

**FEMA Needs to Effectively
Designate Volunteers and
Manage the Surge
Capacity Force**





DHS OIG HIGHLIGHTS

FEMA Needs to Effectively Designate Volunteers and Manage the Surge Capacity Force

May 11, 2020

Why We Did This Audit

SCF is a unique workforce that allows Federal partners throughout the government to assist FEMA with responding to and restoring communities following a catastrophic event. Based on an OIG Hotline complaint, we audited FEMA's management of SCF. Our objective was to determine whether FEMA is effectively designating SCF volunteers and managing the SCF program during disaster operations.

What We Recommend

We made four recommendations for FEMA to improve designation of SCF volunteers and management of the SCF program.

For Further Information:

Contact our Office of Public Affairs at (202) 981-6000, or email us at DHS-OIG.OfficePublicAffairs@oig.dhs.gov

What We Found

The Federal Emergency Management Agency (FEMA) is not effectively designating Surge Capacity Force (SCF) volunteers and managing the SCF program during disaster operations. In 2017, FEMA coordinated with multiple Federal agencies and augmented its workforce for the first time, using Tier 4 SCF volunteers to respond to multiple events. Based on these 2017 activities, we determined FEMA should take additional steps to help improve its SCF readiness and management.

Specifically, FEMA was not prepared to deploy SCF Tier 4 volunteers rapidly and efficiently. This occurred because FEMA had neither a clear commitment from other Federal agencies outside DHS to participate in SCF, nor a roster of volunteers capable of rapidly deploying. In addition, FEMA did not have mechanisms to make other Federal agencies aware of SCF or procedures to identify readily available volunteers. The absence of a commitment from other agencies and volunteer rosters contributed to FEMA's delayed deployment of SCF volunteers from other agencies.

FEMA did not adequately measure SCF performance because it did not have mechanisms to collect the data and feedback to gauge program success. In addition, FEMA did not effectively manage the SCF financial program because it relied heavily on the internal financial controls of volunteers' home agencies without guarding against breakdowns in those controls. This could lead to FEMA reimbursing agencies for inaccurate, unreasonable, and unnecessary costs. Finally, FEMA did not close out mission assignments promptly because it did not make closing them out a priority in what officials described as a series of "overwhelming" catastrophes. Not closing out mission assignments promptly could prevent funds from being deobligated and could mean Federal funds sit idle instead of being put to better, more efficient use.

FEMA Response

FEMA concurred with three recommendations and non-concurred with one. We included a copy of FEMA's management comments in their entirety in appendix A.

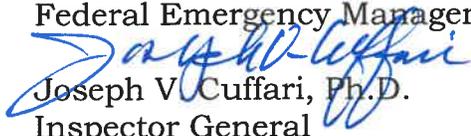


OFFICE OF INSPECTOR GENERAL
Department of Homeland Security

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

May 11, 2020

MEMORANDUM FOR: The Honorable Pete Gaynor
Administrator
Federal Emergency Management Agency

FROM: 
Joseph V. Cuffari, Ph.D.
Inspector General

SUBJECT: *FEMA Needs to Effectively Designate Volunteers and
Manage the Surge Capacity Force*

For your action is our final report, *FEMA Needs to Effectively Designate Volunteers and Manage the Surge Capacity Force*. We incorporated the formal comments that your office provided.

The report contains four recommendations for FEMA to effectively designate SCF volunteers and manage the SCF program during disaster operations. Your office concurred with recommendations 1, 2, and 4, and did not concur with recommendation 3. Based on information you provided in response to the draft report, we consider recommendation 1 resolved and open. Once your office has fully implemented the recommendation, please submit a formal closeout letter to us within 30 days so that we may close the recommendation. The memorandum should be accompanied by evidence of completion of agreed-upon corrective actions. We consider recommendations 2, 3, and 4 unresolved and open. As prescribed by the Department of Homeland Security Directive 077-01, *Follow-Up and Resolutions for the 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 contact information for responsible parties and any other supporting documentation necessary to inform us about the status of the recommendation.

Please send your response or closure request to OIGAuditsFollowup@oig.dhs.gov. Consistent with our responsibility under the *Inspector General Act*, we will provide copies of our report to 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 Sondra McCauley, Assistant Inspector General for Audits, at (202) 981-6000.



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Background

The *Post-Katrina Emergency Management Reform Act of 2006* (PKEMRA) authorized the Secretary of the Department of Homeland Security to establish and implement a Surge Capacity Force (SCF) to augment Federal Emergency Management Agency's (FEMA) disaster workforce during catastrophic events.¹ SCF is a unique workforce that allows Federal partners throughout the government to assist FEMA with responding to and restoring communities following a catastrophic event. The Secretary relies on FEMA to deploy and manage SCF properly. Once activated, SCF is deployable within 48 hours of warning, alert, or no-notice activation (See appendix C for an overview of the SCF operational process).

In April 2010, DHS issued the *Surge Capacity Force Concept of Operations* (CONOPS), which provided a standard structure for organizing, deploying, and coordinating a skilled or trained group of Federal personnel to help address incidents requiring Federal support. The CONOPS also identifies critical actions to be taken by, and the responsibilities assigned to, DHS/FEMA and other Federal departments and agencies in preparation for, response to, and recovery from such incidents or events.

DHS organized SCF into four tiers:

Tier 1: FEMA Disaster Reservists — temporary, on-call employees who are trained and certified and may have field experience in one or more discrete disaster response skills.

Tier 2: FEMA full-time Permanent Cadre of On-call Response Employees who have been trained and certified and may have field experience in one or more discrete disaster response skills.

Tier 3: Non-FEMA Credentialed, DHS Employees with required National Incident Management System training.

Tier 4: Non-FEMA Credentialed and Untrained Permanent Full- or Part-Time Federal Employees (GS-15 or equivalent and below).

SCF Tiers 1 and 2 are FEMA employees and are the first to respond to disasters. Tiers 3 and 4 are SCF volunteers from outside of FEMA who will only deploy to incidents of catastrophic or near catastrophic magnitude, or when the scope and number of major disasters exceed Tiers 1 and 2 support capabilities. Tiers 3 and 4 SCF volunteers are not required to have prior emergency management experience. However, FEMA is responsible for training them to support response

¹ Public Law 109-295.



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and recovery operations. Tiers 3 and 4 volunteers leave their agencies to deploy for up to 45 days to disaster locations, where they work alongside FEMA employees to augment the workforce. During a deployment, SCF volunteers remain in paid status with their home agencies. Through mission assignments,² FEMA reimburses the home agencies for the volunteers' overtime and travel associated with SCF.

DHS has activated Tier 3 twice and Tier 4 once since SCF's authorization. The first activation was in 2012, following Hurricane Sandy. During that time, DHS activated Tier 3, which included more than 1,100 non-FEMA DHS employees. In 2017, DHS activated SCF again, following hurricanes Harvey, Irma, and Maria, and the wildfires in California. This time, DHS expanded participation in SCF to other Federal agencies and activated Tier 4. FEMA integrated 4,063 SCF volunteers into its workforce to help communities respond to and recover from these catastrophic events. This comprised 2,740 volunteers from 8 DHS components (Tier 3 volunteers) and 1,323 Tier 4 volunteers from 34 other Federal agencies. Although in 2012, FEMA was prepared to deploy DHS agencies rapidly and efficiently, it was not equally prepared to deploy SCF Tier 4 volunteers from other Federal agencies in 2017.

Following the 2017 activation, FEMA identified several areas in which it could improve its management of SCF. These areas included collecting more volunteer data, such as skill sets and certifications, prior to deployment to better match with positions, as well as improving communications with other Federal agencies participating in SCF — through monthly meetings and training. Furthermore, although still in draft, FEMA has revised its 2010 CONOPS to clarify responsibilities of participating agencies.

Results of Audit

FEMA Was Not Prepared to Deploy SCF Tier 4 Volunteers Rapidly and Efficiently

PKEMRA requires the FEMA Administrator to prepare a plan to establish and implement SCF. In addition, PKEMRA requires the SCF plan to include procedures under which the Secretary, in conjunction with the heads of other Executive agencies, designates employees of those other Executive agencies, as appropriate, to serve SCF. Section 624(c)(1) of PKEMRA requires the plan to include a sufficient number of individuals credentialed in accordance with

² A mission assignment is a FEMA-issued work order, with or without reimbursement, directing another Federal agency to use its authorities and the resources granted to it under Federal law in support of state, local, tribal, and territorial government assistance (42 United States Code (U.S.C.) §§ 5170a, 5192; 44 Code of Federal Regulations (CFR) 206.2(a)(18)).



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Section 510 of the *Homeland Security Act of 2002* and capable of deploying rapidly and efficiently after activation of SCF.

Following the 2017 events, FEMA deployed all of its available personnel resources and requested the DHS Secretary activate SCF³ to Tier 3. FEMA prepared for the activation of Tier 3 SCF by identifying volunteers qualified to serve SCF and inputting volunteer information into the Automated Deployment Database.⁴ FEMA also required quarterly updates of rostered SCF Tier 3 volunteers to determine staffing capabilities.

However, FEMA was not prepared to deploy Tier 4 volunteers rapidly and efficiently. Even though the 2010 CONOPS outlined FEMA's plan to implement the provisions of PKEMRA, that plan was not sufficient to designate Tier 4 volunteers, without delays, following the 2017 disasters. After exhausting Tier 3, FEMA requested the Secretary activate SCF to Tier 4 and permit FEMA to coordinate with other Federal agencies for participation in SCF. FEMA collaborated with other DHS components to develop deployment standards prior to activating Tier 3, but it did not similarly plan to incorporate other Federal agencies into Tier 4 activation planning. Specifically, prior to the 2017 activation of Tier 4, FEMA did not have a clear commitment from other Federal agencies to participate in SCF or a roster of volunteers capable of deploying to the Tier 4 level.

The agency did not establish points of contact at Federal agencies outside of DHS to liaise with SCF until after activation of SCF Tier 4. In addition, FEMA did not have mechanisms in place to make other Federal agencies aware of SCF, and its plan did not have procedures to identify and roster volunteers capable of deploying. As a result, the points of contact established after Tier 4 activation were unfamiliar with the CONOPS and thus unaware of their responsibility to identify and designate volunteers. This created a delay in other Federal agencies identifying volunteers to serve SCF.

After agencies identified potential Tier 4 volunteers, FEMA relied on the home agencies to ensure volunteers met pre-deployment training requirements in the CONOPS.⁵ The delay in identifying and designating volunteers created a "domino effect" of delays, resulting in FEMA waiving Tier 4 pre-deployment training requirements to allow expedited deployment. Once FEMA had a Tier 4 roster, it

³ At the Secretary's discretion, the National Operations Center initiates the activation order and notifies other Federal agencies and DHS components to activate SCF.

⁴ The Deployment Tracking System replaced FEMA's Automated Deployment Database.

⁵ The CONOPS requires other Federal agencies to ensure their employees completed required training/independent study courses.



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conducted background checks to credential volunteers before deploying them to the Personnel Mobilization Center (PMC)⁶ for onboarding.

FEMA attributed its failure to maintain a roster of SCF Tier 4 volunteers to its first time activating Tier 4, which limited its experience on how to do so. FEMA officials said they were not required to designate other Federal agency volunteers because under the CONOPS, other Federal agencies are responsible for designating their own volunteers. However, according to officials from other Federal agencies, they did not know they were required to maintain a roster of volunteers. In addition, many officials for agencies outside DHS that participated in SCF said they were unaware of its existence prior to the 2017 activations.

Due to the lack of policy implementation, operations following the 2017 SCF activation were disorderly and inefficient. The late recruiting resulted in delays identifying, training, and deploying volunteers from agencies outside DHS. Without a clear commitment from agencies and a current roster, FEMA cannot effectively identify volunteers capable of deploying, and thus cannot effectively augment its workforce with Tier 4 volunteers. A clear commitment would also give FEMA more assurance other Federal agencies could readily help FEMA augment its workforce following a catastrophic event. Knowing the number of SCF volunteers available to the agency at any given time would help FEMA determine its readiness.

FEMA Is Not Effectively Managing the SCF Program

The CONOPS requires FEMA's Disaster Reserve Workforce Division to manage SCF, in support of and in close coordination with FEMA Response and Recovery (See appendix B for a FEMA organizational chart).⁷ Although FEMA is responsible for managing SCF from pre-disaster through deployment to disaster location, it did not adequately measure SCF performance, effectively manage the SCF financial program, and close out mission assignments promptly.

FEMA Did Not Adequately Measure SCF Performance

The *GPRAModernization Act of 2010* (GPRAMA)⁸ requires agency performance plans to: (1) establish performance goals to define the level of performance to be achieved during the year in which the plan is submitted and the next fiscal year; and (2) express such goals in an objective, quantifiable, and measurable form unless authorized to be in an alternative form. Additionally, the GPRAMA

⁶ The PMC is a specially designated facility for personnel to receive, equip, train, and transition the initial surge of the FEMA incident workforce to field assignments.

⁷ In 2015, FEMA established the Field Operations Directorate, which absorbed the responsibilities of the Disaster Reserve Workforce Division.

⁸ Public Law 111-352.



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requires the plan to provide a basis for comparing actual program results with the established performance goals and ensure the accuracy and reliability of the data used to measure progress toward its performance goals. That data should include identification of the means the agency uses to verify and validate measured values and the sources for the data.

FEMA did not adequately measure SCF performance as required by GPRAMA. According to FEMA officials, the purpose of the SCF program is to augment its disaster workforce. However, it did not have quantifiable and measurable performance measures for comparing program results with its established performance goal (that is, providing the number of volunteer cadres requested) to ensure it was meeting its goal. Specifically, FEMA defined program success based solely upon whether it provided the number of volunteers requested by its cadres.⁹

To determine whether it provided the number of volunteers requested by its cadres, FEMA relied on an informal process of supply and demand. For instance, following the activation of SCF volunteers in 2017, FEMA cadres contacted the PMC by phone or email and requested individuals to supplement their workforces. FEMA sent the number of volunteers requested to the respective cadres and logged the dates and locations in its Deployment Tracking System. FEMA did not have any other performance-related data and did not have a formal feedback process. Instead, using interviews and observations, FEMA aggregated the results of the SCF deployment in its after-action report. According to the *2017 Hurricane Season FEMA After-Action Report*, July 12, 2018, “SCF met its intent on injecting staff into operations.” However, FEMA did not provide details to support this statement, such as the number of volunteers sent and whether they adequately supported operations. This happened because FEMA does not have an adequate process and tracking mechanism for collecting the data and feedback needed to assess SCF performance.

Because it has not established objective, quantifiable, and measurable goals, or a process to collect performance data and feedback, FEMA cannot determine how the SCF program is performing. Therefore, FEMA cannot ensure the SCF program effectively and efficiently meets its intended goal of augmenting its disaster workforce.

FEMA Did Not Effectively Manage the SCF Financial Program

Federal regulations require FEMA to reimburse an agency for actual, eligible costs incurred under a mission assignment. Moreover, data transferred into a financial

⁹ FEMA has 23 specialized incident workforce cadres of primary first responders that provide services to disaster survivors immediately after an event and support response and recovery operations.



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system must be traceable to the transaction source.¹⁰ Finally, cost information should ultimately be traceable to the original common data source.¹¹

Following the 2017 events, FEMA did not effectively manage the SCF financial program. Specifically, FEMA did not have financial controls in place to account for expenditures and responsibly reimburse other Federal agencies that participated in SCF. SCF allowed mission-assigned agencies to seek reimbursement for overtime and travel costs volunteers incurred. However, FEMA's SCF reimbursement process did not allow for tracing costs to original source documents. Specifically, FEMA did not store or require other agencies to submit source documents, such as timesheets certified by the volunteer and SCF supervisor¹² and travel documents, to support costs claimed. Instead, to reconcile invoices, FEMA required a spreadsheet itemizing billing activity and relied on home agencies to conduct further review.

For reimbursement of overtime costs, FEMA Finance Center personnel reviewed the number of hours billed and used professional judgment to determine whether the hours were reasonable. FEMA could not validate the costs billed to its own source documents because it did not have or maintain records signed by the employee and approved by FEMA management. Volunteers used their home agencies' time and attendance systems to record time (including overtime), and their home agency supervisors validated the timesheets. FEMA officials agreed they should have required timesheets and kept them within a FEMA system.¹³

For reimbursement of travel costs, FEMA personnel compared travel dates on invoices to volunteer deployment dates in the Deployment Tracking System. FEMA did not maintain or review travel documents and vouchers to verify dates and locations of SCF volunteer travel. According to FEMA, it was not involved in the overtime and travel review processes because SCF volunteers used their home agencies' systems, and FEMA did not have access to other agencies' systems to verify data submitted. Instead, FEMA relied on home agencies to review source documents and trusted their internal financial controls were effective.

¹⁰ Office of Management and Budget (OMB) Circular No. A-127, *Financial Management Systems*, dated July 23, 1993.

¹¹ *FASAB Handbook of Federal Accounting Standards and Other Pronouncements, as Amended*, Version 17, as of June 30, 2018, *Reconciliation Of Information*, Federal Accounting Standards Advisory Board.

¹² According to Government Accountability Office guidance on *Maintaining Effective Control Over Employee Time and Attendance Reporting*, GAO-03-352G, "All T&A [time and attendance] reports and related supporting documents (e.g., overtime pay authorizations) should be reviewed and approved by an authorized official. Review and approval should be made by the official, normally the immediate supervisor, most knowledgeable of the time worked."

¹³ GAO-03-352G requires T&A information that supports financial reporting or cost reporting to be auditable. Additionally, 44 CFR § 206.8(d)(5) requires mission assigned agencies to retain source documents for a period of 3 years from date of submission of final billing for FEMA audit.



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FEMA's actions demonstrated it was not exercising prudent stewardship of taxpayer funds. FEMA's overreliance on other agencies' systems and financial controls to ensure SCF overtime and travel costs were proper and accurate shows FEMA did not have adequate financial controls. Without a mechanism to verify the accuracy of costs billed on invoices, FEMA may be reimbursing mission-assigned agencies for expenditures that are not accurate, authorized, necessary, and reasonable.

FEMA Did Not Promptly Close Out Mission Assignments

According to the *FEMA Mission Assignment Guide*, September 2017, after receiving notification from other Federal agencies that billing is complete, FEMA may close a mission assignment and deobligate any remaining funds. In addition, FEMA Policy 104-010-2, *Mission Assignments*, Part G, Section 7, directs FEMA to initiate financial closeout of SCF mission assignments when there is no billing activity for any 180-day period.

FEMA did not close completed and unused mission assignments promptly. In reviewing the 2017 SCF mission assignments and their reimbursement packages, we found, as of October 2018, FEMA had not closed out mission assignments with no billing activity for 180 days. Specifically, of the \$109 million FEMA obligated to SCF, it should have closed out approximately \$14 million in mission assignments with no billing activity. At the time of our review, \$14 million in mission assignment obligations were still open, 240 days after the SCF deployment ended in February 2018.

FEMA officials said these mission assignments were still open because the 2017 hurricane season and subsequent disasters were "overwhelming." In addition, FEMA officials said they could not verify inactivity until deployment ended and the billing process began. FEMA officials said they are proactively working on closing all the mission assignments.

Because FEMA is not prioritizing the prompt closeout of SCF mission assignments with no billing activity for more than 180 days, it may be preventing funds from being deobligated and allowing Federal funds to sit idle instead of being put to better, more efficient use.

Recommendations

Recommendation 1: We recommend FEMA's Field Operations Division update the 2010 *Surge Capacity Force Concept of Operations* to describe how the Secretary will collaborate with the heads of other Federal agencies to designate Surge Capacity Force volunteers from those agencies and document those agreements.



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Recommendation 2: We recommend FEMA's Field Operations Division develop program performance measures that use accurate and reliable data and develop a process to ensure the Surge Capacity Force program (Tiers 3 and 4) is meeting its program goals.

Recommendation 3: We recommend FEMA's Finance Center implement additional internal controls and operational monitoring mechanisms to review Surge Capacity Force mission assignment requests adequately.

Recommendation 4: We recommend FEMA's Finance Center review Surge Capacity Force mission assignments with no billing activity within the past 180 days, close out those mission assignments, deobligate any excess funds, and put them to better use.

Management Comments and OIG Analysis

FEMA concurred with three recommendations and did not concur with one recommendation. We included a copy of FEMA's management comments in their entirety in appendix A. We also received technical comments on the draft report and made revisions as appropriate. We consider recommendations 2, 3, and 4 unresolved; they will remain open until FEMA provides additional information and supporting documentation on how its actions will fully meet the intent of the recommendations. We consider recommendation 1 resolved and open. A summary of FEMA's management responses and our analysis follows.

FEMA Comments to Recommendation #1: FEMA concurred with our recommendation. FEMA is revising its 2011 CONOPS to include a process for establishing points of contact at other Federal agencies, a roster of Surge Capacity Force (SCF) Tier 4 volunteers, and an SCF Memorandum of Understanding template for use between DHS and other Federal agencies to designate volunteers. Estimated Completion Date (ECD): January 31, 2021.

OIG Analysis of FEMA's Response: FEMA's corrective action to revise the CONOPS is responsive to the recommendation. We consider the recommendation resolved and open until FEMA provides the updated CONOPS, including a process to establish points of contact at other Federal agencies, a roster of SCF Tier 4 volunteers, and an SCF Memorandum of Understanding template for use between DHS and other Federal agencies to designate volunteers.

FEMA Comments to Recommendation #2: FEMA concurred with our recommendation. With its revision to the 2011 CONOPS, FEMA plans to expand its SCF performance measures to align with the FEMA 2018-2022 Strategic Plan and GPRAMA. ECD: January 31, 2021.



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OIG Analysis of FEMA's Response: FEMA's response does not fully address the intent of the recommendation. Although FEMA concurred with the recommendation and agreed to expand its performance measures, it did not specify the performance measures and its plan for expanding them. Further, FEMA did not propose a process by which to ensure the SCF program would meet the specified performance goals. Therefore, we consider FEMA's proposed action inadequate to resolve the recommendation. We consider the recommendation unresolved and open until we receive and evaluate the performance measures FEMA plans to align with its overall strategic plan.

FEMA Comments to Recommendation #3: FEMA did not concur with our recommendation. FEMA officials said they disagree that reimbursement requests from other Federal agencies must include source documentation such as timesheets, travel vouchers, and receipts. They stated their reimbursement procedures for interagency requests are compliant with OMB, Treasury, and DHS policies, and contended FEMA took measures beyond DHS and Treasury requirements to confirm and verify billed costs.

OIG Analysis of FEMA's Response: FEMA's current process for verifying overtime hours billed is insufficient without also verifying actual hours worked by SCF volunteers. FEMA did not require or keep source documents to verify the data it relied on was accurate prior to reimbursing other agencies. We are not recommending FEMA require other Federal agencies to submit all source documents with reimbursement requests. Instead, we are recommending FEMA implement controls such as requiring timesheets certified by FEMA supervisors, and conducting periodic audits to help prevent, detect, and correct deficiencies in its reimbursement process. We consider the recommendation unresolved and open until FEMA implements controls, such as a process for verifying source documents for overtime hours billed, ensuring the documents have supervisory approval, and maintaining comprehensive records. Additionally, FEMA needs to provide its plan for conducting periodic audits of travel costs billed.

FEMA Comments to Recommendation #4: FEMA concurred with our recommendation. FEMA expressed concerns that its Finance Center officials do not have the authority to deobligate and close mission assignments, asserting the authority rests with the FEMA Federal Approving Official in coordination with the Mission Assignment Manager, Mission Assignment Unit Leader, and project manager. Nonetheless, in its support capacity, the FEMA Finance Center will strengthen internal controls and formalize documentation requirements. ECD: September 30, 2020.

OIG Analysis of FEMA's Response: We acknowledge FEMA's response and agree that the FEMA Finance Center does not have the sole authority to deobligate and close mission assignments. Therefore, the FEMA Finance Center will not be able to fully achieve this recommendation alone. The FEMA Finance Center, in



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collaboration with the FEMA Federal Approving Official, Mission Assignment Manager, Mission Assignment Unit Leader, and project manager can work together to close out mission assignments with no billing activity within the past 180 days. Until FEMA can provide us with a comprehensive plan on how it plans to ensure these mission assignments are closed, we consider the recommendation unresolved and open.

Objective, Scope, and Methodology

Department of Homeland Security Office of Inspector General was established by the *Homeland Security Act of 2002* (Public Law 107-296) by amendment to the *Inspector General Act of 1978*.

Our objective was to determine whether FEMA is effectively designating SCF volunteers and managing the SCF program during disaster operations. To answer our objective, we reviewed and analyzed:

- Federal laws, regulations, policies, and procedures to identify applicable criteria governing SCF and mission assignments;
- *2017 Hurricane Season FEMA After-Action Report*; and
- FEMA's *Hurricane Season 2017: Operational Assessment, DHS Surge Capacity Force*.

We obtained and reviewed departmental policies, procedures, and guidance relevant to the SCF program. We analyzed FEMA-generated reports used to designate SCF volunteers and SCF mission assignments and invoices associated with the 2017 SCF deployment. We also reviewed training material the PMC provided and conducted site visits to Tallahassee, FL, to observe Disaster Recruiting Training. In addition, we interviewed:

- FEMA SCF officials from the Office of Response and Recovery and Office of Chief Financial Officer,
- FEMA human resources and payroll officials,
- SCF non-FEMA points of contact,
- DHS SCF volunteers, and
- Non-DHS SCF volunteers.

We assessed the reliability of the mission assignment reports for the 2017 SCF deployment. We tested the reliability by performing a comparison of the report to the obligating mission assignment and the mission assignments invoices. We determined the data was sufficiently reliable for the purposes of this report.



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We conducted this performance audit between June 2018 and April 2019, under the authority of the *Inspector General Act of 1978*, as amended, and according to generally accepted government auditing standards. Those standards require we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based upon our audit objective. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based upon our audit objective.



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Appendix A
FEMA Official Comments

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



FEMA

April 07, 2020

MEMORANDUM FOR: Joseph V. Cuffari, PHD
Inspector General

FROM: Joel Doolin
Associate Administrator
Office of Policy and Program Analysis

**JOEL A
DOOLIN**

Digitally signed by
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SUBJECT: Management Response to Draft Report: "FEMA Needs to Effectively Designate Volunteers and Manage the Surge Capacity Force" (Project No. 18-083-AUD-FEMA)

Thank you for the opportunity to comment on this draft report. The Federal Emergency Management Agency (FEMA) appreciates the work of the Office of Inspector General (OIG) in planning and conducting its review and issuing this report.

The Post-Katrina Emergency Management Reform Act of 2006 (Public Law 109-295) established the Department of Homeland Security's (DHS) Surge Capacity Force (SCF) to deploy Federal employees in the aftermath of a catastrophic event to help support the response and recovery efforts. The primary mission of the DHS SCF is to organize, orient, and deploy federal employees from DHS component agencies and Other Federal Agencies (OFAs) to assist FEMA in responding to natural disasters, acts of terrorism, and other man-made disasters, including catastrophic incidents. The DHS SCF provides FEMA with the capability to scale up to meet disaster staffing requirements when responding to catastrophic incidents and when the number of concurrent incidents cause staffing shortfalls in critical mission areas.

Hurricanes Harvey, Irma, and Maria caused a combined \$265 billion in damages and were each, individually, among the top five costliest hurricanes on record. When Hurricane Harvey made landfall in Texas, FEMA had staff that were deployed to 32 presidentially declared disasters across 19 joint field offices. By the time Maria made landfall, following Harvey and Irma, personnel decisions made in support of one disaster operation had an impact on other ongoing disaster operations. As such, the 2017 hurricane season required that FEMA rely on the SCF to supplement the existing disaster workforce.



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To manage the unprecedented operational requirements, FEMA and our federal government partners rapidly surged and deployed personnel to support immediate response operations, pulling resources from across federal government departments and agencies. As mentioned in the report, DHS expanded participation for the first time in SCF by including volunteers from other Federal agencies outside of DHS (known as a Tier 4 activation).

FEMA coordinated large deployments of federal personnel, both before and after the **hurricanes' landfalls**, to support the immediate response and initial recovery efforts across 270,000 square miles. These deployments included more than 17,000 FEMA and federal SCF personnel, in addition to nearly 14,000 personnel from various offices of the Department of Defense. **FEMA's actions to activate and** deploy the SCF in this expanded capacity (in addition to the valuable DOD support) meant the Agency ably staffed operational requirements at levels previously not seen.

FEMA has incorporated lessons learned from the 2017 hurricane season and taken several actions to improve the SCF program and process. Tier 4 members (civilian federal personnel outside of DHS) **are now registered in the Agency's Deployment Tracking System (DTS)** and SCF conducts quarterly roster reviews to ensure accuracy of rostered members with the Tier 3 and Tier 4 Agencies. FEMA is also revising and updating the 2011 Surge Continuous Operations (CONOPS) which incorporates findings from the audit. FEMA remains committed to improving its capabilities to quickly mobilize, scale, and integrate the workforce to meet the needs of impacted communities **and achieve the agency mission of "helping people before, during, and after disasters."**

The draft report contained four recommendations, three with which the Agency concurs (Recommendations 1, 2 and 4) and one with which the Agency non-concurs (Recommendation 3). Attached find our detailed response to each recommendation. FEMA previously submitted technical comments under a separate cover **for OIG's** consideration.

Again, thank you for the opportunity to review and comment on this draft report. Please feel free to contact me if you have any questions. We look forward to working with you again in the future.

Attachment



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**Attachment: Management Response to Recommendations
Contained in OIG 18-083-AUD-FEMA**

The OIG recommended that FEMA's **Field Operations** Directorate:

Recommendation 1: Update the 2011 Surge Capacity Force Concept of Operations to describe how the Secretary will collaborate with the heads of other Federal agencies to designate Surge Capacity Force volunteers from those agencies and document those agreements.

Response: Concur. FEMA's **Field Operations** Directorate is currently working to revise the 2011 Surge CONOPS, which will (1) identify roles and responsibility for members and agency point of contacts; (2) add a requirement that other federal agencies submit quarterly roster updates to FEMA highlighting new members; and (3) add a requirement that the quarterly roster updates also include members who have withdrawn from the program. The Surge CONOPS revision will also include a template SCF Memorandum of Understanding to be used between DHS and other federal agencies to further enhance collaboration with the heads of other federal agencies. Estimated Completion Date (ECD): January 31, 2021.

Recommendation 2: Develop program performance measures that use accurate and reliable data and develop a process to ensure the Surge Capacity Force program (Tiers 3 and 4) is meeting its program goals.

Response: Concur. The Government Performance and Results Modernization Act (GPRMA) of 2010 requires DHS to develop strategic plans, performance plans and reports, and performance measures aligned to an overall strategic plan. DHS issues guidance for its sub-components, such as FEMA, to provide content for these DHS deliverables. Although FEMA cannot unilaterally place a SCF performance measure into **DHS's** plan, in 2018, FEMA's Administrator signed the FEMA 2018-2022 Strategic Plan, which aligns with GPRMA deadlines and DHS guidance. This Strategic Plan addresses the need for FEMA to continue improving staffing performance for concurrent, complex incidents with Strategic Goal 2: Ready the Nation for Catastrophic Disasters, Objective 2.1: **Organize the "Build, Empower, Sustain, and Train" Scalable and Capable Incident Workforce.** This Strategic Plan will strengthen **FEMA's** partnerships and result in a more unified, interoperable incident workforce capability. FEMA also plans to expand its performance measures, to include Tier 4, in the revision of the 2011 SCF CONOPS, in alignment with the requirements set forth in GPRMA. ECD: January 31, 2021.



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The OIG also recommended that **FEMA's Finance Center**:

Recommendation 3: Implement additional internal controls and operational monitoring mechanisms to review Surge Capacity Force mission assignment requests adequately.

Response: Non-concur. **FEMA's existing internal controls and operational monitoring mechanisms** are adequate to review Surge Capacity Force mission assignment payment requests. **FEMA's reimbursement procedures for interagency requests for reimbursement** is compliant with the (1) Office of Management and Budget's (OMB) Memorandum M-07-03, "**Business Rules for Intergovernmental Transactions**;" (2) Treasury Financial Manual (TFM) Volume I, 2-700 **Appendix 10 "Intragovernmental Transactions Guide**;" and (3) DHS Financial Management Policy Manual (FMPM), Chapter 3.7. Specifically, in accordance with the Department of **Treasury's business rules for intergovernmental transactions**, FEMA requires the data elements outlined in the TFM Volume I to include a breakdown of costs by budget object class, and a detailed invoice as the basis for reimbursement of interagency costs.

Additionally, DHS's FMPM, Appendix D, states regarding DHS Component interagency bills (constituting more than 60 percent of total SCF bills) that, "**Component's adequately detailed invoice/delivery report will suffice as supporting documentation.** Further, the approval of the invoice by the program office satisfies the requirement for audit purposes that goods/services have been received and accepted." **As described in these policy documents**, original source documentation, such as timesheets, receipts, or travel vouchers, is not required for reimbursement. The Treasury guidance allows agencies to collect immediately for costs incurred, with follow up to review and confirm expenses.

With interagency bills for SCF Mission Assignments, FEMA took measures beyond the requirements of the DHS or Treasury guidance listed above to confirm and verify billed costs. For example, **FEMA's Finance Center** requested a breakdown of costs by federal employee so that interagency personnel could be matched **to FEMA's deployment records** and their deployment confirmed in DTS. These additional review measures resulted in approximately 32 percent of disallowed costs that were charged back to the other federal Agencies.

FEMA does not concur that requests for reimbursements from other federal agencies, including DHS components, must include original source documentation such as **timesheets, travel vouchers, and receipts, to be deemed "responsible."** **FEMA's interagency reimbursement practices are compliant with DHS' Financial Management Policy**, as well as OMB and Treasury requirements.

We request that the OIG consider this recommendation resolved and closed.



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Recommendation 4: Review Surge Capacity Force mission assignments, close out those with no billing activity within the past 180 days, de-obligate any excess funds, and put them to better use.

Response: Concur. As described in FEMA's Mission Assignment Policy, 104-010-2, Section 7, "Closeout of Mission Assignments," the authority for closing mission assignments rests with the Federal Approving Official in coordination with the Mission Assignment Manager, Mission Assignment Unit Leader, and project manager. The FEMA Finance Center does not have the authority to deobligate and close mission assignments, and Recommendation 4 is therefore not achievable, as written. However, FEMA's Finance Center provides a supporting role in the outreach to other federal agencies on billing issues and final bills. In this support capacity, the FEMA Finance Center will address this recommendation to strengthen internal controls and formalize documentation requirements in those instances where another federal agency provides a valid justification for keeping the mission assignment open, as outlined in the Mission Assignment Policy 104-010-2, Section 7.1. Since FEMA's SCF deployment for Hurricanes Harvey, Irma, and Maria, 85 percent of mission assignments have been closed, with the remaining 15 percent estimated to be very soon. ECD: September 30, 2020.



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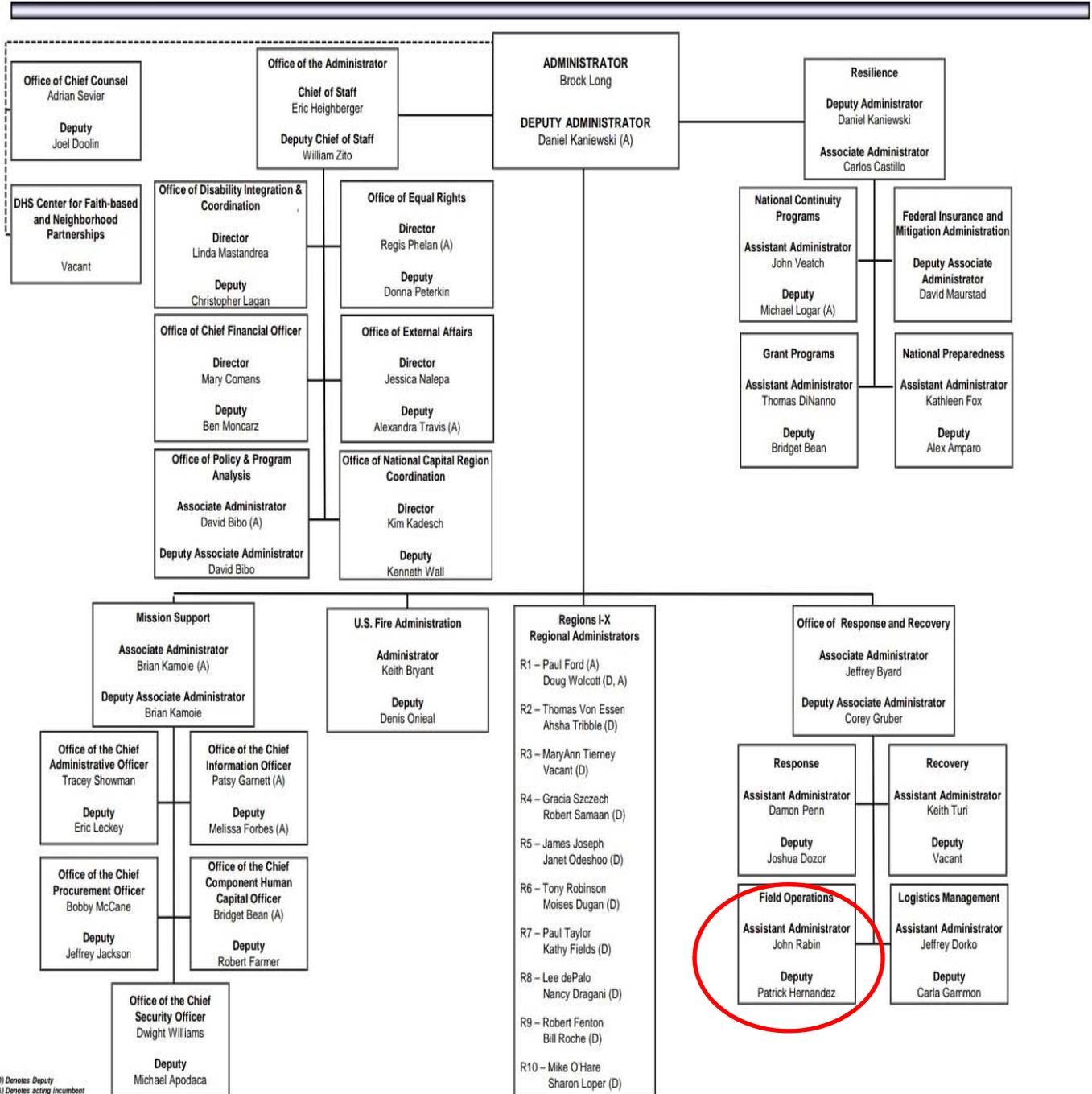
Appendix B FEMA Organization Chart



FEMA

U.S. Department of Homeland Security / FEMA

June 25, 2018

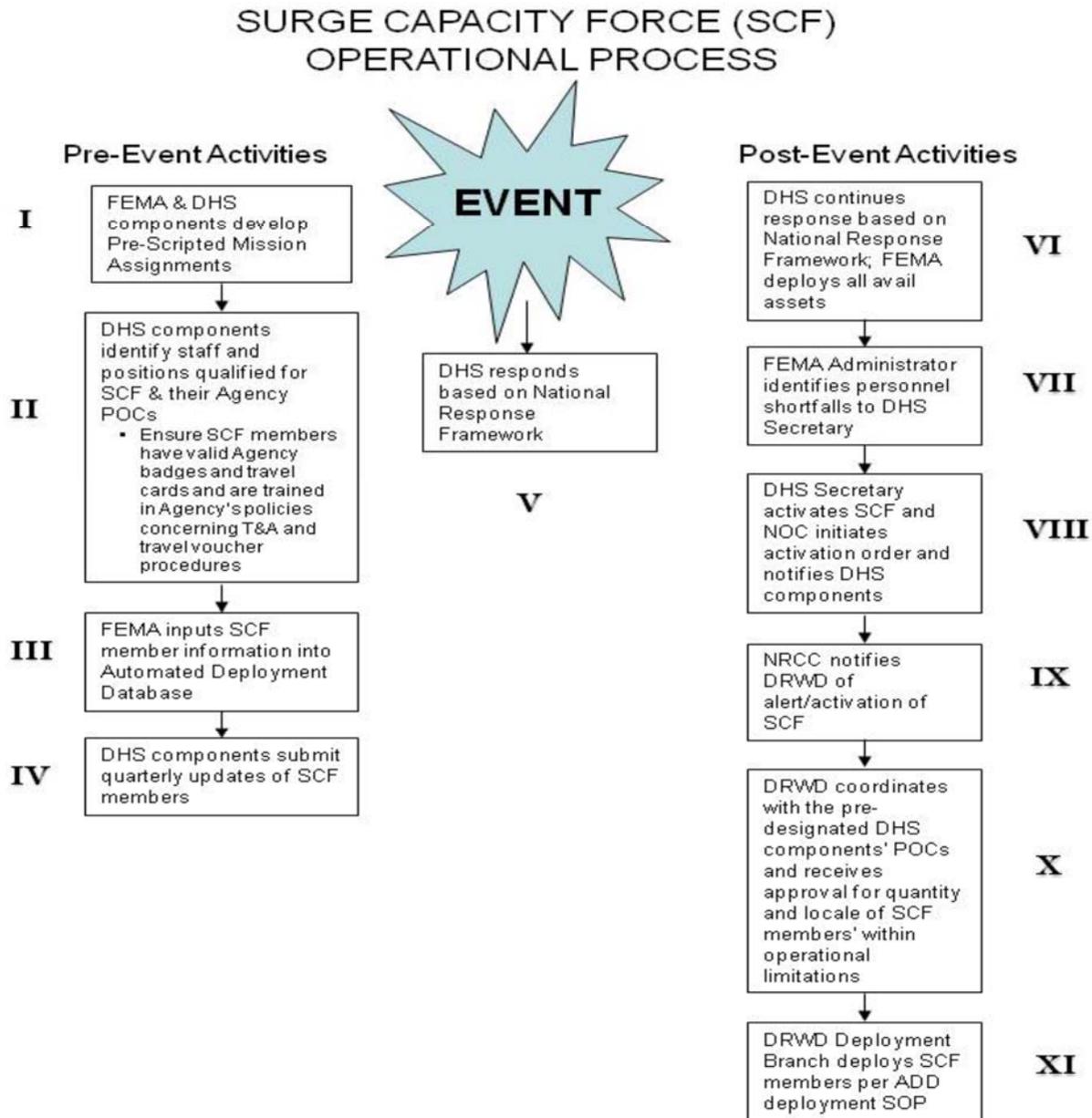


Source: FEMA.gov, June 25, 2018



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Appendix C
Surge Capacity Force Operational Process



Source: DHS Surge Capacity Force Concept of Operations, April 2010



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Appendix D
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