



Disaster Reservist Program Audit

Audit Report Number 17-A001

June 27, 2017

Executive Summary

The Office of Inspector General conducted an audit of the Division's Disaster Reservist Program (Program). The objective of the audit was to identify costs associated with the Program and the scope of the audit was limited to the Division's processes and activities related to the Program.

We identified the following categories of costs associated with the Program:

- Travel Costs;
- Reservist Base Salaries;
- Reservist Overtime;
- Division Employee Salaries;
- Equipment Costs; and
- Drug and Background Screenings.

The largest costs of the Program are reservist salaries and travel, which make up over 90 percent of the total cost of the Program during grey skies. We developed a dynamic spreadsheet template, the Disaster Event Cost Calculator, (Exhibit 1) that calculates cost estimates for reservist deployments based upon the number of reservists deployed and the duration of the deployment.

We also identified additional costs that may affect the Program, such as the cost of workers compensation claims, unreturned or misused equipment, hiring, and training reservists.

The chart below shows the cost estimates, calculated by the Disaster Event Cost Calculator, for various sizes of deployment events.

Deployment Costs				
Expense	Small	Medium	Large	Extraordinary
	15 Reservists 1 Month	50 Reservists 2 Months	100 Reservists 2 Months	250 Reservists 2 Months
Drug and Background Screenings	\$765.00	\$2,550.00	\$5,100.00	\$12,750.00
Division Employee Salaries	8,520.08	8,520.08	17,040.16	17,040.16
Reservist Salaries and Overtime	61,952.00	414,720.00	829,440.00	2,073,600.00
Equipment Costs	1,086.59	6,393.90	12,787.80	31,969.50
Travel Costs	93,130.50	620,870.00	1,241,740.00	3,104,350.00
TOTAL	\$165,454.16	\$1,053,053.98	\$2,106,107.96	\$5,299,297.45

We would like to thank and acknowledge Division staff for their cooperation and assistance during this audit.

Introduction

The OIG conducted an audit of the Division's Disaster Reservist Program as part of its 2016-2017 annual work plan. The objective of the audit was to identify costs associated with the Program and the scope of the audit was limited to the Division's processes and activities related to the Program.

Background

Pursuant to Section 252.35, Florida Statutes, the Division shall "coordinate federal, state, and local emergency management activities and take all other steps, including the partial or full mobilization of emergency management forces and organizations in advance of an actual emergency, to ensure the availability of adequately trained and equipped forces of emergency management personnel before, during, and after emergencies, and disasters."

The Program is part of the Division's efforts to mobilize emergency management forces in advance of an actual emergency. The Program allows for trained staff, who are available immediately after emergencies and disasters, to serve in various functions. The Division hires reservists as Other Personal Services (OPS) employees on a temporary, intermittent basis to aid in the Division's recovery efforts.

Reservists are not required to have specialized knowledge of emergency management functions; however, they are required to complete five online training courses provided by FEMA before becoming part of the Program. These training courses provide reservists with an overview of emergency management functions and of the Individual Assistance Program. Reservists must also complete an online Purchasing Card (P-Card) training. This training is mandatory before any Division employee receives a P-Card. A P-Card is a credit card given to Division employees to use for specific purchases¹ while traveling. The five FEMA training courses and the P-Card training are the only training courses required for reservists. The Division does not require any follow-up or continual training.

Required Online Training Courses for Reservists	
FEMA IS-100b	Introduction to Incident Command System
FEMA IS-200b	ICS for Single Resources and Initial Action Incident
FEMA IS-403	Introduction to Individual Assistance
FEMA IS-700a	National Incident Management System
FEMA IS-800b	National Response Plan
FDEM	P-Card Training Module

Reservists usually travel to Division headquarters in Tallahassee, Florida, for orientation before deployment. Division employees arrange transportation and hotel accommodations for the reservists to attend the orientation. Division staff from Finance and Information Technology (IT) conduct orientation sessions for reservists. During the orientation, reservists also receive training on P-Card procedures, travel voucher reimbursements, and information security. IT issues reservists a laptop computer while Logistics issues State Emergency Response Team apparel, GPS, cameras, phones, air cards, my-fi, or SunPasses depending upon the deployment and mission. If reservists are unable to attend this orientation, IT mails the necessary equipment to them at their deployment location.

Upon deployment, reservists report to their assigned supervisor or the Disaster Reservist Cadre Manager. Division employees provide support to the reservists with technical assistance on IT, travel vouchers, P-Cards, and time sheets. When reservists are no longer needed and their deployment ends, their employment with the Division

¹ Examples of allowable purchases using the P-Card include hotel, rental car, and parking.

ends until the next time they are deployed. Reservists are required to return all Division issued equipment at the end of their deployment.

Currently, reservists are used exclusively by the Bureau of Recovery. In the most recent activations, reservists were primarily used as Disaster Recovery Center or Joint Field Office facility managers, members of Disaster Survivor Assistance Teams, or administrative support to Bureau of Recovery staff.

Results of Audit

The objective of this audit was to identify costs associated with the Program. To complete this objective, the Office of Inspector General analyzed the Program's processes to identify and quantify the related cost elements. These cost elements were used to develop a Disaster Event Cost Calculator, which can be used to estimate the cost of deploying Disaster Reservists. We also identified additional costs that may affect the Program, such as the cost of workers compensation claims, unreturned or misused equipment, hiring, and training reservists.

Cost Analysis

The Office of Inspector General analyzed the Program's processes to identify and quantify categories of costs associated with the Program.

- **Travel Cost** - Expenses associated with travel, such as lodging, meals, car rental, gas, parking, etc.
- **Reservist Base Salaries** - The actual salary that reservists are paid. There are two types of reservists- regular reservists and lead reservists. The division pays regular reservists \$16.00 per hour and lead reservists \$18.00 per hour. The Division deploys at least one lead reservist for every ten regular reservists deployed.
- **Reservist Overtime** - The amount of overtime worked by regular and lead reservists during an activation. The overtime rate for reservists is one and one half the wage per hour worked over 40 hours in a single workweek. After reviewing a sample of reservists' time sheets, we determined that the average amount of overtime worked by a reservist is 16 hours per week.
- **Division Employee Salaries** – The amount of Division employees' salaries that are associated with supporting reservists during grey skies and blue skies. The OIG used total compensation rather than employee base salaries to determine salary cost. Overtime worked by Division employees during grey skies was not included in this cost.

- **Equipment Cost** - Equipment costs and service fees associated with the equipment used by reservists during deployment.
- **Drug and Background Screenings** - Every employee hired by the Division must complete mandatory drug and background screenings. Reservists must complete drug and background screenings to be eligible for deployment. Reservists previously deployed are not required to undergo additional drug or background screenings.

The costs of the Program were differentiated based on whether the Division incurs the cost during blue skies or grey skies.²

Blue Skies

Division staff salaries represent the majority of the Program costs during blue skies. Division staff who support reservists were interviewed to determine the amount of time they spend supporting reservists during blue skies. The Cadre Manager position spends an estimated 90% of its time supporting the Program during blue skies. Most other Division employees involved in Program activities estimated that they spend less than one percent of their time during blue skies supporting reservists. The percentage of time Division employees spend during blue skies to support reservists multiplied by the employees' annual total compensation³ was used to determine the cost of the Program during blue skies. The estimated annual blue skies cost for the Program is \$62,075 or \$1,194 per week. This total represents the cost of maintaining the Program.

Grey Skies

The cost of the Program during grey skies is heavily dependent upon the number of reservists deployed and the length of deployment. The largest costs of the Program are the salaries of the reservists and the cost of travel, which make up over 90 percent of the total cost of the Program during grey skies.

The cost elements associated with deploying reservists were used to create a dynamic spreadsheet template, the Disaster Event Cost Calculator, (Exhibit 1) that calculates cost estimates for deploying reservist based upon the number of reservists deployed and the duration of the deployment.

The Disaster Event Cost Calculator estimates the following costs:

- Cost per week of an event;

² The Division's Emergency Operations Center has three levels of activation. Blue skies is the time when the State Emergency Operation Center is at Level 3. Level 3 is the monitoring phase where Division of Emergency Management employees and the State Warning Point Communicators staff the Emergency Operations Center. Grey skies is the time when the State Emergency Operations Center is active at Level 2 or Level 1. Level 2 is an agency activation that may not require activation of every section, branch, or Emergency Support Functions. Division of Emergency Management personnel and necessary Emergency Support Functions staff the State Emergency Operations Center during Level 2 activation. Level 1 is a full-scale activation where Division of Emergency Management personnel and all Emergency Support Functions staff the Emergency Operations Center.

³ Total compensation includes benefits.

- Cost per reservist;
- Cost per total event;
- Cost to maintain the program; and
- Total cost of the program in a given year.

The chart below shows the cost estimates, calculated by the Disaster Event Cost Calculator, for various sizes of deployment events.

Deployment Costs				
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Additional Considerations

In addition to the basic costs of deployment, such as salaries and travel, some additional costs may result from deploying reservists.

Workers' Compensation

As Division employees, reservists are eligible for Workers Compensation. If a reservist receives an injury during the course of their duties, the State of Florida is responsible for providing medical treatment, lost wages, as well as other monetary compensation such as temporary disability benefits.

The Division is liable for any injuries that may occur while they are in the field.

Unreturned Equipment/Equipment Misuse

In the past, there have been incidents where equipment was not returned after a deployment and equipment may have been misused by reservists. Reservists have lost equipment and had equipment destroyed. If equipment is lost or destroyed, the Division will incur costs to replace the equipment.

Even though these individual costs are typically minimal, widespread loss and/or misuse of equipment may lead to a significant expense.

Reservist Hiring Process

Once the Cadre Manager receives all required documents for a person to become a reservist, that person automatically becomes eligible for deployment as a reservist. The Division does not conduct interviews, employment verification, background checks, or drug screenings before that person becomes an eligible reservist. Any person who has applied to be a reservist and has submitted all required paperwork is considered an eligible reservist.

During activation for a disaster, the Cadre Manager, along with Bureau of Recovery management, reviews the list of eligible reservists and determines which reservists to deploy. Bureau of Recovery management primarily bases these decisions on the reservist's past performance during prior activations. If Bureau of Recovery management decides to deploy a reservist who has never been deployed before, the only basis for that decision is the reservist's State of Florida Employment Application.

Once Bureau of Recovery management determines which reservists to deploy, the Cadre Manager will submit the list of chosen reservists into EM Constellation. The Human Resources Department (HR) then enters the reservists into People First. After entering the reservists into People First as OPS employees, Finance, IT, and Logistics start their processes for activating the reservist. This includes activating or obtaining P-Cards, gathering equipment, and arranging travel.

Ideally, the Cadre Manager would contact every reservist chosen to confirm availability before submitting the list of reservists to EM Constellation. However, as seen in the most recent activation, the Cadre Manager is sometimes not able to make contact with all chosen reservists before Bureau of Recovery management submits the list into EM Constellation. There were also incidents in the previous activations where reservists confirmed availability, but canceled their deployment after HR and Finance processed them.

If reservists entered into EM Constellation are not available for deployment, the time spent by HR and Finance to process the unavailable reservist has been wasted and a replacement reservist must then be processed.

Training

The Division requires that all reservists complete a two-part training explaining the policies of using a P-Card and five online courses provided by FEMA. These online courses are the only training courses reservists are required to complete. The lack of formal training in Division policies, procedures, or technology usage before reservists are activated increases the need for Division employees to provide technical assistance to reservists while these Division employees are in their grey sky functions.

The time Division employees spend supporting reservists during grey skies may negatively affect other critical grey skies functions. This may result in delays to the Division's disaster response and recovery efforts.

Findings and Recommendations

Finding 1- Redundant Programs

The Program is part of the Division's efforts to mobilize emergency management forces in advance of an emergency. The Program allows for trained staff, who are available immediately after an event to serve in various functions. One of these functions includes being members of the Disaster Survivor Assistance Teams that primarily consist of Federal Emergency Management Agency Reservists. In this function, reservists act as the state's presence in the affected area.

The Community Emergency Response Team (CERT) is a program administered by Volunteer Florida in partnership with the Division. The CERT consists of trained volunteers who provide immediate assistance to victims before first responders arrive on scene. CERT volunteers are localized in each area, so there is no need for wide-ranging mobilization. CERT volunteers support the community year-round by participating in community preparedness outreach activities and distributing materials on disaster preparedness.

In both programs, the reservists and CERT volunteers perform their job functions in the affected area to assist survivors. The missions and the functions of the two programs are very similar. The Division could utilize a staff augmentation contract for job functions similar to those in the Disaster Reservist Program, such as administrative support and facility management. Merging the Program with the CERT Program combined with using a staff augmentation contract would reduce or eliminate travel costs related to the Disaster Reservist Program.

On April 12, 2017, the Executive Office of the President issued a memorandum (M-17-22) for all heads of executive departments and agencies. This memorandum requires agencies to begin taking immediate actions to achieve workforce reductions and cost savings and provides guidance on how to improve agency efficiency, effectiveness, and accountability.

Agencies should develop an analytical framework that evaluates the alignment of agency activities with the mission and role of the agency and the performance of individual functions. This framework should take into consideration the redundancy of programs within an agency. Agencies should consider whether some or all of the mission functions or administrative capabilities of an agency program are needlessly redundant with those of another program. If it is determined that programs are redundant with those of another program, the agency should determine if the program should be eliminated or merged into a similar program.

Recommendation

We recommend that Division management review the mission of the Disaster Reservist Program and compare it to the missions of similar programs such as the CERT. A staff augmentation contract may also be an alternative to the Disaster Reservist Program. If Division management determines that the Disaster Reservist Program is duplicative of other programs, Division Management should evaluate whether to eliminate the Disaster Reservist Program or merge it into other programs.

Management Response

Management generally concurred with the finding and recommendation.

ATTACHMENT 1 - Purpose, Scope and Methodology

Pursuant to Section 20.055, Florida Statutes, the Division's Office of Inspector General conducts audits to promote accountability, integrity, and efficiency in government. This audit was conducted as part of the Office of Inspector General's annual work plan.

The scope of this audit included the Division's processes and activities related to the Disaster Reservist Program.

The purpose of the audit was to determine the costs of the Division's Disaster Reservist Program. Specifically, our objective was to identify costs associated with the Division's Disaster Reservist Program.

The methodology used to accomplish our objectives included:

- Reviewing applicable laws, rules, regulations, and procedures;
- Reviewing Division procedural documents;
- Reviewing prior audit reports;
- Reviewing related industry information; and
- Interviewing appropriate Division staff.

ATTACHMENT 2 - Audit Team and Statement of Accordance

Engagement Team

Amanda Campen, Senior Auditor

Mandi Cohen, Senior Auditor

Ronnie Atkins, CPA, CIA, CMA, CIG, Deputy Inspector General

Statement of Accordance

Our audit was conducted under the authority of Section 20.055, Florida Statutes, and in conformance with the International Standards for the Professional Practice of Internal Auditing, published by the Institute of Internal Auditors, and Principles and Standards for Offices of Inspector General, published by the Association of Inspectors General.

ATTACHMENT 3 - Addressee and Distribution List

Bryan Koon, Director
Jonathan Lord, Deputy Director
Wes Maul, Chief of Staff
Michael Kennett, Deputy Director

Copies distributed to:

Eric Miller, Chief Inspector General
Sherrill F. Norman, Auditor General

EXHIBIT 1 - Disaster Event Cost Calculator

Disaster Reservist Event Cost Calculator			
Enter Number of Weeks of Grey Skies>>>> When the EOC is activated to a Level 2 or Level 1	0	Number of Weeks of Blue Skies When the EOC is activated to a Level 3	52
Enter Weeks Deployed>>>> How many weeks reservists will be deployed	0		
Enter Number of Regular Reservists Deployed>>>> Reservists that are paid \$16/hr	0		
Enter Overall Overtime Expected per Week>>>> For Regular Reservists (Avg. 16/week)	0		
Enter Number of Lead Reservists Deployed>>>>	0		
Enter Overall Overtime Expected per Week>>>> For Lead Reservists (Avg. 16/week)	0		
Projected Cost per Week	#DIV/0!	Cost to Maintain the Program \$	62,075.30
Projected Cost per Reservist	#DIV/0!		
Projected Cost per Event			#DIV/0!
TOTAL COST			#DIV/0!

The Event Cost Calculator uses inputs for the number of weeks of grey skies, number of weeks deployed, number of reservists, and expected overtime to project the:

- Cost of an event;
- Cost per reservist;
- Cost per week;
- Blue sky cost; and
- Total cost.