

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

FEMA's Initial Response in New Jersey to Hurricane Sandy





OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

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

SEP 6 2013

MEMORANDUM FOR: Joseph L. Nimmich
Associate Administrator, Response and Recovery
Federal Emergency Management Agency

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

SUBJECT: *FEMA's Initial Response in New Jersey to Hurricane Sandy*
FEMA Disaster Number 4086-DR-NJ
Audit Report Number OIG-13-117

Attached for your information is our final report, *FEMA's Initial Response in New Jersey to Hurricane Sandy*.

Our office evaluated the Federal Emergency Management Agency's (FEMA) initial response to Hurricane Sandy in New Jersey from early November to mid-December 2012. We discussed the results of this audit with FEMA officials during the course of the audit and provided a discussion draft report to them on July 10, 2013. The report does not contain any recommendations; therefore, you do not need to provide our office with a written response.

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

Please call me with any questions, or your staff may contact Kaye McTighe, Director, Office of Emergency Management Oversight, at (202) 254-4100.

Attachment



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BACKGROUND

After tearing through the Caribbean, Hurricane Sandy (Sandy) struck the United States near Atlantic City, New Jersey, on October 29, 2012. Sandy’s landfall coincided with a full moon, which caused the storm surge to rise an additional 20 percent. All told, Sandy is one of the most costly natural disasters to hit the United States, affecting 24 States and causing an estimated \$71 billion in damage.

In the past 5 years, New Jersey has had 11 declared disasters. The Public Assistance damage estimate for the 10 non-Sandy disasters combined is less than the estimate for Sandy’s damage to New Jersey.

Table 1. Declared Disasters in New Jersey for the Past 5 Years¹

Date	Disaster Number	Incident Name	Public Assistance Estimate
12/22/2009	1867	Tropical Depression Ida	\$ 18,521,136
2/5/2010	1873	Snowstorm	13,693,177
3/23/2010	1889	Severe Winter Storm	13,770,410
4/2/2010	1897	Severe Storms	30,742,406
2/4/2011	1954	Severe Winter Storm	50,662,081
8/31/2011	4021	Hurricane Irene	114,025,106
9/15/2011	4033	Severe Storms	4,151,240
10/14/2011	4039	Remnants of Lee	694,739
11/30/2011	4048	Severe Storm	2,037,007
7/19/2012	4070	Severe Storm and Winds	<u>1,255,744</u>
			<u>\$249,553,046</u>
10/30/2012	4086	Sandy (estimate as of 6/25/13)	<u>\$1,179,985,150</u>

Source: FEMA

As the Sandy recovery phase continues, the New Jersey Public Assistance damage estimates could continue to rise as FEMA and the State identify additional damage. In late June 2013, FEMA estimated that the damage eligible for FEMA funding through Public Assistance grants totaled close to \$1.2 billion. This amount represented almost 5 times the combined estimated damage of the previous 10 declared disasters.

¹ Disaster information from FEMA’s website, accessed August 15, 2013.



RESULTS OF AUDIT

FEMA provided an effective and efficient response to the damages caused by Hurricane Sandy. In its response, FEMA proactively prepared for Sandy, overcame staffing and operational challenges, overcame staff management issues, used a variety of sourcing mechanisms, and effectively coordinated response activities by working with key State and Federal organizations. As of May 20, 2013, 7 months after landfall, FEMA—

- Responded to 261,506 people who contacted them for help or information;
- Completed 126,416 home inspections;
- Obligated \$396 million for Individual Assistance; and
- Obligated \$341.5 million for Public Assistance (about 29 percent of the June 2013 total estimate for Public Assistance).

FEMA provided 100 percent Federal funding for emergency power restoration and emergency public transportation assistance until 11:59 p.m. on November 14, 2012. For all other response and recovery costs, FEMA will provide 90 percent Federal funding.

In evaluating FEMA's initial response to this disaster, we focused on answering the following questions:

1. What activities did FEMA perform before the major disaster declaration?
2. What were the most pressing challenges FEMA is facing in this disaster?
3. What were the most significant resource shortfalls?
4. How did FEMA make disaster sourcing decisions?
5. How well did FEMA coordinate its activities?

1. FEMA Proactively Prepared for Sandy

In anticipation of Hurricane Sandy becoming a major disaster, President Obama signed an Emergency Declaration on October 28, 2012, establishing a 12-day incident period beginning Friday, October 26 and ending Thursday, November 8, 2012. After the Emergency Declaration, FEMA moved quickly to mobilize an Incident Management Action Team, set up the Initial Operating Facility, and respond to requests for initial assistance and needed supplies using internal resources and mission assignments.²

The emergency declaration allowed FEMA to begin pre-positioning water, commodities, generators, and personnel before the disaster declaration. Under the emergency

² Incident Management Action Teams are full-time, rapid-response teams able to deploy within 2 hours and arrive at an incident within 12 hours to support the local incident commander.



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declaration, FEMA mission assigned the pre-positioning medical personnel and equipment to triage, screen, treat, and stabilize patients in the immediate aftermath of Sandy to the Department of Health and Human Services. On October 30, the President declared a major disaster for eight counties in New Jersey for individual assistance, debris removal, and emergency protective measures. FEMA later amended the disaster declaration to include the entire State for Individual Assistance, Public Assistance, and Hazard Mitigation.

Incident Management Action Team: Because of Sandy's effect on New York City, New York, FEMA Region II relocated its Regional Response Coordination Center from its New York City offices to Earle, New Jersey. The Regional Response Coordination Center location contained the Federal Emergency Support Function partners for Region II, which covers both New Jersey and New York. FEMA deployed the Federal Coordinating Officer and an Incident Management Action Team to establish the Initial Operating Facility in Ewing, New Jersey.³

Initial Operating Facility: New Jersey's Fusion Center provided the Initial Operating Facility support for FEMA's disaster response process.⁴ The teams support the initial establishment of a unified command and provide situational awareness for Federal and State decision-makers crucial to determining the level and type of immediate Federal support required. The FEMA staff at the initial operating facility transitioned to the Joint Field Office.

Federal Staging Areas: The FEMA Logistics Management Directorate in Washington, DC, activated the Federal staging areas at McGuire-Dix-Lakehurst, a U.S. military installation in Burlington County, New Jersey. FEMA also deployed staging teams that arrived before Sandy made landfall. The staging areas received commodities and equipped personnel before area assignments. Operating under a joint effort, the staging teams in New Jersey handled New York's response as well.

³ The role of Federal Coordinating Officers in disaster operations is to manage Federal resources during a disaster. They help FEMA accomplish its core missions of saving lives, preventing suffering, protecting property, and conducting recovery operations. Their primary mission is to coordinate the timely delivery of Federal assistance to State and local governments, individual victims, and the private sector.

⁴ The New Jersey Fusion Center is a State facility that, with support from Federal partners, provides resources, expertise, and information with the goal of maximizing their ability to detect, prevent, investigate, and respond to criminal and terrorist activity.



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2. FEMA Overcame Staffing and Operational Challenges

New Jersey officials said that FEMA performed well in managing the challenges Sandy presented. During the first 30 days, FEMA met the most pressing challenges of establishing the Joint Field Office, and, according to several senior FEMA personnel, maintaining the effective working relationship with New Jersey.

Establishment of the Joint Field Office: FEMA secured, via lease, a vacant three-story building in Lincroft, New Jersey, to accommodate the personnel needed for a disaster of this magnitude. At the time the General Services Administration (GSA) obtained the building, plans included accommodating the U.S. Army Corps of Engineers long term. However, as the disaster response turned to recovery, the U.S. Army Corps of Engineers no longer needed the space. The building required extensive repairs to the heating, ventilation, and air conditioning systems to be fully functional. In addition, FEMA installed more than 100 miles of computer network cable to establish FEMA network connectivity.

Relationship with the State of New Jersey: Currently, FEMA maintains an effective working relationship with State officials; however, one of the challenges will be to maintain this relationship throughout the disaster recovery process. Given the amount of damage the State experienced, the recovery period for Sandy will be longer than any of the State's previous disasters. FEMA personnel who worked at the start of the disaster will go home, as new individuals arrive to replace them. State personnel will also rotate in and out of the Joint Field Office. Such staff changes can affect the relationship between FEMA and the State over time because individuals differ in how they interact with others. Several long-time FEMA personnel said that New Jersey was among the most responsive and cooperative States that they had ever worked with during the response phase of a disaster. One FEMA official attributed this positive relationship to the fact that New Jersey's Office of Emergency Management is located within New Jersey's State Police, and is staffed with police officers. In that official's opinion, because the New Jersey Office of Emergency Management has a hierarchal structure, principles such as discipline, integrity, and a cooperative spirit fit well with FEMA's structured approach to disaster response.

3. FEMA Overcame Staffing and Staff Management Issues

FEMA's management of resources (e.g., personnel, facilities, equipment, supplies) was a key component of this disaster. To ensure an adequate response, this process required FEMA personnel to be flexible and receptive to the ongoing changes of this disaster. FEMA personnel did an efficient and effective job of organizing and managing resources given the magnitude of Sandy. FEMA officials said that the most significant resource



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shortfalls included (1) obtaining qualified personnel within a reasonable amount of time to sustain the daily program operational requirements of the disaster, and (2) the new time and reporting system for FEMA payroll.

Qualified Staff: FEMA officials were concerned with the number of misclassified personnel being sent to this disaster under the new FEMA Qualification System. FEMA intended the qualification system to categorize FEMA reservists by job titles to provide the best possible customer service to survivors and communities. However, a number of FEMA officials said that this system “somewhat” hampered the disaster recovery process because the FEMA position descriptions did not always properly align to the personnel’s skill sets. This shortcoming prevented some reservists who qualified under multiple job titles from being listed under the proper titles. FEMA leadership had to scramble at the Joint Field Office to find qualified people to handle some tasks, and to move misclassified staff into positions for which they were classified. FEMA officials overcame obstacles from employee misclassifications to ensure the timely delivery of disaster response and recovery services.

Time and Reporting System for Payroll: FEMA officials at the Joint Field Office said that FEMA Headquarters established a new time and reporting system at the time of this event, as part of a paperless initiative. FEMA implemented the system in phases for this disaster beginning with FEMA’s Finance and Administrative Section and its Office of External Affairs. FEMA’s New Jersey Joint Field Office officials said that the new system reduced the level of oversight, and encouraged supervisors to sign-off on timesheets without properly verifying hours worked. According to Joint Field Office staff, the new timekeeping system was confusing, and timekeepers expressed concern that employees sometimes claimed hours they had not worked. Consequently, this reduced oversight delayed the normal operations of FEMA’s timekeeping staff, as they tried to ensure the accuracy of the hours employees claimed.

4. FEMA Used a Variety of Sourcing Mechanisms

FEMA obtained goods and services needed in the disaster response using several different vehicles. The primary sourcing decisions for Sandy involved the following areas: mission assignments, logistics supply chain management, supply and equipment requests, acquisitions, and the Emergency Management Assistance Compact.

Mission Assignments: FEMA used mission assignments as an integral part of New Jersey’s response to Sandy. FEMA assigned missions to 29 agencies with an estimated cost, as of January 1, 2013, of \$185 million, the majority of which were to the following four agencies:



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Table 2. FEMA’s Top Four Mission Assigned Agencies

Agency	Missions	Total Estimated Cost (Millions)
U.S. Army Corps of Engineers	22	\$ 66.2
Department of Defense	15	52.1
Department of Energy	6	14.5
Department of Health and Human Services	8	14.8
Total	<u>51</u>	<u>\$147.6</u>

Appendix B contains a complete list of mission assigned agencies.

FEMA’s Enterprise Coordination and Approval Processing System tracked the mission assignments and their amendments. This system provided support to initiate, track, and expedite the process of providing direct aid and technical assistance from other Federal agencies and States.

Emergency Management Assistance Compacts: FEMA considers Emergency Management Assistance Compacts to be an effective and relatively inexpensive option that enables one State to help another when the magnitude of a disaster exceeds the State’s capacity to respond. For this disaster, New Jersey requested and received extensive assistance. Twenty States and the District of Columbia provided this type of assistance in the form of law enforcement personnel, ambulance and emergency medical service teams, and other support. After the emergency period, 36 Public Assistance coordinators from other States assisted with the large volume of opening conferences for Public Assistance grant recipients.

Contracting: FEMA initiated contracts from its Headquarters, as well as at the Joint Field Office. Before this disaster, FEMA developed Disaster Acquisition Response Teams. FEMA located a Disaster Acquisition Response Team, which consisted of several contracting officers and support staff at the Joint Field Office. As needs arose, this team initiated contracts in the field or tapped into pre-existing FEMA contracts. The General Services Administration (GSA) also located contracting officers at the Joint Field Office. Through mission assignments, these contracting officers also contracted for goods and services, using pre-existing GSA contracts.

5. FEMA Effectively Coordinated Response Activities

FEMA officials effectively coordinated a rapid deployment and recovery initiative in response to Sandy through the partnership of key State and Federal organizations. Ensuring the maximization of resources, FEMA officials hosted numerous meetings that helped to solidify, identify, and leverage shortfalls throughout the recovery process.



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These activities included (1) coordinating with State officials, (2) identifying and responding to temporary housing requests, (3) tracking and monitoring mission assignments, and (4) aligning and categorizing proper staffing measures.

State Coordination: FEMA officials worked with the New Jersey Office of Emergency Management to support the disaster response and recovery operations. At the State's request, FEMA delivered food, water, blankets, and generators across the affected region. FEMA operations and logistics experts worked side-by-side with State emergency managers to ensure the use of all Federal resources in this disaster. The State responded to FEMA's actions in obtaining Federal resources by signing mission assignments in a timely manner. FEMA and the State also worked together to minimize the duplication of benefits.

Before the disaster, the State established the disaster recovery centers for FEMA staff. FEMA officials said this approach played a major role in the response and recovery process.⁵ Typically, FEMA has to find disaster recovery centers, sign rental agreements, and get them ready for occupation. FEMA officials said its staff was able to move in to New Jersey's prewired locations almost immediately and begin responding to the disaster days earlier than is the case in the typical disaster.

Temporary Housing Requests: FEMA's Individual Assistance Division coordinated the response measures for temporary housing needs. The Individual Assistance Division synchronized its response and recovery efforts with State and local governments by identifying additional and unmet housing needs. This response included programs such as Transitional Shelter Assistance, Financial Assistance (also known as "Temporary Housing") and FEMA's Sheltering and Temporary Essential Power Pilot Program in five New Jersey counties. In this program, homeowners applied through their municipalities for eligible repair work on residences, including electrical meter repairs, shelter essential measures, and rapid temporary exterior repairs. This program allowed residents to return to their homes while they completed permanent home repairs. Local municipal governments, in coordination with FEMA, administered and contracted work for expenses up to \$10,000. In addition, New Jersey worked closely with FEMA to explore other housing alternatives for displaced residents.

⁵A Disaster Recovery Center is a facility where applicants may go for information about FEMA or other disaster assistance programs, such as small business loans, administered by the Small Business Administration.



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CONCLUSION

FEMA performed well in its response to Hurricane Sandy in the State of New Jersey. FEMA normally requires several days to deploy and position staff to the areas for disaster response. In this instance, FEMA had facilities and staff readily available in New Jersey when Sandy made landfall. FEMA's access to these resources allowed a fast and effective response. FEMA prepared well for this disaster, faced challenges with innovative solutions, quickly resolved resource shortfalls, made efficient disaster sourcing decisions, overcame obstacles, and coordinated its activities effectively with State and local officials. All disasters generate unexpected issues, but the FEMA disaster team was able to adjust and adapt to fulfill its mission efficiently and effectively.



Appendix A

Objective, Scope, and Methodology

The objective of this audit was to determine whether FEMA's response to Hurricane Sandy in New Jersey was effective and efficient, and to evaluate FEMA's actions, resources, and authorities according to Federal regulations and FEMA guidelines in effect at the time of our fieldwork.

We interviewed FEMA Region II officials, FEMA Incident Management Action Team members, FEMA Disaster Assistance Employees, and the State of New Jersey Office of Emergency Management officials; reviewed FEMA Situation Reports and Incident Action Plan reports; observed operations at FEMA's Joint Field office in Lincroft, New Jersey; and performed other procedures considered necessary to accomplish our objective. We did not assess the adequacy of the agency's internal controls applicable to disaster response because it was not necessary to accomplish our audit objective.

We also observed operations at the following sites in the State of New Jersey:

- FEMA's Regional Response Coordination Center in Earle
- FEMA's Joint Field Office in Lincroft
- FEMA/State Applicant Briefing in Trenton
- Damage sites in Monmouth County.

We conducted this performance audit between November 2012 and March 2013, pursuant to the *Inspector General Act of 1978*, as amended, and according to generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based upon our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based upon our audit objectives.



Appendix B

Agencies Mission Assigned for Hurricane Sandy in New Jersey

Corporation for National and Community Services

Department of Agriculture

U.S. Forest Service

Department of Commerce

National Oceanic and Atmospheric Administration

Department of Defense

U.S. Army Corps of Engineers

Department of Education

Department of Energy

Department of Health and Human Services

Department of Homeland Security

Customs and Border Protection

U.S. Coast Guard

Federal Protective Service

Information Analysis and Infrastructure Protection Directorate

Department of Housing and Urban Development

Department of the Interior

U.S. Geological Survey

Department of Justice

Department of Labor

Occupational Safety and Health Administration

Department of Transportation

Department of the Treasury

Environmental Protection Agency

Federal Communications Commission

General Services Administration

Tennessee Valley Authority

U.S. Postal Service



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Appendix D

Major Contributors to this Report

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