Approval Process, Tracking, and Financial Management of DoD Disaster Relief Efforts
# Approval Process, Tracking, and Financial Management of DoD Disaster Relief Efforts

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Acronyms and Abbreviations
ASD(HD&ASA)  Assistant Secretary of Defense for Homeland Defense and Americas’ Security Affairs
DCE        Defense Coordinating Element
DCO        Defense Coordinating Officer
DDASS      DoD Defense Support of Civil Authorities Automated Support System
DSCA       Defense Support of Civil Authorities
FEMA       Federal Emergency Management Agency
FMAT       Financial Management Augmentation Team
IG         Inspector General
JCS         Joint Chiefs of Staff
USNORTHCOM U.S. Northern Command
MEMORANDUM FOR DISTRIBUTION


We are providing this report for review and comment. We considered comments from the Chairman, Joint Chiefs of Staff; the Under Secretary of Defense (Comptroller)/Chief Financial Officer; Commander, U.S. Northern Command; and the Assistant Secretary of Defense for Homeland Defense and Americas’ Security Affairs when preparing the final report.

DoD Directive 7650.3 requires that all recommendations be resolved promptly. Based on comments received from the Assistant Secretary of Defense for Homeland Defense and Americas’ Security Affairs, we redirected two recommendations. As a result, we request additional comments from the Under Secretary of Defense (Comptroller)/Chief Financial Officer on Recommendation A.2. and the Commander, U.S. Northern Command on Recommendation A.3.c. We request additional comments by November 14, 2008.

Please provide comments that conform to the requirements of DoD Directive 7650.3. If possible, send management comments in electronic format (Adobe Acrobat file only) to AudACM@dodig.mil. Copies of the management comments must have the actual signature of the authorizing official for your organization. We cannot accept the / Signed / symbol in place of the actual signature. If you arrange to send classified comments electronically, you must send them over the SECRET Internet Protocol Router Network (SIPRNET).

We appreciate the courtesies extended to the staff. Please direct questions to Ms. Deborah Culp at (703) 604-9335 (DSN 664-9335) or Ms. Dianna J. Pearson at (703) 604-9063 (DSN 664-9063). Team members are listed on the inside back cover.

Richard B. Jolliffe
Assistant Inspector General
Acquisition and Contract Management
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Results in Brief: Approval Process, Tracking, and Financial Management of DoD Disaster Relief Efforts

What We Did
Our objective was to determine whether the mission assignment process worked within DoD during the Gulf Coast relief efforts. Specifically, we evaluated the process for receiving mission assignments, delegating mission assignments to the appropriate DoD Components, and subsequently reconciling mission assignments. After announcing the audit, we removed the U.S. Army Corps of Engineers and the overall reconciliation process from the audit scope. However, we reviewed limited aspects of the reconciliation process when we addressed concerns identified by DoD personnel, which we discuss briefly in this report. We examined the mission assignment process used during Hurricane Katrina and developments since then.

What We Found
DoD provided disaster relief through 121 Federal Emergency Management Agency mission assignments totaling more than $2 billion. DoD has taken several steps to improve the overall mission assignment process. Despite notable improvements, DoD continues to have issues that could affect readiness and situational awareness during disaster relief efforts. DoD did not have guidance in place during Hurricane Katrina to effectively manage financial operations. DoD can take steps on its own and through coordination with the Federal Emergency Management Agency to further improve the mission assignment process and disaster relief efforts.

What We Recommend
DoD should do the following to improve its response to disaster relief.

- Examine the staffing of the Defense Coordinating Officer positions and develop a plan to jointly staff positions.
- Fully develop the automated system used for tracking mission assignments during disaster response.
- Update and issue DoD Directives for Defense Support of Civil Authorities operations.
- Examine policies and procedures in place for determining appropriateness of DoD executing mission assignments.
- Increase coordination with and oversight of the Financial Management Augmentation Team.
- Coordinate agreements with the Federal Emergency Management Agency regarding reimbursement for DoD equipment and pre-positioning of forces.

Client Comments and Our Response
The Chairman, Joint Chiefs of Staff, the Under Secretary of Defense (Comptroller)/Chief Financial Officer, and the Commander, U.S. Northern Command concurred with our recommendations. The Assistant Secretary of Defense for Homeland Defense and Americas’ Security Affairs commented and did not concur with two recommendations, but later agreed that the recommendations should be directed to other DoD Components. Consequently, we have redirected the two recommendations. Please see the recommendations table on the back of this page.
## Recommendations Table

<table>
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<tr>
<th>Client</th>
<th>Recommendations Requiring Comment</th>
<th>No Additional Comments Required</th>
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<tr>
<td>Chairman, Joint Chiefs of Staff</td>
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</table>

Recommendations A.2. and A.3.c. were redirected between the issuance of the draft and final reports. The clients have not previously received the opportunity to comment on these recommendations.

Please provide comments by November 14, 2008.
# Table of Contents

**Results in Brief** i

**Introduction** 1

- Objectives 1
- Background 1

**Finding A. Coordination Issues Identified During or Since Hurricane Katrina Continue** 7

- Recommendations 17

**Finding B. Financial Management for Hurricane Katrina Mission Assignments** 20

- Recommendations 27

**Issues Outside DoD Control** 30

**Appendices**

- A. Scope and Methodology 33
  - Review of Internal Controls 34
- B. Prior Coverage 35
- C. Emergency Support Functions 37
- D. Disaster Response Framework 39
- E. Defense Support of Civil Authorities Approval and Performance Process 41

**Client Comments**

- Joint Chiefs of Staff 43
- Under Secretary of Defense (Comptroller)/Chief Financial Officer 45
- U.S. Northern Command 47
- Assistant Secretary of Defense for Homeland Defense and Americas’ Security Affairs 51
Introduction

Objectives
Our objective was to determine whether the mission assignment process worked within DoD during the Gulf Coast relief efforts. Specifically, we evaluated the process for receiving mission assignments, delegating mission assignments to the appropriate DoD Components, and subsequently reconciling mission assignments. After announcing the audit, we removed the U.S. Army Corps of Engineers and the overall reconciliation process from the audit scope. However, we reviewed limited aspects of the reconciliation process when we addressed concerns identified by DoD personnel, which we discuss briefly in this report. We examined the mission assignment process used during Hurricane Katrina and developments since then. See Appendix A for the scope and methodology and review of internal controls. See Appendix B for prior coverage related to the objectives.

Background
Congress tasked the Department of Homeland Security Inspector General, as the lead agency of the President’s Council on Integrity and Efficiency Homeland Security Roundtable for hurricane recovery oversight, with assessing the performance of the Federal Government during Hurricane Katrina. We performed this audit to supplement that assessment. We initiated the audit based on concerns from the Department of Homeland Security Inspector General and Congress because no prior audits addressed the overall process for approving, performing, and accounting for the DoD assistance provided during Hurricane Katrina.

Disaster Response Framework
Several documents outline the means by which the Federal Government can become involved in disaster relief operations. Documents in effect during Hurricane Katrina included section 1535, title 31, United States Code, “The Economy Act”; Public Law 106-390, “The Robert T. Stafford Disaster Relief and Emergency Assistance Act (the Stafford Act)”; and the 2004 National Response Plan were in effect during Hurricane Katrina. The Catastrophic Incident Supplement to the 2004 National Response Plan became effective following Hurricane Katrina. Congress and Government agencies have also revised publications in existence during Hurricane Katrina. The following publications provide guidance on how the Federal Government can respond to a disaster.

The Economy Act
The Economy Act authorizes one agency to request goods or services from another agency with payment made to the agency filling the request. The agency filling the request determines when the payment for goods or services will be made by the requesting agency, in advance or on delivery of the requested goods or services. The Economy Act specifies that the requesting agency obligates money to the agency filling the request when an order or agreement is placed. The agency filling the request does not incur its own obligations as a result of the request. The Economy Act serves as the
authority for funding transactions between Federal agencies unless there is more specific authority for such transactions. Another Federal agency can request DoD support under the Economy Act until a Presidential disaster declaration is made, at which point the Stafford Act becomes effective.

**The Stafford Act**

The Stafford Act, as amended by Public Law 106-390, October 30, 2000, provides an orderly and continuing means of assistance by the Federal Government to State and local governments to help alleviate the suffering and damage that results from disasters. The Stafford Act provides a system of emergency preparedness to protect life and property in the United States from hazards and to apportion responsibility for assistance in a disaster among the Federal Government, States, and their political subdivisions. The President may direct any Federal agency to use its authorities and resources in support of State and local assistance efforts. Any Federal agency assisting the Federal Emergency Management Agency (FEMA) may seek reimbursement from FEMA for eligible costs incurred for the assistance provided.

**The 2004 National Response Plan**

The Stafford Act serves as the foundation for the 2004 National Response Plan, which establishes a comprehensive, national, all-hazards approach to domestic incident management. The 2004 National Response Plan provides the framework for the flow of disaster support from the local level, through the State, FEMA, and primary Federal agencies, to DoD. The 2004 National Response Plan includes 15 emergency support functions, each serving as a coordination mechanism for providing Federal assistance to local and State authorities. For DoD, the U.S. Army Corps of Engineers serves as the primary agency for emergency support function 3 (Public Works and Engineering). DoD serves as a supporting agency to all 15 emergency support functions. See Appendix C for more information on the emergency support functions. The Department of Homeland Security continues to update the 2004 National Response Plan as necessary, such as the Notice of Changes to the 2004 National Response Plan on May 25, 2006. Also, in March 2008, the Department of Homeland Security issued the National Response Framework to build on and supersede corresponding sections in the 2004 National Response Plan.

**Catastrophic Incident Supplement**

The Department of Homeland Security issued the Catastrophic Incident Supplement to the 2004 National Response Plan (the Supplement) following Hurricane Katrina. The Supplement establishes a coordinated strategy for accelerating the delivery and application of Federal and federally accessible resources in support of a jurisdictional response to a catastrophic mass victim or mass evacuation event. The Supplement assumes that a catastrophic mass victim or mass evacuation event will trigger a Presidential disaster declaration. This assumption allows the Secretary of the Department of Homeland Security to direct the implementation of the Supplement and pre-position Federal resources. Federal agencies can pre-deploy tailored packages identified within the Supplement to meet the anticipated State and local requirements of the incident.
Defense Support of Civil Authorities

DoD provides disaster relief through the Defense Support of Civil Authorities (DSCA) operations. Except in limited situations where DoD is required to act immediately, DoD is a fifth-level responder after local, State, FEMA, and primary Federal agencies based on the structure of the 2004 National Response Plan. See Appendix D for an overview of the disaster response framework outlining how DoD provides support using the normal mission assignment process. DoD has authority to provide assistance on a limited basis if local or State authorities request assistance directly from installation commanders. In such cases, DoD acts as a multilevel responder that provides assistance as soon as local or State authorities determine that a DoD response is required. DoD defines DSCA as support provided by Federal military forces, DoD civilian and contract personnel, and DoD agency and Component assets. DoD provides DSCA when directed to do so by the President or on approval by the Secretary of Defense. DoD provides DSCA in response to requests to prepare for, prevent, protect during, respond to, and recover from domestic incidents including terrorist attacks, major disasters, and domestic special events such as political conventions. See Appendix E for more information on the DSCA approval and performance process.

DoD Policy for DSCA

DoD policy for DSCA operations exists in many forms, including DoD Directives and Manuals, Joint Staff Instructions and Manuals, Joint Publications, concept of operation plans, and Service-level guidance. The Services involved with DSCA operations generally derive their disaster support guidance from the DoD Directives. The following policies govern the most significant aspects of DSCA operations.

- DoD Directive 3025.1, “Military Support to Civil Authorities,” January 15, 1993, defines disaster response and outlines the responsibilities of the Joint Chiefs of Staff (JCS), Unified Commands, and other DoD Components and Services that respond to a civil emergency. Additionally, it defines the use of Immediate Response Authority as an exception to gaining prior approval when immediate action is necessary to save lives, prevent human suffering, or mitigate property damage. DoD should provide Immediate Response Authority only until civil responsibility is established.

- DoD Directive 3025.15, “Military Assistance to Civil Authorities,” February 18, 1997, identifies cost, appropriateness, readiness, risk, legality, and lethality (CARRLL analysis) as areas that DoD should evaluate when it receives a request for disaster relief assistance.

- Joint Staff Instruction 3630.01, “Expedited Orders Process for DSCA,” February 7, 2005, provides guidance to JCS for the process to review, approve, and release orders authorizing DSCA. JCS considers the areas identified in DoD Directive 3025.15 in its review and can decline the request if accepting the request would significantly affect the DoD warfighting mission. After performing its responsibilities, JCS forwards the request to the Assistant Secretary of Defense for Homeland Defense and Americas’ Security Affairs (ASD[HD&ASA])...
for coordination and approval. The JCS replaced Joint Staff Instruction 3630.01 with Joint Staff Instruction 3630.01A on June 1, 2006.

**U.S. Northern Command**

The Secretary of Defense and the Chairman of the JCS announced a change to the Unified Command Plan in 2002 and created the U.S. Northern Command (USNORTHCOM) as a new combatant command. Established on October 1, 2002, USNORTHCOM provides command and control of homeland defense efforts and coordinates DSCA operations. Specifically, USNORTHCOM provides DSCA, including consequence management operations, when directed to do so by the Secretary of Defense. Army North, Air Force North, and Navy North (through Fleet Forces Command) serve as Service Components to USNORTHCOM.

**Mission Assignments**

FEMA issues mission assignments to Federal agencies requesting that the agencies complete certain tasks. DoD refers to mission assignments as “requests for assistance” until the Secretary of Defense approves them. The mission assignments often contain information on the funding and other managerial controls. FEMA issues mission assignments in anticipation of or in response to a Presidential declaration of a major disaster. Blanket mission assignments have broad missions that multiple units across more than one Service can perform. Specific mission assignments have specific tasks, and DoD typically assigns them to one performing unit. Both blanket and specific mission assignments should contain funding obligation limitations for the assistance requested. Blanket mission assignments require additional financial management within DoD because they are performed by multiple Services.

FEMA issued both blanket and specific mission assignments to DoD during Hurricane Katrina. Overall, FEMA issued 121 mission assignments to DoD for Hurricane Katrina. According to USNORTHCOM mission assignment data, FEMA issued DoD more than $2 billion in mission assignments and amendments for Hurricane Katrina. FEMA requested DoD primarily to provide supplies and equipment to the affected areas, conduct search and rescue, and provide transportation. FEMA also issued mission assignment amendments during Hurricane Katrina to revise the scope and funding for the project, extend the project completion date, or cancel the mission assignment.

**National Guard Force Status**

Although generally considered part of the State disaster response efforts, the National Guard can become a federally funded and controlled asset under certain circumstances. Under State control, the National Guard performs disaster relief and State missions, and can perform law enforcement functions. The National Guard is under the command of the Governor. Federal law also allows for the National Guard to be federally funded while remaining in State control. The President has the authority to make the National Guard a Federal asset directed by the Secretary of Defense when needed. When under Federal control, the National Guard cannot perform law
enforcement functions. According to JCS, during Hurricane Katrina, the National Guard was federally funded while under State control with the exception of a few National Guard officers, who were called into Federal service to coordinate efforts with DoD officers.

2007 Southern California Wildland Fires Audit

The Joint Chiefs of Staff requested that we perform an audit similar to the work performed during this project that reviews concerns they identified during the 2007 Southern California wildland fires relief effort. On July 8, 2008, we announced Project Number D2008-D000CG-0246.000, “Audit of the Mission Assignment Process During the 2007 Wildland Fires in Southern California.” The objective of the audit will be to review DoD response activities in regard to authorities, validation of requests, and financial management of support rendered. Where applicable, we will expand the scope of the audit to include more recent wildfires.
Finding A. Coordination Issues Identified During or Since Hurricane Katrina Continue

DoD has made a number of improvements to the overall process for approving and completing FEMA mission assignments since Hurricane Katrina. DoD has authorized additional personnel and resources to coordinate and perform disaster relief efforts. The additional personnel and resources should alleviate many problems identified during the Hurricane Katrina relief efforts. Despite the notable improvements, DoD continues to have issues that could affect readiness and situational awareness during disaster relief efforts. DoD continues to have coordination issues for the following reasons.

- DoD policy for assessing the appropriateness of a mission assignment needs clarification.
- USNORTHCOM has not staffed the 10 Defense Coordinating Officer (DCO) positions with personnel from all Services.
- DoD is still developing a tool for tracking mission assignment approval and status. DoD has taken the initiative to develop this tool because DoD did not have an efficient method to track mission assignments during Hurricane Katrina. A second tool that was available prior to Hurricane Katrina to assist in cost estimation has not been kept up-to-date.
- Training and operational exercises that DoD conducts for disaster relief personnel may not have full participation and do not address the needs and concerns of all DoD Components.
- DoD personnel are not always aware of FEMA processes for obtaining equipment that responders used during disaster relief efforts or the procedures for obtaining reimbursement for purchased equipment.

As a result, DoD may be unnecessarily involved in future disaster responses that could be completed by other more appropriate responders. Additionally, DoD responses to future disasters may not be as effective and efficient as possible and could be more costly than necessary.

Improvements Since Hurricane Katrina

DoD has made a number of improvements since Hurricane Katrina. DCOs have greater resources to perform their duties, DoD has established designated resources that can quickly be used for disaster relief missions, DoD has improved personnel accountability, and training is available for disaster response personnel. We determined that improvements in DCO roles, advance disaster coordination, and training courses have been implemented effectively. DoD should continue to implement these improvements because they strengthen coordination, communication, and knowledge of disaster relief responders.
**DCOs Collocated at Each FEMA Region**

DoD has permanently assigned 10 full-time DCOs, one collocated at each FEMA region, as a result of lessons learned from Hurricane Katrina. Many representatives throughout DoD have regarded this improvement to DSCA operations as the most significant change following Hurricane Katrina. Among other responsibilities, the DCO and the assigned Defense Coordinating Element (DCE) plan, coordinate, and integrate DSCA with local, State, and Federal agencies on a regular basis. The working relationship between the DCO and FEMA representatives allows them to respond to disasters in an improved and more efficient manner. The DCO and the DCE also maintain a high state of readiness by ensuring all personnel are trained and prepared to deploy in response to DSCA operations.

**Mobile Communication Capability**

Army North has obtained two types of vehicles with equipment that will allow disaster responders in the field to connect with the DCO and other DoD officials. Army North has emergency response vehicles that are equipped with standard “fly-away packages” that can provide both secure and nonsecure communications. Army North also developed a larger command and control vehicle, the Sentinel, which can be used as a mobile operational command post. The Sentinel supports an operational command post by providing multiple secure and nonsecure communications capabilities, secure and nonsecure video teleconferencing, force tracking, and interoperability with various radio networks for communication with first responders, thus providing valuable information needed during disaster relief.

**The Use of Pre-Scripted Mission Assignments**

FEMA and DoD coordinated a number of Pre-Scripted Mission Assignments that can lead to a more efficient disaster response and eliminate the likelihood of delays in the approval process. Pre-Scripted Mission Assignments contain a mission statement and dollar amount that serve as a general template to begin the process. Although language in Pre-Scripted Mission Assignments is coordinated in advance, they still require Secretary of Defense approval before forces are deployed. As of our review, DoD and FEMA had developed 26 Pre-Scripted Mission Assignments following Hurricane Katrina, for resources such as the DCO and DCE, mobilization centers, temporary medical facilities, and rotary-wing aircraft. Additional Pre-Scripted Mission Assignments can be generated if FEMA and DoD identify the need for them in the future.

**Standing Severe Weather Execute Orders**

In addition to the pre-scripted mission assignments, JCS developed the DSCA Standing Severe Weather Execute Order to lead to an improved disaster response. JCS originally issued a DSCA Standing Severe Weather Execute Order to cover the routine provision of DSCA to the primary Federal agency for that function and other civil authorities on April 28, 2006. The JCS updated the execute order in 2007 to include a three-tiered approach in deploying DoD assets for DSCA operations. The tiered set of authority includes the following.
• Tier One: The supported combatant commanders* are authorized to place assigned forces on prepare-to-deploy status, deploy the forces upon notification of the Chairman of JCS and the Secretary of Defense, and employ the forces upon receipt of a validated and approved request for assistance.

• Tier Two: The supported combatant commanders can coordinate directly with force providers to place forces on 24-hour prepare-to-deploy order status upon notification of JCS and the Secretary of Defense. These forces may be required to maintain prepare-to-deploy order status for up to 7 consecutive days, unless otherwise approved by the Secretary of Defense. Once the supported combatant commander validates and approves the request for assistance, the commander may then employ Tier Two forces.

• Tier Three: Forces identified as Tier Three forces constitute response capabilities to be used in large-scale incidents, such as a predicted landfall of a major hurricane. When the supported combatant commander anticipates the relief effort will exceed the capabilities of the local and State resources, the supported combatant commander can submit a request for forces, without a primary Federal agency request for assistance. Secretary of Defense approval is required to place the requested forces on prepare-to-deploy order status.

**Accounting for Personnel**

The Services have developed methods to better account for personnel. Following Hurricane Katrina, JCS documented that it took weeks to account for all personnel. During Hurricane Katrina, information on forces was pulled from the Status of Readiness and Training System to gain accountability. Units deployed under verbal orders were hardest to track because it took longer to enter their information into the system. The Services have indicated that the process has improved since Hurricane Katrina. The Navy developed a process to identify military and civilian personnel who are either in the disaster area or responding to the disaster. The goal is to have a full account within 3 to 5 days of the disaster. The Navy routinely tests this process as part of the disaster exercises. The Air Force implemented Personnel for Contingency Operations teams that will deploy to a disaster area with the sole responsibility of tracking Air Force personnel. The Army will deploy a team and personnel system to the Operational Command Post to track all personnel movements into or out of the disaster recovery area. The Army can also send smaller teams directly to units in instances where the disaster responders are in the area before the personnel teams arrive. Although we did not audit the steps the Services have taken to improve tracking of personnel, the actions show that the Services are more aware of DoD personnel in a disaster area.

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* Joint Publication 01-02 as amended, October 17, 2007, defines supported commander as “the commander who receives assistance from another commander’s force or capabilities.” Generally, USNORTHCOM is the supported combatant command for DSCA operations within the continental United States. Other combatant commands can provide DSCA. This report focuses on USNORTHCOM.
**Training Courses**

DoD personnel completed various courses on disaster response. USNORTHCOM and Army North jointly developed a DSCA training course to provide an extensive overview of DoD capabilities and authorities. The course establishes how DoD coordinates and interacts with Federal, State, and local government agencies. The course also provides information on the 2004 National Response Plan, types of assistance provided by DoD, and training exercises. The course is offered to active-duty Service members and reservists; members of the National Guard and the Coast Guard; Department of Homeland Security officials; State and local officials; and officials from other Federal agencies. Personnel from different agencies can interact with one another and discuss DSCA operations. As of September 2007, Army North stated that 963 DoD personnel and 87 interagency personnel have completed the course. Additionally, DoD personnel have completed FEMA courses on the mission assignment process.

**Lessons Learned Task Force**

On October 24, 2005, the Deputy Secretary of Defense designated the McHale-Mauldin Task Force to represent DoD in the Homeland Security Council-led comprehensive review of the Federal response to Hurricane Katrina. The McHale-Mauldin Task Force collected DoD Component lessons learned documents following Hurricane Katrina, oversaw an internal DoD review of Hurricane Katrina, and centrally coordinated the responses to inquiries from other non-DoD entities regarding the DoD response to Hurricane Katrina.

**DoD Coordination Areas for Improvement**

DoD continues to have coordination issues that could affect readiness and situational awareness during disaster relief efforts. DoD does not adequately coordinate with other disaster relief components before accepting and staffing mission assignment requests. USNORTHCOM has not jointly staffed DCO positions with members of each Service. Only the Army provides DCO billets. Also, DoD disaster simulation exercises conducted since Hurricane Katrina may not be addressing the needs and concerns of all DoD Components involved in DSCA operations. Finally, disaster responders were unaware of FEMA guidance on purchasing equipment for disaster relief efforts. DoD can address most of these issues through changes to internal policy and processes. DoD should address these concerns to have better coordination between the DoD Components and other disaster response groups.

**DoD Policy for Providing Defense Support to Civil Authorities**

DoD is required by Directive 3025.15, “Military Assistance to Civil Authorities,” to assess appropriateness as part of the CARRLL analysis before accepting a mission assignment; however, the Directive does not clearly define “appropriateness.” According to the 2004 National Response Plan, DoD resources should be used only after local, State, FEMA, and other Federal resources are overwhelmed. Because the Directive does not adequately define appropriateness, DoD personnel did not have a policy for assessing whether other disaster responders could perform work before submitting FEMA requests to the Secretary of Defense for approval. Specifically, JCS and Air Force personnel observed instances in which the DoD Hurricane Katrina disaster response could have
been more appropriately integrated with the National Guard, Coast Guard, and Civil Air Patrol. DoD and FEMA should better coordinate and integrate these resources with DoD to result in a quicker and less costly disaster response as discussed below.

Coordinating With the National Guard and the Coast Guard

DoD does not have policy that clearly requires DoD to coordinate with the National Guard and the Coast Guard before accepting mission assignments. Currently, DoD policy does not include a requirement to assess coordination with other responders as an attribute of appropriateness of the mission assignments. Although we did not independently assess the extent to which each of the entities provided support during Hurricane Katrina, DoD officials believed that better coordination and integration of the National Guard, Coast Guard, and Civil Air Patrol during Hurricane Katrina may have resulted in an improved response. Although the National Guard can be federalized (controlled by the President rather than State Governors), the National Guard is generally a State-controlled asset, and each State has a different set of objectives for disaster response. The JCS observed the following after Hurricane Katrina.

- In an enduring or multi-State crisis, JCS is concerned that the command and control process is fragmented when DoD and the National Guard are participating simultaneously.

- Governors generally accept the action to federalize and give control of DoD and National Guard forces to a National Guard commander to ensure that the response serves both DoD and National Guard interests. The President or the Secretary of Defense can give control to DoD officers, but Governors usually prefer that the President or Secretary give the control to the National Guard officers.

- DoD should establish a mechanism for the Coast Guard to contact DoD for immediate support without a bureaucratic process.

Coordinating With the Civil Air Patrol

DoD does not have policy that clearly requires DoD to coordinate with the Civil Air Patrol, which is a volunteer civilian Component of the Air Force. The Civil Air Patrol can perform many of the same functions the Air Force performed during Hurricane Katrina relief efforts. Civil Air Patrol performs missions for search and rescue, disaster relief, and homeland security operations. Since 1948, the Secretary of the Air Force has had the authority to provide resources to the Civil Air Patrol so that the Air Force and the Civil Air Patrol can assist each other with their missions. The Civil Air Patrol flew nearly 1,000 aircraft support missions during Hurricane Katrina. The Air Force believes increased use of the Civil Air Patrol could result in lower costs and more efficient relief efforts. According to Air Force officials, the average cost of Civil Air Patrol missions during Hurricane Katrina was about $126 per flying hour compared with about $3,000 per flying hour for Air Force missions. The Civil Air Patrol can perform many missions that the Air Force performed during Hurricane Katrina and does not require the same approval process or support structure as the Air Force requires. The Civil Air Patrol also has more flexibility for surveillance than do DoD military forces. However, DoD policy does not clearly require an assessment to use the Civil Air Patrol before DoD resources.
Staffing DCO Positions

USNORTHCOM has not obtained an equal and adequate level of effort from all Services to jointly establish the DCO program. At present, only the Army provides billets and personnel for the DCO program. According to the Army, the other Services were given the opportunity but chose not to participate in the DCO program. As of June 2008, one DCO is assigned to each of the 10 FEMA regions. Having DCOs collocated with FEMA personnel in each of the regions helps DoD coordinate and integrate disaster response with local, State, and Federal agencies. Although the redeveloped role of the DCO and the implementation by the Army have improved DSCA operations, we believe that a jointly staffed DCO would further increase effectiveness of the program. Each Army DCO receives input from the other Services through the Emergency Preparedness Liaison Officers, but having an Air Force DCO rather than an Army DCO could be beneficial for certain events, especially for fire-fighting missions that are primarily air-based. Similarly, a DCO with naval expertise may also be beneficial when missions primarily involve maritime or diving capabilities. Although the DCOs are currently assigned by FEMA region and not by type of disaster response, USNORTHCOM could benefit from having DCOs from all of the Services. A jointly staffed DCO program would better fulfill the joint USNORTHCOM DSCA mission rather than a program staffed only by the Army.

Implementing Tools Used in Approval Process

DoD has partially developed two tools to assist with the approval process and tracking of mission assignments that could be improved. Army North, in conjunction with USNORTHCOM, has not fully developed the DoD DSCA Automated Support System (DDASS), a Web-based automated approval tracking tool. Additionally, DoD has not adequately maintained the DoD Resources Tool to estimate costs of a mission assignment. DCEs must estimate costs associated with mission assignments from numerous channels rather than from a single location. By fully developing and maintaining these tools, DoD will have better controls over the status of a mission assignment and submit more realistic cost estimates of DoD support to FEMA.

Automated Tracking System

DoD did not have an efficient system in place for approving and tracking the status of mission assignments during Hurricane Katrina. Specifically, during Hurricane Katrina, DoD required coordination signatures on forms from various offices involved in the approval process. We reviewed documentation at JCS and USNORTHCOM on the Hurricane Katrina relief efforts and determined that coordination forms for numerous execute orders were incomplete, while the copies of the same forms maintained at ASD(HD&ASA) were more complete. See Appendix E for the organizations involved in the DSCA approval process. DoD Components maintained forms that were not always up-to-date because the approval and tracking process was done manually through a series of hardcopy coordination forms. In addition to missing signatures, we identified instances in which documents were missing, dates for signatures did not match the normal flow of documentation, or information from the FEMA request was not sufficiently recorded on the DoD forms.
We compared spreadsheets that were manually compiled by JCS, USNORTHCOM, Financial Manager-Katrina, and the Department of Homeland Security to track mission assignments and amendments; however, none of the spreadsheets contained all mission assignments or amendments. We reviewed these four spreadsheets and also compiled our own spreadsheet based on our review of mission assignment documentation in a USNORTHCOM resource library. We identified 121 mission assignments and 189 amendments on at least one of the spreadsheets. Our spreadsheet contained 111 of the 121 mission assignments. The JCS, USNORTHCOM, Financial Manager-Katrina, and Department of Homeland Security compiled less complete spreadsheets that identified between 103 and 110 mission assignments each.

DoD maintained less complete information on mission assignment amendments than on the original mission assignments. The Department of Homeland Security spreadsheet contained information on 179 of the 189 amendments. The JCS, USNORTHCOM, and our own spreadsheet each contained slightly more than half of the amendments. The Financial Manager-Katrina spreadsheet did not separate amendment information so we could not accurately determine the amendments it contained. By not adequately tracking mission assignment amendments, DoD risked performing unnecessary work because the amendments may instruct DoD to change the scope, cancel, or extend disaster relief efforts. These DoD Components had incomplete oversight of the entire Hurricane Katrina operation as demonstrated by the incomplete spreadsheets that the different parties maintained. Since Hurricane Katrina, DoD has taken the initiative to develop an automated approval tracking system called DDASS. During our review, DDASS consisted only of the Mission Assignment Tracking Manager and Defense Coordinating Element Coordination Manager modules. We believe that many of the approval and tracking issues we noted during our review of documentation from Hurricane Katrina will be addressed by full implementation of the DDASS system.

Army North is developing DDASS, in collaboration with USNORTHCOM, to track the approval process and critical information on operations. When fully developed, DDASS should provide real-time information and will allow DoD users to monitor the approval, sourcing, costs, and progress of mission assignments. DDASS has been used in exercises and smaller real-world events. Army North recently upgraded the system to be Web-based with increased connectivity at remote locations. Army North missed an internal milestone of December 31, 2007, for implementing Financial Management and Request for Forces modules. Subsequently, the purpose of the Financial Management module has been revised to include the entire reimbursement process. Army North has made the development of this module the number one priority. Additionally, the need for the Request for Forces module has been eliminated from the system requirements. DoD should have real-time oversight of mission assignments from approval to closeout when DDASS is fully implemented.

**DoD Resources Tool**

DoD has not adequately maintained a central resource for helping DCE personnel estimate costs associated with a mission assignment. According to
USNORTHCOM, prior to Hurricane Katrina the U.S. Army Forces Command developed a compact disk to provide cost estimates for the use of DoD resources. DCEs used the data to provide cost estimates to organizations that requested DoD assistance. However, no Component updated the compact disk, and the information on it became obsolete. Currently, DCEs pull cost data from numerous sources to determine the estimated costs to complete a mission assignment. The resources include an Under Secretary of Defense (Comptroller)/Chief Financial Officer database for cost per flight hour of various aircraft, Joint Travel Regulations for per diem rates, and Service-specific information for costs to use public airport facilities and similar data. The information from these resources is not contained in any single location. Experienced DCE personnel are aware of the various resources available, but as personnel change positions, the knowledge of these sources may be lost. To mitigate the chance that new employees will not know where to find this information, DoD should maintain and routinely update a single tool to estimate costs of DoD resources.

Disaster Relief Exercises

Personnel from ASD(HD&ASA) and the Services discussed inefficiencies regarding coordination and participation during training and operational exercises since Hurricane Katrina. USNORTHCOM sponsored the Ardent Sentry and Vigilant Shield Exercises to help participants become better prepared to prevent and respond to a national crisis. DoD, Department of Homeland Security, and other organizations involved in disaster relief are invited to participate in these DSCA exercises. DoD personnel we interviewed predominately agreed these and other smaller exercises were beneficial. However, ASD(HD&ASA) and Air Force officials expressed opinions that the mock disasters in exercises were artificial and set up for success rather than set up to test the limits of DoD capabilities. Although the DCE is a joint function, DCOs stated that the Services were not always willing to activate their respective Emergency Preparedness Liaison Officers, who are primarily reservists, to participate in training and operational exercises. Also, Air Force and Army personnel discussed concerns about exercises being too focused on national objectives rather than broad DoD and lower-level DoD Component objectives. Improved coordination between USNORTHCOM and the Services during training and exercises should increase DoD readiness for future support in disaster operations. DoD should strive for full participation by Emergency Preparedness Liaison Officers, routinely provide opportunities to test the complete DSCA operations, and limit artificial assumptions when planning future exercises.

Testing Capabilities in Exercises

ASD(HD&ASA), Air Force, and Army officials expressed concerns regarding the development and planning of exercises. Specifically, the officials noted concerns with the preparation and planning of the exercises.

An ASD(HD&ASA) official stated that USNORTHCOM generally develops the exercises for a successful outcome rather than testing the limits of the disaster response capabilities. DoD informs exercise participants about the extent of the mock disaster before the exercise. The disclosure allows the participants in the exercises to pre-position and provide assets rather than react based on the events that occur during
the exercise. Also, the official believed that States are more willing to share National Guard resources with neighboring States through established agreements when they know that the disaster will not affect their State. In a real-life situation, some DoD personnel believe that States may withhold resources for their own protection against unknown events.

Air Force North-proposed Service-level objectives were not being adequately implemented and tested during the exercises. For example, Air Force objectives for the Ardent Sentry 2007 exercise included testing established homeland defense systems; testing the use of various aircraft; providing airborne intelligence, surveillance, and reconnaissance support; and providing Air Force command support to joint task forces. USNORTHCOM published objectives for the same exercise that included providing local, State (including the National Guard), and Federal responders an opportunity to exercise with USNORTHCOM; test execution of response plans; improve coordination with Canadian partners; and explore coordination opportunities with the other combatant commands.

Air Force personnel stated that the Air Force was not able to accomplish many of its objectives during the Ardent Sentry 2007 exercise. Because the Service-level objectives were not built into the overall objectives, the Air Force was predominantly forced to sit idle when States indicated that they could provide the necessary support. The Air Force conducted its own smaller exercises to test its own objectives. According to Air Force North personnel, the exercises were not as effective because they did not include higher level command and control functions.

Army North encountered a situation similar to that of Air Force North. Service-level objectives were not always being adequately incorporated into the larger USNORTHCOM objectives. However, Army North personnel also stated that USNORTHCOM was justified in making the objectives broader for large-scale exercises because time and resources are limited when multiple responders are involved. According to the Army, DoD needed to exercise with other responders first because issues with that process affect the entire chain of DoD relief efforts. When the issue is solely within DoD, DoD can conduct other exercises at a later time.

According to USNORTHCOM:

USNORTHCOM exercise planners are aware of the concerns from Air Force North and Army North. Four exercise planning conferences are conducted for every exercise, and all exercise participants contribute and advocate for inclusion of their training objectives. However, due to time, fiscal, logistical, and other constraints, the final result is a compromise between the needs of participating organizations, and not all training objectives can be included. This is especially true when USNORTHCOM exercises are linked [to] the National Level Exercises . . . as part of the National Exercise Program. Therefore, major Interagency exercises may not be the best arena to address Service-level concerns. If the objectives are still not addressed during those exercises, the USNORTHCOM Components (in collaboration with USNORTHCOM) can address these issues during their own exercises.
We agree that time and resources limit the ability to inject all Service component objectives during exercises, but we believe that USNORTHCOM should devote some effort to Service-level concerns in future National Level Exercises. DoD should occasionally exercise the entire DSCA operation from request to closeout to pinpoint problems in the coordination process. Service Components should have opportunities to address concerns that involve interagency coordination that cannot be replicated in internal DoD exercises.

**Participation of Emergency Preparedness Liaison Officers in Training and Exercises**

The DCOs we interviewed stated that they do not have the authority to activate personnel needed for the training and exercises. According to DoD Directive 3025.16, “Military Emergency Preparedness Liaison Officer Program,” December 18, 2000, individual Services are responsible for providing support when necessary. The DCOs believed that having authority to activate the reservists for the training and other exercises might be beneficial, but they noted that activation has not been a problem for real-world disasters or when the Services are given advance notice of exercises. The DCOs were divided on whether the benefit would outweigh the administrative burden placed on the DCOs if they had the authority to activate reservists.

**Equipment for Mission Assignments**

Navy officials were not fully aware of the requirements for obtaining equipment used for mission assignments. According to the FEMA Web site, responders should purchase equipment under a mission assignment only if FEMA does not have existing equipment readily available. If FEMA does not have equipment available, responders can purchase equipment and later turn it in to FEMA for reimbursement. However, when the responder receives written permission, FEMA allows the responder to keep the equipment. We identified instances in which Navy responders purchased new equipment or replaced damaged equipment without notifying FEMA. The Navy believes that following FEMA requirements would have hindered or delayed DoD response efforts. Generally, the Navy disaster responders could not request FEMA equipment because they were already in the disaster area awaiting a mission assignment. The units carried their own equipment to the disaster area because it was readily available and compatible with the rest of the equipment they were using for the disaster relief. Also, the responders had already received training on using the equipment. The Navy has struggled to obtain reimbursement for the equipment used during Hurricane Katrina relief efforts because the repair or purchase was not adequately coordinated with FEMA. As of September 4, 2007, the Navy had not received reimbursement for about $4.8 million of the equipment used for Hurricane Katrina relief efforts. Because DoD has equipment that could be useful for disaster relief efforts, DoD and FEMA should reach an agreement to allow use of existing equipment and obtain equitable reimbursement of costs resulting from this use.
Conclusion
DoD continues to have coordination issues with other responders. DoD policy for assessing mission assignments for acceptance is vague and has not been updated to include all DoD organizations included in the mission assignment process. Also, USNORTHCOM has not jointly staffed the DCO positions. DoD has not fully developed or maintained tools that could be used for a smoother disaster response. In addition, DoD does not have full participation for the training and exercises and, in some cases, the training and exercises do not test for the unexpected. Finally, DoD responders need to understand FEMA requirements if they plan to obtain reimbursement for equipment used for disasters. Until DoD resolves these coordination issues, DoD risks having an inefficient disaster relief process that could be more costly than necessary.

Recommendations, Client Comments, and Audit Response

Redirected and Renumbered Recommendations
As a result of Assistant Secretary of Defense for Homeland Defense and Americas’ Security Affairs comments on the draft report, we redirected draft Recommendations A.3.b. and A.3.c. This resulted in renumbered recommendations. Draft Recommendation A.3.b. was redirected to the Under Secretary of Defense (Comptroller)/Chief Financial Officer and is now Recommendation A.2. Draft Recommendation A.2. to the Commander, U.S. Northern Command is now Recommendation A.3. Draft Recommendation A.3.c. retains its numbering, but is now addressed to the Commander, U.S. Northern Command rather than to the Assistant Secretary of Defense for Homeland Defense and Americas’ Security Affairs. See page 52 for a memorandum from the Assistant Secretary of Defense for Homeland Defense and Americas’ Security Affairs regarding the redirection of our recommendations.

A.1. We recommend that the Chairman, Joint Chiefs of Staff:

   a. Develop an implementation plan to migrate the staffing of Defense Coordinating Officer positions from Army to all Services and other DoD Components, as appropriate.

   b. Develop procedures to determine whether DoD adequately coordinates with other responders before submitting Federal Emergency Management Agency requests for assistance to the Secretary of Defense for acceptance.

   c. Assign the development and routine updating of a DoD-wide tool for estimating costs associated with mission assignments to an appropriate Component.
Joint Chiefs of Staff Comments
The Chairman of the Joint Chiefs of Staff concurred with recommendations A.1.a., A.1.b., and A.1.c. The Joint Chiefs of Staff plans to initiate actions to address our recommendations with completion dates ranging from the end of FY 2008 to FY 2010.

Audit Response
The Chairman of the Joint Chiefs of Staff comments were responsive. No additional comment is necessary.

A.2. We recommend that the Under Secretary of Defense (Comptroller)/Chief Financial Officer develop a memorandum of understanding with the Federal Emergency Management Agency that establishes guidelines and requirements for using and being reimbursed for DoD equipment used on mission assignments.

Recommendation A.2. was redirected to the Under Secretary of Defense (Comptroller)/Chief Financial Officer based on comments from the Assistant Secretary of Defense for Homeland Defense and Americas’ Security Affairs. We require comments from the Under Secretary of Defense (Comptroller)/Chief Financial Officer on this redirected recommendation.

A.3. We recommend that the Commander, U.S. Northern Command:


b. Review the planning process for exercises to determine whether the current exercise structure allows adequate opportunity for all DoD Components involved in Defense Support of Civil Authority missions to exercise with interagency partners.

c. Determine whether the DoD 3025 series of directives provides adequate authority to Defense Coordinating Officers to ensure that DoD maintains an adequately trained and exercised Emergency Preparedness Liaison Officer Program.

U.S. Northern Command Comments
U.S. Northern Command concurred with recommendations A.3.a. and A.3.b. According to the Inspector General, U.S. Northern Command, who responded for the Commander, the U.S. Northern Command has fully funded the DoD Defense Support of Civil Authorities Automated Support System, and implementation should be complete by the end of calendar year 2008. Additionally, the Inspector General, U.S. Northern Command commented on multiple resources that have been developed to prepare and advocate exercise objectives, but noted that funding limits these resources both within DoD and with interagency partners.
We redirected Recommendation A.3.c. to the Commander, U.S. Northern Command based on comments from the Assistant Secretary of Defense for Homeland Defense and Americas’ Security Affairs. We require comments from the Commander, U.S. Northern Command on this recommendation.

**Audit Response**
The U.S. Northern Command comments were responsive. No additional comment is necessary for Recommendations A.3.a. and A.3.b. We require comment from the Commander, U.S. Northern Command on redirected Recommendation A.3.c.

**A.4.** We recommend that the Assistant Secretary of Defense for Homeland Defense and Americas’ Security Affairs revise policy in the DoD 3025 series of directives on assessing cost, appropriateness, readiness, risk, legality, and lethality (CARRLL analysis) to clarify the term “appropriateness.” The policy should establish procedures to assess whether other disaster responders, including local, State, Federal, and private resources, are more appropriate to complete the request before accepting disaster relief missions. The policy should consider factors such as urgent need and complexity of some missions so that DoD can respond when required but still maintain a supporting role in disaster response efforts.

**Assistant Secretary of Defense for Homeland Defense and Americas’ Security Affairs Comments**
The Assistant Secretary of Defense for Homeland Defense and Americas’ Security Affairs concurred with comment, stating that the guidance needs to be flexible so that each request can be reviewed on a case-by-case basis.

**Audit Response**
The Assistant Secretary of Defense for Homeland Defense and Americas’ Security Affairs comments were responsive. We did not intend for the recommendation to revise the DoD 3025 series to be restrictive when DoD response is needed. Rather, we are recommending that the policy provide a framework on what should be considered to determine what is appropriate for DoD response. The updated policy should provide uniform guidance on what is appropriate for DoD response, but also allow DoD action in extreme circumstances. No additional comment is necessary.
Finding B. Financial Management for Hurricane Katrina Mission Assignments

Initially, DoD did not effectively manage financial operations during the Hurricane Katrina relief efforts. DoD made improvements to financial operations, but DoD has not adequately updated guidance to reflect effective measures taken as Hurricane Katrina relief efforts progressed. DoD did not effectively manage financial operations because of outdated and conflicting guidance in place that did not:

- identify updated roles and responsibilities of participating commands;
- require the allocation of reimbursable budget authority at the supported combatant command (USNORTHCOM) level;
- provide tracking instructions that produced uniform results and consolidated funding information at the DoD-wide level; or
- require execute orders to be within the scope of work listed on the related FEMA mission assignment.

As a result, DoD risked exceeding FEMA mission assignment dollar thresholds. DoD also risked losing track of total costs and could have been denied reimbursement for funds spent related to Hurricane Katrina disaster relief efforts.

DoD Financial Management Related to Hurricane Katrina

Initially, DoD did not effectively manage financial operations during the Hurricane Katrina relief efforts. USNORTHCOM did not consistently communicate financial information among DoD Components in an effective manner. For example, DoD Commanders quickly responded to the disaster area in the interest of saving lives and mitigating property damage, but risked not being reimbursed when tasks completed did not fall within the time and performance limitations of FEMA requests. Additionally, USNORTHCOM did not include mission assignment numbers or dollar amounts in the first 12 execute order modifications, adversely affecting initial financial operations. DoD did improve financial operations throughout Hurricane Katrina relief efforts by establishing the Financial Manager-Katrina and by including some financial information on later execute order modifications. However, USNORTHCOM’s initial lack of effective financial management complicated DoD work and risked overobligation of budget authority. Also, DoD has not updated guidance to adequately reflect the effective measures that were taken during Hurricane Katrina relief efforts.

Effect of Outdated Guidance on Hurricane Katrina Financial Management Procedures

DoD did not have guidance in place to effectively manage financial operations during the Hurricane Katrina relief efforts. ASD(HD&ASA), JCS, and USNORTHCOM did not update guidance to reflect new roles and responsibilities related to the command structure
and management of DSCA operations. USNORTHCOM did not allocate funding among multiple DoD Components providing support to the same mission assignment. DoD Components did not have instructions that identified reimbursable costs and tracking methodologies to ensure that information was uniform and could be shared across DoD. DoD Components did not have procedures to ensure units were tasked within the scope of work on FEMA mission assignments.

**Undefined Roles and Responsibilities**

DoD has outdated guidance in place that does not define financial practices and management responsibilities. The DoD 3025 series of directives does not reflect the appointment of ASD(HD&ASA) or his being delegated the “duties and authorities associated with these DoD Executive Agent assignments” or the establishment of USNORTHCOM as the supported combatant command. The JCS did not update Joint Publication 01-06, “Joint Tactics, Techniques, and Procedures for Financial Management During Joint Operations,” prior to Hurricane Katrina to reflect the establishment and responsibilities of USNORTHCOM. USNORTHCOM did not consistently include financial information from FEMA in execute order modifications issued to DoD Components. Under the configuration in place, the Financial Management Augmentation Team (FMAT) initially is not a joint function because it is composed of mostly Army staff. Additionally, FMAT is geographically separated from the USNORTHCOM Operations Directorate, hindering FMAT’s ability to provide financial input into the execute order issuing process. The FMAT has only draft guidance to explain financial operations and activation procedures.

**Outdated Roles and Responsibilities in the DoD 3025 Directives**

DoD did not update the DoD 3025 series of directives when ASD(HD&ASA) was delegated the “duties and authorities associated with these DoD Executive Agent assignments” and USNORTHCOM was established. The DoD 3025 directives establish the framework for disaster response and the roles and responsibilities of major participants. In July 2005, ASD(HD&ASA) was updating and consolidating the DoD 3025 directives with the DoD 3025.dd, “Defense Support of Civil Authorities,” and 3025.dd-m, “Manual for DSCA.” DoD 3025.dd consolidates, updates, and supersedes existing directives on DoD policy for providing civil support during domestic emergencies, but it was not issued prior to the landfall of Hurricane Katrina. The Secretary of the Army was still named as executive agent, and responders were instructed to seek reimbursement from the Defense Emergency Response Fund by the DoD 3025 directives in place during the Hurricane Katrina relief efforts. As of April 2008, DoD 3025.dd remained in draft and had not been issued.

**Improvements to the DoD 3025 Directives Reported Previously**

In DoD Inspector General (IG) Report No. D-2007-002, “Use of DoD Resources Supporting the Hurricane Katrina Disaster,” October 16, 2006, we reported that DoD policies covering support and assistance to civil authorities were not updated to reflect changes in the designation of the executive agency and in organizational structure. We recommended that the Under Secretary of Defense for Policy update DoD Directive 3025.1 and the Assistant Secretary of Defense for Special Operations and
Low-Intensity Conflict update DoD Directive 3025.15 to identify ASD(HD&ASA) as the executive agent and USNORTHCOM as the supporting combatant command for DSCA. DoD IG Audit Followup has been working with the Office of the ASD(HD&ASA), which plans to issue a single document, DoD 3025.dd, that will address both recommendations.

**Joint Publication 1-06 Prior to Katrina**

JCS did not update Joint Publication 1-06 prior to the Hurricane Katrina relief efforts to reflect the roles and responsibilities of USNORTHCOM. Joint Publication 1-06 defines the roles and responsibilities of combatant commander comptrollers and Service Component comptrollers. The goal is to provide a single staff element to oversee financial management for the combatant commander. Joint Publication 1-06 directs Service Components to allocate funds at the Service Component level. The establishment of USNORTHCOM should have required the allocation of funds at the supported combatant command level during Hurricane Katrina. JCS revised Joint Publication 1-06 on March 4, 2008, to include a section on DSCA allocation. Additionally, JCS issued Joint Publication 3-28, “Civil Support,” on September 14, 2007. JCS should routinely update publications to reflect changes in Federal regulations such as the Economy and Stafford Acts, DoD policies, and the National Response Framework.

**USNORTHCOM Issued Incomplete Execute Orders**

USNORTHCOM did not include FEMA mission assignment information in the first 12 execute order modifications issued during Hurricane Katrina relief efforts. USNORTHCOM did not consistently include FEMA mission assignment numbers on execute order modifications, nor did it allocate reimbursable budget authority by portion of work assigned. According to USNORTHCOM, the Under Secretary of Defense (Comptroller)/Chief Financial Officer directed USNORTHCOM not to allocate reimbursable budget authority, but neither USNORTHCOM, the Under Secretary of Defense (Comptroller)/Chief Financial Officer, nor the audit team could obtain information to verify this statement. USNORTHCOM compensated for the missing mission assignment information on the first 12 execute orders by issuing execute order modifications 13 and 17, which aligned all previous orders with FEMA mission assignments and included mission assignment information that had not been included in previous orders. USNORTHCOM did not have guidance in place that required specific information in execute orders. USNORTHCOM issued execute order modifications that were incomplete and adversely affected DoD Components’ ability to manage financial operations during the initial response to Hurricane Katrina.

**Challenges With USNORTHCOM Oversight and Structure of the FMAT**

USNORTHCOM should take a more proactive role in overseeing the financial oversight of joint operations. Under the current structure, the FMAT function begins at the Service Component level. For most missions, the FMAT is based at and operated by Army North and is staffed by Army personnel. In the event of a large disaster, personnel from other DoD Components and organizations can augment the FMAT, and then the FMAT can be relocated to USNORTHCOM headquarters. Regardless of location, USNORTHCOM oversees the FMAT. When the FMAT is not
located at USNORTHCOM headquarters, the FMAT has limited interaction with the USNORTHCOM Operations Directorate. When the FMAT is at the Service Component level, USNORTHCOM financial managers should increase interaction with the Operations Directorate to facilitate writing orders that include necessary information for units to obtain reimbursement. USNORTHCOM should develop standard procedures for the FMAT to allocate Service-level dollar limitations for joint mission assignments. USNORTHCOM should also routinely assess the readiness of the Service Components to provide consistent support to the FMAT when the FMAT becomes a joint function with USNORTHCOM. USNORTHCOM should develop written procedures for transferring the FMAT to USNORTHCOM when the need arises. Additionally, USNORTHCOM should ensure that the Army is not the only Service that can take a leading financial management role in the event of near-simultaneous disasters requiring separate and distinct FMAT support. We did not test the FMAT, but we did assess the capabilities of the function. We believe that a properly trained and staffed FMAT will help mitigate financial management problems identified during the Hurricane Katrina relief efforts.

**FMAT Involvement During Hurricane Dean in 2007**

Army North served as the sole FMAT point of contact for issuing reimbursable budget authority during Hurricane Dean in 2007. The Hurricane Dean execute orders included information on obtaining reimbursable budget authority and coordination with the FMAT team. Although DoD has worked to improve financial operations during DSCA operations through the use of the FMAT, the improvements have not been tested by a large-scale disaster like Hurricane Katrina.

**FMAT Draft Guidance**

The FMAT has only draft guidance in place to direct DSCA operations. USNORTHCOM is developing but has not issued the “Defense Support of Civil Authorities Financial Management Process.” The proposed guidance provides financial management procedures for DoD responders and procedures for activating the FMAT.

**Summary of Undefined Roles and Responsibilities**

DoD needs to update and implement DSCA guidance to ensure that DoD Components have guidance in place prior to beginning disaster relief efforts. ASD(HD&ASA) should issue both the DoD 3025.dd and 3025.dd-m to reflect the establishment of new organizations such as USNORTHCOM and the appointment of ASD(HD&ASA). JCS should routinely update publications to reflect changes to Federal and DoD regulations. USNORTHCOM should maintain better oversight of the FMAT function at the Service Component level. USNORTHCOM should also establish guidance for the FMAT and DoD financial management during DSCA by finalizing the draft guidance.

**Allocation of Costs Based on Delegation of Work**

USNORTHCOM did not allocate funds among DoD Components when multiple Services were tasked to the same mission assignment. Depending on the number of Services tasked, DoD risked overstating reimbursable budget authority from FEMA by up to three times the initial dollar amount. The overstatement occurred at the DoD
Component level because DoD did not have guidance or procedures in place that required USNORTHCOM to allocate reimbursable budget authority. The Navy instructed units to seek reimbursement from a single FEMA mission assignment in order to consolidate billing efforts. In our audit work, we noted several instances of the nonallocation of funds; the following are two examples.

**Mission Assignment — Mississippi 07**

DoD could have overallocated $45 million in reimbursable budget authority on Mississippi 07. USNORTHCOM did not allocate mission assignment funding among Service responders. Instead, the Army, Navy, Air Force, and Marine Corps could each have allocated the total dollar value of the mission assignment. FEMA issued Mississippi 07 on August 30, 2005, for $15 million. FEMA requested 36 helicopter units to transport Federal personnel, supplies, equipment, and casualties in Mississippi and Louisiana. USNORTHCOM tasked multiple units without allocating funding based on the portion of work assigned. Each Service could have sought reimbursement for the full amount listed on the mission assignment, causing overstatements of reimbursable budget authority or violations of the Antideficiency Act if the Services spent more than the amount listed on the FEMA mission assignment.

**Mission Assignment — Mississippi 19**

DoD could have overallocated $2 billion in reimbursable budget authority on Mississippi 19. USNORTHCOM did not allocate the mission assignment funding among Service responders. Instead, the Army, Navy, and Air Force each could have allocated the total dollar value of the mission assignment. FEMA issued Mississippi 19 on September 2, 2005, for $1 billion. The mission assignment had a broad scope that allowed DoD to include various types of relief assistance under the request. As with Mississippi 07, USNORTHCOM did not allocate the dollar value when it delegated the mission assignment to the responders. To further complicate financial management issues, Navy requested reimbursement for most relief efforts during Hurricane Katrina under the Mississippi 19 mission assignment instead of charging the appropriate costs to each mission assignment supported. The Navy billing practices could have prevented DoD from receiving reimbursement for Hurricane Katrina efforts because FEMA guidance does not allow responders to consolidate similar efforts and bill them to one mission assignment. Instead, FEMA requires responders to bill the efforts to the appropriate mission assignment.

**Risk of Overstating Reimbursable Budget Authority**

The Navy and Air Force were initially not allocating funding but the overall risk of overstating reimbursable budget authority was low. DoD Components were unlikely to breach FEMA mission assignment dollar thresholds because of large ceiling amounts obligated by FEMA. However, if each DoD Component expended the entire amount on the mission assignment, DoD could have potentially exceeded funding ceilings provided by FEMA and incurred Antideficiency Act violations. DoD needs to update financial procedures and guidance to ensure funding is allocated for FEMA mission assignments at the USNORTHCOM and DoD Component levels.
Allocation of Costs Reported Previously

In DoD IG Report No. D-2006-118, “Financial Management of Hurricane Katrina Relief Efforts at Selected DoD Components,” September 27, 2006, we reported that DoD provided responders with the full amount of the mission assignment rather than an amount based on delegation of work. The Under Secretary of Defense (Comptroller)/Chief Financial Officer agreed to review and revise policy to require the allocation of funds and to reflect the involvement of new organizations in disaster relief efforts. The report noted instances in which United States Transportation Command, Defense Information Systems Agency, the National Geospatial Agency, and the Special Operations Command were each assigned a portion of a mission assignment and the entire funding amount from USNORTHCOM instead of having the funding assigned by the portion of work assigned. DoD Inspector General Audit Followup has been working with the Under Secretary of Defense (Comptroller)/Chief Financial Officer on recommendations in the audit report. The Under Secretary of Defense (Comptroller)/Chief Financial Officer issued a memorandum for closeout procedures of Hurricane Katrina mission assignments as well as temporary guidance to address the first recommendation, but plans to wait for ASD(HD&ASA) to issue guidance prior to addressing the second recommendation made by the report.

Capturing and Tracking Costs for Mission Assignments

USNORTHCOM did not issue tracking guidance in the execute order modifications to DoD Components that clearly identified reimbursable costs. The DoD Components’ tracking efforts could not be consolidated at a DoD-wide level to determine how much the Components had charged against a particular FEMA mission assignment.

Identifying Reimbursable Costs in USNORTHCOM Orders

During Hurricane Katrina, USNORTHCOM issued execute order modifications that did not provide clear guidance or identify reimbursable costs. USNORTHCOM issued execute orders and subsequent modifications that name major statutory authorities DoD can be reimbursed under but did not identify costs that are reimbursable in specific situations. USNORTHCOM did not clearly identify in execute order modifications different costs that were reimbursable at different times during relief efforts.

Disparate Methods for Capturing and Tracking Costs

USNORTHCOM issued execute order modifications during Hurricane Katrina that did not identify costs that needed to be tracked or the thresholds against which DoD Components needed to track costs. DoD responders’ tracking efforts could not be consolidated at a DoD-wide level because responders tracked costs differently. For example, Army tracked costs by the overall mission assignment, Navy tracked costs by the assets responders used for the mission assignments, and Air Force tracked costs when units redeployed to their home stations.
Capturing and Tracking Cost During Future DSCA Efforts

USNORTHCOM needs to develop and implement tracking procedures that provide results that can be summarized at the DoD-wide level. USNORTHCOM should provide financial guidance in the execute order modifications detailing specifically which costs need to be tracked.

Tasks Performed Outside the Scope of Mission Assignment

DoD risked not being reimbursed by issuing orders and performing tasks that were outside the period of performance or assistance requested by the FEMA mission assignments. DoD ordered units to perform tasks outside of the dates of completion on mission assignments and, according to officials at FEMA, reimbursement would only be made for work performed during a specified period. First Army ordered units to perform tasks outside the scope of work listed on FEMA mission assignments and risked having reimbursement requests denied because FEMA provides reimbursement only for work performed within the scope of work of the mission assignment.

Tasks Performed Outside the Period of Performance

DoD pre-positions units before performance dates listed on FEMA mission assignments. Pre-positioning units is critical to having a rapid disaster response. If FEMA does not issue a mission assignment that includes the dates in which pre-positioning units occurs, DoD must fund the activity. For example, JCS deployed an Army command and control element to the joint operations area in anticipation of receiving a mission assignment from FEMA. The Army unit was deployed 6 days before the related FEMA mission assignment was issued and risked being ineligible for reimbursement because the tasks it performed in those 6 days were completed outside performance dates on the FEMA mission assignment. DoD officials stated that FEMA was lenient in providing reimbursement for pre-positioned forces during Hurricane Katrina, but FEMA might not be as lenient in the future. ASD(HD&ASA) should create an agreement with FEMA in accordance with DoD Instruction 4000.19, “Interservice and Intragovernmental Support,” August 9, 2005, that establishes procedures for DoD Components pre-positioning resources as necessary and seeking reimbursement for the pre-positioned resources through applicable regulations such as the Economy and Stafford Acts.

Tasks Performed Outside of the Assistance Requested

First Army issued a military interdepartmental purchase request for $1 million that was outside the scope of assistance requested by the FEMA mission assignment. First Army risked having reimbursement requests denied because it ordered the 18th Airborne Corps to provide chain saws, fuel, food, ice, incremental overtime, tents, lights sets, portable showers, and outboard motors for a FEMA mission assignment requesting 36 helicopter units from DoD. DoD should issue orders within the statement of work on FEMA mission assignments to ensure that units are eligible for reimbursement. DoD and FEMA should create an agreement that would enable units to position themselves for a proactive DoD response.
**Conclusion**

USNORTHCOM did not allocate costs for mission assignments based on work delegated to the responders for Hurricane Katrina, and DoD could have exceeded dollar thresholds FEMA established for the mission assignments. Allocating funds should allow future DoD responders to work within FEMA financial constraints for mission assignments. In addition, DoD did not have guidance for the DoD responders to uniformly and consistently capture and track costs for the mission assignments, and DoD Components used different methods for tracking costs. Providing guidance for financial management of the mission assignments should allow DoD to improve processes for mission assignments for future disasters.

**Recommendations, Client Comments, and Audit Response**

B.1. We recommend that the Chairman, Joint Chiefs of Staff routinely update Joint Publications to reflect changes in Federal regulations, DoD policies, and the National Response Framework.

**Joint Chiefs of Staff Comments**

The Chairman, Joint Chiefs of Staff concurred. The Joint Staff will revise Joint Publications as changes in the National Response Framework occur.

**Audit Response**

The Chairman, Joint Chiefs of Staff comments were responsive. No additional comment is necessary.


**Under Secretary of Defense (Comptroller)/Chief Financial Officer Comments**

The Under Secretary of Defense (Comptroller)/Chief Financial Officer concurred. The Under Secretary of Defense (Comptroller)/Chief Financial Officer will issue financial management guidance after DoD Directive 3025.dd is released.

**Audit Response**

The Under Secretary of Defense (Comptroller)/Chief Financial Officer comments were responsive. No additional comment is necessary.
B.3. We recommend that the Commander, U.S. Northern Command:


   b. Develop procedures to integrate financial management oversight into the execute order-writing process for reimbursable missions.

   c. Establish methods to maintain appropriately trained and ready Financial Management Augmentation Team members at the Service Components with the ability to operate using consistent methods whether working at the Service or joint level.

   d. Document procedures to assess the Financial Management Augmentation Team actions at the Service Component level and determine when the team transfers to U.S. Northern Command.

**U.S. Northern Command Comments**


**Audit Response**

U.S. Northern Command comments were not fully responsive. When we requested a copy of the final Defense Support to Civil Authorities Financial Management Process manual, U.S. Northern Command responded that the manual was available only in draft form. Additionally, in a May 2008 e-mail, U.S. Northern Command personnel noted that the procedures for transferring the Financial Management Augmentation Team to U.S. Northern Command were not documented. After further discussion, U.S. Northern Command stated that the intent of Recommendation B.3.d. will be accomplished through the issuance of the instruction that U.S. Northern Command is developing. Although the original U.S. Northern Command comments were not entirely responsive, through additional discussions, we determined that the intent of our recommendations should be addressed by the instruction that is currently being drafted. No additional comment is necessary.
B.4. We recommend that the Assistant Secretary of Defense for Homeland Defense and Americas’ Security Affairs:


   b. Develop a memorandum of understanding in accordance with DoD Instruction 4000.19, “Interservice and Intragovernmental Support,” with the Federal Emergency Management Agency that establishes procedures for DoD Components pre-positioning resources as necessary and seeking reimbursement for the pre-positioned resources through applicable regulations such as the Economy and Stafford Acts.

**Assistant Secretary of Defense for Homeland Defense and Americas’ Security Affairs Comments**


**Audit Response**

The Assistant Secretary of Defense for Homeland Defense and Americas’ Security Affairs comments were responsive. No additional comment is necessary.
Issues Outside DoD Control

We identified several issues during the course of our audit that require coordination between DoD and FEMA. The issues include the use of DoD equipment, the use of other entities, reimbursement and funding considerations, the issuance of mission assignments through multiple channels, and the perception of the primary DoD mission. If DoD and FEMA personnel address these issues, their agencies can provide more efficient disaster response.

Use of DoD Equipment Rather Than FEMA Equipment

The FEMA requirement of determining the availability of equipment at logistics centers can potentially delay the DoD response. According to FEMA, responders should use equipment and supplies located at the FEMA logistics centers prior to purchasing or using other equipment in response to a disaster. DoD already has equipment its units can use during disaster response. DoD officials also expressed concerns over compatibility of FEMA and DoD equipment. Having an agreement in place could improve the efficiency of a disaster response because DoD units already have the equipment in their possession as well as the training on how to use that equipment. As recommended to DoD, FEMA and DoD should coordinate an agreement regarding the use of DoD equipment while responding to a mission assignment. FEMA should also consider developing a single Federal policy that establishes procedures for using existing equipment during mission assignments and obtaining reimbursement.

Requesting Disaster Response From Entities Other Than the DoD Services

FEMA does not always make full use of other disaster responders before requesting assistance from DoD Services. The practice may result in a less efficient disaster response. As discussed earlier, FEMA could improve use of the National Guard, Coast Guard, and Civil Air Patrol before requesting support from DoD. The use of other entities, including but not limited to the entities listed above, other Departments, and contractors, could lead to improved response time because FEMA would avoid the approval process required within DoD. The use of these other entities may also allow DoD forces to perform other DSCA and warfighting operations. Additionally, the generally lower costs associated with the other entities would lead to more economical disaster response. FEMA should consider using other entities prior to requesting support from DoD.

Reimbursement of Costs Incurred to Pre-Position Resources

FEMA is not required to reimburse DoD for work performed by pre-positioned forces unless an agreement is in place. The Economy Act authorizes Federal agencies to provide support to other Federal agencies on a reimbursable basis if other authority does not exist. DoD Instruction 4000.19 states that recurring interagency support that requires reimbursement should be documented on a DD Form 1144 or in a similar format, yet no agreement with FEMA is in place. As a result, DoD may not always receive
reimbursement for eligible costs incurred by pre-positioned resources, including forces and assets, in the future. DoD and FEMA need to consider the increasing reliance on pre-positioning resources relating to the issuance of mission assignments and how the actions are funded. FEMA representatives stressed that agencies will receive reimbursement only for work performed within the performance period on the mission assignment. DoD and FEMA should reach an agreement to avoid any reimbursement issues with pre-positioned resources in the future. As recommended to DoD and stated in DoD Instruction 4000.19, FEMA and DoD should coordinate an agreement that will allow DoD to pre-position resources and seek reimbursement for eligible costs incurred by pre-positioned resources, specifically using the Economy Act.

**Funding for the Pre-Positioning of National Guard Forces**

In certain instances, FEMA should use disaster relief appropriations to reimburse DoD for pre-positioning National Guard forces. The pre-positioning of National Guard forces serves a critical role in disaster response because they are one of the main resources States maintain for disaster response. When States hesitate to use funds to activate National Guard forces and pre-position them, DoD can fund that cost. However, DoD does not receive reimbursement for pre-positioning the National Guard. During Hurricane Katrina, DoD recognized the importance of pre-positioning assets. Instead of waiting for a reimbursable mission assignment to come from FEMA, DoD funded the pre-positioning of National Guard forces when the States or FEMA should have funded that cost. Because the National Guard is generally considered a State asset, FEMA should consider how funding for the pre-positioning of the National Guard could occur. Specifically, FEMA should address when FEMA or DoD funds the cost of pre-positioning the National Guard using DoD Instruction 4000.19 and the Economy Act.

**FEMA Mission Assignments From Multiple Channels**

During Hurricane Katrina, FEMA personnel issued mission assignments from the region and from national headquarters that entered DoD at multiple levels (the DCO, JCS, and USNORTHCOM). DoD personnel experienced unnecessary confusion during Hurricane Katrina because of the multiple channels through which the mission assignments entered DoD. The USNORTHCOM Civil Support Concept of Employment, August 20, 2004, states, “To ensure a rapid, coordinated, and consistent DoD disaster response, the DCO is the single point of contact in the field for coordinating and validating the use of DoD resources.” The 2004 National Response Plan also identifies this role of the DCO. The development of DDASS will address this issue to some extent because DDASS provides oversight of the status of all mission assignments. However, FEMA should consider how personnel submit mission assignments to DoD, specifically after deployment of the DCO and DCE, and implement guidelines to adhere to the 2004 National Response Plan and the DoD requirement of the DCO serving as the point of contact for processing requests for assistance.
Perception of the Primary DoD Mission and Role in Disaster Response

Some FEMA personnel misunderstand the DoD mission. Through interaction with FEMA representatives in courses we participated in, we determined that some FEMA personnel believe the primary DoD mission involves DSCA. DoD’s primary mission is to provide the military forces needed to deter war and to protect the security of the United States. DoD performs DSCA operations as a secondary mission. FEMA should determine whether personnel who interact with DoD for disaster operations have knowledge of the DoD mission. We believe it would be beneficial for FEMA personnel who frequently interact with DoD to consider attending the DSCA Phase II course offered by Army North.

Despite the provisions of the 2004 National Response Plan, FEMA and other Federal agencies rely heavily on DoD for DSCA support. According to the Department of Homeland Security Inspector General, FEMA issued more than $7 billion in Hurricane Katrina mission assignments to all agencies. Of that $7 billion, DoD and the U.S. Army Corps of Engineers, serving as the primary agency for emergency support function 3 (Public Works and Engineering), received more than $6 billion. DoD provides support on multiple levels and as a supporting agency to all 15 emergency support functions, yet combined with the U.S. Army Corps of Engineers, it received more than 80 percent of the total dollar value in Hurricane Katrina mission assignments.

Conclusion

We identified these issues outside of DoD control during our audit. Because the issues exist between DoD and FEMA, we made appropriate recommendations to DoD, but we will also address the issues in a memorandum to the Department of Homeland Security Inspector General. We believe that an enhanced and more efficient disaster response will occur if FEMA and DoD properly address these issues.
Appendix A. Scope and Methodology

We conducted this performance audit from January 2007 through June 2008 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

We reviewed prior audits; the Stafford Act; the 2004 National Response Plan; the Economy Act; title 44 of the Code of Federal Regulations; the DoD Financial Management Regulation; 121 mission assignments and 189 mission assignment amendments issued to DoD during Hurricane Katrina totaling more than $2 billion; execution and deployment orders from JCS, USNORTHCOM, and U.S. Joint Forces Command; and other subsequent DoD actions taken on these mission assignments. We also reviewed lessons learned from Hurricane Katrina, 2006 and 2007 Severe Weather Standing DSCA execution orders, and DDASS implementation manuals. In addition, we evaluated the adequacy of directives, policies, manuals, instructions, and plans issued by Federal agencies, DoD, the Joint Staff, and USNORTHCOM related to DSCA operations and the achievements made since Hurricane Katrina. Specific criteria that we reviewed include DoD Directives 3025.1, 3025.12, 3025.15, and 3025.16; DoD Manual 3025.1; Joint Publication 1-06; and Joint Staff Instruction 3630.01. We attended training courses hosted by FEMA and Army North.

We interviewed personnel within the Office of the Secretary of Defense. Specifically, we met with personnel from the following Office of the Secretary of Defense Components:

- ASD(HD&ASA)
- (Comptroller)/Chief Financial Officer
- General Counsel
- Acquisition, Technology, and Logistics
- Personnel and Readiness

We also interviewed DoD personnel from the manpower/personnel, operations, logistics, plans and policy, training and exercises, and finance directorates in part or in full at the following locations:

- JCS
- USNORTHCOM
- U.S. Joint Forces Command
- Army Forces Command
- Fleet Forces Command/Navy North
- Air Combat Command
- Army North
- Air Force North

Additionally, we contacted personnel from the U.S. Army Corps of Engineers, Defense Finance and Accounting Service, and the Financial Manager-Katrina.
Our contacts with personnel in the organizations included discussions on the observances from Hurricane Katrina, corrective actions taken since then, and recommendations in the previously issued audit reports. We limited our review to the DoD handling of the mission assignments from the initial contact with FEMA to the performance and financial management of the assigned missions. After announcing the audit, we removed the U.S. Army Corps of Engineers and the overall reconciliation process from the audit scope. However, we did review limited aspects of the reconciliation process when addressing concerns identified by DoD personnel. We did not review the interaction between DoD personnel and other disaster relief agencies during the Gulf Coast recovery efforts.

**Review of Internal Controls**

As defined by DoD Instruction 5010.40, “Managers’ Internal Control (MIC) Program Procedures,” January 4, 2006, internal control weaknesses existed in the way ASD(HD&ASA), JCS, and USNORTHCOM carried out the mission assignment process. JCS and ASD(HD&ASA) did not have adequate procedures in place to coordinate with other disaster relief components before accepting and staffing mission assignments. Also, specific guidance was not in place to require USNORTHCOM to always allocate costs among responders when it delegated the mission assignments. USNORTHCOM did not allocate a portion of the total dollar amount of the mission assignment to each responder. Instead, each responder could have requested reimbursement for the entire mission assignment amount. DoD risked providing unnecessary resources for mission assignments (see finding A) and spending more than FEMA authorized for the mission assignments (see finding B). Implementing Recommendations A.1.c., A.2., A.3.a., A.4., B.1., B.2., B.3.a., B.3.b., B.3.c., and B.4.a. will improve procedures for accepting mission assignments and financial management of reimbursable funds.

**Use of Computer-Processed Data**

We examined deployment orders, execution orders, and the implementation and development of the DDASS system. We did not test the accuracy and completeness of the order-writing computer systems because we reviewed hard copy documentation. We examined the DDASS system as it pertains to the approval and tracking of the mission assignment process. Although we partially reviewed the capabilities of the system, we did not test reliability or accuracy of the automated tracking system because the system is still in development.
Appendix B. Prior Coverage

During the last 5 years, the Government Accountability Office (GAO), the Department of Defense Inspector General (DoD IG), the Army Audit Agency, the Naval Audit Service, and the Air Force Audit Agency have issued a total of 10 reports related to this audit. This list of 10 audit reports does not include each audit related to Hurricane Katrina; rather it consists of the audits most directly associated with the objectives of this audit. Unrestricted GAO reports can be accessed over the Internet at http://www.gao.gov. Unrestricted DoD IG reports can be accessed at http://www.dodig.mil/audit/reports.

**GAO**


**DoD IG**


**Army**


**Navy**


**Air Force**

Appendix C. Emergency Support Functions

The 2004 National Response Plan establishes 15 emergency support functions covering various categories of disaster. As shown in the chart, a primary agency has responsibility for each emergency support function and other Federal and civil components provide support, as required. DoD, specifically the U.S. Army Corps of Engineers, is the primary agency for emergency support function 3. Mission assignments issued to the U.S. Army Corps of Engineers under emergency support function 3 do not require normal DoD approval.

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<tr>
<th>ESF</th>
<th>ESF Title</th>
<th>ESF Primary Agency</th>
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<tr>
<td>1</td>
<td>Transportation</td>
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<tr>
<td>2</td>
<td>Communications</td>
<td>Department of Homeland Security/Information Analysis and Infrastructure Protection/National Communications system</td>
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<tr>
<td>4</td>
<td>Fire Fighting</td>
<td>Department of Agriculture/Forest Service</td>
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<tr>
<td>6</td>
<td>Mass Care, Housing and Human Services</td>
<td>Department of Homeland Security/Emergency Preparedness and Response/Federal Emergency Management Agency; The American Red Cross</td>
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<tr>
<td>7</td>
<td>Resource Support</td>
<td>General Services Administration</td>
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<td>8</td>
<td>Public Health and Medical Services</td>
<td>Department of Health and Human Services</td>
</tr>
<tr>
<td>10</td>
<td>Oil and Hazardous Materials Response</td>
<td>Environmental Protection Agency; Department of Homeland Security/U.S. Coast Guard</td>
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<td>11</td>
<td>Agriculture and Natural Resources</td>
<td>Department of Agriculture; Department of the Interior</td>
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<td>12</td>
<td>Energy</td>
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<td>13</td>
<td>Public Safety and Security</td>
<td>Department of Homeland Security; Department of Justice</td>
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<tr>
<td>14</td>
<td>Long-Term Community Recovery and Mitigation</td>
<td>Department of Agriculture; Department of Homeland Security/Emergency Preparedness and Response/ Federal Emergency Management Agency; Department of Housing and Urban Development; Department of the Treasury; Small Business Administration</td>
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* The 2004 National Response Plan also identifies supporting agencies for each emergency support function. DoD serves as a supporting agency on all 15 emergency support functions.
Appendix D. Disaster Response Framework

Incident

First level responders

Local resources are exhausted

Second level responders

State resources are exhausted (including The National Guard)

Governor requests assistance and a Presidential Declaration is issued

Third level responders

FEMA

Fourth level responders

Emergency support function / primary Federal agency resources are exhausted

FEMA requests DoD assistance
First mission assignment is generally to activate the DCO / DCE

Fifth level responders
Appendix E. Defense Support of Civil Authorities Approval and Performance Process

Incident Requiring DoD Assistance

FEMA Request for DCO/DCE

FEMA Issues Mission Assignments through the FCO/DCO

USNORTHCOM

Begins Parallel Planning with Service Components (AFNORTH, ARNORTH, NAVNORTH, MARFORNORTH)

Simultaneously

Syndicate Order for Approval

JCS

Secretary of Defense Approval

USJFCOM, as the Force Provider, Issues DEPORDs Through the Service Components (ACC, FORSCOM, FFC)

Now Can Pre-position and Issue RFFs prior to Mission Assignment Issuance.

USNORTHCOM

Issues RFFs for Forces

USNORTHCOM Receives Command and Control of Forces

Units Perform Tasks Under USNORTHCOM and Respective Service Components

DoD Executive Secretary

Simultaneously

Staffs Order

JCS Issues EXORD or EXORD-Modification

Force are Assigned from the Supporting Combatant Commander (USJFCOM) to the Supported Combatant Commander (USNORTHCOM)

USNORTHCOM

Legend

ACC Air Combat Command
AFNORTH U.S. Air Force North
ARNORTH U.S. Army North
DEPORD Deployment Order
EXORD Execute Order
FCO Federal Coordinating Officer
FFC Fleet Forces Command
FORSCOM U.S. Army Forces Command
MARFORNORTH U.S. Marine Forces North
NAVNORTH U.S. Navy North
RFF Request for Forces
USJFCOM U.S. Joint Forces Command

1USNORTHCOM can issue requests for limited forces prior to receipt of a request for assistance. These assets are identified for use in large-scale incidents in which USNORTHCOM anticipates the capabilities of local and state authorities will be exceeded.

2DoD refers to mission assignments as “requests for assistance” until Secretary of Defense approval.

3DDASS will now provide more visibility during the steps of the mission assignment process that occur simultaneously.
MEMORANDUM FOR THE INSPECTOR GENERAL, DEPARTMENT OF DEFENSE


1. Thank you for the opportunity to comment on the draft of your team’s Project No. 2007-D000CG-0117.000. Their excellent analysis offered exceptional insight on both the approval and tracking process, as well as the financial management of DOD disaster relief efforts. As discussed in the report, a number of recommendations from other sources have already been incorporated into better business practices.

2. All the findings and recommendations to the Joint Staff are acceptable and appropriate efforts have been initiated in several forums.

   a. U.S. Northern Command sponsors a working group that is assessing how best to organize, train, and equip the DOD support footprint to interagency partners at the regional and state levels of operations. Sourcing the Defense Coordinating Officer position from all Services is among the topics of discussion. A coordinated way ahead should be available by the fall 08 with corrective actions to follow by FY 10.

   b. The Joint Directorate of Military Support Division (JDOMS) is currently reviewing the approval process for requests for assistance. Actions include developing a checklist that will prompt coordination with other responders to ensure capabilities from the National Guard, the Civil Air Patrol, and the Coast Guard are considered for sourcing prior to recommending a T-10 sourcing solution. This effort is scheduled for completion by the end of FY 08.

   c. The 2008 Standing Defense Support of Civilian Authorities Executive Order includes language to prompt better financial management practices during response operations. The Joint Staff will initiate a more robust effort in
development and maintenance of a DOD-wide tool for use by the Defense Coordinating Element to estimate costs not later than Aug 08 with intent of implementing your recommendation not later than 1 Jun 09.

d. The Joint Staff/J-5 is heavily engaged in support of the Department of Homeland Security efforts on the National Response Framework. The Joint Staff will aggressively pursue revision of associated Joint Publications to ensure changes to statutes, regulations, and interagency plans are addressed accurately. These initiatives are ongoing.

3. The Joint Staff point of contact for this action is Lieutenant Colonel Kathleen McDill, USA; J34/JDOMS; kathleen.mcdill@js.pentagon.mil; 703-697-9400.

[Signature]

M. G. MULLEN
Admiral, U.S. Navy

Reference:
1 E-mail from OIG DOD, 24 June 2008, “Draft Report For Project D2007-D000CG-0117, “Audit of the Mission Assignment Process During the Gulf Coast Hurricane Relief Efforts”
Note: The project number identified in the subject line is incorrect, but the Draft Report title and subsequent content pertains to this project.
Disaster Relief Efforts
Project No. D2007-D000CG-0117.000

The Department of Defense Inspector General recommended that the Under Secretary of
Defense (Comptroller)/Chief Financial Officer (USD(C)/CFO):

**RECOMMENDATION B2:** Issue updated guidance upon the release of the new DoD
Directive 3025. dd, “Defense Support of Civil Authorities,” by the Assistant Secretary of Defense
for Homeland Defense and Americas’ Security Affairs as agreed based on the recommendation
Katrina Relief Efforts at Selected DoD Components,” September 27, 2008. This guidance
should require the allocation of funding based on the amount of work delegated to responders.

**DOD RESPONSE:** Concur. New guidance issued by OUSD(C) after the DoD Directive
3025. dd is updated will reflect necessary changes, to include responsibilities for financial
management and issuance of reimbursable funding for support to civil authorities.

MEMORANDUM FOR DEPUTY INSPECTOR GENERAL FOR AUDITING OFFICE OF THE INSPECTOR GENERAL DEPARTMENT OF DEFENSE

FROM: Inspector General, NORAD and USNORTHCOM
250 Vandenberg St., Ste. B016
Peterson AFB CO 80914-3804


1. Attached is the USNORTHCOM response to “DOD IG Draft Report Approval Process, Tracking, and Financial Management of DOD Disaster Relief Efforts (Project No. D2007-D0000CG-0117.000).”

2. The Commands’ response for the recommendations is at attachment one. Our point of contact is Martha Gurule at (719) 554-0022 or martha.gurule@northcom.mil.

STEVEN E. ARMSTRONG
Colonel, USAF
Inspector General

Attachment:
1. USNORTHCOM Response
Recommendation for Commander, USNORTHCOM

A2.

a. Adjust and adhere to milestones for full development of the DOD Defense Support of Civil Authorities Automated Support System

USNORTHCOM Response: Concur. DDAS is in full use today for DSCA operations. The internally established milestone of 31 Dec 07 for implementing Financial Management and Request for Forces modules was missed due to funding limitations. However, USNORTHCOM has fully funded the modules as of June 2008. The expenditure of $493K was approved on 19 June 2008 to the Army Topographic Engineering Center for the development of the reimbursable manager tab, development of the ad hoc reporting capability, overall Mission Assignment enhancements, and an archived database capability. Full implementation will be complete before the end of calendar year 2008.

b. Review the planning process for exercises to determine whether the current exercise structure allows adequate opportunity for all DOD Components involved in Defense Support of Civil Authority missions to exercise with interagency partners.

USNORTHCOM Response: Concur. The current Joint Event Life Cycle (JELC) process, the use of which is directed by CJCSM 3500.03B, provides opportunity for all organizations to include training objectives in the exercise planning and execution process. While not all organizational training objectives can be included in a single event, this process (along with two-year component Joint Training Plans and the five-year USNORTHCOM Exercise Planning Calendar) maximizes the opportunity for all units to satisfy training objectives in the necessary training period. If a unit cannot schedule training objective accomplishment in a major exercise due to conflicting requirements, they coordinate with N-NC/J7 to find alternative venues and methods to achieve the necessary objectives.

When DOD exercises are integrated with National Level Events (exercises sponsored by the Department of Homeland Security’s National Exercise Program (NEP)), training requirements are submitted to the DOD Interagency Working Group (DIAWG). The DIAWG consolidates DOD inputs and presents/advocates for DOD needs into the NEP scheduling and participation process.

Additionally, USNORTHCOM aggressively advocates for all DOD components to participate in DSCA exercises with interagency partners, and solicits the appropriate interagency partners to participate in USNORTHCOM-led exercises. However, many interagency partners are not manned or funded to support exercises just to provide a realistic environment for other players. DHS has created the National Simulation Cell to meet this requirement, but it too has issues with funding and manning. Increasing
interagency exercise budgets will allow for increased participation opportunities and thereby improve overall training and readiness.

B.3.


USNORTHCOM Response: Concur. A manual to accompany DODD 3025.03 is being drafted to specifically address the financial management process to be used during Defense Support of Civil Authorities. We are working on a draft DODI to send to the Joint Staff to finalize guidance.

b. Develop procedures to integrate financial management oversight into the execute order writing process for reimbursable missions.

USNORTHCOM Response: Concur. USNORTHCOM J8 is a member of the Future Operations Center and provides input to the funding paragraph of all Execution Orders (EXORDs) prior to their publication. USNORTHCOM J8’s input addresses the various means of funding the missions whether they be contingency (unit funded), Economy Act (total cost reimbursement) or Stafford Act (incremental cost reimbursement). The input language also indicates where the units performing the DSNA missions should contact in order to obtain reimbursement.

c. Establish methods to maintain appropriately trained and ready Financial Management Augmentation Team functions at the Service Components with the ability to operate using consistent methods whether working at the Service or joint level.

USNORTHCOM Response: Concur. There is at least one Financial Management Augmentation Team (FMAT) conference and training event each year (usually in March). These events focus on maintaining trained and proficient FMAT personnel throughout DOD. USNORTHCOM receives excellent participation from all of the Service components and major defense activities involved in the DSNA financial management process.

d. Document procedures to assess the Financial Management Augmentation Team actions at the Service Component level and determine when the team should transition to U.S. Northern Command.

USNORTHCOM Response: Concur. FMAT members are identified in advance and serve at least one year in their assignment. The procedures are already in place and USNORTHCOM documented them in the DSNA FM Process manual dated 01 March 2007—USARNORTH/G8 and USNORTHCOM/J8 are in frequent communication during DSNA events, and the transition occurs when USARNORTH/G8 is unable to distribute reimbursable budget authority with their organic staff.
Ms. Debra L. Culp
Program Director, Acquisition and Contract Management
Office Inspector General, Department of Defense
400 Army Navy Drive
Washington, DC 20548

Dear Ms. Culp:

Thank you for the opportunity to review and respond to the recommendations in your draft report “Approval Process, Tracking, and Financial Management of DoD Disaster Relief Efforts”, Project No. D2007-D000CG-0117.000. The enclosed responses are specific to recommendations pertaining to the Office of the Assistant Secretary of Defense for Homeland Defense and Americas’ Security Affairs. Our point of contact for this action is Mr. Richard M. Chavez, (703) 697-5415.

Sincerely,

[Signature]

Peter F. Verga
Principal Deputy

Enclosure:
As stated
A.3.a. has been renumbered A.4.

Recommendation

RECOMMENDATION A.3.

We recommend that the Assistant Secretary of Defense for Homeland Defense and Americas' Security Affairs:

a. Revise policy in the DoD 3025 series of directives on assessing cost, appropriateness, readiness, risk, legality, and lethality (CARRLL analysis) to clarify the term appropriateness. The policy should establish procedures to assess whether other disaster responders, including local, State, Federal, and private resources, are more appropriate to complete the request before accepting disaster relief missions. The policy should consider factors such as urgent need and complexity of some missions so that DoD can respond when required but still maintain a supporting role in disaster response efforts.

b. Develop a memorandum of understanding with the Federal Emergency Management Agency that establishes guidelines and requirements for use and reimbursement of DoD equipment used for mission assignments.

c. Determine whether the DoD 3025 series of directives provides adequate authority to Defense Coordinating Officers to ensure that DoD maintains an adequately trained and exercised Emergency Preparedness Liaison Officer Program.

DoD RESPONSE to A.3. a:

Concur with comment. DoD Directive 3025.15, Military Assistance to civil Authorities states the following with regard to "appropriateness" -4.2.5. Appropriateness (whether the requested mission is in the interest of the Department to conduct). Each request is evaluated on a case-by-case basis and the variables to be considered to determine "...in the best interest of the Department..." vary with the circumstances. To develop a list of possible variables to be considered would not be possible.

DoD RESPONSE to A.3. b:

Non-concur. The Economy and Stafford Acts provide statutory authority for reimbursement of DoD pursuant to a request for assistance and the provision of assets to support the request. Specific DoD issuances already exist that establish the mechanisms...
required to affect reimbursement once a request is received. The DoD issuances derive their authority from the Economy Act or the Stafford Act.

**DoD RESPONSE to A.3. c:**

Non-concur. Training of any of the responding DoD resources is not an appropriate responsibility for the Defense Coordinating Officer (DCO). Each DoD Component providing resources in response to a request for assistance is responsible for training, equipping and exercising their personnel. In accordance with DoD Directive 3025.16, Military Emergency Preparedness Liaison Officer (EPLO) Program, the responsibility for training and exercising of the Emergency Preparedness Liaison Officer is the responsibility of the Office of the Assistant Secretary of Defense for Homeland Defense and Americas’ Security Affairs (OASD (HD&ASA)) and the Secretaries of the Military Departments.

OASD (HD&ASA) provides oversight of the Defense Support of Civil Authorities (DSCA) Course currently administered by U.S. Northern Command (USNORTHCOM) through U.S. Army North (ARNORTH). The course provides all DoD and appropriate Interagency personnel, including the EPLOs, with an academic curriculum consisting of distance learning, in-residence curriculum, and reach back support. Additionally, the EPLOs receive follow-on/refresher training at the annual National Joint Emergency Preparedness Liaison Officer Workshop.

Exercises are conducted as part of the DSCA Course. Additionally, each of the DCOs stationed in the ten Federal Emergency Management Agency (FEMA) regions conduct periodic exercises with State and FEMA participants, as well as participate in independent DoD exercises.

**RECOMMENDATION B.4.**

We recommend that the Assistant Secretary of Defense for Homeland Defense and Americas’ Security Affairs:


b. Develop a memorandum of understanding in accordance with DoD Instruction 4000.19, "Interservice and Intragovernmental Support," with the Federal Emergency Management Agency that establishes procedures for DoD Components pre-positioning resources as necessary and seek reimbursement for the pre-positioned resources through applicable regulations such as the Economy and Stafford Acts.
DoD RESPONSE to B.4. a:


DoD RESPONSE to B.4. b:

Concur with comment. OASD (HD&ASA) is currently working with FEMA to develop an Inter Agency Agreement (IAA) for reimbursement of support requested by FEMA and provided by DoD under the Economy Act. Different amounts of reimbursement are authorized for support provided by DoD, whether pre-event or post event, under the Economy and Stafford Acts. However, reimbursement is only provided for under these statutes when requested by FEMA. All other support does not qualify for reimbursement under these statutes.
Ms. Debra L. Culp  
Program Director, Acquisition and Contract Management  
Office Inspector General, Department of Defense  
400 Army Navy Drive  
Washington, DC 20548

Dear Ms. Culp:

We received your request for more details regarding recommendations A.3.d and A.3.c to your draft report “Approval Process, Tracking, and Financial Management of DoD Disaster Relief Efforts”, Project No. D2007-D000CG-0117.000. I have referred your request to the Office of the Under Secretary of Defense (Comptroller) for reimbursement policy and procedures and U.S. Northern Command for exercises conducted at the Defense Support of Civil Authorities Course. These organizations will be able to provide you the level of detail you require. Our point of contact for this action is Mr. Richard M. Chavez, (703) 697-5415.

Sincerely,

Peter F. Verga  
Principal Deputy
Team Members

Richard B. Jolliffe
Bruce A. Burton
Deborah L. Culp
Dianna J. Pearson
Jeffrey L. Steinbauer
Joaquin Garcia
William F. Kissler
Jonathan W. Rogers
Richard A. Miller
Michael J. Gwiazdowski
Beth R. Hornyak
Jillisa H. Milner
Allison Tarmann