



# Department of Homeland Security Office of Inspector General

## Improvements Needed in FEMA's Disaster Contract Management





Homeland  
Security

February 3, 2010

## Preface

The Department of Homeland Security (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 is one of a series of audit, inspection, and special reports published as part of our oversight responsibilities to promote economy, effectiveness, and efficiency within the department.

This report addresses the strengths and weaknesses of the Federal Emergency Management Agency's (FEMA) disaster contract management. We contracted with the independent public accounting firm of Foxx & Company to perform the audit. The contract required that Foxx & Company perform its audit according to generally accepted government auditing standards. Foxx & Company identified five areas where FEMA's disaster contract management should be improved. The report contains two recommendations addressed to the Administrator of FEMA, and three recommendations addressed to the Director, Acquisition Management Division.

Foxx & Company is responsible for the attached auditor's report dated January 15, 2010, and the conclusions expressed in the report.

The recommendations herein have been developed with the best knowledge available to our contractor. We trust that this report will result in more effective, efficient, and economical operations. We express our appreciation to all who contributed to the preparation of this report.

A handwritten signature in cursive script that reads "Richard L. Skinner".

Richard L. Skinner  
Inspector General



January 22, 2010

Mr. Matt Jadacki  
Deputy Inspector General for Office of Emergency Management Oversight  
Office of Inspector General  
Department of Homeland Security  
245 Murray Drive, SW, Building 410  
Washington, DC 20528

Dear Mr. Jadacki:

Foxx & Company performed an audit of Selected FY 2008 Federal Emergency Management Agency (FEMA) Disaster Contracts. The audit was performed according to Task Order No. TPDFIGBPA070007, dated December 11, 2008.

This report presents the results of the audit and includes recommendations to help improve the FEMA's Acquisition Management Division's management and oversight of disaster contracting.

Our audit was conducted according to applicable *Government Auditing Standards*, July 2007 revision. The audit was a performance audit as defined by Chapter 1 of the *Standards*, and included a review and report of program activities with a compliance element. We did not perform a financial audit, the purpose of which would be to render an opinion on the agency's financial statements.

We appreciate the opportunity to have conducted this audit. Should you have any questions, or if we can be of any further assistance, please call me at (513) 639-8843.

Sincerely,

Foxx & Company

Martin W. O'Neill  
Partner

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## Abbreviations

|      |   |
|------|---|
| AMD  | FEMA Acquisition Management Division    |
| DHS  | Department of Homeland Security         |
| FAR  | Federal Acquisition Regulation          |
| FEMA | Federal Emergency Management Agency     |
| GAO  | Government Accountability Office        |
| GPE  | Government Point of Entry               |
| GSA  | General Services Administration         |
| HHS  | Department of Health and Human Services |

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|        |   |
|--------|---|
| IA-TAC | Individual Assistance-Technical Assistance Contract |
| JFO    | Joint Field Office                                  |
| MLS    | Multiple Listing Service                            |
| NRF    | National Response Framework                         |
| OIG    | Office of Inspector General                         |
| SOP    | Standard Operating Procedure                        |

# OIG

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*Department of Homeland Security  
Office of Inspector General*

## **Executive Summary**

Foxx & Company audited a selected sample of the Federal Emergency Management Agency's Acquisition Management Division fiscal year 2008 disaster contracts. The audit objectives were to assess FEMA's management of the contracts; safeguards used against fraud, waste, and abuse; communications and coordination within FEMA and with other federal agencies and states regarding disaster contracts; and the extent to which contracting policies and procedures were followed.

More than half of the 49 contracts reviewed had one or more of the following five issues:

- Goods and services purchased were either not needed or significantly underutilized;
- Funds were expended on questionable acquisitions;
- Additional advanced planning or establishment of pre-positioned contracts for recurring disaster goods was needed;
- Acquisition decisions were not adequately documented; and
- Monitoring of contractor performance needs improvement.

In addition, questionable decisions in establishing a Joint Field Office resulted in excessive expenditures of federal funds and risked the health and safety of the employees.

As a result of these issues, FEMA did not always provide the most cost-effective solution through contract support for disaster relief. We are making five recommendations that will improve contract management and decrease the risk of fraud, waste, and abuse.

FEMA recognizes some of these problems and is taking corrective actions.

FEMA's response to our recommendations is summarized and evaluated in the body of this report and included in its entirety as Appendix B.

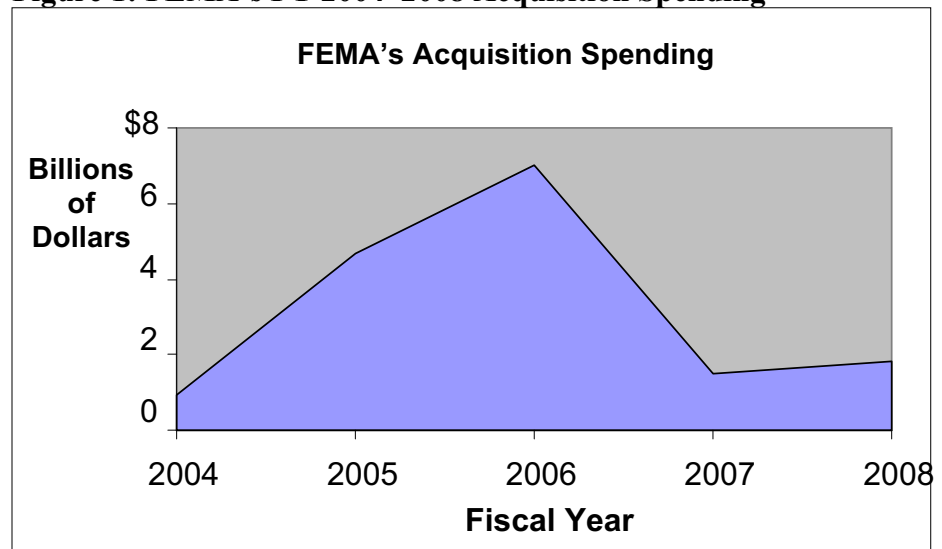
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## Background

State and local government agencies and organizations act as first responders to emergencies (natural and manmade). When state and local governments become overwhelmed by the size or scope of a disaster, state officials may request assistance from the federal government. President Carter issued Executive Order 12127 in March 1979, which merged many separate disaster-related federal functions into the Federal Emergency Management Agency (FEMA). Following the terrorist attacks of September 11, 2001, the *Homeland Security Act of 2002* (Public Law 107-296) transferred FEMA to the newly formed Department of Homeland Security (DHS).

In FY 2004, FEMA spent almost \$1 billion for goods and services. Spending rose to almost \$5 billion in FY 2005 and to more than \$7 billion in FY 2006. Most of the increase in these 2 years was attributable to the response to the 2005 Gulf Coast hurricanes. By FY 2007, FEMA's overall spending had fallen to about \$1.5 billion; for FY 2008, it was \$1.8 billion (see Figure 1).the

**Figure 1: FEMA's FY 2004–2008 Acquisition Spending**



Source: *Federal Procurement Data System—Next Generation Data*

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To meet urgent needs in past disasters, FEMA's tendency has been to acquire goods and services quickly, but with insufficient attention to costs, definition of requirements, and competition. Reports issued by Congress, the White House, Office of Inspector General (OIG), and the Government Accountability Office (GAO), among others, identified issues, including contracting deficiencies, that have marred FEMA's response capabilities (see Appendix C).

With so much spending, it is imperative that acquisition officials take the steps necessary to ensure successful disaster contracting outcomes. Recent audits have identified deficiencies, as well as opportunities for improvement, in many aspects of FEMA's disaster acquisition process.<sup>1</sup>

This extensive body of work by the OIG and GAO has reported the following disaster assistance issues:

- FEMA could have reduced response costs for Hurricane Ike by as much as \$18 million by consistently applying National Response Framework (NRF) principles.
- Fraudsters can bypass FEMA's current controls to obtain housing assistance and receive duplicate payments for bogus hotel expenses.
- Contract documentation does not always explain the reasons goods or services were acquired, provide evidence of competition, or document contractor performance.
- FEMA's disaster acquisition process needs additional safeguards to protect assets and prevent and detect errors in the process.
- DHS acquisition did not have the capacity to monitor contractor performance due to limited expertise and workload demands.

FEMA's role in assisting disaster survivors is challenging. It requires balancing the need to quickly provide goods and services to those affected while maintaining public confidence that FEMA is spending taxpayers' money wisely and preventing fraud, waste, and abuse. FEMA's acquisition policies and procedures, the NRF, and other disaster response manuals provide guidance on the sourcing process. However, this guidance is sometimes short-circuited when officials, such as political appointees or elected representatives of the disaster area, use their influence to ensure

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<sup>1</sup> For a list of related audits, see Appendix C.



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that goods and services are provided. While often well-meaning, this pressure can result in waste when the goods or services are not needed and can be disruptive to the sourcing process.<sup>2</sup>

Disaster response activities require close coordination and cooperation among all levels of government, nonprofit organizations, the private sector, and individuals. The NRF defines key principles, roles, and structures of participants who respond to incidents to ensure a coordinated, effective national response. FEMA acquisition officials must respond quickly to acquire goods and services to assist survivors, but they must do so while complying with Federal Acquisition Regulation (FAR) requirements and utilizing their emergency responder partners as outlined in the NRF.

The Office of Federal Procurement Policy's *Emergency Acquisitions Guide* identifies the importance of clearly defining roles and responsibilities among the various functions that support emergency operations in order to ensure timely and effective decisionmaking.<sup>3</sup>

For this audit, DHS OIG contracted with Foxx & Company to evaluate the effectiveness of FEMA's disaster contract management. The audit objectives were to assess:

- FEMA's ability to track, manage, and monitor disaster contracts;
- What safeguards were included to reduce, deter, and detect fraud, waste, and abuse;
- The level of communication and coordination within FEMA and with other federal agencies and states regarding disaster contracts; and
- The extent to which processes and controls have not been followed and the impact on the delivery of goods and services.

We reviewed 49 FY 2008 disaster contracts for compliance with the FAR and with supporting and pertinent Acquisition Management Division (AMD) policies and procedures.<sup>4</sup>

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<sup>2</sup> DHS OIG: *FEMA's Sourcing for Disaster Response Goods and Services*, OIG-09-96, August 2009.

<sup>3</sup> Office of Management and Budget, Office of Federal Procurement Policy: *Emergency Acquisitions Guide*, May 2007.

<sup>4</sup> We had 50 contracts in our sample, but FEMA could not locate one of the contracts.

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## Results of Audit

FEMA's decisionmaking for awarding, managing, and monitoring disaster contracts needs improvement. FEMA contracted for goods and services that were not needed or were underutilized and purchased several categories of items that it had not typically purchased in the past.

Also, a better strategy is needed for planning and providing pre-positioned contracts for required commodities of a recurring nature and for multiple disasters.

Several of the contracts reviewed were not in compliance with the FAR or AMD contracting policies and procedures for emergency acquisitions. Several contracts had significant increases in the funds obligated and expended after negotiation of the initial contract amounts.

There was questionable decisionmaking in establishing the Joint Field Office (JFO) in Brentwood, Tennessee, resulting in excessive expenditures of federal funds and subjecting JFO employees to potentially unsafe and unhealthy working conditions. The decisions made in selecting and setting up this JFO exemplify the problems with FEMA acquisitions and the need for improvements.

FEMA contracting officials generally agreed that improvements are needed in FEMA's management and administration of disaster contracts. Actions are ongoing to correct deficiencies and improve compliance with the FAR and FEMA's policies and procedures.

FEMA provided written comments on the draft report (see Appendix B). FEMA concurred with three of the five recommendations in this report and provided corrective actions taken in response to our recommendations. We have included our analysis to FEMA's response to the two recommendations which they disagreed with in the appropriate sections in the report. In addition, FEMA provided additional clarifying comments which we have addressed and incorporated in the report as appropriate.

### Acquired Goods and Services

FEMA did not always follow proper procedures or appropriately estimate the required goods and services for disasters. As a result,

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goods and services were acquired that were either not needed or were significantly underutilized, wasting taxpayer dollars.

Contracting specialists need to work closely with program and project managers in their agency who may be called on during an emergency. They should also work with other personnel who support the acquisition process—including information technology specialists, financial management officials, logistics personnel, and legal counsel—to develop a common and coordinated understanding of how to meet the government’s needs during an emergency. Working together, these personnel can review historical data to identify the products and services that the agency has been called on to provide during past emergencies. If FEMA officials had taken such steps, the following problems might have been avoided.<sup>5</sup>

### **Mobile Medical Units**

After Hurricane Ike made landfall, Galveston Island was without functioning medical facilities and the state requested that FEMA acquire mobile medical units. Under the NRF, medical needs are the primary responsibility of the Department of Health and Human Services (HHS). FEMA worked with HHS to acquire the requested units, which were to be supported by local medical staff. FEMA leased and sent to the island two mobile surgery units and one mobile recovery unit for 60 days at a contract cost of \$1 million. However, the units were never used. In addition, according to the HHS contracting office technical representative, the state university hospital and health services did not have the staff to support the units, and much of the population had access to other facilities on the mainland. The contract file did not document why this information was not available prior to the contract being awarded. After 30 days, the state determined that the units were not going to be used. FEMA terminated the contract for the convenience of the government at a cost of \$470,000. The contracting officer told us that this was an example of “jumping” on a request before FEMA was sure there was a need. While it is difficult to criticize a decision that might have saved lives, in the future FEMA should carefully consider all alternatives and assess whether there is a real need and personnel are available to operate the facilities before committing to such a costly acquisition.

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<sup>5</sup> Office of Management and Budget, Office of Federal Procurement Policy: *Emergency Acquisitions Guide*, May 2007.

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**Figure 2: Mobile Medical Unit**



Source: *FEMA photo library*

### **Base Camps**

FEMA contracted for two base camps in Texas to house and feed emergency personnel after Hurricane Ike, which did not operate near capacity. The first base camp, at Scholes Airport, was contracted at the request of JFO leadership. The second base camp, at Orange County Airport, was requested by DHS headquarters senior leadership, over the objections of the JFO leadership. The initial task orders were for \$4.7 million and \$4 million for each base camp, respectively, to operate for 30 days. Each base camp was to house 500 occupants and provide 1,500 meals per day. For the first 30 days, there was an average of 310 occupants and 632 meals served for the first camp, and only 236 occupants and 320 meals served for the second camp.

**Figure 3: Base Camp**



Source: *FEMA photo library*

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According to FEMA, once the base camps were activated there was no way to change the size of the base camps or meals to meet actual needs. In spite of the underutilization, FEMA extended the duration of both base camps for more than 30 days, adding \$4.4 million and \$4.1 million, respectively, to each task order. However, FEMA did not need to extend both base camps beyond the first 30 days when one base camp could have handled the actual occupancy for both camps. Thus, FEMA could have avoided spending more than \$4 million by consolidating its requirements into one base camp.

In addition, there were two significant issues associated with the base camps that indicate FEMA was not properly managing contracts:

- JFO and other nonauthorized FEMA staff, who were receiving per diem to cover meals and incidentals, were using the base camps to obtain free meals and services.
- One onsite technical representative did not always stay at the base camp but signed the daily logs as though he were there. Another technical representative did not sign any of the daily logs.<sup>6</sup>

Underutilization of base camps and wasted taxpayer dollars has been an issue for some time. GAO reported in March 2006 that better management of requirements development could have avoided costs to house workers and survivors after Hurricanes Katrina and Rita. Based on information provided by local officials, FEMA spent \$3 million for 4,000 base camp beds that were never used.<sup>7</sup> Two months later, GAO issued testimony identifying practices in the public and private sectors that can help federal agencies better manage their disaster-related procurements. These practices included establishing a scalable operations plan to adjust the level of capacity required to respond to needs.<sup>8</sup>

A 2009 OIG report also cited the problem of base camp capacity exceeding demand. This report stated that, against the advice of FEMA's emergency managers at the disaster site's JFO, a DHS

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<sup>6</sup> Daily logs document the base camp occupancy and meal and laundry counts.

<sup>7</sup> GAO Briefing: *Agency Management of Contractors Responding to Hurricanes Katrina and Rita*, GAO-06-461R, March 2006.

<sup>8</sup> GAO Testimony: *Hurricane Katrina: Improving Federal Contracting Practices in Disaster Recovery Operations*, GAO-06-714T, May 4, 2006.

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headquarters official ordered a 500-person base camp (the Orange County Airport base camp discussed above) for a location only 30 miles from an existing 2,000-person base camp. This report found that FEMA incurred about \$5 million in costs to open and operate the second camp.<sup>9</sup>

To improve base camp planning and acquisitions, in May 2009, FEMA implemented a Concept of Operations for FEMA Responder Support Camps that will enable FEMA to better size base camps to meet actual needs, versus being locked into initial estimates of quantity and duration.

### **Mobile Sleeper Units**

Another contract was authorized to provide mobile sleeper units for a period not to exceed 30 days. The state requested the mobile sleepers to provide accommodations for first responders and volunteers. However, the manager of the base camp determined that the sleepers were not needed, and they were never set up. As discussed above, there was significant excess capacity at the two base camps in the vicinity, which FEMA should have been aware of, negating the need for the mobile sleepers. FEMA terminated the contract for the mobile sleeper units for the government's convenience, incurring an expense of more than \$637,000. This expense could have been avoided had there been better planning, communications, and coordination.

### **Conclusion**

FEMA did not always follow proper procedures or appropriately estimate the goods and services needed for disasters. As a result, FEMA contracted for goods and services that exceeded the disasters' needs and for goods and services not used at all. In response to pressure from internal and external officials, FEMA officials made decisions that were not necessarily based on actual need or a request from the affected state, including mobile sleepers, hospital units, or base camp contracts. Because of these decisions, the most cost-effective acquisition of goods and services was not achieved, and FEMA expended millions for goods and services that were never used.

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<sup>9</sup> DHS OIG: *Management Advisory Report: FEMA's Response to Hurricane Ike*, OIG-09-78, June 2009.

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## Recommendation

We recommend that the Administrator of FEMA:

**Recommendation #1:** Adhere to the National Response Framework principles by clarifying the authority of federal, state, local, and regional emergency managers and ensure, to the extent possible, that acquisitions are based on accurate estimates of needs.

## Management Comments and Contractor Analysis

FEMA concurs with this recommendation. FEMA will review existing processes and procedures to facilitate better coordination with the above mentioned officials.

Contractor Analysis: We consider FEMA's planned action to review existing processes and procedures to facilitate better coordination and adherence to the National Response Framework, responsive to the recommendation. Therefore, the recommendation is resolved and open pending FEMA's successful coordination efforts, which the OIG will continue to monitor.

Within their comments to the draft report, FEMA disagreed with a specific example cited in the report which stated that FEMA could have avoided spending over \$4 million by consolidating its base camp requirements from two 500 person base camps into one 500 person base camp. FEMA cited that during the first 30 days of use the two 500 person camps averaged 310 and 236 occupants and thus this total of 546 could not have been housed at one 500 person camp. FEMA also stated that the two camps were established in two different, geographically distinct, Texas counties in order to best meet the needs of the responders.

We disagree with FEMA's objection to consolidating the two base camps mentioned in the report. Our report stated that "FEMA did not need to extend both base camps beyond the first thirty days when one base camp would have more than handled the actual occupancy at both camps." This is based on the fact that at the end of the first 30 days, the average occupancies dropped to 197 and 158 occupants, respectively, for a total of 355 persons. The 355 persons could have been housed at one 500 person base camp.

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In addition, FEMA stated that the two 500 person base camps were in two different, geographically distant counties. One was located at the Scholes International Airport in Galveston, Texas. The other facility was at the Orange County Airport near Beaumont, Texas. While these two camps are over 100 miles away from each other, the Orange County base camp was within 25 miles of a third, 2,000 person base camp already operating in Beaumont, Texas. This Beaumont base camp could have accommodated the 158 occupants who remained after the first 30 days at the Orange County Airport base camp. In fact, the FEMA Federal Coordinating Officer and Logistics Section Chief who were on site at the disaster had objected to even opening the Orange County Airport base camp since the Beaumont base camp was only 25 miles away. The field officials told us that they were overruled and ordered by a senior DHS headquarters official to open the Orange County Airport base camp.

In its response, FEMA stated that it had implemented the Concept of Operations for FEMA Responder Support Camps in May 2009 to improve base camp planning and acquisitions. This document introduced the concept of modular and scalable base camps and clarifies the process for defining the requirements for base camps. It appears that this document will address many of the problems which the OIG, GAO, and others have identified with base camps. However, the OIG will continue to monitor its implementation and effectiveness.



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## Costs Incurred for Acquisitions

Costs were incurred for goods and services of a questionable nature. FEMA officials were requested to purchase items typically provided by other organizations because these entities, or the state itself, did not have funding to purchase the items.

According to FEMA's response and recovery policy and procedures, first response to a disaster is the job of local government's emergency services with help from nearby municipalities, the state, and volunteer agencies. In a disaster, and if the governor requests, federal resources can be mobilized through FEMA for search and rescue, electrical power, food, water, shelter, and other basic human needs.

In July 2009, FEMA's Administrator stated that organizations at every level of government, as well as those within the private and voluntary sectors, need to make investments of time and money to prepare for emergencies. In addition, the Nation's citizens and families must recognize and embrace their own responsibilities to be prepared. FEMA reported in July 2009 that only half of Americans have put together an emergency kit and only 40% have created a family emergency plan. Every family should take the most basic preparedness actions, such as having sufficient water and nonperishable food to support the family for at least 72 hours. The public's inadequate preparation pulls responders and critical resources away from those who truly need such assistance, both the casualties of the disaster and the most vulnerable populations, such as persons with disabilities and children.<sup>10</sup>

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<sup>10</sup> Testimony of Craig Fugate, FEMA Administrator, before the House Committee on Transportation and Infrastructure, Subcommittee on Economic Development, Public Buildings and Emergency Management, *Post-Katrina: What It Takes to Cut the Bureaucracy and Assure a More Rapid Response After a Catastrophic Disaster*, July 27, 2009.

**Figure 4: FEMA's Recommended Emergency Supplies**



Source: FEMA photo library

Response activities require close coordination and cooperation among all levels of government, nonprofit organizations, the private sector, and individuals. As reported earlier, the Nation's disaster response playbook, the NRF, provides guidelines for first responders at all levels. Local, state, and federal emergency management professionals coordinate the disaster response. The NRF also recognizes that elected and appointed officials at all levels have significant roles and responsibilities in disaster response. FEMA could reduce costs by consistently applying NRF principles and redirecting political influence on operational decisions.

### **Mobile Homes**

After Hurricane Ike devastated Galveston Island, a FEMA headquarters official instructed field office staff to award a contract to provide mobile homes and "to get it done at all costs." The official instructed this to be done so local residents and the media would see mobile homes arriving in the disaster area one week sooner than would have occurred using the Individual Assistance-Technical Assistance Contract (IA-TAC) process for providing mobile homes. FEMA paid more than \$1 million to haul and install 25 mobile homes for the disaster survivors.

It should be noted that after the field officials acquiesced to the FEMA headquarters' instructions, it was discovered that only five mobile homes were available to install at that time. Therefore,

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FEMA had to locate and transport the additional 20 homes to fulfill the demands of the headquarters official. Because FEMA was paying for expedited services, the price per mobile home exceeded the government's independent cost estimate by 264%. Had FEMA used the IA-TAC contract process, mobile homes would have arrived in about 10 days and FEMA would have saved more than \$700,000.

FEMA officials provided us with information on the new IA-TAC contract process – IA-TAC III—that was awarded in May 2009. The officials said that the new IA-TAC contract will streamline the process of providing temporary housing units, enable FEMA to respond faster to the housing needs of survivors, and be more cost-efficient. The officials also stated that FEMA is in the process of developing playbooks for the FEMA regions so that the roles, responsibilities, and key contact points for utilities, medical, fire, police, and other services are known before a disaster, allowing the regions to react more efficiently.

### **Apartment Leases**

In September 2008, FEMA awarded a task order for leasing 83 apartments for FEMA staff deployed for Hurricane Ike in the Austin, Texas, area because disaster survivors were using local hotel rooms. The daily lease cost for each apartment was \$175, or a monthly total of \$5,250 per apartment. The current daily government rate for hotels is \$107 per night in the Austin area, which equates to \$3,210 per month. As of May 2009, FEMA employees were still using some of the apartments, even though hotel rooms were available. FEMA has no policy or process to assess employees' housing at a disaster site to ensure that the least expensive option is used. FEMA officials believe that employees working long hours at disaster sites should have comfortable housing and not be made to relocate continuously.

### **Other Purchases**

Two contracts totaling almost \$300,000 provided for the purchase and delivery of baby and adult diapers, baby wash and shampoo, baby food, and female hygiene products to food banks in the Baton Rouge, Louisiana, area after Hurricane Gustav. The state did not have the resources to purchase the items and requested that FEMA purchase them. Normally FEMA does not purchase these types of items. The field contracting official questioned using federal funds for this purchase but was overruled by FEMA headquarters. This

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issue of purchasing items typically not funded by FEMA is not new. During the aftermath of Hurricane Katrina, a FEMA official said that state officials requested the purchase of \$3 million of Pedialyte.<sup>11</sup> He, too, questioned whether FEMA should purchase this, but he was directed to do so by FEMA headquarters officials. FEMA acquired the Pedialyte, but it was never used. When it expired, it was thrown out.

### **Conclusion**

FEMA's role in assisting disaster survivors is very challenging. It requires balancing the need to provide assistance to those affected by the disaster while maintaining public confidence that FEMA is spending money wisely and preventing fraud, waste, and abuse.

FEMA could have reduced costs by consistently applying NRF principles on operational decisions, which should originate with, and be decided by, the local, state, and federal emergency managers on the ground.

In addition, FEMA does not have policies and procedures to define what contracting officials may or may not purchase. Senior FEMA officials told us that they will buy or obtain anything a state or local government requests, as long as it is legal, and that Acquisition Management Division's (AMD) responsibility is to acquire what is requested and not question the need. This attitude may result in FEMA's purchase of items that local, state, and tribal governments, as well as charitable organizations, typically provide, as these entities view FEMA as the "deep pockets" after a disaster. If FEMA becomes the default purchaser in response to disasters, more and more questions may arise about FEMA purchasing decisions.

In addition, due to the downturn in our Nation's economy, many states and localities are likely to become even more financially strapped. For example, a recent National League of Cities survey reported that almost 90% of cities said they are less able to meet their financial needs in 2009 than they were the year before.<sup>12</sup> Thus, in future disasters more of a burden may fall on FEMA to

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<sup>11</sup> Pedialyte is an oral electrolyte maintenance solution to replace fluids and electrolytes and help prevent dehydration in infants and children.

<sup>12</sup> National League of Cities: *City Fiscal Conditions in 2009*, September 2009. This report is based on a national survey of finance officers in U.S. cities conducted in the spring-summer of each year; 335 city finance officers responded to this recent survey.

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provide resources that were once the responsibility of state and local governments and volunteer organizations. This state of affairs makes it more crucial for FEMA to better define and delineate its disaster response roles and responsibilities.

## **Recommendation**

We recommend that the Director, Acquisition Management Division:

### **Recommendation #2:**

- Require the contracting officer to document in the contract file any purchase made when a recommendation by field staff not to make the purchase is overruled by a headquarters official.
- Develop after action reports for each major disaster that (1) identify goods and services purchased; (2) identify goods and services not needed or underutilized; and (3) discuss the justifications for such purchases.
- Develop criteria to assess employees' housing at a disaster site at least twice a year to ensure that the most cost effective option is being used.

## **Management Comments and Contractor Analysis**

FEMA non-concurs with the recommendation stated in our draft report, which was that FEMA develop criteria to define the commodities it may purchase for disaster response. FEMA stated in its response that it must have the flexibility to respond to unique requirements including possible limitations that some of its partners may experience due to resource shortfalls. FEMA added that it has the authority to purchase any type of commodity that is not unauthorized or otherwise illegal. Therefore, FEMA stated that defining the types of commodities that FEMA can purchase is considered redundant and unnecessary. FEMA also stated that the draft report indicated that FEMA made purchases that it normally did not buy, yet this is not the equivalent of stating that FEMA had no authority to make such purchases or that purchases were not appropriate under the circumstances.

With respect to the housing aspect of the recommendation, FEMA stated that it houses employees during a disaster where it can and

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added that at no time did FEMA violate the housing per diem that was established.

Contractor Analysis: The report did not intend to state or imply that FEMA had purchased any type of commodity that was not authorized or otherwise illegal. The report stated that FEMA officials made decisions that resulted in the Federal government incurring costs for goods and services that had not been purchased before or were questioned by FEMA field personnel.

FEMA's official position is to buy or obtain anything that is requested by a state or local government, without questioning the need, as long as it is legal. Thus, it is logical that FEMA would not see the need for preparing a list of commodities and or services that it may purchase. However, this policy has had the effect of FEMA becoming the nation's "deep pockets" after a disaster. We found numerous examples where FEMA field officials questioned the justification for purchasing certain items. However, when objections were raised further up the chain of command, the people questioning the request were told to procure whatever was requested.

We identified several examples where purchases were made, not because the purchases were actually needed, but because:

- FEMA "jumped" on a request before a need was established.
- Pressure was exerted from internal and external officials.
- Officials wanted the local residents and media to see activity was occurring.

We recognize that addressing the concept of what FEMA should or should not purchase after a disaster declaration is controversial and raises significant philosophical questions. As we stated in our report, FEMA is placed in a difficult position of balancing the need to provide assistance while maintaining the public trust that the taxpayer's money is being spent wisely and with sound financial responsibility and accountability. However, it is imperative that FEMA carefully consider what is being purchased to ensure that it is a necessary expense and not a waste of taxpayer money.

Our report documents financial problems facing our Nation's cities. In addition, the National Association of State Budget Officers recently issued a report which stated that "States are

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currently facing one of the worst, if not the worst, fiscal periods since the Great Depression.”<sup>13</sup> The report stated that the states’ fiscal year 2010 budget gap is almost \$15 billion and could be as high as about \$22 billion in 2011. Because cities and states are under so much financial pressure, FEMA is being called on to buy goods that commonly were provided to survivors by local and state governments. Given this bleak financial situation, FEMA must spend the taxpayer’s dollars wisely and where it is needed, not on the basis of political pressure.

After considering FEMA’s comments to our draft report, we revised this recommendation to recommend that FEMA prepare after action reports that identify the costs and types of commodities and services purchased after each major disaster. At a minimum, these reports should identify the types of services or commodities purchased, total cost, and an assessment of services and commodities that were underutilized or not used at all. In time, these reports will provide an inventory of the magnitude and types of goods and services that FEMA is procuring and are needed and minimize the unnecessary and underutilized purchases identified in the reports. This information should also be shared among FEMA headquarters and field personnel for the development of lessons learned or best practices.

We recognize that FEMA’s response for not wanting to develop criteria for what they will purchase is based on the premise that they will purchase anything that is legal and requested by a state or local entity. However, given the need for sound financial purchases and accountability, FEMA needs to identify patterns or types of products or services purchased and those that were not used or necessary.

The requirement to document decisions by headquarters officials to overrule the recommendation by staff on site not to buy an item does not need to be an onerous or bureaucratic one, but, at a minimum, should include a memo that states who made the decision to overrule the decision in the field and why. This memo then should be placed in the contract file.

Regarding whether FEMA should house employees in apartments or hotels, we did not intend to report or imply that FEMA violated housing per diem. We also understand that short term housing

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<sup>13</sup> The National Association of State Budget Officers (NASBO) has served as the professional membership organization for state finance officers for more than sixty years.

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such as hotels in the immediate disaster area are reserved for survivors and that FEMA had to acquire apartments at the time of the disaster – September 2008 – to house employees. Our report stated that employees were still using the higher price apartments in May 2009 even though less expensive hotel lodging was then available. Our finding and recommendation was for FEMA to develop criteria to assess employees' housing options in the months subsequent to the initial disaster response to ensure that the most cost effective option is used and thus Federal funds are better spent.

This recommendation is considered unresolved and open until FEMA develops and implements the after action reporting process, justification process for overruling FEMA field staff decisions, and the criteria to assess employees' housing at a disaster site, and until the OIG reviews and accepts these processes and policies.

### **Improvements Needed in Pre-planning and Pre-positioning of Contracts**

Improvements are needed to FEMA's process of pre-planning and pre-positioning of contracts for necessary goods and services of a recurring nature. FEMA has not identified all needed pre-positioned contracts for goods and services required for a disaster. Also, FEMA has not properly planned for access to suppliers who could provide cost-effective and efficient options for commodities needed in multiple disasters.

According to FAR 26.203, in anticipation of potential emergency response requirements, agencies involved in response planning should consider awarding emergency response contracts before a major disaster or emergency occurs to ensure immediate response and relief. These contracts should be structured to respond to immediate emergency response needs, and should not be structured in any way that may inhibit the transition of emergency response work to local firms.

The OIG issued guidance in October 2008 on managing disaster-related project costs. This guide addressed how to (1) document and account for disaster-related costs, (2) minimize the loss of FEMA disaster assistance program funds, (3) maximize financial recovery, and (4) prevent fraud, waste, and abuse of disaster



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funds.<sup>14</sup> In addition, GAO has recommended practices for better managing disaster procurements that include developing knowledge of contractor capabilities and prices by identifying commodities and services and establishing vendor relationships before they are needed.<sup>15</sup>

As demonstrated by the following situations, FEMA's pre-positioned contracts were not adequate to handle disaster requirements.

### **Self-help Tarps**

In our sample, four contracts were awarded to various vendors for self-help tarps. FEMA officials informed us that additional contracts were awarded at the same time to other vendors. The tarps, approximately 20 x 25 feet, are distributed to hurricane survivors to temporarily cover leaking roofs. Following Hurricanes Ike and Gustav, the supply of self-help tarps at FEMA's distribution centers was quickly exhausted and FEMA's contractor was unable to quickly provide more tarps. FEMA contracting officials located and purchased all available tarps from multiple sources. FEMA officials said they were successful in meeting the demand. However, we noted that tarps were purchased in different sizes and at different prices. There were also some delivery problems that increased costs. FEMA distribution facilities generally have enough self-help tarps to meet demand, but the two hurricanes occurring together caused a shortage. FEMA should consider a solution, such as prearranged sources or increased stocking levels, so it is prepared for multiple disasters in the future.

### **Aerial Photography**

FEMA awarded Fugro EarthData a sole source contract to interpret aerial photographs and document the damage related to Hurricane Ike in coastal and low-lying areas in Texas (see Figure 5). The goal of the contract was to determine the inland extent of damage caused by storm-surge-induced flooding as well as the damage caused further inland by wind forces. The contract file documentation stated that the procurement was based on unusual and compelling urgency, and a sole source justification and

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<sup>14</sup> DHS OIG: *Audit Tips for Managing Disaster-Related Project Costs*, October 2008.

<sup>15</sup> GAO Testimony: *Hurricane Katrina: Improving Federal Contracting Practices in Disaster Recovery Operations*, GAO-06-714T, May 4, 2006.

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approval was prepared and approved by the contracting officer and the Office of Chief Counsel. However, no controls were in place to ensure that a fair and reasonable price was obtained. The proposal in the contract file did not include cost or price details, such as labor rates, hours, indirect rates, or profit.

Section 6.303-1(a) of the FAR states, “A contracting officer shall not commence negotiations for a sole source contract, commence negotiations for a contract resulting from an unsolicited proposal, or award any other contract without providing for full and open competition unless the contracting officer (1) Justifies, if required in 6.302, the use of such actions in writing; (2) Certifies the accuracy and completeness of the justification; and (3) Obtains the approval required by 6.304.”

The interpretation of aerial photographs has not always been used for past disasters but has become more prevalent during recent hurricanes. Consequently, FEMA may want to evaluate and determine if a pre-positioned contract for these services may be beneficial for future disasters.

**Figure 5: Aerial photograph of Hurricane Ike damage**



Source: *FEMA photo library*

### **Flood Map Needs**

During the November 2007 California wildfires, FEMA made two modifications to an existing contract with Michael Baker, Jr., Inc. Baker’s original contract was to develop, plan, implement, and monitor an initiative known as Multi-Hazard Flood Map

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Modernization for flood hazard mitigation across the United States and its territories. Specifically, the base contract provided FEMA support in conducting a large-scale overhaul of the Nation's flood hazard maps. The work included data collection and analysis, map production, product delivery, and effective program management.

According to FEMA acquisition personnel, there were no pre-existing or pre-positioned contracts for the aerial photography needed to support the California wildfires. Consequently, FEMA decided to amend Baker's original contract to provide geospatial services for the duration of response and recovery efforts for the California wildfires. The base contract was amended instead of soliciting bids from other sources because the information needed for these projects came from the database that Michael Baker managed for FEMA under the base contract. A FEMA contracting official said Baker could do the work faster and cheaper than any other contractor could; and no other contractor had the expertise, familiarity, and experience needed to support FEMA's geospatial needs in a timely manner.

However, FEMA did not prepare sole source justifications for the two modifications as required by FAR 6.303-2, or post the procurement on the federal procurement opportunities website as required by FAR 5.2.<sup>16</sup> The contracting officer agreed that the contract modifications were sole source procurements and those justifications should have been prepared and approved for the procurements. He also agreed that the procurements should have been posted on the website.

### **Portable Equipment Leasing**

Another contract in our sample was a sole source emergency contract to M.A.S.S. Services, a portable equipment leasing company, to provide portable shower units following Hurricane Ike in Louisiana. Emergency workers deployed to a disaster recovery center had not showered for days because no showers were available near their location. Two six-head portable showers were provided for 14 days for \$72,072. A few days later, one six-head shower unit was provided to another location for 28 days for

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<sup>16</sup> The federal procurement opportunities website is defined in FAR 5.201 where it states that the contracting officer must transmit a notice to the Government Point of Entry (GPE) for certain proposed contract actions. The GPE may be accessed via the Internet at <http://www.fedbizopps.gov>. FedBizOpps is the single, web-enabled resource that lists and provides detailed information on all federal procurement opportunities over \$25,000.

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\$81,984. Although contracting staff did what they could to ensure quick delivery of the showers at reasonable prices, both delivery time and prices might have been improved had the contract for portable showers been awarded and pre-positioned before the disaster, under either national or regional contracts. FEMA should evaluate and determine if a pre-positioned contract for portable showers may be beneficial for future disasters.

### **Conclusions**

Some of FEMA's disaster contracts for recurring services were costly and inefficient. As a result, some commodities were not available when needed for the disasters, and those acquired were not supported by documentation showing that the contracting was done in a cost-effective manner and according to the FAR and FEMA policy. FEMA needs better preplanning for backup sources in multiple disasters. FEMA says, "every disaster is different." Nonetheless, there are so many similarities that FEMA should "learn lessons" and not repeat inefficient acquisitions.

### **Recommendation**

We recommend that the Director, Acquisition Management Division:

**Recommendation #3:** Direct FEMA contracting specialists to improve coordination with operations and logistics and other personnel who support the acquisition process. Coordinate with FEMA directorates to develop a common and coordinated plan for how to meet the government's needs during an emergency and when emergency supplies in warehouses are exhausted. FEMA should also consider communicating with stakeholders in the General Services Administration, the Defense Logistics Agency, and the U.S. Corps of Engineers who may have their own standby contracts for disaster-related commodities and services.

### **Management Comments and Contractor Analysis**

FEMA concurs with this recommendation. FEMA is undertaking a review of certain contracts for recurring items and services to determine whether such requirements should be placed under a pre-positioned contract or under a contractual vehicle that will permit acquisitions at a fair and reasonable price/cost.

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Contractor Analysis: We consider FEMA's planned action responsive to the recommendation. Therefore, the recommendation is resolved and open pending FEMA's issuance and the OIG's review of the results of its analysis of contracts for recurring items.

## **Improvements Needed in Contract Management**

Several of the contracts reviewed did not comply with the FAR or FEMA contracting policies and procedures for emergency acquisitions. In addition, several contracts had significant increases in the funds obligated and spent after negotiation of the initial contract amounts.

### **FAR and FEMA Guidance**

An OIG report on FY 2007 disaster contracts found that FEMA was not in compliance with FAR or AMD contracting policies and procedures for emergency acquisitions. Most of the contracts reviewed needed more documentation to explain why the goods or services were acquired, provide evidence of competition, and document contractor performance. The report stated that FEMA did not follow acquisition process safeguards such as including documentation justifying sole source awards, verifying proof of inspection of goods, or completing the checklists of required contract documentation.<sup>17</sup>

Generally, there were improvements between the FY 2007 and 2008 contracts sampled. AMD's new contract file management system contained all but one file in our sample, and more of the contracts used the required checklists. However, several contracts needed more documentation to explain why some of the goods and services were acquired, and why contract costs increased significantly.

Section 4.801(b) of the FAR states that the documentation in the contract files shall be sufficient to constitute a complete history of the transaction for:

- Providing a complete background as a basis for informed decisions at each step in the acquisition process,

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<sup>17</sup> DHS OIG: *Challenges Facing FEMA's Disaster Contract Management*, OIG -09-70, May 2009.

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- Supporting actions taken,
  - Providing information for reviews and investigations, and
  - Furnishing essential facts in the event of litigation or congressional inquiries.

Similar to the FY 2007 contracts we reviewed, some of the 2008 contracts were handled by multiple contracting officials. The high turnover of contracting officials results in contracts being handed over multiple times to new contracting officials with no knowledge of the acquisition's history. This situation, coupled with the lack of contract documentation, does not allow reviewing officials to determine whether the federal government received the contracted goods and services or that fraud, waste, and abuse did not occur.

In addition, FAR 1.602.2 states that contracting officers are responsible for ensuring performance of all necessary actions for effective contracting, ensuring compliance with the terms of the contract, and safeguarding the interests of the United States in its contractual relationships. Because of the high turnover of FEMA contracting officials, it is imperative that each official, while responsible for a contract, document all activities to enable the next contracting official to manage the contract effectively and efficiently.

Most of the files we reviewed did not document whether the contractor performed as contracted. Some contracting officials told us that they monitored performance by telephone, which is not adequate proof that the federal government actually received the contracted goods and services. Senior FEMA officials acknowledged that monitoring contractor performance is a problem that needs to be addressed.

In August 2008, FEMA issued a standard operating procedure (SOP), Labeling and Organizing Official Contract Files, which instructs employees to prepare and maintain relevant acquisition documents supporting all award and modification decisions and actions. This SOP provided a contract file checklist of acquisition documents to be included in the contract file. In January 2009, FEMA began to conduct internal audits of contract files and is using the reports from these audits to address and correct contract file deficiencies. In addition, in May 2009 FEMA issued a revised Disaster Contracting Guide that specifies the roles and responsibilities of the contracting official involved in the procurement process. It covers the entire process, from submittal

of a requisition through receipt of the services or supplies and payment to the vendor. This guide should assist FEMA contracting officials in continuing to improve contract management.

**Contract Cost Increases**

Several contracts had significant increases in the federal funds obligated and expended after negotiation of the initial contract cost. However, explanations for the increases were not discernable in the contract documentation. In addition, we could not determine whether such increases violated competition requirements for federal acquisitions. Furthermore, in numerous cases, FEMA did not conduct independent cost estimates, or the price analyses were missing from the files. Some examples of the funding increases are shown in Table 1.

**Table 1: Contract funding increases**

| Company          | Services                                   | Original Contract Amount | Funding Added | Total Obligated | Percentage Increase |
|------------------|--|--------------------------|---------------|-----------------|---------------------|
| Alltech          | Housing inspections                        | \$83,653                 | \$3,095,154   | \$3,178,807     | 3700%               |
| Crowne Plaza     | Hotel lodging                              | \$53,000                 | \$585,447     | \$638,447       | 1105%               |
| Hawkeye Electric | Electrical upgrades for mobile homes       | \$50,000                 | \$500,000     | \$550,000       | 1000%               |
| Murillo Modular  | Portable toilets and hand-washing stations | \$100,000                | \$393,500     | \$493,500       | 394%                |
| Roto Rooter      | Plumbing                                   | \$25,000                 | \$70,000      | \$95,000        | 280%                |
| PaTH, LLC        | IA-TAC                                     | \$17,689,290             | \$12,738,916  | \$30,428,206    | 72%                 |

Source: FEMA contract files and Foxx & Company analysis

FEMA officials said funding was added to the Alltech and PaTH contracts because they had underestimated the extent of the disaster damage. Therefore, more inspections and housing units were needed. FEMA officials added that the Alltech and PaTH contracts were awarded under indefinite delivery indefinite

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quantity contracts and incremental funding was how these contracts are designed to work.<sup>18</sup> The needs for the other four contracts listed above were also underestimated, and thus modifications were used to add funding. Murillo Modular and Crowne Plaza contracts had justifications and approvals for their awards; Roto Rooter and Hawkeye Electric were awarded under full and open competition.

The contract with Crowne Plaza was awarded to provide housing for survivors of the Iowa flooding. It was needed to secure alternate housing after mold was discovered in the mobile homes FEMA provided for the survivors. The initial contract began July 19, 2008, and was funded for \$53,000; the contract was modified and extended through August 2008 and funding increased to more than \$638,000. This contract was increased and extended as mold continued to be discovered in mobile homes and FEMA needed to provide alternate housing for the survivors until the mold was remediated.

Modifications added \$500,000 to the Hawkeye Electric contract, which was initially funded for \$50,000. The contracting officials said that the initial funding was to get the contract under way because electrical services were needed to set up temporary housing. When the contracting officials realized that the requirements for these services would increase significantly, given the scope of the Iowa flooding, they asked the IA-TAC officials if these services could be incorporated into the IA-TAC mission. The IA-TAC officials said no because the IA-TAC contractor would probably use Hawkeye Electric to provide the same services. Since FEMA contracting already had the contract vehicle in place, IA-TAC officials stated that the increase in award was correct and AMD should continue this contract.

### **Conclusion**

Although improvements have been made in contract management, FEMA was not appropriately safeguarding all contract files and not following FAR or FEMA acquisition contracting procedures and processes. As a result, the files were not readily accessible to users. For contracts without adequate documentation, it was difficult to determine the basis for cost escalations, whether FEMA

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<sup>18</sup> This type of contract provides for an indefinite quantity of supplies or services during a fixed period of time. These contracts allow for a certain amount of contract process streamlining, as negotiations can be made only with the selected company.



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was paying fair prices for goods and services, or the rationale for the acquisition. In addition, it was difficult to determine whether contracts were effectively managed and monitored or whether appropriate controls were in place to prevent waste, fraud, or abuse. If FEMA does not evaluate performance, it is not in a position to exclude poor-performing contractors from receiving future contracts from FEMA and other federal agencies.

Another recently issued report on FEMA's acquisition internal controls stated that many files could not be located, AMD did not have a standardized approach to documentation and file maintenance, and supervisors did not hold contracting officers accountable for maintaining contract files.<sup>19</sup> We reiterate the recommendation in that report that the Director, AMD, require supervisors to monitor contract file maintenance and hold contracting officers and specialists accountable by including an assessment of their contract file maintenance activities in their annual performance evaluation.

## **Recommendation**

We recommend that the Director, Acquisition Management Division:

**Recommendation #4:** Ensure compliance with existing contract file maintenance regulations, policies, and procedures and provide a strong control environment in headquarters, regional offices, and field offices by:

- Conducting periodic reviews of contract files, and
- Requiring that files provide an explanation for contracting decisions and actions.

## **Management Comments and Contractor Analysis**

FEMA concurs with this recommendation. FEMA said it has already taken action to implement this recommendation. An internal audit program has been established and an internal review of contract files to determine the inclusion of necessary and required acquisition documentation occurred throughout fiscal year 2009 and will continue into fiscal year 2010. FEMA has issued a standard operating procedure that identifies those acquisition

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<sup>19</sup> DHS OIG: *Internal Controls in the FEMA Disaster Acquisition Process*, OIG-09-32, February 2009.

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documents that need to be maintained. FEMA plans to develop and implement an electronic contract file maintenance system in fiscal year 2010.

Contractor Analysis: We consider FEMA's actions taken and those planned responsive to the recommendation. Therefore, the recommendation is resolved and open pending FEMA's successful implementation and the OIG's review of the electronic contract file maintenance system.

## **Establishing a Joint Field Office**

FEMA exercised questionable decision-making in establishing the JFO in Brentwood, Tennessee. The selection of the JFO site resulted in excessive expenditures of federal funds and put the JFO employees at risk because the building used was a potentially unsafe and unhealthy facility.

After a disaster is declared, a JFO is set up to establish a base for FEMA and other federal, state, and local employees to provide assistance to the survivors. On February 5 and 6, 2008, a series of severe storms and tornadoes struck several counties in western and north central Tennessee. A disaster declaration was issued on February 7, 2008.

According to General Services Administration (GSA) Realty Services Letter RSL – 2008 – 06, GSA must provide contracting support services to FEMA consistent with mission assignments and tasks issued by FEMA. Pursuant to 40 U.S.C. § 585, GSA may enter into a lease for the accommodation of a federal agency in buildings or improvements for a term of up to 20 years. FEMA is to provide GSA with the JFO requirements—square footage, parking, building access, location, janitorial services—and then GSA is to use the Multiple Listing Service (MLS) to identify buildings that are available and meet the FEMA requirements.<sup>20</sup>

Immediately after the disaster declaration, FEMA and GSA officials began to take steps to establish a JFO. However, the decisions made and the process followed for selecting the facility at 219 Franklin Road in Brentwood, Tennessee, were seriously flawed, resulting in excessive expenditures of federal funds.

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<sup>20</sup> An MLS database and software is used by real estate brokers representing sellers under a listing contract to share information about properties with real estate brokers who may represent potential buyers or wish to cooperate with a seller's broker in finding a buyer for the property.

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Additionally, because of the condition of the site, the health and safety of the JFO employees were potentially put at risk.<sup>21</sup>

FEMA did not use the best possible sources for selection of the JFO. Instead of making possible building selections from an MLS, two individuals, one from FEMA and one from GSA, drove around Nashville looking for acceptable locations. (FEMA tries to locate JFOs near state capitals to encourage good communications between FEMA and state emergency officials.) According to several FEMA officials, these two individuals were responsible for the decision-making process and selection of this facility.

During our review, several FEMA officials referenced the decision to select the Brentwood facility for the JFO as “political.” We were able to identify one document justifying the “urgent and compelling circumstances” for the Brentwood location that contained this sentence: “It is in the city limits of Brentwood, TN, and is in an area which presents a high public visibility of FEMA.”

According to the current FEMA logistics chief, Region IV, “it was a lease that went horribly wrong.” He said that:

- There were plumbing issues and you could smell raw sewage.
- The building was not condemned but was in a condemnable state and that it was in “a pretty deplorable shape.”
- There were dead insects and roaches on the floors.
- The local police were using a portion of it as a practice facility and firing range, and there were shell casings on the floor in one section of the building.
- It was a building he would not have let his staff go into if he had been in charge at the time.
- The facility caused health issues for the employees because of the raw sewage smell and varying sections of the building were too hot or too cold.

There were major inconsistencies or deficiencies in virtually every aspect of the process used to select this facility.

### **JFO Building Inspection**

First, we were told that FEMA inspected and found the building acceptable before agreeing to sign the lease. However, the FEMA

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<sup>21</sup> The building was the former site of the world headquarters for the Murray Lawn Mower company. At the time it was chosen to be used for the JFO, it had been vacant for about 18 months.

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safety officer told us that a complete and thorough inspection was not performed. The inspections that were performed were at night, in the dark, using flashlights, because the building had no electric power. The building was locked when FEMA staff arrived in the afternoon for the inspection; they viewed it from the outside. FEMA officials did not gain access to the inside of the building until 9 p.m. The electricity and water had been shut off. Therefore, the inspection team was unable to check the heating and air conditioning system, emergency lighting, and alarm systems. The team could not determine if the plumbing was functioning or the water potable.

Second, the FEMA official who led the selection process told us up to 500 people worked in the JFO, which is why such a large building—upwards of 100,000 square feet—was needed. However, a staffing report showed that the highest number of employees assigned to the JFO at any given time was 259. Other FEMA officials told us that many of these employees worked out of FEMA Disaster Recovery Centers in the surrounding area and thus were not working at the Brentwood facility.

The FEMA official who led the selection told us that the lower lease rate per square foot of the Brentwood building made it most cost-effective to select this building, make any necessary repairs, and pay for the utilities and janitorial services, rather than lease one of two other buildings that were considered. The estimates for the Brentwood building size ranged from 50,000 to 100,000 square feet; no one in FEMA or GSA could provide us with the actual square footage used for the JFO operations. Several officials who worked at the JFO told us that the facility was much too big for their needs. The chief of staff for the JFO estimated that 14,000 square feet were used. Based on this estimate of space used, the cost of the building was not the best value or most cost-effective.

### **Full-Service Leases**

We were told that the other buildings considered offered full-service leases, in which all utility and maintenance expenses were included in the lease rate and paid by the owner. However, no one in FEMA or GSA could provide a written cost comparison of the three buildings. The FEMA official cited above said the analysis was “all in his head” and that a written comparison was never done. The GSA contract lease file did not contain a cost analysis of the three buildings considered. Furthermore, neither FEMA nor GSA officials could provide us with the addresses of the two other

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buildings considered. Thus, we were not able to inspect the condition of the other two buildings.

We were told that one of the other buildings considered was rejected because it was in a high-crime area and not acceptable. FEMA officials said that the other building considered was rejected because its handicap access entrance, a standard requirement of a government lease, was at a different side of the building than the main entrance, thus requiring additional security with its attendant costs. However, GSA crossed out the lease language in the Standard Conditions and Requirements section of the Brentwood lease that required the leased space be handicapped accessible.

### **Condition of the Brentwood JFO**

Although we were told by FEMA and GSA that the Brentwood facility was acceptable as a JFO, numerous problems were identified to us:

- The heating system’s boiler was a constant problem—someone had to watch it 24/7 so it would not explode or crack.
- The temperature was not stable throughout the building—sections were either too hot or too cold. The comptroller said she had to wear her coat, hat, and gloves while working there.
- The building’s water supply was not potable— FEMA had to purchase and bring in bottled water for drinking and washing hands. The water main broke one day and the employees were sent home.
- Some of the FEMA officials called it a “sick building.” When a senior management official from the FEMA regional office had plans to visit the JFO, he was urged not to come because so many employees were sick. One of the employees had an unexplained facial rash for 3 months after working at this building.
- Sewage leaks occurred and employees had to be sent home.
- The roof leaked—the chief of staff told us “waste baskets were usually able to handle the leaks.”
- Portions of the building were not suitable for working owing to solvent odors and possible contamination.

**Figure 6: “Do not use” water sign on drinking fountain**



Source: *Foxx & Company*

The lease that FEMA signed required FEMA to be responsible for all utility, maintenance, and repair expenses. The senior management official from the FEMA regional office said he had “never done this type of lease before and [he] would never do it again.”

FEMA officials told us there was an urgent and compelling need to lease this facility so they could begin to serve the disaster survivors. The official’s goal was to have the JFO open and operational—ready to serve the survivors—within 72 hours of the disaster declaration. However, FEMA chose the Brentwood building instead of leasing one of the other full-service buildings that could have been open and operational immediately. The Brentwood building had to be cleaned and repaired for 3 days before it could open. FEMA contracted with a firm and paid \$95,000 to clean the sections of the building that FEMA used for JFO operations. Another company’s bid for cleaning the building was \$1.2 million, which indicates the poor condition of the entire building. As discussed above and as shown in Figures 7 and 8,

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several sections of the building could not be used because of the debris, solvents, and possible contaminants that existed. The cleaning estimate of \$1.2 million reflects the level of effort required to clean the building so that all of it could have been used. In addition, while FEMA's goal was to have the JFO operational to serve the survivors, water main and sewage line breaks caused the building to be closed for 2 days, thus interrupting FEMA's mission of assisting survivors.

**Figure 7: Room filled with debris**



Source: *Foxx & Company*

**Figure 8: Debris in former equipment testing area**



Source: *Foxx & Company*

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The JFO logistics chief said when staff began to move in to the facility, he had an immediate concern about using it as the JFO. He said it was a “horrible building to work out of” and that he “did not care how much money it showed on paper that the government may have saved by leasing this building—it was not worth it in personnel costs and discomfort.”

The comptroller for this JFO told us that the continual funding requests to repair the building she received concerned her so much that she began tracking the expenses. She said she had “never seen anything like it.” Her analysis showed that it was more expensive to set up than other similar JFOs. She said “the janitorial services were extraordinarily high, the electricity and plumbing expenses were outrageous” and that “clearly the government did not get a good deal on this.” She also said that the facility was far larger than needed for the estimated 300 staffers.

### **Disaster Safety Officer Report**

We obtained the lead disaster safety officer’s log, which had notations on the issues we noted above. For example:

- On February 7, he wrote, “Approved the building selected with reservations. Very concerned that the heating, ventilation, and air conditioning system; plumbing; and electrical systems might be a problem in a building that had been vacant for over a year.” He added, “Also very concerned that the building was much too large” and “the building is a maze of buildings loosely formed.”
- On February 8, he wrote, “There was still no gas, electricity, or heat in the building so a complete evaluation was not possible. Walked through on final selection property and did some preliminary planning until we got news around 4:00 p.m. that the lease had been signed.”
- On February 9, he wrote, “Initial evaluation (sic) of drinking water was that any water quality test would wait until the major plumbing leaks were addressed.” He added, “A waiver was received and bottled water purchased.”

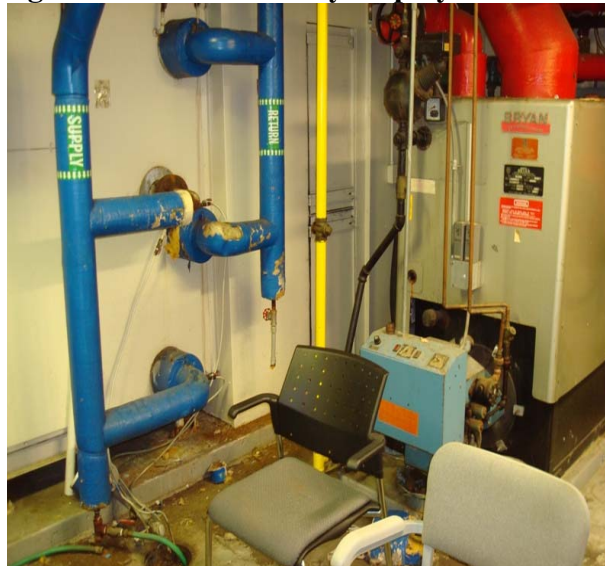
### **JFO Chief of Staff Reports**

The chief of staff for the Brentwood JFO provided us several of his daily status reports with information on the condition of the JFO. Following are some excerpts:



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- February 23: “Contractor has estimated cost of \$6,000 just to turn on the air conditioning system (sic). This does not include costs of any repairs.” “Working with Logistics (sic) to replace dead batteries in the emergency lighting system.”
  - February 26: “Sewage leak in electrical room on ground floor.” “Boiler room continues to be monitored 24/hr/day” (see Figure 9). “Concern still strong about the potential failure of air conditioning system.” “Safety has ordered ear plugs for logistics staff who work the boiler room detail.”
  - February 27: “Report from yesterday’s sewage leak by plumber warns that there may be more breaks/leaks.” “The boiler watch is still an issue . . . Safety issues involved, but any personnel involved will be thoroughly trained in safety precautions and boiler procedures.”
  - February 29: “With today’s rain, leaks are expected. Trash cans have been pre-deployed for possible use.”
  - March 4: “Work will be done on the boiler again today. May cause alarms to go off.” “Safety will shut off alarm system to fire department.”

**Figure 9: Chairs used by employees to watch boiler**



Source: *Foxx & Company*

FEMA used the building for less than 3 months and incurred more than \$122,000 in lease expense and more than \$607,000 in operating, maintenance, and repair expenses, for a total of \$729,000. A lease for a full-service building that FEMA also considered in this same area would have cost about \$344,000. Thus, FEMA paid more than twice as much

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for a facility that subjected the JFO employees to potentially unhealthy and unsafe work conditions.

### **Conclusion**

Federal leasing procedures and policies were not followed in selecting the JFO. FEMA established a self-imposed deadline of 72 hours to have the JFO operational. A series of judgments and decisions were made that resulted in excessive expenditures of taxpayer money to make the facility operational. The poor conditions of the JFO exposed employees to potential health and safety risks.

### **Recommendation**

We recommend that the Administrator of FEMA:

**Recommendation #5:** Ensure compliance with FEMA and GSA leasing policies, procedures, and requirements. The lease contract files should provide a history of all contractual activities and determination of price reasonableness. The documentation should include explanatory memos, notes, email messages, and correspondence, as well as references to other files or locations that contain information supporting the acquisition.

### **Management Comments and Contractor Analysis**

FEMA non-concurs with this recommendation. As currently written, FEMA did not concur with this recommendation, citing that FEMA does not have the authority to enter into or negotiate lease agreements in support of a Presidential Declaration. FEMA stated that GSA is the principal agency responsible for leasing authority under the National Response Framework to assist FEMA in establishing a facility to support disaster response. FEMA further stated that FEMA contracting personnel do not have the authority to administer or maintain contract administration for lease agreement awards and therefore FEMA contracting should not be responsible for completing the required documentation for lease awards.

Contractor Analysis: We agree that FEMA does not enter into leases. We recommended compliance with FEMA and GSA leasing policies, procedures, and requirements but did not state that FEMA had the authority to enter into or negotiate lease agreements. Regarding contract file documentation, according to

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FEMA's Disaster Leasing Process directive issued in May 2009, FEMA is responsible for completing procedures and forms and maintaining this information, as well as a copy of the signed lease, in support of the leasing process. Therefore, we consider this recommendation unresolved and open.

Regarding FEMA's response that FEMA's written contracts in support of the JFO were competed successfully and complied with Federal procurement regulations, our issue is not with how the contracts were awarded or were organized. The contracts were properly executed and managed. Our issue is with the decision making and judgment in establishing this JFO. During our review, several FEMA officials raised concerns about its selection. As stated in the report, a complete and thorough inspection was not performed to ensure the building was habitable. As stated in FEMA's Disaster Leasing Process directive, the Federal Coordinating Officer is to "complete a thorough review of all facilities that are candidates for acquisition to support an efficient, timely response and to ensure that safe and healthful facilities are provided." In the future, compliance with the new FEMA directive should result in JFO facilities that provide safe and healthy environments for their users.

Regarding FEMA's self imposed deadline of opening a JFO within 72 hours after a Presidential Declaration, we understand and appreciate FEMA's goal of being available as soon as possible to assist the disaster survivors. However, all the proper inspections and approvals should be completed to ensure that a safe and healthy facility is acquired for FEMA employees and survivors seeking assistance.

## Appendix A

### Purpose, Scope, and Methodology

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The purpose of this audit was to assess FEMA's management of disaster contracts. The FEMA disaster contracting function was challenged in responding to the 2005 Gulf Coast hurricanes. FEMA is attempting to improve its acquisition functions, including contracting, to prepare for, respond to, and mitigate the effects of disasters, as well as improve its day-to-day operations. The DHS OIG has a requirement to determine if FEMA's policies have been successfully implemented.

The objective of the audit of selected FY 2008 disaster contracts was to conduct detailed contract reviews, assess FEMA's execution and management of the contracts, and determine whether the federal government is getting a fair return for the goods and services it has contracted for. The specific objectives of the audit were to assess:

- FEMA's ability to track, manage, and monitor selected FY 2008 disaster contracts;
- What safeguards were included to reduce, deter, and detect fraud, waste, and abuse;
- The level of communication and coordination within FEMA and with other federal agencies and states regarding disaster contracts; and
- The extent to which FAR and AMD policies and procedures have not been followed and the impact on the delivery of goods and services.

FEMA is required to adhere to contract management policies and procedures that are promulgated in the FAR.<sup>22</sup> FEMA also is required to adhere to the Homeland Security Acquisition Regulation and the Homeland Security Acquisition Manual, Office of Federal Procurement Policy guidance, and the *Stafford Act*.<sup>23</sup>

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<sup>22</sup> The FAR, codified in *Title 48* of the United States Code of Federal Regulations, was developed pursuant to the *Office of Federal Procurement Policy Act of 1974* (Public Law 93-400), as amended by Public Law 96-83.

<sup>23</sup> FEMA's statutory authority comes from the *Robert T. Stafford Disaster Relief and Emergency Assistance Act*, as amended. The *Stafford Act* was enacted in 1988 (Public Law 100-707), and it amended the *Disaster Relief Act of 1974* (Public Law 93-288).

## Appendix A

### Purpose, Scope, and Methodology

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The sample included contracts awarded at FEMA headquarters in Washington, DC, and at five FEMA regions:

- Region IV (Atlanta, GA)
- Region V (Chicago, IL)
- Region VI (Denton, TX)
- Region VII (Kansas City, MO)
- Region IX (Oakland, CA)

We also visited FEMA's Federal Finance Center in Mt. Weather, VA, to obtain payment information on the contracts in our sample.

The contracts selected represented a variety of:

- Dollar values,
- Contract types: (time and materials, cost reimbursable, firm fixed price, and others),
- Types of goods and services acquired,
- Contractors with duplicative high-dollar contracts used in various regions,
- Contracting officers,
- Contracts written at FEMA headquarters but managed in a regional office, and
- Other contracts that are considered risky due to past performance.

We conducted this performance audit according to generally accepted government auditing standards (*Government Auditing Standards, July 2007 revision*).

Our audit considered FEMA and AMD policies and procedures implemented since the 2005 Gulf Coast hurricanes, as well as other applicable federal acquisition requirements. At all of the locations visited, we interviewed officials and obtained documentation to verify changes or corrective actions taken. Field office work was conducted from January through July 2009.

## Appendix B Management Comments on the Draft Report

U.S. Department of Homeland Security  
500 C Street, SW  
Washington, DC 20472



# FEMA

DEC 30 2009

MEMORANDUM FOR: Matt Jadacki  
Deputy Inspector General  
Office of Emergency Management Oversight  
Office of Inspector General

FROM: David J. Kaufman  For  
Director  
Office of Policy and Program Analysis

SUBJECT: Comments on OIG Draft Report, *Improvements Needed in FEMA's Disaster Contract Management*

Thank you for the opportunity to review and comment on the Office of Inspector General's (OIG's) subject draft audit report. As the Federal Emergency Management Agency (FEMA) works toward refining its programs, the OIG's independent analysis of program performance greatly benefits our ability to continuously improve our activities.

With respect to the draft report's discussion of the establishment of a Joint Field Office (JFO) in Brentwood, Tennessee, we wish to point out that FEMA's written contracts in support of the JFO were competed successfully and complied with Federal procurement regulations. The contract files for operation and maintenance contained all of the required documentation to support the contracting decision made by the FEMA Contracting Officer. Moreover, the draft audit report does not identify the positive comments made by Foxx & Company regarding FEMA disaster contract administration in support of Brentwood, TN.

FEMA concurs with three of the draft report's five recommendations. FEMA has been working diligently to correct the issues identified in your audit. While we will be providing corrective action plans in our 90-day response, we provide the following information relative to the five recommendations, including the reasons for our non-concurrence with recommendations 2 and 5:

**Recommendation 1:** Adhere to the National Response Framework principles by clarifying the authority of federal, state, local, and regional emergency managers and ensure, to the extent possible, that acquisitions are based on accurate estimates of needs.

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

## Appendix B Management Comments on the Draft Report

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**Response:** FEMA concurs with this recommendation in principle and will review existing processes and procedures to facilitate better coordination among the above mentioned officials. Further, as the OIG report indicates, FEMA has since implemented a Concept of Operations for FEMA Responder Support Camps in May 2009, which introduced the concept of modular and scalable base camps and clarifies the process for defining the requirements for base camps.

Nevertheless, FEMA disagrees with the finding that FEMA could have avoided spending more than \$4 million by consolidating two base camps into one. The example provided indicates that FEMA established two 500-bed base camps in the State of Texas for an initial 30 days near the Scholes Airport and near the Orange County Airport. This was a significant improvement from the 2000 occupant base camps FEMA had contracted for in the past. The services were extended for an additional 30 days. One of the Texas base camps housed 310 occupants and served 632 meals; whereas the other base camp housed 236 occupants and served 320 meals. However, it is clear that 546 occupants (310 plus 236) could not be housed within a single 500-bed base camp. It is also clear that FEMA had to establish either two 500-bed base camps (this is the minimum occupancy rate available) or a single 1000-bed base camp. The two camps were established in two different, geographically distant, Texas counties in order to best meet the needs of the responders.

This recommendation is considered closed.

**Recommendation 2:** Develop criteria defining the types of commodities that FEMA can purchase in response to a disaster including criteria to assess employees' housing at a disaster site to ensure that the least expensive option is used.

**Response:** FEMA does not concur with this recommendation. With respect to "defining the types of commodities that FEMA can purchase in response to a disaster," FEMA must have the flexibility to respond to unique requirements including possible limitations that some of our partners may experience due to resource shortfalls. FEMA has the authority to purchase any type of commodity that is not unauthorized or otherwise illegal. Therefore, defining the types of commodities that FEMA can purchase is considered redundant and unnecessary. The audit report indicates that FEMA made purchases that it normally did not buy. Yet, this is not the equivalent of stating that FEMA had no authority to make such purchases or that the purchases were not appropriate under the circumstances.

With respect to "criteria to assess employees' housing at a disaster site to ensure that the least expensive option is used," FEMA houses employees during a disaster where it can. At no time did FEMA violate the housing per diem that was established for the response effort. Short term housing such as hotels in the immediate disaster area are reserved for survivors so that they can be close to their property and help re-establish their lives.

## Appendix B Management Comments on the Draft Report

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**Recommendation 3:** Direct FEMA contracting specialists to improve coordination with operations and logistics and other personnel who support the acquisition process. Develop a common and coordinated plan for how to meet the government's needs during an emergency and when emergency supplies in warehouses are exhausted. FEMA should also consider communicating with stakeholders in General Services Administration, Defense Logistics Agency, and the U.S. Corp of Engineers who may have their own standby contracts for disaster related commodities and services.

**Response:** FEMA concurs with this recommendation and has undertaken a review of certain contracts for recurring items and services to determine whether such requirements should be placed under a pre-positioned contract or under a contractual vehicle that will permit acquisition at a fair and reasonable price/cost. This recommendation is considered implemented.

**Recommendation 4:** Ensure compliance with existing contract file maintenance regulations, policies, and procedures and provide a strong control environment in headquarters, regional offices, and field offices by:

- Conducting periodic reviews of contract files, and
- Requiring that files provide an explanation for contracting decisions and actions.

**Response:** FEMA concurs with this recommendation. FEMA's Acquisition Management Division (AMD) has already implemented this recommendation. An internal audit program was established in November 2008 and an internal review of contract files to determine the inclusion of necessary and required acquisition documentation are maintained occurred through FY 2009 and will continue into FY 2010. A standard operating procedure was issued in FY 2008 identifying those acquisition documents that needed to be maintained to support the acquisition decisions. An electronic contract file maintenance system will be developed and implemented in FY 2010. This recommendation is considered implemented.

**Recommendation 5:** Ensure compliance with FEMA and GSA leasing policies, procedures, and requirements. The lease contract files should provide a history of all contractual activities and determination of price reasonableness. The documentation should include explanatory memos, notes, email messages, and correspondence, as well as references to other files or locations that contain information supporting the acquisition.

**Response:** As currently written, FEMA does not concur with this recommendation. FEMA does not have the authority to enter into or negotiate lease agreements in support of a Presidential Declaration. GSA is the principal agency responsible for leasing authority under the National Response Framework to assist FEMA in establishing a facility to support disaster response. FEMA contracting personnel do not have the authority to administer or maintain contract administration for lease agreement awards.



## **Appendix B Management Comments on the Draft Report**

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Therefore, FEMA contracting should not be responsible for completing the required documentation for lease awards.

However, FEMA recognizes the obligation to work with GSA in establishing Joint Field Offices. To that end, FEMA issued a Disaster Leasing directive in May 2009 (copy attached). The substance of the FEMA directive is in accord with and strictly complies with the draft report's referenced GSA Realty Service Letter. While GSA is the contracting entity that acquires the space for FEMA, it is imperative that the process allow for health and safety reviews prior to execution of the lease. Regarding the "self imposed" deadline to have space available and FEMA open for business within 72 hours of a declaration, FEMA typically works with the GSA lease contracting representative for several days and sometimes more than a week before the actual declaration date. FEMA totally supports the need to comply with established leasing policies, procedures, and disaster lease requirements. The GSA disaster lease policy provides for an expedited lease acquisition process, but field personnel interfacing with GSA must learn to comply with and meet all necessary requirements to avoid a repeat of the Brentwood, Tennessee example. Sometimes it is forgotten that the acquisition of a leasehold interest in real property is a federal procurement where the price must be justified either by competition, or by a valid independent government estimate (appraisal). Compliance with both the FEMA disaster lease directive and GSA disaster lease policy will avoid the problems described in the audit report.

Thank you again for the opportunity to comment on this draft report and we look forward to working with you on other issues as we both strive to improve FEMA.

Attachment

## **Appendix C**

### **List of Related Reports and Testimonies**

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DHS OIG: FEMA's Sourcing for Disaster Response Goods and Services, OIG-09-96, August 2009

DHS OIG: *Management Advisory Report: FEMA's Response to Hurricane Ike*, OIG-09-78, June 2009

DHS OIG: *Challenges Facing FEMA's Disaster Contract Management*, OIG-09-70, May 2009

DHS OIG: *FEMA's Implementation of Best Practices in the Acquisition Process*, OIG-09-31, February 2009

DHS OIG: *Internal Controls in the FEMA Disaster Acquisition Process*, OIG-09-32, February 2009

DHS OIG: *Challenges Facing FEMA's Acquisition Workforce*, OIG-09-11, November 2008

DHS OIG: *FEMA's Sheltering and Transitional Housing Activities After Hurricane Katrina*, OIG-08-93, September 2008

DHS OIG: *Hurricane Katrina Temporary Housing Technical Assistance Contracts*, OIG-08-88, August 2008

DHS OIG: *Costs Incurred for Rejected Temporary Housing Sites*, OIG-08-86, August 2008

DHS OIG: *Hurricane Katrina Multitier Contracts*, OIG-08-81, July 2008

DHS OIG: *Acquisition Workforce Training and Qualifications*, OIG-08-56, May 2008

DHS OIG: *FEMA's Preparedness for the Next Catastrophic Disaster*, OIG-08-34, March 2008

DHS OIG: *FEMA's Award of 36 Trailer Maintenance and Deactivation Contracts*, OIG-07-36, March 2007

DHS OIG: *A Performance Review of FEMA's Disaster Management Activities in Response to Hurricane Katrina*, OIG-06-32, March 2006

## **Appendix C**

### **List of Related Reports and Testimonies**

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GAO: *Department of Homeland Security: Progress and Continuing Concerns with Acquisition Management*, GAO-08-1164T, September 2008

GAO: *Emergency Management: Observations on DHS's Preparedness for Catastrophic Disasters*, GAO-08-868T, June 2008

GAO: *Department of Homeland Security: Better Planning and Oversight Needed to Improve Complex Service Acquisition Outcomes*, GAO-08-765T, May 2008

GAO: *Department of Homeland Security: Better Planning and Assessment Needed to Improve Outcomes for Complex Service Acquisitions*, GAO-08-263, April 2008

GAO: *Department of Homeland Security: Status and Accountability Challenges Associated with the Use of Special DHS Acquisition Authority*, GAO-08-471T, February 2008

GAO: *National Disaster Response: FEMA Should Take Action to Improve Capacity and Coordination between Government and Voluntary Sectors*, GAO-08-369, February 2008

GAO: *Department of Homeland Security: Improved Assessment and Oversight Needed to Manage Risk of Contracting for Selected Services*, GAO-07-990, September 2007

GAO: *Homeland Security: Observations on DHS and FEMA Efforts to Prepare for, and Respond to Major and Catastrophic Disasters and Address Related Recommendations and Legislation*, GAO-07-1142T, July 2007

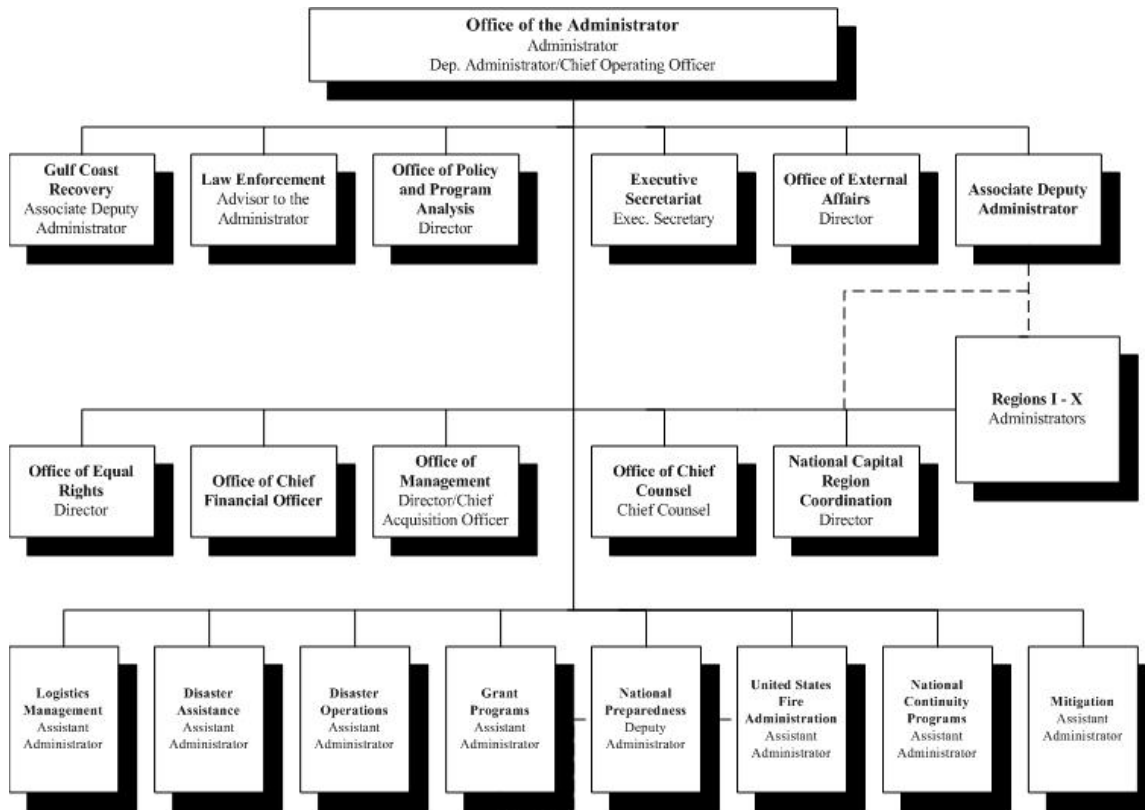
GAO: *Hurricane Katrina: Improving Federal Contracting Practices in Disaster Recovery Operations*, GAO-06-714T, May 4, 2006.

GAO: *Hurricane Katrina: Planning for and Management of Federal Disaster Recovery Contracts*, GAO-06-622T, April 2006

GAO: *Agency Management of Contractors Responding to Hurricanes Katrina and Rita*, GAO-06-461R, March 2006.

Testimony of Craig Fugate, FEMA Administrator, before the House Committee on Transportation and Infrastructure, Subcommittee of Economic Development, Public Buildings and Emergency Management, *Post-Katrina: What it Takes to Cut the Bureaucracy and Assure a More Rapid Response after a Catastrophic Disaster*, July 27, 2009

# Appendix D FEMA Organization Chart



Source: FEMA. Dotted lines are coordination. Solid lines are command and control.

## Appendix E Report Distribution

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