responsibilities, regulations, policies, guidance, and systems related to Federal disaster assistance programs in order to effectively partner and deliver programs in a seamless and integrated manner.

In FY 2009, FEMA will continue to improve its plans and capabilities for managing mass evacuations and the resulting displaced populations, including additional State and local plans and development and expansion of evacuee tracking systems. The agency will also continue to improve, test and exercise its capabilities for all of its Individual Assistance functions (mass care, emergency assistance, housing, and human services).

In 2007, FEMA partnered with the U.S. Department of Housing and Urban Development (HUD) to create and pilot the new Disaster Housing Assistance Program (DHAP). On July 26, 2007, FEMA and HUD completed an Interagency Agreement establishing the DHAP, which is a temporary housing rental assistance and case management program for eligible individuals and households displaced by Hurricanes Katrina and Rita. This new program is being administered by HUD through its existing national network of Public Housing Agencies (PHAs). Since the partnership began, HUD and FEMA have been working together to ensure that the transition of responsibility from one agency to the other is completed as smoothly as possible.

In August 2006, the President signed Executive Order 13411 titled *Improving Assistance for Disaster Victims*, charging Federal agencies, led by DHS, with the responsibility to improve and simplify the application process for Federal disaster assistance to individuals. FEMA participated in an interagency task force responsible for developing and delivering a Disaster Assistance Improvement Plan (DAIP), which outlines a coordinated, actionable strategy to implement a consolidated and unified disaster application by December 31, 2008. The President approved this plan in September 2007.

In support of the DAIP, FEMA established and obtained funding for a DAIP Program Management Office, led by FEMA's Office of Information Technology. The Disaster Assistance Directorate provides program support to the Program Management Office.

FEMA has undertaken many initiatives to improve implementation of the Public Assistance Program. We have established a Public Assistance Steering Committee comprising senior Public Assistance staff in each of our 10 regions and 10 State representatives. The purpose of the committee is to serve as the Board of Directors for the Public Assistance Program. The steering committee will develop the vision, strategies and policies to ensure efficient, effective and consistent implementation of the program.

While we want to streamline the process of getting disaster aid to victims, we need to be responsible stewards of the Disaster Relief Fund. To this end, in FY 2007, we introduced

new software to track and manage applicant data on disaster victims who are displaced to mobile homes. This information was sent as real-time data to caseworkers. This software helps prevent duplicative or overlapping payments to applicants receiving direct housing. Address reviews were also implemented to flag "high-risk" addresses such as check cashing stores, mail drops, cemeteries, and jails. Furthermore, new measures require applications with "high-risk" addresses to be more extensively reviewed to prevent fraud.

Disaster Operations Directorate

The Disaster Operations Directorate (DOD) has the primary responsibility for leading and coordinating the Federal government's disaster response efforts. In 2007, DOD employed a more forward-leaning posture, engaged in stronger collaboration and partnerships at the local, State, and Federal levels, and adopted a greater operational focus, resulting in stronger and more agile disaster response capabilities. DOD demonstrated these improvements throughout the year in response to events such as the California wildfires, Greensburg tornadoes, and Hurricanes Dean and Flossie, as well as in exercises such as TOPOFF 4 and Ardent Sentry.

In FY 2009, the National Response Coordination Center (NRCC) will continue enhancement of disaster operation capabilities to support 24-hour watch operations, increased situational awareness, and support development of the common operating picture (COP) during disaster operations. Also, the NRCC will coordinate the interagency response to disasters and emergencies, regardless of cause. The NRCC is staffed with a watch officer, watch analysts, operational planner, and others as needed. There are 30 NRCC watch stander positions, double the number of watch stander positions in the directorate in 2006. In addition to maintaining a 24/7 Watch Team, the NRCC is augmented by the Emergency Support Functions (ESFs) during disaster operations and is responsible for coordinating the Federal response.

The NRCC's IT capabilities have been strengthened over the past year. Connectivity with the DHS NOC, ESF operations centers, and JFOs has been improved to enhance situational awareness and COP capabilities and increase equipment compatibility. Connectivity with the Regions has been enhanced by installing standardized, compatible information technology and video equipment and increasing conferencing and information sharing capabilities through interconnected video systems. Internal connectivity among response nodes within the FEMA headquarters building has created a virtual NRCC.

In accordance with PKEMRA, FEMA is upgrading the NRCC Watch Area to be able to operate at the Secret-level in an all-hazards environment, which will ensure interoperability with the law enforcement, intelligence, and military communities. A design and engineering study on the best way to proceed with the upgrades will be conducted in the near future. The project is scheduled for completion by the end of 2008. The NRCC has conducted extensive and ongoing training at headquarters and Regional levels on the Homeland Security Information Network, the DHS database platform for

information exchange used to support disaster response situational awareness and the COP.

FEMA is upgrading NRCC capabilities with the installation of a new Emergency Management Information Management System (EMIMS). This Web-based software system will provide greater support to the NRCC, RRCCs, and JFOs in managing disaster operations and information flow, maintaining situational awareness, and coordinating information sharing. One of the system's initial goals is to incorporate the expanded Radiological Dispersion Device (RDD) capabilities list into EMIMS as a password protected resource module. Ultimately, with the capability provided by the new system, vital statistics on the location and content of RDD teams can be geo-coded into the system and continuously updated by the department or agency responsible for the team and used on a real-time basis by the interagency community. A longer-term goal is to use EMIMS to create a larger national asset database of all Federal response teams for all-hazards. This larger database would also be password protected and available to the interagency community for use to support disaster response.

Operational planning is a core competency of the New FEMA. Operational planning encompasses the full spectrum of the planning process, ensuring continuity between long-range planning, current operations planning, and field element incident action planning. This ensures alignment of near- and long-term operational objectives, mission assignments, and resource allocation.

In 2007, FEMA headquarters hired 15 operational planners to provide the capability to perform sophisticated operational analyses, analyze trends, and improve planning for the response to ongoing and future events. Planners will be hired in each of the FEMA Regions and Area Offices to provide this same capability in the field. More than half the Regional planners are on board. Additional staff will be hired in FY 2008 and FY 2009. With the new staff, there is now greater depth and capability to prepare operational plans and conduct crisis action planning to ensure that the agency can lead and support a national all-hazard emergency management response. Regional planners will receive program guidance from FEMA headquarters and ensure training objectives and qualification standards are met, but will operate under the authority of the regional administrators. At the Regional level, these planners will coordinate the development of coordinated Federal, State, and local operational plans to guide response activities and help build a national culture of preparedness. The operational planners will also facilitate/conduct regional evacuation planning. In January 2008, FEMA convened recently hired Regional operational planners with FEMA headquarters planners to coordinate efforts.

In FY 2009, DOD will work within FEMA and with State partners to develop local, State, and regional operational plans, including incident-specific catastrophic plans. It will support the development of operational planning capabilities at all levels of emergency management, and operational planning for the 15 National Planning Scenarios. It will also continue to increase national readiness for site-specific catastrophic events with Federal, regional, State, local and tribal governments, and the private sector

(and the critical infrastructure sectors), using scenario-enhanced CONPLAN development processes and supporting the development of vertically and horizontally integrated Catastrophic Response Plans compliant with NIMS and the NRF.

In accordance with PKEMRA, FEMA is developing Incident Management Assistance Teams (IMAT), a next generation of rapidly deployable interagency national and regional emergency response teams. These new teams will eventually replace existing Emergency Response Teams (ERT) at the national and regional level and the FIRSTs. The IMATs are designed to provide a forward Federal presence to better manage and coordinate the national response for catastrophic incidents.

The national teams will have the capability to establish an effective Federal presence that can support the State within 12-hours of notification, coordinate Federal activities and provide initial situational awareness. Teams will be self sufficient for a minimum of 48 hours to augment potentially scarce local resources. Led by a credentialed Federal Coordinating Officer (FCO), the teams will incorporate similar leadership, emergency management doctrine, and operational communications concepts. They will be staffed with a core of permanent full-time employees, unlike the ERTs, which are staffed on a collateral duty basis. The teams will be fully compliant with NIMS and Incident Command System (ICS) principles and will train and exercise as a unit. When not deployed, the teams will train with Federal partners and provide a planning, training, and exercise capability to help improve State and local emergency management capabilities. The teams will also engage in consistent and coordinated relationship-building with tribal, State, local and other stakeholders.

Currently, the National IMAT is operational and ready to respond to any disaster. The three Regional IMATs should be operational by June 2008, the official start of the hurricane season.

FEMA is applying lessons learned from Hurricane Katrina in several ways, such as to improve disaster emergency communications and interoperability capabilities, to be ready to rapidly and effectively respond to protect people and property, to ensure the adequacy of FEMA's own emergency communications capabilities, and to help our tribal, State, and local partners develop their capabilities.

FEMA is designing, staffing, and maintaining a rapidly deployable, responsive, interoperable and highly reliable emergency communications capability using the latest commercial off-the-shelf voice, video, and data technology. Among the goals for improving communications capabilities are simplifying the communications architecture (modularity, portability, security); ensuring seamless user interoperability and user friendly information transfers; using flexible design options taking advantage of satellite and Internet technologies; pushing capabilities forward to State and local responders; increasing bandwidth and connectivity; and tying into public networks as far forward as possible.

Under the new FEMA re-organization, DOD has created a Disaster Emergency Communications Division. The new division will improve the agency's tactical disaster emergency communications and interoperability capabilities to support all-hazards disaster response and national security emergency requirements. We are in the process of advertising and filling new positions to stand up this new division.

There were several accomplishments in the area of planning, including implementation of a successful GAP Initiative, developed in coordination with the State of New York Emergency Management Office/New York City Office of Emergency Management, and implemented in spring 2007. FEMA incorporated seven critical areas in the initial application of the GAP tool for review: debris removal, commodity distribution, evacuation, sheltering, interim housing, medical needs and fuel capacity along evacuation routes.

A "Gap Analysis" provides FEMA and its partners, at both the State and local levels in the hurricane-prone regions of the country, with a snapshot of asset gaps to determine the level of Federal support potentially needed in responding to a Category 3 hurricane. During 2007, FEMA worked closely with each of the 18 State emergency management communities in hurricane-prone areas, as well as the District of Columbia, Puerto Rico, and the U.S. Virgin Islands, using a consistent set of measures and tools to evaluate strengths and vulnerabilities. There was a steady decrease in the initial shortfalls and vulnerabilities identified in the seven critical areas as this process evolved over the summer. In 2007, the GAP efforts better prepared us in our coordinated response to support States during Hurricane Dean and Tropical Storm Erin. Our initial use of the GAP concept, which proved to be successful in the 2007 hurricane season, will be expanded to cover all hazards and applied nationwide in Fiscal Year 2008.

Regional Offices

The FEMA Regional Offices are at the forefront of any disaster. They are usually the first Federal boots on the ground and interact regularly with their State, tribal, and local partners. As FEMA moves towards further empowering the Regions, FEMA headquarters will continue to rely on their critical relationships with our state, local, and tribal partners. The following are just a few highlights from the FEMA Regional Offices.

- Regional staff completed work on the Southern California Flood Control Mitigation, Loss Avoidance Study. This evaluation of the effectiveness of six Southern California flood control projects is a collaboration of California Office of Emergency Services (OES) mitigation staff and Region IX.

- In 2007, Region IX provided extensive support to the Federal Executive Boards in the Region. Solid partnerships have been created with leadership from the boards in Hawaii, Los Angeles, and San Francisco. Each board has established active Continuity of Operations Planning Working Groups supported by membership from representative department and agencies.

- The regional Pacific Area Office, in coordination with the FEMA Logistics Division and Hawaii State and County Civil Defense, successfully completed deployment of the DHS Pre-Positioned Disaster Supplies Program. Regional actions resulted in the pre-positioning of the 500-person containers and home recovery kit containers on Oahu, Kauai, Maui, and the Big Island.

- During 2007, the RRCC in Region X expanded its hours of operation, enhanced situational awareness, developed a real-time thematic representation of regional hazards, and improved readiness of personnel to accomplish their roles in the RRCC. The RRCC is now operational weekdays from 5 a.m. to 5 p.m. at a watch level, staffed by new full-time RRCC watch standers and additional personnel as needed.

- In July 2007, FEMA Region X successfully established an Alaska Area Office, as required in PKEMRA. The office is integrated into the Regional operation and provides for situational awareness in Alaska and enhanced capability to conduct effective pre- and post-disaster response activities.

- Region IV Operational Planners participated in the launch of several catastrophic planning initiatives, including the Florida Catastrophic Planning scenario, the New Madrid Seismic Zone, 2007 hurricanes, critical transportation needs planning for Gulf Coast mass evacuation, and pandemic influenza.

- In FY 2007, Region III focused on enhancing its operational and planning capabilities. First, as a result of the GAP initiative, the region forged new relationships with State agencies (outside of the traditional emergency management community) to produce greater traction in identifying capabilities and shortfalls. Now, Region III has a better understanding of what their unmet needs could be during a major hurricane response. Second, with a renewed emphasis on the Incident Command System principles for crisis management and response, Region III also stood up a pilot planning cell in our National Preparedness Division to focus on all-hazards planning and to ultimately strengthen the capabilities of the field planning element during disasters.

Office of Acquisition Management

FEMA's Office of Acquisition Management (OAM) has made considerable strides in improving the contract management and oversight aspects of its acquisition duties. FEMA has implemented new policies and requirements on its acquisition workforce, such as improved advanced planning, accurate documentation, workforce training, increased emphasis on market research and greater consideration of small business goals. FEMA can boast that during FY 2007 about 81 percent of its acquisition dollars were competed. This represents a 45 percent increase over FY 2006, when only about 35 percent of FEMA's acquisition dollars were competed. There are two main areas of focus for these improvements:

Contract Administration Plans (CAPs)

- Facilitate efficient and effective contract administration by outlining the required level of contractor performance surveillance, implementing contract terms and conditions, and establishing and monitoring performance milestones and reporting requirements
- Improve the agency's post-award contract execution by providing a consistent guide on ordering, competing, and administering procedures for task orders on task order-type contracts
- Promote task order competition while ensuring that services are available expeditiously to meet critical disaster response needs
- Establish consistent enterprise-wide contract administration processes for the Contracting Officer's Technical Representatives (COTR) in various regions
- Strengthen the acquisition planning process – CAPs are being prepared for large and complex acquisitions as part of the acquisition planning process
- Document the agreement between program offices and OAM. Prior to award of an acquisition requiring a CAP, the plan is drafted and jointly agreed to by both the program office and OAM
- Guide the program office and OAM through continual actions related to contract administration by program office and OAM actions

Contract Officer's Technical Representative (COTR) Program Office

OAM developed a robust COTR Program Office to ensure COTRs have the training, support, and tools needed for effective contract administration. The Program Office has established a COTR program, which has achieved the following:

- Implementation of a tiered COTR certification program to better match COTR competencies to contract complexity
- Shaping of the COTR workforce that will ensure a higher level of competency and professionalism
- Definition of the COTR role to better meet the needs of the agency and its mission
- Compliance with DHS and Office of Management and Budget regulations and policy while leveraging best practices

FEMA's contracting process is guided by a complex set of regulations, statutes, and procedures established throughout the various layers of the government. In some cases, FEMA's mission and the environment in which it operates creates a unique contracting process for the OAM. Based on these contracting situations, OAM published the Emergency Acquisition Field Guide, which ensures that non-1102 (contract specialist) personnel can effectively and appropriately contract for goods and services in an emergency situation. The guide defines the critical elements of an emergency acquisition in plain language so that any member of the disaster support team can understand and apply proper procedures. It includes information on purchase cards, program management, and contracting.

CONCLUSIONS

Today, I have been able to give you a glimpse into the new FEMA, and to highlight only a handful of examples of the sea change that is post-Katrina, post-Rita FEMA.

We are preparing for the January 2009 Administration change, and I am confident that FEMA's transition plan will be in place in early Fall. We are committed to the safety of the American public during the transition period between administrations. The public needs to know that FEMA will still be able to respond, and that FEMA will not stop enhancing the preparedness of the United States.

To this end, FEMA's Transformation Management Office, part of the Office of Policy and Program Analysis, has been charged with ensuring FEMA is ready for the transition. We have filled all senior career positions in FEMA. This will ensure that there is continuity in day-to-day operations during the transition period. It will allow the American people to maintain their confidence that FEMA will continue to perform as strongly as we have in the past year if a disaster should occur during this time. We will be conducting exercises for incidents that may occur during a period of transition. Employees at all levels will understand who has the authority to make timely decisions during the transition.

For the remainder of my tenure, I will work to ensure FEMA continues to be an empowered agency able to meet the needs of the American people in times of disaster. This agency has already improved tremendously since my first day on the job. With the help of my skilled and dedicated staff, I can be confident FEMA will continue to improve. My successors and America will be in a far better position because of their work.

In the past year, FEMA has been able to respond rapidly and effectively to the disasters we have encountered. We are more nimble and responsive than we were last year when I appeared before you. I thank you for your past support and in advance for your support of our FY 2009 request. While we have not faced a catastrophic disaster, I am confident saying that we can and will perform well. I hope we have demonstrated FEMA is a wise investment, and we encourage the American people, through their Congressional representatives, to continue to invest in FEMA. We guarantee that the return on the investment will be an emergency management and preparedness agency second to none, and one that the American people can trust and believe in.

U.S. Department of Homeland Security
Washington, DC 20472

March 14, 2008

MEMORANDUM FOR: Richard L. Skinner
Inspector General
Department of Homeland Security

FROM: R. David Paulison
Administrator
Federal Emergency Management Agency

SUBJECT: FEMA Response to Draft Report, *FEMA's Preparedness for the Next Catastrophic Disaster*

The Federal Emergency Management Agency (FEMA) appreciates the opportunity to review and comment on the Department of Homeland Security, Office of the Inspector General (DHS OIG) draft report "FEMA's Preparedness for the Next Catastrophic Disaster," issued March 6, 2008. General and specific comments are attached. The specific comments are tied to sections of the draft report.

Please direct any questions/concerns you may have regarding these comments to the Chief, FEMA GAO/OIG Audit Liaison Office, Brad Shefka at 202-646-1308.

FEMA Response to the DHS OIG Draft Report,
"FEMA's Preparedness for the Next Catastrophic Disaster"
(issued March 6, 2008)

The Federal Emergency Management Agency (FEMA) appreciates the opportunity to review and comment on the Department of Homeland Security, Office of the Inspector General (DHS OIG) draft report "FEMA's Preparedness for the Next Catastrophic Disaster," issued March 6, 2008.

FEMA agrees with the DHS OIG's assessment that improvements have been made to all components of the agency since Hurricane Katrina in 2005. We understand that DHS OIG had a relatively small window of time in which to conduct their research, and as a result did not have the opportunity to conduct an in-dept assessment of each of the nine key preparedness areas identified. FEMA pace of improvement has been steady and we have endeavored to utilize our resources wisely to move forward on the many requirements we have identified or have been recommended by other entities.

While we appreciate the acknowledgement of our progress in your report we are concerned that the metrics and measurements used throughout this report are too subjective and do not reflect the considerable effort to date as accurately as they might. Appendix A of this draft report provides only a cursory explanation of the methodology used to rate FEMA. In some instances, it seems the short window available to create this report led to a disconnect between DHS OIG's lines on inquiry and the FEMA program staff's targeted responses. FEMA made every reasonable effort to meet DHS OIG's requests while addressing hundreds of other requests by GAO and Congress within the same timeframes. Specific examples of our concerns are cited in this response.

FEMA appreciates DHS OIG's recognition in the opening Executive Summary and would like to use this report to highlight improvements. FEMA is continuously bringing on energetic new employees and promoting experienced ones from within, updating our IT infrastructure, improving our procurement practices, improving the quality of our policies and guidance to our nation, conducting exercises, and actively responding to emergencies.

Recommendations:

Recommendation 1: We recommend that FEMA conduct a comprehensive "needs analysis" to determine where they are now and where they need to be, as an agency, in terms of preparedness for a catastrophic disaster. This will assist FEMA with integrating their projects and avoiding duplicative efforts.

FEMA agrees with this recommendation, but believes the report does not reflect fully the work that has already been done in this area. Taking into account the combined lessons learned from Katrina, and suggestions and requirements from numerous sources, FEMA has recently completed its new Strategic Plan. This document goes to print in mid-March 2008. Even though the plan is only now going to final print it has been in place and used by all of the FEMA directorates for the past 9 months in their development process for program improvements. In December of 2006 FEMA published agency vision and disaster preparedness concept of operations which has guided our actions and priorities. In 2007 we completed 17 specific needs assessments and analysis that spanned our business functions, logistics and communications. Those assessments have provided a blue print for our change efforts. In the last year, we stood up a Program Analysis and Evaluation capability for the first time in FEMA, and reinvigorated the Investment Working Group which had been moribund in years past.

Each FEMA office has numerous projects and programs underway to improve service and interoperability with other parts of FEMA, DHS, and our partners across the government and in states and localities. This entire effort is being managed through the combined efforts of frequent senior staff meetings, working level staff meetings, and the Investment Working Group and the Program Analysis division of the Office of Policy and Program Analysis to eliminate duplication and increase our preparedness, mitigation, recovery, and response capabilities.

Since the landfall of Hurricane Katrina in 2005, FEMA has been the subject of dozens of analyses, engagements, studies, and reports. Many of these reports were created by outside entities, including DHS OIG, GAO, and Congress. DHS OIG cites a number of these documents on pages 60-61 of this draft report. The Post Katrina Emergency Management Reform Act (PKEMRA) specified over 250 actions for FEMA to take.

FEMA currently has over 100 open engagements with the GAO, and over 100 open engagements with DHS-OIG. This translates to over 100 open recommendations from GAO, and over 600 open recommendations from DHS-OIG. Many of these recommendations are overlapping and/or complementary.

FEMA has no shortage of recommendations of improvements the agency needs to make, and has had our capability gaps clearly spelled out. The sheer workload associated with responding to the administrative documentation requirements of over 700 recommendations from DHS OIG and GAO is directly impacting our continued efforts to improve FEMA. We believe another assessment or analysis is not required.

FEMA does not believe it needs another over-arching assessment. FEMA instead believes that we be given an opportunity to implement our new Strategic Plan, and continue to take action on the remaining PKEMRA requirements and any outstanding GAO and IG recommendations.

Recommendation 2:

We recommend that FEMA develop and sustain a system for tracking the progress of programs, initiatives, and enhancements, both planned and underway, using project management tools, e.g.. Quad charts, Gantt charts or similar tools. This system would benefit FEMA by providing a means of increasing awareness of FEMA's effort and the planning behind them. It would also help ensure that knowledge and vision that may reside with the agency's leadership is shared among staff and other stakeholders. For each project, a single leader accountable for the success of the project should be identified.

Tracking system tools should, for each initiative within each preparedness area, contain information including: (1) Name of the project leader; (2) Status of the project, including budget, schedule, and where necessary, approvals from DHS and OMB; (3) Performance requirements or parameters; and (4) Other key issues, concerns, or challenges to completion of the project, e.g. lack of funding or staffing, legislative changes needed, cooperation of other federal agencies needed.

Prior to 2005, FEMA was not conducting large-scale acquisition programs and had no experience with project management principals. However, in the past year we have changed that and begun instituting project management practices. Examples of existing and beginning Program Management Office (PMO) efforts include the Integrated Public Alert and Warning (IPAWS) program and a new one forming is the Mt. Weather modernization project. Each PMO is staffed with professionally trained program managers. Future efforts will also follow this pattern. As part of our IT modernization process, our Business Management Office is investigating ways to bring this capability to the agency as an enterprise system.

FEMA is tracking its progress on all fronts through a variety of means. FEMA senior staff meets several times a week (including biweekly teleconferences with all of the Regions and satellite offices). The Investment Working Group, co-chaired by the Office of Policy and Program Analysis and the Office of the Chief Financial Officer, manages FEMA's budget process and is improving our investment decision capability.

Several electronic systems collectively track the progress of different programs within the agency. The most recent addition is the Executive Management System, currently deployed as an active pilot program. The initial deployment of the system is tracking or will track all of FEMA's DHS OIG and GAO engagements and recommendations (including tying progress to a specific program manager), legislative tasks, questions for the record and "getbacks", and FEMA transformation and change of administration plans. This system will continue to evolve and allow for the tracking of other lines of business.

Recommendation 3:

To enhance accountability and transparency, and to enhance the ability of key stakeholders to assist FEMA in achieving its mission, we recommend that FEMA provide regular updates regarding progress on all major preparedness initiatives and projects.

FEMA is already actively providing these updates and is working on a comprehensive reporting effort which will be completed in April of 2008. PKEMRA mandated FEMA brief Congress on virtually all aspects of Preparedness on a quarterly basis. The next briefs of the different House and Senate committees are scheduled for early May 2008.

PKEMRA also mandated FEMA provide a number of monthly and quarterly reports to Congress, on topics including our quarterly staffing vacancies, National Capital Region planning efforts, the disaster relief fund, disaster contracting, disaster declarations, etc. As we continue to promulgate our national plans and guidance, including the National Response Framework, we have updated Congress and have legislatively-mandated updates scheduled

Finally, both from PKEMRA, at the request of Congressional committees, and on our own initiative, FEMA continues to brief Congress on all manner of preparedness, response, recovery, mitigation, and disaster logistics issues.

General Comments on the Draft Report:

Methodology: DHS OIG's description of its reporting methodology should be more comprehensive. Appendix A of this draft report provides only a cursory explanation of the methodology used to rate FEMA. We do have the following questions and concerns about the specifics of the report.

How did the OIG determine FEMA's progress within each of the four ratings? What was the benchmark measure used to grade our efforts? It is unclear as to how the IG calculated and tabulated the ratings for the nine key areas as the summation of individual ratings for the critical components do not always equate to the overall key area score. For example, "Evacuations" total is Modest, but the two areas are Moderate & Substantial). How were the ratings from the "critical components" weighted to come up with a final score? At the exit conference, it was mentioned that it was not an average.

Mitigation's Role in Preparedness: This report does not adequately address Mitigation's role in preparedness, response and prevention of catastrophic disasters. The four legs of FEMA's disaster strategy can be summarized with preparedness, recovery, response, and mitigation—this report focuses only on the first three.

While Mitigation activities are generally thought of as occurring after the disaster, Mitigation is quite involved in the development and management of a suitable cadre versed in engineering, grants management, flood insurance, and public outreach, all prior

to a disaster. In addition, Mitigation manages the development of hazard mitigation plans at the state and local level, a requirement for the receipt of certain public and mitigation assistance grants. This is all part of being prepared for the next disaster.

Coordination Between Offices: This report provides a stovepipe review of the following areas: Overall Planning; Coordination and Support; Interoperable Communications; Logistics; Evacuations; Housing; Disaster (Surge) Workforce; Mission Assignments; and Acquisition Management. Each of these areas is addressed individually, leaving the impression that these are separate and disparate entities not fully coordinated. The report does not address holistic coordination efforts that have been initiated by FEMA to address catastrophic disaster operations planning.

An example of this is the Disaster Operations and Disaster Assistance Directorate's joint efforts in Federal Agency Catastrophic Disaster Operations Planning for two geo-specific areas: the eight (8) State New Madrid Seismic Zone Area (NMSZ); and the State of Florida. The NMSZ initiative addresses response planning for a catastrophic earthquake that would address four FEMA regions involving the following eight States: Alabama, Arkansas, Illinois, Indiana, Kentucky, Mississippi, Missouri, and Tennessee. The State of Florida initiative involves catastrophic disaster operations response planning for a Category 5 Hurricane making landfall on South Florida which would put most of South Florida under 1-4+ feet of water for weeks, destroy the homes of more than 60 percent of the population, leave 4 million people without electricity, cripple the State's transportation infrastructure, and have a devastating effect on South Florida's $200 billion per year service, agriculture, and tourism industries.

These efforts provide readiness planning, technical assistance and project management to develop a Federal Concept of Operations, and Federal Catastrophic Earthquake Plan, Regional specific plans and individual State catastrophic disaster response plans. The intent is to horizontally and vertically integrate multijurisdictional response plans at the local, private sector, State, Tribal and Federal level. In fiscal years 2006 and 2007, FEMA invested over $20,000,000 in these initiatives.

Both the NMSZ and Florida initiatives involve bottom up planning from the local to the State level and eventually to the Federal level via scenario driven workshops. To date, this process has involved the local and State emergency management communities, with some involvement of the Regions and other Federal agencies through the FEMA Regional Interagency Steering Committees (RISC). The planning to date at the local and State level has been robust and helped identify the unmet requirements that will need to be addressed by Federal level planning. The intent is to bring all of the areas addressed in the OIG report into a cohesive and robust Federal response to all-hazards through this scenario-driven planning process.

IT Modernization: As FEMA continues to modernize its IT infrastructure and systems, we have identified budget shortfalls, and experienced issues with several information systems. We continued to refine organizational structure, and welcome the inclusion of the DHS Office of the Chief Information Officer (OCIO) in a complete assessment of IT

requirements, capabilities, and readiness, as some program offices have reported IT limitations. As we move forward, our newly formed Customer Advocate Branch will assist program offices in identifying and documenting their mission needs, concepts of operations, business requirements, and lifecycle funding, and in conveying those requirements through formalized capital and operational planning processes.

Grant Programs: Grants are only mentioned as they are related to Interoperable Communications. There is no mention of the preparedness grant programs (SHSP, UASI, etc.) that we provide to State and local jurisdictions to build preparedness capabilities (although the IG does mention the current audit of our grant programs) which have a direct bearing on the amount of support FEMA may have to provide in a disaster. There is a direct correlation between the ability of state and local governments to be prepared and FEMA's success in being able to support them. The report has no mention of this dynamic. This removed a key aspect of FEMA's preparedness strategy from consideration in this analysis.

Comments on the Draft Report by Section:

Table of Contents:

(Disaster Operations) Table of Contents: MERS Mobile Emergency ~~Resource~~ *Response* Support

P. 6: (Logistics)
FEMA requests additional clarification on DHS OIG's methodology for determining progress. Was the methodology same across all reviewed areas? What was it based on?

P. 13: (NPD)
Do the evaluation criteria represent overall progress or do they represent progress in implementing the plan of action?

This report states the "prototype assessment" (NPS) will not progress because it has "a small budget, no separate appropriation and did not receive the level of staffing requested". This is factually inaccurate. To date, NPD has spent almost $5 million on the development of this effort.

P. 16: (NPD)
Community Preparedness Division: Enhance community preparedness (Moderate) – Since 9/11, there has been increased recognition of the role citizens play in protecting the homeland and supporting first responders. After Hurricane Katrina, the White House recommended that "DHS should make citizen and community preparedness a National priority."1 Implementation of National Priority 8, "Community Preparedness: Strengthening Planning and Citizen Capabilities," is the responsibility of the Community Preparedness Division (CPD) of the NPD.

Three of CPD's community preparedness Initiatives are:
• Assessing and strengthening community preparedness;
• Leading strategic coordination and integration of community preparedness efforts; and
• Initiating partnerships for preparedness research.

A primary goal of CPD is to ensure that community preparedness is included in a consistent way in policy, guidance, training, and exercises. The inclusion of citizen preparedness as a national priority was a significant step. This is an ongoing challenge that requires actively seeking out "points of cooperation" and educating DHS and FEMA staff on the significant value of community preparedness and planning through the network of Citizen Corps Councils.

Citizen Corps was launched in 2002 as part of the USA Freedom Corps initiative and has grown to include a nationwide network of over 2,300 State, territorial, tribal, and local councils. Citizen Corps' mission is to bring government and community leaders together in all-hazards community preparedness, planning, mitigation, response and recovery. In addition, State and local preparedness is supported by national Citizen Corps Partner Programs and Affiliates that provide specific training and resources for citizens. CPD is tasked with coordinating the Citizen Corps initiative at the federal level. CPD is developing and providing national guidance, tools, and training for Citizen Corps Councils to support community preparedness and resiliency. CPD is also and strengthening the inclusion of community based planning in FEMA guidance through the new FEMA Integrated Planning System.

P.21 (Disaster Operations)

Critical Components, 2nd Paragraph: "FEMA officials also said that it has not been decided which DHS component will lead the effort to integrate strategic, concept, and operation planning to ensure consistency and interoperability." This statement is incorrect. The DHS Operations Coordination Directorate has responsibility for strategic level planning, whereas FEMA coordinates interagency and intergovernmental CONOPS and operational planning.

P.22 (Disaster Operations)
1st Paragraph: Please capitalize "FEMA Administrator"

P.22 (Mitigation)

The broad description of an FCO's execution of Stafford Act responsibilities subsequent to a Presidential declaration fails to mention the provision of Mitigation programs.

> "-...the President appoints an FCO to coordinate federal support in response to and recovery from emergencies and major disasters. The FCO represents the FEMA administrator in the field to discharge all FEMA responsibilities for the response and recovery efforts underway."

To ensure Congress is aware of the FCOs' mitigation responsibilities, we recommend the following edit in the last line of the sentence:

> "-...all FEMA responsibilities for the response, recovery and mitigation programs."

P.24 (OCC and Disaster Operations)
Interoperable Communications: In this section, FEMA is rated on progress to "Achieve coordination among all DHS components charged with improving interoperable communications." This is one of our lowest scores and does not reflect the fact that the issue is a shared one with the Office of Emergency Communications and the Science and Technology Safecom program. FEMA's communications equipment IS interoperable across the Department and with our state and local partners. However, DHS, **not FEMA**, is primarily responsible for this coordination across the Department on this issue. This point was raised at the Exit Conference. FEMA requests that this distinction be made in this report.

We also suggest including this statement incorporation in the final report after last paragraph... "are an equal or greater challenge."

> "FEMA is developing disaster emergency communications policies and procedures to facilitate effective emergency management, operability, and interoperability during catastrophic events. However, achieving effective coordination among all DHS components specifically charged with improving interoperable communications remains difficult. Each organization continues to operate independently within the limits of its own authorities established during the DHS reorganization. If FEMA is charged with coordinating among all of DHS, it needs specific authority to coordinate with and direct DHS components providing emergency communications during disasters to achieve substantial progress in this critical area.

P. 27 (Disaster Operations)
1st Paragraph: Mobile Emergency ~~Resource~~ Response Support (MERS)

2nd Paragraph: FEMA has also created the Disaster Emergency Communications ~~Office~~ Division and intends to be an informed and engaged advocate for disaster emergency communications issues and the communications needs of emergency responders.

P. 28 (Disaster Operations)
1st Paragraph: Mobile Emergency ~~Resource~~ Response Support

P. 29 (Logistics)
FEMA strongly disagrees with the progress indicator and does not understand basis for ranking. During Hurricane Katrina FEMA Logistics (formerly part of Disaster

Operations) had little to no tracking capabilities. FEMA now has logistics tracking capabilities in all 10 Regions, and continues to improve our capabilities.

P. 30 (Logistics)
Statement Begins: "Prior to 2004, FEMA had invested in multiple systems…" – this statement is incorrect from a logistics program. It was not until after 2004 (see below) did Logistics invest in "inventory and supply chain management". What system was DHS OIG referencing?

2nd Paragraph: FEMA recommends adding, after first sentence, that the system's pilot was originally set to be tested in 2005, but was postponed upon Hurricane Katrina's landfall. The pilot system was rolled out in February 2006.

Sentence beginning with: "Currently, the TAV system is able to track the movement……"Big 8" commodities: water, emergency meals…" This is factually incorrect and FEMA recommends replacing with :

> "Currently, the TAV system is able to track the movement of more than 200 types of commodities, with a primary focus on the "Big 7" commodities of water, emergency meals (MREs), blue roof plastic sheeting, tarps, cots, blankets and key assets including emergency generators and temporary housing units."

Sentence reading **"However, FEMA personnel said that there are many gaps in the system"** – this is an unsubstantiated comment and we have no basis by which to judge its merits. What specific gaps are being referred to? Recommend it be deleted.

P. 31 (Logistics)
Last line of 2nd full paragraph: "FEMA personnel said they did have supplies pre-positioned during the 2005 hurricane season, but the quantities were insufficient and delivery was not timely." FEMA recommends replacing with:

> "FEMA staff interviewed stated they did have supplies pre-positioned during the 2005 hurricane season, but the quantities pre-positioned were never intended to sustain a catastrophic disaster. The main problem experienced during Katrina was "reach-back" capability to acquire large quantities of sustainment commodities once stored stocks were depleted."

Sentence reading: "LMD estimated that to pre-position commodities in the 11 hurricane prone states alone would cost $350 million." FEMA recommends adding this footnote:

> "This figure includes estimated cost for commodities in Regions I, II, III, IV, & VI and transportation costs in region IV & VI"

Sentence reading: "Instead, FEMA is increasing its emphasis on identifying strengthen relationships….and the General Services Administration (GSA)." FEMA requests adding that we are strengthening our relationships with the private sector.

Sentence reading: ""It has set a goal of meeting 100% of emergency requirements within 72 hours of an event." This statement is incorrect. Our planning factors are based on support for "1 million people within first 72 hours with life-saving commodities, food and water."

P. 32 (Logistics)
Under Continuing Concerns:
Statement Reads "Logistics has made progress in a number of areas, but still needs to develop standardized policies and procedures, effective internal controls ~~and sufficient funding and resources~~." FEMA recommend deleting last portion. Logistics has sufficient funding and resources to accomplish its mission.

P. 33 (OCC)
Evacuations: There is a substantial disconnect between the overall score for evacuations (modest) and the sub-scores for the gap analysis program (moderate) and the gulf coast mass evacuation capability enhancement initiative (substantial). DHS OIG expressed concern that several offices within FEMA had responsibility for evacuations without an "overall strategy" for evacuations. FEMA does not have the overall responsibility for evacuations, State and Local governments do and to imply otherwise exceeds FEMA's statutory authority. If this were a central concern of the DHS OIG's and the basis for scoring FEMA in this area, the DHS OIG should have made it an explicit "critical component." (According to the Executive Summary, the DHS OIG collaborated with FEMA to come up with 2 to 5 critical components within each area.) Of the critical components that were listed under Evacuations, FEMA received some of its best scores in the entire report; yet, the overall score is one of FEMA's worst. It would seem that, even considering the DHS OIG's concerns overall centralized responsibility for evacuations, FEMA's scores in these two critical components would be illustrative of FEMA's progress in this area and lead to a better overall score. Furthermore, the DHS OIG comments that "it was difficult to gain a clear picture of FEMA's progress" in this area. It appears DHS OIG equated the difficulty with gaining a clear picture with only modest progress by FEMA. This negative assumption is problematic given the progress FEMA demonstrated in the two critical components that the DHS OIG was able to evaluate.

P. 33-36 (Disaster Assistance)
Evacuations: FEMA would like to make DHS OIG aware of two initiatives under development that will greatly improve our evacuation management capabilities: the Mass Evacuee Support Planning initiative and a mass evacuation tracking capability.

The Mass Evacuee Support Planning initiative, which began in late 2006, is being developed concurrently with the Mass Evacuation Incident Annex to the NRF, the NMETS (described above), National Shelter System enhancements, and other related mass care improvements. The Mass Evacuee Support Planning initiative focuses on developing strategies and guidelines for support of displaced disaster victims through development of planning guidance and a Host-State Evacuee Support Plan template.

These planning efforts will enhance operational effectiveness to provide recovery assistance to individuals and households, as well as public assistance to State and local governments in the event of an extraordinary or catastrophic disaster. To ensure the guidance and template realistically address State concerns and operational perspectives, the template will be created and refined from host-State evacuee support plans developed in select States. The host-State evacuee support plans are developed through workshops that employ realistic catastrophic scenarios and consequence estimates which drive discussion and planning, and ultimately the creation of functional, integrated evacuee support plans.

The States which are participating in development of initial model plans include: Arkansas, Georgia, Tennessee, and Oklahoma – all of these states provided significant evacuee support following Hurricane Katrina. Two states have held Evacuee Support Planning Workshops: Georgia, Aug 1 - 3, 2007; and Arkansas, Sept 11 - 13, 2007 (held in conjunction with the New Madrid Seismic Zone Catastrophic Planning Workshop). Tennessee's workshop will be the week of March 17, 2008.

FEMA is also developing a mass evacuation tracking capability that is a tool to support the Mass Evacuation Incident Annex to the NRF. The goal is to provide a single national system to support multi-state, state-managed, or local evacuation operations. FEMA expects to be able to test this new capability this spring. A key aspect of the capability will be protection of evacuee information. The capability will is being developed in a way that will enable it to support the management of congregate care operations.

P. 37-41 (Disaster Assistance)
Housing: FEMA has continued to build its partnerships with other Federal, State, local, and volunteers as relates to housing. This is demonstrated in the coalition-based approach set forth in the National Disaster Housing Strategy. It is also exemplified in our successful execution of the interagency agreement (IAA) with HUD to establish the Disaster Housing Assistance Program, a temporary housing rental assistance and case management program for identified individuals and households displaced by Hurricanes Katrina and Rita. This model for providing additional and sustainable housing resources through HUD is also being evaluated for use in future events.

In the first paragraph of the Background subsection on P. 37 and again on P. 41, the OIG indicates that part of FEMA's mission is to "transition those still in need to more permanent forms of housing." This does not accurately reflect FEMA's disaster housing responsibilities. FEMA's mission is to assist State and local governments to ensure displaced persons are sheltered and to transition those still in need to post-disaster interim housing. When the recovery process transitions to long-term, permanent housing needs, FEMA has worked with other federal agencies, namely HUD, to provide critical housing and community development resources to aid state, local, and tribal in longer-term disaster recovery efforts.

In the second paragraph of this Background subsection, the OIG indicates that housing assistance may include semi-permanent, or permanent construction. Given that this

paragraph begins with a description of the situation after Hurricane Katrina, it would be important to emphasize that FEMA was first provided the authority to provide housing assistance in the form of semi-permanent, or permanent construction by the Post Katrina Emergency Management Reform Act.

The third paragraph of the Background subsection discusses a need for improved communication with state and local governments. It is our view that the core issue is that FEMA needs to do a better job of communicating with state and local governments about what they can expect FEMA assistance to provide after a disaster.

On P. 38, under the subsection Critical Components, DHS OIG indicates that "FEMA did not have a plan in place to deal with the unprecedented movement of displaced evacuees". This statement over-states FEMA's roles and authorities for evacuations prior to the passage of the Post Katrina Emergency Management Reform Act. Additionally, FEMA had assisted the State of Louisiana and its localities to develop the Southeast Louisiana Catastrophic Hurricane Plan. It would be more accurate to say that adequate plans were not in place at the Federal, state, or local level to deal with the unprecedented movement of displaced evacuees from Hurricane Katrina.

P.40, under the subsection *Strengthen state and local commitment to house affected citizens*, the DHS OIG expresses concern over the lack of resources to exploit all available existing dwellings. We would like to make the DHS OIG aware of the joint HUD-FEMA Housing Portal initiative. This portal will provide housing information in a consolidated format accessible to disaster victims and FEMA housing staff. FEMA and HUD have reached an agreement for the development, management, operation, and security of a secure connection between HUD's National Housing Locator System (NHLS) and FEMA's Housing Portal. Connecting these systems will provide an internet-based website to assist individuals and families in finding rental housing following a Presidentially declared disaster. This connection will also make HUD's considerable array of rental resources available to FEMA housing personnel. Network/cyber security issues must be resolved to permit completion of this FEMA-HUD joint effort.

P. 40 (OCC)
Please capitalize "Administrator" in last paragraph on P. 40.

P. 42 (OCC)
Disaster Surge Workforce: FEMA does not understand how DHS OIG calculated the overall score for Disaster (Surge) Workforce. The average of the scores for the two critical components that were evaluated is higher than the overall score. If the issues addressed in the OIG's "Continuing Concerns" for this area were important enough to impact the overall score, they should have been made explicit "critical components," so that FEMA could have tailored its responses accordingly in the limited response time available.

P. 42-45 (NPD)

Disaster Surge Workforce: EMI is working with the Office of Disaster Reserve Workforce, FEMA Cadre Managers, Region Training Managers, and FEMA Program Offices to develop and maintain standardized Position Specific Task Books, Credentialing Plans, and a training and exercise curriculum for the Disaster Reserve Workforce that is aligned with the Position Task Books and Credentialing Plans. EMI has completed the Position Task Books for the Joint Field Office and is moving forward on the Position Task Books for the Regional Response Coordinating Centers and National Response Coordinating Center. Credentialing Plans are completed for the Federal Coordinating Officer cadre and Environmental and Historical cadre. EMI is working with the remaining cadres to develop their credentialing plans. To meet the training needs, EMI currently has a series of courses under development for JFO leadership as well as the various support functions. These new courses are being made available starting in April, 2008.

P. 42 (Office of Management)
"Disaster (Surge) Workforce"
Clarification of terminology: The "surge" workforce is the capacity required beyond the base reservist level in order to meet the operational requirements for a catastrophic event. The "reserve" workforce is the intermittent employees that are deployed to work disasters on an ongoing basis and with the exception of the "generalist" position are not considered "surge".

FEMA's Strategic Human Capital Plan (SHCP) is in final review and concurrence. Once all appropriate concurrences have been obtained, comments or concerns addressed, and appropriate modifications made, the report will be forwarded DHS/OMB and to Congress by April 15, 2008. At that point, the SCHP will also act as the guiding force behind critical recruitment, staffing, and retention activities for the FEMA workforce.

SCHP updates will lay out the specific strategies for development of a surge capacity force. Strategies for this workforce will be developed in coordination with FEMA's Disaster Reserve Workforce Program Management Office.

FEMA has implemented recommendations from our Disaster Reserve Workforce (referenced on pg 44 of the draft report), including:

- Establishing the Office of the Disaster Reserve Workforce with the centralized focus to develop, deploy and support a professional Disaster Reserve Workforce;
- Developing implementation plans for specific assessment recommendations;
- Developing proposed legislative language and the costs associated with implementing those additional authorities.
- Identifying internal Human Capital policies to be changed and developing the plans to achieve the changes (e.g., allowing reservists to accrue and use sick leave while deployed);
- Preparing and implementing an interim plan to identify additional surge capacity for the 2008 hurricane season and to address requirements in Section 624 of PKEMRA;

- Completing Phase I enhancements to the Automated Deployment Database with a new server and software that will improve reporting capabilities and create interactive processes for both managers and reservists; and
- Submitting budget requests for FY 2010 to support the new more robust program requirements (i.e., the earliest budget cycle in which this can be done).

P. 42 (Disaster Operations)
1st Paragraph, FEMA recommends adding: "FEMA struggled to provide adequate *numbers of* staff in response to Hurricane Katrina and did not have the automated support needed to deploy over 5,000 disaster personnel..."

2nd Paragraph, FEMA recommends adding: "The Post-Katrina Act also requires a plan to establish and implement a surge *workforce*, including an adequate..."

P. 44 (Mitigation)
The report states a recommendation of the contractor study to reduce FEMA's cadres from 23 to 9. This is not an accurate statement of the recommendation.

P. 45 (Disaster Operations)
5th Bullet: "Training regional strike teams as a unit and equip and staff these teams;"
As required in the Post-Katrina Act, FEMA is developing the next generation of rapidly deployable interagency emergency response teams, which the Post–Katrina Act referred to as strike teams, and FEMA has named Incident Management Assistance Teams (IMATs). These teams will coordinate the initial Federal response; support the emergent needs of State and local jurisdictions; possess the capability to provide initial situational awareness for Federal decision-makers; and support the initial establishment of a unified command. These teams will ultimately provide the three national-level response teams and regional-level emergency response "strike" teams. One National IMAT is currently operational in the National Capital Region, and FEMA plans to stand up three Regional IMATs by summer 2008.

P. 46-49 (Disaster Operations and NPD)
Mission Assignments: The draft report implies FEMA did not begin to re-engineer the processes, relationships, and resources involved in management of Mission Assignments (MAs) until November 2007. This process was initiated in spring 2006 when FEMA developed revised guidance for Pre-Scripted Mission Assignments (PSMAs) and worked with the Department of Defense and other Federal Agencies to improve existing PSMAs. Both FEMA and the Department spent months of time and dedicated manpower prior to the 2007 hurricane season to improve the MA process and the development of PSMAs involving other Federal Agencies. A revised manual for MAs resulted, and was the basis of improvements from November 2007 forward.
FEMA also embarked on a robust interagency MA training program for Regions and other Federal agencies in Spring 2006. This considerably improved the interagency understanding of Mission Assignments. The report states that "MA policies, procedures, training, staffing, and funding have never been fully addressed by FEMA, creating

misunderstandings among federal agencies concerning operational and fiduciary responsibilities." FEMA recognized this as a problem and started addressing it in 2006. The categorization that "Limited or No Progress" on the P. 46 dashboard misrepresents the efforts to address this issue and the progress made.

EMI is developing an online independent study course, Mission Assignment Overview IS-293 to address the basic MA process for anyone who may be involved in the MA process. FEMA anticipates deploying the course by July, 2008.

EMI offers a two-day course, Orientation to Mission Assignments, for the FEMA Regional Interagency Steering Committee which is comprised of other Federal Agencies and State and Tribal staff. The purpose of this course is to provide an overview of the MA process for FEMA's various disaster partners.

EMI delivers an additional course, Introduction to MA Processing E347, for FEMA Operations Section Chiefs, Mission Assignment staff and other JFO leadership. The purpose of this course is to develop in-depth skills for the MA process.

P. 48 (Disaster Operations)
Mission Assignments: 1st Sentence: Comment – There are currently 223 PSMAs under development listed in the draft PSMA Catalogue – Operational Working Draft. The intention is to publish the current drafts in this catalogue by June 2008.

FEMA developed a Standard Operating Procedures (SOP) manual to explain and streamline the process for issuing MAs. The MA SOP outlines the policies, procedures, and processes that FEMA uses to interact and coordinate with other Federal Departments and Agencies and organizations when responding to disasters. Plans are to release an updated "Coordinating Draft" of the MA SOP in March 2008.

P.49 (Disaster Operations)
4th Paragraph: FEMA recommends editing to read, "We will continue to collaborate *with FEMA's Disaster Operations Directorate* staff and the interagency..."

P. 50 (Grants)
Under "Acquisition Management, Background", 1st sentence, the word "grant" should be removed. The awarding of a grant is not part of the acquisition management process. They are separate processes.

P.50-53 (Office of Management)
Acquisition Management: Figure 1 in the Executive Summary assesses Acquisition Management as "Modest/Moderate." However the narrative on P. 50, (paragraph three, sentence two), states that "modest progress has been made overall..." It is recommended that these assessments be reconciled and made consistent as no lower than "modest/moderate."

The assessment on P. 52 of the third criticized component under Acquisition Management, namely, "provide for post-award oversight," does not adequately recognize the robust Contracting Officer's Technical Representative (COTR) program that FEMA put in place last year. The COTR program is mentioned in the draft report under the second critical component, "recruit, train, and retain sufficient acquisition staff," but primarily from a staffing perspective. The COTR program will significantly bolster post-award oversight as well.

FEMA created a COTR Program Management Office (PMO) in May 2007 to implement the training, support, and tools needed for effective contract administration. The FEMA COTR PMO provides Agency-wide oversight, accountability and operational effectiveness of the Agency's COTRs. This program has also improved the competencies of its COTRs, and has thereby improved the quality of work performed by them. Most recently FEMA requested funding to develop its COTRs in a tiered structure that goes beyond the DHS-required forty hours of annual training. By tiering the COTRs at levels I, II, and III, FEMA will be able to tailor a COTR's competencies and development to the level of program he or she will be assigned to support. This will improve both the pre- and post-award contracting activities. The COTR tiered certification structure represents an investment in the "New FEMA" by supporting the transformation of the current workforce to a highly skilled and effective contract management program. Based on this, FEMA considers this component as having moderate progress made.

FEMA Scorecard

Department of Homeland Security Inspector General's Evaluation of FEMA's Progress in Improving its Capacity to Respond to a Catastrophe Since 2005

Category	Little or No Progress	Modest Progress	Moderate Progress	Substantial Progress
Overall Planning			X	
Coordination and Support			X	
Interoperable Communications			X	
Logistics			X	
Evacuations		X		
Housing		X		
Disaster Workforce		X		
Mission Assignments	X			
Acquisition Management			X	

The Inspector General graded FEMA's efforts in 9 key areas on a scale of 1 to 4

1 = Little or No Progress
2 = Modest Progress
3 = Moderate Progress
4 = Substantial Progress

Number of Areas

Where FEMA Has Achieved

Substantial Progress

0

Hearing Get – Back: Senator Voinovich

Committee: Senate Committee on Homeland Security and Governmental Affairs

Hearing: The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?

Date: April 3, 2008

Witness: FEMA Administrator Paulison

1) From Senator Voinovich (R-OH)

ISSUE:

Transition planning, particularly the current staffing levels for FEMA senior executives.

QUESTION:

Please provide a picture of the current turnover of FEMA senior executives as well as the reasons why senior executives are leaving FEMA?

RESPONSE:

FEMA has 72 Senior Executive Service (SES) allocations in addition to five Politically Appointed executives requiring Senate Confirmation (PAS) for a total of 77.

There are currently 19 vacancies in FEMA with 14 of them under recruitment. Two of the five remaining vacancies are newly re-established allocations that are being positioned to announce. The other two vacant allocations are undergoing modifications to the position description to improve alignment with the respective mission.

There are four career SES selections in various stages of the Merit Staffing process where appointment is anticipated within the next 14 to 45 days that will put FEMA at 15 vacancies.

On average over the last four years, the FEMA has not experienced any abnormal rate of attrition in the career SES workforce. The non career SES attrition is even less over the same four year period and accessions exceed attrition over that period.

With attrition not occurring at any alarming rate, there has not been any principal reason for leaving. Reasons given are generally the type that would be expected. These include retirement, low pay, long hours, and illness.

Hearing Get – Back: Senator McCaskill

Committee: **Senate Committee on Homeland Security and Governmental Affairs**

Hearing: **The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?**

Date: **April 3, 2008**

Witness: **FEMA Administrator Paulison**

1) From Senator McCaskill (D-MO)

ISSUE:

The lack of cooperation of FEMA staff with staff from the Inspector General's Office during the preparation of the IG study, *FEMA's Preparedness for the Next Catastrophic Disaster*. Specifically the refusal of FEMA staff to provide the IG staff with documents the IG staff requested regarding certain contracts. This was resolved based on a conversation between IG Skinner and the Administrator and the documents were provided.

QUESTION:

Who were the FEMA staff who / or which FEMA staff refused to cooperate with the IG staff and refused to provide the requested documents? What happened to those staffers or staff – what actions taken regarding their action? What greater action [memo / instruction] has the Administrator taken to ensure that FEMA staff [overall] cooperate with IG staffs?

RESPONSE:

This incident is not illustrative of the cooperative working relationship that FEMA and the Office of Inspector General (OIG) have established. FEMA routinely provides the OIG with broad access to information and individuals. Furthermore, as the Inspector General acknowledged during the April 3 hearing, since discussing this matter with me and senior FEMA leadership, the OIG has noted improved cooperation and responsiveness from FEMA.

Rather than single out particular individuals, I issued a memorandum dated April 2, 2008 (attached), reminding and making clear that *all* FEMA employees are to fully support OIG inquiries to the fullest extent possible consistent with the obligations of FEMA and the Department of Homeland Security. This memorandum also directs FEMA employees to provide assistance to the OIG in a timely, efficient, and cooperative manner.

Further, on April 8, 2008, Secretary Chertof issued a similar memorandum reminding all Department of Homeland Security employees that he too, expects staff to cooperate fully with the OIG and provide prompt access to materials and information that the OIG requests. The Secretary further noted the OIG's important role in helping the Department prevent and detect fraud, waste, mismanagement, and abuse by conducting independent and objective audits, investigations, and inspections, thereby improving the economy, effectiveness, and efficiency of our programs and activities. I have also attached a copy of the Secretary's memorandum for your consideration.

Office of the Administrator
U.S. Department of Homeland Security
500 C Street, SW
Washington, DC 20472

FEMA

April 2, 2008

MEMORANDUM FOR: FEMA Senior Leadership

FROM: R. David Paulison
Administrator

SUBJECT: Cooperation with Office of Inspector General

As FEMA continues to improve our systems and business practices, we have also been working with both the Office of Inspector General (OIG) and the Government Accountability Office (GAO) to respond to and track over 300 audits, investigations, and reviews. It is critical that we all fully support these inquiries as expeditiously as possible.

It is FEMA policy that all Agency staff will be fully cooperative with and responsive to the Office of Inspector General. All FEMA staff shall provide all requested documents, arrange and participate in meetings, respond to inquiries, and provide any and all other assistance that the OIG may request in a timely, efficient and cooperative manner. FEMA staff should respond to OIG requests to the fullest extent possible consistent with the obligations of the Department of Homeland Security and FEMA. The FEMA policy and procedures for working with the OIG are articulated in FEMA Directive Number 077-1, *External Audits and Investigations of Agency Programs and Operations,* dated January 4, 2008, which is available on the FEMA internal website at http://cio.fema.net/rm/dm/im/1440-3.pdf.

It is important to also note that the FEMA OIG/GAO Liaison, Brad Shefka, is here to assist you in the process of cooperating and coordinating with the Office of Inspector General and Government Accountability Office. Brad will work with you to track your efforts and to facilitate coordination and reduce duplication of effort for multiple inquiries. If you have any questions, Brad Shefka can be reached at (202) 646-1308 or bradley.shefka@dhs.gov. Thank you for ensuring full cooperation with the Office of Inspector General.

cc: Richard Skinner, Inspector General

Secretary
U.S. Department of Homeland Security
Washington, DC 20528

April 8, 2008

MEMORANDUM FROM THE SECRETARY

TO: All DHS Employees

SUBJECT: Cooperation With the Office of Inspector General

The Office of Inspector General (OIG) of the Department of Homeland Security serves an important role in helping the Department prevent and detect fraud, waste, mismanagement, and abuse. The OIG does so by conducting independent and objective audits, investigations, and inspections, thereby improving the economy, effectiveness, and efficiency of our programs and activities. The OIG needs information from Department offices to conduct its work effectively.

This memorandum is a reminder that I expect all DHS employees to cooperate fully with the OIG in its valuable endeavors, and should provide prompt access to requested materials and information. These expectations for DHS employees also extend to requests from any contractor hired by the OIG, such as the firm hired by the OIG to audit the Department's financial statements. This cooperation includes:

- Promptly providing materials responsive to a request and other relevant information (even if not specifically requested);
- Honoring OIG requests for interviews with program officials in a timely manner;
- Respecting employees' rights to speak directly and confidentially with the OIG in accordance with legal requirements;
- Refraining from inappropriate activity that might inhibit or chill an employee or contractor's communication or cooperation with the OIG.

Production of requested materials should be prompt, and the vast majority of such materials may be produced to the OIG directly and immediately upon request. DHS employees should advise the OIG when requested materials contain classified national security information, privacy-protected materials, attorney-client or deliberative (pre-decisional and draft) communications, and other sensitive information, or materials from agencies outside the Department. If there is any question about the status of certain materials or how to handle them, employees should consult with their supervisors or the Office of the General Counsel to ensure that documents are properly identified, marked and treated, and that records obtained from outside the Department are properly coordinated with the other agency, but doing so should not unduly delay delivery to the OIG. The production of these materials to the OIG does not waive our ability to assert privileges or other protections in any forum.

DHS employees are not to conceal information or obstruct audits, inspections, investigations, or other OIG inquiries. Doing so is against Department directives and can lead to serious consequences.

The OIG has important obligations in the conduct of its audits, investigations, and inspections, and will:

- Honor requests for confidentiality to the extent permitted by law;
- Coordinate with agency managers and supervisors to avoid disrupting ongoing work;
- Respect sensitive materials that are segregated (and be watchful for documents that have not been segregated), so that Department privileges and other obligations are not compromised (thus allowing the Department to assert applicable claims prior to any production outside the Department); and
- Comport with all other responsibilities under the DHS Management Directive.

If you have any questions regarding your obligations regarding the OIG or the OIG's authorities, you should consult with your supervisor or the Office of the General Counsel.

Post-Hearing Questions for the Record
Submitted to the Honorable Richard L. Skinner
From Senator Joseph I. Lieberman

"The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?"
April 3, 2008

1. Stafford Act

In your testimony, you stated that at times FEMA has interpreted the Stafford Act too narrowly to exclude permissible activities necessary to respond to emergencies and major disasters. You also offered two examples, pre-positioning of supplies and cost reimbursement for States. Are there other examples? If so, please specify.

In contrast, Administrator Paulison commented on a lack of flexibility in the Stafford Act that he believes has restricted FEMA in preparing and responding to disasters. Do you agree that there are examples where the Stafford Act is too stringent? If so, please specify which provisions and how you would recommend amending them.

ANSWER:

The two examples above, pre-positioning of supplies and cost reimbursement for states, are the ones I believe are most evident examples of a narrow interpretation of the Stafford Act. As I mentioned at the hearing, for years FEMA interpreted the Stafford Act in a way that prevented pre-positioning supplies. After Hurricane Andrew, however, FEMA reinterpreted the language of the Stafford Act to support pre-positioning. I believe FEMA should continue to re-examine the Stafford Act in light of the lessons learned after Hurricane Katrina and work with Congress to ensure that the agency has the maximum flexibility, coupled with appropriate safeguards, to ensure they are prepared to respond to any disaster.

With regard to areas where the Stafford Act may lack flexibility, the most important area is catastrophic disasters. The Stafford Act was not written to handle a catastrophic event on the scale of Hurricane Katrina. I believe Congress needs to determine whether the Stafford Act provisions address needs in a catastrophic disaster. There is a need for a separate set of provisions for catastrophes or flexibility built into the existing provisions.

2. Communications

An effective communications response for the next catastrophic disaster will require better coordination between FEMA and the other DHS components responsible for interoperability, particularly the National Communications System, which is the coordinator for communications under the National Response Framework, and the new Office of Emergency Communications (OEC). Both the National Communications System and the Office of Emergency

Communications are in the National Protection and Programs Directorate. You found only modest progress so far in achieving coordination on interoperability among the various DHS components. Can you explain in more detail how the lack of coordination and accountability would hamper catastrophic preparedness and do you have any substantive recommendations to address both concerns – coordination and accountability?

We established the Office of Emergency Communications in the Post-Katrina Emergency Management Reform Act to serve as the focal point in DHS for interoperability. You point out that the Office of Emergency Communications has a skeletal, full-time equivalent staff, and that it needs additional resources. Please describe how this impacts FEMA's role in promoting interoperability. Do you have any specific recommendations for an optimal staffing level and budget for the Office of Emergency Communications?

ANSWER:

Both FEMA[1] and OEC[2] are responsible for advancing the attainment of interoperable and emergency communications nationwide and frequently work with the same individuals at all levels of government. If FEMA and OEC do not coordinate efforts, the risk of redundancy and/or promoting contradicting interoperable solutions increases. Additionally, without delineating roles and responsibilities, accountability is diminished. Both conditions hamper disaster preparedness.

FEMA officials have told us achieving effective coordination among all DHS components specifically charged with improving interoperable communications remains difficult because each organization continues to operate independently within the limits of its own authorities established during the DHS reorganization. FEMA officials have also said they need specific authority to coordinate with and direct DHS components providing emergency communications during disasters to achieve substantial progress in this critical area.

FEMA needs to take a leadership role and establish a management structure to link and orchestrate the numerous operable and interoperable communication programs underway within DHS, and other federal agencies as appropriate, to achieve optimum progress and efficiency.

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[1] According to the Post-Katrina Emergency Management Reform Act, the FEMA Administrator shall provide Federal leadership necessary to prepare for, protect against, respond to, recover from, or mitigate against a natural disaster, act of terrorism, or other man-made disaster. Additionally, the Administrator is to help ensure the acquisition of operable and interoperable communications capabilities by federal, state, local, and tribal governments and emergency response providers.

[2] The Post-Katrina Emergency Management Reform Act assigns the OEC with 15 responsibilities, though this list of responsibilities is not exhaustive, three of the responsibilities of OEC are to: (1) conduct extensive, nationwide outreach to support and promote the ability of emergency response providers and relevant government officials to continue to communicate in the event of natural disasters, acts of terrorism, and other manmade disasters; (2) conduct extensive, nationwide outreach and foster the development of interoperable emergency communications capabilities by state, regional, local, and tribal governments and public safety agencies, and by regional consortia thereof; and, (3) provide technical assistance to state, regional, local, and tribal government officials with respect to use of interoperable emergency communications capabilities.

OEC cannot fulfill its mission without sufficient resources, and this impacts both OEC's and FEMA's ability to promote interoperability. The Integrated Wireless Network (IWN), the Interoperable Communications Technical Assistance Program (ICTAP) and the SAFECOM program are all important to advancing interoperable communications for emergency responders. Additionally, OEC involvement in developing the National Emergency Communications Plan, the Continuity of Operations Plan, and the Interoperable Emergency Communications Grant Program is vital to supporting FEMA's mission.

Our primary concern is full-time staffing levels because OEC currently has only 4 FTEs and is authorized 37.[3] OEC officials told us they are aggressively recruiting to become fully staffed. The President's FY 2009 budget request for OEC is $38.3 million, a modest increase from the FY 2008 level of $35.7 million. We have no reason to believe the 2009 budget request for the OEC is not sufficient to meet its mission, but we remain concerned about the current staffing level.

3. IG Access to FEMA

In your report, you noted that FEMA has not provided your office the opportunity to review many of the pre-disaster contracts that FEMA has been putting in place since Hurricane Katrina. You also indicated that you have had difficulty obtaining data from FEMA's Office of Acquisition Management.

a. Overall, how would you assess FEMA's cooperation with your office, including FEMA's willingness to provide you with access to relevant information, documents and individuals?

b. On April 8, 2008, Secretary Chertoff sent a memo to all DHS employees setting out his expectation that DHS employees "cooperate fully with the OIG in its valuable endeavors, and should provide prompt access to requested material and information" and explaining what that cooperation is to include. I understand that you have previously requested that the Secretary distribute such a memo and provided a draft in July 2006. Are you satisfied with the memo that the Secretary has now distributed?

ANSWER:

DHS' cooperation with my office has been improving, and I believe in the case of FEMA's cooperation, Chief Paulison's leadership has been key. I have discussed access issues with Secretary Chertoff and Chief Paulison on several occasions. They both understand the importance of cooperation between our offices and have committed to supporting OIG efforts. We see problems when the message does not filter down to managers and individual employees.

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[3] OEC staffing level as of 5/14/2008.

On April 2, 2008, Chief Paulison sent a letter to FEMA Senior Leadership reminding them of their obligations to "be fully cooperative with and responsive to the Office of Inspector General." Secretary Chertoff sent a similar letter to all DHS employees, including FEMA employees, on April 8, 2008. I appreciate their efforts in reminding DHS and FEMA employees of their responsibilities with regard to cooperating with OIG staff in our audits and investigations, and I believe cooperation and access will continue to improve.

To be fair, I believe some of our data access issues may stem from poor recordkeeping rather than a reluctance to cooperate. My office recently issued a Management Advisory Report (OIG 08-33) to Chief Paulison informing him that we were suspending an audit of accountable property related to emergency housing units for the Gulf Coast hurricanes. Despite repeated requests, FEMA was not able to provide sufficient data for us to conduct the audit. Similarly, we suspended an audit on FEMA's pre-disaster indefinite delivery/indefinite quantity (IDIQ) contracts and agreements last fall due to the same problem. In some cases, I believe there has been a lack of cooperation, but in others, I believe FEMA simply cannot locate records we have requested. We are concerned about FEMA's recordkeeping and will continue working with FEMA to facilitate better information exchange.

Post-Hearing Questions for the Record
Submitted to the Honorable Richard L. Skinner
From Senator Claire McCaskill

"The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?"
April 3, 2008

1. Multiple components within the Department of Homeland Security and FEMA have roles and responsibilities for improving interoperable communications, which is a vital element of disaster response. The duties of the FEMA administrator, as described in the NRF and Post Katrina Act, include preparing for all-hazard incidents and helping ensure the acquisition of operable and interoperable communications capabilities by federal, state, local, and tribal governments and emergency response providers.

a. A March 2007 Department of Justice (DOJ) Inspector General report indicates that DHS is pursuing a parallel path to DOJ in furtherance of the Integrated Wireless Network initiative. Has the DHS Inspector General Office partnered with the DOJ Inspector General to evaluate progress in achieving interoperability at the Federal level?

b. What is the greatest challenge to Federal interoperability? Funding? Technology? Leadership?

ANSWER:

We have not partnered with the DOJ Inspector General to date, but we are receptive to conducting a joint review that evaluates progress in achieving federal interoperability. In FY 2009, depending upon resource availability and priorities, we plan to identify DHS efforts to institute an integrated communications network with compliant technology, and determine how these efforts relate to the Integrated Wireless Network project being jointly conducted with the Departments of Justice and Treasury.

Achieving federal interoperability requires leadership that is supported by a management structure that links and orchestrates the numerous operable and interoperable communication programs underway within DHS and other federal agencies. Our March 2008 assessment of FEMA's preparedness for the next catastrophic disaster pointed out that technological improvements and adequate funding are important to achieving interoperable communications, but cultural issues relating to coordination and cooperation among emergency responders, and standard operating procedures and guidelines, are an equal or greater challenge.

2. In conjunction with the realignment efforts being undertaken pursuant to the Post-Katrina Act, the grant programs administered by the Office of Grants and Training transferred to FEMA, effective April 1, 2007. Grants and Training grant management activities were absorbed within two new FEMA Directorates. Grants and Training's financial management activities, which were previously provided by Grants and Training's legacy organization at the Department of

Justice, were absorbed by FEMA's Office of the Chief Financial Officer (OCFO). As a result, FEMA directly oversees more than 80 % of all grant resources awarded by DHS.

a. Is DHS, and specifically FEMA, prepared to absorb this increase in grant programs?

b. Has DHS/IG developed an oversight plan to guard against fraud, waste, and abuse?

c. Are DHS/IG resources sufficient to institute this plan?

d. Are DHS and FEMA prepared to recover any and all improper payments made under the grant programs?

ANSWER:

We are currently conducting an audit that should provide an answer to the first question above. Pursuant to P.L. 110-53, "Implementing Recommendations of the 9/11 Commission Act of 2007," August 3, 2007, we are evaluating the grants management and oversight practices of the Federal Emergency Management Agency. The Act requires us to include an assessment of and recommendations relating to the skills, resources, and capabilities of the workforce, and any additional resources and staff necessary to carry out such management and oversight. Our report is to be completed by August 3, 2008.

Our Annual Performance Plan for FY 2008 contains a robust oversight plan for grants. The Plan includes a proposed audit, "Effectively Managing Grant Resources," that is very similar to the audit mentioned above, which was developed and proposed as part of our ongoing work in the grants area. We had identified a number of grants issues that merit review, and we have included the highest-priority grants audits in our Performance Plan. The audit mandated by P.L. 110-53, coupled with the audits in our Performance Plan, should provide a strong foundation of oversight, including that necessary to guard against and detect fraud, waste, and abuse. With regard to resources, we always strive to maximize our resources to fulfill our Annual Performance Plan.

We also have an ongoing series of audits of individual state's ability to manage State Homeland Security Grant Programs. P.L. 110-53 now mandates that these grants, along with Urban Areas Security Initiative grants, be reviewed for each state at least once in the next 7 years. Selection of the states to review is based on criteria established within P.L. 110-53, which includes addressing risk, assessing the overall integrity of the grant programs, and sufficiently acting as a deterrent to financial mismanagement. We plan to audit those states and urban areas that are of higher risk sooner in the 7-year cycle, and defer lower risk states to later in the series. States and urban areas that are of particularly high risk, or show significant problems in managing the grant programs, will be subject to additional reviews.

In its FY 2007 Annual Financial Report, DHS reported several high-risk grants programs, including the National Flood Insurance Program, the Homeland Security Grant Program and Assistance to Firefighters Grants. GAO reported in September 2007 (GAO-07-913) that while DHS has made progress in implementing the requirements of the Improper Payments Information Act of 2002 (IPIA), there is still room for improvement. This continues to be an area of concern for my office, and we plan to monitor DHS/FEMA's oversight of improper payments accordingly.

Post-Hearing Questions for the Record
Submitted to the Honorable R. David Paulison
From Senator Joseph I. Lieberman

"The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?"
April 3, 2008

Question#:	1
Topic:	Stafford Act
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Joseph I. Lieberman
Committee:	HOMELAND SECURITY (SENATE)

Question: In your testimony, you commented on a lack of flexibility in the Stafford Act that you believe has restricted FEMA Administrators in preparing or responding to disasters. Please explain which provisions you are specifically referring to and how you would recommend amending them.
In contrast, Inspector General Skinner stated the opinion that historically the Stafford Act has been interpreted too stringently. Do you agree that there are examples where actions were probably legal but FEMA's interpretation of the Stafford Act did not permit them? If so, please specify which provisions.

Answer: The statements I made during the hearing were general observations and not a call for specific legislative changes to the Stafford Act. In fact, as I also described at the hearing, FEMA has already instituted new policies under its existing authorities that have improved the way we respond to disasters, and we will continue to explore all means for continued improvement.

In terms of the Inspector General's statement, FEMA strives to appropriately apply the Stafford Act to reduce the loss of life and property during times of disaster or major emergency, recognizing that each disaster is different and presents unique issues and challenges.

Question#:	2
Topic:	resources
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Joseph I. Lieberman
Committee:	HOMELAND SECURITY (SENATE)

Question: A recurrent theme in the Inspector General's report is that FEMA does not have enough resources to make more progress in being prepared for a catastrophe. The Post-Katrina Act requires FEMA to submit to Congress annually an estimate of the resources needed by FEMA and other federal agencies for developing the capabilities necessary to respond to a catastrophic incident, but we haven't yet received this report. When will we get this report?

Answer: FEMA's National Preparedness Directorate (NPD) is currently working on the Federal Preparedness Report (FPR), which represents an ongoing effort to prepare a comprehensive assessment of national preparedness at the Federal, State, and local levels. The report, presently in draft, addresses sections 644, 649, 651 and 652 of the Post Katrina Emergency Management Reform Act of 2006 and contains preparedness assessments and data drawn from sources at all levels of government and from across the Federal Interagency. It will provide a regular, in-depth assessment of national preparedness and will be supported by additional reports and assessments required by PKEMRA such as the Catastrophic Resource Report and the Federal Response Capability Inventory. Senate and House staffs were briefed on the progress of this requirement in April of 2008.

Question#:	3
Topic:	planning
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Joseph I. Lieberman
Committee:	HOMELAND SECURITY (SENATE)

Question: The IG Report identifies planning as the foundation of FEMA's preparedness and also highlights some specific planning initiatives that have made progress in the last few years. In the investigation of FEMA's response to Katrina, the Committee found that FEMA lacked a dedicated planning staff, yet another reason why the response failed. The Post-Katrina Act then made FEMA explicitly responsible for planning in multiple areas, such as mass care, communications, evacuations, national and regional response teams, and coordination with other departments. Does FEMA have enough trained planners and resources to accomplish all these tasks? How many dedicated planners does FEMA now have? How many FEMA planners are dedicated to catastrophic planning?

Answer: Recognizing the importance of a strong operational planning capability in preparing for and responding to disasters, operational planning is identified as one of the core competencies in the "New FEMA." As such, an Operational Planning Branch has been created and is being staffed in the Disaster Operations Directorate. This Branch is responsible for leading the development of DHS and FEMA hazard-specific operational contingency plans; performing sophisticated operational analyses; analyzing information and intelligence to develop situational awareness using all available resources; and monitoring and assessing evolving situations and trends to determine planning and response requirements for ongoing and future events. Operational planning encompasses the full spectrum of the planning process, ensuring continuity between long range planning, current operations planning, and field element incident action planning. Such planning ensures alignment of both near and long term operational objectives, mission assignments, and resource allocation. In addition, during disaster response, operational planners assist the National Response Coordination Center Activation Team in conducting crisis action planning.

Regional operational planners are also being hired to oversee the development of coordinated Federal, State and local operational plans at the regional level to guide response activities and help build a national culture of preparedness. These operational planners will also facilitate/conduct regional evacuation planning with our State and local partners; provide greater depth and capability to prepare operational and crisis action plans; and help ensure that the Agency can effectively lead and support regional and national-level all-hazard disaster responses.

Annex I to HSPD 8, signed on December 3, 2007, specifies the development of an Integrated Planning System (IPS) that integrates Federal, State, and local planning. The

Question#:	3
Topic:	planning
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Joseph I. Lieberman
Committee:	HOMELAND SECURITY (SENATE)

IPS will guide the development of both strategic and operational plans that will ensure preparedness for catastrophic events. Initially, the Federal government will use the eight national planning scenario sets to provide the foundation for planning. Federal agencies will participate in the development of these plans and will be required to develop supporting agency specific plans. The IPS is currently undergoing review prior to approval.

FEMA is also working closely with the Interagency and with State and local emergency management partners across the Nation on geographic-specific Catastrophic Disaster Response Planning Initiatives, Mass Evacuation Planning activities, and a GAP Analysis Program. For instance, FEMA is working with the State of Florida and coordinating efforts on the Florida Catastrophic Planning Project. Catastrophic earthquake planning activities are also underway in coordination with the eight States along the New Madrid Seismic Zone and with California. FEMA earthquake planning support is also being provided to the State of Nevada and plans are to support Oregon and Washington in the future with similar planning support. These planning partnerships are exemplary of the new proactive and forward leaning FEMA.

Recognizing the criticality of having adequate core operational and catastrophic planning capabilities, FEMA continues to enhance its staffing in these areas. 15 operational planner positions and five catastrophic planning positions are authorized for the Disaster Operations Directorate at FEMA Headquarters. 13 operations planning positions have been approved for the Regions, one per region and one per area office. FEMA continues to fill these positions. In the future, plans are to further enhance current capabilities with an additional 30 operations planning positions, three per region (FY 08) and another 25 positions in FY 09, two per region, two for Headquarters, and one for each area office.

Question#:	4
Topic:	surge workforce
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Joseph I. Lieberman
Committee:	HOMELAND SECURITY (SENATE)

Question: The IG report rightly commends you for meeting your goal of filling 95% of permanent fulltime slots at FEMA, however there are still many personnel areas that need substantial improvement. In particular, I am concerned that FEMA has not yet delivered a Strategic Human Capital Plan, nor the plan to establish and implement a Surge Capacity Workforce that can respond to disasters, both required by the Post-Katrina Act and long overdue. Since 1992, FEMA has initiated 12 studies to look at the use and structure of its disaster workforce; however, FEMA has not implemented the recommendations from any of those studies. Recently, FEMA briefed my staff on the results of a Disaster Reserve Workforce contractor study, but we still have not received the plan. When will the plan be completed? Do you know what resources you will need to implement this plan? Do you need any new authorities to implement this plan?

Answer: FEMA's disaster workforce is comprised of four types of workers: Disaster Reservists, full-time FEMA employees, contractors and the Surge Capacity Force.

The Surge Capacity Force described in section 624 of the Post Katrina Emergency Management Reform Act (PKEMRA) commits agencies within the Department of Homeland Security (DHS) to supplement FEMA's disaster workforce when a catastrophic event exhausts our ability to provide properly trained and credentialed workers. The number and type of skills required to staff this DHS-wide Surge Capacity Force is determined by estimating the gap between what is required to provide all-hazards response and FEMA's capability which is based primarily on the Disaster Reserve Workforce (DRW).

Question#:	6
Topic:	interoperability
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Joseph I. Lieberman
Committee:	HOMELAND SECURITY (SENATE)

Question: In preparing for and responding to Hurricane Katrina, FEMA's Mobile Emergency Resources Support (MERS) vehicles and equipment were not adequately pre-positioned and were not capable of handling the communications needs of federal responders in the affected areas. In fact, testimony received by this committee in investigating FEMA's response to Katrina, stated that supporting first responders was not part of the MERS mission at the time. The Inspector General's report gives FEMA a "moderate" grade for progress with the MERS program and references efforts to improve deployment of MERS vehicles to disaster areas and to expand its mission to include support of first responders. The report also concluded that there is a need to acquire additional MERS vehicles before the next catastrophic event. Please provide the Committee with concrete examples of how the MERS program has been improved since Katrina to improve deployment capability including the acquisition of additional vehicles to assist first responders who may have lost their ability to communicate at all, let alone communicate with one another.

Answer: FEMA continues to apply lessons learned from Hurricane Katrina and other disasters to improve disaster emergency communications and interoperability capabilities; to be ready to rapidly and effectively respond to protect people and property; to ensure the adequacy of FEMA's own emergency communications capabilities; and to help our tribal, State and local partners develop their own capabilities. FEMA is taking proactive action to design, staff, and maintain an improved, rapidly deployable, responsive, interoperable, and highly reliable, emergency communications capability using the latest commercial off-the-shelf voice, video, and data technology. This includes using enhanced MERS capabilities and leveraging commercial technology that provides real-time connectivity between communications platforms. Improvements to the MERS System have been demonstrated in response to significant 2007 events such as the California wildfires, Greensburg, Kansas tornadoes, Hurricanes Dean and Flossie, and the Oregon and Washington storms/floods in December 2007. For example, during the response to Hurricane Dean, MERS provided critical communications support to Customs and Border Patrol operations along the border with Mexico and in the Oregon and Washington storms, MERS provided personnel and equipment critical to reestablishing communications capabilities needed by the US Coast Guard for lifesaving response efforts.

FEMA routinely tests tactical land mobile radios; cellular wireless systems, including the ability of MERS to restore critical tactical circuits; and commercial satellite

Question#:	6
Topic:	interoperability
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Joseph I. Lieberman
Committee:	HOMELAND SECURITY (SENATE)

communications interoperability between multiple systems in communications interoperability exercises such as Ardent Sentry and the Defense Interoperability Communications Exercises. FEMA also continues to exercise in a joint inter-agency environment to assess strengths, weaknesses, and threats and identify opportunities to improve disaster emergency communications capabilities.

Each MERS Detachment has several mobile disaster response command and control operations center vehicles. These vehicles provide rapidly deployable, multimedia, interoperable, communications systems for an incident area. They are ideal for providing field support to disaster emergency managers, to include Federal Coordinating Officers, State Coordinating Officers, and Principle Federal Officials. They can also serve as command posts for first responder Incident Commanders, Urban Search and Rescue Task Forces, and other emergency response teams.

FEMA's Disaster Operations Directorate also plans to purchase two more Tactical Incident Response Vehicles for MERS in FY 09, fund program enhancement life cycle replacements for MERS Vehicles, and upgrade state-of-the-art wireless technologies.

As part of the FEMA re-organization, the Disaster Operations Directorate has also created a new Disaster Emergency Communications (DEC) Division to continue the focus on improving FEMA's tactical disaster emergency communications and interoperability capabilities to support all-hazards disaster response and national security emergency requirements. Recognizing the importance of FEMA's responsibility to ensure that first responders have interoperable capabilities, FEMA has expanded, to the extent possible, the scope of duties of the current Regional staff to help carry out this responsibility. Existing staff are already helping to coordinate State and local communications planning (interoperability, survivability, and operability), including coordinating Regional Emergency Coordination working group activities required in the Post Katrina Emergency Management Reform Act; coordinating cross jurisdictional interoperability planning; assisting in interoperability grant preparation; and supporting emergency communications planning for potential Federal responses. To provide even greater focus, FEMA is adding 10 new FTE targeted specifically to augmenting existing emergency communications interoperability-related activities and capabilities in the Regions. The new staff will enhance FEMA's overall ability to support first responders in achieving interoperability capabilities.

Question#:	7
Topic:	contractors
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Mark Pryor
Committee:	HOMELAND SECURITY (SENATE)

Question: I'd like to commend you on making improvements on acquisitions management. The IG report indicates that FEMA has many more pre-disaster contracts in place, better interagency agreements, and more staff. However, according to the report, post-award oversight of contracts could still be improved. Post-award oversight of contracts is critical to protecting against waste, fraud, and abuse in disaster recovery.

Specifically, I'm wondering what kinds of quality controls or evaluations there are of contractors after the fact?

Did the contractors that provided FEMA with the formaldehyde trailers and mobile homes suffer any consequences for their defective workmanship? Does FEMA continue to work with those vendors?

Answer: FEMA's Office of Acquisition Management (OAM) has made considerable strides in improving the contract management and oversight aspects of its acquisition duties. FEMA has implemented new policies and requirements on its acquisition workforce and program customers, such as improved advanced planning, accurate documentation, workforce training, increased emphasis on market research and greater consideration of small business goals. FEMA can boast that during FY07, 81 percent of its acquisition dollars were competed. This represents a 45 percent increase over FY06, when only 35percent of FEMA's acquisition dollars were competed.

In response to your question concerning quality control and evaluations during contract administration, there are two main areas where OAM is focusing its efforts to improve its contract performance oversight functions:

1. Develop and Implement Contract Administration Plans (CAPs) for complex contracts:
   - Facilitate efficient and effective contract administration by outlining required level of contractor performance surveillance, implementing contract terms and conditions, and establishing and monitoring performance milestones and reporting requirements
   - Improve the Agency's post-award contract execution, by providing a consistent guide on ordering, competing, and administering procedures for task orders on task order-type contracts

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Primary:	The Honorable Mark Pryor
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- Establish consistent enterprise-wide contract administration processes for the Contracting Officer's Technical Representatives (COTR) in various regions
- Strengthen the acquisition planning process— Contract Acquisition Plans (CAPs) are being prepared for large and complex acquisitions as part of the acquisition planning process
- Document the agreement between program offices and OAM. Prior to award of an acquisition requiring a CAP, the CAP is drafted and jointly agreed to by both the program office and OAM
- Guide the program office and OAM through continual actions related to contract administration by program office and OAM actions

2. Sustain and grow the COTR Program Office:
   - OAM developed a robust COTR Program Office to ensure COTRs have the training, support, and tools needed for effective contract administration. Subsequently, the COTR Program established by the COTR Program Office has achieved the following:
     - Implementation of a tiered COTR certification program to better match COTR competencies to contract complexity
     - Shaping of the COTR workforce that will ensure a higher level of competency and professionalism
     - Defining the role of the COTR to better meet the needs of the Agency and its mission
     - Compliance with DHS and Office of Management and Budget (OMB) regulations and policy while leveraging best practices
   - There are currently 867 Department of Homeland Security (DHS)-certified COTRs in FEMA
   - A COTR community website was also established and serves as a collaborative resource for all FEMA COTRs, COs and COTR supervisors. It provides the following to its users:
     - Information and procedures for COTR certification and training
     - Helpful tools and templates for contract administration
     - Forums for asking questions on contract administration
     - DHS certification status

With respect to contractor evaluations, in August 2007, the Office of Acquisition, Office of Management, FEMA, issued an interim policy memorandum to all FEMA acquisition professionals addressing the collection, evaluation and use of contractor performance information for acquisitions over $100,000. The policy requires contracting officers and COTRs to use the National Institute of Health's Contractor performance System to

Question#:	7
Topic:	contractors
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Mark Pryor
Committee:	HOMELAND SECURITY (SENATE)

collect and maintain the performance evaluations. COTRs are to provide initial evaluations, which are then sent to the contractor for review and an opportunity to respond. If there is a disagreement between the COTR and the contractor, the head of the contracting agency is required to resolve for a final evaluation. FEMA monitors adherence to the policy on a quarterly basis and is considering additional training to ensure complete adherence to the policy.

Question#:	8
Topic:	IG interaction
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Claire McCaskill
Committee:	HOMELAND SECURITY (SENATE)

Question: During the FEMA oversight hearing held on April 3, 2008, before the Homeland Security and Government Affairs Committee, you acknowledged that personnel within FEMA failed to provide the Inspector General timely access to information pertaining to pre-disaster contracts. You indicated that you have since issued a directive to FEMA personnel requiring cooperation with the Inspector General's staff.

Please provide a copy of the directive requiring cooperation of FEMA personnel with the Inspector General's office.

Please provide information detailing the status of the employee(s) and/or office(s) that failed to cooperate with the Inspector General's review of pre-disaster contracts, to include any and all disciplinary actions taken against this individual as a result of non-compliance with the Inspector General Act.

Answer: The incident referenced by the question is not illustrative of the cooperative working relationship that FEMA and the Office of Inspector General (OIG) have established. FEMA routinely provides the OIG with broad access to information and individuals. Furthermore, as the Inspector General acknowledged during the April 3 hearing, since discussing this matter with me and senior FEMA leadership, the OIG has noted improved cooperation and responsiveness from FEMA.

On April 2, 2008, I issued a memorandum, reminding and making clear that *all* FEMA employees are to fully support OIG inquiries to the fullest extent possible consistent with the obligations of FEMA and the Department of Homeland Security. This memorandum also directs FEMA employees to provide assistance to the OIG in a timely, efficient, and cooperative manner.

Further, on April 8, 2008, Secretary Chertoff issued a similar memorandum reminding all Department of Homeland Security employees that he too, expects staff to cooperate fully with the OIG and provide prompt access to materials and information that the OIG requests. The Secretary further noted the OIG's important role in helping the Department prevent and detect fraud, waste, mismanagement, and abuse by conducting independent and objective audits, investigations, and inspections, thereby improving the economy, effectiveness, and efficiency of our programs and activities. I have also attached a copy of the Secretary's memorandum for your consideration.

Secretary
U.S. Department of Homeland Security
Washington, DC 20528

April 8, 2008

MEMORANDUM FROM THE SECRETARY

TO: All DHS Employees

SUBJECT: Cooperation With the Office of Inspector General

The Office of Inspector General (OIG) of the Department of Homeland Security serves an important role in helping the Department prevent and detect fraud, waste, mismanagement, and abuse. The OIG does so by conducting independent and objective audits, investigations, and inspections, thereby improving the economy, effectiveness, and efficiency of our programs and activities. The OIG needs information from Department offices to conduct its work effectively.

This memorandum is a reminder that I expect all DHS employees to cooperate fully with the OIG in its valuable endeavors, and should provide prompt access to requested materials and information. These expectations for DHS employees also extend to requests from any contractor hired by the OIG, such as the firm hired by the OIG to audit the Department's financial statements. This cooperation includes:

- Promptly providing materials responsive to a request and other relevant information (even if not specifically requested);
- Honoring OIG requests for interviews with program officials in a timely manner;
- Respecting employees' rights to speak directly and confidentially with the OIG in accordance with legal requirements;
- Refraining from inappropriate activity that might inhibit or chill an employee or contractor's communication or cooperation with the OIG.

Production of requested materials should be prompt, and the vast majority of such materials may be produced to the OIG directly and immediately upon request. DHS employees should advise the OIG when requested materials contain classified national security information, privacy-protected materials, attorney-client or deliberative (pre-decisional and draft) communications, and other sensitive information, or materials from agencies outside the Department. If there is any question about the status of certain materials or how to handle them, employees should consult with their supervisors or the Office of the General Counsel to ensure that documents are properly identified, marked and treated, and that records obtained from outside the Department are properly coordinated with the other agency, but doing so should not unduly delay delivery to the OIG. The production of these materials to the OIG does not waive our ability to assert privileges or other protections in any forum.

DHS employees are not to conceal information or obstruct audits, inspections, investigations, or other OIG inquiries. Doing so is against Department directives and can lead to serious consequences.

The OIG has important obligations in the conduct of its audits, investigations, and inspections, and will:

- Honor requests for confidentiality to the extent permitted by law;
- Coordinate with agency managers and supervisors to avoid disrupting ongoing work;
- Respect sensitive materials that are segregated (and be watchful for documents that have not been segregated), so that Department privileges and other obligations are not compromised (thus allowing the Department to assert applicable claims prior to any production outside the Department); and
- Comport with all other responsibilities under the DHS Management Directive.

If you have any questions regarding your obligations regarding the OIG or the OIG's authorities, you should consult with your supervisor or the Office of the General Counsel.

Question#:	9
Topic:	firefighter grants
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Claire McCaskill
Committee:	HOMELAND SECURITY (SENATE)

Question: Concerns have been brought to my attention regarding new requirements for Assistance to Firefighter grants. Specifically, the FY 2008 application will contain questions regarding the applicant's training certification level and interest in attaining higher levels of proficiency. Based on responses to these questions, FEMA anticipates that the technical review panelists will not recommend awarding grants for applications where membership is not fully trained (commensurate with National Fire Protection Association (NFPA) 1001 or an equivalent State standard) and where the applicant is not seeking funding to attain a minimum level of training for their membership.

In effect doesn't this restrict funds from small volunteer department's in most need of federal assistance that do not have the resources to obtain the National certification?

Are there grant programs available to small volunteer departments so that they may increase their capabilities and readiness for disasters?

Answer: The FY 2008 application included two questions regarding training in the details of requests in support of operations and safety. Specifically, it asked:

1) "Are all of your active firefighters trained to NFPA 1001 or equivalent (Firefighter I/Firefighter II, or essentials)?"; and
2) "If not, will you be asking for training funds for this purpose with this application or will you obtain the appropriate training through other sources?"

Each year, FEMA seeks the input and recommendations of the fire service with respect to funding priorities and areas of emphasis for the firefighter grants. This criteria development effort has for several years been placing additional emphasis on the critical importance of properly training firefighters. When discussing the FY 2008 Assistance to Firefighters Grant (AFG) program, the fire service representatives argued that training, in particular training to NFPA 1001 or its equivalent, was perhaps the essential element for fire service interoperability – that is, a force that has the standard training is a force that can respond to disasters anywhere. Firefighters with training to a standard can provide a united, safer and more effective response.

The application questions cited above place an emphasis on the importance of creating and maintaining a force of firefighters and first responders trained to the standards

Question#:	9
Topic:	firefighter grants
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Claire McCaskill
Committee:	HOMELAND SECURITY (SENATE)

accepted by the fire service. The AFG provides funding for this training and the second question in particular was intended to remind applicants that they could apply for training in the application they would at that point be completing. The eligible costs of grants provided for training under AFG include compensation to volunteer firefighters for wages lost because they attended training. Therefore, the Department believes that the burden on the small rural fire department to obtain training is mitigated.

We encourage applicants to discuss their training strategies in the narrative of their request. Most, if not all, fire departments will not have a 100% trained complement of firefighters. Yet as long as they have a plan to provide training, peer reviewers can recognize that (as an example) as a successful request for firefighting equipment will not unduly endanger the department's firefighters by placing them in environments for which they have not been properly trained.

Question#:	10
Topic:	interoperability - 2
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Claire McCaskill
Committee:	HOMELAND SECURITY (SENATE)

Question: Multiple components within the Department of Homeland Security and FEMA have roles and responsibilities for improving interoperable communications, which is a vital element of disaster response. The duties of the FEMA administrator, as described in the NRF and Post Katrina Act, include preparing for all-hazard incidents and helping ensure the acquisition of operable and interoperable communications capabilities by federal, state, local, and tribal governments and emergency response providers.

What steps has FEMA taken to promote interoperability across the public safety sector?

A March 2007 Department of Justice (DOJ) Inspector General report indicates that Federal law enforcement agencies in DOJ and DHS are unable to communicate and the Integrated Wireless Network solution is in grave danger of failing. Has FEMA weighed in on discussions pertaining to Federal interoperability? Isn't Federal interoperability, at a minimum, necessary in coordinating the Federal response to a disaster?

Answer: FEMA continues to apply lessons learned from Hurricane Katrina and other disasters to improve disaster emergency communications and interoperability capabilities; to be ready to rapidly and effectively respond to protect people and property; to ensure the adequacy of FEMA's own emergency communications capabilities; and to help our tribal, State and local partners develop their own capabilities. FEMA is taking proactive action to design, staff, and maintain an improved, rapidly deployable, responsive, interoperable, and highly reliable, emergency communications capability using the latest commercial off-the-shelf voice, video, and data technology. This includes using enhanced MERS capabilities and leveraging commercial technology that provides real-time connectivity between communications platforms. Improvements to the MERS System have been demonstrated in response to significant 2007 events such as the California wildfires, Greensburg, Kansas tornadoes, Hurricanes Dean and Flossie, and the Oregon and Washington storms/floods in December 2007.

As part of the FEMA re-organization, the Disaster Operations Directorate has also created a new Disaster Emergency Communications (DEC) Division to continue the focus on improving FEMA's tactical disaster emergency communications and interoperability capabilities to support all-hazards disaster response and national security emergency requirements.

Question#:	10
Topic:	interoperability - 2
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Claire McCaskill
Committee:	HOMELAND SECURITY (SENATE)

Recognizing the importance of FEMA's responsibility to ensure that first responders have interoperable capabilities, FEMA has expanded, to the extent possible, the scope of duties of the current Regional staff to help carry out this responsibility. Existing staff are already helping to coordinate State and local communications planning (interoperability, survivability, and operability), including coordinating Regional Emergency Coordination working group activities required in the Post Katrina Emergency Management Reform Act; coordinating cross jurisdictional interoperability planning; assisting in interoperability grant preparation; and supporting emergency communications planning for potential Federal responses. To provide even greater focus, FEMA is adding 10 new FTE targeted specifically to augmenting existing emergency communications interoperability-related activities and capabilities in the Regions. The new staff will enhance FEMA's overall ability to support first responders in achieving interoperability capabilities.

FEMA routinely tests tactical land mobile radios; cellular wireless systems, including the ability of MERS to restore critical tactical circuits; and commercial satellite communications interoperability between multiple systems. Through communications exercises such as Ardent Sentry and the Defense Interoperability Communications Exercises, FEMA coordinates and works with other Federal partners to ensure federal interoperability and provision of disaster emergency communications resources and assets. FEMA also continues to exercise in a joint inter-agency environment to assess strengths, weaknesses, and threats and identify opportunities to improve disaster emergency communications capabilities. Also, focusing on inter-departmental integration of efforts, FEMA works closely with the DHS Office of Emergency Communications to ensure that disaster emergency communications operability and interoperability (both at the strategic and tactical implementation levels) are coordinated.

FEMA launched a Disaster Emergency Communications (DEC) State Planning Initiative in March 2007 to better integrate Federal communications response and recovery support to State and local governments. The Initiative is producing individual Disaster Emergency Communications State Annexes aligned to each of the corresponding FEMA Regional Emergency Communications Plans. As FEMA develops these communications annexes, the Agency is focusing on four planning areas:

- communications risk assessment and mitigation planning,
- communications operability and interoperability,
- communications availability, integration and coordination of Federal resources, and
- pre-positioning of communications resources.

Ultimately, the effort will provide FEMA and Federal responders with the ability to deliver emergency communications support promptly and effectively following a request for assistance from an affected State, and provide greater assurance of effective emergency communications coordination prior to and immediately following a disaster event.

Question#:	11
Topic:	reform
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Susan M. Collins
Committee:	HOMELAND SECURITY (SENATE)

Question: During the FEMA reform efforts undertaken in the wake of Katrina, there were many calls to pull FEMA out of DHS. Ultimately though, Congress decided that FEMA was best able to perform its task of emergency readiness and response as part of DHS. The report we received from the DHS Inspector General confirms that FEMA, as part of DHS, has been able to make progress addressing the gaps in catastrophic preparedness revealed by Katrina. However, the report also made clear that operational implementation of some key critical capabilities is incomplete and that much work remains. The report cited budget shortfalls, reorganizations, inadequate IT systems, and limited authorities as primary obstacles to FEMA's progress. Would establishing FEMA as a separate entity outside of DHS serve to mitigate any of these or other challenges?

Answer: Let me state clearly that removing FEMA from the Department of Homeland Security would not mitigate the remaining challenges described in the Inspector General's report. Additionally, our view is that the Inspector General's report did not sufficiently recognize all the progress that FEMA has already made in addressing the cited challenges. The key consideration at this time is that FEMA is in the midst of a number of major initiatives to address the remaining challenges, initiatives that continue to make significant progress because of continuing support from the Department, the Administration and the Congress. FEMA and the Department have undergone a number of major reorganizations over the last five years; another significant reorganization would throw the agency into turmoil for an extended period of time. The progress being made in areas such as preparedness and operational capabilities would be interrupted by another major reorganization because of the incredibly complex administrative challenges that would be necessary to support such a change. FEMA needs to maintain its organizational stability so we can complete the program improvements underway without the distractions that another major organizational change would entail.

I must again stress that the Department of Homeland Security's leadership is committed to providing FEMA the support it needs to complete its transformation to the New FEMA. In addition, the Department of Homeland Security, and its more than 180,000 employees, is well situated to provide FEMA with needed support to address catastrophic disasters. During Katrina, thousands of DHS staff deployed to support FEMA's disaster response and recovery operations both in Washington and the field. Such deployments are more effective and efficient to implement when we are part of the same Department, and report through the same chain of command, than they would be if FEMA were separated from the Department. Add to this that numerous foundational strategies and

Question#:	11
Topic:	reform
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Susan M. Collins
Committee:	HOMELAND SECURITY (SENATE)

their related documents concerning our national approach to homeland security, such as the National Response Framework, are based on FEMA being part of the Department. Any effort to remove FEMA from the Department would once again create disarray within the national effort to prepare for a coordinated Federal/State/local/private sector response. This unnecessary disorder would occur just as we are starting to see real progress in the various levels of government converging their efforts and respective roles to further progress this national approach to homeland security.

Question#:	12
Topic:	evacuations - 2
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Susan M. Collins
Committee:	HOMELAND SECURITY (SENATE)

Question: The IG's report gives FEMA only "Modest Progress" in the key area of Evacuations. Every American recalls the terrible pictures and news stories of Hurricane Katrina victims stranded for days as state, local and federal agencies scrambled to come up with an evacuation plan after the storm struck. This is not an area where we can afford to fall behind. The IG believes it would be better if FEMA had a single office responsible for evacuation planning and operational efforts. FEMA's response to this criticism is to point out that State and local governments are the ones primarily responsible for evacuations not FEMA. While this may be true, doesn't the risk of devastating natural disasters like Hurricane Katrina or the threat of a catastrophic terrorist nuclear attack that decimates a State capitol warrant that FEMA take responsibility for working with State and local governments to develop evacuation plans nationwide before the next disaster strikes?

Answer: The response to Hurricane Katrina pointed out a need for more robust and sophisticated Federal, State, tribal, and local regional evacuation planning. FEMA takes very seriously the need for effective evacuation planning and has been aggressively pursuing improved evacuation planning. The Agency continues to closely coordinate with its partners at all levels of government on evacuation planning efforts and related key planning support initiatives. As part of addressing lessons learned from Hurricane Katrina, a Mass Evacuation Incident Annex to the NRF has been developed and is undergoing final adjudication. The Mass Evacuation Incident Annex provides an overview of evacuation functions and agency roles and responsibilities. It provides overall guidelines to enable evacuation of large numbers of people in incidents requiring a coordinated federal response. This annex describes how federal resources can be and are integrated into State, local and tribal support activities. Communications linkages to sheltering facilities, special needs of evacuees, and addressing the need to evacuate companion and service animals are just a few of the issues/lessons learned from Katrina that are addressed in this annex.

In addition to the Mass Evacuation Incident Annex, FEMA is developing an Operational Supplement and Standard Operating Procedures to accompany the Annex. These two documents will provide specific guidance and details for the States to follow in executing the responsibilities outlined in the Annex. FEMA has worked in closely with intra- and inter-agency partners, especially the Department of Health and Human Services (HHS) and United States Department of Agriculture (USDA) – Animal and Plant Health Inspection Service (APHIS). The Operational Supplement base document is only one

Question#:	12
Topic:	evacuations - 2
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Susan M. Collins
Committee:	HOMELAND SECURITY (SENATE)

component in a multi-organizational response concentrated on planning under circumstances in which the Federal government is required to conduct a Mass Evacuation during a multi-State/Regional event. The Supplement provides processing guidance of evacuees as well as a tracking system of evacuees.

Since Hurricanes Katrina and Rita, FEMA has provided substantial air, rail, bus, and other evacuation planning assistance to Louisiana, Mississippi, and Alabama to support the development of a Gulf Coast Evacuation Plan that also extends to adjacent States that may host Gulf Coast evacuees. This effort is designed to synchronize separate State evacuation plans to create more cohesive and unified evacuation plans. FEMA plans to broaden these efforts using the Gulf Coast Evacuation Planning as a model and place greater emphasis on regional evacuation planning for all-hazards in other parts of the country.

Question#:	13
Topic:	grant program
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Susan M. Collins
Committee:	HOMELAND SECURITY (SENATE)

Question: A provision that Chairman Lieberman and I included in last year's homeland security law established a dedicated interoperable communications grant program, which Congress funded with $50 million in the 2008 Omnibus Appropriations Act. FEMA's Grant Programs Office has not yet issued the guidance for this program. Please tell us where FEMA is in the process of developing this guidance so that the grant money can be awarded.

Answer: FEMA is working closely with the Department's Office of Emergency Communications to develop the Interoperable Emergency Communications Grant Program (IECGP). The Department anticipates the release of the IECGP guidance and application kit in the late Spring or early Summer of 2008. Funds will be awarded no later than September 30, 2008.

Question#:	14
Topic:	coordination
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Susan M. Collins
Committee:	HOMELAND SECURITY (SENATE)

Question: The Post-Katrina Emergency Management Reform Act established a DHS Office of Emergency Communications to lead the development of policy and initiatives to achieve interoperable communications and to sustain communications during an emergency. The Office is located in the National Protection and Programs Directorate, even though FEMA administers the Department's homeland security grant programs. And, as you know, States and local governments have used roughly one-third of all funds awarded under these programs – including the State Homeland Security Grant Program -- to enhance their emergency communications capabilities. At this point, can you describe how well FEMA is able to coordinate with this new Office on interoperability policy and provide examples of how its input has affected the award of homeland security grants?

Answer: Since the Office of Emergency Communications (OEC) was established, FEMA has collaborated with the office on multiple interoperable communications activities specifically related to implementing interoperable communications requirements through grant funds. Three examples of this work include 1) coordination on the Public Safety Interoperable Communications (PSIC) Grant Program, 2) coordinated development of the soon to be released Interoperable Emergency Communications Grant Program (IECGP), and 3) ongoing integration of OEC SAFECOM grant guidance in all applicable grant programs.

For PSIC, FEMA worked with OEC to ensure that funds used by States and territories fill gaps identified in their Statewide Communication Interoperability Plans (SCIP). FEMA, OEC, and the Department of Commerce's National Telecommunications and Information Administration (NTIA) ensured this linkage between SCIPs and the use of PSIC grant funds by jointly supporting the PSIC Investment Justification/SCIP peer review conference, which occurred on February 11, 2008. This conference brought together more than 100 public sector employees, including Federal, State, local, and tribal representation, with diverse expertise (e.g., emergency operations, interoperable communications, public safety, or grants management) to review all applications and plans to ensure that each State and Territory's interoperable communications projects aligned with its respective SCIP.

Regarding IECGP, FEMA and OEC are working together to develop the program's guidance and implementation plan. This grant program will offer a unique opportunity to combine the interoperable communications expertise of OEC with the grant management capabilities of FEMA to advance public safety interoperable communications nationwide.

Question#:	14
Topic:	coordination
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Susan M. Collins
Committee:	HOMELAND SECURITY (SENATE)

FEMA also coordinates with the Department's Office for Interoperability and Compatibility (OIC) within the Science and Technology Directorate. OIC Coordinates with its Federal partners on research, development, testing and evaluations, and standards aspects of the SAFECOM program. FEMA is a co-lead with OEC in OIC's Interoperability Capstone Integrated Product Team (IPT). The IPT process enables FEMA and OEC to help OIC identify and prioritize operational capability gaps and requirements to enable the Department to make informed decisions about technology investments.

Question#:	15
Topic:	regional offices
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Norm Coleman
Committee:	HOMELAND SECURITY (SENATE)

Question: I want to raise an issue that was brought to my attention by some emergency managers in Minnesota and relates to the role and authority of the FEMA regional offices. According to these folks, prior to the formation of DHS, states could ask the staff in the applicable FEMA regional offices policy and program-related questions, and obtain an answer either immediately, or in a very short time period. However, since DHS was created, I have heard from my state that some regional offices: 1.) Don't seem to receive program and policy information from headquarters in a timely manner, and 2.) Don't seem to be empowered to answer program and policy questions without first referring them to headquarters. That, in turn, frequently results in a lengthy delay before states can obtain the answer/information they requested.

The lack of coordination between federal, state and local governments seems to be a common theme in OIG and GAO reports about FEMA over the past few years. From your perspective, have there been improvements in FEMA coordination with state, local, and other federal agencies?

Have you heard of these problems expressed by some of the emergency managers in Minnesota? Does FEMA intend to disseminate more information and delegate more authority to its regional offices, so that the personnel in those offices are able to respond in a timely manner to policy and program questions received from the states?

Answer: Among the lessons learned after the 2005 hurricane season, none has been taken more seriously than the breakdown of interagency and intra-agency communications. Communication between the Federal government and our partners at the State and local levels is an integral part of emergency management. Over the past three years we have taken major steps to make sure this breakdown does not happen again.

Regional Policy Coordination

FEMA is committed to building robust regional offices, which means an obligation to strong lines of communication and coordination between FEMA's headquarters staff in Washington, DC and field personnel. Regional staff participates on all policy development working groups throughout the agency. Policy and guidance are developed in headquarters with input and coordination from regional offices. The regional input and coordination is an integral aspect of the policy development process as the regions are

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responsible for implementing the proposed initiatives. Therefore, Administrator Paulison has directed that all policy proposals must be properly coordinated to insure proper implementation. [This FR announced policy is more directed to external actors than internal FEMA offices]

Regional Advisory Council

FEMA has worked diligently to fine tune the appropriate framework to establish the Regional Advisory Councils. Each Regional Office has held its initial meetings with its Regional Advisory Council, which is composed of State and local emergency management officials. These councils will advise the Regional Administrators on all aspects of emergency management and will comprise representatives from State, territorial, local and tribal governments. The councils will also identify any geographic, demographic, or other characteristics specific to any State, territorial, local, or tribal government within the Region that might make preparedness, protection, response, or mitigation more challenging. Finally, the councils will advise the Regional Administrators on any weaknesses or deficiencies in preparedness, protection, response, recovery, and mitigation within the regional area of responsibility that should be addressed. These Regional Advisory Councils will significantly improve communication between the multiple levels of government and give Regional Administrators the critical insights to address the needs of the communities in which they serve.

Regional Emergency Communications Committee Working Group

Each Regional Administrator has been provided a workgroup comprised of representatives from all levels of government, whose primary objective is to advise the regional leadership on matters pertaining to emergency communications. The Regional Emergency Communications Working Group, referred to as an RECC Working Group, reports to the Regional Administrator and advises him or her on all aspects of emergency communications. The Regional Managers, in turn, will share this advice on emergency communications with State and Local emergency managers within the Region.

1) Do Regional Offices receive program and policy information from headquarters in a timely manner?

Yes. Policy information is coordinated with Regional Offices at the earliest stage of conception and Regional Offices are provided guidance on policy implementation procedures.

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2) Are Regional Offices empowered to answer program and policy questions without first referring them to headquarters?
Yes. Regional Offices are expected to provide policy guidance to their various State and Local partners during implementation and throughout the life-cycle of a policy.

3) From your perspective, have there been improvements in FEMA coordination with state, local, and other federal agencies?
Yes. The Regional Advisory Council, the National Advisory Council, and the development of the National Response Framework are examples of State, Local, Tribal, and other Federal Agencies and Officials working together to advise, coordinate, and improve our Nation's emergency management network.

4) Have you heard of these problems expressed by some of the emergency managers in Minnesota?
As a result of this inquiry, the Office of Regional Operations is searching for any documentation related to grievances from emergency managers in Minnesota.

5) Does FEMA intend to disseminate more information and delegate more authority to its regional offices, so that the personnel in those offices are able to respond in a timely manner to policy and program questions received from the states?
Yes. FEMA will continue to disseminate all policy information to Regional Offices and delegate as much authority to the Regional Administrators as is appropriate. Administrator Paulison has said that "our Regional Offices are the tip of the spear" and has made building robust regions a priority for the agency.

Question#:	16
Topic:	state and local
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Norm Coleman
Committee:	HOMELAND SECURITY (SENATE)

Question: Responding to natural and man-made disasters requires skills and resources from a wide range of organizations outside of the impacted area. The challenge for emergency management is the task of integrating multiple entities across all levels of government and jurisdictions into a functioning inter-organizational, inter-jurisdictional response system which is capable of functioning during a disaster. Prior to Hurricane Katrina the National Response Plan served as the tool for coordinating complex disaster response systems. One criticism of the National Response Plan was the plan's ambiguity concerning the coordination of state, local, and federal governments during a disaster. In response to this criticism, the new response plan, known as the National Response Framework, is expected to address issues of coordination.

Compared to the National Response Plan, the National Response Framework reportedly better articulates the roles and responsibilities of state and local governments in disaster response. However, beyond designating roles and responsibilities, what substantive measures has FEMA undertaken to ensure that state and local governments are fully integrated in disaster response procedures?

Has FEMA developed processes and procedures which serve as a benchmark to evaluate how well states and localities are able to carry out disaster and emergency activities as outlined in the NRF?

Answer: As you know, realistic and complete emergency responses are executed by a team that includes not just DHS officials, but also representatives of other Federal agencies; State, local and tribal governments; the private sector; and nongovernmental organizations. To this end, FEMA is working to better integrate State and local governments into disaster response procedures – while creating benchmarks to evaluate how well jurisdictions are able to carry out their responsibilities. Examples of how FEMA is accomplishing this include:

- **National Incident Management System (NIMS)**: NIMS provides a nationwide template for how to promote Federal, State, tribal and local governments; the private sector; and nongovernmental organizations to work together effectively and efficiently. It is the principal tool used to establish and set standards and credentialing. To ensure that assets and entities related to first responders are

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participating in homeland security activities, NIMS incorporates implementation activities such as directing State governments to participate in and promote intrastate mutual aid agreements, to include agreements with private sector and non-governmental organizations.

- **Target Capabilities List (TCL):** The TCL provides guidance on the specific capabilities and levels of capability that Federal, State, local, and tribal entities will be expected to develop and maintain; it provides a benchmark against which to evaluate the emergency capabilities of jurisdictions nationwide. The current focus of the TCL Implementation Project is to provide a series of Target Capability Frameworks to help States and local jurisdictions determine whether they need a given capability to be prepared, and if so, at what level. In the next several years, a phased maintenance and review process will integrate current capability assessment tools into a single coherent methodology; establish performance classes and objectives for priority capabilities; and develop programs addressing planning guidance, expanded resource typing, and training. Over time, the Project will help all levels of government answer core preparedness questions.

- **Federal Preparedness Coordinators (FPCs):** FPCs act as each FEMA Region's principal preparedness officer and serve as a line of communication between FEMA, State and local governments, and the private sector. They support the facilitation of homeland security-related information sharing among Regional stakeholders and provide liaison and coordination efforts within the regional preparedness community. As of April 2008, FEMA's National Preparedness Directorate (NPD) has successfully led the hiring of FPCs in nine of the ten FEMA Regions. Continuing to fill and support these positions is recognized as one of NPD's key priorities.

These examples represent just some of the ways that FEMA is working to better incorporate State and local officials into disaster procedures, while creating benchmarks that measure how well these jurisdictions are able to carry out their responsibilities. As a result, the Regions are better prepared to prevent, protect against, respond to, and recover from all hazards. These steps are by no means part of an end-state goal, but something that we are committed to revising and updating as new challenges and opportunities arise.

Question#:	17
Topic:	evacuations - corrected version
Hearing:	The New FEMA: Is the Agency Better Prepared for a Catastrophe Now Than It Was in 2005?
Primary:	The Honorable Joseph I. Lieberman
Committee:	HOMELAND SECURITY (SENATE)

Question: Evacuations are one task where FEMA's leadership and support will be critical during a catastrophe. The IG Report found that FEMA's progress on the Gulf Coast Mass Evacuation Capability Enhancement Initiative was substantial. How is FEMA using this success to help other regions and urban centers with their mass evacuation planning? What contracts does FEMA have in place to support state officials during a major evacuation? Also, the IG recommends that FEMA establish a single entity to take ownership of overall evacuation planning. Do you agree with this recommendation?

Answer:
How is FEMA using this success to help other regions and urban centers with their mass evacuation planning?

The planning efforts FEMA has undertaken with the Gulf Coast Mass Evacuation Capability Enhancement Initiative, the State of Louisiana, and the city of New Orleans, exemplify the type of emergency planning envisioned in the National Preparedness Guidelines—a multi-jurisdictional, interagency planning endeavor that promotes unity of effort and determines actions, policies and processes to be followed in advance of an actual emergency. FEMA is also continuing to provide substantial air, rail, bus, and other evacuation planning assistance to the Gulf Coast States, using the New Orleans and Louisiana evacuation planning model and approach. FEMA plans to broaden its mass evacuation planning efforts and place greater emphasis on all-hazards regional evacuation planning in urban centers and other parts of the country, using the Gulf Coast Evacuation Planning as a possible model.

Under the Gap Analysis Program (GAP) Initiative, a Gap Analysis tool was developed in coordination with the State of New York Emergency Management Office/New York City Office of Emergency Management and utilized for the 2007 hurricane season. GAP provides a snapshot of asset gaps for FEMA and its partners, at both the State and local levels, in the hurricane prone regions of the country. Seven critical areas were incorporated in the initial application of the Gap Analysis tool for review, including evacuation and fuel capacity along evacuation routes. The GAP Initiative is currently being expanded to cover all-hazards and is being applied nationwide.

What contracts does FEMA have in place to support state officials during a major evacuation?

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Bus: FEMA executed a RFQ and received proposals for a bus support contract. It is expected that the technical review of the proposals will be completed and the contract awarded by June 2. The contract does not provide buses and drivers. The contract covers the following: Planning – Working with FEMA regions, states, and local communities on bus evacuation technical issues such as identifying appropriate pick up points, vehicle staging areas, and vehicle refresh points. There is also regional planning to ensure coordination between states on the interstate movement of evacuees via bus; and participation in multimodal evacuation transportation planning efforts. Staff is trained, as well as states and locals, on how to effectively integrate motor coaches into their multimodal evacuation transportation plans. Exercises - There is participation in the development and execution of evacuation exercises involving the use of motor coaches for the intercity movement of evacuees. Market Monitoring - Motor coach availability will be monitored as market conditions change and this information will be provided to FEMA and others, such as interested states, so more realistic crisis action planning can occur when a storm threatens. Industry Outreach – Interaction with the motor coach industry to explain how motor coach evacuations work. One of the greatest complaints from the industry following Katrina was that they didn't know what their role was supposed to be. Central Dispatch Office (CDO) – Will monitor the movement of busses and support FEMA's TAV efforts. Readiness – Maintain a state of readiness to deploy quickly to establish staging areas and refresh points.

Rail: Rail is a sole source acquisition anticipated to be in place by June 2. Rail is New Orleans centric only.

Ambulance: There is currently an ambulance contract in place that provides for skilled transport by way of ground ambulance, air ambulance, and para-transport vehicles. The contract was awarded last August and has four one-year options. FEMA will exercise option 1 on August 1.

Also, the IG recommends that FEMA establish a single entity to take ownership of overall evacuation planning. Do you agree with this recommendation?

Recognizing the importance of a strong operational planning capability in preparing for and responding to disasters, operational planning is identified as one of the core competencies in the "New FEMA." As such, an Operational Planning Branch has been created and is being staffed in the Disaster Operations Directorate to lead the development of DHS and FEMA hazard-specific operational contingency plans; perform sophisticated operational analyses; analyze information and intelligence to develop

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situational awareness using all available resources; and monitor and assess evolving situations and trends to determine planning and response requirements for ongoing and future events. In addition to the core operational planning responsibilities of the Operational Planning Branch, an Operational Integration Branch in the Disaster Operations Directorate has been established to specifically integrate and coordinate operational evacuation planning efforts with the different Agency components and with the Interagency through the Emergency Support Function Leaders Group.

DEPARTMENT OF HOMELAND SECURITY

Office of Inspector General

FEMA's Preparedness for the Next Catastrophic Disaster

OIG-08-34 March 2008

Office of Inspector General

U.S. Department of Homeland Security
Washington, DC 20528

March 28, 2008

Preface

The Department of Homeland Security, Office of Inspector General, was established by the *Homeland Security Act of 2002* (Public Law 107-296) by amendment to the *Inspector General Act of 1978*. This is one of a series of audit, inspection, and special reports prepared as part of our oversight responsibilities to promote economy, efficiency, and effectiveness within the department.

This report addresses FEMA's preparedness for the next catastrophic disaster. It is based on interviews with employees and officials of relevant agencies and institutions, direct observations, and a review of applicable documents.

It is our hope that this report will result in more effective, efficient, and economical operations. We express our appreciation to all of those who contributed to the preparation of this report.

Richard L. Skinner
Inspector General

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Abbreviations

CAP	Contract Administration Plan
COTR	Contracting Officer's Technical Representative
CPD	Community Preparedness Division
DHAP	Disaster Housing Assistance Program
DHS	Department of Homeland Security
DOD	Department of Defense
DOJ	Department of Justice

Table of Contents/Abbreviations

eCAPS	Enterprise Coordination and Approvals Processing System
EMI	Emergency Management Institute
FCO	Federal Coordinating Officer
FEMA	Federal Emergency Management Agency
FY	Fiscal Year
GAO	Government Accountability Office
GAP	Gap Analysis Program
GPS	Global Positioning System
GSA	General Services Administration
HSPD-8	Homeland Security Presidential Directive-8
HUD	Department of Housing and Urban Development
IA-TAC	Individual Assistance Technical Assistance Contract
ICTAP	Interoperable Communications Technical Assistance Program
IT	Information Technology
IWN	Integrated Wireless Network
LIMS	Logistics Information Management System
MA	Mission Assignment
MAWG	Mission Assignment Working Group
MERS	Mobile Emergency Response Support
MRE	Meal, Ready-To-Eat (emergency meals)
NDHS	National Disaster Housing Strategy
NIMS	National Incident Management System
NLC	National Logistics Coordinator
NPD	National Preparedness Directorate
NRF	National Response Framework
NRP	National Response Plan
OAM	Office of Acquisition Management
OEC	Office of Emergency Communications
OIC	Office for Interoperability and Compatibility
OIG	Office of Inspector General
OMB	Office of Management and Budget
PFO	Principal Federal Official
P.L.	Public Law
RAMP	Remedial Action Management Program
SHCP	Strategic Human Capital Plan
TAV	Total Asset Visibility
USACE	U.S. Army Corps of Engineers

OIG

Department of Homeland Security
Office of Inspector General

Executive Summary

On July 31, 2007, the House Committee on Oversight and Government Reform held a hearing to review the Federal Emergency Management Agency's (FEMA) preparedness to handle a future disaster. During that hearing, the Deputy Inspector General for Emergency Management Oversight testified that the "New FEMA" had made progress in many areas related to disaster preparedness, but that generally FEMA was not fully prepared for a catastrophic disaster. The Committee, in turn, requested that the Office of Inspector General (OIG) provide a high-level assessment of the Department of Homeland Security (DHS)/FEMA's preparedness for the next catastrophic disaster.

The primary objectives of our assessment were to identify key areas for preparing for a catastrophic disaster, and determine the progress FEMA has made in the key areas since Hurricane Katrina struck in August 2005.

We reviewed pertinent reports, including those of our office and the Government Accountability Office (GAO), as well as congressional testimony. We identified nine key areas critical to successful catastrophic preparedness efforts. We collaborated with FEMA officials to identify two to five critical components within each key area. We interviewed FEMA officials and evaluated documents provided by them. We assessed FEMA's progress in each of the areas using a four-tiered scale: substantial progress, moderate progress, modest progress, and limited or no progress.

Given the scope and limitations of our review, we did not perform an in-depth assessment of each of the nine key preparedness areas. We used the critical components within each area, as well as our broader knowledge of the key preparedness areas, to gauge FEMA's overall progress in those areas.

Overall, FEMA has made moderate progress in five of the nine key areas, modest progress in three areas, and limited progress in one

area (See Figure 1). FEMA officials said that budget shortfalls, reorganizations, inadequate information technology systems, and confusing or limited authorities negatively affected their progress. We agree with FEMA. FEMA would also benefit from better knowledge management and plans for sustaining initiatives that are underway.

We are recommending that FEMA (1) conduct a comprehensive "needs analysis" to determine where they are now and where they need to be, *as an agency*, in terms of preparedness for a catastrophic disaster; (2) develop and sustain a system for tracking progress of programs, initiatives, and enhancements; and (3) provide regular updates regarding progress on all major preparedness initiatives and projects.

Figure 1: Scorecard for Select FEMA Preparedness Areas

Key Preparedness Areas	Progress
OVERALL PLANNING	**Moderate**
• Develop a strategic framework and guidance for integration of prevention, response, and recovery efforts	Moderate
• Complete assessments of capabilities/readiness at the national/state/local levels	Modest
• Enhance preparedness at all levels	Moderate
• Enhance community preparedness	Moderate
• Enhance preparedness for the management and resolution of catastrophic events	Moderate
COORDINATION AND SUPPORT	**Moderate**
• Implement the new National Response Framework and Specific Operational Plans	Modest
• Clarify the roles, responsibilities, and authorities of the Principal Federal Official and Federal Coordinating Officer	Moderate
• Provide law enforcement access to FEMA records	Substantial
INTEROPERABLE COMMUNICATIONS	**Moderate**
• Achieve coordination among all DHS components charged with improving interoperable communications	Modest
• Ensure federal disaster communications assets and operating procedures are in place for disaster response and recovery	Moderate
• Manage federal interoperable communication grants and programs	Moderate
LOGISTICS	**Moderate**
• Establish total asset visibility	Moderate
• Improve pre-positioning of commodities	Moderate
EVACUATIONS	**Modest**
• Develop Gap Analysis Program	Moderate
• Enhance Gulf Coast Mass Evacuation Capability	Substantial
HOUSING	**Modest**
• Establish a National Disaster Housing Strategy	Modest
• Develop plans to purchase, track, and dispose of temporary housing units	Modest
• Strengthen state and local commitment to house affected citizens	Modest
DISASTER WORKFORCE	**Modest**
• Adopt a Strategic Human Capital Plan, including specific strategies for the development of a surge capacity disaster workforce	Moderate
• Manage the disaster workforce consistent with the Strategic Human Capital Plan and integrate workforce management tracking systems	Modest
MISSION ASSIGNMENTS	**Limited**
• Improve guidance for mission assignments (i.e., regulations, policies, and operating procedures)	Modest
• Improve staffing and training	Limited
• Enhance management of mission assignments	Limited
ACQUISITION MANAGEMENT	**Moderate**
• Have pre-disaster contracts in place	Moderate
• Recruit, train, and retain sufficient acquisition staff	Moderate
• Provide for post-award oversight	Modest

Note: The summary ratings of progress for the nine key areas are based on our assessments of the critical components listed, as well as our broader knowledge of the areas. FEMA officials generally agreed that these critical components are among the most important, and we believe they are strong indicators of overall progress.

Background

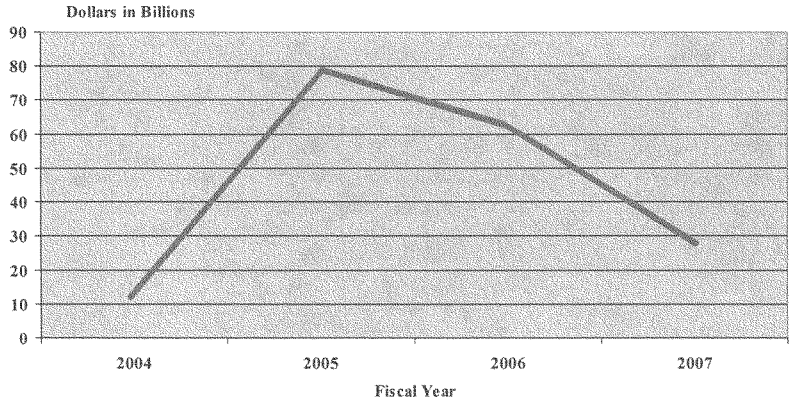
In responding to emergency situations, whether natural or man-made, current doctrine dictates that government agencies and organizations most local to the situation act as first responders. When state and local governments become overwhelmed by the size or scope of the disaster, state officials may request assistance from the federal government; so federal agencies must always be prepared to provide support when needed. President Carter issued an executive order in 1979 merging many of the separate disaster-related federal functions and creating FEMA. Following the terrorist attacks of September 11, 2001 (9/11), the *Homeland Security Act of 2002* (P.L. 107-296) (*Homeland Security Act*) realigned FEMA and made it part of the newly formed Department of Homeland Security (DHS).

FEMA's statutory authority comes from the *Robert T. Stafford Disaster Relief and Emergency Assistance Act*, as amended (P.L. 100-707) (*Stafford Act*), which was signed into law in 1988 and amended the *Disaster Relief Act of 1974* (P.L. 93-288). To access federal assistance under the *Stafford Act*, states must make an emergency or major disaster declaration request that is reviewed by FEMA for presidential approval. The *Stafford Act* also permits FEMA to anticipate declarations and pre-stage federal personnel and resources when a disaster threatening human health and safety is imminent, but not yet declared.

Hurricane Katrina, which made landfall on August 29, 2005, was the Nation's most costly natural disaster, killing more than 1,800 people, destroying 300,000 Gulf Coast homes, and displacing about 1 million people. It is estimated that Hurricane Katrina caused over $81 billion in damages. Another proxy for the magnitude of the storm is FEMA's budget during Fiscal Years (FY) 2005 and 2006. Figure 2 reflects FEMA's budgetary resources from FY 2004 to FY 2007.

Reports issued by Congress, the White House, federal Offices of Inspector General, and GAO, among others, identified issues including questionable leadership decisions and capabilities, organizational failures, overwhelmed response and communications systems, and inadequate statutory authorities, as contributors to the poor response. In the wake of Hurricane Katrina, it became clear that FEMA's efforts to support state and local emergency management and to prepare for federal response

Figure 2: FEMA's Budgetary Resources, Fiscal Years 2004 through 2007



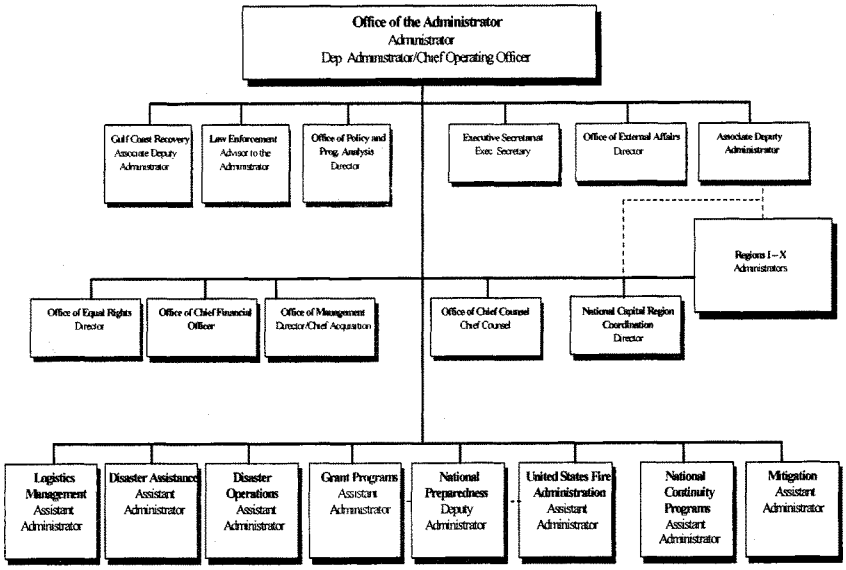
Source: DHS Annual Financial Report Data. Budgetary resources include unobligated balances carried forward; recoveries of prior year obligations; current year budget authority; and non-expenditure transfers.

and recovery in natural disasters were insufficient for an event of such catastrophic magnitude.

As a result, Congress enacted a number of changes to enhance the federal government's response capabilities for emergency management. In total, six statutes enacted by the 109th Congress contain changes that apply to future federal emergency management actions. While most of the laws contained relatively few changes to federal authorities related to emergencies and disasters, the *Post-Katrina Emergency Management Reform Act of 2006*, (P.L. 109-295, Title VI – National Emergency Management, of the *Department of Homeland Security Appropriations Act of 2007*) (*Post-Katrina Act*) contained many changes that have long-term consequences for FEMA and other federal entities. That statute reorganizes FEMA, expands its statutory authority, and imposes new conditions and requirements on the operations of the

agency. Figure 3 shows the structure of the reorganized "New FEMA."

Figure 3: FEMA Organization



Source: FEMA. Dotted lines are coordination. Solid lines are command and control.

Results of Review

We assessed the progress that FEMA has made to improve the following elements of its catastrophic disaster preparedness initiatives:

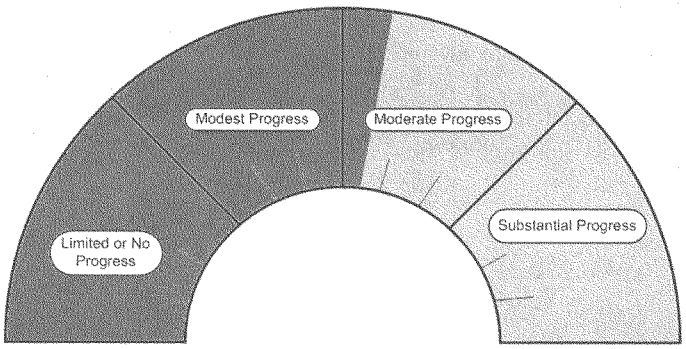
- Overall Planning;
- Coordination and Support;
- Interoperable Communications;
- Logistics;
- Evacuations;
- Housing;
- Disaster Workforce;
- Mission Assignments; and
- Acquisition Management.

Overall, FEMA has made moderate progress in five of the nine key areas, modest progress in three areas, and limited progress in one area. FEMA officials said that budget shortfalls, reorganizations, inadequate information technology (IT) systems, and confusing or limited authorities negatively affected their progress. We agree with FEMA. FEMA would also benefit from better knowledge management and plans for sustaining initiatives that are underway.

FEMA is spending millions of dollars on new initiatives and enhancements to its disaster management systems. These initiatives are critical to enhancing FEMA's ability to better respond to disasters, but it is not clear that they are well-planned or integrated. It is also not clear that FEMA's top management effectively communicates a vision and plans for these initiatives to staff or that there is clear ownership and accountability for each initiative.

FEMA is making progress in transforming itself to be better prepared to lead the federal effort in responding to a catastrophic disaster. FEMA can build upon this progress by continuing to develop the nine key areas discussed in this report.

Overall Planning



Background

Homeland Security Presidential Directive-8 "National Preparedness" (HSPD-8) was issued on December 17, 2003. HSPD-8 established "policies to strengthen the preparedness of the United States to prevent and respond to threatened or actual domestic terrorist attacks, major disasters, and other emergencies by requiring a **national domestic all-hazards preparedness goal** [bold added], establishing mechanisms for improved delivery of Federal preparedness assistance to State and local governments, and outlining actions to strengthen preparedness capabilities of Federal, State, and local entities."

The National Preparedness Guidelines (Guidelines) were released in September 2007. The Guidelines contain four primary elements:

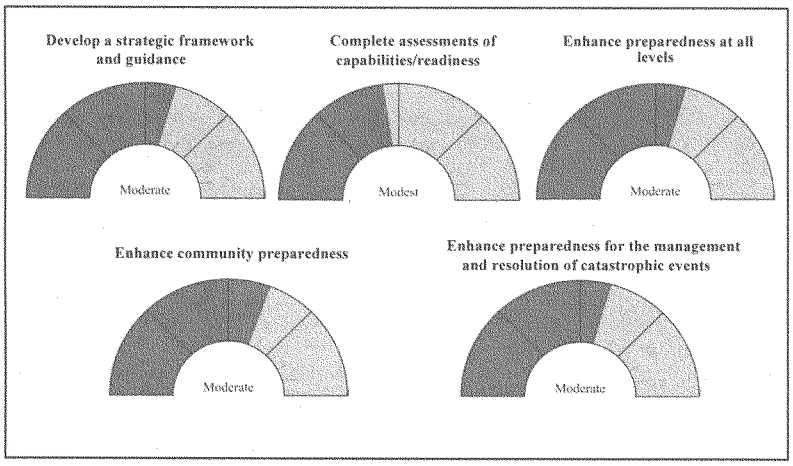
- National Preparedness Vision;
- National Planning Scenarios;
- Universal Task List; and
- Target Capabilities List.

The National Preparedness Vision, as set forth in the Guidelines, is: "A nation prepared with coordinated capabilities to prevent, protect against, respond to, and recover from all hazards in a way that balances risk with resources and need."

The "New FEMA," specifically the National Preparedness Directorate (NPD), is responsible for using the Guidelines to ensure that the Nation is prepared for the next disaster, whether natural or manmade.

We reviewed five critical areas in Overall Planning in which FEMA, led by NPD, is focusing its efforts to respond to the next disaster:

- Develop a strategic framework and guidance for integration of prevention, response, and recovery efforts
- Complete assessments of capabilities/readiness at the national/state/local levels
- Enhance preparedness at all levels
- Enhance community preparedness
- Enhance preparedness for the management and resolution of catastrophic events



Critical Components

Develop a strategic framework and guidance (Moderate) – NPD is charged with developing a single, strategic framework for integration of prevention, response, and recovery efforts of FEMA's various offices and programs. The strategic framework and guidance under development are based on HSPD-8, but officials said they currently have to work from "dozens of different national strategies and directives." Reconciling

multiple sources of guidance hinders achieving "strategic coherence," i.e., coherence among peer strategic documents or generations of documents.

However, FEMA does consider grants one area of growing success in using strategic guidance to steer the use of federal funds toward the National Preparedness Vision. NPD officials said they are seeing results in states' investments of core capabilities.

Complete assessments of capabilities/readiness (Modest) – NPD is currently working to conduct assessments of capabilities and readiness at the national, state, and local levels, but the "assessment problem" is complex. NPD said the assessment task was understated in HSPD-8. The comprehensive state assessment effort currently underway is unique, and according to NPD officials, questions remain about how to collect the right information without undue burden on the states.

NPD officials said that the assessment they are prototyping (a self-assessment) is only one of four components of a comprehensive assessment. Three additional elements are necessary: peer reviews, compliance monitoring, and exercise/corrective action programs. FEMA officials did not say when any of these three remaining elements might be implemented.

NPD finished testing a prototype assessment in December 2007. Conducting the assessments nationwide will require coordination, especially among federal, state, local, and tribal governments, and the private sector. NPD officials said that performing nationwide assessments will be expensive and will require dedicated program support and funding.

The office with principal responsibility for the assessments has a small budget and no separate appropriation, and it did not receive the level of staffing requested. NPD has tried to leverage its funding by augmenting its own staff with working groups and contractors, and programs such as the DHS Science & Technology Centers of Excellence and the Homeland Security Institute. NPD officials said that their past progress was affected by:

- Not having all of the people involved with National Preparedness efforts in one place within the DHS organizational structure;
- Friction between FEMA and the former DHS Preparedness Directorate; and
- Disruption of their analytical resources.

The preparedness realignment prompted by the *Post-Katrina Act* has consolidated preparedness activities, and NPD officials said they believe they are now on the path to achieving unity of effort.

Enhance preparedness at all levels (Moderate) – NPD officials said that while there is a long history of recovery and response planning, the preparedness and protection mission areas are just being built, and these areas and their preparedness requirements are still being defined. The challenge is mostly cultural; for example, federal efforts focus primarily on planning for low probability but high consequence events, e.g., a catastrophic hurricane; while state, local, and tribal efforts tend to focus on events that are more probable but are usually not as damaging, e.g., local flooding or auto accidents. The National Response Framework (NRF) stresses the important balance between these two planning structures. NPD is currently revising a guide for state and local emergency planning, coordinating with core groups and other agencies to plan for a range of potential events.

The NRF, which is intended to guide all-hazards response, was issued on January 22, 2008, with an effective date of March 22, 2008. Officials said that in response to criticism that the first draft excluded stakeholders' concerns, the drafting process was made more inclusive. More than 4,000 individuals participated in briefings, conferences, and training; and hundreds of agencies and individuals provided suggestions for changes.

In working to enhance preparedness, NPD officials face both budget and staffing challenges. The directorate faces an approximately one-quarter vacancy rate, attributable to the temporary effect of realignment and significant workforce attrition. NPD officials said they have the necessary authorities and policies, but they lack the resources to get the job done.

Enhance community preparedness (Moderate) – Since 9/11, there has been increased recognition of the role citizens play in protecting the homeland and supporting first responders. After Hurricane Katrina, the White House recommended that "DHS should make citizen and community preparedness a National priority."[1] Implementation of National Priority 8, "Community Preparedness: Strengthening Planning and Citizen Capabilities," is the responsibility of the Community Preparedness Division (CPD) of the NPD. Three of CPD's community preparedness initiatives are:

- Assessing and strengthening community preparedness;

[1] *The Federal Response to Katrina: Lessons Learned* (The White House, February 2006), p. 121.

- Leading strategic coordination and integration of community preparedness efforts; and
- Initiating partnerships for preparedness research.

A primary goal of CPD is to ensure that community preparedness is included in a consistent way in policy, guidance, training, and exercises. Officials said that while the inclusion of citizen preparedness as a National Priority was a significant step, this is an ongoing challenge that requires actively seeking out "points of cooperation" and educating DHS and FEMA staff on the significant value of community preparedness and planning.

Key to the effort of coordinating and integrating community preparedness efforts is the Citizen Corps program. Citizen Corps was launched in 2002 and has grown to include a nationwide network of over 2,300 state, territorial, tribal, and local Councils. CPD is tasked with coordinating the Citizen Corps initiative at the federal level. Specific efforts underway include developing and providing national guidance, tools, and training for Citizen Corps Councils to support community preparedness and resiliency; and strengthening the National Citizen Corps Council.

As with the other areas, budget and staffing affect the success of CPD's efforts. The office is very small and has a very lean budget. Additionally, long delays in getting Office of Management and Budget (OMB) approval for data collection have hindered state and local data collection and research efforts.

Another challenge is that multiple offices within DHS have responsibility for elements of community preparedness and partnerships with non-governmental entities. Perhaps as an outgrowth of the previous separation of preparedness functions within DHS, other offices develop and support related preparedness education for individuals and preparedness planning activities for communities. For example, the *Ready* campaign[2] is coordinated by the DHS Office of Public Affairs, there is a Center for Faith-Based and Community Initiatives in FEMA, and a Private Sector Office in both FEMA and DHS. Some officials said it might be more effective to place the responsibility for all community preparedness and nongovernmental partnership efforts in a single office.

[2] According to a DHS Fact Sheet, *Ready*, a national public service advertising campaign launched in February 2003, is "designed to educate and empower Americans to prepare for and respond to emergencies including natural disasters and potential terrorist attacks. The goal of the campaign is to get the public involved and ultimately to increase the level of basic preparedness across the nation."

Enhance preparedness for the management and resolution of catastrophic events (Moderate) – NPD officials discussed several planning efforts underway that will enhance preparedness for catastrophic events, including in the Gulf Coast, Florida, the New Madrid seismic zone, and Tier 1 Urban Areas. NPD is responsible for enhancing preparedness through catastrophic planning, but the Disaster Operations Directorate is carrying out the actual planning efforts, with input from FEMA's Disaster Assistance and Mitigation Directorates. The Florida and New Madrid efforts are the largest of the initiatives. The Florida effort focuses on a catastrophic hurricane striking Southern Florida – a "notice" event; and the New Madrid effort plans for a catastrophic earthquake along the New Madrid fault – a "no-notice" event.

FEMA has made and is making significant progress. The primary problem, in our opinion, is that the planning efforts discussed above are very geocentric. For example, the Florida effort may put that state and region in a much better position should a hurricane strike, but if the next catastrophic hurricane hits some other major region along the Gulf or Atlantic coast, it will not be of much help. Disaster Operations officials said that the plans are not very transferrable among jurisdictions; however, they also said that these planning efforts can provide a foundation for additional planning.

Continuing Concerns

Planning is the foundation of FEMA's preparedness efforts, yet budget and staffing shortfalls and continuing reorganizations across FEMA hamper progress. FEMA does not yet have a strategic plan guiding NPD efforts, which would help in prioritizing needs and ensuring that efforts are well-planned and executed.[3] Additionally, the expense of conducting state assessments may prevent their completion.

Given that individual citizens' preparedness can greatly enhance or hamper response, community preparedness planning should receive adequate funding and staff, and be better integrated into planning programs. Consideration should also be given to whether all community and individual preparedness programs should be coordinated by a single office in DHS or FEMA.

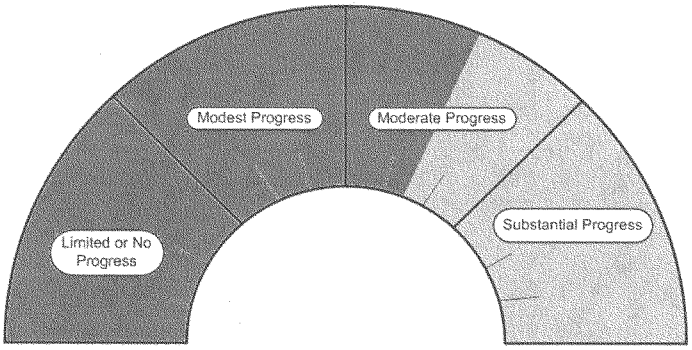
[3] We received a draft document from DHS entitled "Integrated Planning System" (Draft Version 1.4) just prior to finalizing this report; however, it is labeled a "Pre-Decisional Working Paper" that is not yet finalized.

OIG Planned Work and Areas for Continuing Oversight

In 2008, we plan to review the development of FEMA's plans, policies, and procedures that will be used to prepare for, respond to, and recover from a disaster. This will include the ongoing development and implementation of the NRF and its annexes, efforts to enhance community preparedness, and further catastrophic planning.

For this and all other areas covered in the report, we are prepared to deploy to Joint Field Offices to provide independent and objective advice to FEMA officials and to identify, document, and review potential FEMA and state disaster management problems and issues.

Coordination and Support



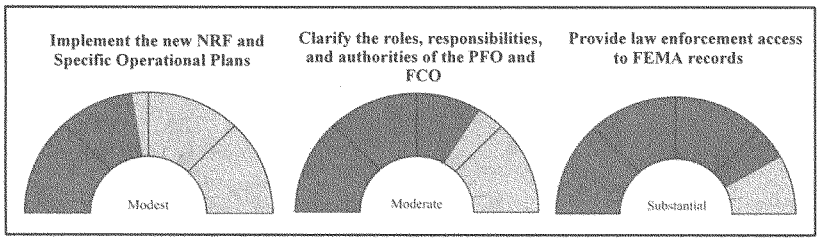
Background

Following the terrorist attacks of September 11, 2001, efforts were undertaken to develop a national planning framework for emergency management. The result of this effort was the creation of the National Response Plan (NRP). The purpose of the NRP was to establish a comprehensive, national, all-hazards approach to domestic incident management across a spectrum of activities including prevention, preparedness, response, and recovery. In May 2005, when DHS released the NRP, it superseded the Federal Response Plan, U.S. Government Domestic Terrorism Concept of Operations Plan, and Federal Radiological Emergency Response Plan.

In August 2005, the NRP was used in response to Hurricane Katrina, but it fell far short of the seamless, coordinated effort that had been envisioned at its creation. Problems ranging from poor coordination of federal support, to confusion about the roles and authorities of incident managers, to inadequate information sharing among responders all plagued the response to this catastrophic disaster. Of particular concern was confusion about the respective roles, responsibilities, and authorities of the Principal Federal Official (PFO) and the Federal Coordinating Officer (FCO).

To assess FEMA's readiness to respond to a future catastrophic disaster, we assessed efforts to:

- Implement the new NRF and Specific Operational Plans
- Clarify the roles, responsibilities, and authorities of the PFO and FCO
- Provide law enforcement access to FEMA records in support of Emergency Support Function - 13 (ESF-13), *Public Safety and Security*



Critical Components

Implement the new National Response Framework and Specific Operational Plans (Modest) – A revised NRP incorporating lessons learned from the 2005 hurricane season was released 9 months after Hurricane Katrina, with additional revisions issued several months later. In September 2006, DHS initiated another revision process of both the NRP and the National Incident Management System (NIMS). FEMA officials said they reviewed several thousand comments on the newly named *National Response Framework* prior to releasing it on January 22, 2008. However, FEMA's National Advisory Council was not established in time to have meaningful input into the development of the NRF.

As part of the National Preparedness Guidelines, DHS developed 15 National Planning Scenarios to establish the range of response requirements to facilitate preparedness planning. However, FEMA officials said that operational plans, which build on the National Planning Scenarios and govern the response to disasters, have not been finalized. FEMA officials told us the DHS Operations Coordination Directorate has responsibility for strategic level planning, whereas FEMA coordinates interagency and intergovernmental concept of operations (CONOPS) and operational planning. The NRF describes interoperability and collaboration as a critical aspect of successful response planning.

Clarify the roles, responsibilities, and authorities of the Principal Federal Official and Federal Coordinating Officer (Moderate) – According to the recently released NRF, the Secretary of Homeland Security is the PFO

responsible for management of domestic incidents, and the FEMA Administrator is the principal advisor to the President, the Secretary of Homeland Security, and the Homeland Security Council on all matters regarding emergency management. The Secretary may elect to designate a single individual to serve as PFO to ensure consistency of federal support as well as the overall effectiveness of the federal incident management. According to the NRF, for *Stafford Act* incidents, upon the recommendation of the FEMA Administrator and the Secretary of Homeland Security, the President appoints an FCO to coordinate federal support in response to and recovery from emergencies and major disasters.[4] The FCO represents the FEMA Administrator in the field to discharge all FEMA responsibilities for response, recovery and mitigation programs.

FEMA officials said that they are confident the NRF clarifies the role of the PFO. FEMA said, "... the PFO, as the Secretary's personal representative, provides the Secretary with real-time situational awareness concerning the overall status of the incident, the involvement of Federal departments and agencies across all mission areas, and the level of coordination among senior Federal officials, and officials of state, local, territorial, and tribal governments, nongovernmental organizations, and the media. The PFO can make the Secretary aware of any coordination breakdowns that may require intervention by executive officials of federal departments and agencies, and assist in elevating issues of national priority or with national policy implications to interagency bodies charged with addressing those matters."[5]

While FEMA officials stressed their confidence in the PFO/FCO clarification, there has been little time to assess whether the clarification is well understood by emergency management practitioners and other stakeholders. It will take additional exercises or an actual disaster before we will know for certain whether the roles are sufficiently clarified and understood in the field.

Provide law enforcement access to FEMA records (Substantial) – Immediately after Hurricane Katrina, concerns were raised about data sharing between law enforcement agencies and FEMA. Months after Hurricane Katrina made landfall, DHS and the Department of Justice (DOJ) executed an agreement providing law enforcement officials direct access to FEMA disaster recovery assistance files for fraud investigations.

[4] The provision of the *Stafford Act* regarding appointment of the FCO reads, "immediately upon his declaration of a major disaster or emergency, the President shall appoint a Federal coordinating officer to operate in the affected area."
[5] Written response from FEMA's National Preparedness Directorate, received November 28, 2007.

In January 2007, DHS and DOJ executed an access agreement for the purpose of locating missing children displaced due to disasters. Recently, FEMA officials said that a third agreement was executed with the United States Marshals Service, which grants limited access to disaster assistance records for the purposes of locating sex offenders and apprehending fleeing felons in the aftermath of a disaster. FEMA said that establishing protocols, procedures, and processes with DOJ to improve data access and information sharing is 75% complete.

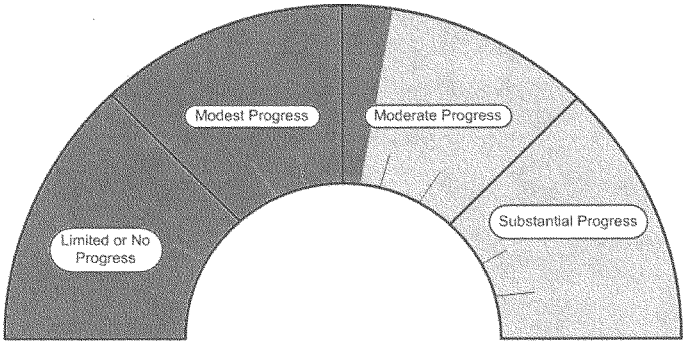
Continuing Concerns

The operational plans that govern the federal response to a disaster are incomplete or have not been adequately reviewed or tested. Also, a single planning system has not been finalized to ensure the integration of strategic, concept, and operational planning across all levels of national preparedness.

OIG Planned Work and Areas for Continuing Oversight

In FY 2008, we will continue to review FEMA readiness and assess its capabilities to respond to the next catastrophic disaster. We plan to determine to what extent FEMA has assessed its capabilities to respond to a catastrophic disaster and how it has used its readiness goals and performance measures in the process. We will also review FEMA's Remedial Action Management Program (RAMP) to determine to what extent FEMA is using RAMP to implement lessons learned from disasters and exercises, which will include a focus on communications and information sharing.

Interoperable Communications



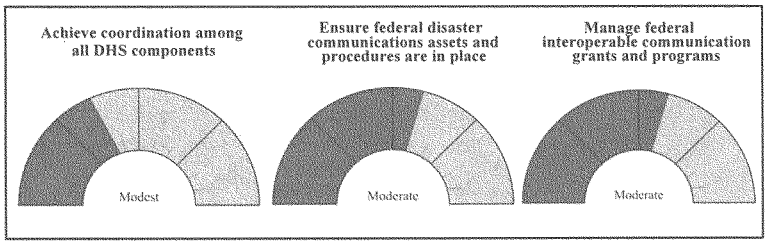
Background

Hurricane Katrina caused significant damages and outages to the entire telecommunications infrastructure in the Gulf region, seriously delaying reporting and coordination, and consequently affecting the efficiency and effectiveness of response efforts. Communication among those responding to a disaster is an essential element of a successful response and recovery effort, yet it is generally recognized that the inability to communicate effectively was one of the major impediments to Hurricane Katrina response efforts. The National Commission on Terrorist Attacks Upon the United States (9-11 Commission) had previously identified interoperable communications between emergency responders as a major challenge.

Subsequent to Hurricane Katrina, numerous reports and recommendations identified a wide range of necessary corrective actions related to interoperability, ranging from improved planning to coordination between all levels of government and the private sector to operational enhancements, such as technological improvements emphasizing wireless communications. The President's National Security Telecommunications Advisory Committee reported in January 2007 that interoperability challenges recognized after 9/11 and Hurricane Katrina included a lack of interoperable equipment at the tactical level, ineffective use of available communications assets caused by poor resource planning, and an overall lack of integrated command structures to enable interoperability.

Multiple components within DHS and FEMA have roles and responsibilities for improving interoperable communications, which is a vital element of disaster response. Also, the duties of the FEMA Administrator, as described in the NRF and *Post-Katrina Act*, include preparation for all-hazard incidents and helping ensure the acquisition of operable and interoperable communications capabilities by federal, state, local, and tribal governments and emergency response providers. We assessed the following critical areas:

- Achieve coordination among all DHS components charged with improving interoperable communications
- Ensure federal disaster communications and operating procedures are in place for disaster response and recovery
- Manage federal interoperable communication grants and programs



Critical Components

Achieve coordination among all DHS components charged with improving interoperable communications (Modest) – Actions taken by DHS to improve disaster response communications and interoperability involved a major reorganization of DHS components charged with advancing communications interoperability. DHS must achieve coordination among all its components, including FEMA, charged with improving interoperable communications, especially with respect to planning and establishing lines of authority, roles, and responsibilities, if success is to be achieved. However, currently there is no single entity to coordinate the ongoing interoperability activities and initiatives.

DHS established the Office of Emergency Communications (OEC) to support "the Secretary of Homeland Security in developing, implementing, and coordinating interoperable and operable communications for the emergency response community at all levels of

government."[6] OEC assumed three major programs from other DHS components:

- The wireless communications programs under the Integrated Wireless Network (IWN);
- The Interoperable Communications Technical Assistance Program (ICTAP); and
- Aspects of the SAFECOM[7] program.

OEC's goal is to better integrate DHS' emergency communications planning, preparedness, protection, crisis management, and recovery capabilities, including attainment of interoperable and emergency communications nationwide.

The Command Control and Interoperability Division, within DHS' Science and Technology Directorate, retained responsibilities for research and development, testing and evaluation, and standards for the SAFECOM program through the Office for Interoperability and Compatibility (OIC). Other programs for which OIC had responsibility were transferred to other DHS components. FEMA is responsible for administering interoperability grants and training. The overarching challenge is to achieve coordination among all of these programs and offices to foster advancement and avoid duplicating efforts.

The *Post-Katrina Act* required the development of a National Communications Baseline Assessment to identify needed capabilities of first responders, assess current capabilities, identify gaps and obstacles, and establish a national interoperable emergency communications inventory. OEC is currently conducting this assessment.

DHS officials told us the National Communications Baseline Assessment would provide the first comprehensive assessment of emergency communications capabilities, including operability and interoperability, across all levels of government. This assessment is intended to incorporate information from the federal perspective, to show the full scope and scale of interoperable emergency communications nationwide. The final assessment and recommendations are expected in May 2008 and will be used to develop the National Emergency Communications Plan.

[6] http://www.dhs.gov/xabout/structure/gc_1189774174005.shtm.
[7] SAFECOM is a DHS program to provide "research, development, testing and evaluation, guidance, tools, and templates on interoperable communications-related issues to local, tribal, state, and federal emergency response agencies" (http://www.safecomprogram.gov/SAFECOM/).

It is important to note that although technological improvements are important, cultural issues related to coordination and cooperation among emergency responders, and standard operating procedures and guidelines, are an equal or greater challenge.

FEMA is developing disaster emergency communications policies and procedures to facilitate effective emergency management, operability, and interoperability during catastrophic events. However, achieving effective coordination among all DHS components specifically charged with improving interoperable communications remains difficult. Each organization continues to operate independently within the limits of its own authorities established during the DHS reorganization. According to the *Post-Katrina Act*, the FEMA Administrator shall provide federal leadership necessary to prepare for, protect against, respond to, recover from, or mitigate against a natural disaster, act of terrorism, or other man-made disaster. However, FEMA officials said they need specific authority to coordinate with and direct DHS components providing emergency communications during disasters to achieve substantial progress in this critical area.

Ensure federal disaster communications assets and operating procedures are in place (Moderate) – FEMA officials said there is a renewed commitment to make emergency communications a core competency of the agency. The Disaster Operations Directorate is responsible for disaster interoperable communications, including tactical and operational functions, such as those provided by the Mobile Emergency Response Support (MERS). MERS provides mobile telecommunications, life and operational support, and power generation required for the onsite management of response activities. MERS capabilities are being enhanced to provide assistance to a wider geographic area and assist with the restoration of disaster area communications within 96 hours. It is anticipated that Incident Response Vehicles with expanded communications capabilities will be available in each of FEMA's 10 regions. FEMA continues to work with state, local, and tribal entities on interoperability plans, available equipment, and multi-jurisdictional interoperability.

FEMA officials said that the agency has hosted or participated in a number of conferences and exercises to share technological resources and knowledge, and practice interoperability across the full spectrum of disaster response operations using deployable systems of partner organizations and first responders. FEMA also has created the Disaster Emergency Communications Division and intends to be an informed and

engaged advocate for disaster emergency communications issues and the communications needs of emergency responders.

Manage interoperable communication grants and programs (Moderate) – From FY 2003 through FY 2006, DHS awarded approximately $2.9 billion in grants to enhance state and local interoperable communications efforts. An additional $1 billion will be distributed through the Public Safety Interoperable Communication Grant Program.

There are no fewer than 10 federal interoperability initiatives underway.[8] In light of the importance of interoperability and such large expenditures to strengthen it, the effective management of federal interoperability grants and programs is essential.

Continuing Concerns

A number of outstanding issues regarding interoperable communications need to be addressed. First, a number of DHS components have specific roles and responsibilities for improving interoperability, yet there is no single mechanism in place to link and orchestrate the numerous programs and initiatives underway, nor is there a clear line of accountability. Second, OEC is currently operating with a skeletal, full-time equivalent staff. OEC has assumed a large portion of responsibilities and programs directed at improving interoperable communications, and it requires additional staff and an adequate budget. Completion of the National Communications Baseline Assessment, incorporation of federal interoperability into SAFECOM, and the acquisition of additional MERS and Incident Response Vehicles are outstanding issues that need to be addressed before the next catastrophic disaster.

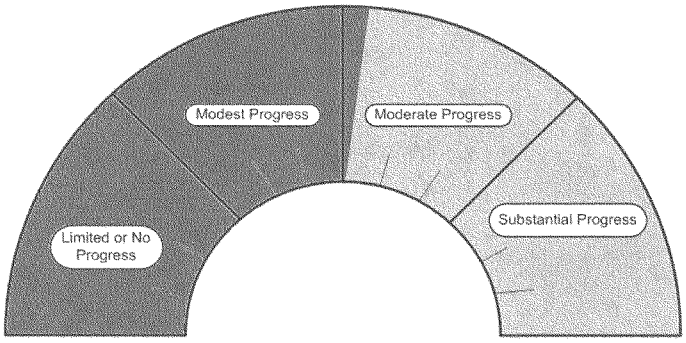
OIG Planned Work and Areas for Continuing Oversight

OIG will conduct an inspection to determine how effectively FEMA and the National Protection and Programs Directorate coordinate challenges with respect to overlapping or shared responsibilities. We also plan to review OneNet, a single network that DHS is deploying to support interoperability and data sharing, to determine DHS' progress in consolidating its networks onto OneNet to achieve operational efficiencies

[8] Interoperability programs and initiatives include: Statewide Communications Interoperability Planning Methodology; Regional Communications Interoperability Pilots; RapidCom 1; Interoperability Continuum; SAFECOM Grant Guidance; Statement of Requirements for Emergency Response Communications; Public Safety Architecture Framework; Standards Acceleration for Interoperable Communications; Tactical Interoperable Communications Plans; Public Safety Interoperable Communication Grant Program; and, Emergency Support Function-2, *Communications*.

and cost savings. We initiated an audit in January 2008 to determine the extent to which FEMA effectively manages grant resources to provide sufficient financial and programmatic monitoring of all grants, including interoperability grants.

Logistics



Background

In April 2007, as part of the FEMA reorganization, logistics was elevated from a branch to a directorate-level program office – the Logistics Management Directorate. Logistics is the agency's major program office responsible for logistics policy, guidance, standards, execution, and governance of logistics support, services, and operations. Its mission is to effectively plan, manage, and sustain the national logistics response and recovery operations, in support of domestic emergencies and special events. Logistics is organized around four core competencies:

- Logistics Operations;
- Logistics Plans and Exercises;
- Distribution Management; and
- Property Management.

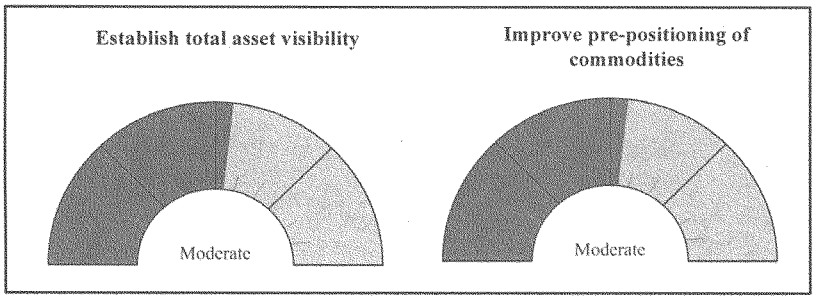
In times of domestic disasters, FEMA's logistics responsibilities include acquiring, receiving, storing, shipping, tracking, sustaining, and recovering commodities, assets, and property.

Logistics' ability to track commodities is one of the keys to fulfilling its mission. The disasters of 2004 and 2005 highlighted FEMA's lack of standardized policies and procedures, as well as inconsistencies stemming from multiple, independent computer and paper-based systems that generated incompatible tracking numbers not readily crossed-referenced. During Hurricane Katrina, FEMA largely relied on the Logistics Information Management System (LIMS) for property management, and

manual spreadsheets and paper processes, telephones, faxes, and emails to track and gain visibility over commodities movements.

FEMA management is focused on improving the logistics core competencies to a level that will effectively and efficiently respond to a catastrophic disaster. We reviewed two critical areas to gain a sense of FEMA's progress in efforts to:

- Establish total asset visibility (TAV)
- Improve pre-positioning of commodities



Critical Components

Establish total asset visibility (Moderate) – After the 2004 hurricane season, FEMA recognized a need for an improved TAV program. At the time Hurricane Katrina struck, however, the TAV program was not fully tested. Prior to 2004, FEMA had invested in multiple systems to support its unique inventory needs, but they were not well integrated, often overlapping and duplicating efforts.

At the end of 2004, FEMA initiated the TAV concept and system, which incorporated an automated system to improve visibility via Global Positioning System (GPS) tracking technology, to give FEMA visibility over the supply chain from inventory to delivery. FEMA planned to roll out the pilot TAV system (Phase 1) in 2005, but this was delayed when Hurricane Katrina struck, and the roll-out did not occur until February 2006. Currently, the TAV system is able to track the movement of more than 200 types of assets and commodities, with a primary focus on the "Big 8" commodities: water, emergency meals (MREs), blue roof plastic sheeting, tarps, cots, blankets, temporary housing units, and emergency

generators. However, FEMA personnel said that there are many gaps in the system. The current TAV system capability integrates a suite of systems to provide order visibility, order management, and in-transit visibility. FEMA is using the TAV system at FEMA headquarters and all 10 regions, plus a warehouse management system at distribution centers in Atlanta, Georgia and Fort Worth, Texas.

FEMA personnel said that two of the primary challenges to improving the TAV system are retaining a sufficient amount of staffing and overcoming TAV user resistance from the field. Officials said that field resistance is being addressed by increasing communications throughout FEMA and by providing role-based training.[9]

Improve pre-positioning of commodities (Moderate) – The specific type and quantity of commodities and support assets that the public will need in the aftermath of a disaster or other incident varies, but emergency response experience indicates some common needs. These include water (usually bottled), MREs, cots, blankets, tarps, and emergency generators. Typically, state and local governments meet their initial citizens' needs for common commodities, but when state and local governments' capabilities are exceeded, the state may request FEMA's assistance. FEMA personnel said they did have supplies pre-positioned during the 2005 hurricane season, but the quantities were insufficient and delivery was not timely.

In preparation for the 2006 hurricane season, FEMA pre-deployed more than 1,000 tractor-trailers containing disaster response supplies to hurricane prone states. The pre-deployment was undertaken despite the knowledge that some supplies were at risk, especially perishable items stored in non-temperature-controlled trailers in extreme heat. After the 2006 hurricane season, Logistics reevaluated and modified its pre-positioning planning and strategy for the 2007 season. Logistics estimated that to pre-position commodities in the 11 hurricane prone states alone would cost $357 million.[10] FEMA has determined through in-depth analysis that pre-positioning commodities is not logistically prudent nor an effective use of taxpayer funds. Instead, FEMA is increasing its emphasis on identifying alternatives for meeting support requirements in a timely manner by strengthening relationships with public and private sector partners such as the Defense Logistics Agency (DLA), U.S. Army Corps

[9] In a separate audit being conducted by our office, auditors were told by FEMA field staff that "resistance" stems from the TAV system not meeting their functional requirements. Field staff said that they were optimistic about TAV and anxious to use it, but the system needs further development before it will perform as necessary without requiring augmentation from other systems.

[10] This figure includes estimated costs for commodities in Regions I, II, III, IV, and VI, and transportation costs in Regions IV and VI.

of Engineers (USACE), American Red Cross, and General Services Administration (GSA). It has set a goal to support 1 million people and 20,000 federal responders within 72 hours of a "no-notice" event. Interagency agreements are expected to provide FEMA with MREs, fuel, ice, medical supplies, water, cots, blankets, tarps, and heavy equipment.

In an effort to develop a more responsive, flexible, and sustainable supply chain management strategy, Logistics established a Distribution Management Strategy Working Group. The Working Group has begun to galvanize the national logistics response partner community and is developing and documenting an integrated national policy and strategy for managing and controlling inventory, strategic positioning, and distribution of critical commodities, resources, equipment and services. The Working Group will support Logistics as the National Logistics Coordinator (NLC), which will collaborate with other federal agencies such as GSA, Department of Defense (DOD), DLA, Department of Health and Human Services, USACE, and Department of Agriculture, in addition to public and private sector partners, nongovernmental organizations, and other stakeholders, ensuring a fully coordinated and effective service and support capability. A NLC kick-off forum is scheduled for the end of March 2008 to develop a mission statement, discuss ongoing logistics challenges, and form integrated working subgroups to identify and develop solutions.

Continuing Concerns

Logistics has made progress in a number of areas but still needs to develop standardized policies and procedures, effective internal controls, and sufficient funding and resources.

OIG Planned Work and Areas for Continuing Oversight

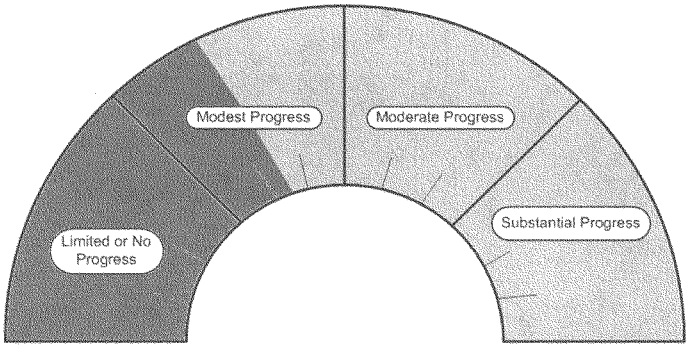
Our work plan for FY 2008 includes reviews on the extent of improvements made in logistics management since Hurricane Katrina and what additional changes are needed, including how FEMA will:

- Determine what is needed and where it is needed;
- Coordinate requirements with state and local governments;
- Coordinate with federal agencies and other response organizations;
- Identify the best sources for needed resources;
- Track deliveries;
- Maintain adequate logistics staffing;
- Communicate throughout the logistics process; and

- Evaluate and report on their performance.

We also are planning an audit to determine the effectiveness of FEMA's plans and approaches to reengineering its disaster-related logistics processes and improving the capabilities for supporting IT systems.

Evacuations



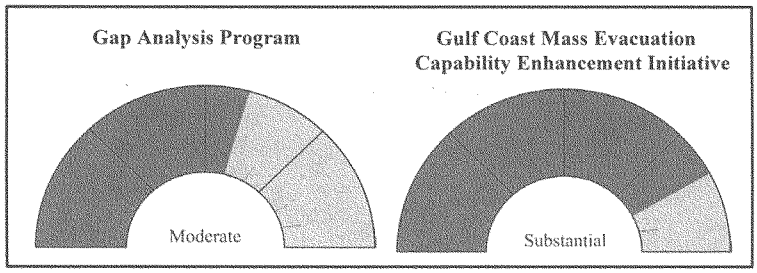
Background

Initial responsibility for the evacuation of individuals from disaster areas lies with state and local government. However, when state and local emergency management systems become overwhelmed, an affected state, through the authorities provided by the *Stafford Act*, may request assistance from FEMA. This assistance may include the reimbursement of costs incurred by the state or may include direct assistance such as providing buses, trains, and air ambulances for evacuation. In the aftermath of hurricanes Katrina and Rita, it became apparent the federal government might need to put resources into place proactively when state and local governments delay or are unable to request assistance. According to one FEMA official, the agency is now working to better position itself to provide "accelerated federal assistance" to respond to a disaster. FEMA is also working with state and local officials to identify shortcomings in existing evacuation plans and find ways to mitigate those shortcomings prior to a disaster.

There is no one office at FEMA responsible for federal evacuation planning and operational efforts. Responsibility spans several directorates, including Logistics, Disaster Operations, and Disaster Assistance, as well as the Office of Acquisition Management. For this reason, it was difficult to gain a clear picture of FEMA's progress in preparing for a future disaster in the area of evacuations.

We gathered information on several specific planning initiatives underway in the area of evacuations. Catastrophic planning initiatives were discussed above in the section on Overall Planning. We also reviewed the following specific initiatives:

- Develop Gap Analysis Program (GAP)
- Enhance Gulf Coast Mass Evacuation Capability Enhancement Initiative



Critical Components

Develop Gap Analysis Program (Moderate) – GAP, which began in February 2007, focuses on gathering information needed to ensure operational readiness at the local, state, and federal levels. It serves as the starting point for planning efforts, beginning at the local level and working up through the states, to FEMA regions, and then to FEMA Headquarters entities. The first iteration of the GAP, conducted in 18 states, was completed in preparation for the 2007 hurricane season. It focused on seven critical areas where needs of citizens must be addressed in the first 72 hours after a disaster: mass evacuation, sheltering, interim housing, fuel distribution, commodities distribution, debris removal, and medical needs. Interoperable communications was considered for inclusion, but it was left out because this area is being covered by different assessment efforts. For the 2008 assessment, officials decided to drop interim housing since it is not actually necessary in the first 72 hours, and they added search and rescue.

While the first iteration of GAP was completed in time for the 2007 hurricane season, officials recognized that there might be inaccuracies in the data. FEMA officials said some states may have downplayed their assets and capabilities, thinking this would qualify them for additional federal funding. Other states may have overstated their assets and

capabilities, not wanting it known that they were not well prepared. Regardless of data accuracy, officials said they believe the GAP succeeded in prompting many state and local officials to think about their own response strategies and their expectations of assistance from other governmental entities.

Besides providing data on state and local capabilities, officials said GAP is helping to build trust between local, state, and federal partners. GAP is also helping officials at all levels of government to identify options, as well as manage expectations for what assistance other governmental entities will be able to provide to them. FEMA officials stated that, in the past, some states saw FEMA as a "department store," in that they could expect to get what they needed, when they needed it. GAP gives FEMA officials a better idea of what preparations state and local governments have made, what assets they have, and where additional assistance might be needed. With needs identified, FEMA can tap into its interagency partners to arrange additional assistance.

Officials indicated that GAP is a high priority in the budget but, as with other initiatives, more money, people, and time are needed. A lack of funding, which results in a lack of staffing, has slowed down the completion of the first round of GAP analyses for all states. Officials said they have the authority they need to carry out the GAP analyses, but they expressed frustrations in the area of IT. They do not have a dedicated IT staff for GAP, and they have been told they must use in-house IT support even though they believe they could get better IT support, including better analysis tools, by using a contractor.

Enhance Gulf Coast Mass Evacuation Capability Enhancement Initiative (Substantial) – The Gulf Coast Mass Evacuation Capability Enhancement Initiative was a structured program, carried out between April 2007 and July 2007, that targeted the Gulf Coast region's (excluding Florida) evacuation needs. Hurricane Katrina demonstrated a number of evacuation challenges, including ensuring adequate transportation for evacuees, ensuring other states' willingness to accept evacuees, and coordinating resources, including buses and other modes of transportation, to ensure that localities were not relying on the same resources in their individual evacuation plans.

A FEMA team, comprising Region IV and Region VI personnel, and supplemented with contractors, worked with state officials in states that might need to evacuate citizens and in states that might be in a position to host evacuees, to determine where and how citizens would be moved. The goal was to develop an organized plan for evacuating states and to have

state-to-state agreements in place for transporting and sheltering evacuees. For example, Louisiana and Alabama came to agreement on how they would handle evacuees between the two states. An important by-product of the initiative was starting a dialogue with and between states to discuss their planning shortcomings and how states could help one another.

Since the initiative was a one-time planning effort that is now complete, the responsibility for continuing the planning process will fall to FEMA's regional offices. For planning to proceed from the FEMA Headquarters level, additional funding would be necessary. This initiative merits the rating of substantial progress; however, despite repeated requests, FEMA has not yet provided us with the final report, i.e., briefing slides, on this project. Consequently, we cannot opine with certainty that this initiative met its intended results.

Continuing Concerns

The two programs highlighted above have helped FEMA in assessing evacuation needs and enhancing evacuation planning. However, adequate funding for continuing evacuation planning is an issue. Additionally, because of the multiple offices and disciplines involved in evacuation planning, FEMA should establish a single entity to take "ownership" of overall evacuation planning and implementation.

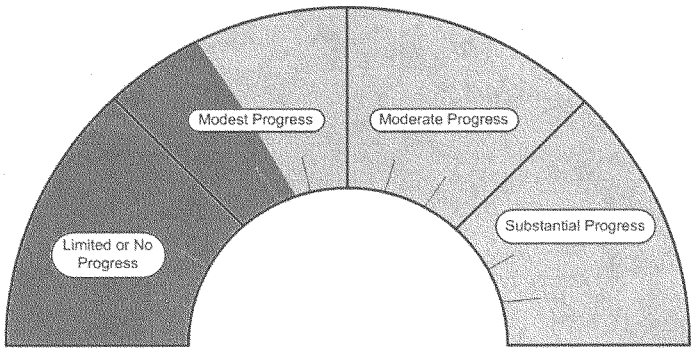
Of the FEMA officials we spoke with, only one senior leader articulated an overall strategy for coordinating federal evacuation efforts across directorates, but no documentation was provided to support this claim of coordination. FEMA provided the Mass Evacuation Incident Annex to the NRF, but this document is still in draft and has not been finalized. Recognizing the span of responsibility across directorates/offices, FEMA needs an overarching strategic plan if federal evacuation efforts are to be successful.

OIG Planned Work and Areas for Continuing Oversight

We plan to continue to review FEMA's evacuation policies, plans, and procedures as they are developed. Of particular interest will be the final version of the Mass Evacuation Incident Annex to the NRF and the evacuee tracking system being developed. We plan to review FEMA's:

- Plans for mass care operations;
- Development of a new National Sheltering System; and
- Coordination plans for mass evacuations.

Housing



Background

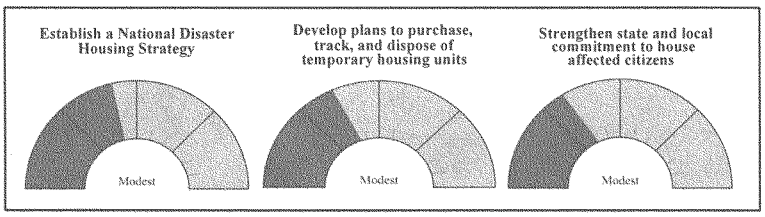
After a Presidential disaster declaration, FEMA leads the federal response by coordinating federal resources to support local, tribal, and state governments and voluntary agencies in providing housing to those displaced by a disaster. One of the major criticisms of FEMA after Hurricane Katrina focused on FEMA's inability to provide immediate, short-term housing assistance to evacuees, and then transition those still in need to more permanent forms of housing.

In any major disaster, such as Hurricane Katrina, the availability of hotels, motels, and other rental units for disaster victims within a reasonable commute is very limited due to damage to these facilities and the need to house victims, as well as recovery workers. Housing assistance for disaster victims may include factory-built, semi-permanent, or permanent construction housing,[11] including handicapped-accessible housing; rental, repair, or replacement assistance; loan assistance; and referrals and access to other sources of housing assistance. According to FEMA, the National Disaster Housing Strategy (NDHS) will help guide future disaster housing assistance, but during the time of our review this document was still in draft.

We reviewed three critical components to assess FEMA's progress in efforts to:

[11] The *Post-Katrina Act* allows for semi-permanent and permanent construction.

- Establish a National Disaster Housing Strategy
- Develop plans to purchase, track, and dispose of temporary housing units
- Strengthen state and local commitment to house affected citizens



Critical Components

Establish a National Disaster Housing Strategy (Modest) – When Hurricane Katrina struck the Gulf Coast region, there were not adequate plans in place at the federal, state, or local level to deal with the unprecedented movement of displaced evacuees or to provide sheltering or transitional housing on the scale required after this catastrophic disaster. According to FEMA officials, FEMA began assisting states in catastrophic disaster planning in 1998, but did not follow through with the effort due to a lack of sufficient funding at both the federal and state levels. Furthermore, the NRP, which guided the response to Hurricane Katrina, did not explicitly address catastrophic disaster housing plans.

The *Post-Katrina Act* requires FEMA to develop, coordinate, and maintain an NDHS. According to FEMA, the NDHS, which is intended to complement and support the NRF, will convey national guidance, operating principles, and a vision for public (federal, state, tribal, local), private, and nonprofit cooperation in providing disaster-housing assistance. It will also define the roles, programs, authorities, and responsibilities of all entities involved, detailing shared responsibilities and emphasizing the cooperative efforts required to provide disaster-housing assistance. While catastrophic housing is to be addressed by the NDHS, FEMA officials said that there is a lack of adequate funding and resources to test the strategy once it has been finalized.

At the time of our review, the draft NDHS was still being reviewed, coordinated, and refined among FEMA and its interagency partners. The lack of a comprehensive disaster housing strategy could have a significant

impact on FEMA's ability to meet housing needs for disaster victims in a future catastrophic disaster.

Develop plans to purchase, track, and dispose of temporary housing units (Modest) – FEMA has traditionally relied primarily on two housing options for evacuees: rental units and manufactured housing (mobile homes and travel trailers). Despite having purchased thousands of temporary housing units in the past 2 years, FEMA still lacks clear plans on how to speedily put these units in place to house evacuees. FEMA officials said that they are now attempting to take specific corrective actions to improve how they use their housing options.[12]

Under FEMA's Recovery (Interim) Policy 1003, FEMA will establish an annual baseline inventory for fully mission-capable temporary housing units, including travel trailers and mobile homes. This policy will guide FEMA in maintaining a sufficient inventory of temporary housing units to meet an immediate demand after a declared disaster. For calendar year 2007, the inventory baseline was set at 13,500 units. The inventory levels are to be adjusted annually. In FY 2008, it is FEMA's goal to have three to five indefinite delivery/indefinite quantity contracts in place for commercial production of housing units. These units will be built based on FEMA's specifications and standards, and will include units that comply with Uniform Federal Accessibility Standards for people with disabilities. FEMA's new specifications for housing units are intended to ensure that new units are designed and constructed to emit limited levels of formaldehyde that are well below industry and Department of Housing and Urban Development (HUD) standards, and units will be tested to ensure they meet these specifications.[13]

FEMA officials said they are continuing to make improvements to the Individual Assistance Technical Assistance Contracts (IA-TAC), which are used when needed to support FEMA's housing mission after a disaster. FEMA's goal for the most recent IA-TAC contracts is to have a more comprehensive pre-disaster contract in place that will better address accountability, quality assurance, and tracking. FEMA officials said there is much work to be done in developing pre-disaster contracts for procurement of housing units and in developing an agency-wide strategy

[12] During our review, the Centers for Disease Control and Prevention and FEMA released the preliminary results of the testing for formaldehyde in travel trailers and mobile homes. The results indicate that unacceptable levels of formaldehyde were detected in both types of units. The FEMA Administrator stated "We [FEMA] will not ever use trailers again." We plan to review FEMA's current use of travel trailers and mobile homes, as well as their progress in developing alternative strategies for housing evacuees.

[13] Due to the recent developments on mobile homes and travel trailers, FEMA may modify this housing policy.

for disposing of housing units. Logistics currently expends significant resources storing units that may never be used again because there is no clear disposition strategy in place.

FEMA's Joint Housing Solutions Group has been actively working to review and assess new, innovative forms of temporary alternative housing, to determine whether any can be used to assist in a catastrophic disaster environment.

Strengthen state and local commitment to house affected citizens (Modest)
In the wake of Hurricane Katrina, a number of local communities were very reluctant, or even directly refused, to accept FEMA mobile home and travel trailer group sites in their communities. In some cases, state or local governments agreed to temporary housing sites, but then reversed their decision after housing installation had begun. Each time this happened, FEMA was further delayed in housing disaster victims and incurred additional costs.

FEMA's current Mass Sheltering and Housing Assistance strategy to support catastrophic housing needs starts with exploiting all available existing rental or vacant household dwellings in the affected area, then expanding outward into other jurisdictions or states. FEMA, in conjunction with HUD, is developing a HUD-FEMA Housing Portal. This portal will provide housing information in a consolidated format accessible to disaster victims and FEMA housing staff to assist individuals and families in finding rental housing following a Presidentially declared disaster. However, FEMA still lacks some of the resources necessary to successfully and expediently execute the strategy, and many states have restricted the number of out-of-state evacuees they are willing to accept, potentially restricting access to otherwise available housing units. FEMA housing officials said that the absence of universal acceptance by state and local governments for contingency housing missions will inhibit an optimal response.

Continuing Concerns

While FEMA is striving to improve its disaster housing assistance strategy and coordination, it needs to develop and test new and innovative catastrophic disaster housing plans to deal with large-scale displacement of citizens for extended periods. Traditional housing programs for non-traditional disaster events have been shown to be inefficient, ineffective, and costly. The FEMA Administrator has stated that FEMA will never use trailers again. This raises concerns about how FEMA plans to

temporarily house disaster victims for future disasters when hotels, motels, and other rental units are often unavailable due to damage.

In July 2007, FEMA entered into an interagency agreement with HUD to administer the Disaster Housing Assistance Program (DHAP). The DHAP provides temporary housing assistance, by means of a monthly rent subsidy, to eligible families displaced by hurricanes Katrina and Rita. Under the interagency agreement, HUD will act as the servicing agent for this program. FEMA needs to carefully monitor the services provided by HUD and the costs associated with them.

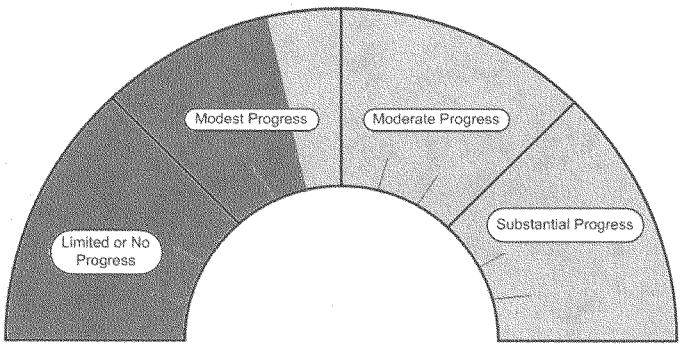
FEMA needs to improve communications with state and local governments and other agencies with respect to disaster housing assistance, particularly with respect to what assistance FEMA can be expected to provide after a disaster. FEMA also needs to improve the program guidance for state and local governments.

OIG Planned Work and Areas for Continuing Oversight

We are currently reviewing how well FEMA is managing its housing program transition efforts, what role other federal agencies should have in transitional housing, and whether FEMA has devised a road map for transitioning disaster victims from transitional housing sites to more permanent types of housing. We also are concluding a review that examined to what extent FEMA's transitional housing program met the needs of hurricane victims.

Additionally, we plan reviews of other FEMA housing-related activities, such as strategies for addressing persistent transitional housing issues, to what extent FEMA is using its Remedial Action Management Program to implement lessons learned from Hurricane Katrina and other disasters, the efficacy of the Emergency Housing Unit Program, and duplication of benefits under the disaster housing home repair grant assistance program.

Disaster Workforce



Background

The need for a trained, effective disaster workforce is one issue mentioned consistently in reports regarding FEMA's response to Hurricane Katrina. FEMA's disaster workforce consists mainly of reservists who serve temporarily during a disaster with no employee benefits. FEMA struggled to provide adequate numbers of staff in response to Hurricane Katrina and did not have the automated support needed to deploy over 5,000 disaster personnel on short notice. New hires did not receive adequate training during FEMA's accelerated orientation process, and FEMA lacked a central training records management system. The shortage of qualified staff for key positions responding to Hurricane Katrina negatively impacted the effectiveness of FEMA's response and recovery operation.

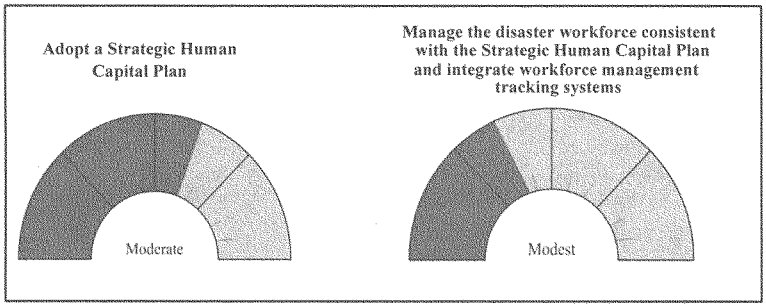
The *Post-Katrina Act* provides for the rebuilding of FEMA's permanent and reserve workforces through tools such as a strategic human capital plan, structured career paths, and recruitment and retention bonuses. The *Post-Katrina Act* also requires a plan to establish and implement a surge workforce, including an adequate number of properly trained personnel to meet specific response-team capabilities.

As FEMA and DHS have evolved, the disaster workforce structure and systems have not kept pace. Since 1992, FEMA has initiated 12 studies to look at the use and structure of its disaster workforce; however, FEMA

has not implemented the recommendations from any of those studies. In FY 2006, FEMA obligated over $2 million for another examination of its disaster workforce, to remedy problems in three major areas: workforce structure, automated workforce management systems, and training and credentialing. This initiative resulted in a report entitled "FEMA: A New Disaster Reserve Workforce Model," dated September 30, 2007. FEMA is in the planning stages of implementing recommendations from this study.

We reviewed two critical areas identified as weaknesses after Hurricane Katrina to assess FEMA's efforts to:

- Adopt a Strategic Human Capital Plan, including specific strategies for the development of a surge capacity disaster workforce
- Manage the disaster workforce consistent with the Strategic Human Capital Plan and integrate workforce management tracking systems to deploy, train, and credential disaster workforce employees



Critical Components

Adopt a Strategic Human Capital Plan, including specific strategies for the development of a surge capacity disaster workforce (Moderate) – FEMA has been criticized by both GAO and our office for not having a Strategic Human Capital Plan (SHCP). FEMA outsourced the preparation of this plan and expected to deliver it to Congress in December 2007. FEMA officials said that the disaster surge workforce capacity planning requirements of the *Post-Katrina Act* will be addressed through the work of a separate contractor. To its credit, FEMA met its goal of increasing permanent, full-time staff to 95% of allowed on-board level by June 2007, hired a new Human Capital Director and Deputy Director, and began a project to optimize the Human Capital Division. However, more work

remains, including finalizing the SHCP and ensuring that newly hired staff are fully trained.

Manage the disaster workforce consistent with the Strategic Human Capital Plan and integrate workforce management tracking systems (Modest) – In December 2006, FEMA hired a contractor to develop a new disaster reserve workforce model to support FEMA's vision of being the Nation's preeminent emergency management agency. The contractor's report, entitled "FEMA: A New Disaster Reserve Workforce Model," makes recommendations for structuring the disaster workforce and lays out a roadmap for accomplishing the recommendations. One significant recommendation is to establish a director-level office, the FEMA Office of Reserves, to improve the effectiveness and efficiency of professional operations and to drive integrated efforts from an agency-wide perspective. The study also discusses realigning and reducing FEMA's disaster cadres from 23 to 9.

The study recommends:

- Establishing clear lines of authority and responsibility within a new Office of Reserves;
- Providing employee benefits to disaster workforce reservists;
- Increasing training and credentialing funds; and
- Creating consolidated systems to track the deployment and training of the disaster workforce.

FEMA has assigned a Project Management Officer to determine the feasibility of implementing these and other recommendations, including establishing a FEMA Office of Reserves.

Most of these recommendations are not new. FEMA has historically been slow to implement effective change for its disaster workforce. FEMA has already studied this problem 12 times but did not implement recommendations from any of the previous studies. FEMA said that a lack of funding is the reason for its inability to implement previous recommendations.

Continuing Concerns

FEMA has not taken advantage of two relatively quiet hurricane seasons since Hurricane Katrina to make needed changes to its Disaster Workforce. FEMA reports that it does not have the budget, staffing, policies, authorities, or IT needed to implement the corrective actions. Indeed, if the sweeping disaster workforce changes recommended a

number of times by Congress, GAO, our office, and FEMA contractors are to be made, adequate funding must be provided to ensure the success of recommended actions. Some of the recommended changes also will require legislative action to amend the *Stafford Act*.

FEMA has not completed 18 of the 36 corrective actions (50%) that it agreed to take in response to disaster workforce-related recommendations in our FY 2006 report, "A Performance Review of FEMA's Disaster Management Activities in Response to Hurricane Katrina." All but one of the incomplete actions originally had target completion dates before June 2007.

FEMA also has not completed or could not verify the completion of six of nine workforce-related actions required by the *Post-Katrina Act*. The six incomplete or unconfirmed actions are:

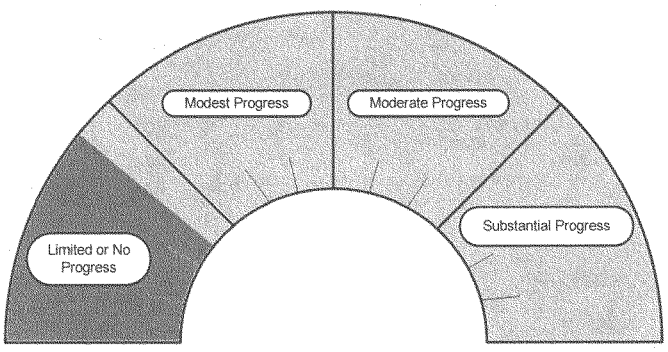
- Developing a Strategic Human Capital Plan;
- Establishing career paths;
- Conferring with state, local, and tribal government officials when selecting Regional Administrators;
- Training regional strike teams as a unit and equipping and staffing these teams;
- Implementing a surge force capacity plan; and
- Providing a report describing progress towards integrating LIMS, the Automated Deployment Database, and the National Emergency Management Information System.

The congressionally mandated due dates for these actions ranged from March 2007 through July 2007.

OIG Planned Work and Areas for Continuing Oversight

We are currently completing work on a follow-up audit of six disaster workforce-related recommendations in our FY 2006 report, "A Performance Review of FEMA's Disaster Management Activities in Response to Hurricane Katrina." This audit also includes an evaluation of FEMA's progress in complying with the disaster workforce-related requirements in the *Post-Katrina Act*.

Mission Assignments



Background

FEMA is responsible for coordinating the urgent, short-term emergency deployment of federal resources to address immediate threats and for stewardship of the associated expenditures from the Disaster Relief Fund. FEMA uses mission assignments (MA) to request disaster response support from other federal agencies. Past audits and reviews regarding MAs have concluded that FEMA's management controls were generally not adequate to ensure:

- Deliverables (missions tasked) met requirements;
- Costs were reasonable;
- Invoices were accurate;
- Federal property and equipment were adequately accounted for or managed; and
- FEMA's interests were protected.

MA policies, procedures, training, staffing, and funding have never been fully addressed by FEMA, creating misunderstandings among federal agencies concerning operational and fiduciary responsibilities. FEMA guidelines regarding the MA process, from issuance of an assignment through execution and close-out, are vague.

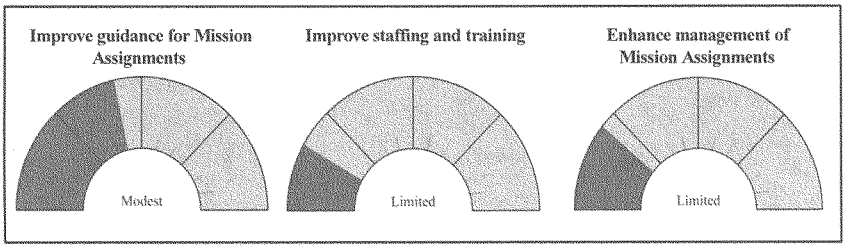
In early 2006, FEMA began working with DOD and other federal agencies to improve the MA process and also launched an interagency MA training program. The Emergency Management Institute (EMI) offers an MA

orientation course and an introductory course on MA processing, and is currently developing an online independent study course that presents an overview of the MA process.

In November 2007, FEMA initiated an ambitious project to re-engineer the processes, relationships, and resources involved in managing MAs. Reflecting upon lessons learned from Hurricane Dean, the California wildfires, and TOPOFF-4,[14] FEMA's Disaster Operations Directorate formed an intra/interagency Mission Assignment Working Group (MAWG) to review MA processes and procedures and develop recommendations for the management of MAs. The effort focused on meeting the goals of FEMA's FY 2008-2013 Strategic Plan issued in draft in November 2007, complying with congressional mandates, and responding to various audits and studies. It is anticipated that the review, development, and implementation of these improvements will be completed by June 2008.

We reviewed three critical components to assess FEMA's efforts to:

- Improve guidance for mission assignments, i.e., regulations, policies, and operating procedures
- Improve staffing and training
- Enhance management of mission assignments



Critical Components

Improve guidance for mission assignments, i.e., regulations, policies, and operating procedures (Modest) – The MAWG's Strategic Plan identifies the goal of having new policies, procedures, training materials, and

[14] Top Officials (TOPOFF) is the nation's premier terrorism preparedness exercise, involving top officials at every level of government, as well as representatives from the international community and private sector.

recommended revisions to federal regulations and possibly legislation completed by the beginning of hurricane season 2008. The MAWG has focused much of its attention on pre-scripted MAs, which are essentially mission assignment templates that are used to facilitate planning for certain repetitive response activities, and to reduce the time it takes to deploy federal resources. Pre-scripted MAs describe other federal agencies' resources or capabilities that are commonly called upon during an incident response. They are intended to facilitate a more rapid delivery of the types of federal assistance frequently requested.

FEMA officials said there are 223 pre-scripted MAs under development and listed in the operational working draft of the "Pre-Scripted Mission Assignment Catalogue," which FEMA intends to publish by June 2008. FEMA has developed a standard operating procedures (SOP) manual for MAs that outlines the policies, procedures, and processes that FEMA uses to collaborate with other federal agencies and organizations when responding to disasters and intends to release an updated draft of this manual in March 2008.

Overall, the process for developing pre-scripted MAs is well-established now and ready for use in future incidents. FEMA plans to post approved pre-scripted MAs to the Homeland Security Information Network (HSIN) to increase interagency coordination and real-time situational awareness. However, these pre-scripted MAs are only one of an assortment of tools for conducting response operations and do not, by themselves, provide a complete picture of FEMA's readiness to carry out mission assignments. Additionally, our audit of HSIN disclosed that this network is not used extensively by those in the emergency management community and may not be the best avenue to make other federal agencies aware of pre-scripted MAs.[15]

Improve staffing and training (Limited) – FEMA senior management seems to recognize the considerable interaction and collaboration that the MA process requires to ensure that the process works for all players, not merely FEMA. It is essential to incorporate *all* aspects and resources of the process. This includes the people who administer the process, the processes used to deliver assistance, the governing policies, and the performance necessary to ensure that expectations are realized and missions accomplished effectively.

The most substantial MAWG recommendation concerned the establishment of and investment in MAs as a program area rather than a

[15] *Homeland Security Information Network Could Support Information Sharing More Effectively* (OIG-06-38, June 2006).

collateral functional process or duty that only comes into play during an incident response. The MAWG participants see development of an MA program office, with dedicated full-time staff and management team, pre-established budget, and officially delegated authorities and responsibilities, as the best chance for substantial improvement in all aspects of the MA process.

Effective incident response also hinges on leaders and on-scene operators who are trained and prepared to act. During a crisis, there is little time to determine staff qualifications, and it is vital that qualifications be pre-identified and appropriately aligned with the incident. According to the MAWG's Strategic Plan, FEMA intends to develop a schedule of appropriate training by March 2008, which will be conducted through June 2008. The MAWG also plans to identify a cadre of MA managers and will introduce a credentialing program.

Enhance management of mission assignments (Limited) – Managing and accounting for MA resources is crucial to the management of the federal response to an incident. The current MA data collection/information system, Enterprise Coordination and Approvals Processing System (eCAPS), was designed with a focus on the administrative aspects of documenting, approving, and reporting on MAs, rather than tracking the actual work requested and performed, or on the status and outcomes of missions assigned. New processes developed by the MAWG will need to be reflected in updated information systems. Modifications to the eCAPS system have recently begun that provide more user-friendly features, and provide a better audit trail with improved search capabilities, thereby reducing the likelihood of MA duplications resulting from manual processes.

Continuing Concerns

Support from FEMA management will be required to implement the MAWG's Strategic Plan, which calls for an infrastructure overhaul of the MA process. A significant investment of resources – personnel, training, time, and budget – will be required to begin the re-engineering efforts. After the revised infrastructure has been put into place, an MA program office will need resources to sustain the effort.

OIG Planned Work and Areas for Continuing Oversight

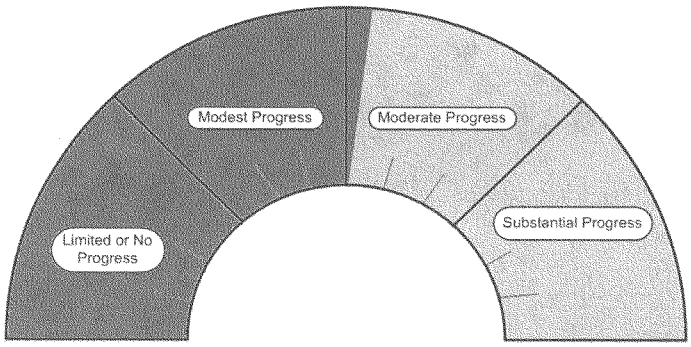
We are planning to audit FEMA's management of MAs to determine to what extent FEMA is:

- Establishing MA requirements and identifying appropriate capabilities to fulfill those assignments;
- Coordinating and monitoring the implementation of MAs;
- Ensuring that MA expenditures are verified and that procured property is accounted for; and
- Closing MAs in a timely manner.

We will continue to collaborate with FEMA's Disaster Operations Directorate staff and the interagency MAWG in a consultative role to provide independent and objective guidance and oversight in implementing the revamped operations and infrastructure as recommended in their Strategic Plan.

Our FY 2008 work plan also leaves room to provide audit resources, as needed, to assess the MA process as it is being carried out in future disasters. We will also continue to work jointly with other agencies' OIGs to audit and assess interagency use of, and accountability over, MAs.

Acquisition Management



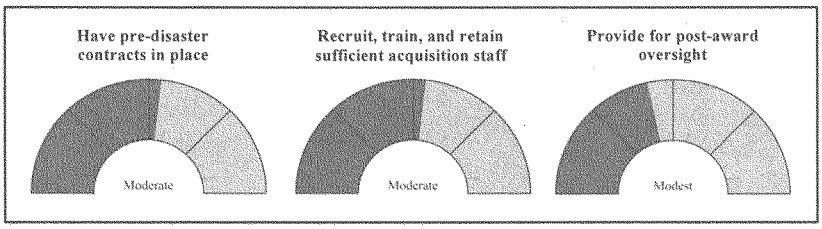
Background

Acquisition management is more than awarding a contract, it is the entire process that begins with identifying and clarifying a mission need and ends with the final close-out of an award. When good acquisition management is not in place, response capabilities are weakened, taxpayer money is often wasted, and the public's trust in the government falls.

FEMA's acquisition function was heavily tasked in responding to hurricanes Katrina and Rita and suffered from several shortcomings. These shortcomings included a lack of pre-existing preparedness contracts; untrained staff; and poor planning for post-award monitoring and oversight.

Post-Katrina, FEMA management has focused on developing the acquisition function to a level that can effectively and efficiently respond to another catastrophic disaster. To assess FEMA's progress in this area, we reviewed the following three critical components:

- Have pre-disaster contracts in place
- Recruit, train, and retain sufficient acquisition staff
- Provide for post-award oversight



Critical Components

Have pre-disaster contracts in place (Moderate) – Prior to Hurricane Katrina, FEMA had few contracts in place to be used at the time of a disaster. By awarding preparedness contracts prior to a disaster, FEMA has the time to run a full and open competition in order to ensure the best value to the government. Without pre-disaster contracts in place, FEMA is forced to award contracts on a non-competitive basis or to lesser-qualified vendors in order to support a prompt response after the disaster occurs.

FEMA's Office of Acquisition Management (OAM) has awarded approximately 27 pre-disaster response contracts, up from the 9 pre-disaster contracts in place before Hurricane Katrina struck. Additionally, approximately 70 recovery contracts have been awarded. OAM officials said that they used extensive market research, negotiation, and competition to award these contracts, which will provide goods and services traditionally needed in a disaster and not fully provided by state and local governments. FEMA has also signed a number of pre-disaster Interagency Agreements with other federal agencies, which will allow FEMA to use the contracts of these federal partners. OAM officials said that all FCOs now have a list of these pre-disaster agreements in a "disaster response contract toolbox." However, OAM only recently provided us a list of those contracts despite our repeated requests. Consequently, we have not had the opportunity to review them and opine on their utility for FCOs in a disaster environment.

OAM has also created an Acquisition Program & Planning (AP&P) branch, which will function as the primary link between acquisitions and the program areas that generate requirements, to assist with pre-disaster contracts.

Recruit, train, and retain sufficient acquisition staff (Moderate) – When Hurricane Katrina struck, FEMA had just 35 contracting staff in place.

Since Hurricane Katrina, this number has grown to 162 positions authorized, with 136 positions filled. OAM has expanded its policy office and is upgrading its contract writing system. Additionally, FEMA has updated its "Emergency Acquisition Field Guide," which is designed to define the critical elements of an emergency acquisition in plain language so that any member of the disaster support team can understand and apply proper procedures.

FEMA reports significantly increasing staffing of both Contracting Officer's Technical Representatives (COTR) and Contracting Officers. FEMA has established a COTR Program Management Office "to ensure COTRs have the training, support, and tools needed for effective contract administration." To date, more than 700 program officials have trained and been certified as COTRs.

OAM also reports building their training initiatives to ensure contracting staff have the necessary skills for their positions. The office has worked with the Defense Acquisition University and the Federal Acquisition Institute to ensure that OAM staff complete the courses necessary to meet qualifications requirements.

Provide for post-award oversight (Modest) – Contracting responsibilities do not end with the issuance of an award. In fact, one of the most important aspects of the job, contract monitoring and oversight, begins after the award has been made. A lack of post-award oversight was a problem for FEMA in its response to Hurricane Katrina. Since then, FEMA reports taking some important steps in improving contract oversight.

FEMA officials said that they have developed Contract Administration Plans (CAP) intended to improve post-award contract execution by providing consistency in how FEMA competes, orders, and administers task orders. CAPs outline the required levels of contractor oversight, contract terms and conditions, performance milestones, and reporting requirements. The CAPs are designed to balance task order competition with the need to expeditiously make awards after a disaster. FEMA said they believe CAPs will also foster consistent contract administration processes for COTRs across FEMA regions. FEMA also said the additional training and support being provided to COTRs through the new COTR Program Management Office will contribute to better post-award oversight.

Continuing Concerns

While FEMA has made progress in a number of areas and seemingly improved its acquisition management function, many concerns remain. FEMA said that many more pre-disaster contracts are in place. However, FEMA has not afforded us the opportunity to review them, nor have we been able to determine whether guidance on the use of the contracts has been developed and communicated to all federal, state, and local partners. Consequently, we cannot opine on their reasonableness or utility. FEMA also said that these contracts ensure fair and reasonable prices, but because these contracts were only recently shared with us, we have not had an opportunity to assess pricing and other aspects of the contracts.

Staffing levels also remain a concern. Even though OAM has hired a number of contracting employees, a FEMA official said that contracting personnel coming in often have less than a year's experience. This makes OAM's training plans very important.

We are also concerned about OAM's data management, in that we have had difficulty getting data from OAM, and FEMA is late in submitting reports to Congress mandated by the *Post-Katrina Act*. This raises concerns about OAM's data management capabilities.

In our acquisition management scorecard published in April 2007,[16] we reported several areas of concern. Of those, OAM is making some progress in the following areas:

- Developing a full partnership with other FEMA components;
- Developing policies and procedures for comprehensive program management; and
- Hiring and training a sufficient number of contracting staff.

However, FEMA continues to show weaknesses in:

- Developing an integrated acquisition system; and
- Developing reliable, integrated financial and information systems.

OIG Planned Work and Areas for Continuing Oversight

For the remainder of 2008, we will continue to conduct a broad body of work on FEMA's acquisition functions to identify additional

[16] *Semiannual Report to the Congress: October 1, 2006 – March 31, 2007* (Department of Homeland Security Office of Inspector General, April 30, 2007) pp. 59-78.

improvements that FEMA can make. Specifically, we will audit FEMA's acquisition internal controls, workforce, and process, as well as property management. We also plan to review a select number of 2007 disaster contracts to assess the extent to which FEMA has improved its ability to track, manage, and monitor disaster contracts.

The urgency and complexity of FEMA's mission will continue to demand effective acquisition strategies in preparing for, preventing, responding to, and recovering from disasters. While DHS continues to build its acquisition management capabilities in the component agencies and on the department-wide level, acquisition management will continue to be an important area of oversight for our office.

Conclusion and Recommendations

FEMA has made progress in all of the areas we reviewed, although in some areas this progress has been limited or modest. FEMA officials said that budget shortfalls, reorganizations, inadequate IT systems, and confusing or limited authorities negatively affected their progress. We agree with FEMA. FEMA would also benefit from better knowledge management and plans for sustaining initiatives that are underway.

Recommendation 1 - We recommend that FEMA conduct a comprehensive "needs analysis" to determine where they are now and where they need to be, *as an agency*, in terms of preparedness for a catastrophic disaster. This will assist FEMA with integrating their projects and avoiding duplicative efforts.

Recommendation 2 - We recommend that FEMA develop and sustain a system for tracking progress of programs, initiatives, and enhancements, both planned and underway, using project management tools, e.g., Quad charts, Gantt charts or similar tools. This system would benefit FEMA by providing a means of increasing awareness of FEMA's efforts and the planning behind them. It would also help ensure that knowledge and vision that may reside with the agency's leadership is shared among staff and other stakeholders. For each project, a single leader accountable for the success of the project should be identified.

Tracking system tools should, for each initiative within each preparedness area, contain information including: (1) Name of the project leader; (2) Status of the project, including budget, schedule, and where necessary, approvals from DHS and OMB; (3) Performance requirements or parameters; and (4) Other key issues, concerns, or challenges to completion of the project, e.g., lack of funding or staffing, legislative changes needed, and cooperation of other federal agencies needed.

Recommendation 3 - To enhance accountability and transparency, and to enhance the ability of key stakeholders to assist FEMA in achieving its mission, we recommend that FEMA provide regular updates regarding progress on all major preparedness initiatives and projects.

Management Comments and OIG Evaluation

FEMA provided written comments on the draft of this report. FEMA generally concurred with all of our recommendations and provided technical comments, which we have incorporated into the report as appropriate. (FEMA's written comments are contained in Appendix B).

Recommendations

In response to recommendation 1, that FEMA conduct a catastrophic needs assessment, FEMA agreed. However, FEMA said they do not believe the report fully reflects the work that has already been done in this area, and that the organization does not need another over-arching assessment. They believe they need an opportunity to implement their new Strategic Plan and to "continue to take action on the remaining PKEMRA [*Post-Katrina Act*] requirements and any outstanding GAO and IG recommendations."

FEMA is under considerable pressure from several fronts and is attempting to respond to numerous mandates and recommendations. This supports our recommendation that FEMA needs to ensure that their efforts are efficient and integrated to avoid duplication. One way to accomplish this is through an agency-wide needs analysis. FEMA said their efforts are "being managed through the combined efforts of frequent senior staff meetings, working level staff meetings, and the Investment Working Group and the Program Analysis division of the Office of Policy and Program Analysis." We remain concerned that this coordination does not permeate the entire organization.

In response to recommendation 2, that FEMA develop and sustain a system for tracking progress of programs and initiatives, FEMA said they have begun instituting project management practices. However, the examples they provided were related to major acquisitions. FEMA needs to bring project management practices and a comprehensive project tracking system to all agency projects and initiatives, so that stakeholders are aware of projects and decision makers have solid information. FEMA claims they are tracking projects "through a variety of means" and that "several electronic systems collectively track the progress of different programs within the agency." We are recommending a single, comprehensive tracking system for real-time visibility on projects

and initiatives, including key indicators such as schedule, budget, and necessary approvals.

In response to recommendation 3, that FEMA provide regular updates regarding progress on all major preparedness initiatives and projects, FEMA said they are already providing updates and working on a comprehensive reporting effort. They also said they are required to provide monthly or quarterly reports to Congress on a number of topics. We remain concerned that these reports are often late.

General Comments

Methodology: FEMA said they believe the metrics and measurements used throughout the report "are too subjective and do not reflect the considerable effort to date as accurately as they might." FEMA also said the draft report provides only a cursory explanation of the methodology used to rate FEMA.

Our methodology is clearly outlined in Appendix A. The ratings are subjective, but the rating scale and level of subjectivity are appropriate to this high-level assessment. In response to several questions FEMA posed in their comments, we want to again make clear that the overall rating for each key area is not an average of the ratings for the critical components within each area. The overall rating is based in part on the component ratings, but also on our broader knowledge of the key preparedness areas.

Mitigation's Role in Preparedness: FEMA said they did not believe the report adequately addressed the role of mitigation in preparedness, response and prevention of catastrophic disasters. Mitigation is an important element of the emergency management cycle; however, mitigation falls outside the scope of our assessment on FEMA's ability to respond to a catastrophic disaster.

Coordination Among Offices: FEMA said that this report provides a stovepipe review of the nine key areas, "leaving the impression that these are separate and disparate entities not fully coordinated." As an example of efforts coordinated among different areas, FEMA provides information on two catastrophic disaster planning efforts: the New Madrid Seismic Zone Area effort and the State of Florida hurricane effort. In fact, we highlight both of these efforts in the report and indicate that the efforts are coordinated among the

Disaster Operations, Disaster Assistance, and Mitigation Directorates.

IT Modernization: FEMA provided general comments on their efforts to modernize IT infrastructure and systems; however, they did not provide any specific comments on how we addressed IT systems in the report. Our report does discuss IT systems, where appropriate, and our office has ongoing work in this area.

Grant Programs: FEMA said that grants were only mentioned as they related to Interoperable Communications, and that we did not include discussion of preparedness grant programs that FEMA provides to State and local jurisdictions to build preparedness capabilities. We recognize and appreciate that FEMA preparedness grants play an important role in enhancing state and local governments' preparedness; however, the focus of this report was FEMA's ability to respond to a catastrophic disaster when state and local capabilities are overwhelmed.

Appendix A
Objectives, Scope, and Methodology

At the request of Congress, we conducted a high-level "scorecard" assessment of FEMA's preparedness to respond to the next catastrophic disaster. Together with congressional staff and FEMA officials, we identified nine key areas as those most vital to FEMA's preparedness:

- Overall Planning;
- Coordination and Support;
- Interoperable Communications;
- Logistics;
- Evacuations;
- Housing;
- Disaster Workforce;
- Mission Assignments; and
- Acquisition Management.

Within each of the nine key areas, there are numerous critical actions that need to take place before FEMA is sufficiently prepared for a catastrophic disaster. To use our time and resources wisely, we collaborated with FEMA officials to determine two to five critical components within each key area. We:

- Conducted interviews with top FEMA officials and, in limited cases, DHS officials;
- Reviewed numerous reports and testimony from our office, GAO, Congress, and others regarding FEMA's readiness (See Appendix C);
- Reviewed documents provided by FEMA, including plans, policies, organization charts, and self-assessments; and
- Reviewed applicable laws, such as the *Stafford Act* (P.L. 100-707), *Homeland Security Act* (P.L. 107-296) and *Post-Katrina Act* (P.L. 109-295).

Our ratings for the nine key areas reviewed are based on a four-tiered system ranging from "limited or no progress" to "substantial progress." Throughout this report, we based our ratings on the following criteria:

Limited or No Progress: There is an awareness of the critical issues needing to be addressed, but specific corrective actions have not been identified.

Within this phase, interim steps include a problem analysis, discussion of corrective actions, and development of a strategic plan.

Modest Progress: Corrective actions have been identified, but implementation is not yet underway.

Within this phase, interim steps include selecting corrective actions, obtaining management approval, planning for implementation, and securing a funding commitment from DHS for each action.

Moderate Progress: Implementation of corrective actions is underway, but few if any have been completed.

Substantial Progress: Most or all of the corrective actions have been implemented.

Our ability to conduct this assessment was limited by FEMA's inability to provide requested documents in a timely manner. Given the scope and limitations of our review, we did not perform an in-depth assessment of each of the nine key preparedness areas. We used the critical components, as well as our broader knowledge of the key areas, to gauge FEMA's overall progress in those areas. For ease of understanding, we used the same rating categories as we used to rate the critical components within each area; however, we adapted the criteria to present a better picture of the progress FEMA has made overall. For example, to achieve moderate progress overall, FEMA would have to have identified and completed more than a few corrective actions. To achieve a rating of substantial progress overall, FEMA would have to have completed most corrective actions in the key preparedness area.

We conducted our review between October 2007 and February 2008 under the authority of the *Inspector General Act of 1978*, as amended, and according to the *Government Auditing Standards* issued by the Comptroller General of the United States. Major OIG contributors to the review are identified in Appendix D.

The principal OIG points of contact for the review are Matt Jadacki, Deputy Inspector General for Emergency Management Oversight at (202) 254-4100 and Donald Bumgardner, Director, Disaster Acquisition Division, Office of Emergency Management Oversight at (202) 254-4226.

Appendix B
Management Comments to the Draft Report

U.S. Department of Homeland Security
Washington, DC 20472

March 14, 2008

MEMORANDUM FOR: Richard L. Skinner
Inspector General
Department of Homeland Security

FROM: R. David Paulison
Administrator
Federal Emergency Management Agency

SUBJECT: FEMA Response to Draft Report, *FEMA's Preparedness for the Next Catastrophic Disaster*

The Federal Emergency Management Agency (FEMA) appreciates the opportunity to review and comment on the Department of Homeland Security, Office of the Inspector General (DHS OIG) draft report "FEMA's Preparedness for the Next Catastrophic Disaster," issued March 6, 2008. General and specific comments are attached. The specific comments are tied to sections of the draft report.

Please direct any questions/concerns you may have regarding these comments to the Chief, FEMA GAO/OIG Audit Liaison Office, Brad Shefka at 202-646-1308.

FEMA Response to the DHS OIG Draft Report,
"FEMA's Preparedness for the Next Catastrophic Disaster"
(issued March 6, 2008)

The Federal Emergency Management Agency (FEMA) appreciates the opportunity to review and comment on the Department of Homeland Security, Office of the Inspector General (DHS OIG) draft report "FEMA's Preparedness for the Next Catastrophic Disaster," issued March 6, 2008.

FEMA agrees with the DHS OIG's assessment that improvements have been made to all components of the agency since Hurricane Katrina in 2005. We understand that DHS OIG had a relatively small window of time in which to conduct their research, and as a result did not have the opportunity to conduct an in-dept assessment of each of the nine key preparedness areas identified. FEMA pace of improvement has been steady and we have endeavored to utilize our resources wisely to move forward on the many requirements we have identified or have been recommended by other entities.

While we appreciate the acknowledgement of our progress in your report we are concerned that the metrics and measurements used throughout this report are too subjective and do not reflect the considerable effort to date as accurately as they might. Appendix A of this draft report provides only a cursory explanation of the methodology used to rate FEMA. In some instances, it seems the short window available to create this report led to a disconnect between DHS OIG's lines on inquiry and the FEMA program staff's targeted responses. FEMA made every reasonable effort to meet DHS OIG's requests while addressing hundreds of other requests by GAO and Congress within the same timeframes. Specific examples of our concerns are cited in this response.

FEMA appreciates DHS OIG's recognition in the opening Executive Summary and would like to use this report to highlight improvements. FEMA is continuously bringing on energetic new employees and promoting experienced ones from within, updating our IT infrastructure, improving our procurement practices, improving the quality of our policies and guidance to our nation, conducting exercises, and actively responding to emergencies.

Recommendations:

Recommendation 1: We recommend that FEMA conduct a comprehensive "needs analysis" to determine where they are now and where they need to be, as an agency, in terms of preparedness for a catastrophic disaster. This will assist FEMA with integrating their projects and avoiding duplicative efforts.

FEMA agrees with this recommendation, but believes the report does not reflect fully the work that has already been done in this area. Taking into account the combined lessons learned from Katrina, and suggestions and requirements from numerous sources, FEMA has recently completed its new Strategic Plan. This document goes to print in mid-March 2008. Even though the plan is only now going to final print it has been in place and used by all of the FEMA directorates for the past 9 months in their development process for program improvements. In December of 2006 FEMA published agency vision and disaster preparedness concept of operations which has guided our actions and priorities. In 2007 we completed 17 specific needs assessments and analysis that spanned our business functions, logistics and communications. Those assessments have provided a blue print for our change efforts. In the last year, we stood up a Program Analysis and Evaluation capability for the first time in FEMA, and reinvigorated the Investment Working Group which had been moribund in years past.

Each FEMA office has numerous projects and programs underway to improve service and interoperability with other parts of FEMA, DHS, and our partners across the government and in states and localities. This entire effort is being managed through the combined efforts of frequent senior staff meetings, working level staff meetings, and the Investment Working Group and the Program Analysis division of the Office of Policy and Program Analysis to eliminate duplication and increase our preparedness, mitigation, recovery, and response capabilities.

Since the landfall of Hurricane Katrina in 2005, FEMA has been the subject of dozens of analyses, engagements, studies, and reports. Many of these reports were created by outside entities, including DHS OIG, GAO, and Congress. DHS OIG cites a number of these documents on pages 60-61 of this draft report. The Post Katrina Emergency Management Reform Act (PKEMRA) specified over 250 actions for FEMA to take.

FEMA currently has over 100 open engagements with the GAO, and over 100 open engagements with DHS-OIG. This translates to over 100 open recommendations from GAO, and over 600 open recommendations from DHS-OIG. Many of these recommendations are overlapping and/or complementary.

FEMA has no shortage of recommendations of improvements the agency needs to make, and has had our capability gaps clearly spelled out. The sheer workload associated with responding to the administrative documentation requirements of over 700 recommendations from DHS OIG and GAO is directly impacting our continued efforts to improve FEMA. We believe another assessment or analysis is not required.

FEMA does not believe it needs another over-arching assessment. FEMA instead believes that we be given an opportunity to implement our new Strategic Plan, and continue to take action on the remaining PKEMRA requirements and any outstanding GAO and IG recommendations.

Recommendation 2:

We recommend that FEMA develop and sustain a system for tracking the progress of programs, initiatives, and enhancements, both planned and underway, using project management tools, e.g.. Quad charts, Gantt charts or similar tools. This system would benefit FEMA by providing a means of increasing awareness of FEMA's effort and the planning behind them. It would also help ensure that knowledge and vision that may reside with the agency's leadership is shared among staff and other stakeholders. For each project, a single leader accountable for the success of the project should be identified.

Tracking system tools should, for each initiative within each preparedness area, contain information including: (1) Name of the project leader; (2) Status of the project, including budget, schedule, and where necessary, approvals from DHS and OMB; (3) Performance requirements or parameters; and (4) Other key issues, concerns, or challenges to completion of the project, e.g. lack of funding or staffing, legislative changes needed, cooperation of other federal agencies needed.

Prior to 2005, FEMA was not conducting large-scale acquisition programs and had no experience with project management principals. However, in the past year we have changed that and begun instituting project management practices. Examples of existing and beginning Program Management Office (PMO) efforts include the Integrated Public Alert and Warning (IPAWS) program and a new one forming is the Mt. Weather modernization project. Each PMO is staffed with professionally trained program managers. Future efforts will also follow this pattern. As part of our IT modernization process, our Business Management Office is investigating ways to bring this capability to the agency as an enterprise system.

FEMA is tracking its progress on all fronts through a variety of means. FEMA senior staff meets several times a week (including biweekly teleconferences with all of the Regions and satellite offices). The Investment Working Group, co-chaired by the Office of Policy and Program Analysis and the Office of the Chief Financial Officer, manages FEMA's budget process and is improving our investment decision capability.

Several electronic systems collectively track the progress of different programs within the agency. The most recent addition is the Executive Management System, currently deployed as an active pilot program. The initial deployment of the system is tracking or will track all of FEMA's DHS OIG and GAO engagements and recommendations (including tying progress to a specific program manager), legislative tasks, questions for the record and "getbacks", and FEMA transformation and change of administration plans. This system will continue to evolve and allow for the tracking of other lines of business.

Recommendation 3:

To enhance accountability and transparency, and to enhance the ability of key stakeholders to assist FEMA in achieving its mission, we recommend that FEMA provide regular updates regarding progress on all major preparedness initiatives and projects.

FEMA is already actively providing these updates and is working on a comprehensive reporting effort which will be completed in April of 2008. PKEMRA mandated FEMA brief Congress on virtually all aspects of Preparedness on a quarterly basis. The next briefs of the different House and Senate committees are scheduled for early May 2008.

PKEMRA also mandated FEMA provide a number of monthly and quarterly reports to Congress, on topics including our quarterly staffing vacancies, National Capital Region planning efforts, the disaster relief fund, disaster contracting, disaster declarations, etc. As we continue to promulgate our national plans and guidance, including the National Response Framework, we have updated Congress and have legislatively-mandated updates scheduled

Finally, both from PKEMRA, at the request of Congressional committees, and on our own initiative, FEMA continues to brief Congress on all manner of preparedness, response, recovery, mitigation, and disaster logistics issues.

General Comments on the Draft Report:

Methodology: DHS OIG's description of its reporting methodology should be more comprehensive. Appendix A of this draft report provides only a cursory explanation of the methodology used to rate FEMA. We do have the following questions and concerns about the specifics of the report.

How did the OIG determine FEMA's progress within each of the four ratings? What was the benchmark measure used to grade our efforts? It is unclear as to how the IG calculated and tabulated the ratings for the nine key areas as the summation of individual ratings for the critical components do not always equate to the overall key area score. For example, "Evacuations" total is Modest, but the two areas are Moderate & Substantial). How were the ratings from the "critical components" weighted to come up with a final score? At the exit conference, it was mentioned that it was not an average.

Mitigation's Role in Preparedness: This report does not adequately address Mitigation's role in preparedness, response and prevention of catastrophic disasters. The four legs of FEMA's disaster strategy can be summarized with preparedness, recovery, response, and mitigation—this report focuses only on the first three.

While Mitigation activities are generally thought of as occurring after the disaster, Mitigation is quite involved in the development and management of a suitable cadre versed in engineering, grants management, flood insurance, and public outreach, all prior to a disaster. In addition, Mitigation manages the development of hazard mitigation plans at the state and local level, a requirement for the receipt of certain public and mitigation assistance grants. This is all part of being prepared for the next disaster.

Coordination Between Offices: This report provides a stovepipe review of the following areas: Overall Planning; Coordination and Support; Interoperable Communications; Logistics; Evacuations; Housing; Disaster (Surge) Workforce; Mission Assignments; and Acquisition Management. Each of these areas is addressed individually, leaving the impression that these are separate and disparate entities not fully coordinated. The report does not address holistic coordination efforts that have been initiated by FEMA to address catastrophic disaster operations planning.

An example of this is the Disaster Operations and Disaster Assistance Directorate's joint efforts in Federal Agency Catastrophic Disaster Operations Planning for two geo-specific areas: the eight (8) State New Madrid Seismic Zone Area (NMSZ); and the State of Florida. The NMSZ initiative addresses response planning for a catastrophic earthquake that would address four FEMA regions involving the following eight States: Alabama, Arkansas, Illinois, Indiana, Kentucky, Mississippi, Missouri, and Tennessee. The State of Florida initiative involves catastrophic disaster operations response planning for a Category 5 Hurricane making landfall on South Florida which would put most of South Florida under 1-4+ feet of water for weeks, destroy the homes of more than 60 percent of the population, leave 4 million people without electricity, cripple the State's transportation infrastructure, and have a devastating effect on South Florida's $200 billion per year service, agriculture, and tourism industries.

These efforts provide readiness planning, technical assistance and project management to develop a Federal Concept of Operations, and Federal Catastrophic Earthquake Plan, Regional specific plans and individual State catastrophic disaster response plans. The intent is to horizontally and vertically integrate multijurisdictional response plans at the local, private sector, State, Tribal and Federal level. In fiscal years 2006 and 2007, FEMA invested over $20,000,000 in these initiatives.

Both the NMSZ and Florida initiatives involve bottom up planning from the local to the State level and eventually to the Federal level via scenario driven workshops. To date, this process has involved the local and State emergency management communities, with some involvement of the Regions and other Federal agencies through the FEMA

Regional Interagency Steering Committees (RISC). The planning to date at the local and State level has been robust and helped identify the unmet requirements that will need to be addressed by Federal level planning. The intent is to bring all of the areas addressed in the OIG report into a cohesive and robust Federal response to all-hazards through this scenario-driven planning process.

IT Modernization: As FEMA continues to modernize its IT infrastructure and systems, we have identified budget shortfalls, and experienced issues with several information systems. We continued to refine organizational structure, and welcome the inclusion of the DHS Office of the Chief Information Officer (OCIO) in a complete assessment of IT requirements, capabilities, and readiness, as some program offices have reported IT limitations. As we move forward, our newly formed Customer Advocate Branch will assist program offices in identifying and documenting their mission needs, concepts of operations, business requirements, and lifecycle funding, and in conveying those requirements through formalized capital and operational planning processes.

Grant Programs: Grants are only mentioned as they are related to Interoperable Communications. There is no mention of the preparedness grant programs (SHSP, UASI, etc.) that we provide to State and local jurisdictions to build preparedness capabilities (although the IG does mention the current audit of our grant programs) which have a direct bearing on the amount of support FEMA may have to provide in a disaster. There is a direct correlation between the ability of state and local governments to be prepared and FEMA's success in being able to support them. The report has no mention of this dynamic. This removed a key aspect of FEMA's preparedness strategy from consideration in this analysis.

Comments on the Draft Report by Section:

Table of Contents:

(Disaster Operations) Table of Contents: MERS Mobile Emergency ~~Resource~~ *Response* Support

P. 6: (Logistics)
FEMA requests additional clarification on DHS OIG's methodology for determining progress. Was the methodology same across all reviewed areas? What was it based on?

P. 13: (NPD)
Do the evaluation criteria represent overall progress or do they represent progress in implementing the plan of action?

This report states the "prototype assessment" (NPS) will not progress because it has "a small budget, no separate appropriation and did not receive the level of staffing

requested". This is factually inaccurate. To date, NPD has spent almost $5 million on the development of this effort.

P. 16: (NPD)
Community Preparedness Division: Enhance community preparedness (Moderate) – Since 9/11, there has been increased recognition of the role citizens play in protecting the homeland and supporting first responders. After Hurricane Katrina, the White House recommended that "DHS should make citizen and community preparedness a National priority."1 Implementation of National Priority 8, "Community Preparedness: Strengthening Planning and Citizen Capabilities," is the responsibility of the Community Preparedness Division (CPD) of the NPD.

Three of CPD's community preparedness Initiatives are:
• Assessing and strengthening community preparedness;
• Leading strategic coordination and integration of community preparedness efforts; and
• Initiating partnerships for preparedness research.

A primary goal of CPD is to ensure that community preparedness is included in a consistent way in policy, guidance, training, and exercises. The inclusion of citizen preparedness as a national priority was a significant step. This is an ongoing challenge that requires actively seeking out "points of cooperation" and educating DHS and FEMA staff on the significant value of community preparedness and planning through the network of Citizen Corps Councils.

Citizen Corps was launched in 2002 as part of the USA Freedom Corps initiative and has grown to include a nationwide network of over 2,300 State, territorial, tribal, and local councils. Citizen Corps' mission is to bring government and community leaders together in all-hazards community preparedness, planning, mitigation, response and recovery. In addition, State and local preparedness is supported by national Citizen Corps Partner Programs and Affiliates that provide specific training and resources for citizens. CPD is tasked with coordinating the Citizen Corps initiative at the federal level. CPD is developing and providing national guidance, tools, and training for Citizen Corps Councils to support community preparedness and resiliency. CPD is also and strengthening the inclusion of community based planning in FEMA guidance through the new FEMA Integrated Planning System.

P.21 (Disaster Operations)

Critical Components, 2nd Paragraph: "FEMA officials also said that it has not been decided which DHS component will lead the effort to integrate strategic, concept, and operation planning to ensure consistency and interoperability." This statement is incorrect. The DHS Operations Coordination Directorate has responsibility for strategic level planning, whereas FEMA coordinates interagency and intergovernmental CONOPS and operational planning.

P.22 (Disaster Operations)
1st Paragraph: Please capitalize "FEMA Administrator"

P.22 (Mitigation)

The broad description of an FCO's execution of Stafford Act responsibilities subsequent to a Presidential declaration fails to mention the provision of Mitigation programs.

> "-...the President appoints an FCO to coordinate federal support in response to and recovery from emergencies and major disasters. The FCO represents the FEMA administrator in the field to discharge all FEMA responsibilities for the response and recovery efforts underway."

To ensure Congress is aware of the FCOs' mitigation responsibilities, we recommend the following edit in the last line of the sentence:

> "-...all FEMA responsibilities for the response, recovery and mitigation programs."

P.24 (OCC and Disaster Operations)
Interoperable Communications: In this section, FEMA is rated on progress to "Achieve coordination among all DHS components charged with improving interoperable communications." This is one of our lowest scores and does not reflect the fact that the issue is a shared one with the Office of Emergency Communications and the Science and Technology Safecom program. FEMA's communications equipment IS interoperable across the Department and with our state and local partners. However, DHS, **not FEMA**, is primarily responsible for this coordination across the Department on this issue. This point was raised at the Exit Conference. FEMA requests that this distinction be made in this report.

We also suggest including this statement incorporation in the final report after last paragraph... "are an equal or greater challenge."

> "FEMA is developing disaster emergency communications policies and procedures to facilitate effective emergency management, operability, and interoperability during catastrophic events. However, achieving effective coordination among all DHS components specifically charged with improving interoperable communications remains difficult. Each organization continues to operate independently within the limits of its own authorities established during the DHS reorganization. If FEMA is charged with coordinating among all of DHS, it needs specific authority to coordinate with and direct DHS components providing emergency communications during disasters to achieve substantial progress in this critical area.

P. 27 (Disaster Operations)
1st Paragraph: Mobile Emergency ~~Resource~~ Response Support (MERS)

2nd Paragraph: FEMA has also created the Disaster Emergency Communications ~~Office~~ Division and intends to be an informed and engaged advocate for disaster emergency communications issues and the communications needs of emergency responders.

P. 28 (Disaster Operations)
1st Paragraph: Mobile Emergency ~~Resource~~ Response Support

P. 29 (Logistics)
FEMA strongly disagrees with the progress indicator and does not understand basis for ranking. During Hurricane Katrina FEMA Logistics (formerly part of Disaster Operations) had little to no tracking capabilities. FEMA now has logistics tracking capabilities in all 10 Regions, and continues to improve our capabilities.

P. 30 (Logistics)
Statement Begins: "Prior to 2004, FEMA had invested in multiple systems…" – this statement is incorrect from a logistics program. It was not until after 2004 (see below) did Logistics invest in "inventory and supply chain management". What system was DHS OIG referencing?

2nd Paragraph: FEMA recommends adding, after first sentence, that the system's pilot was originally set to be tested in 2005, but was postponed upon Hurricane Katrina's landfall. The pilot system was rolled out in February 2006.

Sentence beginning with: "Currently, the TAV system is able to track the movement……"Big 8" commodities: water, emergency meals…" This is factually incorrect and FEMA recommends replacing with :

> "Currently, the TAV system is able to track the movement of more than 200 types of commodities, with a primary focus on the "Big 7" commodities of water, emergency meals (MREs), blue roof plastic sheeting, tarps, cots, blankets and key assets including emergency generators and temporary housing units."

Sentence reading **"However, FEMA personnel said that there are many gaps in the system"** – this is an unsubstantiated comment and we have no basis by which to judge its merits. What specific gaps are being referred to? Recommend it be deleted.

P. 31 (Logistics)

Last line of 2nd full paragraph: "FEMA personnel said they did have supplies pre-positioned during the 2005 hurricane season, but the quantities were insufficient and delivery was not timely." FEMA recommends replacing with:

> "FEMA staff interviewed stated they did have supplies pre-positioned during the 2005 hurricane season, but the quantities pre-positioned were never intended to sustain a catastrophic disaster. The main problem experienced during Katrina was "reach-back" capability to acquire large quantities of sustainment commodities once stored stocks were depleted."

Sentence reading: "LMD estimated that to pre-position commodities in the 11 hurricane prone states alone would cost $350 million." FEMA recommends adding this footnote:

> "This figure includes estimated cost for commodities in Regions I, II, III, IV, & VI and transportation costs in region IV & VI"

Sentence reading: "Instead, FEMA is increasing its emphasis on identifying strengthen relationships....and the General Services Administration (GSA)." FEMA requests adding that we are strengthening our relationships with the private sector.

Sentence reading: ""It has set a goal of meeting 100% of emergency requirements within 72 hours of an event." This statement is incorrect. Our planning factors are based on support for "1 million people within first 72 hours with life-saving commodities, food and water."

P. 32 (Logistics)
Under Continuing Concerns:
Statement Reads "Logistics has made progress in a number of areas, but still needs to develop standardized policies and procedures, effective internal controls ~~and sufficient funding and resources~~." FEMA recommend deleting last portion. Logistics has sufficient funding and resources to accomplish its mission.

P. 33 (OCC)
Evacuations: There is a substantial disconnect between the overall score for evacuations (modest) and the sub-scores for the gap analysis program (moderate) and the gulf coast mass evacuation capability enhancement initiative (substantial). DHS OIG expressed concern that several offices within FEMA had responsibility for evacuations without an "overall strategy" for evacuations. FEMA does not have the overall responsibility for evacuations, State and Local governments do and to imply otherwise exceeds FEMA's statutory authority. If this were a central concern of the DHS OIG's and the basis for scoring FEMA in this area, the DHS OIG should have made it an explicit "critical component." (According to the Executive Summary, the DHS OIG collaborated with FEMA to come up with 2 to 5 critical components within each area.) Of the critical components that were listed under Evacuations, FEMA received some of its best scores

in the entire report; yet, the overall score is one of FEMA's worst. It would seem that, even considering the DHS OIG's concerns overall centralized responsibility for evacuations, FEMA's scores in these two critical components would be illustrative of FEMA's progress in this area and lead to a better overall score. Furthermore, the DHS OIG comments that "it was difficult to gain a clear picture of FEMA's progress" in this area. It appears DHS OIG equated the difficulty with gaining a clear picture with only modest progress by FEMA. This negative assumption is problematic given the progress FEMA demonstrated in the two critical components that the DHS OIG was able to evaluate.

P. 33-36 (Disaster Assistance)
Evacuations: FEMA would like to make DHS OIG aware of two initiatives under development that will greatly improve our evacuation management capabilities: the Mass Evacuee Support Planning initiative and a mass evacuation tracking capability.

The Mass Evacuee Support Planning initiative, which began in late 2006, is being developed concurrently with the Mass Evacuation Incident Annex to the NRF, the NMETS (described above), National Shelter System enhancements, and other related mass care improvements. The Mass Evacuee Support Planning initiative focuses on developing strategies and guidelines for support of displaced disaster victims through development of planning guidance and a Host-State Evacuee Support Plan template. These planning efforts will enhance operational effectiveness to provide recovery assistance to individuals and households, as well as public assistance to State and local governments in the event of an extraordinary or catastrophic disaster. To ensure the guidance and template realistically address State concerns and operational perspectives, the template will be created and refined from host-State evacuee support plans developed in select States. The host-State evacuee support plans are developed through workshops that employ realistic catastrophic scenarios and consequence estimates which drive discussion and planning, and ultimately the creation of functional, integrated evacuee support plans.

The States which are participating in development of initial model plans include: Arkansas, Georgia, Tennessee, and Oklahoma – all of these states provided significant evacuee support following Hurricane Katrina. Two states have held Evacuee Support Planning Workshops: Georgia, Aug 1 - 3, 2007; and Arkansas, Sept 11 - 13, 2007 (held in conjunction with the New Madrid Seismic Zone Catastrophic Planning Workshop). Tennessee's workshop will be the week of March 17, 2008.

FEMA is also developing a mass evacuation tracking capability that is a tool to support the Mass Evacuation Incident Annex to the NRF. The goal is to provide a single national system to support multi-state, state-managed, or local evacuation operations. FEMA expects to be able to test this new capability this spring. A key aspect of the capability will be protection of evacuee information. The capability will is being developed in a way that will enable it to support the management of congregate care operations.

P. 37-41 (Disaster Assistance)
Housing: FEMA has continued to build its partnerships with other Federal, State, local, and volunteers as relates to housing. This is demonstrated in the coalition-based approach set forth in the National Disaster Housing Strategy. It is also exemplified in our successful execution of the interagency agreement (IAA) with HUD to establish the Disaster Housing Assistance Program, a temporary housing rental assistance and case management program for identified individuals and households displaced by Hurricanes Katrina and Rita. This model for providing additional and sustainable housing resources through HUD is also being evaluated for use in future events.

In the first paragraph of the Background subsection on P. 37 and again on P. 41, the OIG indicates that part of FEMA's mission is to "transition those still in need to more permanent forms of housing." This does not accurately reflect FEMA's disaster housing responsibilities. FEMA's mission is to assist State and local governments to ensure displaced persons are sheltered and to transition those still in need to post-disaster interim housing. When the recovery process transitions to long-term, permanent housing needs, FEMA has worked with other federal agencies, namely HUD, to provide critical housing and community development resources to aid state, local, and tribal in longer-term disaster recovery efforts.

In the second paragraph of this Background subsection, the OIG indicates that housing assistance may include semi-permanent, or permanent construction. Given that this paragraph begins with a description of the situation after Hurricane Katrina, it would be important to emphasize that FEMA was first provided the authority to provide housing assistance in the form of semi-permanent, or permanent construction by the Post Katrina Emergency Management Reform Act.

The third paragraph of the Background subsection discusses a need for improved communication with state and local governments. It is our view that the core issue is that FEMA needs to do a better job of communicating with state and local governments about what they can expect FEMA assistance to provide after a disaster.

On P. 38, under the subsection Critical Components, DHS OIG indicates that "FEMA did not have a plan in place to deal with the unprecedented movement of displaced evacuees". This statement over-states FEMA's roles and authorities for evacuations prior to the passage of the Post Katrina Emergency Management Reform Act. Additionally, FEMA had assisted the State of Louisiana and its localities to develop the Southeast Louisiana Catastrophic Hurricane Plan. It would be more accurate to say that adequate plans were not in place at the Federal, state, or local level to deal with the unprecedented movement of displaced evacuees from Hurricane Katrina.

P.40, under the subsection *Strengthen state and local commitment to house affected citizens*, the DHS OIG expresses concern over the lack of resources to exploit all

available existing dwellings. We would like to make the DHS OIG aware of the joint HUD-FEMA Housing Portal initiative. This portal will provide housing information in a consolidated format accessible to disaster victims and FEMA housing staff. FEMA and HUD have reached an agreement for the development, management, operation, and security of a secure connection between HUD's National Housing Locator System (NHLS) and FEMA's Housing Portal. Connecting these systems will provide an internet-based website to assist individuals and families in finding rental housing following a Presidentially declared disaster. This connection will also make HUD's considerable array of rental resources available to FEMA housing personnel. Network/cyber security issues must be resolved to permit completion of this FEMA-HUD joint effort.

P. 40 (OCC)
Please capitalize "Administrator" in last paragraph on P. 40.

P. 42 (OCC)
Disaster Surge Workforce: FEMA does not understand how DHS OIG calculated the overall score for Disaster (Surge) Workforce. The average of the scores for the two critical components that were evaluated is higher than the overall score. If the issues addressed in the OIG's "Continuing Concerns" for this area were important enough to impact the overall score, they should have been made explicit "critical components," so that FEMA could have tailored its responses accordingly in the limited response time available.

P. 42-45 (NPD)
Disaster Surge Workforce: EMI is working with the Office of Disaster Reserve Workforce, FEMA Cadre Managers, Region Training Managers, and FEMA Program Offices to develop and maintain standardized Position Specific Task Books, Credentialing Plans, and a training and exercise curriculum for the Disaster Reserve Workforce that is aligned with the Position Task Books and Credentialing Plans. EMI has completed the Position Task Books for the Joint Field Office and is moving forward on the Position Task Books for the Regional Response Coordinating Centers and National Response Coordinating Center. Credentialing Plans are completed for the Federal Coordinating Officer cadre and Environmental and Historical cadre. EMI is working with the remaining cadres to develop their credentialing plans. To meet the training needs, EMI currently has a series of courses under development for JFO leadership as well as the various support functions. These new courses are being made available starting in April, 2008.

P. 42 (Office of Management)
"Disaster (Surge) Workforce"
Clarification of terminology: The "surge" workforce is the capacity required beyond the base reservist level in order to meet the operational requirements for a catastrophic event. The "reserve" workforce is the intermittent employees that are deployed to work disasters

on an ongoing basis and with the exception of the "generalist" position are not considered "surge".

FEMA's Strategic Human Capital Plan (SHCP) is in final review and concurrence. Once all appropriate concurrences have been obtained, comments or concerns addressed, and appropriate modifications made, the report will be forwarded DHS/OMB and to Congress by April 15, 2008. At that point, the SCHP will also act as the guiding force behind critical recruitment, staffing, and retention activities for the FEMA workforce.

SCHP updates will lay out the specific strategies for development of a surge capacity force. Strategies for this workforce will be developed in coordination with FEMA's Disaster Reserve Workforce Program Management Office.

FEMA has implemented recommendations from our Disaster Reserve Workforce (referenced on pg 44 of the draft report), including:

- Establishing the Office of the Disaster Reserve Workforce with the centralized focus to develop, deploy and support a professional Disaster Reserve Workforce;
- Developing implementation plans for specific assessment recommendations;
- Developing proposed legislative language and the costs associated with implementing those additional authorities.
- Identifying internal Human Capital policies to be changed and developing the plans to achieve the changes (e.g., allowing reservists to accrue and use sick leave while deployed);
- Preparing and implementing an interim plan to identify additional surge capacity for the 2008 hurricane season and to address requirements in Section 624 of PKEMRA;
- Completing Phase I enhancements to the Automated Deployment Database with a new server and software that will improve reporting capabilities and create interactive processes for both managers and reservists; and
- Submitting budget requests for FY 2010 to support the new more robust program requirements (i.e., the earliest budget cycle in which this can be done).

P. 42 (Disaster Operations)
1st Paragraph, FEMA recommends adding: "FEMA struggled to provide adequate *numbers of* staff in response to Hurricane Katrina and did not have the automated support needed to deploy over 5,000 disaster personnel…"

2nd Paragraph, FEMA recommends adding: "The Post-Katrina Act also requires a plan to establish and implement a surge *workforce*, including an adequate…"

P. 44 (Mitigation)

The report states a recommendation of the contractor study to reduce FEMA's cadres from 23 to 9. This is not an accurate statement of the recommendation.

P. 45 (Disaster Operations)
5th Bullet: "Training regional strike teams as a unit and equip and staff these teams;"
As required in the Post-Katrina Act, FEMA is developing the next generation of rapidly deployable interagency emergency response teams, which the Post–Katrina Act referred to as strike teams, and FEMA has named Incident Management Assistance Teams (IMATs). These teams will coordinate the initial Federal response; support the emergent needs of State and local jurisdictions; possess the capability to provide initial situational awareness for Federal decision-makers; and support the initial establishment of a unified command. These teams will ultimately provide the three national-level response teams and regional-level emergency response "strike" teams. One National IMAT is currently operational in the National Capital Region, and FEMA plans to stand up three Regional IMATs by summer 2008.

P. 46-49 (Disaster Operations and NPD)
Mission Assignments: The draft report implies FEMA did not begin to re-engineer the processes, relationships, and resources involved in management of Mission Assignments (MAs) until November 2007. This process was initiated in spring 2006 when FEMA developed revised guidance for Pre-Scripted Mission Assignments (PSMAs) and worked with the Department of Defense and other Federal Agencies to improve existing PSMAs. Both FEMA and the Department spent months of time and dedicated manpower prior to the 2007 hurricane season to improve the MA process and the development of PSMAs involving other Federal Agencies. A revised manual for MAs resulted, and was the basis of improvements from November 2007 forward.
FEMA also embarked on a robust interagency MA training program for Regions and other Federal agencies in Spring 2006. This considerably improved the interagency understanding of Mission Assignments. The report states that "MA policies, procedures, training, staffing, and funding have never been fully addressed by FEMA, creating misunderstandings among federal agencies concerning operational and fiduciary responsibilities." FEMA recognized this as a problem and started addressing it in 2006. The categorization that "Limited or No Progress" on the P. 46 dashboard misrepresents the efforts to address this issue and the progress made.

EMI is developing an online independent study course, Mission Assignment Overview IS-293 to address the basic MA process for anyone who may be involved in the MA process. FEMA anticipates deploying the course by July, 2008.

EMI offers a two-day course, Orientation to Mission Assignments, for the FEMA Regional Interagency Steering Committee which is comprised of other Federal Agencies and State and Tribal staff. The purpose of this course is to provide an overview of the MA process for FEMA's various disaster partners.

EMI delivers an additional course, Introduction to MA Processing E347, for FEMA Operations Section Chiefs, Mission Assignment staff and other JFO leadership. The purpose of this course is to develop in-depth skills for the MA process.

P. 48 (Disaster Operations)
Mission Assignments: 1st Sentence: Comment – There are currently 223 PSMAs under development listed in the draft PSMA Catalogue – Operational Working Draft. The intention is to publish the current drafts in this catalogue by June 2008.

FEMA developed a Standard Operating Procedures (SOP) manual to explain and streamline the process for issuing MAs. The MA SOP outlines the policies, procedures, and processes that FEMA uses to interact and coordinate with other Federal Departments and Agencies and organizations when responding to disasters. Plans are to release an updated "Coordinating Draft" of the MA SOP in March 2008.

P.49 (Disaster Operations)
4th Paragraph: FEMA recommends editing to read, "We will continue to collaborate *with FEMA's Disaster Operations Directorate* staff and the interagency..."

P. 50 (Grants)
Under "Acquisition Management, Background", 1st sentence, the word "grant" should be removed. The awarding of a grant is not part of the acquisition management process. They are separate processes.

P.50-53 (Office of Management)
Acquisition Management: Figure 1 in the Executive Summary assesses Acquisition Management as "Modest/Moderate." However the narrative on P. 50, (paragraph three, sentence two), states that "modest progress has been made overall..." It is recommended that these assessments be reconciled and made consistent as no lower than "modest/moderate."

The assessment on P. 52 of the third criticized component under Acquisition Management, namely, "provide for post-award oversight," does not adequately recognize the robust Contracting Officer's Technical Representative (COTR) program that FEMA put in place last year. The COTR program is mentioned in the draft report under the second critical component, "recruit, train, and retain sufficient acquisition staff," but primarily from a staffing perspective. The COTR program will significantly bolster post-award oversight as well.

FEMA created a COTR Program Management Office (PMO) in May 2007 to implement the training, support, and tools needed for effective contract administration. The FEMA COTR PMO provides Agency-wide oversight, accountability and operational effectiveness of the Agency's COTRs. This program has also improved the

competencies of its COTRs, and has thereby improved the quality of work performed by them. Most recently FEMA requested funding to develop its COTRs in a tiered structure that goes beyond the DHS-required forty hours of annual training. By tiering the COTRs at levels I, II, and III, FEMA will be able to tailor a COTR's competencies and development to the level of program he or she will be assigned to support. This will improve both the pre- and post-award contracting activities. The COTR tiered certification structure represents an investment in the "New FEMA" by supporting the transformation of the current workforce to a highly skilled and effective contract management program. Based on this, FEMA considers this component as having moderate progress made.

Appendix C
Selected Reports

Department of Homeland Security Office of Inspector General

A Performance Review of FEMA's Disaster Management Activities in Response to Hurricane Katrina (OIG-06-32, March 2006).

Fiscal Year 2008 Annual Performance Plan.

Homeland Security Information Network Could Support Information Sharing More Effectively (OIG-06-38, June 2006).

Major Management Challenges Facing the Department of Homeland Security (OIG-08-11, November 2007).

Semiannual Report to the Congress: October 1, 2006 – March 31, 2007.

Government Accountability Office

Actions Needed to Clarify Responsibilities and Increase Preparedness for Evacuations (GAO-07-44, December 2006).

Observations on DHS and FEMA Efforts to Prepare for and Respond to Major and Catastrophic Disasters and Address Related Recommendations and Legislation (GAO-07-835T, May 2007).

Other Documents

A Failure of Initiative: Final Report of the Select Bipartisan Committee to Investigate the Preparation for and Response to Hurricane Katrina (United States House of Representatives, February 2006).

Hurricane Katrina: A Nation Still Unprepared (U.S. Senate: Special Report of the Committee on Homeland Security and Governmental Affairs, S. Rept. 109-322, 2006).

The Federal Response to Katrina: Lessons Learned (The White House, February 2006).

Appendix D
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Appendix E
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