



# Report in Brief

January 27, 2020

## Background

The United States experienced a historic year of weather-related disasters in 2017. Our nation endured 16 separate billion-dollar disaster events, including severe weather, hurricanes, flooding, and wildfires. In response, the President signed into law the Bipartisan Budget Act of 2018 (the Act), which designated \$1 billion in disaster relief and recovery funds to the U.S. Department of Commerce (Department), which included \$600 million to the U.S. Economic Development Administration (EDA).

Providing assistance in a post-disaster recovery environment introduces its own unique challenges to EDA and the affected geographical areas, such as relying on impaired local infrastructure, awarding funds to recipients that might not be familiar with federal requirements, and unanticipated impact on resources due to the increased workload.

Therefore, to ensure the proper and timely use of the disaster assistance funds, EDA should develop and implement a comprehensive strategic plan and maintain a highly-skilled workforce as it increases its oversight efforts to effectively administer the disaster assistance funds.

## Why We Did This Review

Our audit objective was to determine whether EDA's workforce planning process for awarding and administering disaster supplemental funds was adequate and effective.

## ECONOMIC DEVELOPMENT ADMINISTRATION

### EDA Should Develop a Workforce Plan and Improve its Hiring Accountability to Successfully Award and Administer the Disaster Supplemental Funds Appropriated by the Bipartisan Budget Act of 2018

OIG-20-014-A

## WHAT WE FOUND

We determined that—although EDA has made progress in providing general oversight of its disaster supplemental funds—EDA does not have an adequate and effective workforce planning process in place for awarding and administering disaster supplemental funds. Specifically:

1. EDA has not developed and implemented a comprehensive workforce plan to meet the current and future needs of the organization. We found that although EDA's *Disaster Recovery and Relief Hiring Guidance* provides general oversight policy to assist in its overall disaster recovery hiring and recruitment efforts, EDA has not conducted sufficient workforce management planning that (1) is coordinated and comprehensive or (2) reflects the current or future state of its workforce. Strategic workforce planning is a process to define and plan for the staff needed to achieve an agency's mission. EDA developed a contingency plan in September 2018 to ensure an orderly shutdown of its operations because the FY 2018 and 2019 President's budgets called for the elimination of EDA. However, this plan is narrow in scope and only focuses on closing down the agency.
2. EDA's recruitment efforts are significantly behind its established milestones to ensure that EDA has adequate staff available to handle the increased workload. According to EDA's *Disaster Recovery and Relief Hiring Guidance*, EDA set its September 30, 2018, hiring goal to acquire 39 new positions to assist with the disaster recovery and relief grants. This hiring goal was not derived through any formal workforce assessment process, but through informal subjective assessments by EDA's Regional Directors. EDA expected to have at least 19 (49 percent) of the 39 positions on board, or in receipt of an on-duty date, by September 30, 2018. However, as of January 31, 2019, we found that EDA had only brought on board 15 of the 39 (38 percent) positions.

## WHAT WE RECOMMEND

We recommend that EDA's Assistant Secretary of Commerce for Economic Development direct appropriate EDA staff to conduct the following:

1. Develop and implement a comprehensive workforce plan to
  - a. determine optimal staffing levels needed (both at headquarters and in the affected regions), and
  - b. identify any potential staffing shortfalls or gaps.
2. Develop and implement specific accountability metrics, in conjunction with Human Capital Client Services as applicable, including
  - a. transparent milestones, which can be used to measure the actual progress of the job opportunity announcements throughout the hiring process, and
  - b. performance metrics and training guidelines to ensure EDA staff are fully trained on the job opportunity announcement processing requirements.