

Department of Homeland Security **Office of Inspector General**

FEMA's Logistics Supply Chain Management System May Not Be Effective During a Catastrophic Disaster





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Department of Homeland Security

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MEMORANDUM FOR: Jeffrey J. Dorko
Assistant Administrator for Logistics
Federal Emergency Management Agency

Gary Carter
Executive Director
Office of Program Accountability and Risk Management

FROM: Anne L. Richards 
Assistant Inspector General for Audits

SUBJECT: *FEMA's Logistics Supply Chain Management System May
Not Be Effective During a Catastrophic Disaster*

Attached for your action is our final report, *FEMA's Logistics Supply Chain Management System May Not Be Effective During a Catastrophic Disaster*. We incorporated the formal comments from the FEMA's Logistics Management Directorate and DHS' Office of Program Accountability and Risk Management in the final report.

The report contains 11 recommendations aimed at improving the FEMA Logistics Supply Chain Management System. Your offices concurred with all recommendations. We consider recommendation #11 resolved and closed. The OIG considers recommendations #3, #4, and #6 unresolved and open. As prescribed by the *Department of Homeland Security Directive 077-01, Follow-Up and Resolutions for Office of Inspector General Report Recommendations*, within 90 days of the date of this memorandum, please provide our office with a written response that includes your (1) agreement or disagreement, (2) corrective action plan, and (3) target completion date for the recommendation. Also, please include responsible parties and any other supporting documentation necessary to inform us about the status of the recommendation. Until we receive and evaluate your response, we will consider the recommendation unresolved and open.

Based on information provided in your response to the draft report, we consider recommendations #1, #2, #5, and #7 through #10 resolved and open. Once your office has fully implemented the recommendations, please submit a formal closeout letter to us within 30 days so that we may close the recommendations. The request should be accompanied by evidence of completion of agreed-upon corrective actions.



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Please email a signed PDF copy of all responses and closeout requests to OIGAuditsFollowup@oig.dhs.gov.

Consistent with our responsibility under the *Inspector General Act*, we will provide copies of our report to appropriate congressional committees with oversight and appropriation responsibility over the Department of Homeland Security. We will post the report on our website for public dissemination.

Please call me with any questions, or your staff may contact John E. McCoy II, Deputy Assistant Inspector General for Audits, at (202) 254-4100.

Attachment



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Abbreviations

DHS	Department of Homeland Security
DLA	Defense Logistics Agency
FEMA	Federal Emergency Management Agency
FY	fiscal year
IV&V	independent validation and verification
LSCMS	Logistics Supply Chain Management System
NRF	National Response Framework
OIG	Office of Inspector General



Executive Summary

We audited the Federal Emergency Management Agency's (FEMA) Logistics Supply Chain Management System program. According to FEMA, the Logistics Supply Chain Management System replaced its earlier logistics operations systems to automate and track distribution better and deliver emergency supplies more dependably. FEMA also intended for the system to help track supplies provided by partners in other Federal agencies; nongovernmental organizations; state, local, and tribal governments; and the private sector. Our audit objective was to determine whether FEMA's Logistics Supply Chain Management System is able to support Federal logistics operations effectively in the event of a catastrophic disaster.

After spending about \$247 million over 9 years, FEMA cannot be certain that its supply chain management system will be effective during a catastrophic disaster. FEMA estimated that the life cycle cost of the system would be about \$556 million—\$231 million more than the original life cycle cost estimate. According to FEMA, the Logistics Supply Chain Management System became fully operational in January 2013, which was about 19 months behind schedule. However, the system could not perform as originally planned. Specifically, it cannot interface with the logistics management systems of FEMA's partners, nor does FEMA have real-time visibility over all supplies shipped by its partners. As of March 2014, the Logistics Supply Chain Management System still had not achieved full operational capability. We attribute these deficiencies to inadequate program management and oversight by the Department of Homeland Security (DHS) and FEMA. As a result, FEMA may not be able to efficiently and effectively aid survivors of catastrophic disaster.

We made three additional observations related to the Logistics Supply Chain Management System. FEMA may not have the appropriate number of trained and proficient staff to operate the system during a disaster. In addition, FEMA has not published system operating procedures or guidance on using other processes should the Logistics Supply Chain Management System not be available. Finally, the program office responsible for the Logistics Supply Chain Management System inaccurately reported at least three program performance measures to the Office of Management and Budget.

We made 11 recommendations to address these deficiencies and observations and improve the effectiveness of the Logistics Supply Chain Management System program. DHS and FEMA concurred with all recommendations.



Background

FEMA supports the American people and first responders to ensure that we work together to build, sustain, and improve our capability to prepare for, protect against, respond to, recover from, and mitigate all hazards.

The DHS *National Response Framework, Second Edition* (NRF) of May 2013 guides the Nation's response to all types of disasters and emergencies. An annex to the NRF, *Emergency Support Function #7 – Logistics*, describes centralized management of supply chain functions to support local, state, tribal, territorial, insular area, and Federal governments for an actual or potential incident.¹ FEMA and the General Services Administration are the primary coordinating agencies for the functions identified in *Emergency Support Function #7*.

According to its All Hazards Concept of Support Plan, FEMA intends to provide supplies to support 1.75 million disaster survivors for 3 days. FEMA has distribution centers stocked with initial response supplies and commonly used shelter items. However, FEMA relies on contracted vendors and its Federal partners to provide the quantity of supplies needed to meet the requirements in its All Hazards Concept of Support Plan. Other Federal agencies provide supplies during a response to a disaster, including the General Services Administration, Defense Logistics Agency (DLA), and U.S. Army Corps of Engineers. According to FEMA, up to 75 percent of all disaster shipments are from its vendors or Federal agency partners. For example, contracted vendors and Federal agency partners provided more than 60 percent of supplies during the Hurricane Sandy response, including gasoline, food, water, cots, blankets, and generators provided by DLA.

Items Provided by DLA During The Hurricane Sandy Response, as of November 2012

- Meals: 6.2 million
- Pallets of water: 48
- Blankets: 172,500
- Cots: 4,000
- Generators: 51

Source: DHS OIG analysis of DLA data

See appendix C for sources of initial response supplies during emergency declarations and appendix D for FEMA's partners' capabilities. The charts in appendix E show supplies provided by FEMA's partners for disasters over the last 3 years.

Following the Federal Government's response to Hurricane Katrina, the administration and the United States Senate reported that FEMA was not able to provide the logistics

¹ The NRF's Emergency Support Function annexes describe the Federal coordinating structures that group resources and capabilities into functional areas most frequently needed in a national response.



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support to respond effectively to a major disaster.² According to the Senate’s Special Report of the Committee on Homeland Security and Governmental Affairs, FEMA could not track supplies en route to destinations. To improve FEMA’s disaster response, both reports’ recommendations included developing a logistics management system and tracking the movement of supplies. Title VI Section 636 of the *Post-Katrina Emergency Management Reform Act of 2006* (Public Law 109-295) requires FEMA to “develop an efficient, transparent, and flexible logistics system for procurement and delivery of goods and services necessary for an effective and timely response to natural disasters, acts of terrorism, and other man-made disasters and for real-time visibility of items at each point throughout the logistics system.”

In 2005, FEMA began to implement its Logistics Supply Chain Management System (LSCMS).³ LSCMS is based on commercial, off-the-shelf supply chain management software and is accessed via the FEMA intranet or an internet connection. According to FEMA, the LSCMS replaced its earlier logistics operations systems to automate and track distribution better and deliver emergency supplies more dependably. FEMA planned that LSCMS would automate its internal processes and be integrated with its partners’ systems to replace manual processes for ordering, tracking, and delivery. FEMA also intended for the system to help track supplies provided by other Federal agency partners; nongovernmental organizations; state, local, and tribal governments; and the private sector. Appendix F contains information on FEMA’s pre-LSCMS disaster supply chain manual processes; appendix G contains information on FEMA’s 2011 planned LSCMS systems and interfaces.

In *FEMA’s Logistics Management Process for Responding to Catastrophic Disasters*, (OIG-10-101, July 2010), we reported issues with FEMA’s earlier logistics management system. At that time, we determined that there might not be sufficient quality controls to evaluate whether FEMA was developing the system according to specifications, and whether the system would deliver what the component needed.

The Office of Logistics Systems (LSCMS program office) in FEMA’s Logistics Management Directorate is responsible for management, maintenance, and expansion of FEMA’s supply chain technology, including the acquisition of LSCMS. DHS’ acquisition policy categorized FEMA’s LSCMS as a level 2 acquisition. Level 2 acquisitions are those with life cycle costs of more than \$300 million and less than \$1 billion. For level 2 acquisitions, prior to continuing to the next phase, acquisition managers are required to present planning documents, such as an alternatives analysis, a program baseline, and

² The White House, *The Federal Response to Hurricane Katrina, Lessons Learned*, February 2006; United States Senate, Special Report of the Committee on Homeland Security and Governmental Affairs, *Hurricane Katrina: A Nation Still Unprepared*, S. Rept. 109-322, 2006

³ The LSCMS program was known as the Total Asset Visibility program, but in referring to FEMA’s acquisition of a logistics supply chain management system in this report, we will use LSCMS.



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operational requirements, to an Acquisition Review Board and Acquisition Decision Authority. The DHS Under Secretary for Management had Acquisition Decision Authority for the LSCMS program until July 2011, when at FEMA's request, authority was delegated to the FEMA Component Acquisition Executive. Upon the FEMA Component Acquisition Executive's retirement in March 2012, authority reverted to DHS, where it remains. Appendix H shows a timeline of key LSCMS acquisition events.

Results of Audit

After spending about \$247 million over 9 years, FEMA cannot be certain that its supply chain management system will be effective during a catastrophic disaster. FEMA estimated that the life cycle cost of the system would be about \$556 million—\$231 million more than the original life cycle cost estimate. According to FEMA, the LSCMS became fully operational in January 2013, which was about 19 months behind schedule. However, the system could not perform as originally planned. Specifically, it cannot interface with the logistics management systems of FEMA's partners, nor does FEMA have real-time visibility over all supplies shipped by its partners. As of March 2014, the LSCMS still had not achieved full operational capability. We attribute these deficiencies to inadequate program management and oversight by DHS and FEMA. As a result, FEMA may not be able to efficiently and effectively aid survivors of catastrophic disaster.

We made three additional observations related to the LSCMS. FEMA may not have the appropriate number of trained and proficient staff to operate the system during a disaster. In addition, FEMA has not published system operating procedures or guidance on using other processes should LSCMS not be available. Finally, the program office responsible for the LSCMS inaccurately reported at least three program performance measures to the Office of Management and Budget.

Management and Oversight of the LSCMS Acquisition

As of March 2014, LSCMS was not performing as originally planned. More than two and a half years after FEMA planned it would be fully operational, LSCMS has not yet met all mission-critical performance requirements. The life cycle cost estimate for LSCMS has also increased by \$231 million more than the original 2009 estimate. We attribute deficiencies in the schedule, performance, and cost of LSCMS to DHS, FEMA, and the LSCMS program office's inadequate management and oversight of the LSCMS acquisition. In addition, FEMA relied on contractors to perform key functions of the LSCMS program and did not properly test and verify the system. As a result, FEMA may have expended time and money to acquire a system that may not meet its logistics management needs



and, during disaster recovery, may limit its ability to deliver the correct quantities of emergency supplies to the right locations at the right time.

Cost, Schedule, and Performance

In 2013, FEMA estimated that the life cycle cost for LSCMS would be about \$556 million or \$231 million more than the \$325 million cost estimate in the 2009 LSCMS Acquisition Program Baseline. FEMA attributed the cost increase to an extension in the lifetime of the investment from fiscal year (FY) 2018 to FY 2024. Program office officials also indicated that they did not base the planned life cycle costs reported in the LSCMS Acquisition Program Baseline on valid cost estimates or adjust the estimated costs for risk and confidence level. The program office did not follow DHS guidance for reporting increases in the program's life cycle cost to the component acquisition executive and the DHS Acquisition Decision Authority for review and approval.

According to the LSCMS Acquisition Program Baseline, the system would reach full operational capability by June 2011. In January 2013, FEMA reported that LSCMS was fully operational, which was about 19 months behind schedule. However, a FEMA official said that the system had not yet met the requirements established in the Operational Requirements Document. As of March 2014, LSCMS still was not performing as FEMA had originally planned, which is about 2 years and 8 months behind its scheduled full operational capability.

Prior to LSCMS, FEMA relied on manual processes, such as spreadsheets, to manage the disaster logistics supply chain. These manual processes hindered FEMA's ability to view in real time, track, and monitor supplies that were in transit. The lack of real-time visibility made it difficult to predict the arrival of supply shipments, plan for distribution to those affected by disasters, and divert supplies to meet changing demands. According to FEMA, LSCMS automates and tracks distributions better than its previous logistics operations systems and has more dependable delivery mechanisms for emergency supplies.

However, LSCMS does not interface with the logistics management systems of FEMA's partners, nor does FEMA have real-time visibility into the transit of all supplies shipped by its partners. FEMA continues to rely on manual processes for information on shipments of supplies by its partners. FEMA officials said that fully integrating LSCMS with its external partners' logistics systems is not cost effective because FEMA would have to pay for changes to its partners' systems. According to FEMA, because it does not have real-time visibility, it is conducting a market study to determine partner shipment tracking requirements and the most cost-effective way to meet the requirement. Given the large percentage of



supplies that FEMA's partners contribute to disaster relief, not having an integrated logistics system or the ability to track partners' supply shipments in real time could limit FEMA's ability to respond to disasters effectively.

Acquisition Requirements

FEMA and DHS did not provide the necessary oversight and enforce acquisition policies to ensure that the LSCMS program office managed the acquisition of the system effectively. Although both entities periodically reviewed the status of the LSCMS acquisition, neither ensured that the LSCMS program office identified all mission needs before selecting its alternative to address the logistics capability gap, and neither enforced compliance with acquisition requirements.

LSCMS is a level 2 acquisition (with a life cycle cost of more than \$300 million, but less than \$1 billion). As such, before continuing to the next phase, LSCMS acquisition managers were required to present planning documents, such as an alternatives analysis, an Acquisition Program Baseline, and an Operational Requirements Document, to an Acquisition Review Board and an Acquisition Decision Authority.

Between 2009 and 2011, DHS and FEMA each held at least two Acquisition Review Board meetings for the LSCMS acquisition. DHS and FEMA did not ensure that the LSCMS program office complied with acquisition guidance by completing a required alternatives analysis to determine how best to close the gap in FEMA's logistics capability. Instead, FEMA relied on an October 2007 assessment for existing logistics systems. In May 2009, although the LSCMS program office did not complete the alternatives analysis, DHS allowed the acquisition to proceed.

Additionally, DHS identified action items FEMA needed to complete, such as updating program documentation, as well as deadlines for completion. DHS held FEMA and the LSCMS program office responsible for completing the action items, but did not enforce FEMA's compliance. FEMA also did not ensure the LSCMS program office complied.

Furthermore, in 2011, DHS noted in an Acquisition Decision Memorandum that the LSCMS program office did not have updated and approved documentation. Specifically, according to the memorandum:

The LSCMS program does not have a DHS approved [Operational Requirements Document, Integrated Logistics Support Plan, Systems Engineering Life Cycle, Tailoring Plan, or Acquisition Program Baseline].



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The status of the acquisition documentation was also discussed at the prior 2009 [Acquisition Review Board] and the program office was asked to update the documents and resubmit for approval.

The LSCMS acquisition continued to move forward, even though, according to the LSCMS program office, when FEMA became the Acquisition Decision Authority in 2011, the program office ended its efforts to correct and obtain approval of acquisition documentation.

During the acquisition process, the LSCMS program office did not formally report LSCMS program cost, schedule, or performance deficiencies to oversight authorities as required. According to the DHS *Instruction Manual 102-01-001 Acquisition Management Instruction / Guidebook*, program managers must notify the component acquisition executive and the DHS Acquisition Decision Authority via memorandum, when a program does not meet cost, schedule, or performance thresholds in the Acquisition Program Baseline. Program managers are also required to develop a remediation plan to correct the cost, schedule, or performance deficiencies, for review and approval by the Acquisition Decision Authority. Because the program office did not report program breaches as required, the Acquisition Decision Authority's ability to oversee the program was impaired.

LSCMS Program Office Staffing

FEMA did not ensure that the LSCMS program office had a sufficient number of experienced Federal staff to oversee LSCMS and relied on contractors for key services such as acquisitions and program management. By relying on contractors, the program office risked loss of control for program decisions.

According to Office of Management and Budget (Office of Federal Procurement Policy) guidance, when contracting for specialized or technical services, agencies should ensure there are a sufficient number of trained and experienced government officials to manage and oversee contract administration.⁴ A 2007 Government Accountability Office report, *Department of Homeland Security: Risk Assessment and Enhanced Oversight Needed To Manage Reliance on Contractors*, identified the use of contractors for services such as acquisition, policy development, reorganization, and planning, as high risk.⁵

⁴ Office of Management and Budget, Office of Federal Procurement Policy, Policy Letter No. 93-1 (Reissued): *Management Oversight of Service Contracting*, May 18, 1994

⁵ Government Accountability Office, *Department Of Homeland Security: Risk Assessment and Enhanced Oversight Needed to Manage Reliance on Contractors*, October 17, 2007, GAO-08-142T



FEMA relied on contractors and did not provide the LSCMS program office with a sufficient number of Federal staff to manage and oversee its contractors. Between 2007 and 2011, FEMA mainly staffed its LSCMS program office with one Federal Government program manager. According to a 2010 program office briefing, limited Federal staff affected program oversight in areas including budget, acquisition, and contractor oversight. Although FEMA began hiring some Federal staff in late 2011, the program office did not transition contractor duties to its Federal staff until mid-2012. Table 1 shows LSCMS program management tasks conducted by contractor staff.

Table 1: Program Management Tasks Conducted by Contractor Staff

Contractor Program Management Tasks Transitioned to Federal Staff	
Project Management	Risk Management
Budget	Staff Assistance
Acquisitions	Training Management
Contracts	Communications
Requirements	Stakeholder Management
Business Processes	Integrated Master Schedule
Financial Management	Systems Engineering Life Cycle Management
Performance Management	Testing Management

Source: DHS Office of Inspector General (OIG) analysis of FEMA information

Testing and Verification of LSCMS

FEMA did not fully test LSCMS to verify it met required capabilities, nor were the LSCMS operational test and evaluations based on approved documentation. By not meeting these requirements, FEMA increases the risk it will not be able to respond effectively to catastrophic disasters.

Entities perform independent validation and verification (IV&V) tests of information technology systems to ensure that the system meets user needs and fulfills the intended purpose. DHS does not mandate IV&V tests, but considers them a best practice.

FEMA’s Quality Assurance Testing Management Team conducted three LSCMS IV&V tests. The team’s February 2013 report indicated that LSCMS should undergo comprehensive testing. Without the testing, there is significant risk to FEMA’s logistics mission. Specifically, according to the test team:



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The LSCMS system is a [commercial, off-the-shelf] product that has undergone numerous configuration changes to allow this software package to meet the program office's requirements and to allow this system to function correctly in the DHS/FEMA production environment. [The test team] finds the testing of LSCMS to be inadequate, thereby introducing significant risk to the logistics mission.

However, FEMA officials did not conduct a comprehensive IV&V test of LSCMS' ability to meet key performance requirements. As a result, LSCMS may not meet critical performance requirements necessary for FEMA to respond effectively during a catastrophic disaster.

The LSCMS program office based system testing on unapproved, improperly defined requirements, which will reportedly continue to change because of gaps in the system's capabilities. In October 2012, FEMA selected the Defense Information Systems Agency to test and evaluate LSCMS' potential to satisfy the documented operational requirements. The agency's November 2013 interim report indicated that FEMA provided draft LSCMS program documentation for test purposes. According to the Defense Information Systems Agency, the LSCMS program office provided three different draft versions of its Operational Requirements Document. In February 2014, the LSCMS program office reported it planned to change LSCMS' operational requirements because the system will never meet some requirements as originally written. For instance, the system will reportedly never provide the original level of visibility over supply shipments.

Other Observations

The program office also did not adequately plan and manage other key aspects of the LSCMS program. Specifically, FEMA may not have the appropriate number of trained and proficient staff to operate the system during a disaster. FEMA also has not published system operating procedures or guidance on using other processes should LSCMS not be available. As a result, FEMA may be impaired in its ability to efficiently and effectively aid survivors of catastrophic disasters.

LSCMS Logistics Specialist Staffing and Training

At the time of our audit, FEMA had filled slightly less than a third of the authorized positions for logistics systems specialists and logistics systems managers (logistics specialists). Additionally, the LSCMS program office did not have an adequate training program. As a result, FEMA may not have enough



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personnel who are proficient on LSCMS and can operate the system to respond effectively to a catastrophic disaster.

As of July 2014, FEMA reported it had filled 33 of 116 logistics specialist positions authorized by FEMA's Incident Workforce Management Division. LSCMS program office officials said that FEMA's reorganization of disaster response personnel resulted in the loss of individuals previously in the LSCMS program, and FEMA has not solicited new hires to fill those vacancies. A senior FEMA official acknowledged that current logistics specialist staffing levels are not sufficient to respond to a catastrophic event.

The LSCMS program office also did not have an adequate training program for logistics specialists. According to the program office, logistics specialists are to complete an initial LSCMS basic training course and eight LSCMS refresher courses each year, but the office's 2009 LSCMS training plan did not specify logistics specialists' training requirements. In addition, FEMA's Qualification System and Position Task Books did not identify LSCMS training requirements, critical behaviors, activities, and tasks to become a qualified logistics specialist.⁶

Because of inadequate record keeping, the program office could not provide complete training records for personnel in the LSCMS program. Specifically, we identified four logistics specialists with no record of having completed the LSCMS basic training course; yet in 2013, they were deployed for disaster response.

Prior to March 2013, the LSCMS program office had an LSCMS training coordinator to plan, direct, and coordinate training for LSCMS users. According to FEMA, the training coordinator position was eliminated due to sequestration, and the duties of the position are currently assigned ad hoc. A May 2013 internal program assessment concluded that fully training personnel on LSCMS is a challenge.

LSCMS Operating Procedures

FEMA has not published operating procedures that incorporate using LSCMS for logistics disaster response processes such as ordering, tracking, and receiving supplies. FEMA also has not issued guidance on using alternative processes for logistics should LSCMS not be available. Some FEMA regional office staff we

⁶ FEMA's Qualification System certifies FEMA employees in incident management and incident support positions based on obtaining required experience, successfully completing required training, and demonstrating performance. A Position Task Book contains the critical competencies, activities, and tasks required to become certified for an incident management or incident support position.



interviewed expressed concern about LSCMS' lack of availability when there is limited or no internet connection. According to staff members, either situation could occur during a disaster response, which results in reverting to spreadsheets for tracking logistics operations. Without published operating procedures for LSCMS and contingency plans, FEMA may be limited in its ability to respond to disasters effectively.

LSCMS Performance Reporting

In addition to these program management issues, the LSCMS program office inaccurately reported at least three program performance measures to the Office of Management and Budget. Program performance reporting provides transparency into a Federal agency's investments in information technology. In its 2013 reporting, the LSCMS program office overstated two measures related to its logistics systems training program. The program also misreported results for 2012 and 2013 LSCMS customer satisfaction surveys. FEMA reported results for 2012 but did not conduct a survey that year, and it reported results for a 2013 survey that was not yet completed.

Conclusion

After Hurricane Katrina, Congress mandated that FEMA develop a logistics system to enable a timely and effective response to disasters and real-time visibility over shipments of emergency supplies throughout the logistics system. Given that FEMA did not properly plan and document acquisition requirements, it may not have chosen the best solution for closing its logistics capability gap. Additionally, the current LSCMS may not ever meet critical performance requirements, such as integration with FEMA's partners' logistics systems and real-time visibility over shipments from partners. Finally, FEMA may not have the number of trained and proficient logistics specialists or the procedures needed to operate LSCMS. As a result, the supply chain management system that FEMA has spent about \$247 million to implement over the past 9 years may not be effective during a catastrophic disaster.



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Recommendations

We recommend that the Acting Assistant Administrator for Logistics:

Recommendation #1:

Conduct a comprehensive, independent assessment of the current LSCMS program status to determine if it meets the capabilities necessary to fulfill FEMA's congressional mandate and report the results to FEMA and DHS.

Recommendation #2:

Conduct an assessment of the LSCMS program office to identify resources necessary to ensure effective management and oversight of the program including:

- program office organizational structure;
- key practices, activities, and capabilities;
- number of staff required to administer and manage the LSCMS program;
- oversight of contractor staff; and
- performance measures to monitor and improve key program management activities.

Recommendation #3:

Develop and implement internal controls for identifying and reporting program breaches, including the submission of corrective action plans for review and approval by the appropriate oversight officials.

Recommendation #4:

Conduct a full IV&V test, to determine the extent to which the LSCMS meets all key performance requirements.

Recommendation #5:

Develop and implement a plan to determine an efficient and timely method to fill the logistics systems specialists and logistics systems manager vacancies.



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Recommendation #6:

Design and implement a training program to develop, track, and enforce LSCMS training requirements; ensure staff members meet those training requirements prior to deployment.

Recommendation #7:

Align FEMA's Position Qualification Sheets and Position Task Books with logistics positions that use LSCMS.

Recommendation #8:

Document the LSCMS training program coordinator's activities to ensure continuity for the program.

Recommendation #9:

Develop and implement operating guidance for when LSCMS is available and unavailable during disaster responses.

Recommendation #10:

Develop an internal process to monitor and ensure accurate LSCMS reporting to the Office of Management and Budget.

We recommend that the Executive Director, Office of Program Accountability and Risk Management:

Recommendation #11:

Develop and implement procedures to ensure that component program offices address action items identified by the DHS Acquisition Review Board prior to and following delegation of Acquisition Decision Authority to the component.

Management Comments and OIG Analysis

DHS and FEMA provided a consolidated response to the draft report and a copy of their response in its entirety is included in appendix B. FEMA also provided technical comments, which we incorporated as appropriate.



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DHS and FEMA agreed with our recommendations for improvements to the management and oversight of the FEMA LSCMS acquisition. According to their response, they have already taken steps to improve the LSCMS program, which includes:

- doubling the LSCMS program office staff to 12 government employees;
- pausing expansion of LSCMS and requiring FEMA to revisit LSCMS program requirements and analyze alternatives to address LSCMS capability gaps, as directed by DHS Acting Under Secretary for Management's Acquisition Decision Memorandum;
- benchmarking supply chain management information technology systems with the DLA, United Parcel Service, and Defense Commissary Agency; and
- commissioning an independent analysis of alternatives to evaluate and address remaining LSCMS capability gaps.

Response to Recommendation #1: DHS and FEMA concurred with the recommendation that FEMA conduct a comprehensive, independent assessment of the current LSCMS program status to determine if it meets the capabilities necessary to fulfill FEMA's congressional mandate and report the results to FEMA and DHS. According to their response, FEMA has funded the Homeland Security Systems Engineering and Development Institute, to conduct an analysis of alternatives starting in September 2014. This independent assessment will use the existing capabilities in LSCMS and the program requirements to determine the gaps in the system capability. An analysis of the alternatives will determine how to close the gaps and achieve the program requirements. The LSCMS program office will arrange for an independent operational test and evaluation and report the results to FEMA and DHS leadership, as appropriate. The estimated completion date is April 30, 2015.

OIG Analysis: The actions proposed by DHS and FEMA satisfy the intent of the recommendation. This recommendation will remain resolved and open pending receipt of the following:

- the analysis of alternatives results;
- the operational test and evaluation results; and
- the FEMA and DHS determination of LSCMS' suitability to fulfill FEMA's congressional mandate.



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Response to Recommendation #2: DHS and FEMA concurred with the recommendation that FEMA assess the LSCMS program office to identify resources necessary to ensure effective management and oversight of the program. According to their response, the LSCMS program office is working with DHS' Office of Program Accountability and Risk Management, and FEMA's Office of the Chief Procurement Officer to analyze its government workforce; specifically, the management, acquisition, and technical expertise required to administer the LSCMS program. The workforce study includes the appropriate organizational structure, workforce numbers, experience, and professional certifications to administer a large logistics and information technology acquisition program. The estimated completion date is December 31, 2014.

OIG Analysis: The actions proposed by DHS and FEMA satisfy the intent of the recommendation. This recommendation will remain resolved and open pending receipt of the workforce study.

Response to Recommendation #3: DHS and FEMA concurred with the recommendation that FEMA develop and implement internal controls for identifying and reporting program breaches, including the submission of corrective action plans for review and approval by the appropriate oversight officials. According to their response, FEMA's Acting Assistant Administrator for Logistics will issue an interim guidance memorandum to update internal controls and breach procedures for the LSCMS program office and Office of Management and Budget periodic submissions. The guidance will establish corrective action plans for major breaches for review by the Internal Control Officer and the Logistics Assistant Administrator. FEMA appointed the Senior Advisor to the Logistics Assistant Administrator as the Internal Controls Officer, who will review the corrective action plans monthly as an independent evaluator and report the results to the Logistics Assistant Administrator. The estimated completion date is December 31, 2014.

OIG Analysis: Although DHS and FEMA concurred with the recommendation, the corrective action plan does not fully satisfy the intent of the recommendation. The intent of the recommendation was for FEMA to develop and implement internal controls to ensure the reporting of program breaches and corrective action plans to the Component Acquisition Executive and the Acquisition Decision Authority for their review and approval, as required by DHS Instruction Manual 102-01-001 *Acquisition Management Instruction / Guidebook*, Appendix K, October 1, 2011. This recommendation will remain unresolved and open until FEMA provides additional information that demonstrates its proposed corrective actions satisfy the intent of the recommendation.



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Response to Recommendation #4: DHS and FEMA concurred with the recommendation that FEMA conduct a full IV&V test to determine the extent to which the LSCMS meets all key performance requirements. According to their response, the LSCMS program office will contract with an Operational Test Agent. The Agent will evaluate whether LSCMS meets operational requirements, report the evaluation results, and identify any operational performance gaps. The evaluation will begin no later than May 31, 2015. The LSCMS program office will also schedule separate IV&V tests for major upgrades to the LSCMS system to ensure changes are compatible with LSCMS operations and information technology security. DHS did not provide an estimated completion date.

OIG Analysis: The actions proposed by DHS and FEMA satisfy the intent of the recommendation. However, this recommendation will remain unresolved and open pending receipt of a target completion date for the corrective actions identified above.

Response to Recommendation #5: DHS and FEMA concurred with the recommendation that FEMA develop and implement a plan to determine an efficient and timely method to fill the logistics systems specialists and logistics systems manager vacancies. According to their response, FEMA posted logistics systems specialists' vacancy announcements in July 2014. FEMA's Human Capital Office is creating a list of qualified candidates. The LSCMS program office will further screen and interview candidates to fill all of the specialist positions by December 31, 2014. The LSCMS program office will issue Position Task Books to the management candidates in November 2014. A review panel will then individually evaluate the management candidates. The estimated completion date is December 31, 2014.

OIG Analysis: The actions proposed by DHS and FEMA satisfy the intent of the recommendation. This recommendation will remain resolved and open pending receipt of documentation confirming logistics systems specialists and logistics systems managers' vacancies filled based on the plan identified above.

Response to Recommendation #6: DHS and FEMA concurred with the recommendation that FEMA design and implement a training program to develop, track, and enforce LSCMS training requirements; and ensure staff members meet those training requirements prior to deployment. According to their response, a working group is revising the current LSCMS training program to ensure internal controls track trained personnel and enforce training requirements. The LSCMS program office began development of an internal database tool in September 2013 to capture training requirements, completed training, and overdue training. The program office entered current user



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information into the database in June 2014 for all LSCMS users. The estimated completion date is March 31, 2015.

OIG Analysis: Although DHS and FEMA concurred with the recommendation, the corrective action plan does not fully satisfy the intent of the recommendation. FEMA's corrective actions did not address how it will ensure staff members meet the training requirements prior to deployment. This recommendation will remain unresolved and open until FEMA provides additional information that demonstrates its proposed corrective actions satisfy the intent of the recommendation.

Response to Recommendation #7: DHS and FEMA concurred with the recommendation that FEMA align FEMA's Position Qualification Sheets and Position Task Books with logistics positions that use LSCMS. According to their response, the LSCMS program office is working with the FEMA Incident Workforce Management Division to identify all reservist positions that will use LSCMS. FEMA will then update its training documentation to reflect experience and LSCMS training requirements for each position. The estimated completion date is November 30, 2014.

OIG Analysis: The actions proposed by DHS and FEMA satisfy the intent of the recommendation. This recommendation will remain resolved and open pending verification of the alignment between the Position Qualification Sheets and Position Task Books for LSCMS use by logistics positions.

Response to Recommendation #8: DHS and FEMA concurred with the recommendation that FEMA document the LSCMS training program coordinator's activities to ensure continuity for the program. According to their response, the LSCMS program office will document the LSCMS training program coordinator's activities and training results quarterly starting in January 2015. Furthermore, the LSCMS training plan, currently undergoing revision and estimated to be completed by December 31, 2014, documents the program coordinator's required activities. The estimated completion date is April 30, 2015.

OIG Analysis: The actions proposed by DHS and FEMA satisfy the intent of the recommendation. This recommendation will remain resolved and open pending receipt of the LSCMS training plan documenting LSCMS training coordinator activities.

Response to Recommendation #9: DHS and FEMA concurred with the recommendation that FEMA develop and implement operating guidance for



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when LSCMS is available and unavailable during disaster responses. According to their response, the LSCMS program office will work with users and stakeholders to update the Supply Chain Standard Operating Procedures on how LSCMS and FEMA Logistics will fulfill its mission when LSCMS is available or unavailable. The existing guidance currently lacks operating procedures for when LSCMS is not available, and was not previously included in training. The updated guidance will include operating procedures and will be included in formal training. The estimated completion date is August 31, 2015.

OIG Analysis: The actions proposed by DHS and FEMA satisfy the intent of the recommendation. This recommendation will remain resolved and open pending receipt of the Supply Chain Standard Operating Procedures, which incorporates both LSCMS use, as well as procedures during periods of LSCMS unavailability.

Response to Recommendation #10: DHS and FEMA concurred with the recommendation that FEMA develop an internal process to monitor and ensure accurate LSCMS reporting to the Office of Management and Budget. According to their response, the LSCMS program manager identified the Senior Advisor to the Logistics Assistant Administrator as the LSCMS Internal Controls Officer. The Internal Controls Officer will perform a monthly review on reportable items, and will coordinate findings and corrective actions with the LSCMS program office and the Logistics Assistant Administrator. The estimated completion date is October 31, 2014.

OIG Analysis: The actions proposed by DHS and FEMA satisfy the intent of the recommendation. FEMA should ensure that its review process incorporates a means to identify and validate reportable data. This recommendation will remain resolved and open pending receipt of documentation confirming completion of the corrective actions identified above.

Response to Recommendation #11: DHS concurred with the recommendation that it develop and implement procedures to ensure that component program offices address action items identified by the DHS Acquisition Review Board prior to and following delegation of Acquisition Decision Authority to the component. According to DHS, on September 4, 2014, the DHS Executive Director for the Office of Program Accountability and Risk Management signed a memorandum implementing a tracking and reporting procedure to capture action items documented in the Acquisition Review Board's acquisition decision memorandums. The Office of Program Accountability and Risk Management tracks the action items electronically and follows up on them monthly. The Office of Program Accountability and Risk Management component lead works with the component acquisition executives to review and close out action items, as



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needed. DHS provided a copy of the memorandum and requested that OIG consider this recommendation resolved and closed.

OIG Analysis: The actions taken by DHS satisfy the intent of the recommendation. We consider Recommendation #11 resolved and closed.



Appendix A

Objectives, Scope, and Methodology

The DHS 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.

The audit objective was to determine whether FEMA's LSCMS has the ability to effectively support Federal disaster logistics operations in the event of a catastrophic disaster. To accomplish this objective, we reviewed relevant laws, directives, guidance, and test results. We also reviewed LSCMS program office and LSCMS-related documentation, including acquisition planning documents and LSCMS test reports.

To determine whether LSCMS has the ability to effectively support Federal disaster logistics operations in the event of a catastrophic disaster, we compared the FEMA-identified LSCMS performance requirements with the system's ability to meet those requirements, as reported by FEMA, officials from other Federal agencies, and testing authorities. Additionally, we compared planned LSCMS capabilities to the issues reported by the executive and legislative branches of the Federal Government following the Federal Government's response to Hurricane Katrina. Finally, we assessed FEMA's staffing and training of logistics specialists necessary to operate LSCMS.

We interviewed officials from DHS headquarters, FEMA headquarters, FEMA regional offices, other Federal agencies, state agencies, and one nongovernmental organization. We interviewed officials at DHS headquarters' Office of Program Accountability and Risk Management. We interviewed officials at FEMA headquarters' Logistics Management Directorate, Disaster Emergency Communications Division, Mission Support Bureau, Incident Workforce Management Division, Office of the Chief Information Officer, and Office of the Chief Procurement Officer. The FEMA regional office interviews included officials from Regions III, IV, and VI. Additionally, we conducted site visits and interviewed officials at distribution centers in Atlanta, Georgia; Fort Worth, Texas; and Frederick, Maryland. We also interviewed officials from the General Services Administration, DLA, U.S. Army Corps of Engineers, and the Defense Information Systems Agency. We conducted interviews with emergency management officials at state agencies in Texas and Virginia. We conducted interviews at one nongovernmental organization, the American Red Cross.

We evaluated FEMA's internal controls to the extent necessary to accomplish our objective. Specifically, we developed an understanding of internal controls over the



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LSCMS program by reviewing program documentation and other FEMA and DHS guidance, and interviewing FEMA officials assigned to oversee the LSCMS program. We used the understanding we gained to plan the audit and determine the nature, timing, and extent of our audit procedures.

We conducted this performance audit between July 2013 and February 2014 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 objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based upon our audit objectives.



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Appendix B
Management Comments to the Draft Report

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



**Homeland
Security**

September 3, 2014

MEMORANDUM FOR: Anne L. Richards
Assistant Inspector General for Audits
Office of Inspector General

FROM: Jim H. Crumpacker, CIA, CFE 
Director
Departmental GAO-OIG Liaison Office

SUBJECT: OIG Draft Report: "FEMA's Logistics Supply Chain
Management System" (OIG Project No. 13-040-AUD-
FEMA)

Thank you for the opportunity to review and comment on this draft report. The U.S. Department of Homeland Security (DHS) appreciates the work of the Office of Inspector General (OIG) in planning and conducting its review and issuing this report.

DHS is pleased to note OIG's recognition of the important role that the Federal Emergency Management Agency (FEMA) has in supporting the American people and first responders in building, sustaining and improving our capability to prepare for, protect against, respond to, recover from, and mitigate all hazards. FEMA's Logistics Supply Chain Management System (LSCMS) is a coordination of people, processes, and technology. Using LSCMS technology to support people and processes enables FEMA to optimize the logistics supply chain. It is used to manage tasks across the supply chain, streamline the order fulfillment and delivery process, and provides real-time situational awareness. The LSCMS Program is helping to improve response during events as well as planning for future response efforts. Completed and ongoing efforts to enhance the LSCMS include:

- Doubling the LSCMS program office staff to 12 government employees, through the use of detailees, to enable FEMA to drive progress on planned projects and operations. Employees are focusing on setting the conditions for long-range success in program management and oversight including documentation, cost, performance, schedule, staffing, and training.
- Issuing an Acquisition Decision Memorandum (ADM) on April 24, 2014, which was signed by the DHS Acting Under Secretary for Management, which further defined the way forward for LSCMS. For example, the ADM paused additional capabilities that are not required to operate and maintain the system and provided timelines to revisit program requirements, analyze alternatives to address capability gaps, and report progress to DHS.



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- Continuing FEMA Logistics' work with the DHS Program Accountability and Risk Management Office (PARM) to right size the LSCMS Program Office (PO) to a more comprehensive Information Technology (IT) team with the appropriate skillsets.
- Benchmarking supply chain management IT systems with the Defense Logistics Agency, United Parcel Service, and the Defense Commissary Agency. These efforts highlighted strengths, weaknesses, and opportunities to improve LSCMS.
- Re-starting a former practice of conducting LSCMS Executive Steering Committee meetings to improve oversight and collaboration among DHS and FEMA stakeholders.
- Commissioning an independent analysis of alternatives to evaluate and address remaining LSCMS capability gaps.

The draft report contained eleven recommendations with which the Department concurs. Specifically, OIG recommended:

Recommendation 1: That FEMA's Acting Assistant Administrator for Logistics conduct a comprehensive, independent assessment of the current LSCMS program status to determine if it meets the capabilities necessary to fulfill FEMA's congressional mandate and report the results to FEMA and DHS.

Response: Concur. FEMA has funded the Homeland Security Systems Engineering and Development Institute, operated by the MITRE Corporation, to conduct an Analysis of Alternatives starting in September 2014. This independent assessment will use the existing capabilities in LSCMS and the program requirements to determine the gaps in the system capability. MITRE will analyze alternatives to close gaps and achieve the program requirements. The LSCMS PO will arrange for an independent Operational Test and Evaluation (OT&E) and report on the results to FEMA and DHS leadership, as appropriate. Estimated Completion Date (ECD): April 30, 2015.

Recommendation 2: That FEMA's Acting Assistant Administrator for Logistics conduct an assessment of the LSCMS program office to identify resources necessary to ensure effective management and oversight of the program including:

- program office organizational structure;
- key practices, activities, and capabilities;
- number of staff required to administer and manage the LSCMS program;
- oversight of contractor staff; and
- performance measures to monitor and improve key program management activities.

Response: Concur. The LSCMS PO has started working with DHS PARM and FEMA's Office of the Chief Procurement Officer to analyze its government workforce; specifically—the management, acquisition and technical expertise required to administer the LSCMS program.



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The workforce study includes the appropriate organizational structure, workforce numbers, experience, and professional certifications to administer a large logistics and IT acquisition program. ECD: December 31, 2014.

Recommendation 3: That FEMA's Acting Assistant Administrator for Logistics develop and implement internal controls for identifying and reporting program breaches, including the submission of corrective action plans for review and approval by the appropriate oversight officials.

Response: Concur. FEMA's Acting Assistant Administrator for Logistics will issue an interim guidance memorandum to update internal controls and breach procedures for the LSCMS PO and Office of Management and Budget (OMB) periodic submissions, and will establish corrective actions plans for major breaches for review by the Internal Control Officer and the Logistics Assistant Administrator. The Senior Advisor to the Logistics Assistant Administrator has been appointed the Internal Controls Officer and will review the corrective action plans monthly as an independent evaluator and report his results to the Logistics Assistant Administrator. ECD: December 31, 2014.

Recommendation 4: That FEMA's Acting Assistant Administrator for Logistics conduct a full IV&V test, to determine the extent to which the LSCMS meets all key performance requirements.

Response: Concur. The LSCMS PO will contract with an Operational Test Agent to conduct an OT&E beginning NLT May 31, 2015. The Test Agent conducts the test, evaluates if LSCMS meets the operational requirements of the FEMA Logistics mission, and then reports the results and identifies any operational performance gaps. The PO will also schedule separate IV&V tests for major upgrades to the LSCMS system to ensure changes are compatible with LSCMS operations and IT security. This additional testing will also contribute to analysis to determine if LSCMS is meeting key performance requirements. ECD: To Be Determined.

Recommendation 5: That FEMA's Acting Assistant Administrator for Logistics develop and implement a plan to determine an efficient and timely method to fill the logistics systems specialists and logistics systems manager vacancies.

Response: Concur. Currently, FEMA Logistics has 33 specialists with an authorized force structure of 60 specialists. Job announcements to fill logistics systems specialist vacancies were posted in July 2014. To date, we have received 1,200 applications. FEMA's Human Capital Office is in process of creating the list of qualified candidates. The LSCMS PO will further screen and interview candidates to fill 100% of the specialist positions by December 31, 2014, to include current specialists assessed to be qualified for promotion to management positions. The PO will issue Position Task Books to the management candidates in November 2014, to document field experience as a manager. After completing their manager task books, the management candidates will be individually evaluated by a review panel. ECD: December 31, 2014.



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Recommendation 6: That FEMA's Acting Assistant Administrator for Logistics design and implement a training program to develop, track, and enforce LSCMS training requirements; ensure staff members meet those training requirements prior to deployment.

Response: Concur. A working group is revising the current LSCMS training program to ensure internal controls track trained personnel and enforce training requirements. The LSCMS PO has developed an internal database tool to track all users and track completed required training. Development began in September of 2013 and was populated with current data in June 2014. The tool highlights training requirements, completed training, and overdue training. All LSCMS users and their training are entered into the tool. ECD: March 31, 2015.

Recommendation 7: That FEMA's Acting Assistant Administrator for Logistics align FEMA's Position Qualification Sheets and Position Task Books with logistics positions that use LSCMS.

Response: Concur. The LSCMS PO is working with the FEMA Incident Workforce Management Division to identify all Reservist positions that will use LSCMS. Once these positions are identified, then the experience and training requirements for each position will be updated in the training documentation to reflect LSCMS training requirements. ECD: November 30, 2014.

Recommendation 8: That FEMA's Acting Assistant Administrator for Logistics document the LSCMS training program coordinator's activities to ensure continuity for the program.

Response: Concur. The LSCMS PO will document the LSCMS training program coordinator's activities and training results quarterly, starting in January 2015. Note: The training program coordinator's required activities are documented in the LSCMS training plan, which is currently undergoing revision and estimated to be complete by December 31, 2014. ECD: April 30, 2015.

Recommendation 9: That FEMA's Acting Assistant Administrator for Logistics develop and implement operating guidance for when LSCMS is available and unavailable during disaster responses.

Response: Concur. The LSCMS PO will work with users and stakeholders to update the Supply Chain Standard Operating Procedures on how LSCMS and FEMA Logistics will fulfill its mission when LSCMS is available / unavailable. The existing guidance for when LSCMS is not available currently lacks operating procedures and was not previously included in training. The updated guidance will include operating procedures and will be included in formal training. ECD: August 31, 2015.

Recommendation 10: That FEMA's Acting Assistant Administrator for Logistics develop an internal process to monitor and ensure accurate LSCMS reporting to the Office of Management and Budget.



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Response: Concur. The LSCMS PO Manager has identified the Senior Advisor to the Logistics Assistant Administrator as the LSCMS Internal Controls Officer (ICO). The ICO will perform a monthly Task Review on reportable items and will coordinate findings and corrective actions with the PO and the Logistics Assistant Administrator. The program will continue meeting with OMB quarterly. ECD: October 31, 2014.

Recommendation 11: That the DHS Executive Director, Office of Program Accountability and Risk Management develop and implement procedures to ensure that component program offices address action items identified by the DHS Acquisition Review Board prior to and following delegation of Acquisition Decision Authority to the component.

Response: Concur. On September 4, 2014, the DHS Executive Director for PARM signed a memorandum implementing a tracking and reporting procedure that captures action items that are documented in ADMs as decisions from the Acquisition Review Board. These items are now tracked electronically and reported on monthly for follow up by DHS PARM leadership and the component lead. The component lead for PARM works with the Component Acquisition Executives to review and close out action items, as needed. A copy of this memorandum was provided to OIG under separate cover. We request that OIG consider this recommendation resolved and closed.

Again, thank you for the opportunity to review and comment on this draft report. Technical comments were previously provided under separate cover. Please feel free to contact me if you have any questions. We look forward to working with you in the future.



Appendix C FEMA Sourcing Matrix for Emergency Declarations

Sourcing Matrix for Emergency Declarations

Resource	Primary	Secondary	Tertiary
Water	FEMA	US Army Corps of Engineers	GSA
Meals	FEMA	* US Army Corps of Engineers	GSA
Cots	FEMA	GSA	*
Blankets	FEMA	GSA	*
Tarps	FEMA	GSA	*
Plastic Sheeting	FEMA	*	
Generators	FEMA	US Army Corps of Engineers	GSA
Infant/Toddler Kits <small>First three days only, then USDA</small>	FEMA	USDA	GSA
CMS Kits	FEMA		
DME Kits	FEMA		



Source: FEMA
* DLA



Appendix D FEMA Partner Capabilities

Partner Capabilities



General Services Administration

- **Cots:** Up to 100,000 Standard Cots delivered in 3 days.
- **Tarps:** Up to 100,000 delivered in 3 days (33,000/day)
- **Hygiene Kits:** Up to 150,000 delivered in 3 days (50,000/day)
- **Transportation services**
- **Emergency leasing**
- **JFO Kits, JFO Admin Kits**
- **Blankets**
- **Generators**
- **Enhanced Cots**
- **MHE Rental**
- **Shelter support items**
- **Wash Kits**
- **Meals**
- **Baby Food/Formula**
- **Diapers**
- **Pet Food/Supplies**



Defense Logistics Agency

- **Meals:** DLA immediately procures standard commercial meals from our network of meals vendors with Im meals available within 48 hours. DLA will then direct vendors to surge their meals production for additional shipments within 72 hours. Shelf stable meals are the first option with short shelf life meals as the alternative if needed. DLA's extensive stock of Military MRE's serves as the backup.
- **Fuel:** DLA Energy immediately deploys contracted fuels support which can be tailored/expanded for a wide range of FEMA requirements.
- **Additional:** Tents, tarps, generators, pumps and contracted support for debris removal and power restoration



US Army Corps of Engineers®

US Army Corps of Engineers

- **Water:** Up to 720K liters (40 truckloads) delivered within 24 hours of midnight the day the tasking is issued; 1.8M (100 truckloads) liters delivered within 24 and 48 hours; and 3.6M liters (200 truckloads) delivered daily after 48 hours
- **Generators:** USACE administers a World Wide Power Contract:
 - Used to rent or purchase generators to augment FEMA inventory
 - Can also be used to perform maintenance and repairs
- **Commodities Teams:** USACE has 7 teams available to support distribution of commodities, teams also can provide just-in-time technical assistance to assist in standing up Points of Distribution.



US Department of Agriculture

- **USDA - Food & Nutrition Service:** USDA foods for shelters and households. Infant food and formula for shelters.
- Provide food for shelters and other mass feeding sites
- Provide food for food packages delivered directly to households in need, in limited situations
- Special purchase of infant formula and baby food for shelters
- Provide authorization to operate a Disaster Supplemental Nutrition Assistance Program
- **USDA - Animal and Plant Health Inspection Service:** Household pet support

Source: FEMA



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Partner Capabilities



American Red Cross

- In response to large disasters, routinely serves tens of thousands of meals per day—with ability to scale up 1 million meals per day, if needed, after most disasters by using a combination of self-stable meals, agreements with local vendors and partners, national partner kitchens and five Red Cross mobile kitchens.
- Over 320 vehicles to serve meals on mobile routes or at fixed sites.
- Supplies to support 350,000 shelter residents (including cots, blankets, and comfort kits).
- Disaster relief supplies to support 500,000 people (including home clean-up kits, shovels, rakes, work gloves, flashlights, batteries, sunscreen, etc).



CONVOY OF HOPE
Convoy of Hope

- 9 tractors
- 13 trailers/ 6- refrigerated
- 4 Box Trucks/ 2- refer; 2 with lifts Full Load/unload capabilities at disaster sites
- Full service PODs (Points of Distribution) capable of serving 2500-3000 cars /day each POD.
- 300,000 square ft warehouse with multiple Docks.
- 53 ft Self Contained Mobile Command Center/ Satellite, FM transmitter, Wi-Fi, uhf/vhf communications
- Debris trailer



Feeding America Network

- More than 200 Member food banks serving every county in US and Puerto Rico through 63,000 local service agencies
- More than 2,500 vehicles
- More than 7 million square feet in dry, frozen and refrigerated warehouse space



Southern Baptist Disaster Relief

- 135 mobile kitchens
- Capability to serve up to 1,171,000 meals per day
- 136 mobile shower units
- 22 mobile laundry facilities



Salvation Army

- 28 warehouses of disaster commodities and relief supplies
- 621 vehicles available for emergency response
- Capability to serve up to 716,570 meals per day
- Provides Emotional and Spiritual Care, Amateur radio communications, Clean Up kits, Comfort kits.



National Voluntary Organizations Active in Disaster
Promoting Cooperation, Communication, Coordination and Collaboration in Disaster Response

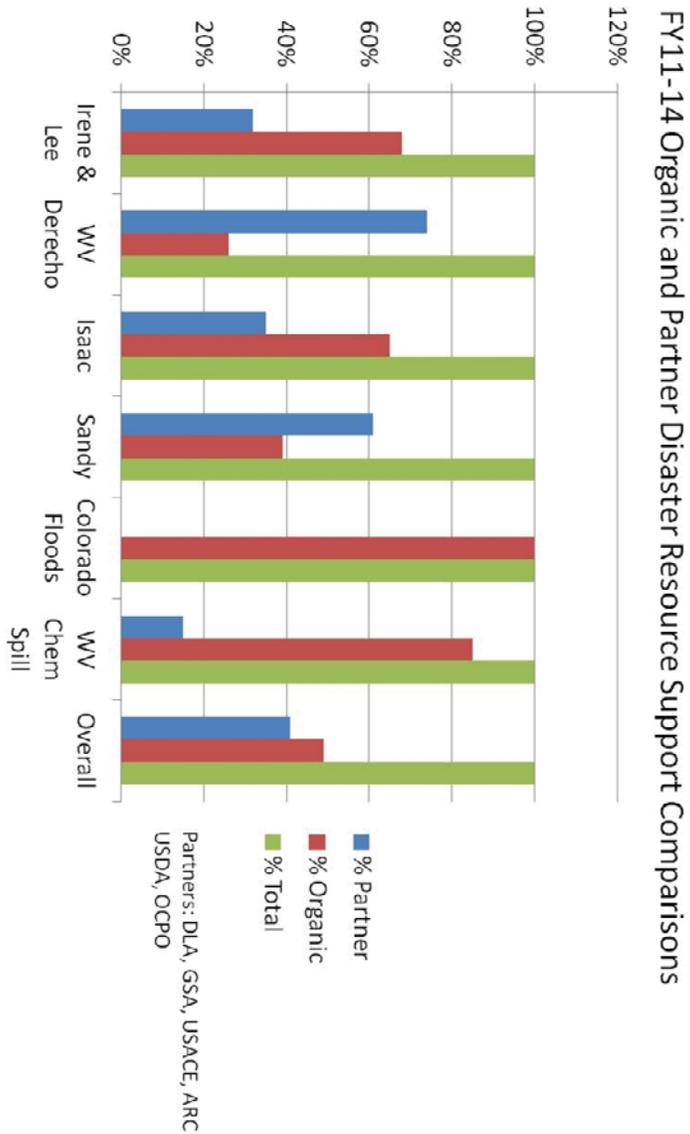
50 member organizations, covering all 50 states and 6 territories responding to all incidents nationwide.

The capabilities on this slide are only a small portion of what these partners, and the other NVOADs, can bring to the table.

Source: FEMA



Appendix E FYs 2011 to 2014 Disaster Resource Support Comparison



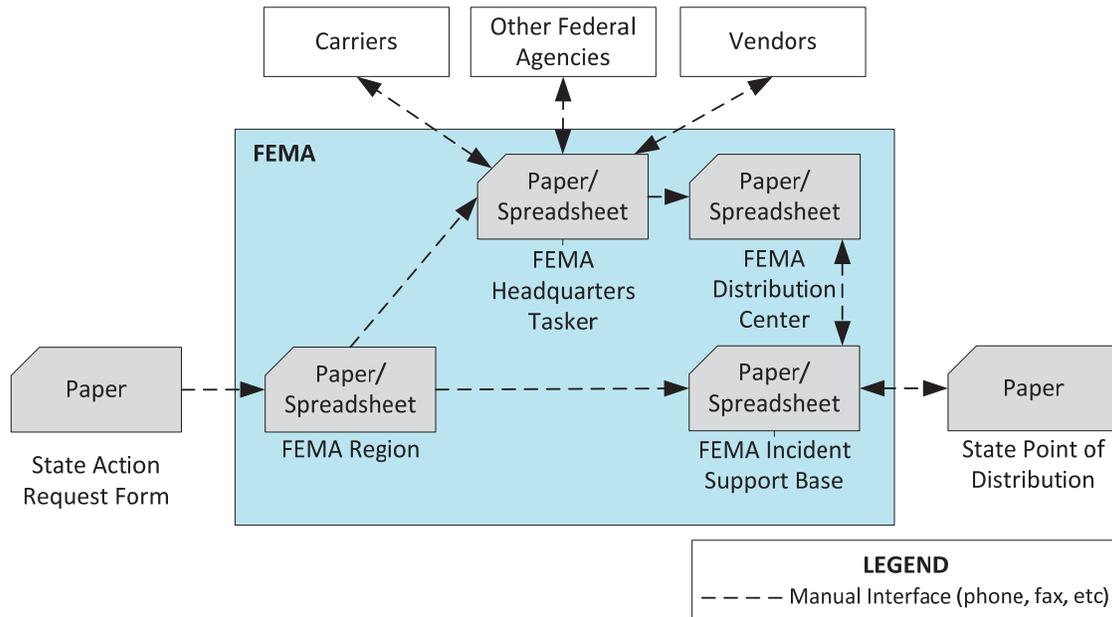
Disasters	% Partner	% Organic	% Total	% Retrograde	Partners Items	Organic/FEMA Items	Total Items
Irene & Lee	32%	68%	100%	46%	5,204,414	11,009,797	16,214,211
WV Derecho	74%	26%	100%	9%	15,369,240	5,510,170	20,879,410
Isaac	35%	65%	100%	34%	4,703,156	8,928,789	13,629,945
Sandy	61%	39%	100%	61%	18,703,133	11,721,555	30,424,688
Colorado Floods	0%	100%	100%	100%	0	559,475	559,475
WV Chemical Spill	15%	85%	100%	N/A	805,189	4,953,145	5,758,334
Overall	41%	49%	100%	N/A	44,785,132	42,880,931	87,466,063

Source: FEMA

Note: Partners are other Federal agencies such as General Services Administration and DLA, and FEMA contracts with vendors. Organic are those resources provided by FEMA Distribution Centers.



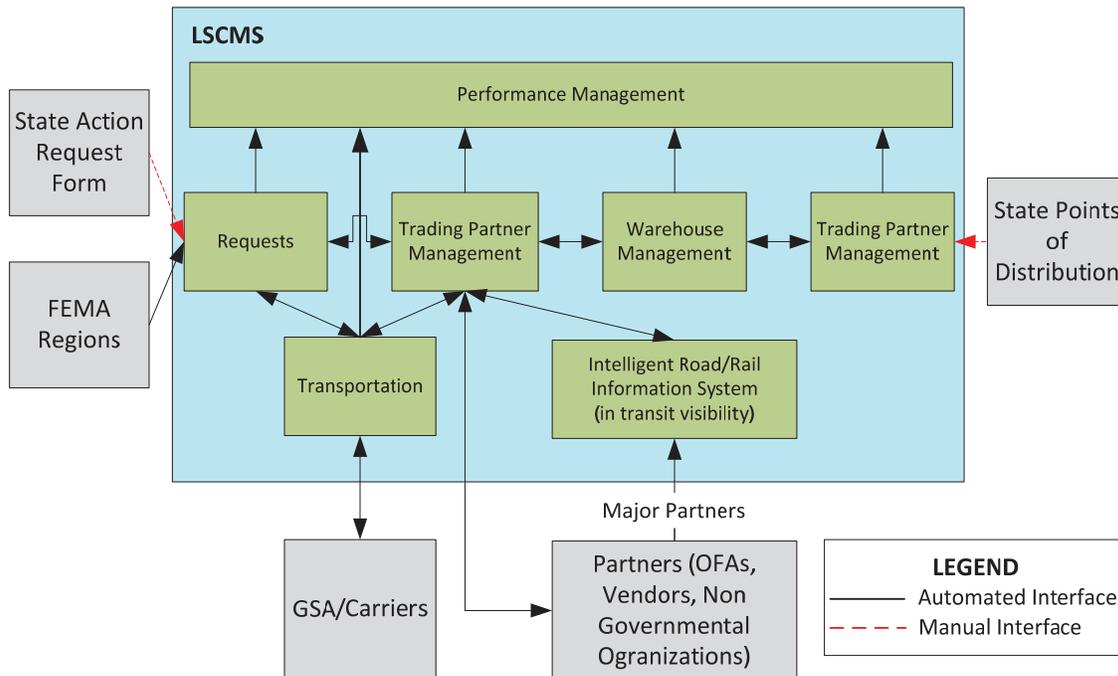
Appendix F FEMA Disaster Supply Chain Prior to LSCMS



Source: DHS OIG analysis of FEMA information



Appendix G FEMA Planned 2011 LSCMS Systems and Interfaces



*GSA General Services Administration
OFA Other Federal Agencies
Source: DHS OIG analysis of FEMA information



Appendix H

Timeline of Key LSCMS Acquisition Events

2004	Total Asset Visibility concept and system initiated
2005	Total Asset Visibility contract award, March 2005
	Hurricane Katrina, August 2005
2006	<i>The Federal Response to Hurricane Katrina, Lessons Learned</i> , February 2006
	<i>Special Report of the Committee on Homeland Security and Governmental Affairs, Hurricane Katrina: A Nation Still Unprepared</i> , S. Rept. 109-322, 2006
	<i>Post-Katrina Emergency Management Reform Act of 2006</i> , Public Law 109-295, October 4, 2006
	FEMA implements a program management office to provide direction, management, coordination, and oversight of the program, December 2006
2007	<i>TAV Systems Solution Assessment</i> , October 2007
2009	FEMA Acquisition Review Board, March 2009
	DHS Acquisition Review Board, May 2009
	FEMA approves key program documents internally, August 2009
	FEMA Acquisition Review Board, August 2009
	DHS Acquisition Review Board, September 2009
2011	DHS Acquisition Review Board, May 2011
	FEMA requests Acquisition Decision Authority be delegated to FEMA, May 2011
	Planned full operational capability, June 2011
	Acquisition Decision Authority to FEMA, July 2011
2012	Acquisition Decision Authority reverts to DHS, March 2012
	<i>LSCMS Quality Assurance Independent Validation and Verification Functional Test and Evaluation Report; Version 1.4</i> , November 2012
2013	Reported full operational capability, January 2013
	<i>LSCMS Quality Assurance Independent Validation and Verification Performance Test and Evaluation Report Version 1.01</i> , February 2013
	<i>LSCMS Quality Assurance Independent Validation and Verification Functional Test and Evaluation Report Version 1.1</i> , May 2013

Source: DHA OIG analysis of FEMA and DHS information



Appendix I

Major Contributors to This Report

Donald Bumgardner, Director
Robert Greene, Audit Manager
Anne Mattingly, Auditor in Charge
Rebecca Mogg, Program Analyst
Kevin Dolloson, Communications Analyst
Ruth Gonzalez, Independent Referencer



Appendix J

Report Distribution

Department of Homeland Security

Secretary
Deputy Secretary
Chief of Staff
Deputy Chief of Staff
General Counsel
Executive Secretary
Director, GAO/OIG Liaison Office
Assistant Secretary for Office of Policy
Assistant Secretary for Office of Public Affairs
Assistant Secretary for Office of Legislative Affairs
FEMA Audit Liaison
DHS Program Accountability and Risk Management
Chief Privacy Officer

Office of Management and Budget

Chief, Homeland Security Branch
DHS OIG Budget Examiner

Congress

Congressional Oversight and Appropriations Committees, as appropriate

ADDITIONAL INFORMATION

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To expedite the reporting of alleged fraud, waste, abuse or mismanagement, or any other kinds of criminal or noncriminal misconduct relative to Department of Homeland Security (DHS) programs and operations, please visit our website at www.oig.dhs.gov and click on the red tab titled "Hotline" to report. You will be directed to complete and submit an automated DHS OIG Investigative Referral Submission Form. Submission through our website ensures that your complaint will be promptly received and reviewed by DHS OIG.

Should you be unable to access our website, you may submit your complaint in writing to:

Department of Homeland Security
Office of Inspector General, Mail Stop 0305
Attention: Office of Investigations Hotline
245 Murray Drive, SW
Washington, DC 20528-0305

You may also call 1(800) 323-8603 or fax the complaint directly to us at (202) 254-4297.

The OIG seeks to protect the identity of each writer and caller.