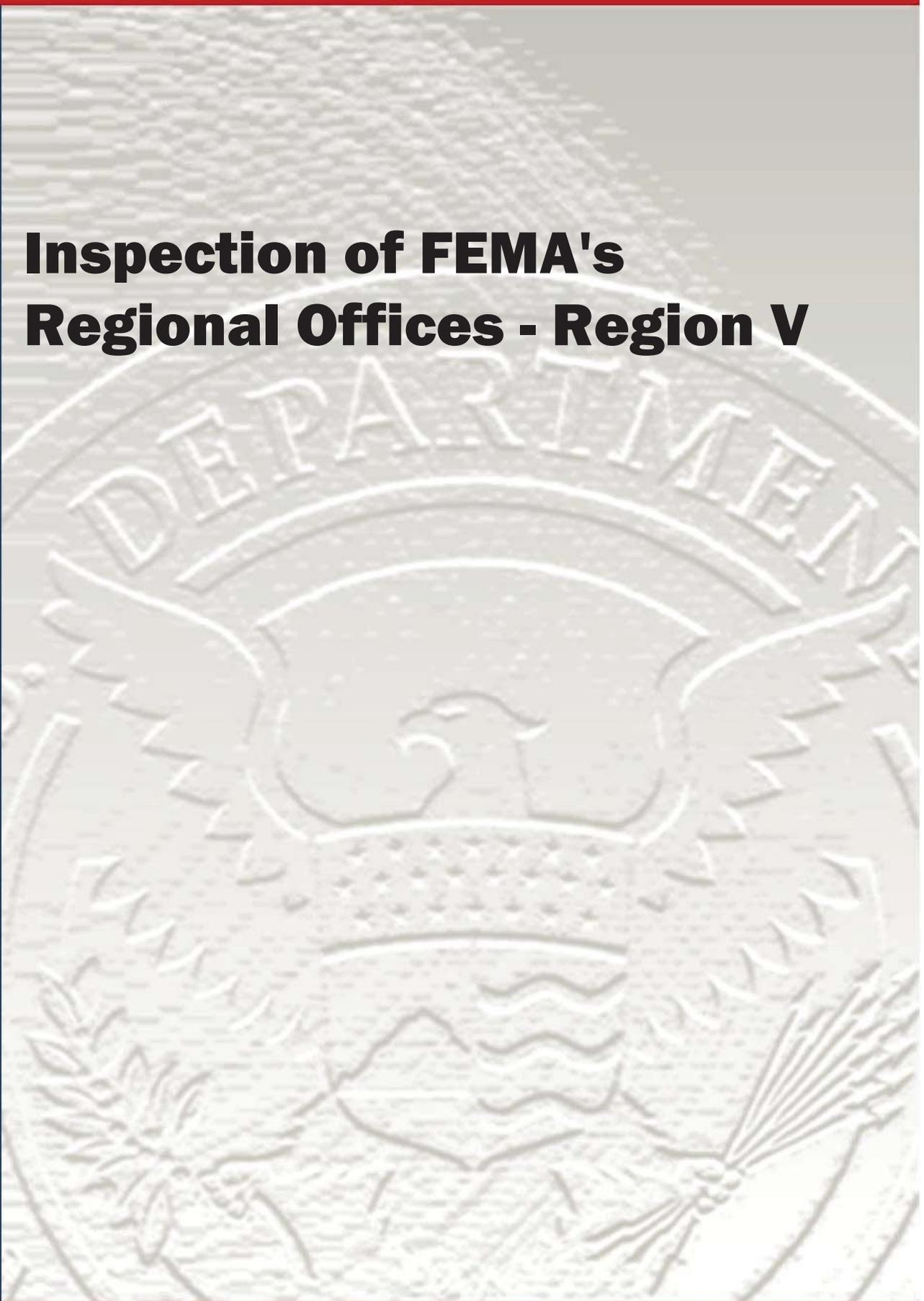


OFFICE OF INSPECTOR GENERAL

Inspection of FEMA's Regional Offices - Region V



Homeland
Security

August 7, 2015
OIG-15-120



DHS OIG HIGHLIGHTS

Inspection of FEMA's Regional Offices – Region V

August 7, 2015

Why We Did This Inspection

The Federal Emergency Management Agency's (FEMA) mission is to support our citizens and first responders to ensure that, as a Nation, we work together. Its mission is also to build, sustain, and improve our capability to prepare for, protect against, respond to, recover from, and mitigate all hazards. We inspected Region V's disaster related responsibilities to determine whether the regional office is operating in a manner consistent with the delegated authorities and according to policies and procedures directed and approved by FEMA Headquarters.

What We Recommend

We made five recommendations which, when implemented, should improve FEMA's regional performance.

For Further Information:

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

What We Found

We reviewed 12 of FEMA Region V's 166 disaster-related responsibilities and determined that the region was not meeting 3 of these 12 responsibilities. Specifically, Region V did not:

- have policies and procedures to provide temporary public transportation during disasters;
- process first-level Public Assistance appeals in a timely manner; and
- hold mandated meetings to inform the Regional Administrator about the region's emergency management issues.

According to Region V officials, staffing shortages, insufficient training, and limited guidance were key factors in not meeting these responsibilities. As a result, Region V may be missing opportunities to remediate weaknesses or deficiencies in preparedness, protection, response, recovery, and mitigation activities.

FEMA's Response

FEMA concurred with the five recommendations in the report. FEMA has begun taking actions to address the recommendations which will improve the effectiveness and efficiency of how Region V executes and measures its programs.



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Department of Homeland Security

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

AUG 7 2015

MEMORANDUM FOR: Andrew Velasquez III
Regional Administrator, Region V
Federal Emergency Management Agency

Alex Amparo
Assistant Administrator, Recovery Directorate
Federal Emergency Management Agency

Adrian Sevier
Chief Counsel, Office of Chief Counsel
Federal Emergency Management Agency

FROM:

Mark Bell 
Assistant Inspector General for Audits

SUBJECT: *Inspection of FEMA's Regional Offices – Region V*

Attached for your action is our final report, *Inspection of FEMA's Regional Offices – Region V*. We incorporated the formal comments provided by your office.

The report contains five recommendations aimed at improving the effectiveness and efficiency of how Region V executes and measures its programs. Your office concurred with all recommendations. Based on information provided in your response to the draft report, we consider recommendation 1 closed. Recommendations 2 through 5 are open and resolved. Once your office has fully implemented the remaining open recommendations, please submit a formal closeout letter to us within 30 days so that we may close the recommendations. The memorandum should be accompanied by evidence of completion of agreed-upon corrective actions and of the disposition of any monetary amounts.

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 Patrick O'Malley, Audit Director, at (202) 254-4100.

Attachment



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Abbreviations

CFR	Code of Federal Regulations
DHS	Department of Homeland Security
FEMA	Federal Emergency Management Agency
FDA	FEMA Delegation of Authority
FY	fiscal year
HQ	Headquarters
OCC	Office of Chief Counsel
OIG	Office of Inspector General
PKEMRA	<i>Post-Katrina Emergency Management Reform Act of 2006</i>
RAC	Regional Advisory Council



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Background

The Federal Emergency Management Agency’s (FEMA) mission is to build, sustain, and improve our Nation’s capability to prepare for, protect against, respond to, recover from, and mitigate all hazards. FEMA works collaboratively with community stakeholders to ensure the United States is better prepared for current and future risks. As of April 2014, FEMA had 14,844 employees at Headquarters (HQ) in Washington, DC; 10 regional offices; and other locations. See figure 1 for the FEMA Regions.

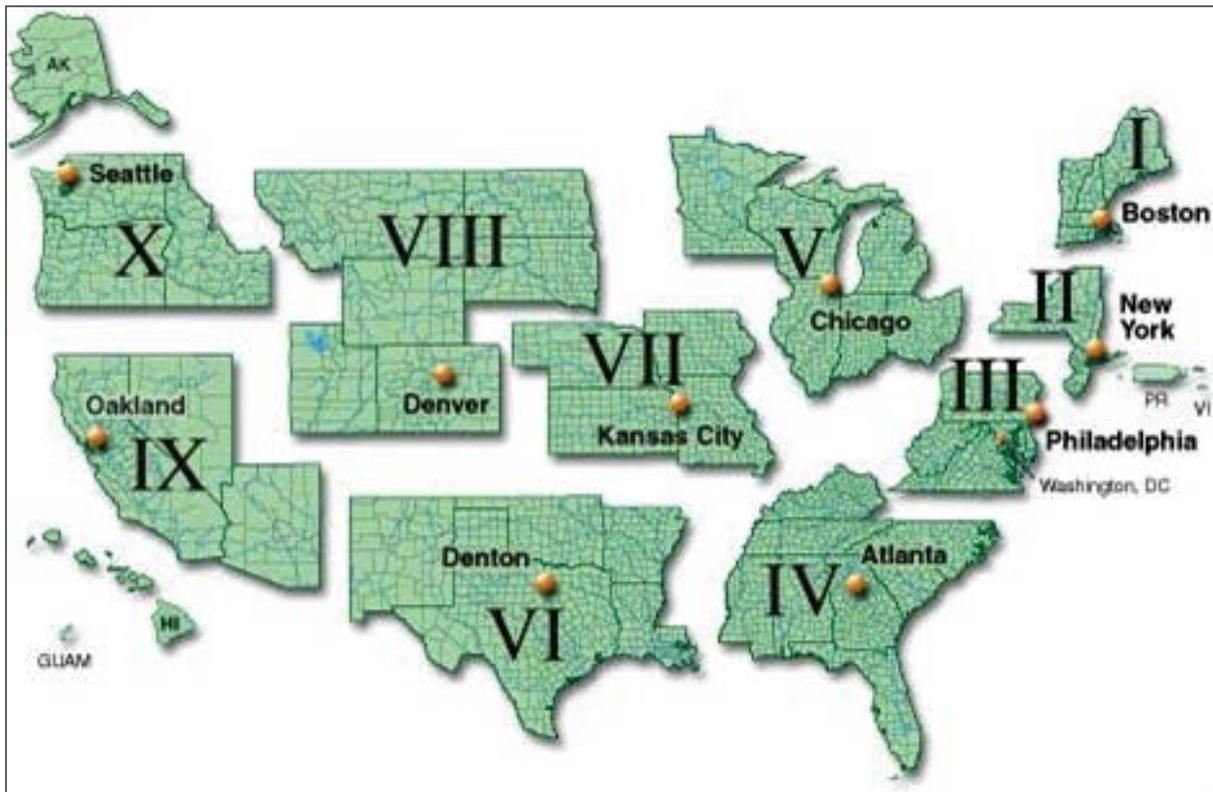


Figure 1. FEMA regions
Source: FEMA Website

The FEMA HQ organizational structure begins with the top layer of management, which is the Office of the Administrator. It comprises several offices and directorates, including Protection and National Preparedness, Response and Recovery, Mitigation, Grants, and Mission Support. The organizational structure of FEMA’s 10 regional offices parallels that of FEMA HQ. Each region is responsible for coordinating regional disaster preparedness, response, recovery, and mitigation activities with the states, local, and tribal governments that fall within its jurisdiction. The regional offices support



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development of all-hazards operational plans and help states and communities become better prepared. All of the regional offices include an Office of the Regional Administrator and consist of several offices and divisions in line with the HQ directorates (see appendix C).

After the Gulf Coast area of the United States was devastated by Hurricane Katrina in 2005, it was evident that many gaps existed in FEMA's ability to assist the affected region. As a result, Congress passed the *Post-Katrina Emergency Management Reform Act of 2006* (PKEMRA) to provide FEMA substantially new authority to remedy gaps identified after the hurricane. In addition to expanding the larger responsibility of FEMA within the Department of Homeland Security (DHS), PKEMRA directed the Administrator to maintain 10 regional offices. It also required each of the Regional Administrators to carry out a number of regional responsibilities (see appendix D).

In July 2009 and August 2010, the Administrator assigned delegation of authorities to the 10 regional offices. The authorities would improve performance in the regions and further enhance the regional offices. The administrator's delegation gave authority, which was previously held by FEMA HQ, to the regions. On February 6, 2012, the Administrator created a consolidated document of approximately 154 assigned delegations to the regions called the FEMA Delegation of Authority (FDA) 0106-1.¹ The FDA 0106-1 identifies the delegations of authorities assigned to the Regional Administrators in the following areas: general authorities, response and recovery, Federal insurance and mitigation, preparedness, and grant management. These delegations empower the regions to implement their necessary duties and functions.

Region V is located in Chicago, IL, and serves the states of Illinois, Indiana, Michigan, Minnesota, Ohio, and Wisconsin. It also serves 34 federally recognized tribes located in Minnesota, Wisconsin, and Michigan. The region holds some of the largest populated cities in the United States including Chicago, which is the third largest city in the Nation. The region also has a number of highly populated areas and large metropolitan cities, including Detroit, Minneapolis, and Cleveland. If affected by a disaster, FEMA's response and recovery efforts may be more challenging due to the major metropolitan areas within the region. In fiscal year (FY) 2014, Region V had an average of 188 full-time employees and the ability to request help from an additional 500

¹We identified a discrepancy in the identification of the FDA. The title identifies the delegation number as 0160-1; however, it is referred to as number 0106-1 in the footer of the document. For the purpose of this inspection we used FDA 0106-1.



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disaster assistance employees. Region V’s most common disasters are floods, severe storms, and winter storms.

To carry out their mission, Region V received a budget of \$20.1 million in FY 2013 and \$21.6 million in FY 2014 as shown in table 1. Region V expended \$20.1 million in FY 2014. The budget allocation amounts represent Region V’s salary, benefits, and division programs.

Table 1: Region V Budget for FYs 2013 and 2014

Region V Office/Division	FY 2013 Allocation (in millions)	FY 2014 Allocation (in millions)
Office of External Affairs	\$0.6	\$0.6
Office of the Regional Administrator	\$1.1	\$1.1
Grants Division	\$1.5	\$1.6
Recovery Division	\$2.0	\$2.1
Mission Support Division	\$2.6	\$2.8
Response Division	\$3.3	\$3.6
Mitigation Division	\$4.1	\$4.3
National Preparedness Division	\$4.9	\$5.5
Total	\$20.1	\$21.6

Source: Region V.

Our objective was to determine whether Region V is operating in a manner consistent with the PKEMRA and the FDA 0106-1, as well as in accordance with policies and procedures directed and approved by FEMA HQ. The regional responsibilities and delegated authorities are referred to as “responsibilities” throughout this report. We compiled our sample selection of areas inspected in appendix E.

Results of Inspection

In most of the cases we reviewed, Region V is operating in a manner consistent with its legislated and assigned responsibilities. However, the region did not meet some of the responsibilities related to emergency management. We selected and reviewed 12 of the 166 responsibilities identified in PKEMRA and the FDA 0106-1.² We determined that the region is properly implementing 9 of the 12 responsibilities. For the three responsibilities that were not met, Region V did not:

² Refer to Appendix A, Objective, Scope, and Methodology, for further information about our selection methodology.



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- have policies and procedures in place to provide temporary public transportation during disasters;
- process first-level Public Assistance appeals in a timely manner; and
- hold mandated meetings so that the Regional Administrator was informed of emergency management issues in the region.

Region V officials do not have a mechanism in place to ensure their assigned responsibilities are being met, and they indicated that the region experienced staffing shortages, lack of training, and limited guidance, which contributed to these challenges. By not ensuring all responsibilities are successfully implemented, FEMA may be missing opportunities to remediate weaknesses or deficiencies in preparedness, protection, response, recovery, and mitigation activities.

Response and Recovery's Temporary Public Transportation

Region V did not have policies and procedures in place to provide temporary public transportation during an emergency. The Administrator assigned the regions the responsibility to provide temporary public transportation service in order to enable the community to resume its normal pattern of life.

The Administrator identified this responsibility as one of the most important authorities assigned to FEMA regions in the *FY 2013 FEMA Catastrophic Resource Report to Congress*. Figure 2 displays the impact of a winter storm on transportation.



Figure 2. Winter storm

Source: Illinois Emergency Management Agency Winter Weather Preparedness Guide.

The FEMA HQ Response Directorate staff did not know that the FY 2013 Catastrophic Resource Report, dated January 4, 2014, mentioned temporary public transportation service as an important priority. FEMA HQ Response Directorate is responsible for providing guidance and oversight to the regions for this responsibility, but did not do so. The Region V Recovery Division staff members said that they do not have any procedures for this responsibility because they have not provided this service in the last 5 years.



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In the event of an emergency or disaster, Region V Recovery Division officials said they will follow 44 Code of Federal Regulations (CFR) § 206.225(d) and facilitate coordination with FEMA HQ. According to the CFR, emergency public transportation is necessary to meet emergency needs and provide transportation for the community to resume its normal pattern of life as soon as possible. However, the CFR does not identify any procedures for how the region should activate, receive, or consider such services.

FEMA HQ set up temporary public transportation in three separate major disasters: New York on September 11, 2001; Hurricane Katrina in Louisiana, in 2005; and Hurricane Sandy in New Jersey, in 2012. This important service helped communities resume their normal pattern of life as soon as possible. However, FEMA HQ did not record lessons learned or best practices from these disasters to create policies and procedures for the regions to use in future emergencies and disasters. Region V has some conceptual ideas of what it will do to meet this responsibility. However, the region demonstrated challenges to support how they would actually provide temporary public transportation in event of a disaster. Without policies and procedures, Region V officials may hinder their ability to provide public transportation to individuals within the community so they may resume their normal pattern of life.

Recovery Division's First-Level Appeals

Region V did not process first-level appeals in a timely manner. According to 44 CFR §206.206(c)(3), the Regional Administrator is required to notify the grantee of the decision of the appeal or the need for additional information within 90 days. The Administrator assigned the regions the responsibility to receive and dispose of first-level appeals of decisions regarding eligibility of public assistance under the *Robert T. Stafford Disaster Relief and Emergency Assistance Act*. Public Assistance is a grant program administered by FEMA to provide supplemental Federal disaster grant assistance for the repair, replacement, or restoration of disaster-damaged, publicly owned, and certain private non-profit facilities. Figure 3 shows heavy equipment operators removing debris left behind in the wake of several tornadoes that struck southern Indiana.



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Of Region V's 128 appeals from August 2010 to January 2015, we judgmentally selected and reviewed 8 of the completed cases.³ We found that 5 of the 8 (63 percent) appeals in our sample did not meet the 90-day deadline. The appeals were 6 to 80 days late, with an average of 39 days.

FEMA HQ created a tracking system to capture critical information from regional appeal files such as dates, amount disputed, and appeal decisions. FEMA guidance and Region V's standard operating procedures require the Recovery Division's appeals staff to continuously update the tracking system. The system is also intended to be used by FEMA HQ as a mechanism to monitor the process and status of first-level appeals. However, FEMA HQ could not provide adequate oversight of Region V's appeals process. During our inspection, we reviewed information recorded in the tracking system to determine whether data was correct, consistent, and complete when compared to the actual appeals file. We identified that all 8 (100 percent) of the appeals in our selection sample had incorrect, inconsistent, or incomplete information recorded in the tracking system.



Figure 3. Public Assistance debris removal after southern Indiana tornadoes

Source: FEMA.gov.

We attributed the delays in processing appeals and lack of oversight to resource issues. Region V experienced staffing shortages in processing the Public Assistance first-level appeals. FEMA HQ acknowledged it did not have staff to conduct adequate oversight, including verifying appeals data in the tracking system. As a result, FEMA HQ developed a business case analysis recommending 29 additional employees to establish baseline staffing levels for Public Assistance appeals processing throughout all regions and an additional 5 employees for FEMA HQ. FEMA HQ approved the recommendation and the

³ From August 2010 to January 2015, Region V had 128 Public Assistance appeals, of which 64 appeals were completed, but 41 appeals were identified as "not available" in the status field (appeal decision). The "not available" status made it unclear whether the 41 appeals were complete or still in review.



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nationwide hiring process began. Even though the allocation of personnel among the regions could change, the current approved plan would supplement Region V with three additional employees to process first-level appeals. FEMA HQ is also working toward standardizing operating procedures among regions. This will ensure that all regions can timely assist with appeals when staff in one region is unable to process a large volume of appeals received.

FEMA HQ is addressing the staffing shortages at the regions, to include hiring additional FEMA HQ staff whose duties will include oversight, validation, and analysis of data with the appeals tracking system. Additionally, FEMA provided a training plan for new HQ staff, which includes training on data integrity and how to conduct quality assurance reviews. Without the proper level of staff at Region V and FEMA HQ, the first-level appeals will increase and continue to age as they wait for processing due to the limited capacity of staff. FEMA may not be able to process these appeals within its regulatory and statutory timeline.

Office of the Regional Administrator

According to the FEMA Regional Advisory Council (RAC) Charter, the RAC will meet at least two times per year; however, Region V has not maintained the RAC and its meetings. The Region V RAC convened on a number of occasions between 2007 and 2010; yet, no RAC meetings were held between April 2010 and January 2015. PKEMRA mandated each region the responsibility to establish a Regional Advisory Council. The RAC, which is chaired by the Regional Administrator and consists of members representing a wide variety of major stakeholders and different disciplines, was designed to:

- advise the Regional Administrator on emergency management issues specific to the region;
- identify geographic, demographic, or other characteristics peculiar to any state, local, or tribal government within the region that might make preparedness, protection, response, recovery, or mitigation more complicated or difficult; and
- advise the Regional Administrator of any weaknesses or deficiencies in preparedness, protection, response, recovery, and mitigation for any state, local, and tribal government within the region.

According to Region V officials, the region faces “budgetary restrictions,” which prevents them from holding face-to-face meetings. Additionally, the use of teleconferences and video chats for meetings has not been successful because



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of timing and lack of interest demonstrated through non-attendance or non-participation in previous meetings.

Despite a lengthy postponement of RAC activity, Region V officials have continued to interact with stakeholders throughout the region. For instance, Region V tried a different approach to keep members engaged and continue dialogue on relevant issues. This approach included inviting RAC members to Regional Interagency Steering Committee meetings, which exist to coordinate interagency and intergovernmental issues related to disaster planning and operations.

Region V officials determined that the RAC needed new membership and a more specific and defined focus. New members were identified in August 2014, invited to join the RAC; and the first in-person meeting with this new membership was held on January 15, 2015. In the future, Region V plans to schedule its RAC meetings in conjunction with quarterly Regional Interagency Steering Committee meetings for cost efficiency and effectiveness. If Region V does not maintain the RAC, it may miss opportunities to identify and remediate weaknesses or deficiencies in preparedness, protection, response, recovery, and mitigation activities across the region.

Assessment of Responsibilities

Region V officials do not have a dedicated mechanism in place to track and ensure their assigned responsibilities are being met. This is because the region has not attempted to identify the status of its assigned responsibilities. It is important to have a process or mechanism in place to ensure that the region is successfully carrying out its responsibilities.

Region V has an annual work plan that incorporates most of the region's major responsibilities. Although the region reviews and updates the work plan at least quarterly, 4 of the 12 responsibilities we reviewed did not have any metrics directly related to the responsibilities as listed in the PKEMRA and FDA 0106-1. We also identified other responsibilities that had partially related metrics but did not cover the entire scope of the responsibility. According to the FDA 0106-1, each of the responsibilities is subject to the Administrator's oversight, direction, and guidance. It also requires the Chief Counsel to lead an agency-wide review of the responsibilities annually; and, if necessary, submit an update and amendment for the Administrator's signature. However, an official with the Office of Chief Counsel (OCC) said that OCC has yet to conduct an annual agency-wide review of the FDA 0106-1 in 2013 or 2014. As a result, changes in FEMA's assigned responsibilities, including new legislative



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provisions, are not captured in the current FDA 0106-1. FEMA officials said that in October 2014, OCC initiated a review of the FDA 0106-1 and expects to publish an update in 2015.

A timely update of the FDA 0106-1, including a more affirmative review and implementation process, may have allowed FEMA HQ and Region V to identify some of these issues prior to this inspection. It also could ensure that current, new, or amended FEMA responsibilities are delegated appropriately and implemented efficiently.

Region V's Compliance with FDA 0106-1

We inspected seven areas within Region V, which included Office of the Regional Administrator, Grants, Mitigation, National Preparedness, Response, Recovery, and Mission Support. We found Region V was operating in a manner consistent with its legislated and assigned responsibilities in 9 of the 12 responsibilities reviewed. Specifically, Region V:

- coordinated initial (30-day), interim (6-month), and final (12-month) lock-ins with the Chief Financial Officer for reviewing and approving Hazard Mitigation Grant Program management costs;
- supported the coordination and provision of training for state dam safety staff and inspectors;
- identified, in coordination with state and local governments, population groups with limited English proficiency; and took into account such groups in planning for an emergency or major disaster;
- reviewed and assessed offsite radiological emergency plans to determine whether state and local radiological emergency plans are adequate and can be implemented. Also, conducted radiological emergency preparedness exercises of state and local officials;
- prepared an evaluation of state and local emergency plans and preparedness for the offsite effects of a radiological emergency which may occur at a commercial nuclear power facility;
- approved purchase requisitions for goods and services in amounts not to exceed the regional contracting officers' warrant limitations;
- identified critical gaps in regional capabilities to respond to populations with special needs;
- coordinated the establishment of effective regional operable and interoperable emergency communications capabilities; and
- conducted several grant management functions for Hazard Mitigation Grants and Cooperating Technical Partners Programs.



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Recommendations

Recommendation 1: We recommend that the Assistant Administrator, Response Directorate, develop and maintain procedures to ensure the region is prepared to provide immediate supplemental temporary public transportation to individuals in an affected area in the event of a disaster.

Recommendation 2: We recommend that the Assistant Administrator, Recovery Directorate, FEMA Headquarters, provide training on data integrity and quality assurance to appeals staff at FEMA Headquarters and coordinate with Region V Recovery Division to ensure newly hired staff is designated for first-level appeals processing and receives adequate training.

Recommendation 3: We recommend that the Regional Administrator, Region V continue to convene the Regional Advisory Council meetings, as required, on a bi-annual basis at a minimum.

Recommendation 4: We recommend that FEMA Headquarters work with Region V and other regions to develop a mechanism to affirmatively communicate future changes to the FDA 0106-1 and any other responsibilities to ensure they are tracked and implemented in a timely manner.

Recommendation 5: We recommend that the FEMA Chief Counsel, as per the FDA 0106-1, lead an annual agency-wide review of FEMA's authorities to ensure they are properly reserved for FEMA Headquarters or delegated to the regions as appropriate; and if necessary, submit updated and amended delegations for the Administrator's signature by December 31 each year.

FEMA's Comments

FEMA appreciated our efforts and responded that improvements can always be made in large organizations with multiple and complex programs. FEMA concurred with the five recommendations in the report and has begun taking actions to improve the effectiveness and efficiency of how Region V executes and measures its programs. FEMA also provided technical comments separately that we included in the report when appropriate. The following section provides a summary of FEMA's response for each recommendation and our analysis.



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OIG Analysis of FEMA's Comments

Recommendation 1: FEMA Concurred. FEMA developed and issued a Mission Assignment Manual that provides overarching guidance to all of the regions for issuing mission assignments. The use of the mission assignment pertaining to providing temporary public transportation to individuals in an affected area in the event of a disaster is prescribed in the Region V All-Hazards Response Plan. The plan points to the Pre-Scripted Mission Assignments FEMA will use to support its partners in fulfilling their responsibilities related to transportation systems. The Pre-Scripted Mission Assignments authorizes the Department of Transportation to provide temporary public transportation.

Region V's All-Hazards Response Plan includes an annex with emergency support functions and specific guidance on transportation support for pre-incident, immediate response, deployment, sustained response, and recovery activities. The guidance includes coordinating and communicating with states' Department of Transportation, regional public transportation agencies, and other local partners regarding operational status and disaster response plans. The activities are performed in concert with the National Response Framework. FEMA's response indicated that the Pre-Scripted Mission Assignments are statements of work with the Department of Transportation to expedite the delivery of Federal transportation assistance. FEMA provided a recent re-drafted Pre-Scripted Mission Assignments document that directs the identification of temporary alternative transportation solutions that can be implemented when systems or infrastructures are damaged, unavailable, or overwhelmed. FEMA indicated these actions satisfy the intent of the recommendation and requested we close the recommendation.

OIG Analysis: FEMA provided multiple documents that serve as guidance and agreements in place to ensure the region is prepared to provide immediate supplemental temporary public transportation to individuals in an affected area in the event of a disaster. FEMA clearly described the plans and measures it will employ in order to fulfill this specific responsibility during an emergency. We consider this recommendation closed.

Recommendation 2: FEMA Concurred. FEMA responded that its Recovery Directorate's Public Assistance Appeals and Audits Branch provides FEMA HQ and regional staff with guidance and training designed to improve the timeliness, quality, and consistency of the Public Assistance appeals system. FEMA uses metrics to identify trends and areas for improvement. It also employs a uniform Sharepoint tracking system for first and second appeals. The Public Assistance Appeals and Audits Branch provides training to appeals



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analysts who must receive a passing score on a test. The training includes material on sharing information, tracking appeals, inputting data, and uploading appeal documents. FEMA offers additional training as needed. In January 2015, FEMA HQ authorized the hiring of 29 first appeals analysts across the country. Three of the analysts will be assigned to Region V. FEMA anticipates to have the analysts hired and trained by December 31, 2015.

OIG Analysis: FEMA described its training efforts and its current plan to hire additional appeals analysts to help the region. FEMA's corrective action plan meets the intent of the recommendation. This recommendation will be open and resolved until FEMA provides the evidence to support the training and staffing efforts. Specifically, we need to review the training curriculum, a sample of training rosters, and documentation that shows the successful hiring of the appeals analysts.

Recommendation 3: FEMA concurred and Region V will now have RAC meetings on at least a bi-annual basis. The region pre-purposed the council with new membership and a defined focus. The next RAC meeting is scheduled in conjunction with the Regional Interagency Steering Committee meeting in October 2015. FEMA requested that we close the recommendation.

OIG Analysis: We are pleased that Region V will begin holding the RAC meetings as required. The recommendation is open and resolved until FEMA Region V provides documentation supporting the RAC's membership, meeting schedule, and defined focus.

Recommendation 4: FEMA concurred and will develop a mechanism to affirmatively communicate and track implementation of future changes to the FDA 0106-1. Each time the FDA 0106-1 is updated, FEMA will track and communicate these changes and then issue written guidance to the regions delineating the specific changes. FEMA regions will affirmatively acknowledge receipt and understanding of the changed responsibilities and will inform FEMA HQ regarding implementation. FEMA anticipates this update will occur by December 31, 2015.

OIG Analysis: FEMA described its plan to communicate and track changes to the FDA 0106-1, including requiring regions to acknowledge and understand the responsibilities and inform FEMA HQ of the implementation. FEMA's corrective action plan meets the intent of the recommendation. This recommendation will be open and resolved until FEMA provides documentation and evidence to support that this process has been implemented, including the



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response by the regions acknowledging receipt and informing FEMA HQ of implementation.

Recommendation 5: FEMA concurred and its Office of Chief Counsel is currently leading an effort to update the FDA 0106-1. FEMA anticipates that the update will be finalized by December 31, 2015.

OIG Analysis: We are pleased that FEMA has already begun updating the FDA 0106-1. This recommendation will be open and resolved until FEMA provides documentation of the updated FDA 0106-1.



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Appendix A

Objective, Scope, and Methodology

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

This report provides the results of our review to determine whether Region V is operating consistently with delegated authorities and according to policies and procedures directed and approved by FEMA HQ. We are providing the findings and recommendations identified during our limited review for FEMA to consider.

We reviewed the PKEMRA, which consisted of 12 regional responsibilities; and the FDA 0106-1, which has approximately 154 delegations of authority. We judgmentally selected a total of 12 areas (3 regional responsibilities and 9 delegated authorities) for review. We conducted several meetings to gain an understanding of programs and processes, examined source documents, and performed limited testing to assess Region V's effectiveness in exercising its responsibilities. We inspected the following areas: Office of the Regional Administrator, Grants Management, Mitigation, National Preparedness, Response and Recovery, and Mission Support.

We obtained and reviewed current law; Federal, departmental, and FEMA-specific regulations and policies; and guidance and standard operating procedures pertaining to regional responsibilities and delegated authorities. We also reviewed prior reports from the Government Accountability Office and DHS OIG.

We interviewed Region V staff from the following office and divisions: Office of the Regional Administrator, Grants Management, Mitigation, National Preparedness, External Affairs, Response, Recovery, and Mission Support. We also interviewed FEMA HQ staff from the following areas: Regional Operations, Disability Integration and Coordination, Policy and Program Analysis, Chief Financial Officer, External Affairs, Mitigation, National Preparedness, Grants, Mission Support, Response, and Recovery.

We conducted this inspection between October 2014 and May 2015 under the authority of the *Inspector General Act of 1978*, as amended, and according to the Quality Standards for Inspections issued by the Council of the Inspectors General on Integrity and Efficiency.



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Appendix B
FEMA's Comments to the Draft Report

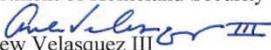
U.S. Department of Homeland Security
Region V
536 South Clark Street, Floor 6
Chicago, IL 60605



FEMA

July 22, 2015

MEMORANDUM FOR: Mark Bell
Assistant Inspector General for Audits
Office of Inspector General (OIG)
Department of Homeland Security

FROM: 
Andrew Velasquez III
Regional Administrator, Region V
Federal Emergency Management Agency

SUBJECT: Federal Emergency Management Agency (FEMA)
Response to OIG's Draft Report: "Inspection of FEMA's
Regional Offices--Region V" OIG Project No. OIG 14-051

Thank you for the opportunity to comment on your Draft Report, "Inspection of FEMA's Regional Offices--Region V" OIG Project No. OIG 14-051. We recognize that improvements can always be made in a large organization with multiple and complex programs. The findings in the report will be used to enhance the effectiveness and efficiency of how we execute and measure our programs. The Draft Report contains five (5) recommendations of which FEMA concurs with all five of the recommendations. This memorandum serves as FEMA's written response to Recommendations 1-5 of your Draft Report. Additionally, FEMA's response provides estimated completion dates and requests closure on Recommendations 1 and 3. The following are responses provided by both FEMA Region V and FEMA Headquarters to the five recommendations identified by OIG for action.

Recommendation #1: We recommend that the FEMA Assistant Administrator, Response Directorate, develop and maintain procedures to ensure the region is prepared to provide immediate supplemental temporary public transportation to individuals in an affected area in the event of a disaster.

Response: Concur

FEMA has developed and issued the Mission Assignment Manual that provides overarching guidance to all of the regions for issuing mission assignments. The use of a mission assignment to provide temporary public transportation to individuals in an affected area in the event of a disaster is prescribed in the Region V All-Hazards Response Plan. The plan points to the appropriate Pre-Scripted Mission Assignments (PSMA) FEMA will use to support the State/Local/Tribal/Territorial (SLTT) partners in fulfilling their responsibilities related to

www.fema.gov



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transportation systems. Specifically, the PSMA authorizes the Department of Transportation (DOT) to work with and provide SLTT partners temporary public transportation.

Region V's All-Hazards Response Plan includes "Mission-Essential Task List for Emergency Support Function (ESF) 1: Transportation" Annex. The task list provides specific guidance on transportation support for pre-incident, immediate response, deployment, sustained response, and recovery activities. The tasks include coordinating and communicating with states' Department of Transportation (DOT), regional public transit agencies, and other local partners regarding operational status and disaster response plans. This task list works in concert with the Core Capability for Critical Transportation within the National Response Framework (NRF) that describes the goal of the Core Capability to: "Provide transportation, including infrastructure access and accessible transportation services..."

Additionally, one of the pre-incident tasks included in the task list directs the ESF to develop PSMAs that support the initial response and coordination among tasked agencies and organizations. The PSMAs between FEMA and DOT are preliminary statements of work (SOW) prepared and agreed to jointly by DOT and FEMA prior to an incident to expedite the delivery of Federal transportation assistance. Item number two on the recently re-drafted PSMA directs: "Identify temporary alternative transportation solutions that can be implemented when systems or infrastructure are damaged, unavailable, or overwhelmed."

In addition to the preliminary SOW, the PSMA includes cost estimates for work typically performed by DOT in support of Stafford Act requirements. The PSMA is a starting point for a Mission Assignment SOW and is adapted depending on the incident's requirements. Further, as the coordinating and primary agency for ESF-1, DOT has a suite of Deliberate Plans, Concept of Operations, Playbooks, and SOPs that are utilized to provide temporary public transportation in the event of a disaster.

Attachments:

- Attachment A: Region V All-Hazards ESF #1 Checklist
- Attachments B, C, D: PSMAs for Department of Transportation
- Attachment E: National Response Framework Core Capabilities (see highlighted)

Estimated Completion Date (ECD): Completed

FEMA requests closure of this recommendation because the agency has met the intent of the recommendation.

Recommendation #2: We recommend that the Assistant Administrator, Recovery Directorate, FEMA Headquarters, provide training on data integrity and quality assurance to appeals staff at FEMA Headquarters and coordinate with Region V Recovery Division to ensure newly hired staff is designated for first-level appeals processing and receives adequate training.

Response: Concur



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Since it was established in September 2013, the FEMA Recovery Directorate's Public Assistance Appeals and Audits Branch (PAAB) has provided FEMA Headquarters and regional staff with a variety of guidance and training designed to improve the timeliness, quality, and consistency of the Public Assistance appeals system. As a means to achieve those goals, FEMA utilizes metrics to identify trends and areas for improvement, and uses the data to improve systems and processes. Foundational to that effort, PAAB developed a uniform SharePoint tracking system for both first and second appeals. The first appeals tracker is used across all FEMA regions to promote consistency, information sharing, and workload management.

Currently, PAAB utilizes the appeals tracker data to provide periodic procedural and substantive metrics reports as well as a quarterly newsletter regarding appeal activity. In carrying out that function, if PAAB finds any discrepancies in the data or the tracker while developing these reports, the region is contacted and works with PAAB to correct any deficiencies. Population of the information in the tracker is largely the responsibility of regional appeals analyst staff.

To serve as an appeals analyst, individuals receive training administered by PAAB, take a test, and need to receive a passing score. The training is typically offered twice a year and includes detailed material on information sharing and comprehensive instructions on using the appeals tracker, including how to correctly input data, as well as upload and share appeal documents. Additionally, utilizing online communication tools such as Adobe Connect and Microsoft Lync, FEMA provides tailored training to regional appeals staff on topics including how to use the first appeals tracker, how to input data, and which data fields are required. This training was offered extensively in December 2014 and January 2015, when the first appeals tracker was migrated to SharePoint and has been offered on an as-needed basis.

In January of 2015, FEMA Headquarters authorized the hiring of 29 first appeals analysts across the country, including three for Region V. Once these new analysts are hired, PAAB will provide appeals analyst training as soon as possible after their start dates. PAAB provided training to some Region IV new hires in May 2015 and is currently in the process of scheduling trainings in September 2015 for other regions. As part of the course curriculum, appeals analysts will continue to be trained on data integrity and quality assurance needed to meet the current appeals processes and deadlines. PAAB will work with Region V to ensure their new appeals analysts receive the necessary training once they are on board.

Estimated Completion Date (ECD): December 31, 2015

Recommendation #3: We recommend that the Regional Administrator, Region V continue to convene the Regional Advisory Council meetings, as required, on a bi-annual basis at a minimum.

Response: Concur

FEMA Region V has re-purposed the Regional Advisory Council (RAC) with new membership and a defined focus, and will continue to have RAC meetings on at least a bi-annual basis. The region has scheduled the next RAC meeting in conjunction with the Regional Interagency Steering Committee (RISC) meeting which is scheduled for the third week in October, 2015.



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Estimated Completion Date (ECD): Completed

FEMA requests closure of this recommendation because Region V has met the intent of the recommendation.

Recommendation #4: We recommend that FEMA Headquarters work with Region V and other regions to develop a mechanism to affirmatively communicate future changes to the FDA 0106-1 and any other responsibilities to ensure they are tracked and implemented in a timely manner.

Response: Concur

FEMA Headquarters and the regions will develop a mechanism to affirmatively communicate and track implementation of future changes to FDA 0106-1. FEMA Headquarters will communicate and track changes to FDA 0106-1 each time it is updated. Upon updating FDA 0106-1, FEMA Headquarters will issue written guidance to all FEMA regions delineating the specific changes. FEMA regions will affirmatively acknowledge receipt and understanding of the changed responsibilities and will inform FEMA Headquarters regarding implementation. The next anticipated update to FDA 0106-1 will occur by the end of calendar year 2015.

Estimated Completion Date (ECD): December 31, 2015

Recommendation #5: We recommend that the FEMA Chief Counsel, as per the FDA 0106-1, lead an annual agency-wide review of FEMA's authorities to ensure they are properly reserved for FEMA Headquarters or delegated to the regions as appropriate; and if necessary, submit updated and amended delegations for the Administrator's signature by December 31 each year.

Response: Concur

FEMA's Office of Chief Counsel is currently leading an agency effort to update FDA 0106-1. It is anticipated that the update to FDA 0106-1 will be finalized by the end of calendar year 2015.

Estimated Completion Date (ECD): December 31, 2015

FEMA looks forward to working with you on future homeland security and emergency management engagements to enhance FEMA programs and initiatives. Please direct any questions regarding this response to Gary McKeon, Director FEMA Audit Liaison Office, at 202-646-1308 or Gary.Mckeon@fema.dhs.gov.



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Appendix C

Regional Offices and Divisions

Office of the Regional Administrator — works in partnership with state, local, and tribal governments, emergency managers, emergency response and medical providers, private sector, nongovernmental organizations, multijurisdictional councils of governments, and regional planning commissions and organizations in the geographical area served by the Regional Office.

Grants Division — is divided between the Programs and Business management, in which the region is responsible for implementing FEMA policies and execution of grants management.

Mitigation Division — is responsible for creating safer communities through programs that reduce the loss of lives and properties such as the National Flood Insurance Program.

National Preparedness Division — is responsible for the coordination and development of the capabilities and tools necessary to prepare for all hazards with all levels of government.

Recovery Division — is responsible for providing Federal assistance to individuals and households, as well as eligible public facilities in counties declared a major disaster by the President.

Response Division — is responsible for coordinating and implementing the Federal response to major disasters, including planning, operations, and logistics.

Mission Support Division — is responsible for ensuring there is continuity in the leadership of the agency's critical business operations, function, and purpose.



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Appendix D

PKEMRA Regional Responsibilities

- Work with state, local, and tribal governments, emergency response providers, and other appropriate entities to identify and address regional priorities.
- Ensure effective, coordinated, and integrated regional preparedness, protection, response, recovery, and mitigation activities and programs for natural disasters, acts of terrorism, and other manmade disasters (including planning, training, exercise, and professional development).
- Assist in the development of regional capabilities needed for a national catastrophic response system.
- Coordinate the establishment of effective regional operable and interoperable emergency communications capabilities.
- Foster the development of mutual aid and other cooperative agreements.
- Designate an individual responsible for the development of strategic and operational regional plans in support of the National Response Plan (referred to as the National Response Framework since 2008).
- Staff and oversee one or more strike teams to serve as the focal point of the Federal Government's initial response efforts for natural disasters, acts of terrorism, and other manmade disasters within that Region, and otherwise build Federal response capabilities to respond to natural disasters, acts of terrorism, and other manmade disasters within that region.
- Identify critical gaps in regional capabilities to respond to populations with special needs.
- Maintain and operate a Regional Response Coordination Center or its successor.
- Establish a Regional Advisory Council.



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Appendix E
Regional Responsibilities and Delegated Authorities

Regional Division	
Office of Administrator (Regional Responsibilities)	<p>Establish a Regional Advisory Council.</p> <p>Identify critical gaps in regional capabilities to respond to populations with special needs.</p>
National Preparedness (Delegated Authorities)	<p>Identify, in coordination with state and local governments, population groups with limited English proficiency and take into account such groups in <u>planning for an emergency or major disaster</u>.</p> <p>Prepare an evaluation of state and local emergency plans and preparedness for the offsite effects of a radiological emergency, which may occur at a <u>commercial nuclear power facility</u>.</p> <p>Review and assess offsite radiological emergency plans; furnish assessments, findings, and determinations as to whether state and local radiological emergency plans and preparedness are adequate and continue to be capable of implementation; and conduct radiological emergency preparedness exercises of state and local officials pursuant to the Memorandum of Understanding between the Federal Emergency Management Agency and the Nuclear Regulatory Commission.</p>
Recovery (Delegated Authorities)	<p>Provide temporary public transportation service in an area affected by a major disaster to meet emergency needs and to provide transportation to governmental offices, supply centers, stores, post offices, schools, major employment centers, and such other places as may be necessary to enable the community to resume its normal pattern of life as soon as possible.</p> <p>Receive and dispose of first-level appeals of decisions regarding eligibility for, from, or amount of assistance.</p>
Response (Regional Responsibilities)	<p>Coordinate the establishment of effective regional operable and interoperable emergency communications capabilities.</p>
Mitigation (Delegated Authorities)	<p>Review and approve funding for management costs for the public assistance and hazard mitigation programs in coordination with the Chief Financial Officer to include changing the amount of the lock-in or the cap, extending the time period before lock-in, or approving an interim obligation of funding at the time of the 6-month lock-in adjustment; reviewing and approving the initial funding request, interim funding request, and final funding request; and extending the period of availability of management cost funds.</p> <p>Support the coordination and provision of training for state dam safety staff <u>and inspectors</u>.</p>
Mission Support (Delegated Authorities)	<p>Approve purchase requisitions for goods and services in amounts not to exceed the Regional contracting officers' warrant limitations.</p>
Grants (Delegated Authorities)	<p>Manage, administer, and perform application budget review; award package creation; award approval; grantee award notification; release of funds; award amendment; cash management analysis; financial monitoring; closeout; and audit resolution activities for grants.</p>



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Appendix F
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Appendix G
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