

Written Statement of
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FEMA

**“Streamlining Emergency Management: Improving
Preparedness, Response, and Cutting Costs”**

Before the

**House Committee on Transportation and Infrastructure,
Subcommittee on Economic Development, Public
Buildings, and Emergency Management**

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Introduction

Good morning Chairman Denham, Ranking Member Norton, and distinguished Members of the Subcommittee. My name is Craig Fugate, and I am the Administrator of the Federal Emergency Management Agency (FEMA). I appreciate the opportunity to appear before you today on behalf of FEMA to discuss our efforts to increase the efficiency and effectiveness of FEMA's recovery activities.

FEMA is committed to helping communities recover from disaster as quickly as possible. Recovery is at the heart of disaster response and it is vital that we as an agency continue to support tribal, state and local governments to improve the recovery process. Successful recovery depends on collaboration with our many partners to ensure that they have a clear understanding of pre- and post-disaster roles and responsibilities. FEMA is just one part of the team, and the success and speed of recovery depends heavily on the Whole Community's involvement.

Today, I will describe how FEMA is cutting-costs and increasing efficiency across the agency, including our disaster assistance programs. These efforts are improving the speed and effectiveness of the delivery of our recovery programs. We are also working to improve collaboration with our federal, tribal, state, local, and nongovernmental partners to better coordinate delivery of needed services in the aftermath of a disaster. FEMA will continue to do its part to help individuals and communities rebuild and recover following a disaster.

Efforts to Cut Costs and Increase Efficiency

FEMA understands that the more efficient our operations are, the more people we can support. That is why we are constantly looking for ways to cut costs and streamline our processes. Through careful management of our Disaster Relief Fund (DRF) funds; implementation of FEMASat, a management tool used to identify potential process improvements; and increased oversight of contract administration, we have identified and capitalized upon numerous opportunities to use our resources more efficiently.

Although we cannot predict the size, scope, or cost of future disasters, we have improved management of the DRF to maximize available resources. Over the past two years, FEMA has put additional mechanisms in place to reduce costs and identify funds that could be de-obligated and returned to the DRF. By increasing the level of oversight of the status of mission assignments, contracts, and grants we have been able to return over \$4.7 billion (as of September 27, 2011) in excess funds to the DRF since the beginning of FY 2010. We continue to work to improve the accuracy of our estimates of resource needs for catastrophic disasters by regularly reviewing spending reports. Each catastrophic disaster team is required to prepare monthly spend plans that project resource needs for the current and succeeding year. These teams also work with state partners to identify priorities and plan for resource needs. Actual expenses are then compared to projections to identify variances and the reasons for those variances. In addition, we have been able to reduce the administrative costs associated with disaster response and recovery activities by establishing right-sizing plans for field offices and looking for situations where field offices can be co-located or run virtually from our regional offices. We

will continue to be good stewards of the taxpayers' money by maximizing the effectiveness of DRF funds.

FEMA's aggressive and smart management prevented a lapse in the DRF in September. As we approached the end of the fiscal year, FEMA implemented Immediate Needs Funding (INF) and the Administration requested supplemental appropriations as we transitioned from immediate response to recovery following Hurricane Irene. In the meantime, as we awaited Congressional action, FEMA undertook an aggressive strategy to recover any funding possible to preserve Individual Assistance (IA), working with states on recoveries. Through these efforts, FEMA managed to preserve the DRF for another five days at the end of the Fiscal Year. At the same, projects and disaster recovery activities were put on hold during Sept to prioritize IA and recoveries. All of these activities will require attention and resources in FY12.

We have also successfully streamlined and reduced errors in disaster contracting through improved oversight and administration. At the beginning of FY 2010, FEMA's Office of the Chief Procurement Officer (OCPO) created a new branch to provide administrative supervision and operational support for all Contracting Officers with regional duty stations. This new branch has helped increase awareness and use of local sources for disaster contract support.

Another significant improvement in acquisition management has been the use of Disaster Acquisition Response Teams (DARTs). The DART's primary focus is to respond to disasters and provide contract administration and oversight of large disaster contracts in the field. The use of DARTs has resulted in increased efficiency in disaster response and recovery acquisition activities:

- Following this summer's severe flooding in Minot, ND, DARTs helped to identify potential sources of housing for disaster responders and were able to provide recommendations for vendor, contract type, and solicitation procedures to streamline the procurement process.
- DARTs assisted with the de-obligation of prior-year contracts to help fund the DRF.
- In response to Hurricane Irene, DARTs engaged with the Recovery Division and were prepositioned to provide administrative contracting support for housing and inspection missions.

FEMA also worked to transition qualified Disaster Assistance Employees to the Acquisitions/Contracting (1102) series, which will allow them to have greater purchasing power in the field during disasters. This conversion creates the possibility for these contract specialists to be deployed in the field for a longer period of time, creating increased stability in contract administration. These efforts have increased the speed with which we can get recovery contracts in place while reducing the number of errors.

Across the agency, FEMASat is being used to identify opportunities for improvement. FEMASat was introduced in January of this year as a process for ensuring alignment of our allocation of resources with our mission and goals. This management tool looks at outcomes across the agency to determine our progress on stated priorities, monitor FEMA's readiness posture, and identify opportunities to improve our performance. FEMASat meetings provide a

place for the agency's senior leadership and mid-level managers to have an open, data-driven discussion about an identified topic or mission area. Performance gaps are identified and actions to address these gaps are decided upon and assigned to an office for rapid action. It also provides a forum where lessons-learned and best practices from previous disasters can be used to improve our processes. Since the inception of FEMAStat, we have seen many successes, including:

- Identified additional opportunities to build internal expertise and save costs by converting contracts and contractor positions to full-time employees.
- Established a unified employee training architecture that examines the training needs and resources across all components of the agency.
- Established the OCPO as the owner of the acquisition process from start to finish, which will allow the office to track the entire contracting process and identify inefficiencies and bottlenecks.

We will continue to reform our agency and make it more effective and nimble through various initiatives and methods.

Improvements to Disaster Assistance Programs

In addition to our efforts to improve FEMA's operational efficiency, we also have increased the effectiveness of our Individual Assistance (IA) program. FEMA's IA program provides assistance to individuals and families after a disaster, including emergency assistance, the Individuals and Households Program (IHP), Crisis Counseling Program, Disaster Legal Services, Disaster Unemployment Assistance and the Disaster Case Management Program. Disaster housing programs reflect the varying needs of disaster-affected communities and individuals. FEMA housing programs enumerated under the Stafford Act are not intended to restore the applicant to their pre-disaster standard of living, but rather to provide a bridge between short-term transitional sheltering and long-term, sustainable permanent housing. Rental assistance is the most common form of housing assistance provided by FEMA, enabling individuals and families to rent a housing unit while they locate and secure long-term permanent and sustainable housing.

In the aftermath of the tornadoes in Joplin, MO last spring, one of the greatest challenges was identifying available housing to address the unique situation of the community. Despite the devastation of its school system after the tornadoes, the town of Joplin set a priority to reopen the schools on time this fall. To aid this effort, FEMA worked with the State-led Housing Task Force to place families with school-aged children in mobile home parks first, successfully housing all families identified before the start of the school year. Achieving this goal has been an important symbol of progress for residents still busy putting their lives back together and we are proud to have been a part of this effort.

We are working to simplify the disaster assistance application process for individuals as well. [DisasterAssistance.gov](https://www.fema.gov/disaster-assistance) consolidates information about disaster assistance from multiple government agencies in one place, making it easier for disaster survivors to research and apply for disaster assistance. Disaster survivors may be eligible for a variety of disaster assistance

programs offered by 17 different federal agencies. In 2010, DisasterAssistance.gov was named on the Congress.org list of five best government websites and continues to be one of the most efficient ways for individuals to learn about their disaster assistance options. Additionally, FEMA's National Processing Service Center (NPSC) has developed the capability to provide outgoing email to disaster survivors. Since August 2011, disaster survivors have immediate online access to FEMA generated correspondence as opposed to traditional mail which can take up to five days. Survivors are notified more quickly of eligibility determinations, assistance, and any follow-up documentation required for assistance. In addition, FEMA's mobile website makes it easier for smartphone users to access critical information regarding emergency preparedness, what to do in the event of a disaster, and register for assistance.

The NPSC has also made significant improvements to its processes that have resulted in the ability to serve more customers quickly and efficiently. Through initiation of an Interactive Voice Response (IVR) system that allows applicants to check the status of their application without agent intervention, the NPSC's capacity has greatly increased. This self-service option is also available online. As a result of these new automated options, the NPSC has achieved an average wait time of 20 seconds and answered more than 1.5 million inquiries since January 26, 2011. To further streamline its processes, the NPSC has established specialized teams dedicated to dealing with more complex cases such as Appeals and Recoupment to decrease review time for these cases.

Moreover, FEMA has more than doubled its daily capacity to perform home inspections, which has resulted in an average turn-around time for completing inspections of 3.2 days for the last 35 IA disasters. All of these improvements have resulted in better service to our customers and a 93.5 percent customer satisfaction score in 2010 from individual assistance applicants.

We have also made improvements to the Public Assistance (PA) program, which provides Federal disaster grants to eligible tribal, state, and local governments, as well as certain private nonprofit entities for the repair, replacement, or restoration of publicly-owned facilities and infrastructure damaged during a disaster. Through a comprehensive, bottom-up review (BUR) of the existing PA program, we are identifying changes that will reduce administrative costs, speed delivery of recovery funds, and increase applicant flexibility. A workgroup is in the process of analyzing internal and external feedback and data and will develop proposed program options for the improved implementation of the PA program for senior leadership review. During this process, we collected feedback from numerous external stakeholder groups such as the National Emergency Management Association and the National Advisory Council.

FEMA will share the proposed program options with stakeholders once they are fully developed. We anticipate initiating changes to the PA program in early 2012; In the meantime, FEMA is pursuing regulatory and policy changes within existing statutory authority and will also consider the need for legislation. For example, FEMA has completed a PA policy review with input from states on the PA Steering Committee. PA is in the process of making changes to multiple policies with the objective of enhancing flexibility and simplifying the program. We are committed to enhancing the performance of the PA program so that we can do our part to help communities rebuild following a disaster.

One form of assistance that the PA program provides is debris removal operations. In order to aid communities in faster recovery, the PA program piloted Operation Clean Sweep, also known as the Expedited Debris Removal Program, which uses geospatial imagery to make rapid assessments and identify the areas with the most catastrophic damage. This allows FEMA to focus on the hardest hit areas and combine direct Federal assistance and local government contracting to quickly remove debris. This pilot has been used with great success by local governments in Mississippi, Alabama, and Missouri in response to the spring storms to quickly remove debris. Using this approach in Alabama this spring and summer, the Army Corps of Engineers, contractors, and local governments were able to move 8.35 million cubic yards of debris—84% of the state’s debris—in just 75 days.

FEMA also funds temporary facilities like fire stations and schools as part of the PA program, which enables communities to quickly restore critical public infrastructure functions. This effort helped Joplin residents to re-open schools following the severe storms in the south. Along with state and local partners, FEMA formed a Schools Task Force to support and help Joplin local officials establish temporary facilities for schools to meet their goal to open schools on time in the fall. With FEMA’s help, Joplin was able to have classrooms, storm shelters, support facilities, and athletic fields needed to start the school year. FEMA also ensured that safe rooms are included in both the temporary and rebuilt schools. When schools opened on time on August 17th, about 95% of the student population had returned. This story highlights not only what can be accomplished when the Whole Community works toward a single objective, but serves as a testament to the resilience and determination of the Joplin community.

National Disaster Recovery Framework

We have seen how important collaboration is to the recovery process. In order to further improve coordination of recovery activities among federal, tribal, state, local, and non-governmental partners and to comply with mandates in the Post-Katrina Emergency Management Reform Act and the Presidential Policy Directive 8 on National Preparedness, FEMA developed the National Disaster Recovery Framework (NDRF). The NDRF—for the first time—clearly defines coordination structures, leadership roles and responsibilities, and guidance for federal agencies, state and local governments, and other partners involved in disaster planning and recovery. The NDRF introduces six new Recovery Support Functions (community planning and capacity building, economic, health and social services, housing, infrastructure systems and natural and cultural resources) and identifies specific recovery positions that help focus efforts on community recovery such as the Federal Disaster Recovery Coordinator (FDRC). The FDRC will be deployed when a Federal role is necessary and significant interagency resource coordination is required due to the large-scale, unique or catastrophic nature of the disaster. The FDRC’s sole focus is coordinating available resources to assist the community with rebuilding and recovering.

The NDRF reflects input gathered through extensive stakeholder discussions which included outreach sessions conducted by FEMA and the Department of Housing and Urban Development in each of the ten FEMA Regions, and forums held in five cities across the country. The final NDRF incorporates comments and recommendations from discussion roundtables held with

professional associations, academic experts, and more than 600 stakeholders representing federal, tribal, state, and local governments, as well as public and private organizations.

FEMA has been field testing certain aspects of the NDRF, including the appointment of a FDRC. For example, in the wake of the 2011 tornadoes that tore through Alabama and much of the south, a FDRC was appointed to work with Alabama state officials to develop a recovery strategy that emphasized coordination. In addition, the Governor established a lead state agency to manage state coordination efforts and staff were co-located within the Joint Field Office to provide a direct connection between federal and state partners. The NDRF recognizes the importance of engaging and utilizing the Whole Community—federal, state and local governments, non-profit organizations, the private sector and individuals—to help a community maximize available resources to recover from disaster.

At the end of September, FEMA hosted the National Recovery Tabletop Exercise (Recovery TTX) with over 200 participants from federal, state, local and non-governmental organizations. It was the first opportunity to explore the application of the NDRF using the National Level Exercise large-scale, multi-state, multi-Region catastrophic earthquake scenario. The Recovery TTX was a great opportunity to further outline the scope of each Recovery Support Function (RSF), identify the necessary linkages between RSFs and understand capacities to support the RSFs in all phases of recovery. Through collaboration and engagement with partners at every level of government as well as the nonprofit and private sector, we can maximize our resources and recovery capabilities.

Conclusion

Recovery is one of the most vital and sustained phases of the emergency management cycle. By streamlining processes and cutting costs, we can increase FEMA's ability to provide help to communities at this crucial time. FEMA remains committed to assisting our tribal, state, and local partners in the aftermath of a disaster, working with our partners in the private sector and voluntary agencies. By engaging with these important members of the team, we can build the resilience of the nation's communities and increase their ability to recover from disasters. Thank you for this opportunity, I am happy to answer any questions you may have.