

# GAO Highlights

Highlights of [GAO-15-783](#), a report to congressional requesters

## Why GAO Did This Study

FEMA obligated \$2.1 billion in fiscal years 2013 and 2014 for products and services, which included almost \$770 million from offices responsible for disaster contracting. Providing disaster relief in a timely manner is essential, while adhering to contracting laws and regulations helps safeguard taxpayer dollars. Following Hurricane Katrina, Congress passed PKEMRA to improve FEMA's disaster contracting.

GAO was asked to review FEMA's disaster contracting practices. This report assesses the extent to which FEMA (1) made efforts to build and manage its contracting workforce and structure since PKEMRA, and (2) adopted PKEMRA reforms and demonstrated good management practices for disaster contracting.

GAO analyzed data on FEMA's workforce from fiscal years 2005 through 2014, reviewed workforce guidance, and reviewed 27 contracts—including 16 selected through a random sample and 11 through a nonprobability sample based on factors including high cost—to determine the extent to which PKEMRA provisions were met. GAO also met with contracting officials.

## What GAO Recommends

GAO recommends, among other things, that the FEMA Administrator establish procedures to prioritize DART's workload, revisit the agreement for oversight of regional contracting officers, and improve guidance on PKEMRA requirements. DHS concurred with GAO's recommendations.

View [GAO-15-783](#). For more information, contact Michele Mackin at (202) 512-4841 or [mackinm@gao.gov](mailto:mackinm@gao.gov).

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## DISASTER CONTRACTING

### FEMA Needs to Cohesively Manage Its Workforce and Fully Address Post-Katrina Reforms

## What GAO Found

The Federal Emergency Management Agency (FEMA) has more than tripled the number of contracting officers it employs since Hurricane Katrina in 2005, but it does not have a sufficient process in place to prioritize disaster workload and cohesively manage its workforce. Some of the workforce growth is attributed to the establishment of the Disaster Acquisition Response Team (DART) in 2010, which has the primary mission of deploying to provide disaster contracting support, such as contracting for blankets or debris removal. DART has gradually assumed responsibility for administering the majority of disaster contract spending, but FEMA does not have a process for prioritizing the team's work during disasters. Without such a process, FEMA is at risk of developing gaps in contract oversight during major disasters. Further, in 2011, FEMA established an agreement that regional contracting officers would report to headquarters supervisors for technical oversight while continuing to respond to regional supervisors—who have responsibility for administrative duties—for everyday operations. This agreement has led to challenges for FEMA in cohesively managing its workforce, including heightening the potential for an environment of competing interests for the regional contracting officers. Further, FEMA has not revisited this agreement on annual basis as called for in the agreement. As a result, it does not incorporate lessons learned since its creation 4 years ago.

FEMA has not fully implemented 2006 Post-Katrina Emergency Management Reform Act (PKEMRA) contracting reforms due in part to incomplete guidance.

#### Status of FEMA's Implementation of Selected Post-Katrina Emergency Management Reform Act of 2006 (PKEMRA) Contracting Requirements

Selected PKEMRA requirements	GAO	
	assessment	GAO observations
<b>Noncompetitive contracts</b>		
Limit noncompetitive emergency-response contracts justified as unusual and compelling urgency to 150 days unless justified.	Some progress	DHS implemented regulations to address this requirement, but 8 of the 13 noncompetitive contracts GAO reviewed exceeded 150 days without justifications. FEMA did not address this limitation in training materials, including a desk guide for contracting officers.
<b>Contracting with local businesses</b>		
Provide preference to local vendors for contracts awarded after disasters or a written justification when a non-local contract is awarded.	Some progress	FEMA officials were aware of preferences for local contracts, but the process for determining if vendors are local is not well-defined in FEMA's guidance. Only 1 of the 13 non-local contracts GAO reviewed included the required written justifications.
Transition non-local contracts awarded prior to a disaster to local vendors as soon as possible, unless justified. FEMA guidance requires such transitions within 6 months.	Some progress	Two of the 13 non-local contracts GAO reviewed were awarded before the disaster and required to transition to local vendors within 6 months but did not do so.

Source: GAO analysis of Federal Acquisition Regulations, DHS guidance, and FEMA contract data. | GAO-15-783