

**FEMA Was Generally Effective
in Its Initial Response to the
Severe Wildfires in California**





DHS OIG HIGHLIGHTS

FEMA Was Generally Effective in Its Initial Response to the Severe Wildfires in California

June 27, 2016

Why We Did This Audit

On September 22, 2015, the President signed a major disaster declaration (DR-4240-CA) to provide Federal assistance to the people and communities affected by the California wildfires. The fires burned over 146,000 acres and 2,876 structures, and resulted in the loss of 6 lives. We deployed an Office of the Inspector General (OIG) Emergency Management Oversight Team to the disaster to evaluate the Federal Emergency Management Agency's (FEMA) actions just before and after the declaration. Our visibility and availability to FEMA, California, and local officials, and others affected by the disaster provide a strong deterrent to potential fraud, waste, and abuse.

What We Recommend

The report contains no recommendations.

For Further Information:
Contact our Office of Public Affairs at (202) 254-4100, or email us at DHS-OIG.OfficePublicAffairs@oig.dhs.gov

What We Found

For the most part, FEMA responded effectively to the 2015 Northern California wildfires. In evaluating FEMA's response to this disaster, we focused on answering the following questions:

1. What activities did FEMA perform before the major disaster declaration?
2. What were the most pressing challenges FEMA faced in this disaster?
3. What were the most significant resource shortfalls?
4. How did FEMA make disaster-sourcing decisions?
5. How well did FEMA coordinate its activities?

While FEMA successfully overcame most challenges that this disaster presented, we did observe one other matter that we reported on separately. Specifically, we observed instances where FEMA personnel did not properly safeguard Personally Identifiable Information according to Federal privacy and security standards. We determined that this occurred in part because FEMA's methods for training and promoting Privacy Awareness were not reliable. We discussed our observations with FEMA officials during our fieldwork and issued a separate management advisory report to inform FEMA of this issue.

FEMA Response

FEMA officials generally agreed with our findings and observations. Appendix B includes FEMA's written response in its entirety. Because we are making no recommendations, we consider this report closed.

OIG-16-106-D



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Department of Homeland Security

Washington, DC 20528 / www.oig.dhs.gov

06-27-2016

MEMORANDUM FOR: Robert Fenton
Regional Administrator, IX
Federal Emergency Management Agency



FROM: Thomas M. Salmon
Acting Assistant Inspector General
Office of Emergency Management Oversight

SUBJECT: *FEMA Was Generally Effective in Its Initial Response to the Severe Wildfires in California*
Report Number OIG-16-106-D

We audited the Federal Emergency Management Agency's (FEMA) initial response to wildfires that occurred from September 9, to October 30, 2015, in Lake and Calaveras counties, California. Our assessment of FEMA's response focused on FEMA's activities just before and after the major disaster declaration. We inquired into FEMA's most pressing challenges, such as staff resources; examined how FEMA made disaster-sourcing decisions; and assessed how well FEMA coordinated its activities with Federal, California, and local partners.

To provide the Department, FEMA, and Congress information on the effectiveness of FEMA's initial disaster response and recovery activities, we proactively deployed an Office of Inspector General (OIG) Emergency Management Oversight Team to evaluate FEMA's actions and help prevent fraud, waste, and abuse. Traditional audits typically assess an organization's financial and operational activities after they happen. By deploying staff to assess FEMA's disaster response and recovery activities while they happen, we position ourselves better to identify potential problems before they occur. It also improves the quality of the recommendations we make in other reports designed to improve the disaster assistance program's integrity by preventing applicants from misspending disaster assistance funds.



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Background

On September 9, 2015, wildfires swept through several communities in Northern California and continued to burn for at least 3 weeks. By September 13, 2015, the Governor of California had declared a state of emergency for the Valley and Butte fires primarily affecting Lake and Calaveras counties, respectively.

The fires rank among the top most destructive fires in California's history. They began to burn days apart of each other and jointly destroyed over 146,000 acres and 2,876 structures, and resulted in the loss of 6 lives. The Valley Fire, located about 130 miles north of San Francisco, was the third worst fire in California history in terms of the number of damaged structures. It burned over 76,000 acres and destroyed 1,955 structures, including 1,281 homes and 27 multi-family structures. The Butte Fire, located about 125 miles east of San Francisco, burned over 70,000 acres and 921 structures, including 549 residences and 368 outbuildings (see figure 1).

Figure 1: Damaged Property in Middletown, California



Source: OIG Emergency Management Oversight Team



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On September 22, 2015, the President signed a major disaster declaration (DR-4240-CA), which authorized FEMA’s Individual Assistance program.¹ The fires, however, continued to burn after the declaration during which time FEMA amended the disaster declaration to include Public Assistance.² The declaration also authorized funding for Hazard Mitigation throughout California.

Results of Audit

FEMA generally responded effectively to the 2015 Northern California wildfires. In evaluating FEMA’s response to this disaster, we focused on answering the following questions:

1. What activities did FEMA perform before the major disaster declaration?
2. What were the most pressing challenges FEMA faced in this disaster?
3. What were the most significant resource shortfalls?
4. How did FEMA make disaster-sourcing decisions?
5. How well did FEMA coordinate its activities?

In addition to assessing FEMA’s response to the disaster, we attended meetings with FEMA, California, and local officials and informed them about Federal regulations and the responsibilities that come with accepting disaster assistance from FEMA. By deploying staff to assess FEMA’s disaster response and recovery activities while they happen, we position ourselves better to identify potential problems before they occur.

While FEMA successfully overcame most challenges that this disaster presented, we did observe one other matter that we reported on separately. Specifically, we observed instances where FEMA personnel did not properly safeguard Personally Identifiable Information according to Federal privacy and security standards. We determined that this occurred in part because FEMA’s methods for training and promoting Privacy Awareness were not reliable. We discussed our observations with FEMA officials during our fieldwork; and, on June 9, 2016, we issued a separate management advisory report to inform FEMA of this issue.³

¹ FEMA’s Individual Assistance program provides housing assistance and assistance for medical, funeral, and transportation expenses to eligible individuals who, because of a Federal declared major disaster or emergency, have necessary expenses and serious needs that are unmet through insurance or other means.

² FEMA’s Public Assistance program awards grants to state, local, and federally recognized tribal governments and certain private non-profit entities to assist them with the response and recovery from Federal declared disasters.

³ *FEMA Continues to Experience Challenges in Protecting Personally Identifiable Information at Disaster Recovery Centers*, OIG-16-102-D.



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FEMA's Activities before the Disaster Declaration

FEMA's preemptive activities before the disaster declaration allowed it time to have resources available and effectively respond to the needs of the survivors of the Valley and Butte fires. Before the President declared the wildfires a major disaster, FEMA—

- awarded California about \$80 million in Fire Management Assistance grants to offset costs incurred by first responders;
- deployed an Initial Management Assistance Team (IMAT)⁴ to California's Office of Emergency Services facilities;
- collaborated with California and local officials to plan response and recovery activities, develop strategies and tactics to accomplish operational objectives, and conduct preliminary damage assessments to determine the extent and impact of the wildfires;
- visited several affected communities to provide survivors with information on FEMA programs;
- coordinated with California to identify sheltering options; and
- enacted a task force to address potential El Niño effects to the communities affected by the fires.⁵

FEMA's Most Pressing Challenges

Staffing was the most significant challenge that FEMA overcame in responding to this disaster. First, FEMA experienced difficulties planning for personnel and filling positions because disaster personnel were unavailable or declined the deployment request. FEMA, however, successfully mitigated this challenge by asking staff to work overtime and by relocating available staff to sections that had the most shortages in personnel.

Additionally, FEMA operated without a procurement officer for about a week while establishing the Joint Field Office and Disaster Recovery Centers. FEMA's *Joint Field Office Standard Operating Procedures* shows that the regional Logistics branch along with the Finance and Administration section provide

⁴ A FEMA Incident Management Assistance Team responds to requests from state or local governments to assist in the management of disaster response operations. The team supports the initial establishment of a unified command and provides crucial situational awareness for Federal and state decision makers.

⁵ According to the National Oceanic and Atmospheric Administration, El Niño is an oscillation of the ocean-atmosphere system in the tropical Pacific having important consequences for weather around the globe. These consequences can include destructive flooding in some areas and drought in others.



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primary oversight and coordination needed to support the disaster incidents, including ordering resources through appropriate procurement methods.

FEMA officials explained that procurement officers deploy from the regional office that manages the declared disaster; Region IX was the lead FEMA office managing declared disaster commonly referred to as the Valley and Butte Fires. These officials further stated that Region IX had not had a procurement officer for more than a year leading up to the declared disaster. As a result, for about a week after the declaration, FEMA operated without proper procurement support, which caused delays in establishing the Joint Field Office and Disaster Recovery Centers. However, FEMA leadership overcame this challenge by conducting a national search for the asset, and securing a procurement officer from another region.

FEMA Disaster Sourcing Decisions

FEMA's leadership in the areas of operations, logistics, and finance and administration worked jointly and effectively to manage disaster sourcing decisions needed for this disaster. FEMA addressed sourcing needs by using (1) mission assignments to other Federal agencies; (2) requisitions for supplies, equipment, services, and personnel; (3) procurements; and (4) the General Services Administration (GSA) to locate available office rental space within close proximity of the disaster area to stand up its Joint Field Office.

Mission Assignments

As of November 16, 2015, FEMA obligated \$15 million for 15 mission assignments to other Federal agencies. The mission assignments provided resources such as security, emergency support functions, emergency debris removal, and assistance in finding rental space for the Joint Field Office.

Requisitions for Supplies, Equipment, Services, and Personnel

The Logistics, Operations, and Finance leadership worked jointly to complete the necessary requisitions of facilities, equipment, and personnel. However, these officials experienced challenges in procuring goods and services necessary to operate FEMA disaster facilities.

We found that FEMA's financial policy for fiscal year 2015 year-end closing transactions restricted the use of disaster purchase cards after the fiscal year's cutoff date. According to *FEMA's Fiscal Year 2015 Year-End Closing Instructions*, all purchase card transactions *used in active disasters* must be made by September 25, 2015 (the fiscal year's cut-off date).



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Any purchase requests after the cutoff date, and before October 2, 2015, required approval by FEMA's Office of the Chief Financial Officer, Financial Management Division.

FEMA officials in California explained that, for about 8 days before the end of fiscal year 2015, and while managing the declared disaster, they first needed approval from the Financial Management Division for each credit card purchase, including buying a box of pencils or any other general office supply. FEMA leadership further stated that, although it took all possible due diligent steps to mitigate the response to the declared disaster, the year-end financial closing policy restricted leadership from quickly acquiring the goods and services needed to operate effectively the Disaster Recovery Centers and Joint Field Office. FEMA leadership in California mitigated this challenge by submitting credit card purchase requests for approval as quickly as possible to the Financial Management Division and by combining purchase requests.

Procurements

As of November 16, 2015, FEMA's Administration and Finance division official issued contracts totaling \$6 million for Individual Assistance, Hazard Mitigation, and Public Assistance services. Additionally, FEMA awarded one contract for nearly \$1 million for security services. These officials also used local vendors to procure goods and services such as office supplies and local courier services.

In addition, FEMA leadership worked jointly with California in developing the statement of work for two large FEMA projects estimated at \$230 million for debris removal work. California's Department of Resources Recycling and Recovery, as a California subgrantee, will manage the two FEMA projects and plans to award contracts to qualified vendors to remove debris from fire-damaged structures located within Lake and Calaveras Counties.

Opening Disaster Recovery Centers and a Joint Field Office

The wildfires burned for approximately a month during which time FEMA opened three Disaster Recovery Centers and a Joint Field Office. With assistance from GSA, FEMA opened the Disaster Recovery Centers in geographical locations that were close to communities most affected by the disaster. FEMA opened two centers in Lake County (located in Middletown and the City of Clearlake) and one in Calaveras County (located in San Andreas).



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To help survivors apply for Federal assistance, FEMA deployed Mobile Communications Office Vehicles to the Disaster Recovery Centers because, during initial deployment, these communities had lost their information technology infrastructures (see figure 2).⁶

Figure 2: FEMA’s Mobile Communications Office Vehicles at Disaster Recovery Center, Middletown, California



Source: OIG Emergency Management Oversight Team

FEMA also strategically located the Joint Field Office almost in the geographic center of the disaster area, Sacramento, California. The Valley Fire was located approximately 89 miles north of Sacramento, and the Butte Fire about 67 miles south of Sacramento. FEMA commonly locates the Joint Field Office near the disaster area.

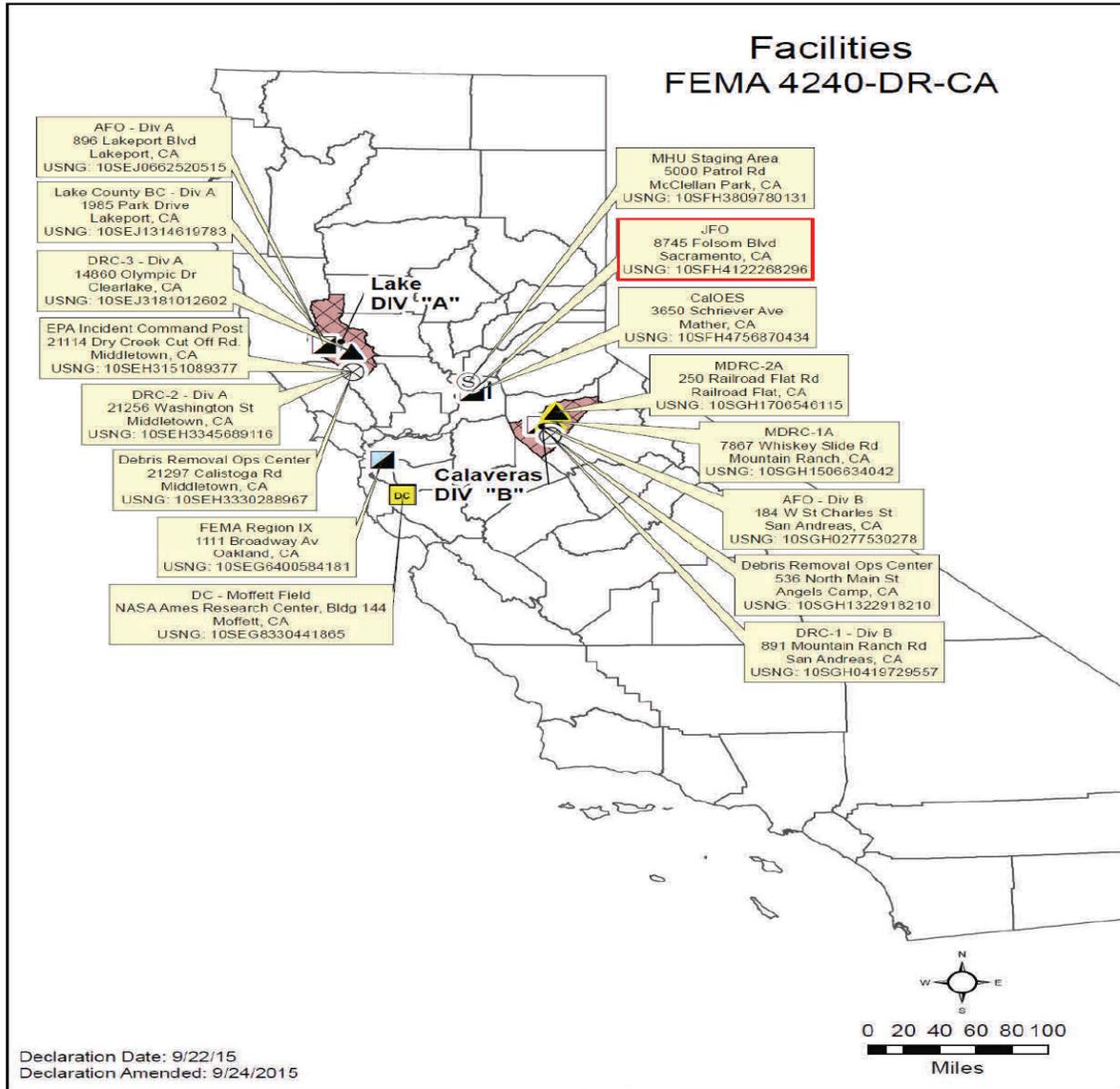
However, FEMA officials explained that, in this case, they located their office within a 6-mile radius of the California Office of Emergency Services, which allowed for a more effective and efficient communication with California and better support to the Disaster Response Centers (see figure 3).

⁶ FEMA activates Mobile Communications Office Vehicles to support response and recovery. They provide mobile office and communication platforms capable of moving into a disaster on short notice and can provide “phone banks” for applicant registration.



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Figure 3: FEMA California Facilities



Source: FEMA

FEMA’s Coordination with California and Local Officials

FEMA coordinated effectively with California and local officials and responded timely to the California’s needs for this disaster. FEMA, by co-locating the Incident Management Assistance Team with California, helped expedite the assistance to survivors of the disaster and allowed for quicker decision-making and better situational awareness among responding agencies. Through this coordinated joint effort, FEMA and California were able to direct resources where they had the most impact.



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OIG's Deployment Activities

To provide the Department, FEMA, and Congress information on the effectiveness of FEMA's initial disaster response and recovery activities, we proactively deployed an Emergency Management Oversight Team to evaluate FEMA's actions and to help prevent fraud, waste, and abuse of Federal funds. Traditional audits typically assess an organization's financial and operational activities after they happen. By deploying staff to assess FEMA's disaster response and recovery activities while they happen, we position ourselves better to identify potential problems before they occur.

Moreover, during meetings such as applicant briefings and kickoff meetings, we educated California and local officials about typical audit findings and the Federal regulations and FEMA guidelines that they need to follow to avoid improperly spending disaster assistance funds. Our involvement also improves the quality of the recommendations we make in other reports because we experienced the unique challenges that exist early in the disaster response and recovery phase. In addition, our visibility and availability to FEMA, California and local officials, and others affected by disasters provide an effective deterrent to potential fraud, waste, and abuse. Finally, Emergency Management Oversight Team deployments provide opportunities to identify problems that may be systemic and require additional research or audit work.

Other Matter

While conducting interviews at Disaster Recovery Centers, we observed that FEMA personnel were not properly safeguarding Personally Identifiable Information (PII) according to Federal privacy and security standards. The *Privacy Act of 1974* requires agencies to implement administrative, physical, and technical safeguards to ensure the security and confidentiality of records. Specifically, we observed that FEMA did not equip the centers with approved lockable containers for safeguarding PII. Instead, it stored PII records in open, unsecured cardboard boxes. Officials at the centers said that FEMA seldom supplies Disaster Recovery Centers with secured document containers or bins, or shredders approved for disposing of PII. These officials added that, without qualified disposal equipment, they must send PII collected from Disaster Recovery Centers by contract courier to the Joint Field Office for proper disposal.



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These problems occurred in part because FEMA's methods for training and promoting Privacy Awareness were not reliable. For example, FEMA officials did not ensure that disaster personnel had completed mandatory training such as *Privacy at DHS: Protecting Personally Identifiable Information*. In May 2013, we reported similar deficiencies in privacy training and awareness and safeguarding PII.

We discussed these issues with FEMA during our fieldwork, and, on June 9, 2016, we issued a management advisory report to inform FEMA of the mishandling of PII at the California centers.⁷

Discussion with Management and Audit Follow-up

We discussed the results of our audit with FEMA officials during our audit and included their comments in this report, as appropriate. We also provided a draft report to FEMA officials and discussed it with them at an exit conference on March 30, 2016. FEMA officials generally agreed with our findings and observations (appendix B contains FEMA's response in its entirety). Because we are making no recommendations, we consider this report closed.

The Office of Emergency Management Oversight major contributors to this report are Humberto Melara, Director; Louis Ochoa, Audit Manager; Renee Gradin, Auditor-in-Charge; Paul Sibal, Auditor; and Lance Louie, Auditor.

Please call me with any questions at (202) 254-4100, or your staff may contact Humberto Melara, Director, Western Regional Office, at (510) 637-1463.

⁷ *FEMA Continues to Experience Challenges in Protecting Personally Identifiable Information at Disaster Recovery Centers*, OIG-16-102-D, June 9, 2016.



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Appendix A

Objective, Scope, and Methodology

We audited FEMA's initial response to wildfires that occurred during the incident period from September 9, to October 30, 2015, in Lake and Calaveras counties, California. The overall objective of our audit was to determine whether FEMA's initial response to the California wildfires was effective and to evaluate FEMA's actions, resources, and authorities according to Federal regulations and FEMA guidelines in effect at the time of our fieldwork. To accomplish our audit objective, we focused on answering the following questions:

1. What activities did FEMA perform before the major disaster declaration?
2. What were the most significant challenges FEMA faced in this disaster?
3. What were the most significant resource shortfalls?
4. How did FEMA make disaster-sourcing decisions?
5. How well did FEMA coordinate its activities with California and local officials?

The audit covered the period from September 9, 2015 (start of the incident period), through November 25, 2015 (our audit cutoff date).

We deployed to the disaster on October 7, 2015. We co-located at the Joint Field Office in Sacramento, California with FEMA officials and based our audit fieldwork at that office as practicable. We interviewed officials within FEMA Senior Leadership (Federal Coordinating Officer and Disaster Recovery Coordinator); FEMA Section Leadership (Operations, Logistics, Planning, and Finance and Administration); FEMA Security Manager; FEMA Office of External Affairs; FEMA Infrastructure Branch Director; and FEMA Individual Assistance Branch Director.

We conducted fieldwork activities at the Joint Field Office (Sacramento, California); FEMA Area Field Office (San Andreas, California); Disaster Recovery Centers (Middletown, and San Andreas, California); and California Office of Emergency Services (Mather, California). We reviewed: FEMA reports specific to the disaster; a previous OIG audit report, and documents FEMA provided in response to that audit; and other statutes and Federal regulations applicable to this audit. We also performed other procedures considered necessary to accomplish our audit objective. We did not assess the adequacy of FEMA's internal controls applicable to disaster response because it was not necessary to accomplish our audit objective.



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Appendix A (continued)

We conducted this performance audit between October 2015 and March 2016 pursuant to the *Inspector General Act of 1978*, as amended, and according to generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based upon our audit objective. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based upon our audit objective. To conduct this audit, we applied the statutes, regulations, and FEMA policies and guidelines in effect at the time of the disaster.



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Appendix B

FEMA Region IX Audit Response

U.S. Department of Homeland Security
Region IX
1111 Broadway, Suite 1200
Oakland, CA 94607-4052



FEMA

APR 27 2016

MEMORANDUM FOR: Humberto U. Melara
Director, Western Regional Office
Office of Inspector General

FROM: Robert J. Fenton 
Regional Administrator
FEMA Region IX

SUBJECT: FEMA-4240-DR-CA
Response to Draft Audit Report OIG-16-XXX-D
FEMA Log: 309559.2

On March 30, 2016, the Office of Inspector General (OIG) Western Regional Office transmitted the draft audit report *FEMA Was Generally Effective in Its Initial Response to the Severe Wildfires in California*. The OIG audited the U.S. Department of Homeland Security's Federal Emergency Management Agency's initial response to wildfires that occurred from September 9, to October 30, 2015, in Lake and Calaveras Counties, California.

Thank you for the opportunity to comment on the referenced draft report. The report did not contain any findings that required corrective actions, but it did highlight information that we can use to strengthen the effectiveness and efficiency of our program.

If you have any questions or require additional information, please contact Marcie Stone, Acting Recovery Division Director, at (510) 627-7250.

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Appendix C

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