

# U.S. Government Accountability Office

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## GAO Work Related to FEMA's Response to Hurricane Sandy

### New Jersey Superstorm Sandy Fraud Prevention Conference

November 15, 2013

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## Background

- GAO is an independent, nonpartisan research and investigative arm of the U.S. Congress.
- GAO's mission is to help improve the performance and the accountability of the federal government.



# U.S. Government Accountability Office

## GAO strategic planning goals

Goals	Objectives	
<p><b>Provide Timely, Quality Service to the Congress and the Federal Government to...</b></p> <p><b>...Address Current and Emerging Challenges to the Well-being and Financial Security of the American People</b> related to...</p>	<ul style="list-style-type: none"> <li>• Health care needs</li> <li>• Lifelong learning</li> <li>• Benefits and protections for workers, families, and children</li> <li>• Financial security</li> <li>• Effective system of justice</li> </ul>	<ul style="list-style-type: none"> <li>• Viable communities</li> <li>• Stable financial system and consumer protection</li> <li>• Stewardship of natural resources and the environment</li> <li>• Infrastructure</li> </ul>
<p><b>...Respond to Changing Security Threats and the Challenges of Global Interdependence</b> involving...</p>	<ul style="list-style-type: none"> <li>• Homeland security</li> <li>• Military capabilities and readiness</li> </ul>	<ul style="list-style-type: none"> <li>• Advancement of U.S. Interests</li> <li>• Global market forces</li> </ul>
<p><b>Help Transform the Federal Government to Address National Challenges</b> by assessing...</p>	<ul style="list-style-type: none"> <li>• Government's fiscal position and options for closing gap</li> <li>• Fraud, waste, and abuse</li> </ul>	<ul style="list-style-type: none"> <li>• Major management challenges and program risks</li> </ul>

## Forensic Audits and Investigative Services

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- The **Forensic Audits and Investigative Service (FAIS)** team provides Congress with:
  - High-quality forensic audits and investigations of fraud, waste, and abuse
  - Other special investigations
  - Security and vulnerability assessments.

## GAO Work on FEMA Response

- GAO work related to FEMA's disaster response has covered and continues to cover the agency's:
  - Preparedness for disasters,
  - Responsiveness,
  - Recovery work, and
  - Progress in mitigating fraud, waste, and abuse.



## Preparedness

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Preparation for catastrophic disasters requires an overall national effort to define what needs to be done, where, by whom, and how well.

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## Previous GAO Work: Preparedness

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- [GAO-13-456T](#): *National Preparedness: FEMA Has Made Progress in Improving Grant Management and Assessing Capabilities, but Challenges Remain*, Mar. 19, 2013
  - [GAO-12-526T](#): *Managing Preparedness Grants and Assessing National Capabilities: Continuing Challenges Impede FEMA's Progress*, Mar 20, 2012
  - [GAO-11-732R](#): *FEMA Has Made Progress in Managing Regionalization of Preparedness Grants*, July 29, 2011
  - [GAO-11-51R](#): *FEMA Has Made Limited Progress in Efforts to Develop and Implement a System to Assess National Preparedness Capabilities*, Oct. 29, 2010
  - [GAO-10-193](#): *Emergency Preparedness: FEMA Faces Challenges Integrating Community Preparedness Programs into Its Strategic Approach*, Jan. 29, 2010
  - [GAO-09-651](#): *Urban Area Security Initiative: FEMA Lacks Measures to Assess How Regional Collaboration Efforts Build Preparedness Capabilities*, July 2, 2009
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## Responsiveness

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Establishing effective response plans, a strong workforce, and partnerships across public and private sectors is needed to achieve results in responding to disasters.



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## Previous GAO Work: Responsiveness

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- [GAO-12-538](#): *Disaster Assistance Workforce: FEMA Could Enhance Human Capital Management and Training*, May 25, 2012
- [GAO-10-969T](#): *Disaster Response: Criteria for Developing and Validating Effective Response Plans*, Sept. 22, 2010
- [GAO-08-823](#): *Voluntary Organizations: FEMA Should More Fully Assess Organization's Mass Care Capabilities and Update the Red Cross Role in Catastrophic Events*, Sept. 18, 2008
- [GAO-08-369](#): *FEMA Should Take Action to Improve Capacity and Coordination between Government and Voluntary Sectors*, Feb. 27, 2008

## Recovery

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Implementing collaborative practices, such as developing and communicating common goals in recovery plans, can help communities rebuild after a catastrophic event.

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## Previous GAO Work: Recovery

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- [GAO-12-838](#): *Federal Disaster Assistance: Improved Criteria Needed to Assess a Jurisdiction's Capability to Respond and Recover on Its Own*, Sept. 12, 2012
- [GAO-12-487](#): *Federal Emergency Management Agency: Workforce Planning and Training Could be Enhanced by Incorporating Strategic Management Principles*, Apr. 26, 2012
- [GAO-11-942T](#): *Disaster Recovery: Federal Contracting in the Aftermath of Hurricanes Katrina and Rita*, Sept. 15, 2011
- [GAO-10-800](#): *Hurricane Recovery: Federal Government Provided a Range of Assistance to Nonprofits following Hurricanes Katrina and Rita*, July 30, 2010
- [GAO-10-723](#): *Hurricanes Katrina and Rita: Federally Funded Programs Have Helped to Address the Needs of Gulf Coast Small Businesses, but Agency Data on Subcontracting Are Incomplete*, July 29, 2010

## Fraud, Waste and Abuse

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Identifying opportunities to reduce fraud, waste, and abuse and addressing internal control weaknesses in the provision of federal disaster assistance is essential.

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## Previous GAO Work: Fraud, Waste and Abuse

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- [GAO-09-671](#): *Hurricanes Gustav and Ike Disaster Assistance: FEMA Strengthened Its Fraud Prevention Controls, but Customer Service Needs Improvement*, June 19, 2009
- [GAO-07-252T](#): *Hurricanes Katrina and Rita Disaster Relief: Continued Findings of Fraud, Waste, and Abuse*, Dec. 6, 2006
- [GAO-06-1013](#): *Hurricanes Katrina and Rita: Unprecedented Challenges Exposed the Individuals and Households Program to Fraud and Abuse; Actions Needed to Reduce Such Problems in Future*, Sept. 27, 2006
- [GAO-06-655](#): *Expedited Assistance for Victims of Hurricanes Katrina and Rita: FEMA's Control Weaknesses Exposed the Government to Significant Fraud and Abuse*, June 16, 2006
- [GAO-06-844T](#): *Hurricanes Katrina and Rita Disaster Relief: Improper and Potentially Fraudulent Individual Assistance Payments Estimated to Be Between \$600 Million and \$1.4 Billion*, June 14, 2006

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## Current GAO Work: Hurricane Sandy

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- GAO has a broad portfolio of work related to Hurricane Sandy:
  - Internal Controls in Sandy Response Agencies
  - National Flood Insurance Program
  - Mitigation Programs for Rebuilding After a Disaster
  - Hurricane Sandy Transportation Relief
  - Small Business Association Disaster Loan Program
  - **Opportunities for Fraud, Waste, and Abuse in FEMA's Response to Hurricane Sandy**

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# Current GAO Work: Hurricane Sandy Fraud, Waste, and Abuse

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- **Opportunities for Fraud, Waste, and Abuse in FEMA's Response to Hurricane Sandy**
  - **Objectives:**
    - Examine the extent to which FEMA's controls are designed to limit opportunities for fraud and abuse in IHP
    - Examine the extent to which FEMA's controls are designed to limit duplicative payments to those receiving payments from IHP and other sources.

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# Current GAO Work: Hurricane Sandy Fraud, Waste, and Abuse

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- **Methodology:**
  - Data matching to detect incidences of duplicate SSNs, addresses or bank accounts; overlapping payments with private insurance; and payment to individuals in prison
  - Consult with FEMA and state officials regarding possible fraud schemes



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## Coordination with Other Audit Entities

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- GAO coordinates with federal IGs to leverage resources, build a mutual knowledge base, and maximize oversight of federal programs. GAO meets periodically with agencies' Office of the Inspector General to coordinate efforts.
- GAO coordinates with state and local auditors both directly and through the National Association of State Auditors, Comptrollers and Treasurers (NASACT) and the Association of Local Government Auditors (ALGA).

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## Reporting Fraud

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- If you have any comments on potential fraud schemes that may be occurring or on potential internal controls that could help FEMA prevent fraud, waste, and abuse, contact GAO's FraudNet at 1-800-424-5454 or [fraudnet@gao.gov](mailto:fraudnet@gao.gov) (see <http://www.gao.gov/fraudnet/fraudnet.htm> for complete information).

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## GAO on the Web

Web site: <http://www.gao.gov/>

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