

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

The State of New York Needs to Sign Mission
Assignments More Quickly





OFFICE OF INSPECTOR GENERAL
Department of Homeland Security

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MEMORANDUM FOR: Deborah Ingram
Assistant Administrator
Recovery Directorate
Federal Emergency Management Agency

FROM: 
D. Michael Beard
Assistant Inspector General
Office of Emergency Management Oversight

SUBJECT: *The State of New York Needs To Sign Mission Assignments
More Quickly*

Attached for your information is our final letter report, *The State of New York Needs To Sign Mission Assignments More Quickly*.

In response to questions asked by FEMA officials in New York, our office initiated a review of Hurricane Sandy mission assignments in New York. We discussed the results of this audit with FEMA officials during the course of the audit. We also provided a discussion draft report to FEMA on February 15, 2012.

The report contains one recommendation aimed at improving the mission assignment process. Your office has concurred with the recommendation, so we consider this recommendation implemented and closed. Since the recommendation is closed, you do not need to provide our office with a written response.

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

Please call me with any questions, or your staff may contact John Kelly, Deputy Assistant Inspector General, Office of Emergency Management Oversight, at (202) 254-4100.

Attachment



Background

Hurricane Sandy made landfall on October 29, 2012, near Atlantic City, New Jersey. The storm was the second largest Atlantic hurricane on record, with a diameter of tropical storm force winds spanning more than 900 miles, and it affected one of the most densely populated areas in the northeastern United States. The storm affected coastal and inland communities resulting in loss of life, major flooding, structural damage, and power loss to more than 8.5 million homes and businesses, directly affecting more than 17 million individuals. The President declared a disaster for New Jersey and for New York on October 30, 2012. Because of the devastation caused by the storm and the impacted population, the President provided direction that all Federal agencies were to lean forward and “cut through” bureaucracy and red tape in efforts to expedite response aid to survivors.

One significant role of the Federal Emergency Management Agency (FEMA) is to work with the State and identify any unmet needs and to coordinate Federal activities to fulfill these needs. The *Robert T. Stafford Disaster Relief and Emergency Assistance Act* and 44 Code of Federal Regulations (CFR) Part 206 provide the statutory authority for Federal disaster response activities. One way in which FEMA facilitates the Federal response and recovery activities is through the use of mission assignments. Mission assignments are a way to task and reimburse other Federal departments and agencies for providing essential assistance prior to and after a disaster.

Mission Assignments

A mission assignment can fall into one of three categories, driven by the recipient of the service and the type of service provided, they are—

- **Federal Operations Support (FOS)** – Requested by a Federal agency to support Federal operations. This activity is 100 percent federally funded. An example of this type of mission assignment is transporting Department of Homeland Security (DHS)/FEMA assets to a specific location.
- **Technical Assistance (TA)** – Requested by the State for expertise provided to State and local jurisdictions when they have the resources but do not have the knowledge and skills needed to perform the required activity. This activity is 100 percent federally funded. An example of this type of mission assignment is for the U.S. Army Corps of Engineers to provide technical oversight to the State when they are writing debris removal contracts.



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- **Direct Federal Assistance (DFA)** – Requested by the State for resources provided to affected State and local jurisdictions when they do not have the resources to provide specific types of disaster assistance. This activity is subject to the cost share provision designated for that specific disaster. Cost share provisions are normally 75 percent Federal share and 25 percent State share. However, the President can waive the cost-share requirement and make this type of assistance 100 percent federally funded. An example of this type of mission assignment is providing generators.

The mission assignment process begins in anticipation of or in response to a President's declaration of emergency or major disaster and the State decides whether Federal assistance is needed. When the State decides that Federal assistance is needed they will sign a FEMA-State agreement for the disaster. Without this document, Federal assistance cannot begin. With the FEMA-State agreement signed, the State will submit an Action Request Form to request assistance from the Federal Government. FEMA will evaluate and determine how to respond to the request. Not all requests will result in a mission assignment, but when it is decided that a mission assignment is the best course of action for meeting the assistance needs, then FEMA will assign a project manager to the mission assignment and the assigned Federal agency will appoint an action officer. The project manager and the action officer will meet and determine how the task will be accomplished, prepare the Statement of Work, and develop the period of performance and cost estimate. The completed mission assignment will then be sent to the mission assignment manager, FEMA project manager, and Federal approving official. For Technical Assistance and Direct Federal Assistance mission assignments, the State approving official will also have to sign the completed mission assignment. After the mission assignment is signed by all, the mission assignment amount is entered as an obligation in FEMA's financial system. The assigned Federal agency will then begin the execution of the mission assignment. When work is completed, the assigned Federal agency will submit a reimbursement request to FEMA.

Hurricane Sandy Mission Assignments in New Jersey and New York

As shown in table 1, FEMA issued more than 200 mission assignments totaling \$657.7 million to support Hurricane Sandy response and recovery activities in New York and New Jersey.. This report focuses on Direct Federal Assistance mission assignments because the Federal Government may incur a financial risk if a State does not provide its cost share for work done during a Presidentially declared disaster. Without proper signatures from the State indicating their agreement with the mission assignment and the costs, the Federal Government is at risk of nonpayment by the State for their cost share. Although the combined number of Federal Operations Support and Technical Assistance mission assignments is greater than the number of Direct Federal Assistance mission assignments, Federal Operations Support and Technical Assistance mission



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assignments are 100 percent federally funded and therefore do not contain a State cost share. In addition, the amount of money associated with Direct Federal Assistance mission assignments far exceeds the money associated with Federal Operations Support and Technical Assistance mission assignments.

Table 1. Hurricane Sandy Mission Assignments and Their Associated Costs

State	FOS and TA Mission Assignments	Total \$ (million)	DFA Mission Assignments	Total \$ (million)	Total Mission Assignments	Total \$ (million)
NJ	83	\$79.1	33	\$169.9	116	\$249.0
NY	88	\$103.1	34	\$305.6	122	\$408.7
Totals	171	\$182.2	67	\$475.5	238	\$657.7

Source: FEMA ECAPS as of 11/30/2012

Results of Audit

More than 2 months after Hurricane Sandy, New York had not signed 12 Direct Federal Assistance mission assignments totaling \$47 million, exposing FEMA to about \$11.7 million in potential liability if New York did not accept its financial responsibility for responding to the devastation caused by Hurricane Sandy. In response to Hurricane Sandy’s unprecedented damage, FEMA issued more than 200 mission assignments totaling \$657.7 million to support response and recovery activities in New York and New Jersey. Although New York ultimately signed all mission assignments, New York should have signed the 12 Direct Federal Assistance mission assignments in question much sooner, and before the Office of Inspector General made inquiries concerning why they were not signed.

New York Should Have Signed Its Mission Assignments With Federal-State Cost Share Earlier

As of early January 2013, New York had not signed 12 Direct Federal Assistance mission assignments totaling \$47 million, thus exposing FEMA to paying the State cost share of those mission assignments of \$11.7 million. Although FEMA provided New York with a total of 34 Direct Federal Assistance mission assignments valued at \$305.6 million, the New York approving officers did not sign and thus accept New York’s responsibility for the 12 mission assignments until January 15, 2013, more than 2.5 months after Hurricane Sandy devastated parts of New York City.

FEMA relaxed its policy that requires the State approving official to sign Direct Federal Assistance mission assignments before work can be performed, when the President declared a disaster for New York. The President provided direction that all Federal



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agencies were to lean forward and “cut through” bureaucracy and red tape in efforts to expedite response aid to survivors. As a result, the State approving official did not sign or approve the Direct Federal Assistance mission assignments before they were issued, which put the State cost share at risk of not being collected.

In November 2012, FEMA’s New York Joint Field Office staff informed us that they were having problems with the State of New York signing mission assignments. We learned in December that the New York approving officials signed all but 12 New York Direct Federal Assistance mission assignments totaling about \$47.0 million. The State cost share for these 12 direct Federal assistance mission assignments was \$11.7 million.

We contacted the New York State approving office on January 3, 2013, to obtain reasons why they had not signed the 12 mission assignments. State of New York officials responded on January 16, 2013, asking for a list of the 12 mission assignments. We provided them with a list but did not receive a response.

On January 30, 2012, we asked FEMA for an update on the status of mission assignments. FEMA informed us that all mission assignments for New York were signed on January 15, 2013.

Although the New York State approving officers eventually signed all of the previously unsigned mission assignments, FEMA needs to ensure that all direct Federal assistance mission assignments are signed in a timely manner so that States accept their cost-share responsibilities and FEMA does not end up paying the State cost share.

Conclusion

FEMA did follow the President’s directive to “cut through” bureaucracy and red tape in efforts to expedite response to survivors by appropriately providing mission assignments to the State of New York in a timely manner. However, when FEMA cuts through bureaucracy and red tape to expedite response to survivors, the States that received the expedited assistance need to accept their responsibility timely for paying their share of the cost of that response. Although New York State quickly accepted responsibility for the majority of its portions of the disaster assistance costs, it took roughly 2.5 months to accept its responsibility on 12 mission assignments. New York should have signed the 12 mission assignments in question much sooner, and it should not take inquiries by the Office of Inspector General to get them signed.

Recommendation



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We recommend that the Federal Emergency Management Agency Assistant Administrator for Response:

Recommendation #1: Work with the State of New York to sign the 12 mission assignments in question and eliminate the risk that FEMA would have to pay the State's cost share of \$11.7 million.

Because the State of New York signed the 12 mission assignments in January 2013, after we started inquiring about their status, we consider the recommendation closed and implemented.



Appendix A

Objectives, Scope, and Methodology

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 prepared as part of our oversight responsibilities to promote economy, efficiency, and effectiveness within the Department.

The objective of this review was to determine the monetary risk associated with issuing Direct Federal Assistance mission assignments without the State approving the cost share. We conducted this review by applying the statutes, regulations, and FEMA policies and guidelines in effect at the time of our fieldwork. We interviewed FEMA officials and performed other procedures considered necessary to accomplish our objective. We did not assess the adequacy of the agency's internal controls applicable to the mission assignment activities because it was not necessary to accomplish our audit objective.

We conducted this performance audit between November 2012 and January 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

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