

GAO Highlights

Highlights of [GAO-14-687T](#), a testimony before the Subcommittee on Emergency Management, Intergovernmental Relations, and the District of Columbia; Committee on Homeland Security and Governmental Affairs, U.S. Senate

Why GAO Did This Study

Preparing for, responding to, and recovering from disasters is becoming increasingly complex and costly. GAO reported that from fiscal years 2002 through 2013, the federal government appropriated about \$41 billion for preparedness grant programs and \$6.2 billion to FEMA's Disaster Relief Fund in fiscal year 2014. In addition, FEMA obligated over \$80 billion in federal disaster assistance for major disasters declared from fiscal years 2004 through 2011 and responded to more disasters than in any other year in its history during fiscal year 2011.

The larger number and size of disasters has required increasingly complex and costly FEMA operations and processes to prepare for and respond to these events. For example, Hurricane Sandy in September 2012 required one of the largest deployment of disaster personnel in FEMA's history. Similarly, FEMA's own administrative costs—such as the cost to house and deploy its disaster personnel—have also increased.

This testimony discusses GAO's work on opportunities to enhance efficiencies in FEMA's operations in three areas: (1) disaster administrative costs, (2) workforce management, and (3) preparedness grant management. This testimony is based on previous GAO reports issued from 2008 to 2014 with selected updates and preliminary observations from GAO's ongoing work on disaster administrative costs and workforce management issues in response to Hurricane Sandy.

View [GAO-14-687T](#). For more information, contact Chris Currie at (404) 679-1875 or curriec@gao.gov.

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FEDERAL EMERGENCY MANAGEMENT AGENCY

Opportunities to Achieve Efficiencies and Strengthen Operations

What GAO Found

GAO's recent and ongoing work examining the Federal Emergency Management Agency's (FEMA) administrative costs of providing disaster assistance highlights opportunities to increase efficiencies and potentially reduce these costs. In September 2012, GAO reported that FEMA's administrative costs for disaster assistance had doubled in size as a percentage of the overall cost of the disasters since fiscal year 1989, and often surpassed its targets for controlling administrative costs. GAO also concluded that FEMA's administrative costs were increasing for all sizes of disasters and for all types of disaster assistance. FEMA issued guidelines intended to improve the efficiency of its efforts and to help reduce administrative costs. However, FEMA did not make this guidance mandatory because it wanted to allow for flexibility in responding to a variety of disaster situations. In 2012, GAO recommended that the FEMA Administrator implement goals for administrative cost percentages and monitor performance to achieve these goals. However, as of June 2014, FEMA had not taken steps to implement GAO's recommendation. GAO's ongoing work indicates that FEMA is implementing a new system to, among other things, collect and analyze data on the administrative costs associated with managing disasters to enable managers to better assess performance. However, according to officials, FEMA is still working on systematically collecting the data. As a result, it is too early to assess whether this effort will improve efficiencies or reduce administrative costs.

GAO has also reported on opportunities to strengthen and increase the effectiveness of FEMA's workforce management. Specifically, GAO reviewed FEMA human capital management efforts in 2012 and 2013 and has made a number of related recommendations, many of which FEMA has implemented; some of which are still underway. For example, GAO recommended that FEMA identify long-term quantifiable mission-critical goals and establish a time frame for completing the development of quantifiable performance measures for workforce planning and training, establish lines of authority for agency-wide efforts related to workforce planning and training, and develop systematic processes to collect and analyze workforce and training data. FEMA concurred and is still working to address these recommendations. For example, FEMA's deployment of its disaster assistance workforce during the response to Hurricane Sandy revealed a number of challenges. In response, according to agency officials, FEMA is, among other things, analyzing its disaster assistance workforce structure to ensure the agency is capable of responding to large and complex incidents. GAO will continue to evaluate these efforts to assess their effectiveness.

In March 2011, GAO reported that FEMA could enhance the coordination of application reviews of grant projects across four of the largest preparedness grants (Urban Areas Security Initiative, State Homeland Security Program, Port Security Grant Program, and Transit Security Grant Program) which have similar goals, fund similar types of projects, and are awarded in many of the same urban areas. GAO recommended that FEMA coordinate the grant application process to reduce the potential for duplication. FEMA has attempted to use data to coordinate two programs and also proposed to consolidate its preparedness grant programs, but FEMA's data system has been delayed, and Congress did not approve FEMA's consolidation proposal for either fiscal year 2013 or 2014.