

**OFFICE OF INSPECTOR GENERAL**

# **FEMA's Initial Response to the Severe Storms and Flooding in South Carolina**



Homeland  
Security

**March 21, 2016**  
**OIG-16-53-D**



# DHS OIG HIGHLIGHTS

## *FEMA's Initial Response to the Severe Storms and Flooding in South Carolina*

**March 21, 2016**

### **Why We Did This Audit**

On October 5, 2015, the President declared a major disaster for 36 counties encompassing almost the entire state of South Carolina. We deployed an Office of the Inspector General (OIG) Emergency Management Oversight Team to the disaster to evaluate FEMA's actions just before and after the declaration. Our visibility and availability to FEMA, State, and local officials, and others affected by the disaster provides 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](mailto:DHS-OIG.OfficePublicAffairs@oig.dhs.gov)

### **What We Found**

The Federal Emergency Management Agency (FEMA) responded effectively to the 2015 South Carolina storms and flooding. FEMA completed all Preliminary Damage Assessments approximately two weeks after the declaration; overcame pressing challenges and sourcing decisions; and effectively coordinated its activities with Federal, State, and local partners.

In addition, by deploying to the disaster shortly after the declaration, we proactively provided FEMA and State officials, along with potential Public Assistance applicants, relevant and accurate information on our common audit findings. We emphasized the importance of proper accounting and procurement and retaining adequate support for expenses.

Within 2 months of the disaster declaration, FEMA had registered over 90,000 disaster survivors under FEMA's Individual Assistance Program, approved \$70 million in individual and household funds, completed 99 percent of housing inspections, opened 36 Disaster Recovery Centers, and completed 180 kickoff meetings.

### **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.



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Washington, DC 20528 / [www.oig.dhs.gov](http://www.oig.dhs.gov)

03/21/2016

MEMORANDUM FOR: Gracia Szczech  
Regional Administrator, IV  
Federal Emergency Management Agency

FROM: John V. Kelly  
Assistant Inspector General  
Office of Emergency Management Oversight

SUBJECT: *FEMA's Initial Response to the Severe Storms and  
Flooding in South Carolina*  
Report Number OIG-16-53-D

We audited the Federal Emergency Management Agency's (FEMA) initial response to the severe storms and flooding that occurred October 2015 in South Carolina. Our assessment of FEMA's response focuses 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 how well FEMA coordinated its activities with Federal, State, and local partners.

To provide the Department, FEMA, and the Congress information on the effectiveness of FEMA's initial disaster response and recovery activities, we deployed an Office of Inspector General (OIG) Emergency Management Oversight Team to proactively 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 better position ourselves 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 mispending disaster assistance.

### Background

South Carolina has two distinct geographic regions, the high country and low country. The high country exists predominately in the State's western, mountainous region, while the low country consists of the State's eastern coastal region that borders the Atlantic Ocean and includes the Sea Islands.



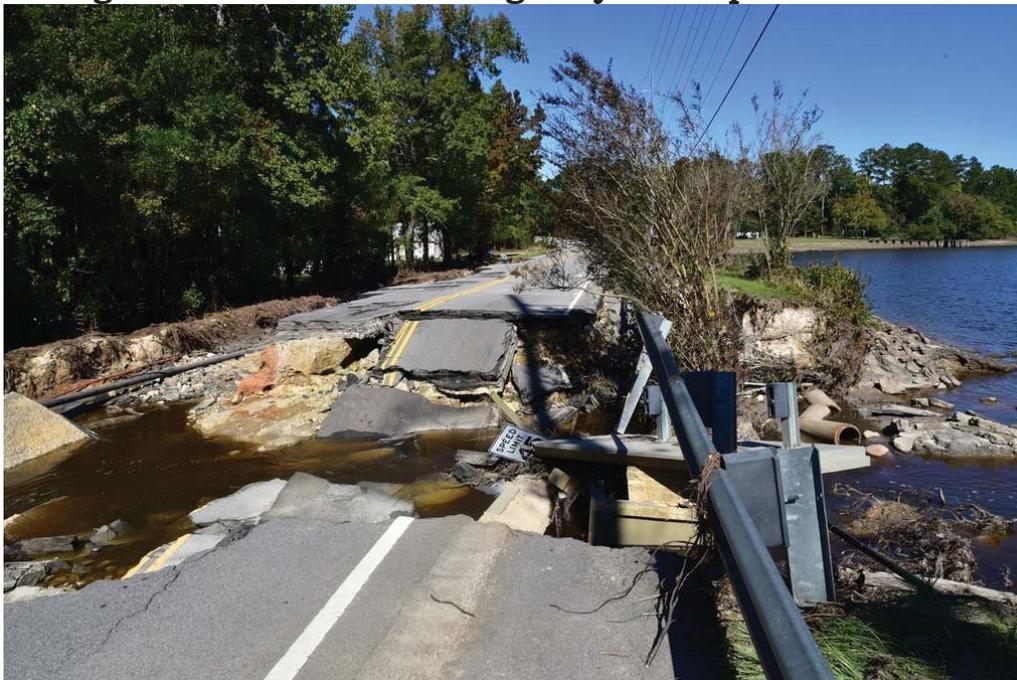
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For 23 days in early October 2015, a storm system that moved across South Carolina generated record-breaking precipitation in 36 South Carolina counties. The storm system caused historic levels of flooding, compromised 32 dams, and exacerbated an already severe flooding event. To complicate the situation, water from the compromised dams adversely affected many roads making them impassable. FEMA officials also expressed concern that the runoff from the rainfall in the high country would be worse in the low country because many of the flooded rivers flow through the low country.

**Figure 1: State Road Damaged by a Compromised Dam**



Source: FEMA

On October 5, 2015, the President signed a major disaster declaration, which authorized FEMA to provide Individual Assistance for 24 counties and Public Assistance for 35 counties.<sup>1</sup> The declaration provided 75 percent Federal funding.

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<sup>1</sup> As of November 5, 2015, this included 12 amendments.



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### Results of Audit

FEMA's initial response to the South Carolina severe storms and flooding appeared effective. FEMA completed all preliminary damage assessments approximately 2 weeks after the declaration; overcame challenges and resource shortfalls; and effectively coordinated activities with its Federal, State, and local partners.<sup>2</sup> In addition, our Emergency Management Oversight Team provided FEMA and State officials and potential Public Assistance applicants relevant and accurate information on Federal regulations, with an emphasis on proper accounting and procurement and retaining adequate support for expended costs.

Within about 2 months of the disaster declaration, FEMA had—

- registered over 90,000 disaster survivors under FEMA's Individual Assistance Program,<sup>3</sup>
- approved \$70 million in Individual and Household Funds,
- completed 99 percent of housing inspections,
- opened 36 Disaster Recovery Centers with over 34,000 visitors,<sup>4</sup> and
- completed 180 kickoff meetings.

**Figure 2: FEMA Disaster Recovery Center for DR-4241**



Source: OIG Emergency Management Oversight Team.

<sup>2</sup> In accordance with 44 CFR 206.33(d) and 206.36(d), because this event was of such severity and magnitude, FEMA determined the need for supplemental Federal assistance to be necessary before the completion of joint Federal, State, and local government preliminary damage assessments.

<sup>3</sup> FEMA's Individual Assistance Program provides money and services to help survivors pay expenses that insurance does not cover.

<sup>4</sup> Disaster Recovery Centers provide individuals information about disaster assistance programs and answer questions related to their specific cases.



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During the deployment, we observed instances where South Carolina Emergency Management personnel provided incomplete and, at times, inaccurate information to Public Assistance applicants regarding Federal procurement standards. Additionally, while conducting interviews at some Disaster Recovery Centers, we observed personally identifiable information left in unsecured areas while awaiting pickup for disposal at the Joint Field Office.<sup>5</sup> We addressed both concerns with FEMA and State officials, and both took immediate corrective action to remedy the situations.

We deployed to the disaster site to assess FEMA's response, focusing on FEMA's activities just before and after the major disaster declaration. To enhance accountability and transparency for the use of the disaster relief funds, we also assisted FEMA by attending meetings to inform State and local officials in affected communities about Federal procurement and accounting requirements that come with accepting disaster assistance from FEMA.

### **FEMA's Activities before the Disaster Declaration**

FEMA effectively coordinated its activities in South Carolina before the President declared the disaster. The President signed the major disaster declaration approximately 4 days after the severe storms and flooding occurred.<sup>6</sup> FEMA had assets staged in North Carolina in anticipation of Hurricane Joaquin making landfall.<sup>7</sup> The timing of the disaster declaration and FEMA's pre-event staging allowed FEMA time to have resources on hand to effectively respond to the event.

### **FEMA's Most Pressing Challenge**

We identified staffing as the most pressing challenge FEMA overcame in responding to this disaster. FEMA initially deployed over 1,490 staff during the initial response period to assist with disaster operations. In doing so, FEMA had to overcome significant challenges involving its Qualification System and Deployment Tracking System. Within 7 days of the declaration, FEMA deployed over 900 personnel to support disaster response activities, and within about 30 days, FEMA's personnel totaled about 1,300.

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<sup>5</sup> The Joint Field Office is a temporary Federal multiagency center FEMA establishes for the coordination of Federal, State, local, tribal, nongovernmental, and private-sector organizations.

<sup>6</sup> On October 3, 2015, the President issued an Emergency Declaration under section 501 of the *Robert T. Stafford Disaster Relief and Emergency Assistance Act*, as amended.

<sup>7</sup> On October 1, 2015 the forecasters at the National Hurricane Center declared Hurricane Joaquin a Category 4 hurricane. Although Joaquin steered clear of the mainland United States, another large storm system over the southeastern states drew tremendous moisture from the hurricane, resulting in catastrophic flooding in South Carolina.



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The leadership FEMA deployed to South Carolina, however, encountered various challenges with its personnel systems—the FEMA Qualification System and Deployment Tracking System. For example, FEMA officials at the Joint Field Office told us these systems did not always (1) represent accurate staff qualifications, (2) classify personnel by specialty functions, or (3) capture Reservists who were unavailable for deployment. Despite these challenges, FEMA leadership laid out an aggressive demobilization plan that addressed these issues, thus ensuring that a right-sized, qualified staff was available to provide an effective response to the disaster. Nevertheless, based on our work on deployments to previous disasters, FEMA has been encountering similar problems since it implemented the FEMA Qualification System in October 2012. Therefore, because the issues involving FEMA’s personnel systems appear to be systemic, we are conducting an audit to determine whether the system adequately supports FEMA’s goal of developing a Reservist workforce with the critical skills and competencies required for responding effectively to major disasters. We expect to issue a final report to FEMA by April 2016.

### **FEMA Disaster Sourcing Decisions**

FEMA’s Operations, Logistics, and Finance and Administration Sections worked together to effectively manage the modest 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) normal acquisition procedures; and (4) the General Services Administration to locate available office rental space within close proximity of the disaster area to stand up its Joint Field Office and Branch Offices.

#### Mission Assignments

As of November 18, 2015, FEMA obligated \$3.4 million for 24 mission assignments to other Federal agencies. The mission assignments provided resources such as aviation and engineering support and rental space for the Joint Field Office.

#### Requisitions for Supplies, Equipment, Services, and Personnel

The Logistics and Operations sections effectively completed requisitions for supplies, equipment, services, and personnel. The Logistics Section also completed resource requests for materials and supplies when available in the Joint Field Office. Generally, FEMA did not require a written contract if the request was less than the micro-purchase threshold of \$3,500. FEMA prepositioned commodities at an Incident Support Base located at Fort Bragg



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in North Carolina. Fort Bragg eventually transitioned into a Federal Staging Area that expedited the deployment of a variety of essential goods, such as water, meals, and blankets. As a result, FEMA commodities officials made available tens of thousands of daily necessities for disaster survivors on the date of the disaster declaration. Within a 24-hour period, FEMA rapidly increased the inventory on hand for nearly every type of commodity.

### Acquisitions

As of November 24, 2015, FEMA's Administration and Finance Section personnel awarded 38 contracts totaling \$22.4 million, of which 9, totaling \$1.4 million, were to local contractors. These local contracts included security and office supplies and services. Additionally, in concert with the General Services Administration, FEMA awarded the contract for the Joint Field Office in Blythewood, South Carolina.

### Selecting and Preparing the Joint Field Office Location

FEMA made its Joint Field Office operational quickly, within 4 days of the disaster declaration and amid a variety of challenges. FEMA ordinarily selects a Joint Field Office location close to the disaster area and based on particular specifications, such as size, access, configuration, and information technology (IT) infrastructure. FEMA and the State co-located and established the office almost in the geographic center of the disaster area in Blythewood, South Carolina. In addition to the geographic position of the Joint Field Office, FEMA officials analyzed two locations and provided us with a whitepaper detailing their decision. FEMA officials explained that they based their selection methodology on an audit report we issued in August 2015 for improving FEMA's process for selecting Joint Field Offices.<sup>8</sup>

We concluded that the building FEMA selected presented an effective and efficient option for FEMA because it allows for "scalability." In other words, FEMA can turn over portions of the building as the number of staff decreases, thus reducing disaster administrative costs. Furthermore, the building already possessed many of the attributes required for effective operations, including (1) easy access to Interstate highways, (2) an established office infrastructure, (3) service and employee elevators, (4) IT connectivity, and (5) compliance with the *Americans with Disabilities Act*. Although FEMA had to remove items that the previous tenant left, it appears the site FEMA selected for the Joint Field Office was appropriate for this disaster.

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<sup>8</sup> OIG issued audit report OIG-15-128-D, *FEMA's Process for Selecting Joint Field Offices Needs Improvement*, dated August 20, 2015.



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### **FEMA's Coordination with State and Local Officials**

Senior State officials told us FEMA coordinated effectively with State and local officials and responded timely to the State's needs for this disaster. Immediately after the selection of the Joint Field Office, the State relocated approximately 50 staff from West Columbia to work full time alongside of their FEMA counterparts. This integrated approach allowed for quicker decision making and better situational awareness, and engendered trust and transparency among responding agencies working from the Joint Field Office. By having many of the necessary decision makers co-located, FEMA and the State were able to direct resources where they had the most impact.

### **Other Matters Observed During Our Deployment**

During our deployment to this disaster, we observed two other matters that deserve mentioning. First, we observed instances where South Carolina Emergency Management personnel provided incomplete and, at times, inaccurate information to Public Assistance applicants regarding Federal procurement standards. Additionally, while conducting interviews at some Disaster Recovery Centers, we observed personally identifiable information left in unsecured areas while awaiting pickup for disposal at the Joint Field Office.<sup>9</sup> We addressed both concerns with FEMA and State officials, and both took immediate corrective action to remedy the situations.

### **OIG's Deployment Activities**

To provide the Department, FEMA, and the Congress information on the effectiveness of FEMA's initial disaster response and recovery activities, we deployed an Emergency Management Oversight Team to proactively evaluate FEMA's actions, and to 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 better position ourselves to identify potential problems before they occur. We also help educate State and local officials at applicant briefings and kickoff meetings 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

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<sup>9</sup> While deployed to a previous disaster (California wildfires, DR-4240-CA, declared on September 22, 2015), we observed similar issues with FEMA's mishandling of personally identifiable information. We discussed the issues with FEMA and expect to issue a final report in March 2016.



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we experienced the unique challenges that exist early in the disaster response and recovery phase. In addition, our visibility and availability to FEMA, State 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.

### **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 February 16, 2016. FEMA officials generally agreed with our findings and observations. FEMA officials also provided a written response on February 26, 2016, saying that the report highlighted areas in which FEMA could strengthen the effectiveness and efficiency of how the agency executes and measures its disaster relief program. Because we are making no recommendations, we consider this report closed.

The Office of Emergency Management Oversight major contributors to this report are David Kimble, Director; Anthony Colache, Audit Manager; John Schmidt, Auditor-in-Charge; Angelica Esquerdo, Auditor; and Kim Lemon, Auditor.

Please call me with any questions at (202) 254-4100, or your staff may contact David Kimble, Director, Eastern Regional Office - South, at (404) 832-6702.



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### Appendix A

#### Objective, Scope, and Methodology

The overall objective of this audit was to determine whether FEMA's initial response to the severe storms and flooding in South Carolina 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 field work. To accomplish our 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 State and local officials?

We performed the following procedures to evaluate FEMA's initial response to this disaster (4241-DR-SC):

- deployed staff to the FEMA Joint Field Office in Blythewood, South Carolina, within 2 weeks of the Presidential Declaration;
- reviewed Initial Action Plans, Situation Reports, Common Operating Pictures, Disaster Executive Summaries, Fact Sheets, and private sector news;
- interviewed officials within the FEMA Joint Field Office such as FEMA Senior Leadership (Federal Coordinating Officer, Deputy Federal Coordinating Officer), FEMA Section Leadership (Operations, Logistics, and Finance and Administration), and State of South Carolina Emergency Management Division;
- visited Disaster Recovery Centers throughout the State;
- attended Applicant Briefings led by the State of South Carolina Emergency Management Division;
- attended FEMA-led kickoff meetings;
- attended FEMA Inspector's Briefings;
- attended General Command Staff meetings at the Joint Field Office; and
- visited damaged areas throughout the State.

We also performed other procedures considered necessary to accomplish our 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. The audit covered FEMA's response activities for Disaster Number 4241-DR-SC for the period October 2015 through December 2015.



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We conducted this performance audit between October 2015 and February 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 that the evidence obtained provides a reasonable basis for our findings and conclusions based upon our audit objective. We conducted this audit by applying the statutes, regulations, and FEMA policies and guidelines in effect at the time of the disaster.



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**Appendix B**

**FEMA Region IV Audit Response**

U.S. Department of Homeland Security  
Region IV  
3003 Chamblee-Tucker Road  
Atlanta, GA 30341



**FEMA**

February 26, 2016

MEMORANDUM FOR: C. David Kimble  
Director  
Eastern Regional Office  
Office of Disaster Assistance Oversight

FROM: Gracia B. Szczech  
*GB* Regional Administrator 

SUBJECT: *FEMA's Initial Response to the Severe Storms and Flooding in South Carolina* Audit Report OIG-16-XX-D

Thank you for the opportunity to comment on your Draft Report, "FEMA's Initial Response to the Severe Storms and Flooding in South Carolina". The report did not contain any findings that required corrective actions, but did highlight areas in which we can use the audit information to strengthen the effectiveness and efficiency of how we execute and measure our program.

Thank you again for the opportunity to comment on this report and for the work that you and your team have done to better inform us throughout this audit so that we may enhance the program's overall effectiveness. Please direct any questions regarding this response to Terry L. Quarles, Recovery Division Director. His contact information is [terry.quarles@fema.dhs.gov](mailto:terry.quarles@fema.dhs.gov) or 770-220-5300.

[www.fema.gov](http://www.fema.gov)



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**Appendix C (continued)**

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