



September 2020

DISASTER ASSISTANCE

Additional Actions Needed to Strengthen FEMA's Individuals and Households Program

Why GAO Did This Study

During the 2017 and 2018 disaster seasons, several sequential, large-scale disasters created an unprecedented demand for federal disaster assistance. GAO was asked to review issues related to the federal response and recovery to the 2017 disaster season and, specifically, the effectiveness of the IHP.

This report addresses (1) IHP outcomes and challenges faced by survivors from 2016 through 2018; (2) challenges FEMA faced implementing the IHP during the same period; and (3) FEMA efforts to assess and improve the IHP, among other things.

To answer these objectives, GAO analyzed data from all IHP applicants from 2016 through 2018 and reviewed relevant documentation and policies. GAO also interviewed FEMA, state, territory, local, and nonprofit officials; met with survivors; and visited locations affected by hurricanes in 2017 and 2018 selected to include multiple FEMA regions and other characteristics.

What GAO Recommends

GAO is making 14 recommendations, and DHS concurred.

To address challenges faced by survivors, GAO recommends improving the communication of the SBA loan requirement, identifying ways to simplify the application process, improve the IHP award determination letters, and provide more information to survivors about their award.

To address challenges FEMA faced implementing the IHP, GAO recommends improving the communication of guidance changes, ensure employee engagement to raise morale, and improve training among call center staff. GAO also

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What GAO Found

From 2016 through 2018, 5.6 million people applied for disaster assistance from the Federal Emergency Management Agency (FEMA), and 4.4 million were referred to the Individuals and Households Program (IHP) for assistance. For eligible survivors, FEMA's IHP can offer financial assistance—including money for personal property losses and repair of certain home damages. The IHP may also provide rental assistance or direct housing assistance, such as trailers, when justified by the lack of available housing resources.

Individuals and Households Program (IHP) Assistance Awarded to Almost 2 Million Survivors from 2016 through 2018

Type of Assistance	Amount of Assistance
Total Financial Assistance	\$5.98 billion
Total Temporary Housing Assistance	12,805 housing units

Source: GAO analysis of IHP applicant data, as of February 24, 2020. | GAO-20-503

Of the 4.4 million referred to IHP, FEMA found almost 2 million eligible. On average, FEMA awarded about \$4,200 to homeowners and \$1,700 to renters during 2016 through 2018. FEMA determined roughly 1.7 million ineligible for IHP assistance, and the most common reasons for ineligibility were insufficient damage, failure to submit evidence to support disaster losses, and failure to make contact with the FEMA inspector. The remaining applicants either withdrew from IHP or received no determination due to missing insurance information. Program outcomes also varied across demographic groups, such as age and income.

GAO found that survivors faced numerous challenges obtaining aid and understanding the IHP, including the following:

- FEMA requires that certain survivors first be denied a Small Business Administration (SBA) disaster loan before receiving certain types of IHP assistance. FEMA, state, territory, and local officials said that survivors did not understand and were frustrated by this requirement. GAO found that FEMA did not fully explain the requirement to survivors and its process for the requirement may have prevented many survivors from being considered for certain types of assistance, including low-income applicants who are less likely to qualify for an SBA loan. By fully communicating the requirement and working with SBA to identify options to simplify and streamline this step of the IHP process, FEMA could help ensure that survivors receive all assistance for which they are eligible.
- Opportunities also exist to improve survivors' understanding of FEMA's eligibility and award determinations for the IHP, for example, that an ineligible determination is not always final, but may mean FEMA needs more information to decide the award. By enhancing the clarity of its determinations and providing more information to survivors about their award, the agency could improve survivors' understanding of the IHP, better manage their expectations, build trust, and improve transparency.

recommends strategies to ensure DRC staff have the skills to support survivors. GAO also recommends improving IHP information provided to state, local, tribal, and territorial recovery partners; and identifying and implementing best practices for information sharing and coordination on the delivery of temporary transportable housing.

To further FEMA efforts to assess and improve the IHP, GAO recommends corrections to the methodology used to survey survivors; following key process improvement activities—including engaging stakeholders, assessing performance gaps, and prioritization of process improvement—during program redesign activities; and establishing time frames for strategic planning and implementation of program improvement efforts.

Disaster Survivors Sought Assistance from the Individuals and Households Program (IHP) to Recover from Hurricane Michael in Panama City, Florida



Survivors wait outside a Federal Emergency Management Agency Disaster Recovery Center in November 2018 to learn how the IHP can help them recover from the hurricane.



A survivor patches a leak in her home with a trash bag nine months after Hurricane Michael caused a tree to fall on her house.

Source: GAO. | GAO-20-503

Further, GAO found that since 2016, FEMA faced challenges implementing the IHP through its call center and field workforce, as well as coordinating with state and local officials, as noted below:

- Regarding workforce management, GAO found that FEMA has faced challenges managing its call center and field staff. Specific to their call center workforce—who help survivors apply for IHP and process assistance—challenges using program guidance, low morale, and inadequate training following the catastrophic 2017 hurricane season affected their work supporting disaster survivors. For example, while FEMA issues standard operating procedure updates for processing IHP applications, staff we spoke to at all four call centers noted that they could not maintain awareness of IHP guidance because of its large volume and frequent changes, which made it difficult for staff to appropriately address survivor needs. Identifying ways to improve the accessibility and usability of program guidance would help staff better assist survivors. Further, FEMA staff at disaster recovery centers (DRC) lacked some skills and capabilities needed to support survivors, such as knowledge to provide accurate guidance about required documents. By identifying and implementing strategies, such as on-the-job training, to ensure staff at its DRCs have the needed capabilities, FEMA could improve support and streamline the survivor experience.
- Regarding coordination, GAO found that state and local officials generally had trouble understanding the IHP. For example, these officials said that FEMA did not provide sufficient training, support, and guidance that was needed in order for them to be able to effectively work with FEMA to facilitate IHP assistance. Further, local officials expressed challenges coordinating with FEMA regarding temporary housing units, such as recreational vehicles. By providing more information on the IHP to local officials, and implementing best practices for information-sharing with recovery partners, FEMA could help ensure that state and local recovery partners are better able to help survivors navigate the IHP and effectively deliver temporary housing units to survivors.

Lastly, FEMA has planned or implemented multiple efforts to improve assistance to survivors since 2017, including a redesign of the Individual Assistance Program, which includes the IHP. However, GAO found that FEMA did not complete activities that are critical to the success of a process improvement effort, according to GAO's *Business Process Reengineering Assessment Guide*. Specifically, the agency did not fully assess customer and stakeholder needs and performance gaps in the program, or set improvement goals and priorities for the redesign. By completing these process improvement activities, FEMA will be able to further refine the redesigned Individual Assistance Program, and more effectively direct and focus its implementation efforts.

To view the supplements online, click: <http://www.gao.gov/products/GAO-20-674SP> and <http://www.gao.gov/products/GAO-20-675SP> View [GAO-20-503](http://www.gao.gov/products/GAO-20-503). For more information, contact Chris Currie at (404) 679-1875 or CurrieC@gao.gov.

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Abbreviations

DHS	Department of Homeland Security
DRC	Disaster Recovery Center
FEMA	Federal Emergency Management Agency
IHP	Individuals and Households Program
NGO	Nongovernmental organization
NPSC	National Processing Service Center
ONA	Other needs assistance
SBA	Small Business Administration
SOP	Standard Operating Procedures

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September 30, 2020

Congressional Requesters

In 2017, Hurricanes Harvey, Irma, and Maria, along with devastating wildfires in California, affected more than 47 million people in the United States—about 15 percent of the national population—and Hurricanes Florence and Michael caused significant damage in 2018.¹ The Federal Emergency Management Agency (FEMA), a component of the Department of Homeland Security (DHS), leads the nation’s efforts to prepare for, protect against, respond to, recover from, and mitigate against the risk of disasters.² FEMA’s Individuals and Households Program (IHP) provides financial assistance and direct services to eligible individuals and households who have uninsured or underinsured necessary expenses and serious needs as a result of a disaster.³ For example, the IHP provides various types of financial assistance for home repairs, child care, and transportation and is intended to distribute this assistance quickly.

In 2019, we reported on FEMA’s efforts to provide disaster assistance to individuals who are older or have disabilities.⁴ We recommended, among other things, that FEMA implement new application questions that improve FEMA’s ability to identify and address survivors’ disability-related needs. FEMA concurred and implemented this recommendation in May 2019 by using a revised application that asked directly if survivors had a disability. According to FEMA’s analysis, the percentage of survivors that identified as having a disability-related need increased substantially after implementing the revised application questions. However, FEMA did not concur with our recommendation to improve communication of applicants’ disability-related information across FEMA programs. We continue to

¹Hurricane Harvey was in Texas; Hurricane Irma was in Alabama, Florida, Georgia, North Carolina, South Carolina, Puerto Rico, and the U.S. Virgin Islands; and Hurricane Maria was in Puerto Rico and the U.S. Virgin Islands. Unless otherwise noted, the years discussed in this report are calendar years because that is how the Federal Emergency Management Agency accounts for disaster declarations.

²See 6 U.S.C. § 313.

³See 42 U.S.C. § 5174.

⁴GAO, *Disaster Assistance: FEMA Action Needed to Better Support Individuals Who Are Older or Have Disabilities*, [GAO-19-318](#) (Washington, D.C.: May 14, 2019).

believe that FEMA can improve this communication through cost-effective ways, such as revising guidance to remind program officials to review survivor case files for disability-related needs. In 2018, we reported our initial observations on the federal response and key recovery challenges for the 2017 hurricanes and wildfires.⁵ Among other things, we reported that federal, state, territory, and local officials faced challenges finding temporary housing for disaster survivors. Further, state officials noted challenges in managing housing programs, such as staffing shortfalls, and challenges in coordinating with FEMA that led to delays in providing assistance to survivors.⁶

After a disaster, survivors are vulnerable. According to FEMA, catastrophic disasters are difficult and life-changing events that disrupt lives and hurt communities economically and socially. For example, severe disasters may lead to the loss of life, render homes uninhabitable, destroy important documents and possessions, and permanently displace people from their communities. To help individuals and households deal with the effects of disasters, FEMA established a strategic goal in its *2018-2022 Strategic Plan* to reduce the complexity of FEMA to, among other things, streamline disaster survivor experiences in dealing with the agency.

You asked us to review a broad range of issues related to disaster response and recovery following the 2017 disaster season. This report addresses: (1) IHP expenditures from 2010 through 2019 and the processes that FEMA used to deliver IHP assistance to disaster survivors, (2) outcomes and challenges survivors experienced in obtaining IHP assistance from 2016 through 2018, (3) challenges FEMA experienced with implementing the IHP from 2016 through 2018, and (4) the extent to which FEMA has assessed the IHP and initiated efforts to improve the program in recent years.

⁵GAO, *2017 Hurricanes and Wildfires: Initial Observations on the Federal Response and Key Recovery Challenges*, [GAO-18-472](#) (Washington, D.C.: Sept. 4, 2018). Also, see *Wildfire Disasters: FEMA Could Take Additional Actions to Address Unique Response and Recovery Challenges*, [GAO-20-5](#) (Washington, D.C.: Oct. 9, 2019); *U.S. Virgin Islands Recovery: Additional Actions Could Strengthen FEMA's Key Disaster Recovery Efforts*, [GAO-20-54](#) (Washington, D.C.: Nov. 19, 2019); and *Puerto Rico Disaster Recovery: FEMA Actions Needed to Strengthen Project Cost Estimation and Awareness of Program Guidance*, [GAO-20-221](#) (Washington, D.C.: Feb. 5, 2020).

⁶We are currently reviewing FEMA's process for inspecting damaged property for its IHP.

To address our first objective, we reviewed relevant laws and FEMA IHP program guidance, including the March 2019 *Individual Assistance Program and Policy Guide*,⁷ to understand FEMA’s policies and processes for providing assistance through the IHP, including how disaster survivors apply for IHP assistance and how FEMA determines applicants’ eligibility for assistance and the type and amount of assistance to provide. We also analyzed IHP expenditure data from FEMA’s Integrated Financial Management Information System, and application, eligibility, award, and appeals data from the National Emergency Management Information System for major disaster declarations that included Individual Assistance during calendar years 2010 through 2019.⁸ We selected the most recent 10-year period because we wanted to focus on long-term trends. We assessed the reliability of data from these two systems by reviewing existing information about these systems’ capabilities, interviewing data users and managers responsible for these data from FEMA’s Office of the Chief Financial Officer and Recovery Analytics Division, and cross-checking data across different sources to ensure data consistency. Based on these steps, we determined these data to be sufficiently reliable for the purposes of describing IHP applicant and expenditure data. We also interviewed officials from FEMA’s Individual Assistance Division and IHP Service Delivery Branch to discuss IHP expenditures and processes.

To address our second objective, we analyzed FEMA’s IHP applicant data from the National Emergency Management Information System for all 5.6 million disaster survivors who applied for assistance for major disaster declarations that included Individual Assistance from 2016 through 2018—the 3 most recent years for which complete application data were available. We analyzed FEMA’s IHP applicant data to identify and compare various outcomes, such as approval, award, and appeal rates, overall and across different survivor groups, from 2016 through 2018. We assessed the reliability of FEMA’s IHP applicant data by reviewing existing information about the National Emergency Management Information System, including internal controls; interviewing data users and managers responsible for these data from FEMA’s

⁷Federal Emergency Management Agency (FEMA), *Individual Assistance Program and Policy Guide (IAPPG)*, FP 104-009-03 (Washington, D.C.: Mar. 4, 2019).

⁸The Integrated Financial Management Information System is FEMA’s official accounting and financial system that tracks all of the agency’s financial transactions. National Emergency Management Information System is a database system used to track disaster data for FEMA and grantees. Although the IHP may offer direct housing assistance, we use “award” to refer to financial assistance throughout this report.

Recovery Analytics Division; and testing the data for missing data, outliers, and obvious errors. Based on these steps, we determined these data to be sufficiently reliable for the purposes of reporting IHP outcomes from 2016 through 2018.

We also conducted semistructured interviews with state emergency management officials, local officials responsible for leading disaster recovery efforts, and officials from nongovernmental organizations (NGO) that help disaster survivors access and navigate the IHP from California, Florida, North Carolina, Texas, and Puerto Rico. We selected these four states and Puerto Rico because they were among those states and U.S. territories that experienced significant damage from disasters during calendar years 2016 through 2018. For our interviews with local officials responsible for disaster recovery efforts, we selected two counties in each state and two municipalities in Puerto Rico that had higher numbers of IHP applications.⁹ For our interviews with NGO officials, we selected one or two NGOs in each of our selected states and Puerto Rico, which we identified through discussions with FEMA, state, and local officials, and officials from other NGOs.¹⁰ Further, we interviewed officials responsible for implementing the IHP from FEMA's headquarters and all four National Processing Service Centers (NPSC), as well as FEMA's Regions II, IV, VI, and IX, which are the regions responsible for liaising with and supporting our four selected states and Puerto Rico. The results of our interviews cannot be generalized; however, they provide valuable perspectives on particular challenges that disaster survivors faced in obtaining IHP assistance.

In addition, we reviewed the requirement for certain IHP applicants to also apply to the Small Business Administration's (SBA) Disaster Home Loan Program, and FEMA's communication of this requirement to survivors. We compared FEMA's process and communication efforts regarding this requirement to the goals and objectives in FEMA's *2018-2022 Strategic Plan*¹¹ and the federal government's roles and responsibilities outlined in

⁹We interviewed local officials from Harris County, TX; Jefferson County, TX; Bay County, FL; Jackson County, FL; Craven County, NC; Pender County, NC; Butte County, CA; Sonoma County, CA; Caguas, PR; and Bayamon, PR.

¹⁰We interviewed officials from Lone Star Legal Aid (TX); The Facilitators: Camp Ironhorse (PR); Endeavors (PR and NC); Rebuild Bay County (FL); SBP (FL); and Catholic Charities (CA).

¹¹Federal Emergency Management Agency, *2018-2022 Strategic Plan*, (Washington, D.C.: Mar. 15, 2018).

the *National Disaster Recovery Framework*.¹² We also analyzed previous and current versions of FEMA’s IHP ineligible determination letters using the Flesch Reading Ease score,¹³ the Plain Writing Act of 2010,¹⁴ and the Substance Abuse and Mental Health Administration’s guidance on disaster communications.¹⁵ Lastly, we compared the amount of information FEMA provides to IHP applicants about their case for assistance to the federal government’s roles and responsibilities outlined in the *National Disaster Recovery Framework* and the Substance Abuse and Mental Health Administration’s key principles for serving individuals suffering from trauma, such as those who experienced a disaster.¹⁶

To address our third objective, we interviewed officials responsible for implementing the IHP from FEMA’s headquarters and all four NPSCs, as well as FEMA Regions II, IV, VI, and IX. We also interviewed state, territory, local, and NGO officials in California, Florida, North Carolina, Texas, and Puerto Rico, to understand their experiences, including any challenges, working with FEMA to deliver the IHP. The results of our interviews cannot be generalized; however, they provide valuable context for any challenges FEMA experienced with implementing the IHP. Further, we analyzed FEMA’s standard operating procedures for the IHP and documentation on workforce capabilities, as well as information provided to state and local officials, and compared them to *Standards for Internal Control in the Federal Government*, a GAO human capital guide,

¹²Department of Homeland Security. *National Disaster Recovery Framework*, 2nd ed. (Washington, D.C.: June 2016).

¹³Flesch Reading Ease scores fall on a scale from 0 to 100, with 0 being nearly impossible to read and 100 being simple enough for a fifth grader to read. The formula is based on average sentence length and average word length. The version we used was included in the Microsoft Word processing software. As we have previously reported, the Flesch Reading Ease score is one of the most widely used, tested, and reliable formulas for calculating readability. See GAO, *Vehicle Data Privacy: Industry and Federal Efforts Under Way, but NHTSA Needs to Define Its Role*, [GAO-17-656](#) (Washington, D.C.: July 28, 2017).

¹⁴Pub. L. No. 111-274, 124 Stat. 2861 (codified at 5 U.S.C. § 301 note).

¹⁵Department of Homeland Security. *National Disaster Recovery Framework*; Substance Abuse and Mental Health Services Administration, *Communicating in a Crisis: Risk Communication Guidelines for Public Officials*, SAMHSA Publication No. PEP19-01-01-005 (Rockville, MD, 2019).

¹⁶Substance Abuse and Mental Health Services Administration, *SAMHSA’s Concept of Trauma and Guidance for a Trauma-Informed Approach*, HHS Publication No. (SMA) 14-4884 (Rockville, MD, 2014).

FEMA's 2018–2022 Strategic Plan, and the National Disaster Recovery Framework.¹⁷

To address our fourth objective, we analyzed documentation on FEMA assessments and performance reports for the IHP, as well as data on surveys that FEMA conducted with survivors who applied for the IHP. We compared FEMA's methodology for its IHP surveys to the Office of Management and Budget's *Standards and Guidelines for Statistical Surveys*.¹⁸ We also analyzed documentation on FEMA initiatives and recommendations aimed at addressing challenges with the IHP, and compared these efforts with key process improvement and program management activities from GAO's *Business Process Reengineering Assessment Guide* and *The Standard for Program Management*.¹⁹ We also interviewed officials from FEMA's Individual Assistance Division and Recovery Analytics Division, which manages data and analytics for Individual Assistance, and the IHP Service Delivery Branch, which manages the IHP.

We conducted this performance audit from October 2018 to September 2020 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.

Further information on our scope and methodology can be found in appendix I.

¹⁷GAO, *Standards for Internal Control in the Federal Government*, [GAO-14-704G](#) (Washington, D.C.: September 2014); and *Human Capital: A Guide for Assessing Strategic Training and Development Efforts in the Federal Government*, [GAO-04-546G](#) (Washington, D.C.: March 2004); and Federal Emergency Management Agency, *2018–2022 Strategic Plan*; and Department of Homeland Security, *National Disaster Recovery Framework*.

¹⁸Office of Management and Budget, *Standards and Guidelines for Statistical Surveys* (Washington, D.C.: September 2006).

¹⁹GAO, *Business Process Reengineering Assessment Guide, Version 3*, [GAO/AIMD-10.1.15](#) (Washington, D.C.: May 1997). Project Management Institute, Inc., *The Standard for Program Management—Fourth Edition*© (2017).

Background

FEMA's Role in Providing Disaster Assistance to Individuals and Households

The Robert T. Stafford Disaster Relief and Emergency Assistance Act (Stafford Act) establishes the process for states, territories, and tribes to request a presidential major disaster or emergency declaration, which, if approved, triggers a variety of federal response and recovery programs for government and nongovernmental entities, households, and individuals. One of these programs is FEMA's Individual Assistance Program, which provides assistance to disaster survivors to cover necessary expenses and serious needs such as housing assistance, counseling, child care, unemployment compensation, or medical expenses, that cannot be met through insurance or low-interest loans. The Individual Assistance Program consists of six sub-programs:

- **IHP.** Provides financial assistance and direct services for housing and other types of assistance to individuals and households who have uninsured or underinsured necessary expenses and serious needs due to a disaster;
- **Mass Care and Emergency Assistance.** Provides life-sustaining services and resources to disaster survivors, such as shelter and food;
- **Crisis Counseling Assistance and Training Program.** Assists individuals and communities in recovering from psychological effects of a disaster;
- **Disaster Unemployment Assistance.** Provides unemployment benefits and reemployment services to individuals unemployed because of a disaster;
- **Disaster Legal Services.** Provides free legal help to low-income survivors of a disaster; and
- **Disaster Case Management.** Provides a survivor with a single point of contact to facilitate access to a broad range of services.

Almost three-fourths of the expenditures under the Individual Assistance Program were for the IHP from 2010 through 2019.²⁰ We discuss IHP expenditures later in this report.

²⁰An expenditure is an amount paid by federal agencies, by cash or cash equivalent, to liquidate government obligations.

IHP Assistance

The IHP provides two categories of assistance: (1) housing assistance and (2) other needs assistance (ONA).

Permanent Housing Construction Provided through the Individuals and Households Program

The Federal Emergency Management Agency (FEMA) made repairs to the stairs, elevated entrance (top), and interior (bottom) of the home through the Permanent Housing Construction program. This included new appliances and cabinets in the kitchen, and repairs to the doors, windows, walls, ceiling, light fixtures, and floor.



Source: GAO; photos taken by GAO while on site in Puerto Rico | GAO-20-503

Housing assistance. FEMA may provide financial and direct (i.e., nonfinancial) housing assistance to individuals and households, who are displaced or whose residences are rendered uninhabitable as a result of damage caused by a major disaster.²¹ Financial assistance may include lodging expense reimbursement for time spent at hotels or other temporary lodging, rental assistance, and home repair or replacement assistance.

Based on a request from the state, territory, or tribal government, FEMA may provide direct housing assistance when eligible disaster survivors are unable to use rental assistance. This type of assistance includes the repair and lease of multifamily housing units—such as apartments—for temporary use by survivors, direct lease assistance, and Transportable Temporary Housing Units, such as recreational vehicles or manufactured housing units. Transportable Temporary Housing Units can be placed on private sites, commercial sites or on group sites. Commercial sites are existing manufactured home sites with available pads that FEMA may lease. Group sites require additional approval when housing needs cannot be met by other direct temporary housing options. They may include publicly-owned land with adequate available utilities. FEMA may also provide assistance for permanent or semipermanent housing construction when no alternative housing resources are available and the types of temporary housing discussed above are unavailable, infeasible, or not cost-effective.²²

ONA. This consists of financial assistance for other necessary expenses and serious needs caused by the disaster. Some types of ONA are only provided if an individual does not qualify for a disaster loan from the SBA; this assistance includes personal property (e.g., furniture) and transportation assistance, and group flood insurance policies (collectively referred to as SBA-dependent ONA). However, FEMA requires individuals with certain income levels based on family size to apply to the SBA Disaster Loan Program and be denied or receive a partial loan

²¹42 U.S.C. 5174(b)(1)). FEMA may provide such assistance to individuals with disabilities whose residences are rendered inaccessible or uninhabitable as a result of damage caused by a major disaster.

²²42 U.S.C. § 5174(c)(4).

before FEMA will consider them for SBA-dependent ONA. Other types of ONA can be provided regardless of SBA loan qualification, including funeral, medical, dental, child care, critical needs, and clean and removal assistance, and other miscellaneous items (e.g., tools).²³

Figure 1 illustrates the types of IHP housing assistance and ONA available to individuals. However, not all types of assistance are automatically available for every disaster declaration.

Figure 1: Types of Assistance Available under the Individuals and Households Program



Source: GAO analysis of Federal Emergency Management Agency (FEMA) program documentation. | GAO-20-503

^aFEMA requires individuals with certain incomes based on family size to apply to the Small Business Administration (SBA) Disaster Loan Program and be denied or receive a partial loan before FEMA will consider them for SBA-dependent ONA.

^bFEMA plans to implement moving and storage assistance as non-SBA dependent ONA in fall 2020, according to agency officials.

²³Critical needs assistance may be provided to survivors with immediate or critical needs because they are displaced from their primary dwelling. Immediate or critical needs are life-saving and life-sustaining items, including: water, food, first aid, prescriptions, infant formula, diapers, consumable medical supplies, durable medical equipment, personal hygiene items, and fuel for transportation.

According to FEMA officials, the IHP is intended to supplement individuals' recovery efforts and is not a substitute for insurance. Most forms of IHP assistance are capped at a maximum amount an eligible survivor can receive, which is adjusted annually based on changes in the Consumer Price Index for All Urban Consumers, as published by the Department of Labor, and IHP assistance is generally limited to 18 months following the date of the disaster declaration. FEMA may extend the period of assistance upon a determination, at the request of a state, territorial, or tribal government, that due to extraordinary circumstances an extension would be in the public interest.²⁴

In 2018, the Stafford Act was amended by the Disaster Recovery Reform Act of 2018, and those amendments generally apply to each major disaster and emergency declared by the President on or after August 1, 2017.²⁵ The act includes a provision that establishes separate maximum amounts for financial housing assistance and ONA, thus doubling the maximum amount an eligible survivor could receive.²⁶ For example, prior to the enactment of the act, the maximum amount of financial assistance an eligible survivor could receive in 2018 was \$34,000. As a result of the act, the maximum amount of financial assistance an eligible survivor could receive in 2018 was \$68,000 (\$34,000 for financial housing assistance plus \$34,000 for ONA). The act also removed temporary housing assistance and assistance for disability-related real and personal property items from the financial assistance limits, so there is no limit for those items.²⁷

IHP Organization

The IHP is managed by FEMA's IHP Service Delivery Branch, which is decentralized and has staff at FEMA headquarters in Washington, D.C., and four NPSCs located in Winchester, Virginia; Hyattsville, Maryland; Denton, Texas; and Caguas, Puerto Rico. According to FEMA officials, the branch has approximately 1,300 staff and consists of three sections—(1) Program Management, (2) Field Services, and (3) Applicant Services.

²⁴42 U.S.C. § 5174(h), (c)(1)(B)(iii); 44 C.F.R. § 206.110(b), (e). As discussed below, temporary housing assistance and assistance for disability-related real and personal property items are not subject to the financial assistance limits. 42 U.S.C. § 5174(h).

²⁵Pub. L. No. 115-254, div. D, § 1202(a), 132 Stat. 3186, 3438.

²⁶Id. at § 1212, 132 Stat. at 3448 (codified at 42 U.S.C. § 5174(h)).

²⁷Id.

Federal Emergency Management Agency (FEMA) Field Services Section Tent and Staff



FEMA deploys staff to the field to assist survivors at Disaster Recovery Centers and conduct survivor outreach.

Source: GAO; photos taken by GAO while on site in Florida and North Carolina. | GAO-20-503

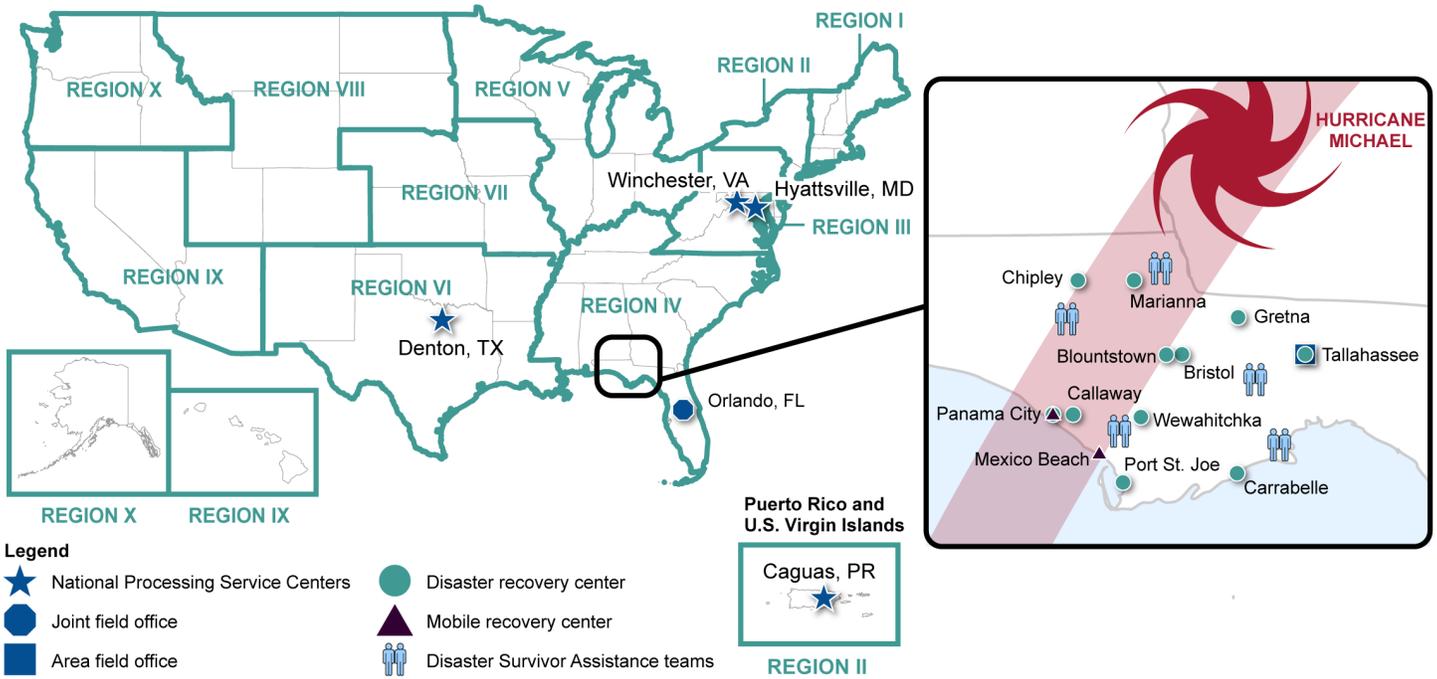
1. The Program Management Section develops and implements policies, ensures coordination throughout the IHP, and manages direct housing efforts.
2. The Field Services Section delivers services to disaster survivors and coordinates the deployment of resources to the field. This section includes the Housing Inspections Services Unit, Disaster Recovery Center (DRC) Unit, and Disaster Survivor Assistance Unit.
3. The Applicant Services Section includes almost 1,000 call center and case processing staff who help survivors apply for FEMA assistance, answer their questions on the Disaster Helpline, and process cases for IHP assistance.

IHP operations are implemented in the field by staff from FEMA's regions, the Individual Assistance and Disaster Survivor Assistance cadres, FEMA Corps, and the Housing Inspections Unit.²⁸ Staff from FEMA's regions manage and oversee the implementation of the IHP at Joint Field Offices and Area Field Offices for disaster declarations in their region.²⁹ In areas impacted by a disaster, FEMA establishes DRCs, which are facilities where survivors may go to apply for the IHP and obtain information about other FEMA programs, as well as other disaster assistance programs. During 2016 through 2018, the daily average total staff from the Individual Assistance and Disaster Survivor Assistance cadres and FEMA Corps supporting Individual Assistance and IHP operations was over 3,000. To provide an example of how IHP operations are organized, figure 2 shows the FEMA regions and four NPSCs, as well as the field locations for FEMA's recovery efforts for Hurricane Michael in Florida.

²⁸A "cadre" is a group of FEMA employees organized by operational or programmatic functions and FEMA Qualification System positions that perform disaster-related activities during FEMA disaster operations. FEMA Corps are members of AmeriCorps National Civilian Community Corps who work under supervision of FEMA staff.

²⁹A Joint Field Office is a temporary federal multiagency coordination center established locally to facilitate field-level domestic incident management activities, and provides a central location for coordination of federal, state, territory, local, tribal, nongovernmental, and private-sector organizations with primary responsibility for activities associated with threat response and incident support. An Area Field Office supports a Joint Field Office and is its forward element responsible for a specific geographic area.

Figure 2: Federal Emergency Management Agency (FEMA) Regions, Four National Processing Service Centers, and Field Locations for Hurricane Michael Recovery Efforts in Florida



FEMA Expended at Least \$11.8 Billion through the IHP and Generally Used a Consistent Process to Provide Assistance to About 3 Million Disaster Survivors from 2010 through 2019

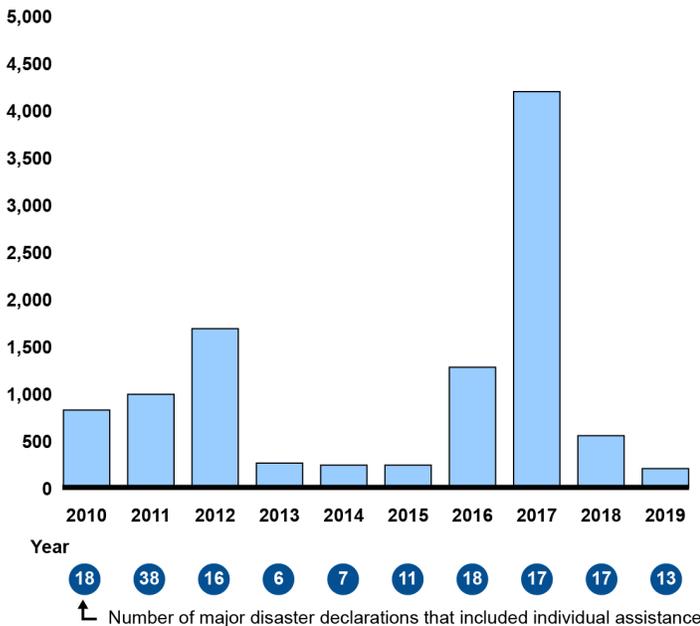
FEMA Expended over \$11 Billion through the IHP for About 3 Million Eligible Survivors from 2010 through 2019

For the 161 major disaster declarations from calendar years 2010 through 2019 that included Individual Assistance, FEMA expended at least \$11.8 billion in IHP assistance to eligible survivors—\$10.4 billion in financial assistance, including ONA, and at least \$1.4 billion in direct housing assistance (see fig.3). Approximately 40 percent of the \$11.8 billion from 2010 through 2019 was expended in 2017 due to Hurricanes Harvey, Irma, Maria, and the California wildfires. IHP financial assistance expenditures ranged from a low of \$235 million in 2014 to a high of \$4.2 billion in 2017. IHP direct housing expenditures ranged from a low of at least \$4 million in 2010 to a high of at least \$507 million in 2017.

Figure 3: Expenditures for the Individuals and Households Program and Number of Major Disaster Declarations That Included Individual Assistance, 2010 – 2019

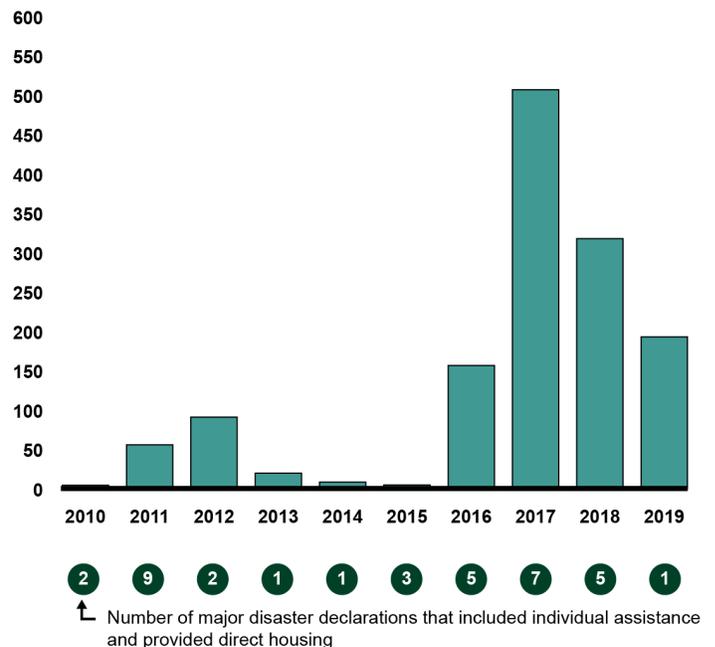
Financial assistance

Annual expenditures (dollars in millions)



Direct housing

Annual expenditures (dollars in millions)



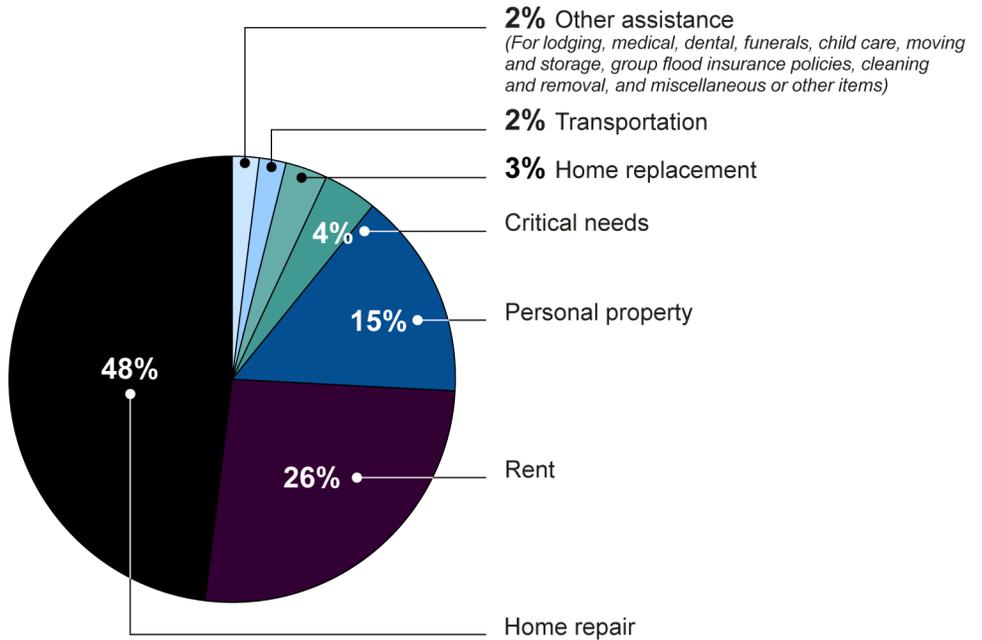
Source: GAO analysis of Federal Emergency Management Agency disaster declarations and Integrated Financial Management Information System expenditures data. | GAO-20-503

Notes: Expenditures have not been adjusted for inflation. Financial assistance includes other needs assistance (ONA).

Type of Assistance Awarded

Three types of IHP financial assistance accounted for 89 percent of expenditures from 2010 through 2019—home repair (48 percent), rental assistance (26 percent), and personal property assistance under ONA (15 percent), as shown in figure 4.

Figure 4: Percentage of Expenditures by Type of Financial Assistance under the Individuals and Households Program, 2010 – 2019



Source: GAO analysis of National Emergency Management Information System award data. | GAO-20-503

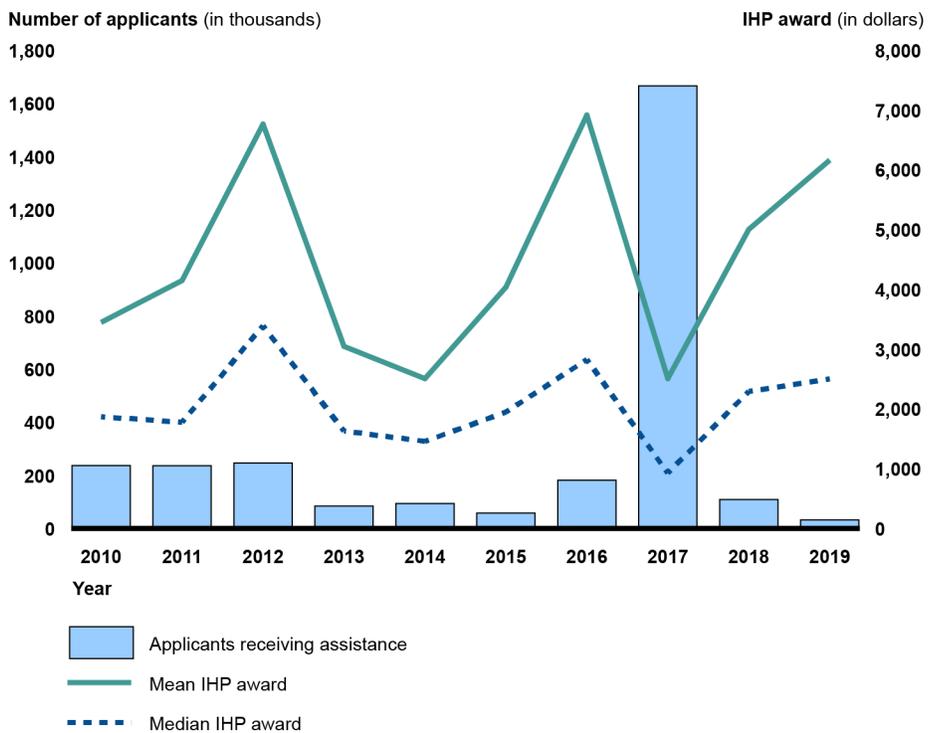
Amount of IHP Assistance per Eligible Survivor

From 2010 through 2019, FEMA determined that about 3 million survivors were eligible for IHP assistance, and the number of survivors who received IHP financial assistance ranged from a low of about 58,000 in 2015 to a high of about 1.7 million in 2017. The overall median and average amounts of IHP financial assistance that FEMA provided per eligible survivor were \$1,332 and \$3,522, respectively, for the 10-year period from 2010 through 2019.³⁰ The average amount of IHP financial assistance provided to eligible survivors ranged from a low of \$2,508 in 2017 to a high of \$6,916 in 2016. The median amount provided to eligible survivors ranged from a low of \$927 in 2017 to a high of \$3,391 in 2012 (see fig. 5). From 2010 through 2019, approximately 1 percent of all IHP

³⁰In this report, “average” amount of IHP assistance refers to the mean amount. We present the median in addition to the average (mean) assistance amount because the distribution of IHP financial assistance is skewed toward larger amounts, as indicated by the substantial difference between the average and median amounts of IHP assistance. This is because some survivors received significantly higher amounts of IHP financial assistance, which increases the mean value (because it is based on all values in the distribution), but does not affect the median value, which is less sensitive to extreme values (because it is based on the middle value of the data).

applicants who received IHP financial assistance (33,051) received the maximum award under the Stafford Act or the Stafford Act, as amended by the Disaster Recovery Reform Act of 2018. Regarding the amount of IHP financial assistance that FEMA provided per eligible survivor during this 10-year time period, FEMA stated that it encourages all disaster survivors with damage to apply for the IHP, which leads to a larger pool of eligible applicants and many of them have minimal damage, thus, driving down the average award amount.

Figure 5: Number of Applicants Who Received Financial Assistance from the Individuals and Households Program (IHP) and Median and Average Award Amounts, 2010 – 2019



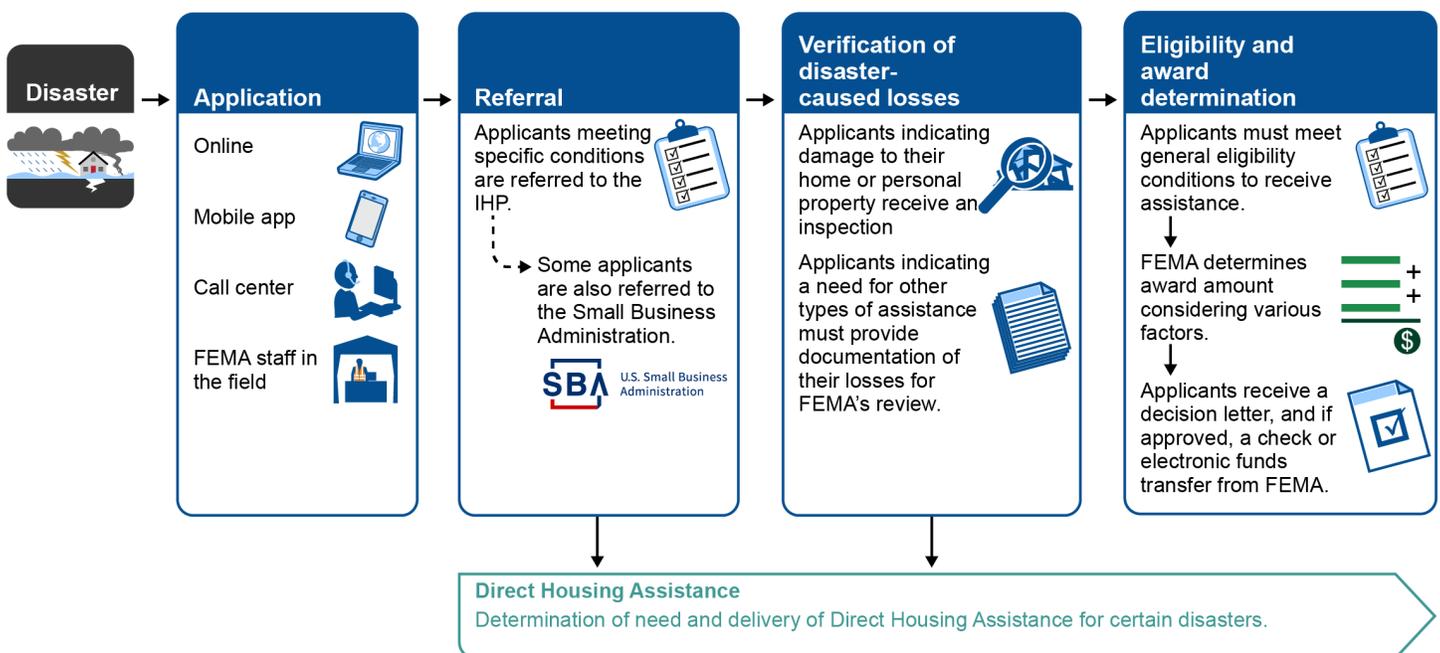
Source: GAO analysis of National Emergency Management Information System award data. | GAO-20-503

Note: Award amounts have not been adjusted for inflation.

FEMA Generally Used a Consistent Process for Delivering Assistance and Found Fewer than Half of Applicants Eligible for Assistance from 2010 to 2019

While FEMA adjusts the IHP to respond to disaster scenarios and changes in technology—such as developing new forms of assistance and developing smartphone applications to help disaster survivors register for assistance—the IHP has generally followed a consistent process for delivering assistance. This process includes the following four key steps: (1) application, (2) referral, (3) verification of disaster-caused losses, and (4) eligibility and award determination. In certain disasters, FEMA may also offer direct housing assistance and use a separate process to evaluate their eligibility and deliver assistance, when relevant. Throughout this process, survivors have the opportunity to appeal certain IHP decisions (see fig. 6).

Figure 6: The Federal Emergency Management Agency’s (FEMA) Process for Financial Assistance under the Individuals and Households Program (IHP)



Source: GAO Summary of FEMA program guidance. | GAO-20-503

Note: The IHP generally limits applications for assistance to one per household. An applicant may represent one person or multiple people.

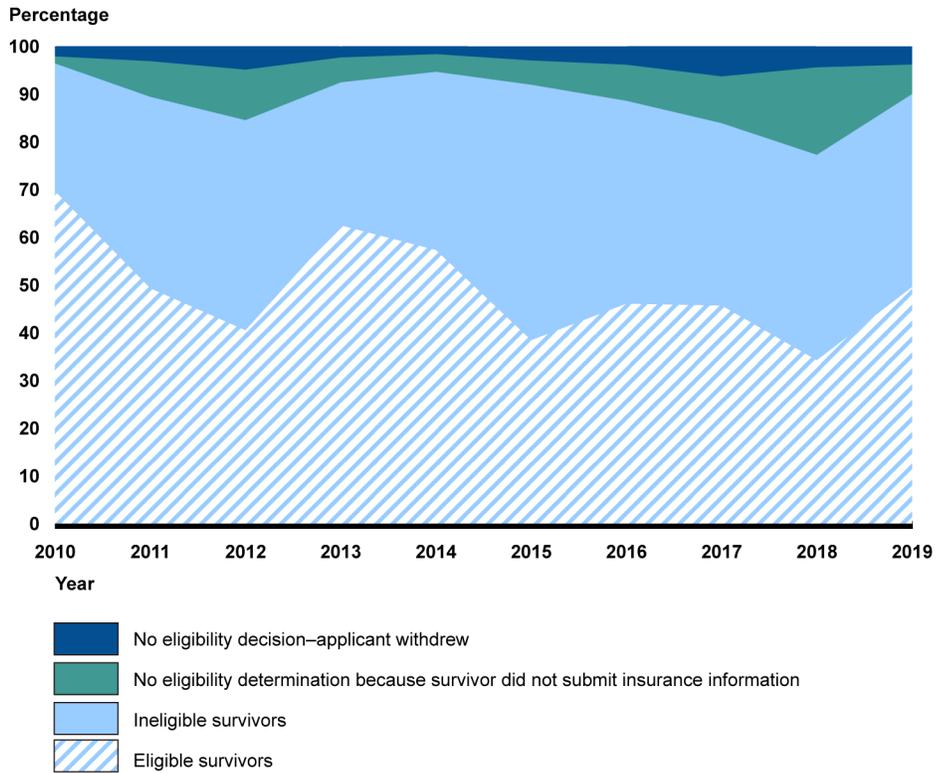
FEMA processes the application information using its National Emergency Management Information System—which collects and routes applications through all decision points following rules defined in the software—and refers disaster survivors to the IHP that meet certain conditions, including that the survivor reported that they experienced

home damages or personal losses because of the disaster.³¹ Lastly, FEMA must review documentation to verify that survivors meet the general eligibility to receive assistance.

From 2010 through 2019, FEMA found that less than half (46.7 percent) of disaster survivors referred to the program were eligible for assistance. During this time, FEMA did not make an eligibility determination for 577,000 (9.1 percent) of disaster survivors referred to the program because they did not submit insurance information. Over 416,000 (72.1 percent) of those who received no eligibility decision due to insurance information were survivors from disasters in 2017 and 2018. In cases where FEMA does not make an eligibility determination because of missing insurance documentation, FEMA communicates this decision to survivors as a denial of assistance, by mail or email. Applicants have 60 days to appeal the decision and up to a year to provide insurance documentation. Figure 7 shows trends in eligibility rates.

³¹IHP assistance is available for disaster-caused damages to the home, referred to as real property, for applicants who own their home as their primary residence. Other assistance is available, for both homeowners and renters, for items that were lost or damaged due to the disaster, referred to as personal property. Throughout the report, we refer to disaster damages, which may mean real property or personal property losses.

Figure 7: Eligibility Status Rates for Disaster Survivors Referred to the Federal Emergency Management Agency’s (FEMA) Individuals and Households Program, from 2010 through 2019



Source: GAO summary of National Emergency Management Information System data. | GAO-20-503

Note: From 2010 through 2019, FEMA also did not make eligibility determinations for 156 applicants with a status that remained “pending.” This reflects less than .01 percent of referred survivors and is not visible on the figure. According to FEMA, pending eligibility determinations reflect a processing error that require manual corrections to ensure payment of any eligible assistance.

FEMA Considers Various Factors to Determine Type and Amount of Assistance

After the National Emergency Management Information System refers disaster survivors to the IHP for assistance, FEMA may conduct a housing inspection specifically to assess and verify that the IHP covered disaster damages. The inspection does not collect information on all damages because IHP assistance does not address all damages resulting from a disaster; for example, home repair assistance provides assistance only to restore the home to a safe and sanitary living or functioning condition.³² Inspectors record the cause of damage and

³²See 44 C.F.R. § 206.117(b)(2)(iii).

confirm the size of the home and number of people living there, among other details. The inspector will also verify eligible transportation losses caused by the disaster.³³

FEMA considers a variety of factors specific to the disaster survivor's unique circumstances when determining the type and amount of assistance to award and may use alternative verifications to determine eligibility based on disaster-specific circumstances, as was the case for multiple disasters in 2017 and 2018. Further, each type of assistance may have additional conditions of eligibility and verification requirements beyond the general eligibility requirements noted above. For example, in the case of multiple roommates who share a damaged residence, FEMA follows different eligibility criteria and limitations when determining the amount of personal property assistance but follows the standard criteria for awarding transportation assistance, among others.³⁴ See appendix II for a summary of adjusted verification procedures for general eligibility requirements, as well as the additional eligibility requirements and verification procedures specific to each type of assistance.

According to FEMA officials, considerations that frequently affect award determination are availability of insurance, number of people in the household, and whether the IHP allows assistance for the survivor's specific disaster damages and losses. For example, FEMA subtracts any insurance settlements an applicant receives from their award. FEMA considers household composition and provides assistance for personal property damages in one bedroom when there is only one adult living in the home, even if there were multiple bedrooms with damages. Figure 8 below demonstrates these considerations.

³³We plan to conduct a review in late 2020 on the challenges FEMA faced managing housing inspections for the determination of IHP awards.

³⁴While transportation assistance is limited to one damaged vehicle per household, FEMA may consider providing assistance for more than one vehicle in the case of roommates when the survivor provides justification of their need.

Figure 8: Notional Case of Two Families with Similar Damage and Different Awards Because of Individuals and Households Program Eligibility Criteria and Circumstances

The Joneses and the Smiths applied for assistance after a hurricane damaged their homes. The Federal Emergency Management Agency's (FEMA) policies and procedures applied to their differing circumstances resulted in different amounts of financial assistance based on each family's eligibility.

Household composition

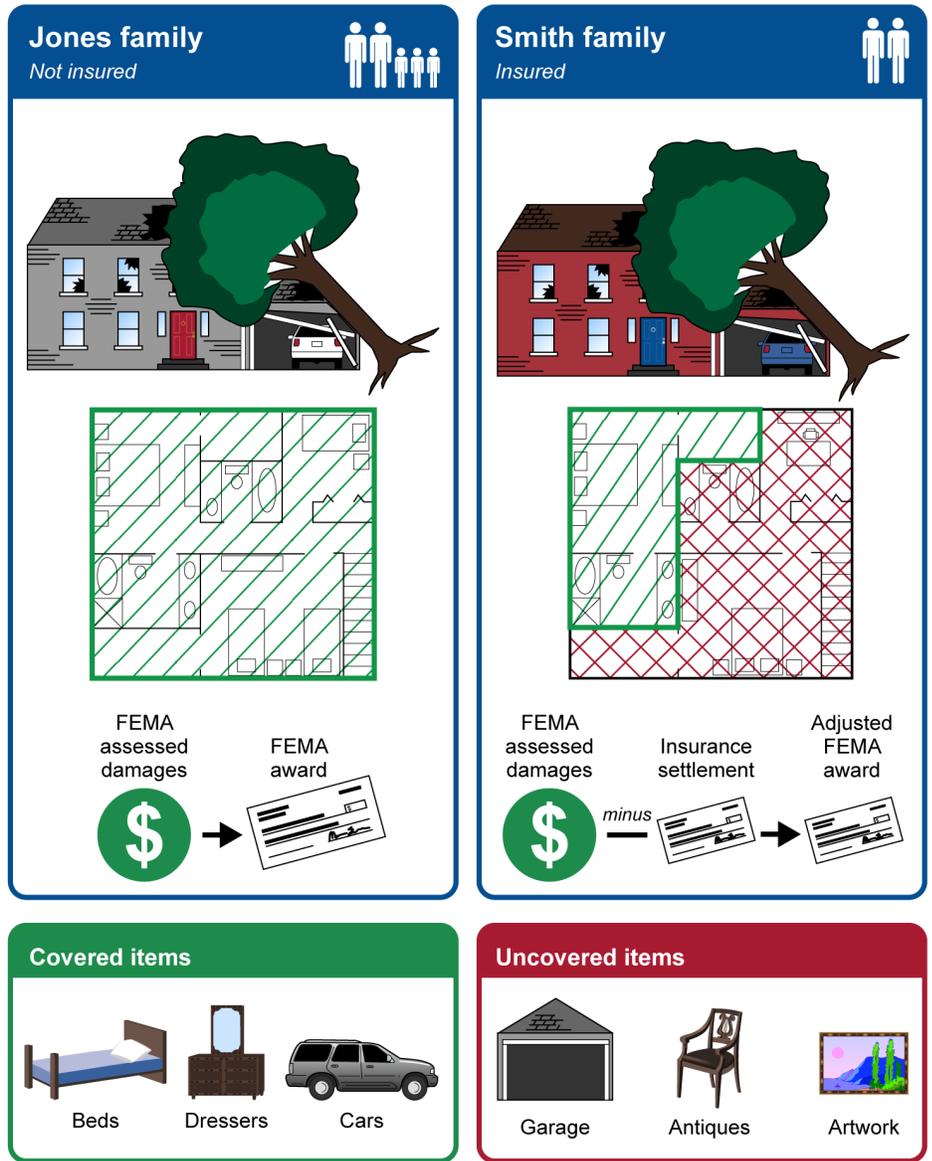
Both homes had disaster-caused damages to all three bedrooms. The Jones family, with three children, will have eligible losses in all three bedrooms because they are all required for the functional use of the home based on their household composition. FEMA only considered the home damage and personal property losses for the one used bedroom in the Smith's award.

Insurance

FEMA deducts the Smith's insurance settlement for home damage and personal losses from the personal property and home repair assistance award for their family. The Jones family does not have any insurance, and therefore their home repair and personal property award is higher, despite similar damages.

Not all damages and losses are covered

For both families, FEMA does not provide assistance for the garage damages because a garage is not a required element of a functional home, according to program guidance. FEMA provides assistance for some losses—such as necessary bedroom furniture and the cars parked in the garage. FEMA excludes other items, such as the Smith's antique chairs and artwork.



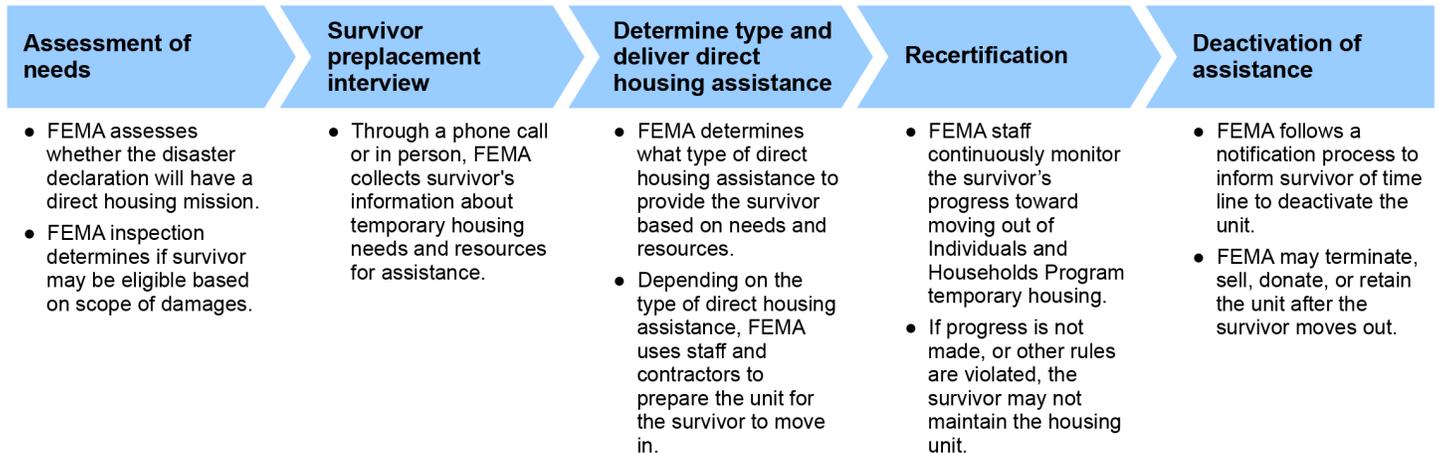
Sources: GAO summary of FEMA program guidance; Art Explosion (clip art). | GAO-20-503

FEMA sends all IHP applicants an award determination letter explaining the applicant's eligibility for IHP assistance and, if eligible, the amount of assistance awarded.

FEMA May Provide Direct Housing Assistance

FEMA monitors cases where the inspection finds over \$17,000 or more in eligible damages for homeowners or renters whose home received major damage to determine the number of survivors who may need and be eligible for temporary housing. FEMA can provide direct housing assistance for up to 18 months, depending on their needs, which may be extended due to extraordinary circumstances when the affected state, territory, or tribe requests an extension in writing. Figure 9 shows this process.

Figure 9: Federal Emergency Management Agency (FEMA) Process for Assessing Need and Providing Direct Housing Assistance to Eligible Survivors



Source: GAO Summary of FEMA program guidance. | GAO-20-503

Survivors Have the Right to Appeal

Survivors may request a review of certain decisions within 60 days after the date that FEMA notifies them of the award or denial of assistance, and the request must be submitted in writing, explain the reason for appealing, and include a signature.³⁵ FEMA reviews the survivor's written appeal and any documentation provided with the appeal. Upon review, FEMA either provides a written decision or requests more information from the survivor. FEMA must provide the survivor with a response within 90 days of when FEMA receives the appeal. From 2010 through 2019, about 303,000 survivors (4.8 percent) submitted about 463,000 appeals for FEMA decisions on their IHP applications. Of the approximately

³⁵44 C.F.R. § 206.115(a), (b).

463,000 total appeals, FEMA approved over 115,000 (25 percent) and denied over 336,000 appeals (about 73 percent).³⁶

Survivors Had Varying Program Outcomes and Faced Challenges Understanding and Navigating the IHP

Identifying Vulnerable Communities Using the Centers for Disease Control and Prevention's Social Vulnerability Index

The Centers for Disease Control and Prevention created the Social Vulnerability Index to help public health officials and emergency response planners identify and map the communities that will most likely need continued support to recover following an emergency or natural disaster. The index indicates the relative social vulnerability of census tracts in U.S. states and the District of Columbia, and Puerto Rico. Census tracts are subdivisions of counties for which the U.S. Census Bureau collects statistical data through the American Community Survey. The index ranks tracts on 15 variables, including unemployment, minority status, and disability, and further groups them into the following four themes—(1) socioeconomic status, (2) household composition and disability, (3) minority status and language, (4) housing and transportation—as well as an overall ranking. The index is a 0 to 1 scale, with higher scores indicating greater vulnerability.

Source: Centers for Disease Control and Prevention. | GAO-20-503

From 2016 through 2018, survivors from 52 major disaster declarations that included Individual Assistance applied for assistance from FEMA's IHP. Based on our analysis, survivors had varying program outcomes—such as approval for and timeliness of financial assistance—depending on their characteristics, such as age, gross annual income, and insurance coverage, as well as the social vulnerability of the community in which they lived. We also found that survivors faced challenges with understanding and navigating the IHP, which may have prevented them from receiving assistance for which they may have otherwise been eligible. Specifically, survivors experienced challenges with the requirement to apply for SBA's disaster loan program, and understanding FEMA's eligibility and award decisions.

Program Outcomes Varied across Survivor Groups

According to our analysis of FEMA's IHP applicant data for 2016 through 2018, there were differences in approval rates, financial assistance received, reasons for ineligibility, appeal rates, and time between key

³⁶The remaining approximately 2 percent of appeals were pending, withdrawn, or no decision could be made.

Federal Poverty Guidelines

Each year, the Department of Health and Human Services issues federal poverty guidelines, which represent an annual household income for different household sizes and locations. For example, the 2018 poverty guideline for a family of four in any of the 48 contiguous states and the District of Columbia was \$25,100. In comparison, the 2018 guidelines for a family of four in Alaska and Hawaii were \$31,380 and \$28,870, respectively. The guidelines are not defined for U.S. territories.

Federal poverty guidelines are used to determine financial eligibility for certain federal programs. For example, the Department of Agriculture's National School Lunch Program provides lunches to children in schools for free if their household income is below 130 percent of the poverty guidelines, and at a reduced price if their household income is between 130 percent and 185 percent of the guidelines.

Source: Department of Health and Human Services and Department of Agriculture. | GAO-20-503

events of the IHP financial assistance process for different groups of survivors, including renters, older survivors, survivors with lower incomes, survivors without property insurance, and survivors living in more socially vulnerable communities. See appendix III for our analysis of IHP outcomes by levels of social vulnerability in survivors' communities. Also, see our supplemental materials for our full analysis of program outcomes for calendar years 2016, 2017, and 2018, and selected major disasters in 2016 through 2018.³⁷

Referred applicants' characteristics and approval rates. Of the 5.6 million people who applied for FEMA assistance from 2016 through 2018, 4.4 million (78 percent) were referred to the IHP. We found that the majority of referred applicants reported that they did not have flood insurance coverage (92 percent) or property insurance coverage (63 percent); were from multiperson households (62 percent); owned their homes (57 percent); or lived at or below 200 percent of the federal poverty guideline (53 percent).³⁸ In addition, we found that 50 percent of referred applicants were between the ages of 25 and 49, and roughly 40 percent of referred applicants reported a gross annual income below \$25,000, or lived in a community with the highest levels of social vulnerability.

According to our analysis, 45 percent of all referred applicants were approved for financial IHP assistance from 2016 through 2018. Of the over 2.4 million referred applicants who were not approved, roughly 1.7 million were ineligible, almost 450,000 did not receive a decision from FEMA because of missing insurance documentation, and over 260,000 had their applications withdrawn.³⁹ We found that approval rates varied

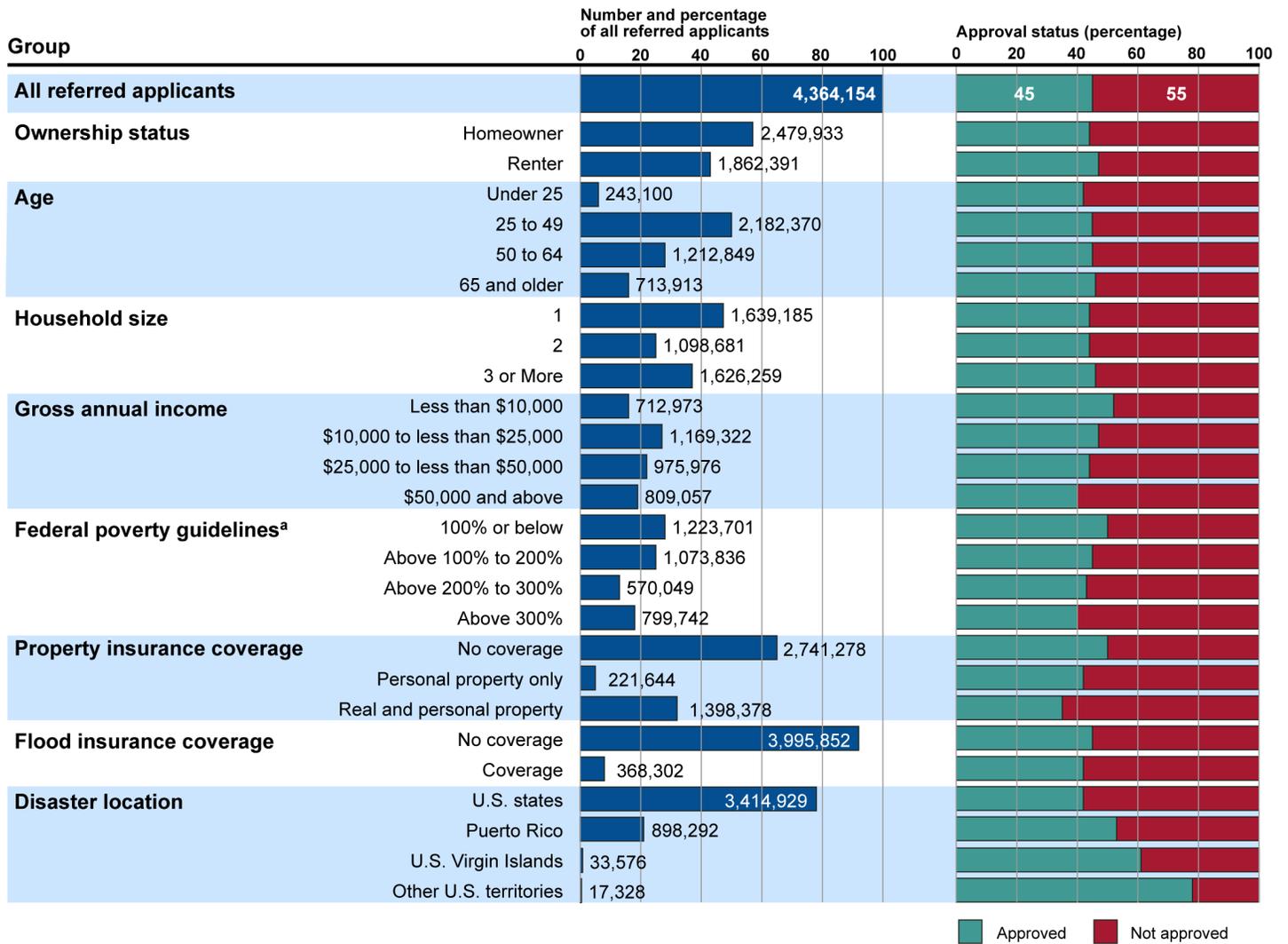
³⁷See GAO, *Supplemental Material for GAO-20-503: Select Disaster Profiles for FEMA's Individuals and Households Program 2016-2018*, GAO-20-674SP (Washington, D.C.; September 2020); and *Supplemental Material for GAO-20-503: FEMA Individuals and Households Program Applicant Data 2016-2018*, GAO-20-675SP (Washington, D.C.; September 2020).

³⁸Federal poverty guidelines represent an annual household income for different household sizes and locations. For example, the following families lived at 200 percent of the federal poverty guideline in 2018: a family of two living in one of the 48 contiguous states or the District of Columbia with a gross annual income of \$32,920; a family of five living in one of the 48 contiguous states or the District of Columbia with a gross annual income of \$58,840; and a family of five living in Hawaii with a gross annual income of \$67,680.

³⁹A survivor can voluntarily withdraw their application for IHP assistance. FEMA can withdraw a survivor's application for assistance if the applicant failed to provide a required signature or could not be contacted.

across survivor groups (see fig. 10). For example, from 2016 through 2018, we found that the following groups were approved for IHP assistance at higher rates: renters (47 percent); applicants with reported gross annual incomes less than \$10,000 (52 percent); and those who reported no insurance coverage on their real or personal property (50 percent).

Figure 10: Referred Applicants and Approval Rates for the Individuals and Households Program (IHP), 2016 – 2018



Source: GAO analysis of Federal Emergency Management Agency's (FEMA) IHP applicant data, as of February 24, 2020. | GAO-20-503

Notes: The data used to create survivor groups were reported by the survivor in their FEMA application. We found that less than 1 percent of referred applicants had missing age, household size, or ownership status data, and 16 percent had missing gross annual income data, which also

affects our federal poverty guideline analysis. We conducted an analysis of other socioeconomic characteristics of applicants with missing income information and found that they are somewhat more likely to have lived in communities characterized by lower levels of socioeconomic vulnerability than those who provided income information. See appendix I for more details.

³Federal poverty guidelines represent a household income for different household sizes and locations. The guidelines are not defined for U.S. territories. We calculated guidelines for relevant U.S. territories by multiplying the federal poverty guideline for the 48 contiguous states and the District of Columbia by the same factor that the Small Business Administration used to calculate its minimum income guidelines for U.S. territories.

Financial IHP assistance received. According to our analysis, almost 2 million applicants received financial IHP assistance from FEMA from 2016 through 2018. The average amounts of financial assistance homeowners and renters received from FEMA during this period were \$4,184 and \$1,675, respectively.⁴⁰ We found that average award amounts varied across survivor groups (see fig. 11). For example, from 2016 through 2018, we found that the following groups had the highest average award amounts: homeowners under the age of 25 (\$5,012); renters ages 65 and older (\$1,723); homeowners and renters from households with three people or more (\$4,940 and \$2,116, respectively); and homeowners and renters living at or below the federal poverty guideline (\$4,852 and \$1,958, respectively).

⁴⁰For the purposes of this report, average refers to the mean. We did not include group flood insurance in our analysis of average IHP award amounts because this type of assistance is not a direct payment to the applicant. FEMA directly purchases group flood insurance certificates—that cost \$600 and provide 3 years of coverage—on behalf of applicants who are required to obtain and maintain flood insurance. From 2016 through 2018, less than 3 percent of all awarded applicants received group flood insurance.

Figure 11: Average Award Amounts and Number of Owners and Renters Who Received Financial Assistance through the Individuals and Households Program (IHP), 2016 – 2018

Group	Owners		Renters	
	Average award amount dollars (in thousands) ^a	Number receiving assistance	Average award amount dollars (in thousands) ^a	Number receiving assistance
All awarded applicants		1,078,901		875,050
Age	Under 25	23,046		77,882
	25 to 49	409,300		567,949
	50 to 64	374,122		170,889
	65 and older	267,860		57,210
Household size	1	355,280		358,892
	2	306,162		178,702
	3 or More	417,459		337,456
Gross annual income	Less than \$10,000	184,877		184,730
	\$10,000 to less than \$25,000	271,340		275,730
	\$25,000 to less than \$50,000	228,385		196,474
	\$50,000 and above	239,747		82,788
Federal poverty guidelines^b	100% or below	289,638		324,425
	Above 100% to 200%	258,029		227,016
	Above 200% to 300%	142,590		101,079
	Above 300%	234,092		87,202
Property insurance coverage	No coverage	576,280		796,033
	Personal property only	14,909		79,005
	Real and personal property	486,224	Not applicable	Not applicable
Flood insurance coverage	No coverage	936,855		861,716
	Coverage	142,046		13,334
Disaster location	U.S. States	731,343		712,849
	Puerto Rico	330,240		145,558
	U.S. Virgin Islands	9,170		11,377
	Other U.S. territories	8,148		5,266

Source: GAO analysis of Federal Emergency Management Agency's (FEMA) IHP applicant data, as of February 24, 2020. | GAO-20-503

Notes: The data used to create survivor groups were reported by the survivor in their FEMA application. We found that less than 1 percent of awarded applicants had missing age, household size, or ownership status data, and 15 percent had missing gross annual income data, which also affects our federal poverty guideline analysis. We conducted an analysis of other socioeconomic characteristics of applicants with missing income information and found that they are somewhat more likely to have lived in communities characterized by lower levels of socioeconomic vulnerability than those who provided income information. See appendix I for more details.

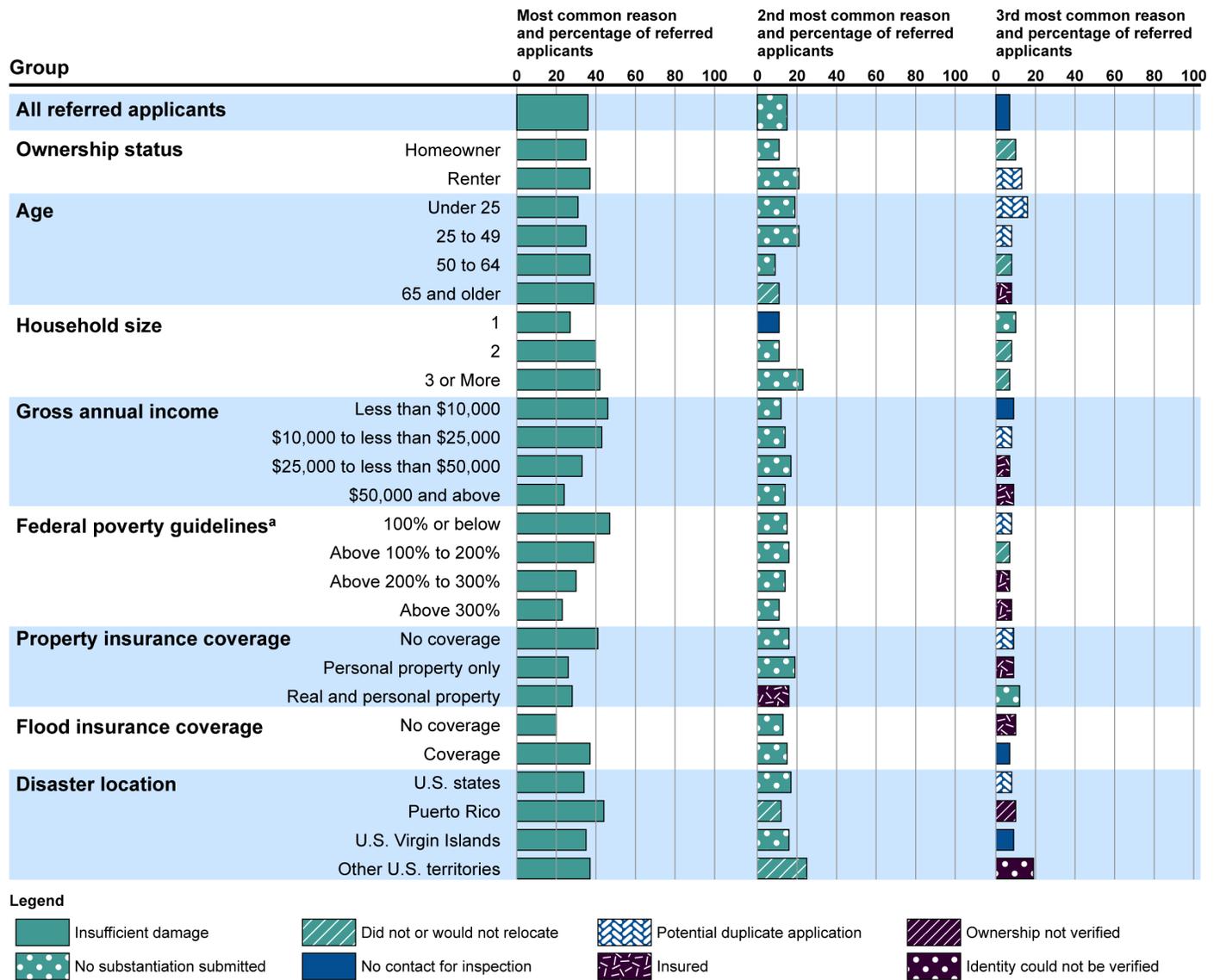
^aWe did not include group flood insurance in our analysis of average IHP award amounts because this type of assistance is not a direct payment to the applicant. FEMA directly purchases group flood insurance certificates—that cost \$600 and provide 3 years of coverage—on behalf of applicants who are required to obtain and maintain flood insurance. From 2016 through 2018, less than 3 percent of all awarded applicants received group flood insurance.

^bFederal poverty guidelines represent a household income for different household sizes and locations. The guidelines are not defined for U.S. territories. We calculated guidelines for relevant U.S. territories by multiplying the federal poverty guideline for the 48 contiguous states and the District of Columbia by the same factor that the Small Business Administration used to calculate its minimum income guidelines for U.S. territories.

Most common reasons for an ineligible determination. According to our analysis, from 2016 through 2018, the three most common reasons FEMA determined that an applicant was ineligible for financial assistance were (1) insufficient damage (36 percent of all referred applicants), (2) failure to submit evidence to support disaster losses or needs (15 percent of all referred applicants), and (3) failure to make contact with the FEMA inspector (7 percent of all referred applicants). We also analyzed the most common reasons for an ineligibility determination across survivor groups and found differences in the rates at which certain applicants were determined ineligible for IHP assistance because of insufficient damages.⁴¹ For example, lower-income applicants were determined ineligible for financial assistance because of insufficient damage at higher rates than higher-income applicants (see fig. 12).

⁴¹FEMA will determine an applicant ineligible for IHP assistance if the agency does not find enough damage to the applicant's home or property to meet the IHP's \$50 minimum threshold or the damages do not impact the habitability of the home.

Figure 12: Most Common Reasons Referred Applicants Were Determined Ineligible for Assistance from the Individuals and Households Program (IHP), 2016 – 2018



Source: GAO analysis of Federal Emergency Management Agency's (FEMA) IHP applicant data, as of February 24, 2020. | GAO-20-503

Notes: The data used to create survivor groups were reported by the survivor in their FEMA application. We found that less than 1 percent of referred applicants had missing age, household size, or ownership status data, and 16 percent had missing gross annual income data, which also affects our federal poverty guideline analysis. We conducted an analysis of other socioeconomic characteristics of applicants with missing income information and found that they are somewhat more likely to have lived in communities characterized by lower levels of socioeconomic vulnerability than those who provided income information. See appendix I for more details. Applicants may receive multiple ineligible determinations.

^aFederal poverty guidelines represent a household income for different household sizes and locations. The guidelines are not defined for U.S. territories. We calculated guidelines for relevant U.S. territories by multiplying the federal poverty guideline for the 48 contiguous states and the District of Columbia by the same factor that the Small Business Administration used to calculate its minimum income guidelines for U.S. territories.

Appeal rates. According to our analysis, roughly 153,000 applicants (less than 4 percent of all referred applicants) submitted almost 223,000 appeals to FEMA from 2016 through 2018. Of the applicants who appealed a FEMA determination, approximately 30 percent were successful. We found that the percentage and success rate of applicants who appealed a FEMA determination varied across survivor groups (see table 1). For example, from 2016 through 2018, we found that the following groups had among the highest percentage of applicants who appealed a FEMA determination and appeal success rate: homeowners; applicants ages 65 and older; and those who reported a gross annual income of less than \$10,000.

Table 1: Referred Applicants Who Appealed a Determination on Financial Assistance from the Individuals and Households Program (IHP) and Appeal Approval Rates, 2016 – 2018

Group		Number and percent of referred applicants who appealed		Percent who won their appeal
All		153,114	3.5	30.2
Ownership status	Homeowner	125,086	5.0	32.9
	Renter	27,130	1.5	18.6
Age	Under 25	3,704	1.5	27.7
	25 to 49	54,460	2.5	28.2
	50 to 64	56,089	4.6	30.7
	65 and older	38,263	5.4	32.4
Household size	1	42,201	2.6	28.8
	2	46,372	4.2	31.1
	3 or more	64,541	4.0	30.4
Gross annual income	Less than \$10,000	40,398	5.7	32.4
	\$10,000 to less than \$25,000	50,232	4.3	30.8
	\$25,000 to less than \$50,000	28,669	2.9	28.2
	\$50,000 and above	20,526	2.5	28.5
Federal poverty guideline^a	100% or below	64,199	5.2	31.2
	Above 100% to 200%	41,449	3.9	30.6
	Above 200% to 300%	15,642	2.7	29.3
	Above 300%	18,535	2.3	28.2
Property insurance coverage	No coverage	100,539	3.7	32.1
	Personal property only	3,960	1.8	20.1
	Real and personal property	48,478	3.5	27.0

Group		Number and percent of referred applicants who appealed	Percent who won their appeal	
Flood insurance coverage	No coverage	143,901	3.6	30.6
	Coverage	9,213	2.5	22.7
Disaster location	U.S. states	102,330	3.0	26.7
	Puerto Rico	47,773	5.3	37.4
	U.S. Virgin Islands	1,754	5.2	25.1
	Other U.S. territories	1,257	7.3	37.3

Source: GAO analysis of the Federal Emergency Management Agency's (FEMA) IHP applicant data, as of February 24, 2020. | GAO-20-503

Note: The data used to create survivor groups were self-reported by the survivor in their FEMA application. We found that less than 1 percent of applicants who appealed had missing age or ownership status data, and 9 percent had missing gross annual income data, which also affects our federal poverty guideline analysis. We conducted an analysis of other socioeconomic characteristics of applicants with missing income information and found that they are somewhat more likely to have lived in communities characterized by lower levels of socioeconomic vulnerability than those who provided income information. See appendix I for more details.

^aFederal poverty guidelines represent a household income for different household sizes and locations. The guidelines are not defined for U.S. territories. We calculated guidelines for relevant U.S. territories by multiplying the federal poverty guideline for the 48 contiguous states and the District of Columbia by the same factor that the Small Business Administration used to calculate its minimum income guidelines for U.S. territories.

Time between key events of the IHP process. We analyzed the numbers of days between a survivor's application date and dates for the following key events in the IHP process for financial assistance: first inspection, first award, and final decision, which, for the purposes of our analysis, indicates the end of a survivor's involvement in the IHP process for financial assistance. We found that, from 2016 through 2018, the average time between survivors' application and first inspection was 30 days;⁴² between survivors' application and first award was 37 days;⁴³ and

⁴²Only survivors who report home or personal property damages in their FEMA application will receive an inspection.

⁴³We excluded Critical Needs Assistance records from our analysis of the time between application and first award dates because, according to FEMA officials, the agency does not typically provide this type of assistance. According to our analysis, FEMA provided Critical Needs Assistance—a one-time payment of \$500—to over 925,000 applicants in 14 of the 52 major disaster declarations that included Individual Assistance from 2016 through 2018. An affected state, territorial, or tribal government must request that FEMA authorize Critical Needs Assistance for specific geographic areas or all counties declared for Individual Assistance, as the assistance is subject to a state/federal cost-share. FEMA's Individual Assistance Division Director may authorize the assistance when the identified areas are or will be inaccessible for an extended period of time (i.e., 7 days or longer). Survivors who complete a FEMA application and pass identify verification may be eligible for Critical Needs Assistance if they state an emergency need for food, medication, gas, shelter, or clothing at the time of application, and are displaced from their primary residence as a result of the disaster. We found that the average time between a survivor's application date and award date for Critical Needs Assistance was 1.7 days.

that referred applicants were involved in the IHP financial assistance process was 49 days.⁴⁴

We found that the average time between key events in the IHP process for financial assistance varied across survivor groups (see table 2).⁴⁵ For example, from 2016 through 2018, we found that the following groups experienced longer times, on average, between their application and first inspection, first award, and final decision dates: homeowners; applicants ages 65 and older; and those who reported a gross annual income of less than \$10,000.

Table 2: Time between Key Events in the Financial Assistance Process for the Individuals and Households Program (IHP), 2016 – 2018

Group		Average time to first inspection (days)	Average time to first award (days) ^a	Average time to final decision (days) ^b	
				Referred applicants	Awarded applicants
All		30	37	49	66
Ownership status	Homeowner	31	44	53	80
	Renter	28	28	44	49
Age	Under 25	26	35	44	57
	25 to 49	30	32	46	59
	50 to 64	30	39	50	72
	65 and older	31	46	56	80
Household size	1	30	33	43	56
	2	30	41	51	71
	3 or more	29	38	53	72
Gross annual income	Less than \$10,000	34	57	72	98
	\$10,000 to less than \$25,000	29	40	54	71
	\$25,000 to less than \$50,000	27	26	41	51
	\$50,000 and above	26	23	33	46

⁴⁴We excluded from this analysis applicants who only received Critical Needs Assistance and took no further action to pursue other financial assistance, which we defined as not submitting any documents to FEMA, not having any recorded contacts with FEMA, and not receiving an inspection. From 2016 through 2018, we identified about 318,000 applicants, or 16 percent of all applicants who received assistance, who only received Critical Needs Assistance and took no further action to pursue other financial assistance.

⁴⁵Also, see our supplemental materials for additional analysis on the time between application and key points in the IHP financial assistance process for 2016, 2017, and 2018, and for select disasters during 2016 through 2018. [GAO-20-674SP](#) and [GAO-20-675SP](#).

Group		Average time to first inspection (days)	Average time to first award (days) ^a	Average time to final decision (days) ^b	
				Referred applicants	Awarded applicants
Federal poverty guideline ^c	100% or below	30	47	62	84
	Above 100% to 200%	29	36	50	66
	Above 200% to 300%	29	28	41	52
	Above 300%	28	25	35	47
Property insurance coverage	No coverage	30	41	56	71
	Personal property only	25	21	36	44
	Real and personal property	29	29	37	57
Flood insurance coverage	No coverage	30	38	50	67
	Coverage	27	25	38	56
Disaster location	U.S. states	22	19	35	43
	Puerto Rico	51	86	100	133
	U.S. Virgin Islands	34	77	98	124
	Other U.S. territories	14	36	54	59

Source: GAO analysis of the Federal Emergency Management Agency's (FEMA) IHP applicant data, as of February 24, 2020. | GAO-20-503

Note: The data used to create survivor groups were reported by the survivor in their FEMA application. We found that less than 1 percent of referred, awarded, and inspected applicants had missing age, household size, or ownership status data, and roughly 15 percent had missing gross annual income data, which also affects our federal poverty guideline analysis. We conducted an analysis of other socioeconomic characteristics of applicants with missing income information and found that they are somewhat more likely to have lived in communities characterized by lower levels of socioeconomic vulnerability than those who provided income information. See appendix I for more details.

^aWe excluded Critical Needs Assistance records from our analysis of the time to first award date.

^bWe excluded from our analysis of the time to final decision applicants with a pending decision on their case for IHP assistance. In addition, we excluded those who only received Critical Needs Assistance and took no further action to pursue other financial assistance, which we defined as not submitting any documents to FEMA, not having any recorded contacts with FEMA, and not receiving an inspection. We also excluded records related to retroactive processing of IHP awards made necessary by Section 1212 of the Disaster Recovery Reform Act of 2018.

^cFederal poverty guidelines represent a household income for different household sizes and locations. The guidelines are not defined for U.S. territories. We calculated guidelines for relevant U.S. territories by multiplying the federal poverty guideline for the 48 contiguous states and the District of Columbia by the same factor that the Small Business Administration used to calculate its minimum income guidelines for U.S. territories.

Survivors Experienced Challenges with the IHP Requirement to Apply for an SBA Loan

Some Survivors Who Applied for IHP Assistance Are Also Required to Apply for an SBA Loan

The Stafford Act limits FEMA's IHP assistance to necessary expenses and serious needs unable to be met through other means.⁴⁶ Because some categories of IHP assistance are for expenses and needs that may also be addressed by an SBA loan, FEMA coordinates with SBA to determine a survivor's eligibility for personal property assistance, transportation assistance, and group flood insurance, which FEMA refers to collectively as SBA-dependent ONA.⁴⁷ After receiving a survivor's application information, FEMA automatically refers them to SBA to complete a disaster loan application if they reported a gross household income and family size that meet SBA's minimum income guidelines to be considered for a loan (see app. IV for SBA's minimum income guidelines for fiscal year 2018), reported self-employment income, or refused to provide their income in their disaster assistance application.⁴⁸ FEMA will continue to move applicants who were referred to SBA through the steps of the IHP process, including the inspection process, but FEMA requires

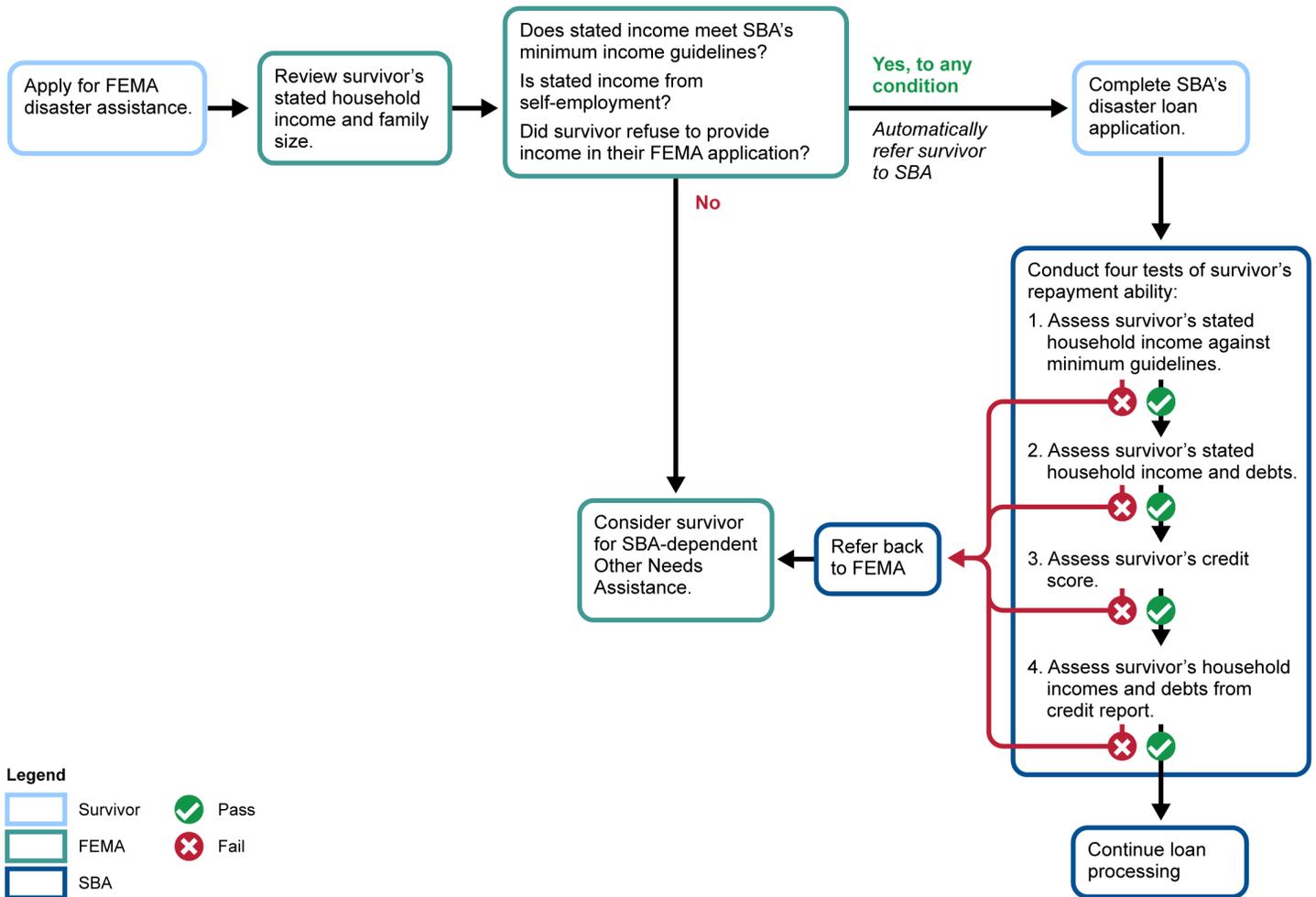
⁴⁶42 U.S.C. § 5174(a).

⁴⁷In coordination with SBA, FEMA determined that moving and storage assistance is not a duplication of benefits with SBA's disaster loan program, according to FEMA officials. Officials explained that the SBA disaster loan may be used toward costs to move personal property prior to a disaster in order to minimize damage, while FEMA's moving and storage assistance is intended to help survivors move or store essential personal property while repairing their home or moving to a new residence not damaged in the disaster. Officials told us that FEMA plans to implement moving and storage assistance as non-SBA-dependent ONA in fall 2020.

⁴⁸FEMA also shares application information with SBA and other partner agencies through its disaster assistance application system, Disaster Assistance Center, which is the single information collection point for multiple sources of federal disaster assistance, including SBA's disaster loan. FEMA's Disaster Assistance Center maintains disaster survivor application information collected through various media including: (1) the www.disasterassistance.gov website, (2) FEMA's mobile application, (3) via telephone, and (4) paper forms. When a survivor applies for disaster assistance, FEMA's Disaster Assistance Center collects their application information and routes it accordingly. If the applicant is requesting assistance from a FEMA program, information is shared with FEMA's National Emergency Management Information System, which processes the information and returns status updates. For other participating agency programs, such as SBA's disaster loan, FEMA's Disaster Assistance Center routes survivors' application information to a secure data exchange point to share the information with external partner agencies. Participating agencies receive survivors' application information to determine their eligibility for assistance, continue processing their case, and identify any potential duplication of assistance.

that these applicants be declined an SBA loan or receive a partial loan before the agency considers them for SBA-dependent ONA. IHP applicants who are referred to SBA may apply for a disaster loan online, by mail, or in-person at a disaster center. Upon receiving a completed loan application, SBA conducts four tests of a survivor's ability to repay a loan using the information in their loan application and credit report. Survivors who lack or have a limited ability to repay an SBA loan are referred back to FEMA to be considered for SBA-dependent ONA. Figure 13 shows FEMA's process for determining an IHP applicant's eligibility for SBA-dependent ONA, and SBA's initial repayment and credit assessment process for a loan.

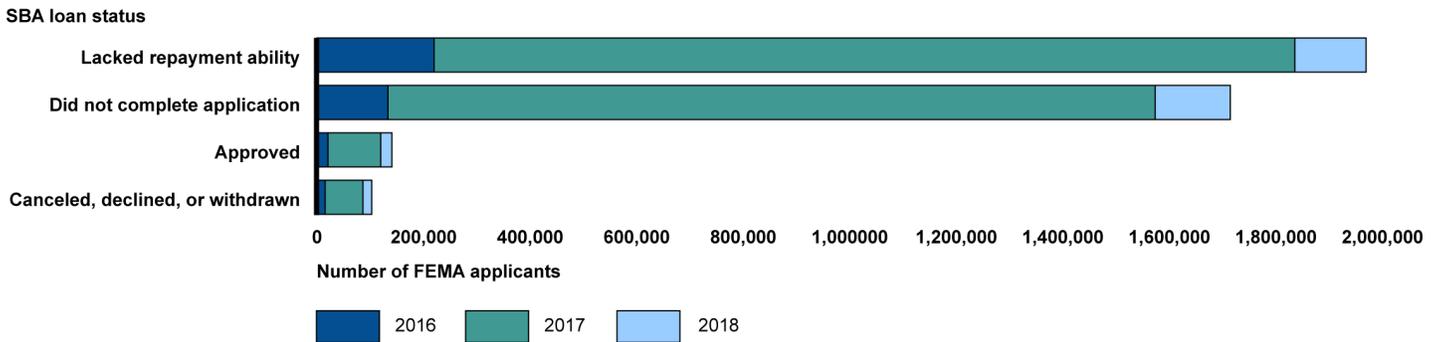
Figure 13: Process for Determining a Survivor’s Eligibility for Disaster Assistance from the Federal Emergency Management Agency (FEMA) and the Small Business Administration (SBA)



Source: GAO analysis of FEMA and SBA program guidance. | GAO-20-503

According to our analysis of FEMA’s IHP applicant data from 2016 through 2018, over 3.9 million IHP applicants had an SBA loan status. Of those, approximately 2 million lacked the ability to repay an SBA loan; 1.7 million did not complete the loan application; 141,000 were approved for an SBA loan; and 103,000 had their loan canceled, declined, or withdrawn (see fig. 14).

Figure 14: Small Business Administration (SBA) Loan Status of Survivors Who Applied for Assistance from the Individuals and Households Program (IHP), 2016 – 2018



Source: GAO analysis of the Federal Emergency Management Agency's (FEMA) IHP applicant data, as of February 24, 2020. | GAO-20-503

Note: The figure does not include approximately 8,600 IHP applicants whose SBA loan application was received by the SBA but not yet processed, or in the inspection, manual review, or appeal processes.

Survivors Did Not Understand the IHP Requirement to Apply for an SBA Loan

As previously stated, from 2016 through 2018, over 1.7 million survivors who applied for IHP assistance and were referred to SBA did not complete a loan application, according to our analysis of FEMA's IHP applicant data. Based on our interviews with FEMA, state, territory, local, and NGO officials, survivors may not complete the SBA loan application because they do not understand that it is a requirement of the IHP. For example, officials from 3 of 4 states—Texas, Florida, and California—and Puerto Rico, 4 of 10 localities, and 5 of 7 NGOs said that survivors did not understand or were confused by the requirement to complete an SBA disaster loan application for FEMA's IHP. In addition, FEMA field officials leading recovery efforts for hurricanes Maria and Florence, and the California wildfires, as well as staff from 2 of 4 NPSCs, told us that survivors had challenges understanding the IHP requirement to apply for an SBA loan. FEMA recovery officials in Puerto Rico said that the agency faces challenges with the IHP requirement to apply for an SBA loan in every disaster, and Individual Assistance officials from 2 of the 4 FEMA regional offices we selected for interviews noted that this requirement has been a long-standing issue with the program.

FEMA informs disaster survivors about SBA's disaster loan program through a variety of methods. For example, FEMA staff share information on SBA's disaster loan program during interactions with survivors. After completing the IHP application, an applicant who is referred to the SBA is verbally notified that they must also complete and return an application to SBA to be considered for a disaster loan as well as certain types of

assistance from FEMA.⁴⁹ We observed a NPSC staff member inform a person of their eligibility to apply for an SBA loan after helping them complete their FEMA application over the phone. We also observed another NPSC staff member tell an individual calling into FEMA's Disaster Helpline that they could apply for an SBA loan to assist with personal property losses and, if denied, may be eligible to receive personal property assistance from FEMA. Further, Individual Assistance officials from one of the FEMA regional offices we selected for interviews and field officials who led recovery efforts for Hurricane Florence told us that they conducted outreach to survivors who applied for FEMA assistance to inform them about SBA's disaster loan during recovery operations. Additionally, FEMA published news releases through its website about SBA's disaster loan and its relationship to IHP assistance. For instance, in a March 2018 news release, FEMA explained that disaster survivors in Puerto Rico who suffered damage or loss from Hurricane Maria and were referred to SBA can benefit from other FEMA assistance if they complete and submit SBA's loan application.

However, we found that FEMA did not fully or consistently explain the IHP requirement to apply for an SBA loan in some of its modes for communicating with survivors.

- First, we found that the amount and clarity of information about the requirement to apply for an SBA loan varies significantly across FEMA's public disaster webpages. For example:
 - FEMA's public webpage for Hurricane Michael in Florida included SBA's contact information and a link to a video titled "Reasons to Apply for a SBA Loan," which explains SBA's disaster loan, including the requirement to submit an SBA loan application for the IHP, in American Sign Language.⁵⁰ However, FEMA's public

⁴⁹According to FEMA officials, the full text of the notification provided during application is as follows: "If you receive a notification from SBA in regards to your Disaster Loan referral, you must complete and return an application in order to be considered for a loan as well as certain types of grant assistance. You can apply online, in person by visiting a Disaster Recovery Center, or by submitting the application by mail. If the SBA finds that you cannot afford a loan, they will automatically refer you to FEMA's Individuals and Households Program for help. SBA makes the determination if you can afford a loan. If SBA approves you for a loan, they will contact you. If SBA finds that you cannot afford a loan, FEMA will contact you."

⁵⁰Federal Emergency Management Agency, *Florida Hurricane Michael (DR-4399)*, accessed on March 30, 2020, <https://www.fema.gov/disaster/4399>. We accessed this website using Google Chrome and Microsoft Edge.

webpage for Hurricane Michael in Georgia did not contain any information on SBA's disaster loan;⁵¹ and

- FEMA's public webpage for Hurricane Florence in North Carolina included general information on SBA's disaster loan and explained that some survivors who applied for FEMA assistance may be referred to SBA for a loan and that there is no obligation to accept a loan. However, the webpage did not state that IHP applicants referred to SBA will not be considered for SBA-dependent ONA if they do not submit a loan application.⁵²

In comparison, FEMA's public webpage for Hurricane Florence in South Carolina was more explicit about the requirement to apply for an SBA loan. For example, the webpage stated that "survivors referred to the SBA should complete a loan application as soon as possible as this will ensure all eligible assistance under FEMA's Individuals and Households Program is provided," and "applicants who receive SBA loan applications must submit them to SBA for a possible referral for further assistance consideration for personal property, vehicle repair or replacement, and moving and storage expenses."⁵³

- Second, FEMA's IHP brochure—which FEMA distributes by mail—explains that the agency works with the SBA to offer low-interest loans to disaster survivors; however, it does not explicitly state that IHP applicants referred to the SBA must apply for and be declined or receive a partial loan before FEMA will consider them for SBA-dependent ONA.⁵⁴
- Third, the letter FEMA sends to survivors after they apply for IHP assistance includes information on SBA's disaster loan program and states that "if you are referred to SBA, you must complete an application with SBA prior to being considered for certain FEMA

⁵¹Federal Emergency Management Agency, *Georgia Hurricane Michael (DR-4400)*, accessed on March 30, 2020, <https://www.fema.gov/disaster/4400>. We accessed this website using Google Chrome and Microsoft Edge.

⁵²Federal Emergency Management Agency, *North Carolina Hurricane Florence (DR-4393)*, accessed on March 30, 2020, <https://www.fema.gov/disaster/4393>. We accessed this website using Google Chrome and Microsoft Edge.

⁵³Federal Emergency Management Agency, *South Carolina Hurricane Florence (DR-4394)*, accessed on March 30, 2020, <https://www.fema.gov/disaster/4394>. We accessed this website using Google Chrome and Microsoft Edge.

⁵⁴Federal Emergency Management Agency, *Help After a Disaster: FEMA Individual Assistance Can Help You Recover*, FEMA B-545 (Washington, D.C.: April 2019).

assistance.” However, we found that FEMA’s IHP award determination letters do not include essential information about the SBA disaster loan program. Specifically, the letters do not include the IHP applicant’s SBA loan application status or explain how their SBA loan application status may affect their eligibility for SBA-dependent ONA.

According to the *National Disaster Recovery Framework*, the federal government plays an important role in providing accessible information to the public and all stakeholders involved in recovery, including information about federal grants and loans with potential applications to recovery. It also states that the federal government is responsible for ensuring that information is distributed in an accessible manner and is well understood, so that all stakeholders, including individuals, are informed and aware of the process and have realistic expectations for recovery.⁵⁵ In addition, the Individual Assistance Division’s role is to ensure that disaster survivors receive the best possible level of service to maximize their recovery, according to FEMA. FEMA officials agreed that a complete explanation of the requirement to apply for an SBA loan on its public disaster webpages and in its IHP brochure and award determination letter would be helpful to survivors. By improving the completeness and consistency of its communication of the requirement to apply for an SBA disaster loan, FEMA can help ensure that IHP applicants are aware of the requirement so they can take the necessary actions to be considered for every type of IHP assistance that will help them address their disaster losses and recovery needs.

Opportunities Exist to Simplify the IHP Process, Which May Particularly Benefit Survivors Who Are Low Income and Less Likely to Qualify for an SBA Loan

Based on our interviews and analyses, FEMA’s current process for determining an applicant’s eligibility for SBA-dependent ONA resulted in challenges for survivors in pursuing and obtaining disaster assistance and may have been a barrier that prevented many potentially low-income IHP applicants with FEMA-verified personal property losses from being considered for personal property assistance.

According to FEMA, state, and local officials we met with, FEMA’s current process for SBA-dependent ONA, which requires some IHP applicants to also apply for an SBA loan, created an additional burden on disaster survivors. For example, Individual Assistance officials from two of the FEMA regional offices we selected for interviews and staff from the Puerto Rico NPSC explained that the process of obtaining disaster assistance is burdensome because survivors have to interact with many

⁵⁵Department of Homeland Security. *National Disaster Recovery Framework*.

different federal agencies, including FEMA and SBA. Similarly, the Texas General Land Office's report on lessons learned from the Hurricane Harvey response stated that the requirement to apply for an SBA loan frustrated already traumatized disaster survivors who do not have much experience in dealing with the complex federal bureaucracy and are confused by all the forms they must fill out, many of which ask the same questions.⁵⁶ State and local officials from Texas said that FEMA should do more to synchronize the IHP with other federal disaster assistance programs, such as SBA's disaster loan, to reduce the number of times survivors have to engage with the federal government.

In addition, FEMA's current process for SBA-dependent ONA can also delay IHP assistance to survivors, according to FEMA and local officials we interviewed. For example, Individual Assistance officials from one of the FEMA regional offices we selected for interviews said that the requirement for some IHP applicants to also apply for an SBA loan is tedious and frustrating, and delays assistance to some survivors. Likewise, county officials from California told us that the requirement to apply for an SBA loan is a very frustrating part of the IHP process because it delays the delivery of disaster assistance to survivors. These officials explained that survivors spend weeks to months going through the SBA loan process only to be denied in the end.

We analyzed FEMA's IHP applicant data from 2016 through 2018 and found that FEMA's current process for SBA-dependent ONA may have prevented many IHP applicants from being considered for personal property assistance—a type of SBA-dependent ONA—including low-income applicants who are less likely to qualify for an SBA loan. We identified tens of thousands of potentially low-income IHP applicants with tens of millions of dollars in FEMA-verified personal property loss who were referred to the SBA but did not submit an SBA loan application (see table 3). We reviewed award data for these potentially low-income applicants and found that 47 percent to 58 percent of them received an award for other types of IHP assistance. Although these applicants met the agency's requirements to receive other types of financial IHP assistance, FEMA could not consider these applicants for personal property assistance under its current process because they did not submit an SBA loan application.

⁵⁶Texas General Land Office, *Hurricane Harvey: Texas at Risk*, (Austin, TX: Aug. 24, 2018).

Table 3: Number of Potentially Low-Income Individuals and Households Program (IHP) Applicants Who Did Not Submit the Small Business Administration (SBA) Loan Application and Had Personal Property Loss Verified by the Federal Emergency Management Agency (FEMA), 2016 – 2018

Method used to identify IHP applicants who may be low income ^a	Number of applicants who did not submit an SBA loan application and had FEMA-verified personal property loss	Total FEMA-verified personal property loss (dollars)	Percentage of applicants who received other IHP financial assistance
Reported gross annual income was less than \$25,000	39,926	60,258,397	51
<i>Less than \$10,000</i>	11,492	18,554,815	48
<i>\$10,000 to less than \$25,000</i>	28,434	41,703,582	53
Reported gross annual income fell at or below 200% of the federal poverty guideline^b	70,411	125,612,689	56
<i>At or below 100% of the guideline</i>	17,573	30,775,723	50
<i>Above 100% up to 200% of the guideline</i>	52,838	94,836,966	58
Damaged residence located in a census tract with the highest level of socioeconomic vulnerability^c	77,309^d	124,256,597	56
<i>U.S. census tracts</i>	61,831	105,450,650	58
<i>Puerto Rico census tracts</i>	15,478	18,805,948	47

Sources: GAO analysis of FEMA’s IHP applicant data, as of February 24, 2020, and the Centers for Disease Control and Prevention’s 2016 Social Vulnerability Index. | GAO-20-503

^aWe analyzed IHP applicants’ reported gross annual income, household size, and address, and used three methods to identify applicants who may be low income. It is not appropriate to sum the results for each method.

^bFederal poverty guidelines represent a household income for different household sizes and locations. The guidelines are not defined for U.S territories. We calculated guidelines for relevant U.S. territories by multiplying the federal poverty guideline for the 48 contiguous states and the District of Columbia by the same factor that the SBA used to calculate its minimum income guidelines for U.S. territories.

^cThe Centers for Disease Control and Prevention’s Social Vulnerability Index indicates the relative vulnerability of census tracts in the U.S. and Puerto Rico. Census tracts are subdivisions of counties for which the U.S. Census Bureau collects statistical data through the American Community Survey. The index ranks tracts on 15 variables, including unemployment, minority status, and disability, and further groups them into themes. One of these themes is socioeconomic vulnerability, which measures the number of people who are unemployed, living in poverty, and do not have a high school diploma, as well as per capita income. The index is a 0 to 1 scale, with higher scores indicating greater vulnerability. In the table, we reported data on applicants from tracts with a socioeconomic vulnerability of greater than .75.

^dApproximately 73,000 of the roughly 272,000 IHP applicants who did not complete an SBA loan application and had FEMA-verified personal property losses did not provide an gross annual income in their FEMA application. Of these applicants, over 23,500 lived in census tracts characterized by the highest levels of socioeconomic vulnerability and had almost \$33 million in FEMA-verified personal property losses.

FEMA’s 2018-2022 Strategic Plan states that navigating complex federal programs is an unnecessary added burden in times of disaster. The plan includes a goal to reduce the complexity of disaster assistance programs and a related objective to streamline the disaster survivor experience.

According to the plan, FEMA must streamline and integrate existing disaster assistance programs and processes, and deliver assistance and support in as simple a manner as possible. In addition, the plan states that understanding barriers that limit or prevent access to programs, especially for vulnerable populations, remains essential to FEMA's mission.⁵⁷

According to FEMA officials, the agency is reviewing its process for determining an IHP applicant's eligibility for SBA-dependent ONA to address a recent recommendation made by the Department of Homeland Security's Office of Inspector General. Officials said FEMA has developed a working group that is coordinating with SBA to identify potential solutions for verifying an applicant's self-reported income or ensuring that applicants who do not meet SBA's minimum income guidelines based on self-reported income have their SBA loan eligibility validated in some way prior to receiving SBA-dependent ONA. According to FEMA officials, the working group is in the process of gathering information and doing outreach to other agencies that may verify income or dependent information in their current processes. However, FEMA has not developed guidance nor established specific time frames for completing these actions. More importantly, it remains unclear whether FEMA's actions will simplify or streamline the disaster assistance process for survivors. By assessing the extent to which its process for determining an applicant's eligibility for SBA-dependent ONA limits or prevents access to IHP assistance, and working with SBA to identify options to simplify and streamline the process, FEMA can help ensure that its process does not delay or serve as a barrier to IHP assistance, particularly for low-income applicants who are less likely to qualify for an SBA loan.

⁵⁷Federal Emergency Management Agency, *2018-2022 Strategic Plan*.

Disaster Survivors Faced Challenges Understanding FEMA's Eligibility and Award Decisions

FEMA Has Taken Some Steps to Clarify Its IHP Award Determination Letters, but Survivors Continue to Struggle to Understand These Letters

Roof and Interior Damage to a Survivor's Home as a Result of Hurricane Florence



Source: GAO; photos taken by GAO while on site in North Carolina. | GAO-20-503

After making an eligibility and award decision on an applicant's case, FEMA sends them a determination letter that states their eligibility for receiving IHP assistance and, if eligible, the amount of assistance FEMA awarded to them. The determination letter is FEMA's primary method of communicating eligibility and award decisions to IHP applicants.

However, survivors experienced challenges in understanding the letter, according to FEMA, state, local, and NGO officials we interviewed. For example, state officials from 2 of 5 states—California and Florida—as well as officials from 7 of 10 localities and 5 of 7 NGOs, said that FEMA's determination letters are unclear and incomplete. As a result, survivors have trouble understanding the letters and how to respond, and may stop pursuing assistance after receiving a FEMA determination letter because they believe the letter represents a final denial, according to state, local, and NGO officials we interviewed.

We heard about this challenge directly from a survivor while observing FEMA staff as they conducted applicant outreach in North Carolina after Hurricane Florence. The individual, who was in the act of removing flooring, dry wall, and cabinetry damaged by a tree falling through her roof, said she received a letter from FEMA stating that she was denied assistance and threw the letter away in anger. FEMA staff informed the individual that her FEMA application had not been denied and explained that the purpose of the letter was to inform her that she needed to seek payment for damages through her insurance company before FEMA is able to provide assistance.

Further, FEMA officials we interviewed from disaster recovery efforts in 3 of 5 selected states, as well as 3 of 4 selected FEMA regional offices, 3 of 4 NPSCs, and headquarters told us that survivors experienced challenges in understanding FEMA's determination letter, as described below.

- FEMA field officials we interviewed in North Carolina, Florida, and California said that FEMA's determination letters are not clear and confuse survivors. Additionally, staff responsible for conducting survivor outreach in North Carolina after Hurricane Florence told us

that they spend much of their time explaining the determination letters to survivors.

- Individual Assistance officials from two of the FEMA regional offices we selected for interviews said the letters are confusing and do not provide enough detail, and suggested that FEMA rewrite the letters in a way that tells survivors they need to take action before FEMA can process their assistance, instead of just stating that they are ineligible.
- FEMA officials involved with efforts to improve IHP systems and processes told us that the number of calls to FEMA’s Disaster Helpline increases when determination letters are sent because survivors have questions about what the letter means. We observed an individual calling into FEMA’s Disaster Helpline to ask for help in understanding the determination letter he received. The individual said he was confused by the letter, which stated that he was ineligible for assistance, and that the agency needs to communicate more clearly.⁵⁸

The most recent version of the determination letter FEMA sends to an ineligible applicant states multiple times that they are not eligible to receive assistance. For example, immediately following the salutation, a short introductory paragraph states the purpose of the letter, which is to “explain why [the applicant] is not eligible for FEMA assistance.” After reading this short paragraph, the applicant would then read the following phrases, “**ASSISTANCE NOT APPROVED**,” and, “You are **not eligible** for the following assistance because.” While the letter includes instructions on how to appeal FEMA’s determination, it does not explicitly state that the determination is not final (see a copy of the IHP determination letter FEMA sends to ineligible applicants in app. V).

FEMA has tried to clarify its letters for the IHP through public communications during disaster recovery efforts and improve the letters through periodic internal reviews. Specifically, FEMA published news releases that aim to clarify the purpose of the determination letter, describe why an applicant may be determined ineligible for assistance, and explain steps they should take if they need more information or disagree with FEMA’s decision. For example, in May 2016, FEMA published a news release titled, “A Letter from FEMA May Require Follow-Up,” which stated that “Texas storm survivors who receive a letter from FEMA that they are ineligible for disaster assistance should not give

⁵⁸We observed this during our visit to FEMA’s National Processing Service Center in Winchester, Virginia, in March 2019.

up—but should follow up instead.” In a June 2019 news release, FEMA wrote that “residents who receive a letter saying they are ineligible for federal assistance may still qualify for help,” and “the letter can mean several things—and it does not necessarily mean the case is closed.”

FEMA also periodically reviews its IHP determination letters. For example, in 2016, FEMA reviewed all IHP letters, including the determination letters. The goal of the revision effort was to create letters that are easy for survivors to read and understand. After revising the letters, FEMA conducted 22 focus groups with a total of 76 IHP applicants from three states—California, Louisiana, and South Carolina—to obtain feedback on the revised letters. According to FEMA officials, the agency established a working group comprised of FEMA staff from various organizational components to review the findings from the focus groups, as well as feedback from internal and external FEMA partners, and was responsible for ensuring that all correspondence was accessible, understandable, and in accordance with the Plain Language Act of 2010.

The working group conducted another review of all IHP letters sent to disaster survivors, including the determination letters, from July through November 2018. Among other actions, the working group revised the determination letters to reflect policy updates and make them easier for disaster survivors to read and understand by incorporating plain language. According to officials, FEMA published the revised letters in August 2019. FEMA officials said the agency is tentatively scheduled to conduct focus groups with disaster survivors in 2021 to obtain feedback on the letters introduced in 2019.

We reviewed current and previous versions of FEMA’s ineligible determination letters and found that FEMA’s 2016 and 2018 revision efforts resulted in letters that were easier to read relative to previous versions. However, the sections explaining the purpose of the letter and the applicant’s eligibility for assistance in the current version of FEMA’s ineligible determination letters were still not written in plain language and required a reading level of a high school senior.⁵⁹ It is critical that FEMA continue to improve the readability of its letters because, according to our

⁵⁹We assessed readability using Flesch Reading Ease scores. Scores fall on a scale from 0 to 100, with 0 being nearly impossible to read and 100 being simple enough for a fifth grader to read. A score of 60 or above qualifies as “plain language.” The formula is based on average sentence length and average word length. The version we used was included in the Microsoft Word processing software. As we have previously reported, the Flesch Reading Ease score is one of the most widely used, tested, and reliable formulas for calculating readability. See [GAO-17-656](#).

analysis of FEMA’s IHP applicant data, from 2016 through 2018, over 35 percent of all applicants referred to the IHP were from communities with the highest levels of socioeconomic vulnerability—an indicator of relative vulnerability that measures, among other things, the number of people who do not have a high school diploma.

The *National Disaster Recovery Framework* states that the federal government is responsible for ensuring that information is distributed in an accessible manner and is well understood, so that the public, Congress, the private sector, and all stakeholders are informed and aware of the process and have realistic expectations for recovery.⁶⁰

According to the Substance Abuse and Mental Health Services Administration’s 2019 report on communicating effectively with the public before, during, and after a crisis, such as a disaster, greater communication success will be achieved if the information provided is easily understood, especially when people are under high stress.⁶¹

Further, it is common for disaster survivors to have difficulties thinking clearly and concentrating, and seeking financial assistance to rebuild and repair damages can add to the already high levels of stress and frustration caused by the disaster or traumatic event, according to the Substance Abuse and Mental Health Services Administration.

Lastly, the Plain Writing Act of 2010 states that information supplied to the public regarding any federal benefit (including in paper and electronic publications, forms, notices, or instructions) must be, among other things, clear, concise, well-organized, and appropriate for the intended audience.⁶² The President’s guidance for implementing this act states that “agencies should communicate with the public in a way that is clear, simple, meaningful, and jargon-free,” and notes that “a lack of clarity may prevent people from becoming sufficiently aware of programs or services for which they are eligible.” In addition, federal plain language guidelines state that agencies should write in a way that guides the reader to understand what they need to know to achieve the best outcome, which, for a disaster survivor, would be to obtain assistance to address their losses and recovery needs. By using federal guidance and best practices for communicating with the public to ensure that applicants understand that an “ineligible” determination does not mean they cannot continue to

⁶⁰Department of Homeland Security. *National Disaster Recovery Framework*.

⁶¹Substance Abuse and Mental Health Services Administration, *Communicating in a Crisis: Risk Communication Guidelines for Public Officials*.

⁶²Pub. L. No. 111-274, 124 Stat. 2861.

FEMA Provides Survivors with Information Describing the IHP, but They Need Additional Information to Better Understand FEMA's Award Determinations

pursue assistance, the agency can enhance the clarity of the letters and minimize the likelihood that applicants will prematurely end their pursuit of IHP assistance.

Although FEMA provides disaster survivors who apply for IHP assistance with information describing the program, applicants need additional information to improve their understanding of the program, including FEMA's eligibility and award determinations. After a disaster survivor applies for the IHP, FEMA sends them an informational brochure and cover letter explaining program steps and the types of assistance available through the IHP. FEMA also provides survivors with a copy of their completed application to review for accuracy.

However, we found that FEMA does not provide applicants with the information needed to understand the agency's decisions on their case for IHP assistance. For example, some individuals who participated in focus groups for FEMA's 2016 effort to revise its letters said they wanted an explanation of how FEMA determined their award amount, as well as a list of all the items they received assistance for, included in the award determination letter. FEMA's current award determination letter does not include this information. Additionally, FEMA field officials and county officials in North Carolina told us that FEMA does not provide a summary of the site inspection, which makes it difficult for an applicant to understand and, if necessary, appeal FEMA's decisions.

FEMA, state, local, and NGO officials we interviewed told us that survivors experienced challenges in understanding FEMA's eligibility and award determinations. For example, a section chief from the IHP Service Delivery Branch told us that survivors struggle with the lack of transparency in the program and understanding the assistance they received from FEMA. The official leading FEMA's response and recovery efforts for Hurricane Michael told us that survivors did not understand what losses FEMA covered and how FEMA determined the amount of assistance to provide. In addition, officials we interviewed from 3 of 4 states—Texas, Florida, and California—and Puerto Rico, 5 of 10 localities, and 3 of 7 NGOs said that survivors do not understand FEMA's eligibility and award determinations. Further, state, local, and NGO officials told us that survivors had incorrect expectations of the level of assistance FEMA can provide through the program.

Officials we interviewed described multiple benefits of providing survivors with more information about their case and FEMA's eligibility and award determinations. For example, staff from the NPSC in Puerto Rico and

officials from an NGO in Florida explained that survivors would feel that they have been treated fairly by FEMA if the agency provided them with more information to help them understand their case and FEMA's award decision. In addition, the official leading FEMA's response and recovery efforts for Hurricane Maria in Puerto Rico noted that the more information FEMA gives to survivors, the better their experience in the recovery process will be. Also, providing survivors with additional information about the award they received may help FEMA manage survivors' expectations of the agency and the IHP, a challenge cited by multiple FEMA officials we met with. Lastly, additional information would help applicants appeal FEMA's decisions on their case—an action that FEMA encourages survivors to do and that increases the likelihood of receiving any assistance from the agency, according to local and NGO officials we met with.

Officials told us the agency has considered including in the award determination letter the damage information that FEMA utilizes to calculate applicants' awards. The National Emergency Management Information System—the system FEMA uses to process IHP cases for assistance—contains detailed information on the amount of damage to specific aspects of the home and household items, which FEMA records during the inspection. However, according to officials, FEMA decided not to include this information in its award determination letter because it would require system changes to allow for the damage information to be pulled from the National Emergency Management Information System into the letter. In addition, FEMA would have to change the current configuration of the letter to include this information, which may result in a significant increase in the length of the letter, according to officials.

Officials also said that applicants may receive more detailed information to better understand their case and FEMA's eligibility and award determinations by calling FEMA's Disaster Helpline to ask about their case or request a copy of their case file. However, as we have previously reported, individuals may face challenges receiving assistance over the phone due to unanswered calls and long wait times.⁶³ Further, staff from the NPSC in Puerto Rico explained that requesting and obtaining a case file is challenging, and officials from an NGO in Texas reported delays in

⁶³GAO-19-318. In this report, we found that, in the days after Hurricane Maria, up to 69 percent of calls to FEMA's Disaster Assistance Helpline went unanswered and the daily average wait time for answered calls peaked at almost an hour and a half, according to our analysis of FEMA data.

receiving case files for the survivors they were helping to appeal FEMA's decisions.

The award determination letter is FEMA's primary method of communicating eligibility and award decisions to applicants. The current version of the letter does not include any information about the amount of damages verified by FEMA during the inspection nor other important information, such as insurance settlements, that the agency factors into its award decisions. According to the *National Disaster Recovery Framework*, the federal government plays an important role in providing accessible information to the public and all stakeholders involved in recovery, including information about federal grants and loans with potential applications to recovery. Further, the federal government is responsible for ensuring that information is distributed in an accessible manner and is well understood, so that all stakeholders, including individuals, are informed and aware of the process and have realistic expectations for recovery.⁶⁴ In addition, according to the Substance Abuse and Mental Health Services Administration, trustworthiness and transparency are key principles of a trauma-informed approach, and a program that is trauma-informed ensures that processes and decisions are conducted with transparency and with the goal of building and maintaining trust with those involved in the system. By identifying and implementing strategies for providing additional information to applicants about how FEMA determined their eligibility for assistance and the amount of assistance to award, the agency could help applicants better understand its eligibility and award determinations, and better manage their expectations, build trust, and improve program transparency.

FEMA Faced Challenges in Managing its IHP Workforce and Supporting and Coordinating with Local Officials from 2016 through 2018

Since 2016, FEMA's call center workforce faced challenges using the program guidance to assist survivors and struggled with low morale, and following the catastrophic 2017 hurricane season, worked without adequate training. FEMA field staff also worked with limited capability to assist survivors. Lastly, state and local officials we spoke with reported limited understanding of the program and coordination challenges, which affected their ability to assist survivors and implement direct housing units for survivors.

⁶⁴Department of Homeland Security. *National Disaster Recovery Framework*.

Inadequate Guidance and Training for Staff and Morale Issues Affected IHP Services for Survivors

Frequent Changes in IHP Guidance Are a Challenge for FEMA Call Center Staff

The Federal Emergency Management Agency (FEMA) Manages Four Call Centers to Support Delivery of Individuals and Households Program (IHP) Assistance to Disaster Survivors

The four National Processing Service Centers—located in Winchester, Virginia; Hyattsville Maryland; Denton, Texas, and Caguas, Puerto Rico—house about 1,000 caller services and casework staff who play a key role in registering survivors, answering questions, and processing IHP applications. On any given day, the program assigns their work—either on the phone or processing applications—across any of the open disaster declarations based on demand. These four centers have physical offices, however many staff can work from home, and FEMA can set up additional temporary locations and call upon other federal partners to provide surge support during high disaster activity. For example, FEMA leveraged thousands of Internal Revenue Service and U.S. Census Bureau employees to support historic call volume in 2017.

Source: GAO summary of FEMA officials' interviews and documentation. | GAO-20-503

FEMA staff that we interviewed in all four of the IHP's call centers noted that they could not maintain awareness of IHP guidance because of its large volume and frequent changes to it, which affected the quality of their customer interactions and the consistency of their casework supporting award determinations. We identified over 90 program guidance documents that staff used to register and process IHP applications for disasters declared from 2016 through 2018. Furthermore, from 2016 through 2018, FEMA sent 2,999 (an average of three per day) notifications to NPSC staff, communicating changes or clarifications in IHP procedures and guidance. For example, one staff noted that FEMA changed program guidance for survivors in the U. S. Virgin Islands to receive assistance for purchasing a generator—that could result in survivors not being awarded assistance for which they were otherwise eligible if staff were not aware of the new guidance.⁶⁵ Staff in one location noted that FEMA frequently updates guidance but that these changes are not bolded or highlighted in any way, so staff must read through the entire guidance to identify the new information, and they do not have enough time to review these guidance document in the course of their work.

The Policy and Doctrine Unit of the IHP is responsible for developing guidance documents—called Standard Operating Procedures (SOPs)—which include detailed instructions for NPSC staff on how to operationalize their caller services and casework in accordance with policies and regulations. Throughout 2016, IHP management officials consolidated over 250 IHP documents, including SOPs, job aids, and Frequently Asked Questions, into a set of 70 SOPs and guidance documents to help NPSC staff process cases more efficiently and provide survivors with relevant information. Program officials also create disaster-specific SOPs as needed, and we identified 21 such documents for disasters declared in 2016 through 2018. According to program officials,

⁶⁵According to FEMA officials, there were two adjustments made in disaster-specific guidance aimed at expanding assistance for generators in the U.S. Virgin Islands. On October 4, 2017, FEMA waived a requirement to demonstrate medical need, and on December 18, 2017, FEMA extended the eligibility period to receive assistance.

the variety of assistance types and the specifics of each survivor’s application require a large volume of guidance.

According to IHP management officials, guidance is continually updated with input from processing staff. FEMA communicates changes in guidance and reminders to staff of existing procedures, through “pre-shifts”—notifications that staff access before they begin work each day—and occasional “flash notifications”—sent by email to communicate time-sensitive changes in guidance.

According to program officials, information about what content changed in FEMA’s IHP policies and procedures from 2016 through 2018 is not readily available because FEMA did not keep a record of changes to SOPs. Further, when program officials update the guidance documents, they do not highlight these changes in the text. The IHP Policy and Doctrine Unit began tracking these changes in a spreadsheet in 2019, which officials stated would allow IHP Policy and Doctrine Unit management to better monitor the changes and the effect of those changes on program implementation. However, this spreadsheet does not directly improve the accessibility or usability of information about guidance changes for NPSC staff. According to officials, between April 2019 and March 2020, the program posted over 600 pre-shifts, about one-third of which contained reminders to staff based on existing information in guidance; the remaining two-thirds contained various types of updates, such as new call transfer procedures or specific procedural changes made to guidance. Pre-shifts related to updated guidance include a summary of the major changes to the document.

Internal control standards state that management should communicate the necessary quality information to achieve objectives internally. To this end, management takes steps such as determining the appropriate method of communication based on factors such as availability, among others, and periodically evaluating these methods.⁶⁶ Additionally, FEMA’s *2018-2022 Strategic Plan* states that the agency must evaluate operations and simplify processes and systems, taking a strategic approach to improve the capabilities of its workforce and efficiency of processes, among other things.⁶⁷ As of March 2020, IHP management officials stated that they were exploring technology-based solutions to

⁶⁶GAO-14-704G.

⁶⁷Federal Emergency Management Agency, *2018-2022 Strategic Plan*, (Washington, D.C.: March 15, 2018).

make the existing guidance more easily searchable; however, program officials have not developed a plan to evaluate the methods used to communicate changes in program guidance to NPSC staff responsible for applying the guidance while providing services to disaster survivors. Given the importance of the guidance for over 1,000 staff implementing the program, as well as surge support staff who assist during high disaster activity, evaluating methods for communicating future SOP changes to improve the accessibility and usability of program guidance for NPSC staff can help with quality customer interactions and consistent casework supporting award determinations.

Opportunities Exist to Improve Employee Engagement and Morale among NPSC Staff

Opportunities exist to improve employee engagement and morale among NPSC staff. Our work finds that employee engagement is one component of employee morale and results in better organizational performance; increased productivity; and higher customer service ratings, among other benefits. Employee engagement relies on effective management and communication with employees and includes establishing clear expectations and priorities, providing effective coaching and feedback, and showing appreciation to staff.⁶⁸

According to NPSC staff at all four locations, poor employee engagement from their management and supervisors resulted in pressures related to productivity, among other challenges, particularly since the 2017 hurricane season, and resultant high work volume for IHP call center staff. However, program managers countered that these perspectives among staff did not reflect management activities. These differences in perspectives between staff and managers related to employee engagement activities included the following:

- NPSC staff in all four locations stated they felt pressured to meet productivity standards, which conflicted with providing quality service to the survivor, and some staff stated they were concerned that managers could fire them for not completing tasks quickly enough. According to NPSC staff, calls can take a long time because survivors are traumatized by the disaster or may have limited education and struggle to understand requirements. Taking extra time on a call can also reduce the need for survivors to call back multiple times to have their needs met, according to NPSC staff. While NPSC management developed productivity metrics for staff in 2017, during that year program officials determined they would not use the productivity

⁶⁸[GAO-20-349T](#); [GAO-15-585](#).

Comments on Employee Morale and Engagement from Individuals and Households Program Call Center Staff

The staff member used to love the job, but now feels anxiety because of FEMA treating [call center] staff like a number and replaceable...staff can be fired for small mistakes even if the outcome is right. The morale is very low and some staff have had to go to therapy.

Performance quotas make the job stressful given how complicated the program is. Call center staff are expected to make it black and white and it just is not. Staff can fail their Quality Control review and then they are so scared of making mistakes, they work more slowly, and then get dinged for only finishing 10 cases in a day. New hires are scared to do processing because getting a bad mark will mean losing their job.

When call volume is high, leadership is always looking for ways to limit the time call center staff are on the phone with the applicant. However, some of those [survivors] really need the time and the [nonprofit] services would really help them, but because of time constraints staff cannot provide great customer service.

Source: GAO interviews with call center staff | GAO-20-503

metric because it was unreliable. According to program management officials, FEMA never terminated an employee based on this proposed productivity metric, and terminations from calendar years 2016 through 2018 represented 1 percent or less of assigned agents each year. Nonetheless, due to the ineffective employee engagement, specifically poor communication and unclear performance expectations, staff we spoke with stated they had experienced significant job pressure since 2017.

- NPSC staff in three locations discussed that supervisors and program managers do not provide effective feedback and coaching to staff when they faced challenges with the speed or accuracy of their work. Given the complexity of the program, staff in all four locations told us they felt pressure from managers should they find errors in staffs' survivor interactions or case processing. They stated that supervisors and program managers did not provide sufficient coaching or feedback to address any issues with their performance. Rather, staff were concerned that managers would provide staff with a poor evaluation, possibly threatening their jobs. However, according to NPSC managers, performance evaluations also consider whether the outcome for survivors was correct when quality control processes identify errors in staff processing. Additionally, NPSC staff stated that they faced low morale or poor employee engagement in the absence of effective mentoring and coaching activities. For example, staff in two centers stated that their supervisors reprimanded them rather than providing effective support—in one case for asking the supervisor questions too often, and in another case for spending too much time with an applicant.
- NPSC staff we spoke to also told us that managers did not communicate key changes in their work. For example, management did not communicate to staff the implications for processing awards following the enactment of the Disaster Recovery Reform Act of 2018, or changes in the registration script. Staff also noted they were unprepared for the rollout of a new phone system during the response to Hurricane Harvey.
- NPSC staff stated that managers did not show appreciation for their work. For example, one NPSC staff member said that FEMA used to acknowledge efforts by awarding an employee of the month, but that no longer happens. NPSC managers stated that staff have been eligible for awards under a continuous program in place since 2012, although FEMA did not provide details on the extent of staff awards since 2017.

While staff and managers' perspectives on the level of staff morale and the state of employee engagement efforts differed, NPSC staff are the intended recipients of employee engagement efforts, and staff we spoke to consistently cited engagement challenges that undermined morale in all four call center locations. Accordingly, opportunities exist to improve employee engagement and morale, particularly during and after the periods of high work volume, as was the case following the 2017 and 2018 hurricane seasons.

In 2017 and 2018, the IHP took actions that decreased its focus on employee engagement and morale. In particular, our review of the NPSC management and supervisor individual performance goals found that an explicit focus on employee morale and activities associated with employee engagement was included in 2016; however, we found that the IHP omitted the goals in 2017 and 2018. Officials removed the goal referencing morale after a 7 percent increase in the employee's overall satisfaction from September 2016 to September 2017 on an employee satisfaction survey, according to NPSC management officials. Furthermore, in 2016, the performance expectations included clarifying performance expectations with the employee; periodic meetings to discuss coaching topics; and creating individual development plans with the employee focused on the most effective training and development opportunities for their professional or technical growth, among other things. However, these detailed performance expectations were absent from goals in 2017 and 2018. Lastly, while NPSC management and supervisory performance expectations for 2017 and 2018 included a minimum of one quarterly meeting to discuss challenges and improve the overall work environment, management allowed the program to waive this requirement during periods of high work volume.

Beginning in 2019, NPSC management began or reinstated multiple activities intended to improve employee engagement. For example, in October 2019, NPSC management implemented further employee recognition awards, similar to an employee-of-the-month to celebrate employee successes. Additionally, as of March 2020, NPSC management was preparing a pilot program to assess the ability for supervisors to conduct biweekly discussions with each team member to discuss performance, core competencies, and individual professional development. FEMA had hired about 40 new staff, to focus on providing personal coaching to NPSC staff. NPSC management also conducted the employee satisfaction survey again during February and March of 2020 and, according to IHP managers, the program will consider the results in selecting 2021 performance goals, along with other methods of obtaining

feedback from employees, such as town halls and small group meetings.⁶⁹ Although it is too early to determine the effect of these activities, improved employee engagement provides an opportunity to clarify performance expectations, such as the faulty understanding NPSC staff had about productivity standards, which contributed to low morale during the high workloads following the 2017 hurricane season, according to NPSC staff we interviewed.

Our work finds that what matters most in improving engagement levels is valuing employees—that is, an authentic focus on their performance, career development, and inclusion and involvement in decisions affecting their work. We also found that attention to work-life balance is important for employee morale.⁷⁰ While NSPC management has begun or reinstated several activities intended to improve employee engagement, NSPC management had decreased their focus on employee morale just before staff would face significant pressure from the 2017 and 2018 disasters. NPSC management also stated that continual efforts should be made to focus on call center staff morale because of their important customer service function. By including a focus on performance feedback, career development, communication, and attention to work-life balance while completing planned employee engagement activities and, further, when assessing employee satisfaction scores and implementing additional steps to strengthen employee engagement, FEMA will be better able to ensure NPSC management and supervisor attention on employee morale.

Limited Training for NPSC
Staff in 2017 and 2018
Affected Service to Survivors

NPSC staff told us that they did not have adequate training to provide quality and consistent performance when completing registration and case processing. Staff explained that FEMA provided compressed versions of the training for the different work activities—such as registration or case processing—due to high disaster activity in 2017 and 2018. The training FEMA provided did not effectively support staff in applying the guidance to answer survivors' questions and process cases they encountered in their work, according to NSPC staff. In 3 of the 4 locations, staff cited case processing training—which provides details such as what documentation is needed to meet eligibility requirements for

⁶⁹Other efforts included quarterly all-hands meetings for staff appreciation and communication with NPSC management, brown bags to discuss issues identified by staff, a revived awards and recognition program, and the creation of an employee group designed to elevate staff concerns to NPSC management.

⁷⁰[GAO-20-349T](#); [GAO-15-585](#).

each type of assistance—as helpful for working effectively while supporting survivors, for example, during registration or calling the helpline. However, staff stated that they do not take this training before they answer calls from survivors. Further, NPSC staff in all four locations noted that there needed to be more customer service training, for example, to help survivors when dealing with the trauma caused by the disaster. In one location, staff gave examples of program managers providing a briefing on processing appeals and processing applicants for continued temporary housing assistance, but managers expected them to complete those work activities without complete training.⁷¹

NPSC program managers confirmed that FEMA provided all NPSC staff compressed training in phases during catastrophic disaster operations in 2017 and 2018. For example, the comprehensive training to answer survivors' questions includes a 10-day curriculum. According to program managers, FEMA officials compressed this training to a 5-hour surge training before staff began answering calls when survivors apply for assistance. FEMA provided an additional 3-day training that provided NPSC staff with more skills needed to assist survivors calling FEMA with questions about the status of their application and steps for processing awards and appeals. In an effort to make staff available quickly, these surge training efforts also omitted evaluation and feedback activities that are protocol during nonsurge training. Officials stated that supervisor support is also provided to NPSC staff to ensure that they understand how to accomplish their assigned tasks. However, as we stated previously, NPSC staff we interviewed stated that they have not received consistent support from supervisors and management since 2017.

Our prior work on assessing training efforts in the federal government states that an agency should evaluate the effectiveness of its training and development efforts, to include obtaining feedback, assessing

⁷¹Appeal processing is how FEMA ensures that applicants have the ability to request a review of a decision made by the IHP, which generally includes requesting needed information and documents from survivors who wish to appeal and assessing the new information against the eligibility requirements. Continued temporary housing assistance is an additional award for rental or temporary housing beyond the initial period of assistance, which is typically 2 months. FEMA can award continued temporary housing assistance based on need and generally only when adequate, alternate housing is not available, or when the applicant's permanent housing plan has not been fulfilled through no fault of the applicant. Processing these cases generally includes reviewing all elements of a survivor's eligibility; reviewing the basis for their continued needs; and contacting the survivor or landlord to collect additional information, among other steps.

competency, and analyzing relevant data.⁷² Internal controls standards state that management should demonstrate a commitment to develop competent individuals in those units, such as through training, to enable the organization to operate in an efficient manner and help achieve the organization's objectives.⁷³ We recognize that during disasters FEMA needs to deploy staff quickly—such as the thousands of staff from across the federal government who provided surge support to call centers in 2017. However, to effectively support IHP service delivery, staff need training that allows them to provide quality and consistent performance, as NPSC staff are on the front line of providing service to survivors and processing their application for disaster assistance. By assessing the effectiveness of the IHP training and employee support during surge events and implementing any necessary changes, FEMA can optimize efforts to ensure that NPSC staff have the skills to provide consistently accurate and quality service to disaster survivors.

Opportunities Exist to Better Support Survivors by Increasing Capabilities at Disaster Recovery Centers

DRCs provide an important resource to survivors who do not have electricity or reliable cellphone service, as is often the case following a disaster, as well as other groups who do not regularly use computers. However, the limitations of staff qualifications and capabilities at these locations resulted in missed opportunities to help survivors quickly. For example, one survivor we spoke with encountered multiple challenges, but in the end, her visits to the DRC enabled her to resolve errors in her case and resulted in an IHP award that allowed her family to rebuild their home (see sidebar). This case demonstrates both the value of the DRCs as a resource to survivors but also the challenges that exist when staff are unable to provide consistent information to support survivors navigating recovery. Officials who worked on all five major disasters we looked at reported problems with DRC staff capabilities to support survivors.

DRC staff lack the skills and abilities to consistently support survivors. Officials we interviewed from California, six localities, and one NGO described challenges survivors experienced with receiving accurate and consistent guidance from FEMA field staff, including at FEMA's DRCs. For example, local officials from Florida and North Carolina said FEMA staff at the DRCs lacked knowledge of the IHP and, as a result, could not effectively assist survivors. Further, staff in 2 of the 4

⁷²[GAO-04-546G](#).

⁷³[GAO-14-704G](#).

One Survivor Visits the Disaster Recovery Center (DRC), Showing Evidence to Support Her Case

A survivor we met with in Puerto Rico explained her experience with FEMA's Individuals and Households Program. She applied for assistance after Hurricane Maria, but did not hear back from FEMA for six weeks. She made at least 10 visits to the DRC in Bayamon—an hour long round trip—to obtain an update on the status of her case and address her recovery needs. She visited the DRC so often because she faced challenges with translation and receiving consistent information from FEMA staff over the phone. During one visit, she collected information on how to get help from two non-profits assisting disaster survivors. She told us she also received inconsistent answers from DRC staff. For example, on three separate visits to the DRC, she received different explanations for why FEMA denied her rental assistance. She eventually learned that the FEMA inspector omitted from her case photos of the damage to her home. With help of DRC staff, she submitted her own photos to FEMA and received a new inspection to inform FEMA's IHP award decision.

The survivor said FEMA awarded her about \$40,000 in total assistance—roughly \$31,000 five months after she applied and an additional \$9,000 following the enactment of the Disaster Recovery Reform Act of 2018. She also received a condo leased by FEMA through the Direct Lease Program (see below), where she lives with her husband and son, while she completes repairs on her home.



Source: GAO; photos taken by GAO while on site in Puerto Rico. | GAO-20-503

NPSCs said that DRC staff gave many survivors incomplete or incorrect information. For example, NPSC staff said that DRC staff gave survivors inaccurate guidance about the documentation they needed to submit, which can delay assistance. Roughly 90 percent of DRC staff in Hurricane Irma were trainees, and almost all DRC staff in Hurricane Maria were newly hired and trained, according to the Chief of FEMA's DRC Unit.

DRC staff lack capabilities needed to assist survivors. Individual Assistance Program leadership from FEMA Region VI told us that FEMA is missing an opportunity to provide better assistance to survivors by using DRC staff as a force multiplier. Officials explained that DRC staff can check the status of a survivor's case, and fax in documents, but they cannot make changes to their case. For example, they cannot correct the spelling of a name, update an address, or reinstate an inspection when the home becomes accessible. In order to make changes to a case, survivors are required to call FEMA. However, these officials noted that survivors faced long wait times on the phone, and some had difficulties communicating over the phone.

FEMA has identified improving DRC capabilities as a lesson learned from prior major disasters. In the *Hurricane Sandy After-Action Report*, FEMA noted multiple areas for improvement, including that the DRCs did not always meet survivor needs efficiently and that the DRCs did not consistently offer the same services.⁷⁴ A key lesson learned from the 2017 disasters was that FEMA needed to have more qualified staff at the DRCs and cited providing survivors with inconsistent information as a common complaint, according to FEMA's DRC Unit Chief. FEMA officials we met with suggested some strategies that FEMA should implement to provide better service to survivors at the DRCs, including deploying full-time NPSC staff who are more experienced and providing on-the-job training to reservists targeted to enable them to help resolve frequent challenges in the case file, such as updating contact information. For example, a program official from FEMA Region VI said that FEMA provided additional training to reservists at the DRCs for Hurricane Harvey, enabling DRC staff to provide more effective support to survivors in the field. The additional training enabled DRC staff to make simple changes to a survivor's case file, and officials recommended that FEMA use this successful strategy in future disasters. Although FEMA officials

⁷⁴Federal Emergency Management Agency, *Hurricane Sandy FEMA After-Action Report*. (Washington, D.C.: July 1, 2013).

stated that curriculum development and funding challenges may affect the expansion of this practice, they added that the training allowed staff to better assist survivors at the DRCs. FEMA also has an ongoing training program for field staff prior to hurricane season and offers a refresher course at other times, as available.

The DRC Unit Chief stated that FEMA tries to update trainings so field staff can remain aware of frequently changing guidance; however, our work found that FEMA is not always able to provide necessary field training. In May 2020, we reported on FEMA's challenges in managing the disaster workforce in 2017 and 2018, which included staff working at the DRCs, and found that FEMA faced staffing shortages; could not reliably determine staffs' ability to perform their functions; and faced challenges with staff development efforts, such as training.⁷⁵ Specifically, we reported that not knowing staffs' ability to perform their functions created operational challenges, including negatively affecting the delivery of assistance. For example, we reported that staff FEMA thought were qualified did not know eligibility and documentation requirements or how to use the program's information management system. Lastly, we found that most staff cited on-the-job training as the most useful, but FEMA faced challenges in providing such training. We made three recommendations for FEMA to (1) develop a plan to ensure that FEMA provides reliable information on staff abilities, (2) develop mechanisms to assess how effectively the workforce meets mission needs, and (3) create a staff development program. FEMA concurred with all three recommendations and, as of April 2020, FEMA provided us with their plans to begin addressing them; however, these actions are broad in nature, to improve human capital management across the entire agency, and may not precisely target the unique challenges with staff skills and capabilities providing direct support to disaster survivors at the DRCs.

According to FEMA's *2018-2022 Strategic Plan*, the agency prioritizes maintaining a skilled, knowledgeable, efficient, and survivor-focused incident workforce and plans to strengthen the incident workforce by building capabilities and capacities to fulfill its responsibility to effectively respond to a catastrophic event. Further, the plan states that FEMA must

⁷⁵GAO, *FEMA Disaster Workforce: Actions Needed to Address Deployment and Staff Development Challenges*, [GAO-20-360](#) (Washington, D.C.: May 4, 2020). This report discussed challenges affecting FEMA's entire incident management workforce, which is organized into 23 cadres, which are groups of staff organized by operational or programmatic functions. Staff working at the DRC are part of the Individual Assistance cadre.

create innovative and efficient solutions to provide the most effective support to survivors, and reduce the number of duplicative interactions that survivors experience when accessing programs. By identifying and implementing strategies to ensure that staff at its DRCs have the needed skills and capabilities, such as through targeted, on-the-job training, FEMA could improve support to survivors who visit the DRCs and streamline the survivor experience.

Local Officials Did Not Understand the IHP and Reported Information Sharing and Coordination Challenges with FEMA

FEMA Did Not Provide Sufficient Training, Support, or Guidance on the IHP to Local Officials

Local officials from all 10 localities, as well as officials from two states—Texas and Florida—and Puerto Rico told us that local officials needed a better understanding of the IHP, through additional training, support, or guidance, to assist survivors navigating the recovery process. For example, local officials told us they did not understand the types of assistance available through the IHP; requirements survivors must meet to receive assistance; or how the process works, in general. As previously discussed, determining the type and amount of assistance for disaster survivors through the IHP is a process that weighs various eligibility criteria, and FEMA staff must follow more than 90 procedural documents that program officials frequently update, in order to determine eligibility and deliver assistance. While much of this guidance is designed for FEMA staff, it contains details on how IHP staff process applications, determine eligibility, and deliver assistance that local officials we spoke to did not understand. Since 2016, FEMA has published the publically available *Individuals and Households Program Unified Guidance*, which compiles FEMA policy for each type of assistance under the IHP into one comprehensive document, to serve as a singular resource for state, local, territorial, and tribal governments.⁷⁶ However, this document has not

⁷⁶Federal Emergency Management Agency, *Individuals and Households Program Unified Guidance (FP 104-009-03)* (Washington, D.C.: September 2016). In March 2019, FEMA published new guidance, the *Individual Assistance Program and Policy Guide*, which combines the guidance on the IHP with guidance on the other five key programs under Individual Assistance and provides some additional details on eligibility criteria for the IHP, among other changes.

contained certain details about processing assistance, appeals, or disaster-specific assistance information.⁷⁷

Officials we interviewed from 6 of the 10 localities told us FEMA did not provide any training, support, or specific guidance for their disaster, and officials from four localities told us that they had to learn about the IHP on their own during disaster recovery operations. For example, county officials from Texas said they did not receive any training on the IHP from FEMA and searched the internet to learn about the program. As another example, county officials from North Carolina told us that they received pieces of information on the IHP from meetings with FEMA, the state, and NGOs. They explained that, absent sufficient support, they had to personally search for key information on program processes and requirements, all while trying to help constituents through their crises, as well as addressing their own recovery needs.

Additionally, officials from 6 of 10 localities noted that FEMA provided them with a liaison to address their questions and concerns about the IHP. However, turnover of FEMA liaisons created challenges with receiving consistent support from FEMA. In addition, local officials from 4 of our 5 selected states and territories reported receiving inconsistent and conflicting guidance from FEMA officials on the IHP. Officials from 7 of 10 localities explained that they needed to be knowledgeable on the program to help disaster survivors in their community understand and navigate the program. According to county officials in California, survivors typically direct their questions to local officials first, and survivors became frustrated when local officials cannot answer them.

FEMA's role is to coordinate federal resources to supplement state, local, tribal, and territorial capabilities; however, we and DHS have previously reported that local officials have capability gaps related to implementing federal recovery programs, including the IHP. FEMA coordinates primarily with states, tribes, and territories, and the *National Disaster Recovery Framework* assigns states the primary responsibility for planning and

⁷⁷For example, often during initial processing or an appeal, FEMA staff need details regarding damages or expenses before making a final determination. While the policy guide states that verifications may be needed to process awards and appeals, internal guidance details specific information for certain damages, and procedures for when appeals may be denied because of an inability to verify information with other entities such as contractors and insurance companies. According to FEMA officials, disaster-specific changes are generally initiated by the state, territory, or tribe and those officials are informed of any changes FEMA approves.

managing all aspects of the recovery of their communities. States act in support of local communities, evaluate their capabilities, and assist overwhelmed local governments. We reported in May 2020 that gaps exist in states' capacity to support longer-term recovery.⁷⁸ Texas state officials we met with explained that emergency managers prioritize response capabilities over recovery. Further, a state official we met with from Florida explained that local officials typically have a better understanding of FEMA's infrastructure recovery programs and do not recognize the importance of the IHP until after a disaster. Furthermore, state and territorial officials consistently report capability challenges to manage recovery in their communities, according to DHS' National Preparedness Reports from 2018 and 2019.⁷⁹

State and local officials suggested various ways that FEMA could improve local officials' access to information on the IHP, which included providing training or informational materials on the IHP to local officials. Program officials from one region stated that the program looks for opportunities to provide training on the IHP, such as through conferences, social media, and webinars. IHP officials from two regions noted that, during nondisaster periods, FEMA provides training or technical assistance to states, tribal governments, and voluntary agency partners through the regions. FEMA may provide training to local officials when coordinated by the state official managing assistance to individuals. However, only 10 states have staff tasked with overseeing assistance to individuals, which could include managing housing recovery. This presents a challenge for FEMA providing training to state officials and supporting efforts to train local officials, according to IHP management officials.

According to the *National Disaster Recovery Framework*, successful recovery requires informed and coordinated leadership throughout all levels of government and phases of the recovery process. The federal government plays an important role in providing accessible information about federal grants and loans to the public and all stakeholders involved in recovery, including local officials. The federal government's supporting role is especially important during the early weeks of a disaster, when governments in the affected area are overwhelmed with response and

⁷⁸GAO, *National Preparedness: Additional Actions Needed to Address Gaps in the Nation's Emergency Management Capabilities*, [GAO-20-297](#) (Washington D.C.: May 4, 2020).

⁷⁹Department of Homeland Security, *2018 National Preparedness Report* (Washington, D.C.: Nov. 14, 2018); and *2019 National Preparedness Report* (Washington, D.C.: Dec. 2, 2019).

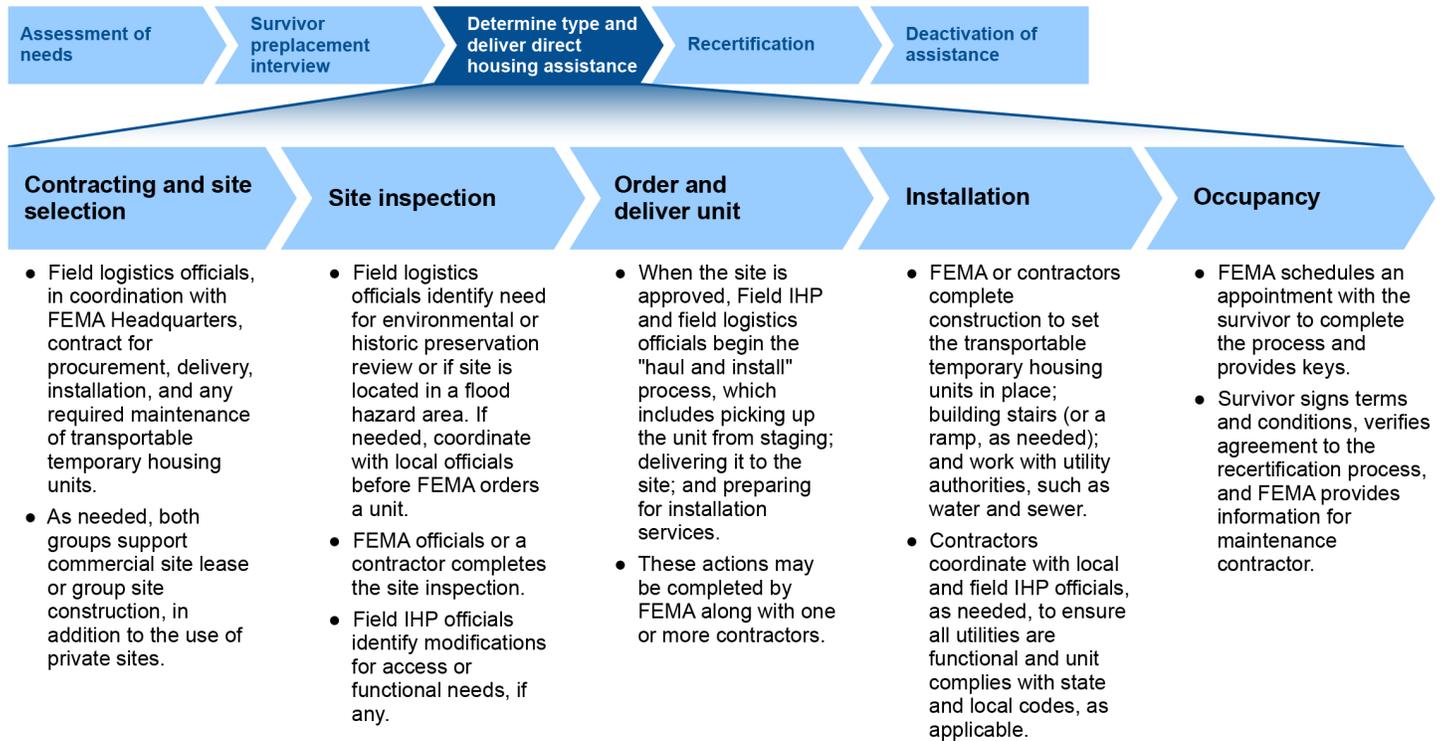
short-term recovery efforts. By identifying and implementing strategies to provide readily accessible information about the IHP to state, local, tribal, and territorial officials, FEMA can help ensure that local officials understand the IHP, which is essential for a successful recovery.

Local Officials Reported Direct Housing Coordination Challenges with FEMA

Officials from 7 of the 10 localities we met with reported challenges in coordinating with FEMA on direct housing efforts, specifically for the Transportable Temporary Housing Units, which FEMA has used most often to provide temporary housing assistance to survivors since 2010. Officials from four of these localities reported a lack of coordination by FEMA on the delivery or placement of FEMA direct housing units, which delayed the assistance to survivors.

To provide the Transportable Temporary Housing Units, FEMA must assess the local property; determine what type of site the unit will be placed on; and take steps to prepare the site and the unit before the survivor can move in, such as ensuring that utilities are properly installed and available. This process involves coordination between multiple organizations within FEMA and the state and local agencies. Figure 15 below describes this process.

Figure 15: Selected Steps and Required Coordination to Deliver a Transportable Temporary Housing Unit through the Federal Emergency Management Agency’s (FEMA) Individuals and Households Program (IHP)



Source: GAO summary of FEMA program guidance. | GAO-20-503

According to officials in Texas, Florida, and North Carolina, challenges with information sharing and coordination often resulted in delays. For example, county officials from Texas said FEMA did not communicate with them on the timing or location for the contractor’s delivery of Transportable Temporary Housing Units. As a result, the county officials faced challenges in hooking units up to utilities, such as water, sewage, and electricity, which caused delays making Transportable Temporary Housing Units available for survivors. Officials said some units sat on survivors’ property for months without utilities and without the county’s knowledge. County officials from Texas also said that FEMA would not share information on the timing or location for the contractor’s delivery of Transportable Temporary Housing Units, citing restrictions to protect the personal information of the survivor receiving the unit. A state official from North Carolina reported that FEMA’s contractors did not consistently communicate the placement of units in a timely manner. In addition, county officials from North Carolina said FEMA contractors failed to tell

them about the delivery of a unit and, as a result, the survivor who received the unit did not have electricity.

Manufactured Housing Units (top) and Recreational Vehicles (bottom) in a Group Site Providing Transportable Temporary Housing for Survivors of Hurricane Michael



Source: GAO; photos taken by GAO while on site in Florida. | GAO-20-503

FEMA delivers housing units using contractors, and IHP officials said that the contractors were responsible for coordinating with local officials on the placement of units. According to FEMA's *Direct Housing Guide*, there are multiple points of coordination between the contractor, state and local officials, and IHP and FEMA logistics officials in the field.⁸⁰ For example, the field logistics officials are responsible for ensuring oversight of contractor activities delivering and installing the housing units, including ensuring that the contractor provides regular status updates. The *Direct Housing Guide* also states that FEMA field officials enter milestone dates into FEMA's Housing Operations Management Enterprise System to monitor progress, including dates the unit arrives onsite, ready for electric, and ready for occupancy. However, program officials said this system—which is FEMA's system of record for tracking direct temporary housing assistance—lacks controls; is inconsistently used by field staff; and has incomplete information, contributing to information-sharing challenges. According to IHP officials, updating this system as part of agency-wide modernization efforts is a priority that will promote better information sharing for all recovery partners. FEMA has yet to identify when the new system will be available for use in program delivery, and we have previously reported delays with this agency-wide effort.⁸¹

According to the *National Disaster Recovery Framework*, disaster operational coordination crosses all mission areas and is critical to efficient and effective recovery activities, including disaster housing. Local, regional, state, tribal, territorial, and insular area governments have primary responsibility for the recovery of their communities and will need leadership and coordination mechanisms to be in place in order to effectively assess and evaluate recovery issues, determine priorities,

⁸⁰Logistics field officials report to the Branch Director for Direct Housing under the Logistics Section Chief. Similarly, IHP field officials report to a Branch Director for Direct Housing under the Individual Assistance Branch Director.

⁸¹See GAO, *FEMA Grants Modernization: Improvements Needed to Strengthen Program Management and Cybersecurity*, [GAO-19-164](#) (Washington, D.C.: Apr. 9, 2019). FEMA is developing a new, agency-wide enterprise data system that will include a dedicated solution for delivering housing missions, including Transportable Temporary Housing Units. The Grants Management Modernization platform will allow FEMA and state, local, and tribal partners to integrate the delivery of direct housing while streamlining the process by replacing paper-based processes with electronic transactions and mobile device data capture.

engage partners, identify and coordinate key resources, and implement recovery strategies.

The FEMA official responsible for leading the direct housing mission in North Carolina after Hurricane Florence said a best practice from her experience was to increase engagement between FEMA and local officials. She recommended that FEMA designate staff to serve as a liaison between FEMA, direct housing contractors, and local officials to ensure that local officials receive the information they need to carry out their responsibilities in the direct housing process, such as ensuring that units comply with local ordinances and hooking up utilities to the unit. Program officials have developed multiple efforts to improve coordination for providing direct housing, including the Transportable Temporary Housing Units. For example, in September 2018, FEMA created the Sheltering and Housing Field Teams, which include subject matter experts from other units, such as general counsel and logistics, which will provide technical support to the Joint Field Office and FEMA Regional officials for developing a direct housing strategy after a disaster.⁸² According to FEMA officials, field officials complete the strategy implementation, but these teams may not provide ongoing coordination support through delivery of units in the same way as a liaison identified as a best practice in North Carolina. In April 2020, FEMA had planned for an online repository of direct housing resources to provide job aids for direct housing staff and, as of May 2020, it was planning to develop a public guide.

While these efforts present opportunities to improve information sharing about direct housing assistance generally, the efforts do not provide a process for coordinating among FEMA; contractors; and state, local, and tribal and territorial partners to effectively deliver Transportable Temporary Housing Units to disaster survivors. While program officials await a new system of record for delivering direct housing assistance, identifying and implementing best practices for information-sharing and coordination with recovery partners on the delivery of Transportable Temporary Housing Units will help ensure that FEMA and local officials deliver direct housing units to survivors in an efficient and effective manner.

⁸²Joint Field Offices are multiagency coordination centers established near disaster sites for coordinating major disaster response and recovery efforts.

FEMA Assesses IHP Performance and Has Ongoing Efforts to Improve Program Delivery, but Opportunities Exist to Further Enhance These Efforts

FEMA Collects and Analyzes Data to Assess IHP Performance and Survivor Experiences, but Its Survey Methodology Does Not Fully Align with Federal Standards

FEMA collects and analyzes data to track the agency's progress on IHP performance measures and assess survivors' experiences with the program. For example, FEMA's *2018-2022 Strategic Plan* includes the following four performance measures that are related to the IHP: (1) decrease the percentage of FEMA and overall federal in-person inspections; (2) raise applicant satisfaction with the simplicity of the IHP; (3) increase the timeliness of financial IHP assistance awards; and (4) improve the accuracy of IHP financial assistance. Further, FEMA established several additional performance measures to assess the timeliness of IHP services and processes, such as telephone application and helpline services, case processing, inspections, and the provision of financial and direct assistance to survivors.

FEMA also conducts three different telephone surveys to assess survivors' experiences with the IHP, and FEMA uses its survey results to assess program performance.⁸³ However, the methodology that FEMA uses for its surveys does not fully align with federal standards for statistical surveys, limiting FEMA's ability to use survey results to determine how well the IHP is performing. FEMA builds its sample of survivors to survey using a stratified random design, which is a type of probability sampling. The target population for each of FEMA's IHP

⁸³These surveys are (1) an initial survey to measure the quality of disaster assistance information and services received by survivors during the initial application process; (2) a contact survey to measure the quality of disaster assistance information and services received by survivors while they checked the status of their case online or during interactions with FEMA staff; and (3) an assessment survey to measure the quality of disaster assistance information and services received by survivors after FEMA determines their eligibility for IHP assistance.

surveys varies depending on the goal of the survey. For example, the goal of the initial IHP survey is to measure the quality of disaster assistance information and services received by survivors during the initial application process. The target population for this survey consists of all survivors who applied for IHP assistance during a 2-week period. From this population, FEMA selects a number of applicants to survey from each open disaster declaration based on a declaration's proportion of all IHP applications during a 2-week period.⁸⁴ Because FEMA uses a probability sampling design for its IHP surveys, the estimates derived from the survey data have sampling error associated with them.⁸⁵ But FEMA does not calculate sampling error for the survey estimates that program managers use, inhibiting their ability to accurately assess program performance. FEMA also does not currently adjust the raw survey data with sampling weights to reflect the stratification and variable patterns in survey response between the different disaster declarations in the survey population, meaning that unadjusted survey estimates are statistically biased.⁸⁶

FEMA officials told us that they believe the IHP survey methodology is valid for measuring program performance. Officials said that there typically tends to be little variance in applicants' satisfaction scores between disasters that would warrant the implementation of weighting procedures. According to the Office of Management and Budget's *Standards and Guidelines for Statistical Surveys*, surveys should employ weights appropriate for the sample design to calculate population estimates.⁸⁷ Further, variance estimates should be calculated by a method appropriate to a survey's sample design, taking into account probabilities of selection, stratification, clustering, and the effects of nonresponse. Officials told us that in 2011 they conducted a unit nonresponse analysis on a recently retired survey that is similar to one of

⁸⁴For example, if, during a 2-week period, applications for disaster A made up 90 percent of total IHP applications, then FEMA allocates 90 percent of the sample size for its survey to applicants from disaster A.

⁸⁵In statistics, sampling error is the error caused by observing a sample instead of the whole population.

⁸⁶Statistical bias arises when the sample survey estimates are expected to systematically differ from the result obtained by surveying the entire population of all applicants.

⁸⁷Office of Management and Budget's Statistical Policy Directive Step No. 2, guideline 4.1.1 Steps 1 and 3, and guideline 3.2.12. Office of Management and Budget, *Standards and Guidelines for Statistical Surveys* (Washington, D.C.: September 2006).

the current IHP surveys and determined that nonresponse bias was not present.⁸⁸ FEMA officials noted that they plan to conduct a new nonresponse bias analysis based on additional demographic information to determine if there are any factors FEMA should weigh in the survey results. In August 2020, officials told us they completed a preliminary nonresponse bias analysis on one of FEMA's IHP surveys. However, FEMA did not provide a time frame for completing this analysis for all IHP surveys. Without (1) weighting the survey data to reflect the stratification of its survey design, (2) adjusting the base sampling weights for survey nonresponse within each stratum, and (3) calculating the sampling error for the survey data after adjusting the base sampling weights for nonresponse, FEMA is limited in its ability to use IHP survey results as accurate, analytical evidence of experiences for all survivors who applied for IHP assistance and to assess program performance.

FEMA Has Numerous Efforts to Improve the IHP but Did Not Complete Key Process Improvement Activities

FEMA Has Planned or Implemented Numerous Efforts to Improve Assistance to Disaster Survivors, Including a Redesign of the Individual Assistance Program

Since 2017, FEMA has planned or implemented numerous efforts aimed at addressing challenges with delivering disaster assistance to survivors and satisfying legislative requirements. See appendix VI for a more detailed description of each of the efforts listed below.

Housing Assistance Initiative. In April 2017, FEMA launched the Housing Assistance Initiative, which resulted in dozens of recommendations and multiple long-term goals for improving FEMA's approach to delivering safe, durable housing to survivors through the IHP following any disaster. As of May 2020, FEMA has implemented all but one recommendation for this initiative, according to officials.

2017 Hurricane Season FEMA After-Action Report. In July 2018, FEMA released its 2017 Hurricane Season FEMA After-Action Report, which contained four broad recommendations for improving the IHP,

⁸⁸Unit nonresponse is the failure of a member of the sample to respond to the survey as a whole. Nonresponse bias may be defined as systematic error in estimates (e.g., customer satisfaction rates) that are attributable to systematic differences between the responses of those who do respond and the responses that would have been obtained from nonrespondents had they responded.

including direct housing assistance and coordination with state and local governments. As of May 2020, FEMA has implemented two of these recommendations, according to officials.

Individual Assistance Program Redesign. In March 2019, the Recovery Directorate established a cross-functional project team to develop a vision and implementation strategy for the holistic delivery of disaster assistance to individuals and households through Individual Assistance Programs, including the IHP.

Annual Customer Experience Action Plan for the Individual Assistance Program. In June 2019, FEMA released its Annual Customer Experience Action Plan for the program that described eight separate efforts to improve customer service, including plans to develop new surveys and test program design changes for the IHP.

Disaster Recovery Reform Act of 2018. In addition to the efforts initiated by FEMA, the Disaster Recovery Reform Act of 2018 includes seven provisions related to the IHP that FEMA is required to implement. As of May 2020, FEMA has implemented five of these provisions.

FEMA's Redesign Effort Is Leadership-Driven, but FEMA Did Not Fully Assess Stakeholder Needs and Performance Gaps, or Set Improvement Goals and Priorities

Following the 2017 disaster season, FEMA initiated an effort to redesign the Individual Assistance Program, including the IHP. However, the agency did not fully assess customer and stakeholder needs and performance gaps in the program, or set improvement goals and priorities for the effort—activities that are critical to the success of a process improvement effort, according to GAO's *Business Process Reengineering Assessment Guide*.⁸⁹ FEMA officials told us that the agency typically receives significant amounts of criticism following any implementation of the program and, in response, the agency or Congress tweaks or changes parts of the program. Officials explained that these changes may further complicate the agency's implementation of the Individual Assistance Program and, rather than continuing to take a piecemeal approach to improving the program, FEMA decided to undertake a holistic effort to assess the program's vision and identify ways to improve the delivery of disaster assistance through the program.

⁸⁹GAO, *Business Process Reengineering Assessment Guide, Version 3*, [GAO/AIMD-10.1.15](#) (Washington, D.C.: May 1997). Business process reengineering focuses on redesigning a process as a whole in order to achieve the greatest possible benefits to the organization and its customers.

We assessed FEMA's early efforts to redesign the Individual Assistance Program against GAO's *Business Process Reengineering Assessment Guide*, which identifies key practices for process improvement and provides a general framework for assessing a reengineering or redesign effort, from initial strategic planning and goal-setting to postimplementation assessments.⁹⁰ We found that FEMA has implemented numerous activities that are critical to the success of a process improvement effort, according to the guide. Specifically, FEMA demonstrated executive leadership's commitment to the effort; engaged stakeholders and subject matter experts to collect and analyze their expectations for the delivery of disaster assistance through the Individual Assistance Program; reassessed its vision and developed new fundamentals, or principles, for the program; and developed success criteria—a set of yes or no questions—to ensure that the redesigned program adheres to the new fundamentals or principles. However, we identified additional actions FEMA could take to help ensure that its improvement effort is sound and positioned for success.

Engage with customers and stakeholders to better understand their needs. FEMA officials said the agency conducted outreach with about 10 NPSC staff during the stakeholder outreach phase to obtain their perspectives on the Individual Assistance Program, including the IHP. Officials explained that they requested to meet with NPSC staff who had previously experienced a disaster, as it is relatively common for these staff to be disaster survivors themselves. However, FEMA did not engage with any survivors external to the agency or NGOs that assist survivors and only engaged with one external stakeholder – a local official from a city in Florida that was impacted by Hurricane Michael. Officials stated that they would prioritize external engagement after identifying and refining ideas for providing assistance. However, according to GAO's *Business Process Reengineering Assessment Guide*, a comprehensive understanding of customers' and stakeholders' needs and expectations is a key input for improving the type, cost, quality, and timeliness of the products and services the agency provides. Further, reassessing customer and stakeholder needs helps agencies reevaluate and clarify its strategic vision and goals and provides direction and focus for an agency's efforts to improve its performance.⁹¹

⁹⁰[GAO/AIMD-10.1.15](#).

⁹¹[GAO/AIMD-10.1.15](#).

Assess current processes to identify performance gaps, and develop improvement goals focused on outcomes important to customers and stakeholders. FEMA did not assess the major or core processes in the current program to identify any performance gaps for the improvement effort. FEMA officials said they selectively scrutinized certain issues voiced during their engagement with internal stakeholders. For example, in response to internal stakeholders' concern about FEMA providing IHP assistance for repetitive loss, officials said they assessed 10 years of program data to determine the percentage of applicants who received home repair assistance multiple times. Officials also conducted an environmental scan of federal disaster assistance programs, and analyzed the strengths, weaknesses, opportunities, and threats of different ways that the federal government provides disaster assistance, for example, reimbursement, grants to individuals, grants to states, and loans. Officials explained that they conducted the environmental scan to identify authorities that federal agencies have to provide assistance that FEMA may not be using, not to assess the performance of the Individual Assistance Program, including the IHP. According to GAO's *Business Process Reengineering Assessment Guide*, leading organizations recognize that process improvement efforts should be informed by fact-based performance analysis. These organizations typically assess which of their major or core processes are in greatest need of improvement. By analyzing the gap between where they are and where they need to be to achieve its mission and satisfy customer and stakeholder requirements, agencies can target those processes that are in most need of improvement, and then set achievable and measurable improvement goals. These improvement goals should be sharply focused on outcomes linked to the agency's defined mission, as well as outcomes important to customers and stakeholders, according to the guide.⁹²

Select and prioritize processes for improvement. As of May 2020, the Individual Assistance Division was continuing to define and refine the new vision and fundamental concepts for the redesigned Individual Assistance Program. The project lead for the improvement effort told us that the project team was assessing how FEMA would implement the new vision and fundamental concepts, including any legislative, regulatory, and organizational barriers. As part of that assessment, the project team identified actions FEMA could take in the near term to implement the new vision and fundamental concepts that do not require legislative changes, according to the project lead. However, FEMA officials have not explicitly

⁹²[GAO/AIMD-10.1.15](#).

identified and prioritized processes that need to be improved based on formal selection criteria. According to GAO's *Business Process Reengineering Assessment Guide*, the agency should list processes that are candidates for improvement and then decide which processes should have the highest priority for agency action, based on formal selection criteria, which might emphasize processes with the strongest link to the agency's mission or the highest impact on customers.⁹³

FEMA officials explained that the intent of the redesign effort was to develop a new vision for the Individual Assistance Program and conceptualize ideas that may lead to program changes, and not to identify and scrutinize all the gaps or challenges with the current processes. Officials added that identifying performance gaps does not lend itself to identifying novel ways to provide assistance. However, by (1) obtaining a more comprehensive understanding of customer and stakeholder needs through additional engagement; (2) assessing current gaps in performance, and developing improvement goals to address any identified gaps; and (3) prioritizing processes for improvement based on documented selection criteria, FEMA will be able to further refine its new vision and fundamentals for the Individual Assistance Program, and more effectively direct and focus the agency's implementation efforts.

FEMA Has Taken Steps to Integrate IHP Improvement Efforts, but Has Not Established Time Frames for Finalizing its Implementation Plans

FEMA has taken steps to integrate its efforts to improve the IHP; however, the agency has not established time frames for finalizing its strategic plan or developing implementation plans for the efforts described in its strategic plan. As previously stated, in addition to its effort to redesign the Individual Assistance Program, FEMA has many other ongoing and planned IHP improvement efforts. Some of these other efforts seem to be directly relevant to the redesign effort. For example, as part of its Annual Customer Experience Action Plan for the Individual Assistance Program, FEMA plans to develop a customer journey map of the recovery process to identify additional touchpoints where customer experience data can be used to inform changes to FEMA's Individual Assistance Programs, including the IHP. As another example, as part of the Housing Assistance Initiative, FEMA is implementing an initiative to modernize, enhance, and diversify how the agency gathers applicant data and assesses damages for the IHP.

In September 2019, the Deputy Assistant Administrator for FEMA's Recovery Directorate directed the Individual Assistance Division to

⁹³[GAO/AIMD-10.1.15](#).

establish an Office of Strategy and Innovation. The division began piloting the office in January 2020. The office has two sections—Strategy and Innovation—and will provide the division with services and resources to advance organizational, programmatic, service-delivery, and customer-experience goals, including efforts to revision, modernize, and strategically resource the Individual Assistance Program. The primary functions of the Strategy Section include, among other things, coordinating strategic planning for the division and conducting stakeholder engagement activities, such as focus groups, to inform the division’s priorities. The primary functions of the Innovation Section include, among other things, leading the development of proposals, alternative solutions, and business cases to inform the division’s priorities and investments, and developing pilots and implementation plans.

According to FEMA officials, the Office of Strategy and Innovation led the development of a Strategic Plan for the Individual Assistance Division during 2019 and 2020. The plan describes the division’s three strategic goals and 10 strategic objectives. The plan also describes the various efforts related to each of the division’s strategic objectives, including efforts to redesign the Individual Assistance Program, develop a customer journey map, and modernize IHP damage assessments. According to the strategic plan, the Individual Assistance Division will use the plan to guide annual priorities, resource allocations, and performance measurements, and develop individual implementation plans and direct resources and funding to guide and support its strategic goals and objectives.

According to FEMA officials, as of July 2020, the strategic plan was not finalized and FEMA had not established time frames for finalizing the plan. Further, the draft strategic plan does not include time frames for developing implementation plans for the efforts described in the plan. According to GAO’s *Business Process Reengineering Assessment Guide*, agencies should have an overall improvement strategy that provides a means to coordinate and integrate the various improvement projects, set priorities, and make appropriate budget decisions. The strategy should include a discussion of what improvement projects are necessary; how they are interrelated; the order in which they will be pursued; and their goals, time frames, resource requirements, and key participants.⁹⁴ The project lead for the redesigned Individual Assistance Program agreed that the redesign effort should be synchronized with

⁹⁴[GAO/AIMD-10.1.15](#).

other FEMA IHP improvement efforts. In addition, leading practices for program management indicate that project schedules should be developed to define project milestones and identify and sequence activities in order to determine start and end dates for each activity.⁹⁵ Establishing time frames for finalizing its draft strategic plan and developing implementation plans that integrate its IHP improvement efforts will put FEMA in a better position to coordinate and manage its limited resources more effectively.

Conclusions

FEMA's IHP provided over \$11 billion to about 3 million disaster survivors from 2010 through 2019. However, IHP applicants are confused by FEMA's requirement that certain applicants must apply for an SBA disaster loan to be considered for SBA-dependent ONA, and the lack of clarity related to the process may disproportionately impact low-income survivors who are less likely to qualify for an SBA loan. Improving how the requirement is communicated to survivors, assessing the extent to which the process limits or prevents survivors' access to IHP assistance, and working with SBA to identify options to simplify the disaster assistance application process would help ensure that survivors receive all of the IHP assistance for which they are eligible. Similarly, FEMA's IHP award determination letters often confuse survivors and provide limited information. Improving the clarity and readability of these letters and providing additional information regarding determination decisions would help ensure that survivors understand the reasons for FEMA's decisions.

FEMA has also experienced challenges in managing the IHP workforce. For instance, FEMA did not track changes made to SOPs from 2016 through 2018 and call center staff faced challenges with their awareness of changes to the guidance. Identifying ways to improve the accessibility and usability of information about guidance changes for NPSC staff would help ensure that FEMA provides quality information to those delivering direct service to survivors. Also, by including a focus on morale, performance feedback, career development, communication, and attention to work-life balance while implementing planned employee engagement activities and, further, when assessing employee satisfaction scores, and implementing additional steps to strengthen employee engagement, FEMA will be better able to ensure NPSC management and supervisor attention on employee morale. In addition, assessing the effectiveness of IHP training and support provided to NPSC staff during

⁹⁵Project Management Institute, Inc., *The Standard for Program Management*, Fourth Edition, 2017.

surge events would help ensure that FEMA addresses training concerns and provides effective support to survivors. Further, identifying and implementing strategies to ensure that staff at DRCs have the needed skills and capabilities would help to provide consistent service to survivors.

State and local officials stated that FEMA did not provide sufficient training, support, or guidance regarding the IHP. Identifying and implementing strategies to provide readily accessible information and resources about the IHP would help FEMA ensure that local officials understand the program better. Local officials also experienced challenges in coordinating with FEMA on direct housing assistance, particularly on the delivery of Transportable Temporary Housing Units, which resulted in delays to survivors being able to move in. Identifying and implementing best practices for information sharing and coordinating among local officials and other recovery partners would help ensure that FEMA can optimize the delivery of direct housing units to disaster survivors.

FEMA assesses IHP performance and has ongoing efforts to improve the program, but these efforts are lacking in various respects. Specifically, FEMA collects and analyzes data to assess IHP performance and survivor experiences, but correcting and refining FEMA's methodology to fully align with federal standards would help ensure that the survey results are valid. Also, FEMA has not completed key process improvement activities for its efforts to improve the IHP, including engaging with additional program customers and stakeholders to obtain a more comprehensive understanding of their requirements, and assessing performance gaps between current processes and customer and stakeholder needs. Finally, though FEMA drafted a strategic plan for the Individual Assistance Division, FEMA did not set time frames for finalizing the strategic plan or developing implementation plans for the efforts described in the plan. Establishing time frames for finalizing the strategic plan and developing implementation plans that integrate all current and planned initiatives and recommendations related to the IHP would help ensure the success of current and future FEMA efforts to improve the IHP.

Recommendations for Executive Action

We are making the following 14 recommendations to FEMA:

The FEMA Administrator should improve the completeness and consistency of its communication of the requirement to apply for an SBA

disaster loan prior to being considered for SBA-dependent other needs assistance. (Recommendation 1)

The FEMA Administrator should assess the extent to which its process for determining an applicant's eligibility for SBA-dependent other needs assistance limits or prevents survivors' access to IHP assistance, and work with SBA to identify options to simplify and streamline the disaster assistance application process for survivors. (Recommendation 2)

The FEMA Administrator should improve the IHP award determination letters by using federal guidance and best practices for communicating with the public to ensure that applicants understand that an "ineligible" determination does not mean they cannot continue to pursue assistance. (Recommendation 3)

The FEMA Administrator should identify and implement strategies to provide additional information to applicants about how FEMA determined their eligibility for assistance and the amount of assistance to award. (Recommendation 4)

The FEMA Administrator should evaluate the method for communicating changes in IHP standard operating procedures (SOP) to identify ways to improve their accessibility and usability by National Processing Service Center (NPSC) staff. (Recommendation 5)

The FEMA Administrator should use desirable characteristics of employee engagement—including performance feedback, career development, communication, and attention to work-life balance—while completing planned activities for improving morale among call center staff. (Recommendation 6)

The FEMA Administrator should use desirable characteristics of employee engagement—including performance feedback, career development, communication, and attention to work-life balance—when assessing NPSC staff satisfaction scores and identifying additional steps to strengthen employee morale. (Recommendation 7)

The FEMA Administrator should assess the effectiveness of the IHP training and support for NPSC staff during surge events and implement any necessary changes. (Recommendation 8)

The FEMA Administrator should identify and implement strategies to help ensure staff deployed to Disaster Recovery Centers (DRC) have the

needed skills and capabilities to provide support and consistent service to survivors. (Recommendation 9)

The FEMA Administrator should identify and implement strategies to provide readily accessible information and resources, such as guidance and training, about the Individuals and Households Program to state, local, tribal, and territorial officials. (Recommendation 10)

The FEMA Administrator should identify and implement best practices for information sharing and coordinating with local officials, and other recovery partners, on the delivery of Transportable Temporary Housing Units in the interim while FEMA completes system improvements. (Recommendation 11)

The FEMA Administrator should correct and refine the methodology used to survey survivor experiences with the IHP by (1) weighting the survey data to reflect the stratification of its survey design, (2) adjusting the base sampling weights for survey nonresponse within each stratum, and (3) calculating the sampling error for the survey data after adjusting the base sampling weights for nonresponse. (Recommendation 12)

The FEMA Administrator should complete the following key process improvement activities as part of its effort to redesign the Individual Assistance Program: (1) engage with additional program customers and stakeholders to obtain a more comprehensive understanding of their needs; (2) assess performance gaps between current processes and customer and stakeholder needs, and develop measurable and achievable improvement goals to address any identified performance gaps; and (3) prioritize the processes that need improvement based on documented selection criteria. (Recommendation 13)

The FEMA Administrator should establish time frames for finalizing the Individual Assistance Division's draft strategic plan and developing implementation plans that integrate its IHP improvement efforts. (Recommendation 14)

Agency Comments and Our Evaluation

We provided a draft of this report to the Department of Homeland Security (DHS) and FEMA for their review and comment. DHS provided written comments, which are reproduced in appendix VII. In its comments, DHS concurred with our recommendations and described actions under way or planned to address them. FEMA provided technical comments, which we incorporated as appropriate.

With regard to our first recommendation, that FEMA improve the completeness and consistency of its communication of the requirement to apply for an SBA disaster loan prior to being considered for SBA-dependent ONA, DHS stated that FEMA will review the SBA referral information within the IHP award letters during the upcoming 2020-2021 letter review process to ensure letters provide a comprehensive and clear explanation of the requirement that applicants must complete the SBA loan process before FEMA will consider their eligibility for SBA-dependent ONA. FEMA will also review its public messaging about SBA-dependent ONA to ensure consistency across communication modes so that survivors clearly understand the necessity of applying for an SBA loan. DHS estimated that these efforts would be completed by April 29, 2022. These actions, if fully implemented, should address the intent of our recommendation.

With regard to our second recommendation, that FEMA assess the extent to which its process for determining an applicant's eligibility for SBA-dependent ONA limits or prevents survivors' access to IHP assistance, and work with SBA to identify options to simplify and streamline the disaster assistance application process for survivors, DHS reiterated FEMA's action described in this report to initiate a workgroup with the SBA to review the process for determining which applicants are required to submit an SBA application prior to being evaluated for SBA-dependent ONA. DHS stated that main focus of the effort is to assess the process for verifying information provided by applicants prior to making assistance decisions as well as to consider options for streamlining and simplifying coordination between FEMA and SBA. DHS reported that FEMA anticipates providing recommendations to agency leadership at both agencies by December 2020, and that both agencies will decide on which recommendations to implement by December 2021. DHS noted that some recommendations may require significant technology changes that may take three to five years to implement. Our report identified multiple challenges survivors experienced with FEMA's current process for determining an applicant's eligibility for SBA-dependent ONA, including that the process is burdensome and may have prevented many applicants from being considered for SBA-dependent ONA. As such, it will be important for FEMA to identify and consider options for improving its processes that specifically address the challenges described in this report. We will monitor FEMA's efforts in this area to assess the extent to which they fully implement our recommendation.

With regard to our third recommendation, that FEMA improve the IHP award determination letters by using federal guidance and best practices

for communicating with the public to ensure that applicants understand that an “ineligible” determination does not mean they cannot continue to pursue assistance, DHS stated that FEMA will include a review of the appeal language and information in the determination letter as part of the 2020-2021 letter review process. As we noted in our report, survivors have trouble understanding the letters and how to respond, and may stop pursuing assistance after receiving a FEMA determination letter because they believe the letter represents a final denial. For this reason, it is critical that FEMA ensure that survivors clearly understand that a determination letter does not represent a final decision. DHS estimated that FEMA’s effort to implement our recommendation will be completed by April 29, 2022. At that time, we will assess the agency’s actions to determine the extent to which they address the intent of our recommendation.

With regard to our fourth recommendation, that FEMA identify and implement strategies to provide additional information to applicants about how FEMA determined their eligibility for assistance and the amount of assistance to award, DHS stated that FEMA will include a review all the IHP award letters as part of the 2020-2021 letter review process to ensure the use of plain language and a description of how FEMA makes eligibility decisions. As noted in our report, survivors experienced challenges in understanding FEMA’s eligibility and award determinations and FEMA’s current award determination letter does not include important information, such as the amount of damages verified during the site inspection, that the agency factors into its award decisions. We also described multiple benefits of providing survivors with more information about their case and FEMA’s eligibility and award determinations, including increased trust and transparency and an improved survivor experience. For these reasons, it is important that FEMA not only ensure a description of how the agency makes award and eligibility decisions, but also consider ways to provide applicants with more information about their case. DHS estimated that FEMA’s effort to implement our recommendation will be completed by April 29, 2022. At that time, we will assess the agency’s actions to determine the extent to which they address the intent of our recommendation.

With regard to our fifth recommendation, that FEMA evaluate the method for communicating changes in IHP standard operating procedures (SOP) to identify ways to improve their accessibility and usability by National Processing Service Center (NPSC) staff, DHS stated that on May 21, 2019 FEMA updated its internal processing procedures manual website, which provides IHP guidance for field and call center staff, to clearly

display all guidance topics on one page so that staff may quickly identify the guidance needed to assist disaster survivors. Also, FEMA plans to award a contract to improve the searchability of its internal processing procedures manual and update the user interface by September 30, 2020. The improvements are focused on developing a document tagging taxonomy framework and enabling staff to search for appropriate guidance by specific disaster and their user role. DHS estimated that FEMA's effort to implement our recommendation will be completed by December 31, 2021. These actions, if fully implemented, should address the intent of the recommendation.

With regard to our sixth recommendation, that FEMA use desirable characteristics of employee engagement—including performance feedback, career development, communication, and attention to work-life balance—while completing planned activities for improving morale among call center staff, DHS stated that FEMA has developed a strategic communication plan that will be a resource to build call center management in support for four major elements: (1) enhancing communication, (2) fostering unity, (3) awards and recognition, and (4) training and development. FEMA also has an employee advisory committee over the call center staff, whose mission is to facilitate a culture of teamwork and communication by providing actionable feedback between employees and management. FEMA is also completing the development of a Leadership Academy to train all call center supervisors. In addition to these efforts, our report noted further employee recognition awards, a pilot effort to increase communication between supervisors and staff, and new staff hires to provide coaching to call center staff. Our report found low morale in the call center workforce, which provides an important customer service function. For this reason, it is important that FEMA not only complete supervisor training through their new Leadership Academy, but continue to implement and complete the other efforts we describe to improve employee engagement. DHS estimated that FEMA's effort to implement our recommendation will be completed by December 31, 2021. At that time, we will assess the agency's actions to determine the extent to which they address the intent of our recommendation.

With regard to our seventh recommendation, that FEMA use desirable characteristics of employee engagement—including performance feedback, career development, communication, and attention to work-life balance—when assessing NPSC staff satisfaction scores and identifying additional steps to strengthen employee morale, DHS stated that FEMA's NPSC call center employee advisory committee continues to make recommendations to enhance the organization's morale, and FEMA is

taking steps to provide additional training opportunities and increase communication. This includes a focus group initiative FEMA began in May 2020 with a goal to provide leadership with actionable data and information from employees. FEMA plans that the next series of focus groups will be centered on topics which scored lowest in the staff satisfaction survey, and will result in recommendations to leadership for improvement. DHS estimated that FEMA's efforts to implement our recommendation will be completed by May 31, 2021. These actions, if fully implemented, should address the intent of our recommendation.

With regard to our eighth recommendation, that FEMA assess the effectiveness of the IHP training and support for NPSC staff during surge events and implement any necessary changes, DHS stated that FEMA is currently in the process of evaluating ways to assess effectiveness of training during surge in response to a disaster. FEMA is considering conducting pre- and post-assessments of training and whether to conduct a post training survey at the conclusion of trainings. DHS estimated that FEMA's effort to implement our recommendation will be completed by July 30, 2021. At that time, we will assess the agency's actions to determine the extent to which they address the intent of our recommendation.

With regard to our ninth recommendation, that FEMA identify and implement strategies to help ensure staff deployed to Disaster Recovery Centers (DRC) have the needed skills and capabilities to provide support and consistent service to survivors, DHS stated that FEMA is in the process of completing revisions to the IHP training program provided to staff deployed to DRCs. These trainings expand upon the services provided to survivors who visit a DRC, including coaching as part of their qualification process, and include an updated just-in-time refresher training for all staff assigned to DRCs. FEMA is also in the process of developing formal courses for the DRC manager and the IHP Housing Crew Lead, who work in the DRC as the supervisor and subject matter expert, respectively. DHS estimated that FEMA's efforts to implement our recommendation will be completed by December 31, 2021. These actions, if fully implemented, should address the intent of our recommendation.

With regard to our tenth recommendation, that FEMA identify and implement strategies to provide readily accessible information and resources, such as guidance and training, about the Individuals and Households Program to state, local, tribal, and territorial officials, DHS described recent efforts to improve or provide guidance on disaster

housing to its state, local, territory and tribal partners. Specifically, DHS stated that FEMA (1) improved the consistency of disaster housing messaging in the *Comprehensive Preparedness Guide*, which includes guidance on national housing priorities, types of housing, key considerations and housing-specific planning recommendations that jurisdictions can apply when developing or improving housing plans; (2) delivered a presentation on FEMA housing assistance to the 2019 grant recipients of the Regional Catastrophic Preparedness Grant Program, which aims to build state and local capacity to manage catastrophic incidents by improving and expanding regional collaboration for catastrophic incident preparedness; and (3) issued the *State-Administered Direct Housing Grant Guide*, which describes, among other things, the processes and requirements for its program for providing grants to state, territory, or tribal governments to administer direct temporary housing assistance or permanent housing construction.

DHS also reiterated some of FEMA's publically-available guidance on Individual Assistance programs, including the IHP, which we described in this report. For example, FEMA's *Individual Assistance Program and Policy Guide* serves as a single resource of all Individual Assistance policies and describes (1) specific programs and assistance available; (2) information on which forms of assistance are automatically activated in a Presidential disaster declaration; and (3) information on which forms of assistance must be requested. The guide includes a chapter on the IHP which details, among other things, program eligibility and specific documents applicants may be required to provide to FEMA to receive assistance. DHS noted that the guide is available to all FEMA partners, including state, local, tribal, and territorial officials on FEMA's website. According to DHS, FEMA plans to publish an updated *Individual Assistance Program and Policy Guide* that incorporates policy changes authorized by the Disaster Recovery Reform Act of 2018 on June 30, 2021.

As we noted in this report, local officials experienced challenges understanding the IHP and expressed a need for additional support to improve their ability to effectively assist disaster survivors and manage recovery efforts in their communities. The local officials we met with experienced these challenges despite the existence of publically-available guidance on the IHP, such as the *Individuals and Households Program Unified Guidance*, which FEMA first published in 2016 and preceded the *Individual Assistance Program and Policy Guide*. While FEMA's recent and planned efforts described above may result in improved or additional sources of information about the IHP, to fully address our

recommendation, FEMA should identify and implement strategies to provide information on the IHP that local officials need to manage a successful recovery. We will continue to monitor FEMA's efforts in this area to assess the extent to which they fully address the intent of our recommendation.

With regard to our eleventh recommendation, that FEMA identify and implement best practices for information sharing and coordinating with local officials, and other recovery partners, on the delivery of Transportable Temporary Housing Units in the interim while FEMA completes system improvements, DHS noted that FEMA's *Direct Housing Guide* includes guidance on coordinating with local officials and other recovery partners on the delivery of Transportable Temporary Housing Units. DHS also stated that FEMA will establish working groups with relevant stakeholders to identify best practices and lessons learned on information sharing and coordination with local officials in the delivery of Transportable Temporary Housing Units. These working groups will incorporate identified best practices and lessons learned into FEMA's *Direct Housing Guide*. DHS estimated that these efforts would be completed by June 30, 2021. These actions, if fully implemented, should address the intent of our recommendation.

With regard to our twelfth recommendation, that FEMA correct and refine the methodology used to survey survivor experiences with the IHP by (1) weighting the survey data to reflect the stratification of its survey design, (2) adjusting the base sampling weights for survey nonresponse within each stratum, and (3) calculating the sampling error for the survey data after adjusting the base sampling weights for nonresponse, DHS stated that FEMA will weight the survey data to reflect the stratification of the survey design. FEMA will also identify which variables are most relevant to nonresponse for each of the IHP surveys, and conduct research on calculating sampling error for weighted data to better understand the level of resources required to complete these calculations on a quarterly basis. Then, FEMA will decide whether it is necessary or reasonable to adjust the base sampling weights for survey nonresponse within each stratum, and calculate the sampling error for the survey data after adjusting the base sampling weights for nonresponse. DHS estimated that these efforts would be completed by December 31, 2022. We continue to believe that FEMA will be limited in its ability to use IHP survey results as accurate, analytical evidence of applicant's experiences with the program and to assess program performance without fully implementing all parts of our recommendation.

With regard to our thirteenth recommendation, that FEMA complete the following key process improvement activities as part of its effort to redesign the Individual Assistance Program: (1) engage with additional program customers and stakeholders to obtain a more comprehensive understanding of their needs; (2) assess performance gaps between current processes and customer and stakeholder needs, and develop measurable and achievable improvement goals to address any identified performance gaps; and (3) prioritize the processes that need improvement based on documented selection criteria, DHS stated that FEMA will complete these key process improvement activities for its redesign effort by December 31, 2021. At that time, we will assess the agency's actions to determine the extent to which they address the intent of our recommendation.

With regard to our fourteenth recommendation, that FEMA establish time frames for finalizing the Individual Assistance Division's draft strategic plan and developing implementation plans that integrate its IHP improvement efforts, DHS stated that FEMA finalized and published the *Individual Assistance 2020-2024 Strategic Plan* on August 21, 2020 and established milestones for creating implementation plans for each goal and objective of the plan. According to FEMA's milestones, the agency plans to create all implementation plans by December 29, 2023. These actions should address the intent of our recommendation.

We are sending copies of this report to the Secretary of Homeland Security, the FEMA Administrator, and the appropriate congressional committees. If you or your staff have any questions about this report, please contact me at (404) 679-1875 or curriec@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Key contributors to this report are listed in appendix VIII. In addition, the report will be available at no charge on the GAO website at <http://www.gao.gov>.



Chris P. Currie
Director, Homeland Security and Justice

List of Requesters

The Honorable Michael B. Enzi
Chairman
Committee on the Budget
United States Senate

The Honorable Ron Johnson
Chairman
The Honorable Gary C. Peters
Ranking Member
Committee on Homeland Security and Governmental Affairs
United States Senate

The Honorable Rand Paul, M.D.
Chairman
Subcommittee on Federal Spending Oversight
and Emergency Management
Committee on Homeland Security and Governmental Affairs
United States Senate

The Honorable Marco Rubio
Chairman
Committee on Small Business and Entrepreneurship
United States Senate

The Honorable Maxine Waters
Chairwoman
Committee on Financial Services
House of Representatives

The Honorable Bennie G. Thompson
Chairman
Committee on Homeland Security
House of Representatives

The Honorable Carolyn B. Maloney
Chairwoman
The Honorable James Comer
Ranking Member
Committee on Oversight and Reform
House of Representative

The Honorable Nydia Velázquez
Chairwoman
Committee on Small Business
House of Representatives

The Honorable Peter DeFazio
Chairman
The Honorable Samuel “Sam” Graves
Ranking Member
Committee on Transportation and Infrastructure
House of Representatives

The Honorable Al Green
Chairman
Subcommittee on Oversight and Investigations
Committee on Financial Services
House of Representatives

The Honorable Emanuel Cleaver II
House of Representatives

The Honorable Jim Jordan
House of Representatives

The Honorable Michael McCaul
House of Representatives

The Honorable Gary Palmer
House of Representatives

The Honorable Ann Wagner
House of Representatives

Appendix I: Objectives, Scope, and Methodology

This report addresses (1) expenditures from 2010 through 2019 for the Individuals and Households Program (IHP) and the processes that the Federal Emergency Management Agency (FEMA) used to deliver IHP assistance to disaster survivors; (2) program experiences and outcomes, and challenges survivors faced in obtaining assistance from 2016 through 2018; (3) challenges FEMA experienced with implementing the IHP from 2016 through 2018; and (4) the extent to which FEMA has assessed the IHP and initiated efforts to improve the program in recent years.

To address our first objective, we analyzed IHP expenditures from FEMA's Integrated Financial Management Information System, and application, eligibility, award, and appeals data from the National Emergency Management Information System for major declarations that included Individual Assistance during calendar years 2010 through 2019.¹ We reported on the most recent 10-year time frame for this objective because we wanted to focus on long-term trends. Regarding direct housing expenditures, FEMA could not precisely account for a certain subset of expenditures and, therefore, provided expenditures to us that excluded this subset of expenditures. Consequently, we state in this report that direct housing expenditures are at least a certain amount. We assessed the reliability of data from these two systems by reviewing existing information about these systems, interviewing data users and managers responsible for these data from FEMA's Office of the Chief Financial Officer and Recovery Analytics Division, and cross-checking data across disparate sources to ensure consistency. Based on these steps, we determined these data to be sufficiently reliable for the purposes of analyzing IHP expenditures and selected data from 2010 through 2019. We also interviewed officials from FEMA's Individual Assistance Division and IHP Service Delivery Branch and reviewed relevant laws, including the Robert T. Stafford Disaster Relief and Emergency Assistance Act² and FEMA IHP program guidance, including the March 2019 *Individual Assistance Program and Policy Guide*,³ to understand FEMA's policies and processes for providing assistance through the IHP, including how disaster survivors apply for IHP

¹The Integrated Financial Management Information System is FEMA's official accounting and financial system that tracks all of the agency's financial transactions. The National Emergency Management Information System is a database system used to track disaster data for FEMA and grantees.

²42 U.S.C. § 5121 et seq.

³Federal Emergency Management Agency, *Individual Assistance Program and Policy Guide (IAPPG)*, FP 104-009-03 (Washington, D.C.: March 4, 2019).

assistance and how FEMA determines applicants' eligibility for assistance and the type and amount of assistance to provide.

To address our second objective, we analyzed FEMA's IHP applicant data from the National Emergency Management Information System for all 5.6 million disaster survivors who applied for assistance for major disaster declarations that included Individual Assistance during 2016 through 2018—the 3 most recent years for which complete application data were available.⁴ FEMA provided these data, as of February 24, 2020, from its National Emergency Management Information System. We analyzed FEMA's IHP applicant data to identify and compare various outcomes, such as approval, award, and appeal rates, overall and across different survivor groups, for 2016 through 2018. We assessed the reliability of FEMA's IHP applicant data by reviewing existing information about the National Emergency Management Information System, including internal controls; interviewing data users and managers responsible for these data from FEMA's Recovery Analytics Division; and testing the data for missing data, outliers, and obvious errors. Based on these steps, we determined these data to be sufficiently reliable for the purposes of reporting IHP outcomes from 2016 through 2018.

We also conducted semistructured interviews with state emergency management officials, local officials responsible for leading disaster recovery efforts, and officials from nongovernmental organizations (NGO) that help disaster survivors access and navigate the IHP from California, Florida, North Carolina, Texas, and Puerto Rico. We selected these four states and Puerto Rico because they represented multiple FEMA Regions and had a significant number of Individual Assistance disaster declarations, higher levels of IHP expenditures, or higher numbers of

⁴Generally, survivors have 60 days from the date of an Individual Assistance disaster declaration to apply for IHP assistance. FEMA may extend the application period when the state, territorial, or tribal government requests more time to collect applications from the affected population. After the end of the application period, FEMA will accept late applications for an additional 60 days. 44 C.F.R. § 206.112. Disaster survivors must write a letter to FEMA with the details of the extenuating circumstances that prevented them from applying for assistance in a timely manner with accompanying documentation, if applicable. FEMA will not allow applicants to complete an application after that 60-day grace period. The latest Individual Assistance disaster declaration for which we analyzed data was disaster number 4407, which occurred on November 12, 2018. The last day for survivors of this disaster to apply for IHP assistance was February 15, 2019. IHP assistance is limited to 18 months following the date of the disaster declaration. FEMA may extend the period of assistance due to extraordinary circumstances, if such an extension is in the public interest.

valid applications for the IHP from 2016 through 2018. For our interviews with local officials responsible for disaster recovery efforts, we selected two counties in each state and two municipalities in Puerto Rico that had higher numbers of valid IHP applications.⁵ For our interviews with NGO officials, we selected one or two NGOs in each of our selected states and Puerto Rico, which we identified through discussions with FEMA, state, and local officials, and officials from other NGOs.⁶ Further, we interviewed officials responsible for implementing the IHP from FEMA's headquarters and all four National Processing Service Centers (NPSC), as well as FEMA's Regions II, IV, VI, and IX, which are the Regions responsible for liaising with and supporting our four selected states and Puerto Rico. At each NPSC, we interviewed eight to 11 staff, selected by FEMA, who communicate with disaster survivors and process their applications to obtain information about survivor experiences and challenges with the IHP. In total, we interviewed 38 of these staff using the same set of questions. The results of our interviews cannot be generalized; however, they provide valuable perspectives on particular challenges that disaster survivors faced in obtaining IHP assistance.

In addition, we reviewed FEMA documentation and interviewed agency officials to understand FEMA's process for determining an applicant's eligibility for Small Business Administration (SBA)-dependent other needs assistance (ONA). We also reviewed FEMA's public disaster webpages, news releases, and IHP documents, and observed FEMA officials to understand how FEMA communicated its process to survivors. Lastly, we analyzed FEMA's IHP applicant data and interviewed FEMA, state, territory, local, and NGO officials to assess whether FEMA's process was a challenge for survivors. We compared FEMA's process and communication efforts to the goals and objectives in FEMA's *2018-2022 Strategic Plan*⁷ and the federal government's roles and responsibilities

⁵We interviewed local officials from Harris County, TX; Jefferson County, TX; Bay County, FL; Jackson County, FL; Craven County, NC; Pender County, NC; Butte County, CA; Sonoma County, CA; Caguas, PR; and Bayamon, PR.

⁶We interviewed officials from Lone Star Legal Aid (TX), The Facilitators: Camp Ironhorse (PR), Endeavors (PR and NC), Rebuild Bay County (FL), SBP (FL), and Catholic Charities (CA).

⁷Federal Emergency Management Agency, *2018-2022 Strategic Plan*, (Washington, D.C.: Mar. 15, 2018).

outlined in the *National Disaster Recovery Framework*.⁸ We also analyzed previous and current versions of FEMA's IHP ineligible determination letter using the Flesch Reading Ease score,⁹ the Plain Writing Act of 2010,¹⁰ and the Substance Abuse and Mental Health Administration's guidance on disaster communications.¹¹ Lastly, we compared the information FEMA provides to IHP applicants about their case for assistance to the federal government's roles and responsibilities outlined in the *National Disaster Recovery Framework* and the Substance Abuse and Mental Health Administration's key principles for serving individuals suffering from trauma, such as those who experienced a disaster.¹²

To address our third objective, we interviewed officials responsible for implementing the IHP from FEMA's headquarters and all four NPSCs, as well as FEMA's Regions II, IV, VI, and IX. At each NPSC, we interviewed eight to 11 staff, selected by FEMA, who communicate with disaster survivors and process their applications to obtain their experiences in working on the IHP. In total, we interviewed 38 of these staff using the same set of questions. We also interviewed state, territory, local, and NGO officials in California, Florida, North Carolina, Texas, and Puerto Rico, to understand their experiences, including any challenges, working with FEMA to deliver the IHP. The results of our interviews cannot be

⁸Department of Homeland Security. *National Disaster Recovery Framework*, Second Edition (Washington, D.C.: June 2016).

⁹Flesch Reading Ease scores fall on a scale from 0 to 100, with 0 being nearly impossible to read and 100 being simple enough for a fifth grader to read. The formula is based on average sentence length and average word length. The version we used was included in the Microsoft Word processing software. As we have previously reported, the Flesch Reading Ease score is one of the most widely used, tested, and reliable formulas for calculating readability. See [GAO-17-656](#), *Vehicle Data Privacy: Industry and Federal Efforts Under Way, but NHTSA Needs to Define Its Role* (Washington, D.C.: July 28, 2017). To prepare FEMA's ineligible determination letters for analysis, we deleted headers and addresses and replaced phone numbers with "PHONE", website addresses with "URL", and email addresses with "MAIL."

¹⁰Pub. L. No. 111-274, 124 Stat. 2861 (codified at 5 U.S.C. § 301 note).

¹¹Department of Homeland Security. *National Disaster Recovery Framework*. Substance Abuse and Mental Health Services Administration, *Communicating in a Crisis: Risk Communication Guidelines for Public Officials*. SAMHSA Publication No. PEP19-01-005 (Rockville, MD: 2019).

¹²Substance Abuse and Mental Health Services Administration, *SAMHSA's Concept of Trauma and Guidance for a Trauma-Informed Approach*. HHS Publication No. (SMA) 14-4884 (Rockville, MD: 2014).

generalized: however, they can provide valuable context for the challenges that FEMA experienced with implementing the IHP. Further, we analyzed FEMA's standard operating procedures for the IHP and documentation on workforce capabilities, as well as information provided to state and local officials, and compared them to *Standards for Internal Control in the Federal Government*, a GAO human capital guide, FEMA's *2018–2022 Strategic Plan*, and the *National Disaster Recovery Framework*.¹³

To address our fourth objective, we interviewed officials from FEMA's Individual Assistance Division and Recovery Analytics Division, and the IHP Service Delivery Branch. We analyzed documentation on FEMA assessments and performance reports for the IHP, as well as data on surveys that FEMA conducted with survivors who applied for the IHP. We compared FEMA's methodology for its IHP surveys to the Office of Management and Budget's *Standards and Guidelines for Statistical Surveys*.¹⁴ We also analyzed documentation on FEMA initiatives and recommendations aimed at addressing challenges with the IHP and compared these efforts with key process improvement and program management activities from GAO's *Business Process Reengineering Assessment Guide* and *The Standard for Program Management*.¹⁵

Analyzing Program Outcomes Using FEMA's IHP Applicant Data

We analyzed FEMA's IHP applicant data from 2016 through 2018, by year and for the 3-year time frame, for the full population of IHP applicants, as well as for groups of IHP applicants, which we created using information found in IHP applications. Specifically, we analyzed IHP referrals, approval rates, the types and amounts of IHP assistance applicants received, the most common reasons for ineligibility, appeal rates, the time between key events in the IHP financial assistance process, SBA disaster loan application status, and amounts of FEMA-

¹³GAO, *Standards for Internal Control in the Federal Government*, [GAO-14-704G](#) (Washington, D.C.: September 2014); and *Human Capital: A Guide for Assessing Strategic Training and Development Efforts in the Federal Government*, [GAO-04-546G](#) (Washington, D.C.: March 2004); Federal Emergency Management Agency, *2018–2022 Strategic Plan*; and Department of Homeland Security, *National Disaster Recovery Framework*, Second Edition.

¹⁴Office of Management and Budget, *Standards and Guidelines for Statistical Surveys* (Washington, D.C.: September 2006).

¹⁵GAO, *Business Process Reengineering Assessment Guide, Version 3*, [GAO/AIMD-10.1.15](#) (Washington, D.C.: May 1997). Project Management Institute, Inc., *The Standard for Program Management*, Fourth Edition, 2017.

verified personal property loss—which, for the purposes of this report, we refer to as program outcomes.

Survivor and Community Characteristics among the IHP Applicant Population

We analyzed program outcomes for different groups of IHP applicants, which we created using self-reported information from IHP applications. Specifically, we created groups for the following categories: homeownership status, age, household size, gross annual income, federal poverty guideline, property insurance coverage, flood insurance coverage, disaster location, and social vulnerability.

Homeownership Status

FEMA’s application for IHP assistance asks survivors to indicate their homeownership status. We used the following two homeownership status groups for our analysis: (1) owners, and (2) renters. We identified about 21,800 referred applicants (0.5 percent of all referred applicants) who did not indicate a homeownership status in their IHP application.

Age

FEMA’s IHP application asks survivors to provide a birth date for the primary applicant and co-applicant, if applicable. To determine a survivor’s age at the time they applied for IHP assistance, we used the birth date provided for the primary applicant in their IHP application. We used the following four age groups for our analysis: (1) under 25, (2) 25 to 49, (3) 50 to 64, and (4) 65 and older. We identified approximately 11,900 referred applicants (0.3 percent of all referred applicants) who did not provide a birth date for the primary applicant or provided an illogical birth date in their IHP application (i.e., the birth date the applicant provided was on or after the application date).

Household Size

FEMA’s IHP application asks survivors to indicate the number of occupants in their home. We used the following three household size groups for our analysis: (1) one, (2) two, and (3) three or more. We identified about 30 referred applicants who did not provide household size information in their IHP application.

Gross Annual Income

FEMA’s application for IHP assistance also asks the applicant to provide their gross annual income. We used the following four gross annual income groups for our analysis: (1) less than \$10,000, (2) \$10,000 to less than \$25,000, (3) \$25,000 to less than \$50,000, and (4) \$50,000 and above. We identified about 697,000 referred applicants (16.0 percent of

all referred applicants) who did not provide gross annual income information in their IHP application.¹⁶

Federal Poverty Guideline

We analyzed each IHP applicant's reported gross annual income and household size to calculate their reported gross annual income as a percentage of the federal poverty guideline for the applicable year. We used the federal poverty guidelines from the same year as the Individual Assistance disaster declaration for which a survivor applied for IHP assistance.

Each year, the Department of Health and Human Services issues federal poverty guidelines, which represent a household income for different household sizes and locations. There are three sets of guidelines: (1) 48 contiguous states and D.C., (2) Alaska, and (3) Hawaii.¹⁷ The federal poverty guidelines are not defined for U.S territories. Federal poverty guidelines are used to determine financial eligibility for certain federal programs.¹⁸ According to the Department of Health and Human Services, in cases in which a federal program using the poverty guidelines serves any of those jurisdictions, the federal office that administers the program is responsible for deciding whether to use the contiguous-states-and-D.C. guidelines for those jurisdictions or to follow some other procedure. The SBA established its minimum income guidelines for its Disaster Home Loan Program using the federal poverty guidelines, according to a June 1985 agency memorandum. Specifically, SBA increased the federal

¹⁶We used the Centers for Disease Control and Prevention's Social Vulnerability Index to analyze the socioeconomic vulnerability of the communities in which referred and awarded IHP applicants lived. Socioeconomic vulnerability measures the number of people who are unemployed, living in poverty, and do not have a high school diploma, as well as per capita income. We found that referred and awarded applicants who provided income information in their IHP application and those who did not lived in communities characterized by lower and higher levels of socioeconomic vulnerability in roughly the same proportion. For example, roughly 36 percent of referred applicants who provided income information in their IHP application and 33 percent of those who did not lived in communities characterized by the highest levels of socioeconomic vulnerability. However, we also found that referred and awarded applicants who did not provide income information in their IHP application were somewhat more likely to have lived in communities characterized by lower levels of socioeconomic vulnerability.

¹⁷For example, the 2018 poverty guideline for a family of four in any of the 48 contiguous states and the District of Columbia was \$25,100. In comparison, the 2018 guidelines for a family of four in Alaska and Hawaii were \$31,380 and \$28,870, respectively.

¹⁸For example, the Department of Agriculture's National School Lunch Program provides lunches to children in schools for free if their household income is below 130 percent of the poverty guidelines and at a reduced price if their household income is between 130 percent and 185 percent of the guidelines.

poverty guidelines for a single person household by 150 percent and all other households by 125 percent to create the minimum income guidelines for its loan program. To include all IHP applicants in our analysis, we calculated federal poverty guidelines for relevant U.S. territories by multiplying the federal poverty guideline for the 48 contiguous states and the District of Columbia by the same factor that the SBA used to calculate its minimum income guidelines for U.S. territories. From 2016 through 2018, almost 1.2 million IHP applicants (over 21 percent of all IHP applicants) were survivors of disasters that occurred in the following U.S. territories: U.S. Virgin Islands, Puerto Rico, American Samoa, and the Commonwealth of the Northern Mariana Islands.

We used the following four federal poverty guideline groups for our analysis: (1) 100 percent or below; (2) above 100 percent to 200 percent; (3) above 200 percent to 300 percent; and (4) above 300 percent. As stated previously, we identified about 697,000 referred applicants (16.0 percent of all referred applicants) who did not provide gross annual income information. As a result, we could not categorize these referred applicants into our federal poverty guideline groups.

Property Insurance Coverage

We reviewed the types of insurance coverage survivors reported having in their IHP application and identified 17 discrete types of coverage. Of these 17 types, 11 were types of real and/or personal property insurance coverage. In addition, some survivors indicated that they did not have real or personal property insurance, or did not provide insurance coverage information in their application. We used the following three property insurance coverage groups for our analysis: (1) no property coverage; (2) only personal property coverage; and (3) real and personal property coverage. For the purpose of our analyses, we included in the group with no real or personal property insurance survivors who did not provide insurance coverage information in their application. From 2016 through 2018, roughly 0.2 percent of all referred IHP applicants did not provide property insurance coverage information in their IHP application. We included flood insurance coverage in the real and personal property coverage group. We did not report IHP outcomes for referred applicants who only had real property coverage because this group accounted for less than 0.1 percent of all referred applicants (roughly 2,900).

Flood Insurance Coverage

We also reviewed FEMA's IHP applicant data to determine if survivors reported having flood insurance in their IHP applications. We used the following two flood insurance coverage groups for our analysis: (1) no coverage; and (2) coverage. We included in our coverage group survivors who explicitly reported having flood insurance in their IHP application.

Disaster Location

We also created groups based on the location of the Individual Assistance disaster declaration for which a survivor applied for IHP assistance. We used the following four disaster location groups for our analysis: (1) U.S. states;¹⁹ (2) Puerto Rico; (3) U.S. Virgin Islands; and (4) other U.S. territories. For example, survivors of Hurricane Maria in Puerto Rico who applied for IHP assistance were included in our Puerto Rico disaster location group.

Social Vulnerability of a Survivor's Community

We also analyzed the address information that survivors provided in their IHP application to determine the social vulnerability of their community. To determine the social vulnerability of an IHP applicant's community, we used the address information that the applicant reported in their application to identify the census tract they lived in and matched that census tract to the Centers for Disease Control and Prevention's 2016 Social Vulnerability Index. The Centers for Disease Control and Prevention created the Social Vulnerability Index to help public health officials and emergency response planners identify and map the communities that will most likely need continued support to recover following an emergency or natural disaster. The index indicates the relative social vulnerability of census tracts in the U.S. and Puerto Rico. Census tracts are subdivisions of counties for which the U.S. Census Bureau collects statistical data through the American Community Survey. The index ranks tracts on 15 variables, including unemployment, minority status, and disability, and further groups them into the following four themes: (1) socioeconomic status; (2) household composition and disability; (3) minority status and language; (4) housing and transportation, as well as an overall ranking. The index is a 0 to 1 scale, with higher scores indicating greater vulnerability. The Social Vulnerability Index scores for a tract in Puerto Rico reflect levels of vulnerability relative to other tracts in Puerto Rico, not other tracts in the U.S.

We used the following social vulnerability groups for our analysis: (1) overall – least vulnerable; (2) overall – most vulnerable; (3) socioeconomic status – least vulnerable; (4) socioeconomic status – most vulnerable; (5) household composition and disability – least vulnerable; (6) household composition and disability – most vulnerable; (7) minority status and language – least vulnerable; (8) minority status and language – most vulnerable; (9) housing and transportation – least vulnerable; and (10) housing and transportation – most vulnerable. For the purposes of

¹⁹This group includes survivors who applied for IHP assistance for disasters in any of the 48 contiguous states, Alaska, Hawaii, and the District of Columbia.

our analysis, the least vulnerable tracts had a Social Vulnerability Index score of .25 or less, and the most vulnerable tracts had a score of greater than .75. We were not able to assign a Social Vulnerability Index score to roughly 2,200 referred IHP applicants from U.S. states (less than 0.1 percent of all referred IHP applicants from U.S. states) and roughly 36,200 referred IHP applicants from Puerto Rico (4.0 percent of all referred IHP applicants from Puerto Rico).

Analysis of IHP Outcomes

Analysis of IHP Referrals and Approval Rates

We reviewed FEMA's IHP applicant data to determine the status of applicants' cases for IHP assistance. The six possible case statuses in FEMA's data were (1) not referred to the IHP, (2) approved, (3) ineligible, (4) no decision because of insurance, (5) withdrawn, and (6) pending. We counted the number of applicants who were referred to the IHP. To determine approval rates for IHP assistance, we calculated the percentage of all referred applicants that FEMA approved for IHP assistance. From 2016 through 2018, over 5.6 million survivors applied for IHP assistance. FEMA referred 4.4 million applicants to the IHP to be considered for assistance. FEMA approved 44.8 percent of these referred applicants (about 2.0 million) for IHP assistance. The remaining 55.2 percent of referred applicants (about 2.4 million) were not approved for IHP assistance. This includes the 39.0 percent of referred applicants (about 1.7 million) who FEMA determined ineligible for IHP assistance; the 10.2 percent of referred applicants (about 446,700) who did not receive a decision from FEMA because of missing insurance documentation; the 6.0 percent of referred applicants (about 260,500) who had their applications withdrawn;²⁰ and the less than 0.1 percent of referred applicants (about 70) who had a pending case.

Analysis of IHP Financial Assistance Received

We reviewed FEMA's IHP applicant data to determine whether applicants received IHP financial assistance, the types of financial assistance they received, and the total amount of financial assistance that FEMA awarded to them. FEMA's IHP applicant data includes records for all the types of IHP financial assistance the agency considered an applicant for, as well as the amount of funds FEMA provided for each type of assistance. We counted the number of applicants who received any IHP financial assistance. We also added all IHP applicants who received an award for

²⁰A survivor can voluntarily withdraw their application for IHP assistance. FEMA can withdraw a survivor's application for assistance if the applicant failed to provide a required signature or could not be contacted.

a particular type of IHP financial assistance to determine how many people received each type of IHP financial assistance. To determine the total amount of IHP financial assistance an applicant received, we added the amounts FEMA awarded the applicant for each type of IHP financial assistance, excluding group flood insurance.²¹ We then calculated the average and median total award amounts for IHP applicants who received IHP financial assistance.²²

Analysis of Reasons for Ineligible Determination

We reviewed FEMA’s IHP applicant data to identify any ineligible determinations that applicants received, including the corresponding reason for ineligibility. Applicants may receive multiple ineligible determinations. We identified over 40 different reasons for ineligibility, and counted the number and calculated the percentage of referred IHP applicants who had each reason to determine the three most common reasons.

Analysis of Appeals

We reviewed FEMA’s IHP applicant data to determine whether an applicant appealed any of FEMA’s determinations on their application for assistance. We counted the number of IHP applicants who had at least one appeal record in their application for assistance and calculated the percentage of referred IHP applicants who appealed a FEMA determination. Further, we counted the number of IHP applicants who received an award after their appeal and calculated the percentage of IHP applicants who successfully appealed a FEMA determination. We also counted the number of appeals that IHP applicants submitted to FEMA.

Analysis of Time between Key Events in the IHP Financial Assistance Process

We reviewed FEMA’s IHP applicant data to identify the date a survivor applied for IHP assistance and dates for the following key events in the IHP process for financial assistance: first inspection; first award; and final decision, which, for the purposes of our analysis, indicates the end of a survivor’s involvement in the IHP process for financial assistance. We determined the number of days between a survivor’s application date and

²¹The National Flood Insurance Reform Act of 1994 requires FEMA applicants to obtain and maintain flood insurance after receiving IHP assistance for real and/or personal property losses, when the predisaster home is located in a Special Flood Hazard Area. See 44 C.F.R. § 206.110(k)(2). Group flood insurance is established for each disaster declaration that results from flooding and authorizes the Individual Assistance Program. FEMA directly purchases group flood insurance certificates—that cost \$600 and provide 3 years of coverage—on behalf of applicants who are required to obtain and maintain flood insurance. From 2016 through 2018, less than 3 percent of all awarded IHP applicants received group flood insurance.

²²For the purposes of this report, average refers to the mean.

the dates for the key events that applied to their experience with the IHP. For example, only survivors who reported home or personal property damages to FEMA will receive an inspection. We then calculated the average and median number of days between survivors' application date and first inspection; first award; and final decision dates, excluding any negative results from our analysis (i.e., the application date was after the first inspection; first award; or final decision date).²³

We excluded Critical Needs Assistance records from our analysis of the time between survivors' application dates and the dates that FEMA awarded them IHP assistance for the first time. According to FEMA officials, the provision of Critical Needs Assistance is not typical.²⁴

We analyzed the number of days from survivors' application date and dates they received a final decision from FEMA for (1) applicants who were referred to the IHP and (2) applicants who received IHP assistance. For this analysis, we excluded applicants with a pending decision on their application for IHP assistance. In addition, we excluded those who only received Critical Needs Assistance and took no further action to pursue other forms of financial IHP assistance, which we defined as (1) not submitting any documents to FEMA, (2) not having any recorded contacts with FEMA, and (3) not receiving an inspection—three data points included in FEMA's IHP applicant data. From 2016 through 2018, roughly 16 percent of all survivors who received assistance (roughly 318,000) only received Critical Needs Assistance and took no further action to pursue other forms of financial IHP assistance. We also excluded records

²³Out of the over 1 million applicants included in these analyses, we identified less than 60 cases where the application date was after the first award or final decision date.

²⁴An affected state, territorial, or tribal government must request that FEMA authorize Critical Needs Assistance for specific geographic areas or all counties declared for Individual Assistance, as the assistance is subject to a state/federal cost-share. FEMA's Individual Assistance Division Director may authorize the assistance when the identified areas are or will be inaccessible for an extended period of time (i.e., 7 days or longer). Survivors who complete a FEMA application and pass identify verification may be eligible for Critical Needs Assistance if they state an emergency need for food, medication, gas, shelter, or clothing at the time of application, and are displaced from their primary residence as a result of the disaster. According to our analysis, FEMA provided Critical Needs Assistance—a one-time payment of \$500—to over 925,000 survivors in 14 of the 52 Individual Assistance disaster declarations from 2016 through 2018. We also found that the average time between a survivor's application and award dates for Critical Needs Assistance was 1.7 days.

related to retroactive processing for IHP awards made necessary by Section 1212 of the Disaster Recovery Reform Act of 2018.²⁵

Analysis of Small Business Administration Disaster Loan Application Status

We reviewed FEMA's IHP applicant data to determine the status of IHP applicants' application for a disaster loan from the SBA.²⁶ We identified 16 different statuses in FEMA's data and counted the number of IHP applicants with each status. We then grouped the 16 statuses into five categories: (1) loan approved; (2) applicant lacked repayment ability; (3) applicant did not complete loan application; (4) loan canceled, declined, or withdrawn; and (5) other, and counted the number of IHP applicants in each category.

Analysis of FEMA-Verified Personal Property Damages for IHP Applicants Who Did Not Complete an Application for the Small Business Administration's Disaster Loan Program

We reviewed FEMA's IHP applicant data to identify applicants who did not complete an application for SBA's Disaster Loan Program and experienced personal property loss, which FEMA verified through an inspection.²⁷ We counted the number of IHP applicants who did not complete an SBA loan application and had FEMA-verified personal property loss in their application for assistance. In addition, we added dollar amounts of FEMA-verified personal property loss, which we took from the latest inspection record, for these applicants. As previously stated, FEMA's IHP applicant data include dates for certain events in the IHP financial assistance process, such as FEMA inspections. We also reviewed these applicants' award records to determine the percentage of these applicants who received other forms of IHP financial assistance from FEMA.

²⁵42 U.S.C. § 5174(h).

²⁶The Stafford Act limits FEMA's IHP assistance to necessary expenses and serious needs unable to be met through other means. Because some categories of IHP assistance are for expenses and needs that may also be addressed by an SBA loan, FEMA coordinates with SBA to determine a survivor's eligibility for personal property assistance, transportation assistance, and group flood insurance, which FEMA refers to collectively as SBA-dependent other needs assistance.

²⁷After receiving a survivor's application information, FEMA automatically refers the survivor to SBA to complete a disaster loan application if they reported a gross household income and household size that meet SBA's minimum income guidelines to be considered for a loan (see appendix IV for SBA's minimum income guidelines for fiscal year 2018); reported self-employment income; or refused to provide their income in their disaster assistance application. FEMA will continue to move applicants who were referred to SBA through the steps of the IHP process, including the inspection process, but FEMA requires that these applicants be declined an SBA loan before the agency considers them for SBA-dependent other needs assistance, such as assistance for personal property losses.

**Appendix I: Objectives, Scope, and
Methodology**

We conducted this performance audit from October 2018 to September 2020 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.

Appendix II: Summary of Eligibility, Verification, and Delivery Considerations for Individuals and Households Program Assistance

In order to consider an applicant for IHP assistance, FEMA reviews documentation and uses other verification procedures to ensure that survivors meet the general eligibility requirements. However, when disaster-specific conditions make these requirements burdensome for survivors, FEMA may adjust the acceptable documentation to meet the requirement, as was the case, for example, for multiple disasters in 2017 and 2018. See table 4 below for a summary of these general eligibility requirements and selected examples of adjusted verification procedures.

Table 4: General Eligibility Requirements, Verifications, and Selected Adjusted Procedures to Meet Eligibility for the Federal Emergency Management Agency’s (FEMA) Individuals and Households Program Assistance

Eligibility requirements	Verification process	Selected examples of adjusted verification procedures
U.S. citizenship or qualified status ^a	Applicants self-certify their qualifying citizenship status on a declaration and release form.	Program procedures state that disaster survivors who registered for assistance at a public Disaster Assistance Center on or after September 19, 2017, do not have to sign this form, due to changes in the registration script. Although disaster-specific procedures for survivors of Hurricane Maria in Puerto Rico note that this form was suspended, survivors were required to provide the signed form because FEMA used paper applications in the disaster due to communication issues.
Identify verification ^b	FEMA typically verifies an applicant’s identity through an automated public records search at the time of registration or through a FEMA inspection.	When FEMA is unable to verify an applicant’s identity, applicants may be asked to submit documentation providing identity, such as a Social Security card along with another federal or state-issued identification, a U.S. passport, or a federal document containing the full or last four digits of the Social Security number. On a case-by-case basis, FEMA may allow applicants in the U.S. territories to submit specific documents, such as a voter registration card.
Insurance, or other forms of assistance, do not meet disaster-caused needs ^c	Applicants are required to inform FEMA of all insurance coverage that may meet their disaster-caused needs. Insured applicants must provide documentation that identifies their insurance settlements or benefits before FEMA will consider their eligibility.	If survivors have not provided their insurance settlement information, FEMA may call the insurance company to request the necessary information to make award determinations. For example, in North Carolina following Hurricane Florence, standard practice for all staff processing assistance included calling the insurance provider and processing assistance if the provider confirmed the information verbally or in writing.
Proof of occupancy ^d	FEMA verifies occupancy at the time of registration and requests documents at the time of the housing inspection, as needed. Acceptable documents include utility bills; bank statements; paystubs; or a valid driver’s license, among other documents.	As a last resort, if the listed documentation is not available, survivors may provide a written statement indicating how long they lived in the disaster-damaged residence and a statement to explain why the standard verification documentation is unavailable. For example, officials in Florida stated that many residents could not access these documents because they were lost during the damages caused by Hurricane Michael.

Appendix II: Summary of Eligibility, Verification, and Delivery Considerations for Individuals and Households Program Assistance

Eligibility requirements	Verification process	Selected examples of adjusted verification procedures
Proof of ownership ^e	FEMA may verify the survivor’s homeownership status through the inspection or an automated public records search. If both are unsuccessful, the survivor may submit certain documents, such as a deed or mortgage statement, which are preferred forms of verification.	FEMA guidance provides a list of alternate verification documents that survivors may provide if preferred documents are not available. Some of these alternate documents include a property tax receipt or a will naming the survivor as the heir to the property. In Puerto Rico following Hurricanes Irma and Maria, survivors faced significant challenges providing acceptable proof of ownership, according to FEMA officials. In November 2018, FEMA began a process in which 75 staff reached out to more than 20,000 survivors who were awaiting an assistance determination due to missing ownership verification. According to IHP officials, FEMA approved almost \$34 million in assistance for about 11,000 survivors.

Source: GAO summary of FEMA program guidance and information. | GAO-20-503

^aFederal Emergency Management Agency, *Individual Assistance Program and Policy Guide*, FP 104-009-03 (Washington, D.C.: Mar. 4, 2019).

^bSee 42 U.S.C. § 5174(i).

^cSee 42 U.S.C. § 5174(a)(1); 44 C.F.R. § 206.110(a).

^dSee 42 U.S.C. § 5174(i).

^eFederal Emergency Management Agency, *Individual Assistance Program and Policy Guide*. Survivors who indicated that they are renting their home during registration do not need to provide documentation for proof of ownership.

In addition to the general program eligibility criteria—citizenship, identity, insurance, occupancy, and ownership—FEMA requires survivors to meet further eligibility criteria that are specific to the category—either housing or other needs assistance—and the specific type of assistance. The IHP also must review documentation and assess losses to determine survivors’ eligibility for each type of assistance, and there are other delivery considerations that affect what assistance and how much assistance FEMA will award to an eligible applicant.

Housing assistance. To be eligible for housing assistance—including direct and financial housing assistance—the applicant must not have other sources of aid to cover their housing losses, such as insurance, and also demonstrate qualifying levels of damage. Specifically, FEMA may only provide housing assistance when the disaster has displaced the survivor or caused damage that renders the home uninhabitable or, with respect to individuals with disabilities, rendered inaccessible or uninhabitable, as a result of damage caused by a major disaster, as found by an assessment of damages and losses identified during FEMA’s

Appendix II: Summary of Eligibility, Verification, and Delivery Considerations for Individuals and Households Program Assistance

inspection.¹ There are additional eligibility and verification requirements in place, and varied delivery considerations, depending on the specific type of direct or financial housing assistance offered.

Direct housing assistance has additional eligibility considerations, and FEMA does not provide this in all disasters. The state, territory, or tribe must submit a written request to FEMA for approval. Then FEMA may provide direct housing assistance when disaster survivors who registered for FEMA assistance are unable to use rental assistance.² Next, FEMA identifies applicants who may need direct housing based on a FEMA inspection finding at least \$17,000 in losses for homeowners, or renters whose residence was found to be destroyed or received major damages. Table 5 provides more details on the description and considerations for each type of direct housing assistance.

Table 5: Description of the Federal Emergency Management Agency’s (FEMA) Eligibility Considerations for Types of Direct Housing Assistance under the Individuals and Households Program, according to March 2019 Guidance

Type and description of assistance	Eligibility, verification, and delivery considerations
<p>Multifamily lease and repair (MLR). FEMA may make repairs or improvements to existing, vacant multifamily housing units (e.g., apartments) and use the repaired units under MLR as temporary housing for eligible applicants. MLR is not intended to repair or improve individual units to rehouse the predisaster tenants.</p>	<p>For applicants, eligibility for MLR housing is based on an individual assessment of need gathered during an interview. Further, FEMA must verify that the property is eligible for MLR, which requires that it is located near community services (i.e., schools, grocery stores, etc.); can be leased to FEMA for a minimum of 18 months; and allow FEMA to make needed improvements for reasonable accommodations, among other things. Once a property is eligible, FEMA completes a process to approve the property, contract for necessary repairs, and finalize lease agreements.</p>
<p>Direct lease. FEMA may lease existing residential properties for use as temporary housing. Direct lease properties are those that are not typically available to the public, such as corporate apartments or vacation rentals. FEMA does not use units available to survivors with rental assistance, such as hotels and motels, for direct lease.</p>	<p>For applicants, eligibility considerations for providing direct lease units is based on an individual assessment of need gathered during an interview. Further, FEMA only considers direct lease when housing needs exceed the capacity to provide MLR or Transportable Temporary Housing Units in a timely manner and when FEMA has identified properties that are generally not available to the public and meet eligibility criteria. Those criteria for properties include being located near community services (i.e., schools, grocery stores, etc.); the property owner agreeing to specific lease provisions (i.e., the option to extend the lease beyond 18 months); and the rental rate is within an approved limit.</p>

¹42 U.S.C. 5174(b)(1)). For example, FEMA may provide financial assistance to repair a home to a safe and sanitary living or functioning condition. 44 C.F.R. § 206.117(b)(2)(iii). FEMA regulations define safe as secure from disaster-caused hazards or threats to occupants; sanitary as being free of disaster-caused health hazards; and functional as an item or home capable of being used for its intended purpose. 44 C.F.R. § 206.111.

²42 U.S.C. § 5174(c)(1)(B)(i).

Appendix II: Summary of Eligibility, Verification, and Delivery Considerations for Individuals and Households Program Assistance

Type and description of assistance	Eligibility, verification, and delivery considerations
<p>Transportable Temporary Housing Units (TTHU). FEMA may choose to provide eligible applicants a TTHU in the form of recreational vehicles or manufactured housing units, which FEMA can purchase or lease. Both options are to provide housing for a limited period. FEMA also determines what type of site to use for these units, which may be</p> <p><i>private site:</i> Private sites are sites provided by an applicant at no cost to FEMA, typically on their property near their predisaster residence;</p> <p><i>commercial site:</i> Commercial sites are existing manufactured home parks with available pads that FEMA may lease; and.</p> <p><i>group site:</i> The state, tribal, or territorial government provides these sites—such as park land—and the land is built out to include the utilities and other requirements for temporary housing.</p>	<p>For applicants, eligibility considerations for which type of TTHU to provide is based on an individual assessment of need gathered during an interview. Such factors include the applicant’s household composition and the amount of time the survivor needs temporary housing.</p> <p>Further, FEMA will complete the process to identify eligible sites, prepare the sites for the TTHU, ensure compliance with environmental and historic preservation laws, consider floodplain management, and manage the disposal of TTHUs through either sales or donations.</p>
<p>Permanent housing construction. FEMA may provide financial or direct assistance to make permanent repairs or construct permanent or semipermanent housing.</p> <ul style="list-style-type: none"> • <i>Repairs</i> are completed as needed to restore the home to a habitable condition. This may include the interior walls; doors; floors; roof; and preexisting accessibility features, among other components. All repairs will be of average “builder grade” quality and must meet federal, local, and industry construction codes, as applicable. • <i>New construction</i> will also be “builder grade” quality and meet the same code requirements, but FEMA and state, local, tribal, and territorial partners collaborate to determine the appropriate type of construction for the area. 	<p>FEMA may provide financial assistance or direct assistance to individuals and households to construct permanent or semipermanent housing in insular areas outside the continental U.S. FEMA may also consider providing such assistance in other locations where no alternative housing resources are available and other types of temporary housing assistance are infeasible or not cost-effective.</p> <p>For applicants, eligibility considerations for providing permanent housing construction vary, depending on whether the assistance is for repair or replacement:</p> <ul style="list-style-type: none"> • <i>Repair</i> may be considered when the FEMA inspection finds losses over \$17,000 but not over the maximum assistance, and the home is not destroyed. The applicant must demonstrate on appeal that they cannot use home repair assistance to make their home “habitable,” among other requirements to meet timeliness and cost-effectiveness considerations. • <i>New construction</i> may be considered when the FEMA inspection finds that the home is destroyed and new construction is more cost-effective than making repairs. Applicants must also follow additional terms for new construction, for example, that they obtain and maintain flood insurance on a property in a flood area, among other requirements. <p>Applicants are also required to disclose all other forms of assistance that may be a duplication of benefits and cannot accept a disaster home loan from the Small Business Administration to be eligible for permanent housing construction.</p>

Source: GAO summary of FEMA program guidance. | GAO-20-503

Table 6 provides more details on the description and requirements for each type of financial housing assistance.

Appendix II: Summary of Eligibility, Verification, and Delivery Considerations for Individuals and Households Program Assistance

Table 6: Description of the Federal Emergency Management Agency’s (FEMA) Eligibility Considerations for Types of Financial Housing Assistance under the Individuals and Households Program (IHP), according to March 2019 Guidance

Type and description of assistance	Eligibility, verification, and delivery considerations
<p>Lodging. FEMA may provide this assistance for applicants’ out-of-pocket temporary lodging expenses, such as the cost and taxes for short-term hotel accommodations following a disaster.</p>	<p>In addition to habitability, applicants who indicate during registration that their home is inaccessible or without power may be eligible for lodging assistance for the dates of the utility outage. The applicant must provide verifiable receipts with the following information:</p> <ul style="list-style-type: none"> • The applicant’s name or further documentation to prove the applicant reimbursed a third party for the expenses. • The name, address, and phone number of the accommodation • The dates of occupancy. • The itemized expenses incurred, to identify expenses excluded, such as phone, laundry, internet, and pet charges.
<p>Rental assistance. FEMA awards an <i>initial rental assistance payment</i> based on the Fair Market Rent for the area according to the Department of Housing and Urban Development and the number of bedrooms required. The amount of assistance is intended to cover the monthly rent and essential utilities (i.e., gas, electric, water, oil, trash, and sewer) for the housing unit for 2 months and may be used to pay a security deposit. FEMA may award <i>continued rental assistance</i> for up to 18 months to applicants based on documented need. When local housing market rate increases result in an inability for applicants to find an affordable rental unit, FEMA may award a <i>rental assistance rate increase</i> at the request of the state, tribal, or territorial government. Once this increase is approved, FEMA applies the new rate to eligible applicants’ future rental assistance awards.</p>	<p>In addition to habitability, applicants who indicate during registration that their home is inaccessible or without power, and indicate a willingness to relocate, may be eligible. Eligibility considerations for <i>initial rental assistance</i> are met through the answers on the registration for assistance and FEMA’s inspection.</p> <p>To demonstrate eligibility for <i>continued rental assistance</i>, the applicant shows that they have not been able to fulfill their permanent housing plan—which is a plan with a realistic time frame for the applicant to return to permanent housing that is similar to their predisaster housing. FEMA generally expects that renters will use their initial rental assistance to find permanent housing. When a homeowner’s FEMA inspection shows losses exceeding the amount of initial rental assistance, FEMA will automatically send a form to request continued rental assistance. Otherwise, homeowners and renters must request this form by calling FEMA. The survivor must submit the <i>Application for Continued Temporary Housing Assistance</i> form and provide</p> <ul style="list-style-type: none"> • a copy of the signed current lease/rental agreement, • proof that prior rental assistance was used for temporary housing, • proof of predisaster housing costs, and • current and predisaster household income.
<p>Home repair. FEMA may award financial home repair assistance to repair the damaged home to a safe and sanitary or functioning condition. It is not intended to return the home to its predisaster condition and only includes certain components of the property, such as the foundation; walls; and windows, among others.</p>	<p>In order to be eligible for home repair assistance, applicants must own the home as their primary residence, ownership must be verified, and the applicant must have uninsured losses. Otherwise, FEMA’s inspection identifies the eligible components, and the program’s system generates the eligible award amount.</p>
<p>Home replacement. For homeowners whose primary residence was destroyed, FEMA may provide financial assistance that may be applied toward purchasing a new, permanent residence. FEMA calculates the replacement award amount according to the consumer price index data for the types of housing in the damage location and establishes award amounts based on the type of home (e.g., manufactured home, travel trailer, or single-family home).</p>	<p>In order to be eligible for home replacement assistance, FEMA must verify that applicants own the home as their primary residence, the residence was functional prior to the disaster, and that the damage is not insured. FEMA’s system may automatically verify ownership, and FEMA’s inspection verifies the property as destroyed.</p>

Source: GAO summary of FEMA program guidance. | GAO-20-503

Appendix II: Summary of Eligibility, Verification, and Delivery Considerations for Individuals and Households Program Assistance

Other needs assistance (ONA). This consists of financial assistance for other necessary expenses and serious needs caused by the disaster. Some types of ONA are only provided if a survivor does not qualify for a disaster loan from the Small Business Administration (SBA); this assistance includes personal property and transportation assistance and group flood insurance policies (collectively referred to as SBA-dependent ONA). FEMA requires survivors with certain incomes and household sizes to apply to the SBA Disaster Loan Program and be denied or receive a partial loan before FEMA will consider them for SBA-dependent ONA. Other types of ONA can be provided regardless of SBA loan qualification, including funeral, medical, dental, child care, critical needs, and clean and removal assistance, and other miscellaneous items (e.g., tools). Further, for certain types of other needs assistance—child care, funeral, and transportation—the maximum amount of assistance applicants may receive varies and is determined by each state, territory, and tribe on a yearly basis. ONA is subject to a nonfederal cost share of 25 percent, paid by the respective state, territorial, or tribal government.³ Table 7 provides more details on the description and requirements for each type of ONA.

Table 7: Description of the Federal Emergency Management Agency’s (FEMA) Eligibility Considerations for Types of Other Needs Assistance under the Individuals and Households Program (IHP), according to March 2019 Guidance

Type and description of assistance	Eligibility, verification, and delivery considerations
<p>Funeral. FEMA may provide financial assistance to an individual who incurs expenses related to a death or disinterment attributed directly or indirectly to a declared disaster. This assistance covers funeral services, which may include preparation of the deceased (e.g., embalming, cremation); use of facilities; staff for viewing and graveside service; among other things.</p>	<p>Eligibility for funeral assistance requires that a government-licensed medical official attributed the death to the declared disaster, either directly or indirectly, and the applicant for assistance incurred eligible expenses.^a To show this, the applicant must provide the following documents:</p> <ul style="list-style-type: none"> • an official death certificate or qualifying statement indicating the disaster as the direct or indirect cause of death; • receipts or verifiable estimates for the eligible expenses; and • burial insurance or other forms of burial assistance received. <p>The maximum amount of funeral assistance varies according to the states, territorial, or tribal decisions. For example, these amounts ranged from a low of \$5,000 to a high of \$15,000 for the catastrophic hurricanes in 2017 and 2018.</p>
<p>Medical and dental. FEMA may provide financial assistance to an individual who incurs disaster-caused medical or dental expenses. Such expenses include injury or illness caused by the disaster; replacement of prescribed medication; and the veterinary expenses for a service animal, among other things.</p>	<p>Eligibility for all medical or dental assistance requires the applicant to provide two key documents: (1) a verifiable statement that the medical or dental injury was a direct result of the disaster, and (2) itemized bills or estimates from a medical provider. Specific losses have additional requirements, for example, verifying expenses for a service animal require the above documentation as well as proof that the applicant required the service animal and the type of work performed by the service animal.</p>

³42 U.S.C. § 5174(g); 44 C.F.R. § 206.110(i).

Appendix II: Summary of Eligibility, Verification, and Delivery Considerations for Individuals and Households Program Assistance

Type and description of assistance	Eligibility, verification, and delivery considerations
<p>Child care. FEMA may provide financial assistance to households who have a disaster-caused increased financial burden for child care. FEMA will award a onetime payment to reflect up to 8 weeks of the household’s increased financial burden, plus any eligible expenses, subject to the state, tribal, or territorial maximum.</p>	<p>Eligibility for child care assistance is based on the applicant’s increased financial burden for child care—due to a decrease in household income, an increase in child care expenses, or both—as a result of the declared disaster. FEMA calculates this burden as the percentage of household income for child care costs predisaster as compared to postdisaster. To show this, the applicant must provide documentation of the following:</p> <ul style="list-style-type: none"> • pre- and postdisaster gross income; • pre- and postdisaster child care expenses and fees; • postdisaster child care contract; • postdisaster child care provider’s license; and • signed, written statement of need from the applicant. <p>The maximum amount of child care assistance varies according to the states’ decisions. For example, these amounts ranged from a low of \$700 to a high of \$2,400 for the catastrophic hurricanes in 2017 and 2018.</p>
<p>Critical needs. FEMA may provide critical needs assistance to survivors with immediate or critical needs because they are displaced from their primary dwelling. This is a onetime award payment, which cannot exceed \$500. Immediate or critical needs are life-saving and life-sustaining items, including water, food, first aid, prescriptions, infant formula, diapers, consumable medical supplies, durable medical equipment, personal hygiene items, and fuel for transportation.</p>	<p>The affected state, tribal, or territorial government must submit a written request within 14 days of the disaster declaration. The Individual Assistance Program’s Division Director generally authorizes this assistance when the disaster caused a majority of individuals to be displaced from their homes for 7 days or longer.</p> <p>Eligibility for critical needs assistance is determined based on information gathered during the registration process. Specifically, their registration must meet four conditions:</p> <ul style="list-style-type: none"> • pass FEMA’s identity verification, • affirm during registration that they have critical needs and request assistance for those expenses, • the primary residence is located in the approved area, and • they are displaced from their primary residence as a result of the disaster.
<p>Clean and removal. Clean and removal assistance is intended to help households with real-property flood damage that did not affect the home’s habitability. For example, this assistance helps homeowners address contamination from flooding in a timely manner.</p>	<p>Eligibility for clean and removal assistance is determined through the results of a FEMA inspection that finds that at least one real-property line item is flood damaged. The applicant must also receive a denial for home repair assistance because the damage did not affect the habitability of the home.</p>
<p>Miscellaneous items. State, territorial, and tribal governments, in consultation with FEMA, have identified standard miscellaneous line items that can assist with recovery. These items include chainsaws; dehumidifiers; and generators, among other things.</p>	<p>Eligibility for miscellaneous items requires that the items were purchased or rented within 30 days of the start of the incident start date or up to the last day of the incident period, which is greater. To verify eligibility, applicants must provide an itemized receipt or equipment rental agreement for eligible expenses.</p>
<p>Personal property. FEMA may award personal property assistance for the specific line items as identified by each state, tribal, or territorial other needs assistance administrative option selection form. Personal property line items include appliances; clothing; and furniture, among other things.</p>	<p>Eligible personal property requires that the item needs repair or replacement and the survivor owned and used the item prior to the disaster. There are further eligibility requirements for each type of personal property. For example, assistance for clothing line items is based on the number of household members and the condition of disaster-damaged clothing. FEMA verifies eligible personal property losses during the inspection, and the program’s system generates the eligible award amount based on consumer price index data.</p>

Appendix II: Summary of Eligibility, Verification, and Delivery Considerations for Individuals and Households Program Assistance

Type and description of assistance	Eligibility, verification, and delivery considerations
<p>Transportation assistance. FEMA may provide transportation assistance to applicants with disaster-caused vehicle <i>repair or replacement</i> expenses for certain vehicle types—such as cars and vans—or other types as approved for the declaration, such as motorcycles and boats. Assistance is usually limited to one vehicle sustaining serious damages. However, when household circumstances require more than one vehicle, FEMA considers whether to provide additional assistance.</p>	<p>To receive assistance, FEMA may verify damages during the inspection. Otherwise, the applicant must submit</p> <ul style="list-style-type: none"> • a copy of the vehicle registration valid at the time of the disaster, • a description of damages for all vehicle(s) owned (year, make, and model). and • proof of liability insurance coverage or a statement that insurance coverage does not exist. <p>For <i>repair</i>, applicants provide documentation from the mechanic that confirms the damage is disaster caused, identifies repair costs, and includes the mechanic’s contact information. For <i>replacement</i>, applicants may provide a similar bill, or documentation from a state or local agency to confirm that the vehicle was towed or salvaged due to the disaster and was not available. Any additional vehicles would be required to meet all applicable conditions of eligibility, as described above. Additionally, the applicant must certify in writing that the damaged vehicle is essential for the household’s daily usage, and outline the relevant circumstances for additional vehicles, among other things.</p> <p>The maximum amount of transportation assistance varies according to the states’ decisions and whether the vehicle can be repaired or needs to be replaced. For example, the transportation repair amounts ranged from a low of \$550 to a high of \$9,425, and replacement ranged from a low of \$4,000 to a high of \$9,425 for the catastrophic hurricanes in 2017 and 2018.</p>
<p>Moving and storage. Financial assistance for moving and storage covers expenses for storing certain personal property—such as appliances and furniture—to help households avoid additional damage during home repairs.</p>	<p>To be eligible for moving and storage assistance, the FEMA inspection needs to determine that the home is not habitable due to the disaster. To receive assistance, the applicant must submit documents showing the dates and costs for moving and storage expenses and provide a statement detailing the reasons the expenses were required, a description of the personal property, and other details.</p>
<p>Group flood insurance policy. To reduce future flood expenses, FEMA directly buys National Flood Insurance Program coverage for applicants when FEMA requires a flood insurance policy as a condition of assistance. FEMA may pay up to \$600 for 3 years for individuals who may not be able to purchase a policy.</p>	<p>FEMA verifies eligibility for the group flood insurance policy by identifying the flood-damaged items during the inspection. Additionally, the residence must be located in an identified flood hazard area, and the applicant must not be in violation of a previous requirement to obtain and maintain flood insurance, among other requirements.</p>

Source: GAO summary of FEMA program guidance. | GAO-20-503

^aFor a complete discussion of FEMA’s funeral assistance and eligibility considerations, see our report, *Disaster Response: Federal Assistance and Selected States and Territory Efforts to Identify Deaths from 2017 Hurricanes*, [GAO-19-486](#) (Washington, D.C.: Sept. 13, 2019).

Appendix III: Outcomes in the Individuals and Households Program by the Social Vulnerability of an Applicant's Community

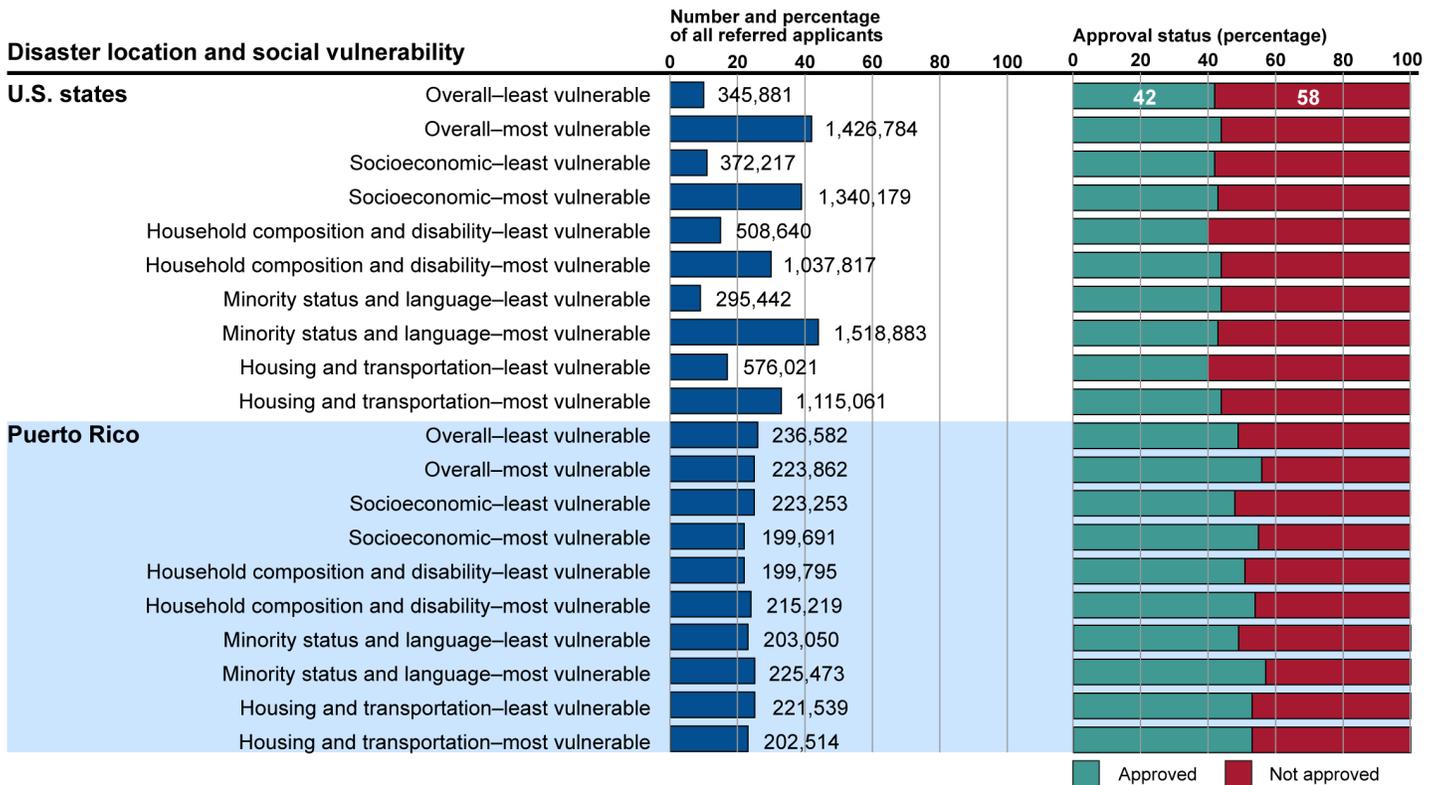
Based on our analysis of the Federal Emergency Management Agency's (FEMA) Individuals and Households Program (IHP) applicant data, we found that there are differences in approval rates, financial assistance received, reasons for ineligibility, appeal rates, and time between key events of the IHP financial assistance process for applicants living in the least and most socially vulnerable communities. See figures 16-18 and tables 8 and 9 below for our analysis of program outcomes by the social vulnerability of an applicant's community for major disaster declarations that included Individual Assistance in U.S. states and Puerto Rico from 2016 through 2018.¹

¹See our supplemental materials for our full analysis of program outcomes for calendar years 2016, 2017, and 2018, and selected major disasters in 2016 through 2018. GAO, Supplemental Material for [GAO-20-503: Select Disaster Profiles for FEMA's Individuals and Households Program 2016-2018](#), [GAO-20-674SP](#) (Washington, D.C.; September 2020); and Supplemental Material for [GAO-20-503: FEMA Individuals and Households Program Applicant Data 2016-2018](#), [GAO-20-675SP](#) (Washington, D.C.; September 2020).

Appendix III: Outcomes in the Individuals and Households Program by the Social Vulnerability of an Applicant's Community

Financial IHP Assistance Approval Rates

Figure 16: Referred Applicants and Approval Rates for the Individuals and Households Program (IHP), by Social Vulnerability, for Major Disaster Declarations That Included Individual Assistance in U.S. States and Puerto Rico, 2016 – 2018



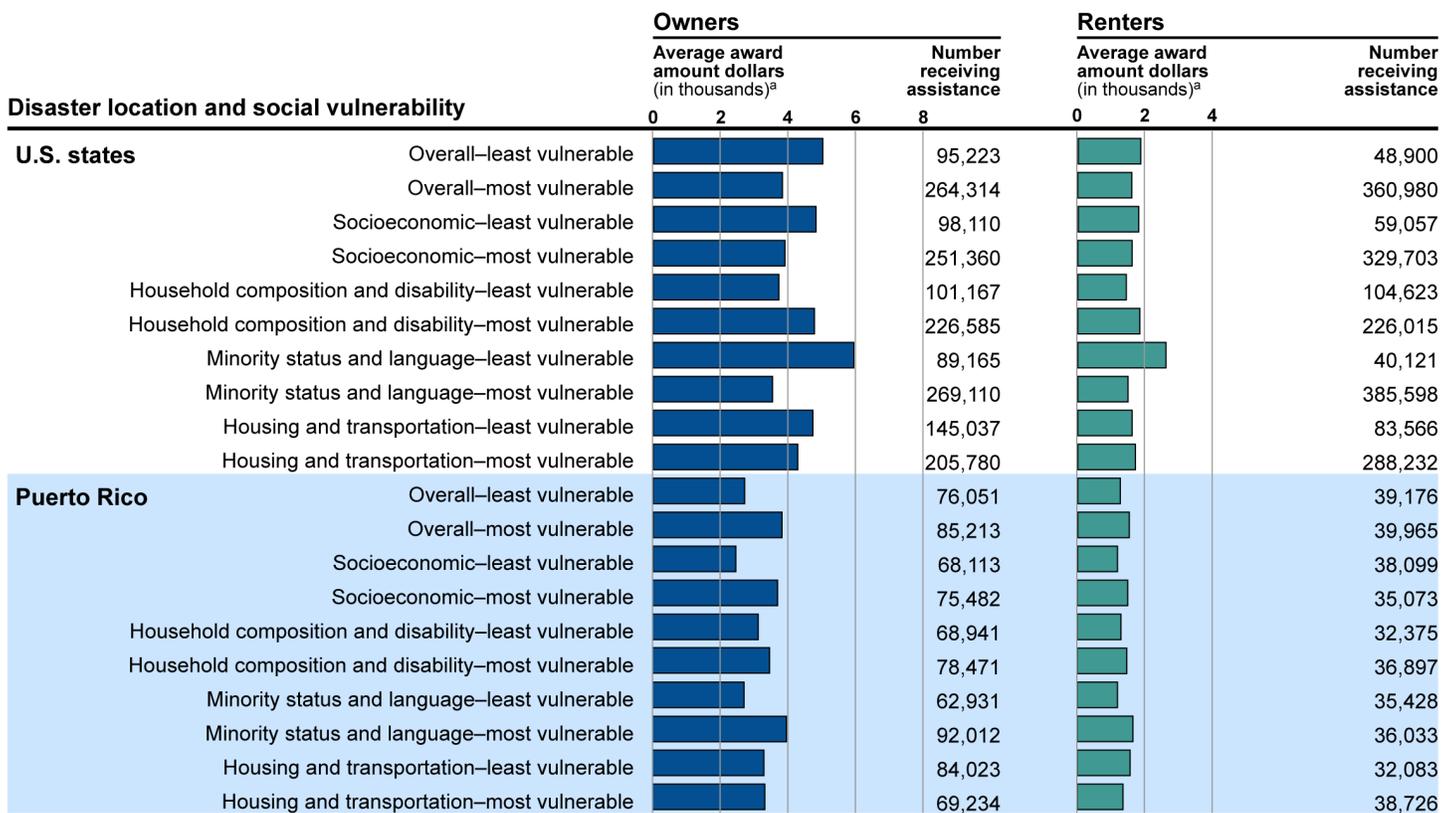
Sources: GAO analysis of Federal Emergency Management Agency's (FEMA) IHP applicant data, as of February 24, 2020, and the Centers for Disease Control and Prevention's 2016 Social Vulnerability Index data. | GAO-20-503

Note: The Centers for Disease Control and Prevention's Social Vulnerability Index indicates the relative social vulnerability of census tracts in the U.S. and Puerto Rico. Census tracts are subdivisions of counties for which the U.S. Census Bureau collects statistical data through the American Community Survey. The index ranks tracts on 15 variables, including unemployment, minority status, and disability, and groups them into four themes and an overall ranking. For example, the housing and transportation theme measures, among other things, the number of mobile homes, buildings with 10 or more housing units, and households with no vehicle. The index is a 0 to 1 scale, with higher scores indicating greater vulnerability. The least-vulnerable tracts had a score of .25 or less, and the most-vulnerable tracts had a score of greater than .75. We could not identify a tract for less than 1 percent of referred applicants in U.S. states and 4 percent of referred applicants in Puerto Rico.

Appendix III: Outcomes in the Individuals and Households Program by the Social Vulnerability of an Applicant's Community

Financial IHP Assistance Received

Figure 17: Average Award Amounts and Number of Owners and Renters Who Received Financial Assistance through the Individual and Households Program (IHP), by Social Vulnerability, for Major Disaster Declarations That Included Individual Assistance in U.S. States and Puerto Rico, 2016 – 2018



Sources: GAO analysis of Federal Emergency Management Agency's (FEMA) IHP applicant data, as of February 24, 2020, and the Centers for Disease Control and Prevention's 2016 Social Vulnerability Index data. | GAO-20-503

Note: The Centers for Disease Control and Prevention's Social Vulnerability Index indicates the relative social vulnerability of census tracts in the U.S. and Puerto Rico. Census tracts are subdivisions of counties for which the U.S. Census Bureau collects statistical data through the American Community Survey. The index ranks tracts on 15 variables, including unemployment, minority status, and disability, and groups them into four themes and an overall ranking. For example, the housing and transportation theme measures, among other things, the number of mobile homes, buildings with 10 or more housing units, and households with no vehicle. The index is a 0 to 1 scale, with higher scores indicating greater vulnerability. The least-vulnerable tracts had a score of .25 or less, and the most-vulnerable tracts had a score of greater than .75. We could not identify a tract for less than 1 percent of awarded owner and renter applicants in U.S. states and 4 percent of awarded owner and renter applicants in Puerto Rico.

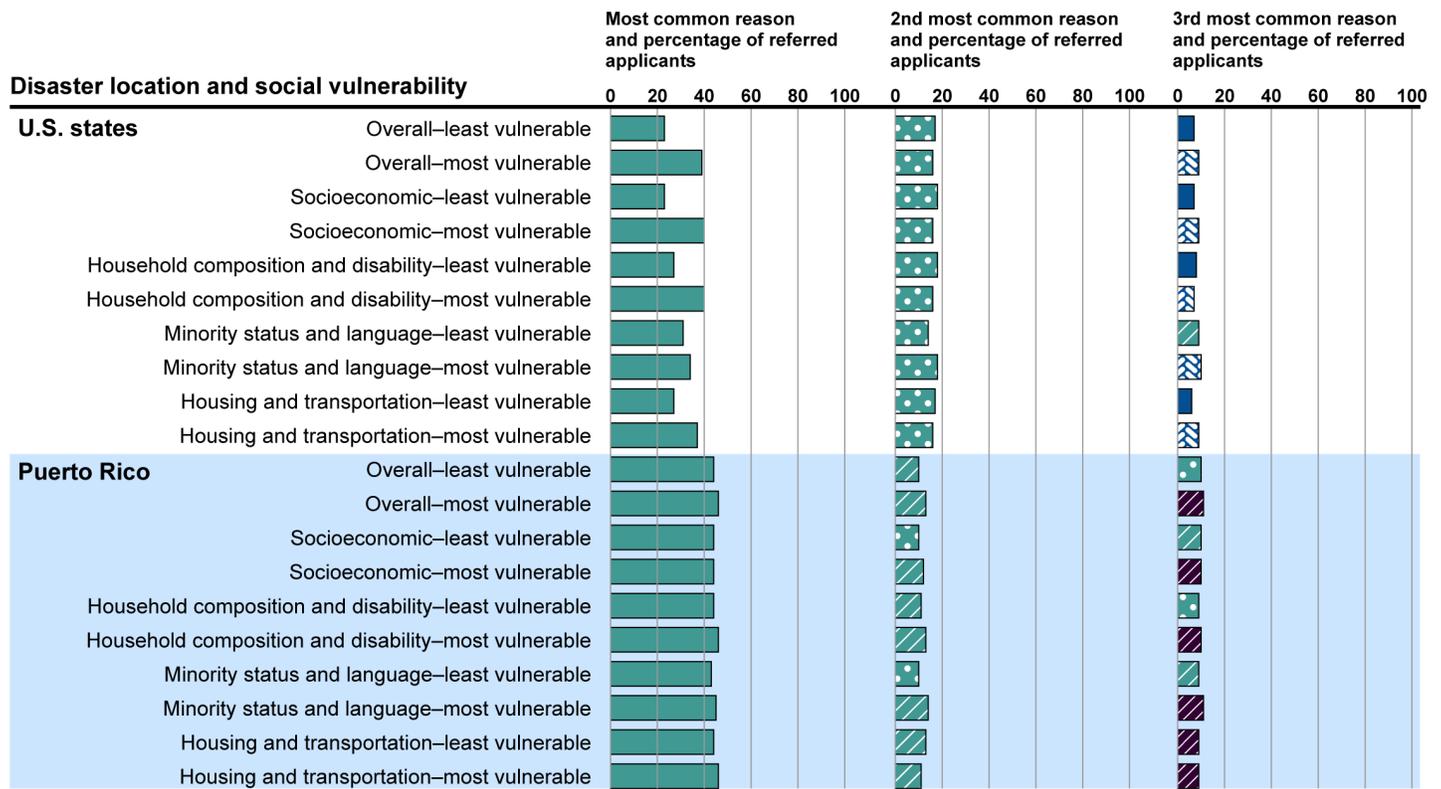
^aWe did not include group flood insurance in our analysis of average IHP award amounts because this type of assistance is not a direct payment to the applicant. FEMA directly purchases group flood insurance certificates—that cost \$600 and provide 3 years of coverage—on behalf of applicants who

Appendix III: Outcomes in the Individuals and Households Program by the Social Vulnerability of an Applicant's Community

are required to obtain and maintain flood insurance. From 2016 through 2018, less than 3 percent of awarded applicants received group flood insurance.

Most Common Reasons for an Ineligible Determination

Figure 18: Most Common Reasons Referred Applicants Were Determined Ineligible for Assistance from the Individuals and Households Program (IHP), by Social Vulnerability, for Major Disaster Declarations That Included Individual Assistance in U.S. States and Puerto Rico, 2016 – 2018



Legend

- Insufficient damage
- Did not or would not relocate
- Potential duplicate application
- Identity could not be verified
- No substantiation submitted
- No contact for inspection
- Ownership not verified

Sources: GAO analysis of Federal Emergency Management Agency's (FEMA) IHP applicant data, as of February 24, 2020, and the Centers for Disease Control and Prevention's 2016 Social Vulnerability Index data. | GAO-20-503

Notes: The Centers for Disease Control and Prevention's Social Vulnerability Index indicates the relative social vulnerability of census tracts in the U.S. and Puerto Rico. Census tracts are subdivisions of counties for which the U.S. Census Bureau collects statistical data through the American Community Survey. The index ranks tracts on 15 variables, including unemployment, minority status, and disability, and groups them into four themes and an overall ranking. For example, the housing and transportation theme measures, among other things, the number of mobile homes,

Appendix III: Outcomes in the Individuals and Households Program by the Social Vulnerability of an Applicant's Community

buildings with 10 or more housing units, and households with no vehicle. The index is a 0 to 1 scale, with higher scores indicating greater vulnerability. The least-vulnerable tracts had a score of .25 or less, and the most-vulnerable tracts had a score of greater than .75. We could not identify a tract for less than 1 percent of referred applicants in U.S. states and 4 percent of referred applicants in Puerto Rico. Applicants may receive multiple ineligible determinations.

Appeal Rates

Table 8: Referred Applicants Who Appealed a Determination on Financial Assistance from the Individuals and Households Program (IHP), and Appeal Approval Rates, by Social Vulnerability, for Major Disaster Declarations That Included Individual Assistance in U.S. States and Puerto Rico, 2016 – 2018

Disaster location and social vulnerability		Number and percent of referred applicants who appealed		Percent who won their appeal
U.S. States	Overall - least vulnerable	9,343	2.7	26.3
	Overall - most vulnerable	43,286	3.0	25.1
	Socioeconomic - least vulnerable	9,403	2.5	26.1
	Socioeconomic - most vulnerable	43,090	3.2	25.7
	Household composition and disability - least vulnerable	9,459	1.9	23.6
	Household composition and disability - most vulnerable	41,740	4.0	26.9
	Minority status and language - least vulnerable	14,040	4.8	32.9
	Minority status and language - most vulnerable	30,387	2.0	22.6
	Housing and transportation - least vulnerable	15,307	2.7	26.1
Housing and transportation - most vulnerable	34,377	3.1	26.5	
Puerto Rico	Overall - least vulnerable	8,616	3.6	35.2
	Overall - most vulnerable	14,463	6.5	38.9
	Socioeconomic - least vulnerable	7,540	3.4	35.0
	Socioeconomic - most vulnerable	11,917	6.0	37.9
	Household composition and disability - least vulnerable	8,567	4.3	34.1
	Household composition and disability - most vulnerable	12,832	6.0	39.0
	Minority status and language - least vulnerable	7,333	3.6	35.2
	Minority status and language - most vulnerable	15,539	6.9	38.4
	Housing and transportation - least vulnerable	11,256	5.1	36.1
Housing and transportation - most vulnerable	10,847	5.4	38.5	

Sources: GAO analysis of the Federal Emergency Management Agency's IHP applicant data, as of February 24, 2020, and the Centers for Disease Control and Prevention's 2016 Social Vulnerability Index data. | GAO-20-503

Note: The Centers for Disease Control and Prevention's Social Vulnerability Index indicates the relative social vulnerability of census tracts in the U.S. and Puerto Rico. Census tracts are subdivisions of counties for which the U.S. Census Bureau collects statistical data through the American Community Survey. The index ranks tracts on 15 variables, including unemployment, minority status, and disability, and groups them into four themes and an overall ranking. For example, the housing and transportation theme measures, among other things, the number of mobile homes, buildings with 10 or more housing units, and households with no vehicle. The index is a 0 to 1 scale, with higher scores indicating greater vulnerability. The least-vulnerable tracts had a score of .25 or less, and the most-vulnerable tracts had a score of greater than .75. We could not identify a tract for

Appendix III: Outcomes in the Individuals and Households Program by the Social Vulnerability of an Applicant's Community

less than 1 percent of applicants who appealed in U.S. states and 5 percent of applicants who appealed in Puerto Rico.

Time between Key Events in the IHP Financial Assistance Process

Table 9: Time between Key Events in the Individuals and Households Program (IHP) Financial Assistance Process, by Social Vulnerability, for Major Disaster Declarations That Included Individual Assistance in U.S. States and Puerto Rico, 2016 – 2018

Disaster location and social vulnerability		Average time to first inspection (days)	Average time to first award (days) ^a	Average time to final decision (days) ^b	
				Referred applicants	Awarded applicants
U.S. States	Overall - least vulnerable	24	21	35	49
	Overall - most vulnerable	22	20	36	42
	Socioeconomic - least vulnerable	25	22	36	49
	Socioeconomic - most vulnerable	21	19	35	42
	Household composition and disability - least vulnerable	27	19	34	41
	Household composition and disability - most vulnerable	19	20	36	45
	Minority status and language - least vulnerable	17	17	33	44
	Minority status and language - most vulnerable	26	21	37	42
	Housing and transportation - least vulnerable	25	20	35	46
	Housing and transportation - most vulnerable	21	19	36	42
Puerto Rico	Overall - least vulnerable	49	81	88	119
	Overall - most vulnerable	51	87	106	137
	Socioeconomic - least vulnerable	48	79	86	115
	Socioeconomic - most vulnerable	51	86	104	134
	Household composition and disability - least vulnerable	49	83	93	125
	Household composition and disability - most vulnerable	51	88	103	136
	Minority status and language - least vulnerable	48	79	87	116
	Minority status and language - most vulnerable	51	88	110	142
	Housing and transportation - least vulnerable	52	86	100	132
	Housing and transportation - most vulnerable	49	84	99	130

Sources: GAO analysis of the Federal Emergency Management Agency's IHP applicant data, as of February 24, 2020, and the Centers for Disease Control and Prevention's 2016 Social Vulnerability Index data. | GAO-20-503

Note: The Centers for Disease Control and Prevention's Social Vulnerability Index indicates the relative social vulnerability of census tracts in the U.S. and Puerto Rico. Census tracts are subdivisions of counties for which the U.S. Census Bureau collects statistical data through the American Community Survey. The index ranks tracts on 15 variables, including unemployment, minority status, and disability, and groups them into four themes and an overall ranking. For example, the housing and transportation theme measures, among other things, the number of mobile homes, buildings with 10 or more housing units, and households with no vehicle. The index is a 0 to 1 scale, with higher scores indicating greater vulnerability. The least-vulnerable tracts had a score of .25 or

Appendix III: Outcomes in the Individuals and Households Program by the Social Vulnerability of an Applicant's Community

less, and the-most vulnerable tracts had a score of greater than .75. We could not identify a tract for less than 1 percent referred, inspected, or awarded applicants in U.S. states and 4 percent of referred, inspected, or awarded applicants in Puerto Rico.

^aWe excluded Critical Needs Assistance records from our analysis of the time to first award dates.

^bWe excluded from our analysis of the time to final decision applicants with a pending decision on their case for IHP assistance. In addition, we excluded those who only received Critical Needs Assistance and took no further action to pursue other financial assistance, which we defined as not submitting any documents to FEMA, not having any recorded contacts with FEMA, and not receiving an inspection. We also excluded records related to retroactive processing for IHP awards made necessary by Section 1212 of the Disaster Recovery Reform Act of 2018.

Appendix IV: The Small Business Administration's Minimum Income Guidelines for the Disaster Loan Program, Fiscal Year 2018

The Robert T. Stafford Disaster Relief and Emergency Assistance Act limits the Federal Emergency Management Agency's (FEMA) Individuals and Households Program (IHP) assistance to necessary expenses and serious needs unable to be met through other means.¹ Because some categories of IHP assistance are for expenses and needs that may also be addressed by a Small Business Administration (SBA) loan, FEMA shares application information with SBA to determine a survivor's eligibility for personal property assistance, transportation assistance, and group flood insurance, which FEMA refers to collectively as SBA-dependent other needs assistance. After receiving a survivor's application information, FEMA automatically refers the survivor to SBA to complete a disaster loan application if they reported a gross household income and family size that meet SBA's minimum income guidelines to be considered for a loan; reported self-employment income; or refused to provide their income in their disaster assistance application. Table 10 below shows SBA's fiscal year 2018 minimum annual income guidelines for the disaster loan program.

Table 10: The Small Business Administration's (SBA) Minimum Annual Income Guidelines (in dollars) for the Disaster Loan Program, Fiscal Year 2018

Family size	48 contiguous states and District of Columbia	Alaska	Hawaii	Puerto Rico and U.S. Virgin Islands	American Samoa	Commonwealth of the Northern Mariana Islands	Micronesia
1	18,090	22,590	20,790	12,663	10,854	18,935	10,234
2	20,300	25,363	23,998	14,210	12,180	21,177	11,421
3	25,525	31,900	29,350	17,868	15,315	26,683	14,500
4	30,750	38,438	35,363	21,525	18,450	32,035	16,110
5	35,975	44,975	41,375	25,183	21,585	37,584	18,464
6	41,200	51,513	47,388	28,840	24,720	42,908	20,817
7	46,425	58,050	53,400	32,498	27,855	48,458	23,173
8	51,650	64,588	59,413	36,155	30,990	53,775	25,500
For each additional person add	5,225	6,538	6,013	3,658	3,135	5,317	2,327

Source: GAO summary of the Federal Emergency Management Agency's documentation. | GAO-20-503

Note: SBA also establishes minimum monthly income guidelines.

¹42 U.S.C. § 5174(a).

Appendix V: Example of the Ineligible Determination Letter for the Individuals and Households Program, 2019

Super Denial Letter:

{FEMA_LTR_HEAD}

Disaster Number: {DSTR_NR}
FEMA Application Number: {RGSN_ID}

{APPL_NM}
{STRT_ADR}
{CITY_STATE}

{SALUTATION}:

FEMA has reviewed your application for disaster assistance. FEMA Assistance is not a substitute for insurance and cannot cover all losses caused by a disaster; it is intended to help with emergency disaster recovery needs. This letter explains why you are not eligible for FEMA Assistance.

ASSISTANCE NOT APPROVED

You are **not eligible** for the following assistance because:

Ineligible – Home is Safe to Occupy (IID – HA)

FEMA has determined you are not eligible for Housing Assistance because the damage caused by the disaster did not make your home unsafe to live in.

If you decide to appeal this decision, please provide a signed and written explanation and a copy of documents indicating the damage to your home was caused by the disaster and made your home unsafe to live in. Acceptable documents may include a written statement from a local building official, contractor estimates, or repair receipts.

1

Source: Federal Emergency Management Agency. | GAO-20-503

Appendix V: Example of the Ineligible Determination Letter for the Individuals and Households Program, 2019

HOW TO APPEAL						
If you disagree with FEMA's decision, you have the right to appeal.						
When do I need to submit my appeal?	Appeals must be submitted within 60 days of the date of this letter.					
What do I need to provide?	A written and signed letter explaining why you disagree with FEMA's decision and copies of any documents supporting your appeal, including proof of your disaster-caused losses. Please write the disaster number and your FEMA application number on all submitted documents. These numbers are printed above your name and address at the beginning of this letter. Please keep all original documents for your records. Appeals must be signed by you, the co-applicant, or a third party authorized to appeal on your behalf. If you authorize a third party to act on your behalf, you must submit a signed and written statement explaining the type of information that may be shared, and name of the authorized third party.					
Where do I send my appeal?	<table border="0"> <tr> <td>Mail to: FEMA P.O. Box 10055 Hyattsville, MD 20782-8055</td> <td style="text-align: center;">OR</td> <td>Fax to: 800-827-8112 Attn: FEMA</td> <td style="text-align: center;">OR</td> <td>Upload to: www.DisasterAssistance.gov Click "Check Status" on the Home Page and follow the instructions</td> </tr> </table>	Mail to: FEMA P.O. Box 10055 Hyattsville, MD 20782-8055	OR	Fax to: 800-827-8112 Attn: FEMA	OR	Upload to: www.DisasterAssistance.gov Click "Check Status" on the Home Page and follow the instructions
Mail to: FEMA P.O. Box 10055 Hyattsville, MD 20782-8055	OR	Fax to: 800-827-8112 Attn: FEMA	OR	Upload to: www.DisasterAssistance.gov Click "Check Status" on the Home Page and follow the instructions		
How long will it take before I know if my appeal is approved or denied?	You will receive a decision letter from FEMA within 90 days of FEMA's receipt of your appeal. To check the status of your appeal, or to notify FEMA of any change to your mailing address or contact information, or for more information about your application, please visit www.DisasterAssistance.gov and select <i>Check Your Application Status</i> , or call FEMA's Helpline at 800-621-FEMA (3362).					
Who can I call if I have questions about my appeal?	Please call FEMA's Helpline at 800-621-FEMA (3362) for assistance. If you are deaf, hard of hearing, or have a speech disability and use a TTY, please call 800-462-7585. If you use 711 or Video Relay Service (VRS), call 800-621-3362.					

When you applied for assistance from FEMA, you were provided information about other programs or agencies that may assist you. You are encouraged to contact these agencies for more information on additional programs for disaster survivors.

If available, you may also visit a local Disaster Recovery Center, where FEMA and other agencies can provide additional information in person. For information on locations near you, or if you have questions regarding disaster assistance, please visit www.DisasterAssistance.gov, or call FEMA's Helpline at 800-621-FEMA (3362). If you are deaf, hard of hearing, or have a speech disability and use a TTY, please call 800-462-7585. If you use 711 or Video Relay Service (VRS), call 800-621-3362. If you feel that you have been discriminated against, you may contact the Civil Rights Unit within the Office of Equal Rights by email at FEMA-Civil-Rights-Program-OER@fema.dhs.gov or call 202-212-3535.

Sincerely,

Individuals and Households Program Officer

SUPER DENIAL

Appendix VI: The Federal Emergency Management Agency's Recent Efforts to Improve the Individuals and Households Program

Since 2017, the Federal Emergency Management Agency (FEMA) has planned or implemented numerous efforts to improve the delivery of disaster assistance to survivors through the Individuals and Households Program (IHP), as well as satisfy legislative requirements. We describe FEMA's recent efforts in table 11 below.

Table 11: Description of the Federal Emergency Management Agency's (FEMA) Recent Efforts to Improve the Individuals and Households Program (IHP)

Effort	Description and status of effort
Housing Assistance Initiative	<p>In light of lessons learned from the 2016 Louisiana floods and Hurricane Matthew, FEMA held a housing summit with over 40 participants in February 2017 to review the delivery of disaster housing through the IHP. In April 2017, FEMA launched the Housing Assistance Initiative to address the recommendations resulting from the housing summit. The goal of the initiative was to improve FEMA's approach to delivering safe, durable housing to survivors following any disaster, regardless of location, scope, or scale. As part of this initiative, FEMA created 13 working groups with different areas of focus, such as modernizing inspections and building state housing capacity. FEMA also held 11 feedback sessions with internal and external partners, including states, tribes, and voluntary organizations and two industry days with 14 vendors on potential disaster sheltering and housing solutions.</p> <p>In February 2018, FEMA outlined six next steps for the Housing Assistance Initiative, which included implementing the 24 recommendations made by the 13 working groups. According to agency officials, FEMA had executed five of six next steps and implemented 23 of 24 recommendation, as of May 2020.</p>
2017 Hurricane After-Action Report	<p>In July 2018, FEMA released its <i>2017 Hurricane Season FEMA After-Action Report</i>, which contained the following four recommendations for improving the IHP:</p> <ol style="list-style-type: none"> <li data-bbox="415 1178 1474 1226">1. Build capability and empower the implementation of federally supported, state-managed, locally executed sheltering and housing solutions. <li data-bbox="415 1241 1430 1289">2. Improve the delivery and effectiveness of housing options, including exploring grant-making authority. <li data-bbox="415 1304 1414 1329">3. Clarify federal roles and responsibilities for housing, including long-term housing solutions. <li data-bbox="415 1344 1490 1392">4. Evaluate and implement appropriate housing solutions, including the use of recreational vehicles, permanent housing construction, and direct lease options. <p>According to agency officials, as of May 2020, FEMA has implemented the third and fourth recommendation, and the remaining two recommendations will be addressed as part of agency efforts to implement Section 1211 of the Disaster Recovery Reform Act of 2018.</p>

**Appendix VI: The Federal Emergency
Management Agency's Recent Efforts to
Improve the Individuals and Households
Program**

Effort	Description and status of effort
Individual Assistance (IA) Program Redesign	<p>In March 2019, FEMA's Recovery Directorate established a cross-functional project team to develop a vision and implementation strategy for the holistic delivery of disaster assistance to individuals and households through IA programs, including the IHP. FEMA officials explained that, as part of the improvement effort, the project team engaged internal stakeholders and subject matter experts to collect and analyze their expectations for the delivery of disaster assistance through the IA program. Then, the team reassessed the vision and developed new fundamentals, or principals, for the program. In addition, FEMA officials developed success criteria—a set of yes or no questions—that the agency will use to ensure that the redesigned program adheres to the new program fundamentals. FEMA officials also conducted an environmental scan of federal disaster assistance programs and analyzed the strengths, weaknesses, opportunities, and threats of different ways that the federal government provides disaster assistance, for example, reimbursement, grants to individuals, grants to states, and loans.</p> <p>As of May 2020, the IA Division was continuing to define and refine the new vision and fundamentals for the redesigned IA program. The project team will develop a product articulating an agency vision for the delivery of postdisaster assistance to individuals and households. Following completion of the vision, the team will work to develop an implementation strategy that lays out the steps required to achieve this vision. According to FEMA officials, the improvement effort is an iterative, continuous process, with no planned end date.</p>

Appendix VI: The Federal Emergency Management Agency's Recent Efforts to Improve the Individuals and Households Program

Effort	Description and status of effort
Annual Customer Experience Action Plan for the IA Program	<p>In June 2019, FEMA released its Annual Customer Experience Action Plan for the IA Program that described the following eight efforts to improve the IHP:</p> <ol style="list-style-type: none"> 1. Customer journey map. FEMA plans to map survivor journeys through IA programs, including the IHP, to identify opportunities to enhance the customer experience. FEMA plans to complete its analysis of survivor journeys by the end of 2021 and implement recommendations for programmatic efficiencies from 2022 through 2025. 2. Cross-component customer experience function. By the end of September 2021, FEMA plans to establish a customer experience team within the IA Program to integrate consistent customer experience practices across all aspects of the program, including the IHP. 3. Behavioral health and wellness training. FEMA is developing an agency-wide training on behavioral health and wellness to help agency staff cope with the stress they may experience during disaster operations. FEMA plans to formalize the training by the end of 2021. 4. Analyzing and understanding individuals in high-risk natural disaster areas. In 2018 and 2019, FEMA worked with the U.S. Census Bureau to analyze disaster survivor data using demographic data from the American Community Survey. FEMA used demographic data to better understand application rates and eligibility status across different groups, and to analyze the insurance coverage of survivors who applied for assistance. As of May 2020, FEMA has not planned any additional analysis for this effort. 5. Online survey. FEMA is working to develop an online survey capability to gather feedback from survivors who applied for IHP assistance. The agency plans to complete this effort in 2021. 6. Posttransaction voice response survey. FEMA is developing a voice response survey for the current telephone system that will allow FEMA to receive individualized feedback about caller services agents from survivors after each phone call. FEMA plans to complete this effort in October 2020. 7. Longitudinal survey. FEMA will initiate a longitudinal survey to better understand FEMA's and other federal programs' effects on the survivor experience. FEMA is designing the survey, and collecting and incorporating stakeholder input, and plans to implement the survey in 2021. 8. Remote inspections. FEMA had planned and designed a pilot to test remote inspections, which do not require a visit from an inspector. However, due to the Coronavirus Disease 2019, FEMA developed an interim policy to implement and conduct remote inspections. The remote inspections process gathers information on applicants' disaster damage from (1) the damage self-assessment in their applications for IHP assistance; (2) a phone call with a FEMA inspector, during which the inspector asks a series of questions to determine the amount of real property and personal property damage an applicant experienced; or (3) geospatial imagery services data to validate the amount of damage. On March 20, 2020, the Recovery Administrator signed the interim policy, which will remain in place until rescinded. FEMA has used remote inspections for 3,067 inspections in four new disasters and plans to evaluate the interim policy.

Appendix VI: The Federal Emergency Management Agency's Recent Efforts to Improve the Individuals and Households Program

Effort	Description and status of effort
Disaster Recovery Reform Act of 2018	<p>The Disaster Recovery Reform Act of 2018 includes seven provisions related to the IHP that FEMA is required to implement. As of May 2020, FEMA has implemented five of seven IHP-related provisions.</p> <p><u>Implemented Provisions</u></p> <ol style="list-style-type: none"> 1. Section 1212. This provision established separate maximum award amounts for the housing assistance and other needs assistance under the IHP. It also excludes financial temporary housing assistance and accessibility-related items from the maximum award amounts. FEMA began making retroactive payments to eligible applicants in March 2019 and implemented automatic processing of the new maximum award amounts for new and open disasters in April 2019. As of October 2019, FEMA provided more than \$61 million in additional assistance to over 11,000 individuals through retroactive payments. 2. Section 1216 (a) and (b). This provision authorized FEMA to waive debts owed by recipients of IHP financial assistance when the debt is the result of FEMA error, not the fault of the survivor, and collection of the debt would be against equity and good conscience. It also established a 3-year statute of limitations on the collection of IHP debts for any disaster declared on or after January 1, 2012. In May 2019, FEMA updated its debt collection process for IHP recipients. 3. Section 1230(b). This provision requires FEMA to provide Congress with a legislative proposal on how to provide eligibility for disaster assistance for common areas of condos and housing cooperatives. According to FEMA officials, FEMA signed and delivered its legislative proposal to Congress on January 22, 2020. 4. Section 1223. The provision requires FEMA to conduct an interagency study to streamline information collection from disaster assistance applicants and grantees and to establish a public website to present information on federal disaster assistance awards. FEMA is evaluating inspection processes across FEMA and other relevant federal agencies to develop a plan to streamline and consolidate information collection, and developing a public website for posting information on federal disaster assistance awards. According to FEMA officials, the agency completed this effort in March 2020. 5. Section 1213. This provision authorized FEMA to make repairs to properties in its Multi-Family Lease and Repair program that exceed the value of the lease agreement. It also expands the program to include properties in areas impacted by a disaster, in addition to properties in areas included in a major disaster declaration. According to agency officials, FEMA implemented the provision through a memorandum on August 21, 2019 to the Regional Administrators, and plans to incorporate this provision in the next version of the <i>Individual Assistance Policy and Program Guide</i>, which is scheduled for release in 2020. <p><u>In Progress Provisions</u></p> <ol style="list-style-type: none"> 6. Section 1210(a)(5). This provision requires FEMA to provide a report to Congress on actions taken by federal agencies to improve the comprehensive delivery of disaster assistance to individuals. According to FEMA officials, the report was completed and submitted to the Office of Management and Budget for review in February 2020. 7. Section 1211. This provision authorizes FEMA to provide grants to state, territory, or tribal governments to administer direct temporary housing assistance and/or permanent housing construction as part of a 2-year pilot program. It also allows FEMA to reimburse state, tribal, and territorial governments that implement cost-effective disaster housing solutions in certain circumstances. This provision requires FEMA to provide a report to Congress on the effectiveness of the pilot program and potential incentives to encourage participation by state and tribal governments. FEMA developed a <i>State-Administered Direct Housing Grant Guide</i> for the pilot program that describes program processes and requirements; and roles for FEMA staff. According to agency officials, as of May 2020, the guide is in the interagency review process.

Source: GAO summary of FEMA documentation. | GAO-20-503.

Appendix VII: Comments from the Department of Homeland Security

U.S. Department of Homeland Security
Washington, DC 20528



**Homeland
Security**

September 16, 2020

Chris P. Currie
Director, Homeland Security and Justice
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548

Re: Management Response to Draft Report GAO-20-503, "DISASTER ASSISTANCE: Additional Actions Needed to Strengthen FEMA's Individuals and Households Program"

Dear Mr. Currie,

Thank you for the opportunity to comment on this draft report. The U.S. Department of Homeland Security (DHS) appreciates the U.S. Government Accountability Office's (GAO) work in planning and conducting its review and issuing this report.

The Department is pleased to note GAO's positive recognition of many actions that FEMA took to effectively administer the Individuals and Households Program (IHP), including FEMA's consistent process for delivering IHP assistance from 2010 through 2019, as well as FEMA's steps to clarify IHP award determination letters. Additionally, the Department notes GAO's acknowledgement of FEMA's actions to assess and improve the IHP, including FEMA's collection and analysis of data to assess IHP performance and survivor experiences and FEMA's leadership-driven redesign of the Individual Assistance (IA) Program. FEMA remains committed to fulfilling its responsibility to be a good steward of taxpayer funds, while providing adequate, timely, and accessible assistance to disaster survivors and partnering with IA stakeholders for improved delivery.

Regarding GAO's finding that survivors faced challenges obtaining aid and understanding the IHP, it is important to note that FEMA mitigates those challenges by ensuring that applicants are informed about the application process and receive IHP assistance, such as eligible IHP assistance, and information on the Small Business Administration (SBA) loan process. After registration, for example, FEMA's IA Division sends an initial letter to applicants explaining they may be referred to the SBA

**Appendix VII: Comments from the Department
of Homeland Security**

for potential disaster loan assistance. The letter informs applicants to complete an application with the SBA prior to being considered for certain FEMA Assistance, and includes SBA's contact information in case the applicant has additional questions regarding the disaster loan.

Further, FEMA's IA Division communicates all eligibility decisions via notification letters sent to the applicant to ensure understanding of IHP eligibility and award determinations. Through these letters, the applicant is informed of: (1) the eligible assistance types determined by FEMA; (2) the assistance amounts FEMA provided for each eligible need; (3) an explanation of the appeals process; (4) FEMA's Helpline if there are questions about eligibility; and (5) other key information regarding disaster assistance. In 2016, FEMA also held focus groups with disaster survivors to review and evaluate letter communications and is planning another focus group following the annual letter review scheduled for 2021.

The draft report contained 14 recommendations with which the Department concurs. Attached find our detailed response to each recommendation. DHS previously submitted technical comments under a separate cover for GAO's consideration.

Again, thank you for the opportunity to review and comment on this draft report. Please feel free to contact me if you have any questions. We look forward to working with you again in the future.

Sincerely,

JIM H
CRUMPACKER

Digitally signed by JIM H
CRUMPACKER
Date: 2020.09.16
13:40:46 -04'00'

JIM H. CRUMPACKER, CIA, CFE
Director
Departmental GAO-OIG Liaison Office

Attachment

**Attachment: Management Response to Recommendations
Contained in GAO-20-503**

GAO recommended that the FEMA Administrator:

Recommendation 1: Improve the completeness and consistency of its communication of the requirement to apply for an SBA disaster loan prior to being considered for SBA-dependent other needs assistance.

Response: Concur. FEMA's IA Division and the Office of External Affairs (EA) will review the SBA referral information within the IHP award letters during the upcoming 2020-2021 letter review process to ensure letters provide a comprehensive and clear explanation of the requirement that applicants must complete the SBA loan process before FEMA will consider their eligibility for SBA-Dependent Other Needs Assistance (ONA). The IA Division and FEMA's EA will also review public messaging that FEMA provides to the public and to employees assisting disaster survivors. The goal of the review will be to ensure consistency across delivery channels so that survivors clearly understand the necessity of applying for an SBA loan for SBA-Dependent ONA.

FEMA's IA Division currently provides guidance and instruction to staff and applicants addressing the SBA-Dependent ONA. For example, the Individual Assistance Program and Policy Guide (IAPPG), dated March 2019, clearly identifies which applicants will be referred to SBA (those who pass SBA's income test). The IAPPG also states that applicants must first apply to the SBA for a loan for select expenses or serious needs, including Personal Property, Moving, Storage and Transportation Assistance, and Group Flood Insurance Policies.

FEMA's IA Division also sends applicants an initial letter after registration explaining that applicants may be referred to the SBA for potential disaster loan assistance, and informing applicants that they must complete an application with the SBA prior to being considered for certain FEMA Assistance. The letter includes the SBA phone number, web address, and email in case applicants have questions about the disaster loan process. Applicants also receive a letter from FEMA's IHP after completing the loan process with SBA, either explaining that they: (1) were referred to FEMA for possible disaster assistance; or (2) are not eligible for Personal Property Assistance, Transportation Assistance, and Moving and Storage Assistance.

The 2020-2021 letter review process, conducted by FEMA's IA Division will include:

- Completing an initial internal review of letters by May 31, 2021; and
- Completing focus groups and a final report to inform additional letter revisions by December 31, 2021.

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Estimated Completion Date (ECD): April 29, 2022.

Recommendation 2: Assess the extent to which its process for determining an applicant's eligibility for SBA-dependent other needs assistance limits or prevents survivors' access to IHP assistance, and work with SBA to identify options to simplify and streamline the disaster assistance application process for survivors.

Response: Concur. In February 2020, FEMA's IA Division initiated a workgroup with the SBA to review the process for determining which applicants are required to submit an SBA application prior to being evaluated for SBA-dependent ONA. The main focus of the effort is to review the process for verifying information provided by applicants prior to making assistance decisions as well as to consider options for streamlining and simplifying coordination between FEMA and SBA. FEMA anticipates providing this assessment to leadership at both agencies by December 2020, and that both agencies will coordinate a decision by December 2021. However, subject to FEMA and SBA leadership decisions on the recommendations provided, any significant changes to processes may take three to five years to implement based on schedules and funding for technology changes to both agencies' processes.

ECD: December 31, 2021.

Recommendation 3: Improve the IHP award determination letters by using federal guidance and best practices for communicating with the public to ensure that applicants understand that an "ineligible" determination does not mean they cannot continue to pursue assistance.

Response: Concur. FEMA's IA Division and EA will include review of the appeal language and information as part of the 2020-2021 letter review process. FEMA currently provides an explanation in the eligibility notification letter sent to applicants with the reason an applicant is ineligible for the applicable types of assistance. The letter also informs the applicant of the appeals process in detail, and includes information on how to contact the FEMA Helpline if the applicant has questions about their eligibility decision. Applicants must: (1) submit their appeal letter within 60 days from the date of the decision letter; (2) ensure the appeal letter is written, signed and include any supporting documents; and (3) submit documents to FEMA by mail, fax, or upload to their FEMA online account.

The 2020-2021 letter review process conducted by FEMA's IA Division will include:

- Completing an initial internal review of letters by May 31, 2021; and
- Completing focus groups and a final report to inform additional letter revisions by December 31, 2021.

ECD: April 29, 2022.

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Recommendation 4: Identify and implement strategies to provide additional information to applicants about how FEMA determined their eligibility for assistance and the amount of assistance to award.

Response: Concur. FEMA's IA Division will be conducting a review of all the IHP award letters during the upcoming 2020-2021 review. FEMA currently communicates all IHP eligibility decisions via eligibility notification letters sent to the applicant. These letters inform the applicant of the: (1) types of assistance FEMA determined the applicants are eligible to receive; (2) amounts of assistance FEMA is providing for each eligible need; (3) explanation of the appeals process; (4) how to contact FEMA's Helpline if the applicant has questions about their eligibility decision; and (5) other key information regarding disaster assistance including proper use of disaster assistance funds. All applicants can also request a copy of their FEMA file, which includes a description of every eligibility decision that FEMA made regarding IHP assistance.

FEMA's IHP personnel also conduct regular reviews of the letter correspondence to applicants. In 2018, FEMA conducted a plain language overhaul of all determination letters to ensure the language used was clear and accessible to applicants. In September 2019, the revised letters were uploaded into the National Emergency Management Information System.

The 2020-2021 letter review conducted by FEMA's IA Division will ensure the use of plain language and a description of how FEMA makes eligibility decisions. This review will include:

- Completing an initial internal review of letters by May 31, 2021; and
- Completing focus groups and a final report to inform additional letter revisions by December 31, 2021.

ECD: April 29, 2022.

Recommendation 5: Evaluate the method for communicating changes in IHP standard operating procedures (SOP) to identify ways to improve their accessibility and usability by National Processing Service Center (NPSC) staff.

Response: Concur. The IA Division continually works to improve the guidance provided to staff. On May 21, 2019, for example, FEMA updated its internal processing procedures manual (PPM) website, which provides IHP guidance for field and call center staff, to clearly display all guidance topics on one page so that staff may quickly identify the guidance needed to assist disaster survivors. FEMA's previous updates to the PPM included adding a tab on revised documents as well as targeted, daily instructions known as "pre-shift" notifications used to inform staff of updates to guidance.

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This update to the PPM website also ensures that FEMA’s call center workforce and Disaster Recovery Center (DRC) staff are prepared and equipped to administer the IHP. Specifically, FEMA added an overview to all guidance documents that provides basic, high-level information to assist DRC and other staff who do not perform processing tasks in their efforts assisting disaster survivors, such as which documents must be submitted to receive some forms of assistance. FEMA’s update to the PPM took place after a comprehensive multi-year review to streamline the format, content, and number of documents that serve as necessary guidance for staff.

The IA Division is also committed to modernizing the PPM site and guidance materials. FEMA is in the process of awarding a contract to improve the searchability of the PPM site and update the user interface. The improvements are focused on developing a document tagging taxonomy framework and enabling staff to search for appropriate guidance by specific disaster and their user role. The IA Division is using an iterative design approach to develop the new site and it is currently scheduled for initial roll out in 2021. Upon contract award, which is currently anticipated by September 30, 2020, further interim milestones will be identified.

ECD: December 31, 2021.

Recommendation 6: Use desirable characteristics of employee engagement—including performance feedback, career development, communication, and attention to work-life balance—while completing planned activities for improving morale among call center staff.

Response: Concur. In March 2019, the IA Applicant Services Section (APS), which leads the call center staff, formed a communications team dedicated to assist staff with enhancing section communications and staff engagement activities. On November 18, 2019, the APS communications team completed the development of a “Strategic Communication Plan: Care and Support Initiatives. As the plan provides objectives and priorities for improvement identified through engagement with employees, it will be a resource to help build and lead the section to support four major elements: (1) Enhancing Communication; (2) Fostering Unity; (3) Awards & Recognition; and (4) Training & Development.

APS also continues to provide employees with consistent and transparent updates on APS operations and accomplishments such as answers to frequently asked questions regarding the FEMA detail program, training opportunities, system updates, leadership announcements, detail and job announcements, as well as promoting engagement opportunities for staff.

On June 12, 2018, the APS implemented the APS Employee Advisory Committee (EAC) as another vehicle for leadership to connect with employees directly. EAC’s mission is

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to facilitate a culture of teamwork and communication by providing constructive and actionable feedback between employees and management. EAC currently serves as a voice for employees ensuring that leadership is apprised of employee interests as decisions are made that affect employees and the workplace, and previously hosted focus groups to gather staff feedback and provide recommendations to leadership on engaging with staff in a virtual work environment.

Finally, APS is in the final development stages of building the APS Leadership Academy curriculum. Currently, APS anticipates completing the curriculum by October 2020, implementing the Academy on November 9, 2020, as disaster activity allows. Sessions for the Academy will be held quarterly to new supervisors, and by December 2021 APS anticipates that all supervisors will be trained, after which the Academy will be conducted annually to train newly hired supervisors.

The Leadership Academy will provide consistent, standardized supervisory training on day-to-day knowledge, skills, and tools necessary to ensure the section is staffed with highly trained supervisors. Through the Leadership Academy, supervisors will gain awareness of supervisory processes and procedures, the tools and policies that are available to them, and the individuals who can mentor or guide them in their tasks and decision making.

Interim Milestones:	ECD:
The curriculum will be completed.	October 30, 2020
Academy will begin.	November 30, 2020
All supervisors will be trained.	December 31, 2021

ECD: December 31, 2021.

Recommendation 7: Use desirable characteristics of employee engagement—including performance feedback, career development, communication, and attention to work-life balance—when assessing NPSC staff satisfaction scores and identifying additional steps to strengthen employee morale.

Response: Concur. APS remains committed to creating a work environment in which work and efforts that go above and beyond expectations are acknowledged, recognized, and awarded in a unified and consistent way to foster continued strong performance, adoption of the section’s values, and continued employee engagement. As such, APS developed and implemented an Honorary Awards Program in January 2020 to recognize employees and strengthen morale. Furthermore, APS is working with employees to improve aspects of the workforce through individual development and additional training opportunities. To assist with this, in April 2020, APS obtained “The Call Center School” as one of the newly approved vendors for training opportunities.

On April 12, 2020, APS also implemented the Employee Engagement Pilot (EEP) program to ensure employees understand their Performance Goals, Core Competencies, and the End of Year Rating. One of the purposes of the EEP is to increase employee communications with their first-line Supervisor and to use Individual Development Plans to develop the knowledge, skills, and abilities the employee is seeking to obtain, in order to maximize opportunities that will assist in developing, promoting, and achieving goals.

As the APS EAC continues their work in making recommendations and proposing positive actions that will enhance the culture and morale within APS, the EAC will continue to promote the APS Journal, which is a newsletter designed and developed by the EAC. Further, the EAC developed and deployed the Focus Group Initiative in May 2020 with the overall goal of providing leadership with actionable data and information directly from employees. The next series of Focus Groups will be centered around topics which scored lowest in the 2020 APS Viewpoint survey. Once completed, the EAC will provide results and recommendations to leadership for improvement.

ECD: May 31, 2021.

Recommendation 8: Assess the effectiveness of the IHP training and support for NPSC staff during surge events and implement any necessary changes.

Response: Concur. FEMA's IA Division is currently in the process of evaluating ways to assess effectiveness of training during surge in response to a disaster. The IA Division is considering conducting pre- and post-assessments of training which may help to inform future updates and development of training curriculum and instruction, and is also considering factors for this option such as class sizes and the front-load work required for timely rosters and Adobe Connect registrations prior to training. Furthermore, the IA Division is considering whether to conduct a post training survey at the conclusion of trainings. The IA Division is currently evaluating implementation of this option to align with how polls are currently administered during virtual trainings.

ECD: July 30, 2021.

Recommendation 9: Identify and implement strategies to help ensure staff deployed to [DRC] have the needed skills and capabilities to provide support and consistent service to survivors.

Response: Concur. From May – September 2018, the IA Cadre Management and Training Branch, in coordination with the IHP Branch, revised and calibrated the IHP Training Program to ensure that staff deployed to the DRC receive the same basic program training as the staff assigned to the call centers. This training also included the expansion of the services provided to survivors who visit a DRC.

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Consequently, employees deployed to a DRC receive the following training:

- Applicant Services Program Specialist Course (ASSP) E-836: The initial FEMA Qualification System training course for all IA staff. This is an existing course that will be revised to expand the training received by DRC staff. The formal revision of the course is still in progress and will have the capability for in-person and virtual training. Following completion of the ASSP basic course, staff will work with a coach-evaluator to complete the qualification requirements for their position.
- Just-in-Time (JIT) Refresher Training: When DRC staff are deployed, they may be scheduled for refresher training to ensure the staff are prepared and empowered to perform these functions. Disaster Survivor Assistance and DRC staff must complete the updated JIT training upon arriving at the disasters. This is a 1-2 day course. IA Cadre Management staff, in coordination with field leadership, deploys trainers to deliver the refresher training to all staff assigned to the DRC.

The other following programs also provide refresher training for employees, as appropriate:

- Mission Rehearsal Series: Provides a continuing education forum for cadres to increase personnel deployment readiness and technical proficiency. IA Cadre Management held Mission Rehearsals in 2017-2019 primarily for DRC staff. Mission Rehearsals were canceled in 2020 due to COVID-19.
- Hurricane Readiness Training: In 2019 and 2020, IA Cadre Management coordinated with the Field Operations Directorate to deploy staff to attend Hurricane Readiness training.

Additionally, formal courses for the DRC Manager and the IHP Housing Crew Lead, who also work in the DRC as the supervisor and subject matter expert respectively, are being developed.

Interim Milestones:	ECD:
Finalize the draft for the DRC Manager and the IHP Housing Crew Lead courses.	June 30, 2021
Pilot will be deployed.	December 31, 2021

ECD: December 31, 2021.

Recommendation 10: Identify and implement strategies to provide readily accessible information and resources, such as guidance and training, about the Individuals and Households Program to state, local, tribal, and territorial officials.

Response: Concur. FEMA’s regional offices and staff are the primary points of contact with state, local, tribal, and territorial officials regarding the IHP. Over the past five years, the IA Division prioritized the development and publication of comprehensive

policy guidance for IA programs to include the IHP. In 2016, for example, the IA Division published the IHP Unified Guidance, which was the first compendium of all IHP related policies. The IHP Unified Guidance was replaced by the IAPPG in March 2019, which expanded to include policy for all IA programs. This compendium provides FEMA's partners with a single resource of all IA policies that identifies: (1) the IA programs and assistance available; (2) information on which forms of assistance are automatically activated in a Presidential disaster declaration; and (3) information on which forms of assistance must be requested.

In 2020, the IA Division updated the IAPPG to incorporate policy changes authorized by Disaster Recovery Reform Act of 2018. The IAPPG was posted for public comment on July 8, 2020, to invite input from state, local, tribal, and territorial officials. The IA Division plans to publish the updated IAPPG, to include adjudication of public comments from July, with an ECD of June 30, 2021. Additionally, the IA Division hosted webinars on August 6, 2020, and September 17, 2020, for tribal engagement to provide an overview of the updates to the IAPPG. The IAPPG is readily available to all FEMA partners, including state, local, tribal, and territorial officials year-round on FEMA's website. In particular, the IHP chapter of the IAPPG details all eligibility for the IHP, the specific documents applicants may be required to provide, and which types of assistance must be requested by state, tribal, and territorial governments.

The IHP ONA Processing SOP, dated in June 2019, outlines the State Administrative Plan (SAP) and ONA Administrative Option Selection Package submission process. All states, territories, and tribal governments (STTs) must indicate their desired ONA processing option annually using the ONA Administrative Option Selection Form. If an STT selects the Joint or STT option to administer ONA, the STT must also write and submit an SAP. The IHP ONA Processing SOP also provides regional staff and STTs with a clear, concise outline of the package submission process, including deadlines and signature requirements, as well as the roles and responsibilities of the stakeholders involved for ONA to effectively be administered for disasters declared for IA.

Furthermore, on September 23, 2019, the IA Disaster Housing Unit (DHU), in collaboration with the National Integration Center (NIC), ensured disaster housing messaging was consistent to State, Local, Territory, and Indian Tribal (SLTT) partners for the "Comprehensive Preparedness Guide" (CPG) 201, Third Edition, Dated May 25, 2018. This guide aims to improve disaster housing capabilities nationwide. All jurisdictions are encouraged to work together, along with the Federal Government, private sector partners and nongovernmental organizations, to develop disaster housing plans. The CPG includes guidance on national housing priorities, types of housing, key considerations and housing-specific planning recommendations that jurisdictions can apply when developing or improving housing plans. The IA DHU also worked with FEMA's Grant Programs Directorate to deliver a presentation on FEMA housing assistance to the 2019 grant recipients of the Regional Catastrophic Preparedness Grant

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Program (RCPGP) on January 23, 2020. The purpose of the RCPGP is to build state and local capacity to manage catastrophic incidents by improving and expanding regional collaboration for catastrophic incident preparedness. The overall objective is to close known capability gaps, encourage innovative regional solutions to issues related to catastrophic incidents, and build on existing regional preparedness efforts. Lastly, in October 2019, the IA DHU delivered a Report to Congress based on feedback from SLTT governments to inform FEMA’s implementation of Section 1211 of the Disaster Recovery Reform Act of 2018 (DRRA). In July 2020, the IA DHU issued the “State-Administered Direct Housing Grant Guide” based on that feedback effort.

ECD: June 30, 2021

Recommendation 11: Identify and implement best practices for information sharing and coordinating with local officials, and other recovery partners, on the delivery of Transportable Temporary Housing Units in the interim while FEMA completes system improvements.

Response: Concur. On February 1, 2020, the IA Division issued the Direct Housing Guide (DHG) Version 2, which contained the content addressing the coordination with local officials, and other recovery partners, on the delivery of Transportable Temporary Housing Units (TTHUs). Specifically, the language states, “In order to install the unit, the contractor must obtain all bonds and permits required for TTHU installation as well as appropriately licensed staff and sub-contractors to perform work. These efforts must be coordinated with government entities, as required by federal, state, and local laws and regulations.”

Furthermore, FEMA’s Logistics Management Directorate completed the TTHU Mission Planning Contract on June 24, 2019, which provides FEMA the capability to determine the requirements for each “authority having jurisdiction,” as well as communication with the jurisdiction.

Going forward, the IA Division, Program Management Section, Disaster Housing Unit will coordinate with the Logistics Management Directorate, Regional Offices and other housing stakeholders via working groups to identify best practices and lessons learned on information sharing and coordination with local officials in the delivery of TTHUs. These DHG Working Group(s) will use these best practices and lessons learned to expand content previously established in the DHG Version 2 of the document, to be included in Version 3. The updated DHG Version 3 is scheduled for release in June 2021.

ECD: June 30, 2021.

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Recommendation 12: Correct and refine the methodology used to survey survivor experiences with the IHP by (1) weighting the survey data to reflect the stratification of its survey design, (2) adjusting the base sampling weights for survey nonresponse within each stratum, and (3) calculating the sampling error for the survey data after adjusting the base sampling weights for nonresponse.

Response: Concur. FEMA’s IA Division will refine the methodology used to survey survivor experiences with the IHP by weighting the survey data to reflect the stratification of its survey design. This effort will include the following milestones:

Interim Milestones:	ECD:
FEMA Recovery Directorate will implement sub-part (1) of the recommendation to weight the survey data to reflect the stratification of the survey design.	January 31, 2022
FEMA Recovery Directorate will establish new procedures for data entry to ensure accurate population counts are recorded for each survey population at the end of each quarter. There are seven distinct survey populations, and within each population FEMA stratifies by disaster.	December 31, 2020
FEMA Recovery Directorate will familiarize themselves with appropriate poststratification methods. FEMA Recovery Directorate statistician(s) will identify the most appropriate methodology and create an analysis plan.	March 31, 2021
FEMA Recovery Directorate will conduct a trial run for the incorporation of poststratification weights on Q3 data (July-September 2021). FEMA Recovery Directorate will address potential issues and impacts to reporting.	October 29, 2021
FEMA Recovery Directorate will begin weighting to reflect stratification of survey design for Q4 data (October-December 2021).	January 31, 2022
FEMA Recovery Directorate will evaluate the results of the nonresponse bias analysis to decide whether it is necessary or reasonable for FEMA Recovery Directorate to implement sub-parts (2) and (3) of the recommendation in the future. The outcomes of the nonresponse bias analysis will also provide a stronger decision-making basis for any future incorporation of weight adjustments for nonresponse and associated calculations for sampling error.	December 30, 2022
FEMA Recovery Directorate will identify available auxiliary variables that will be useful in the study of nonresponse. FEMA Recovery Directorate will establish new procedures for sample imports to ensure necessary data is	December 31, 2020

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available for FEMA Recovery Directorate to conduct nonresponse bias analyses.	
FEMA Recovery Directorate will determine which variables are most relevant to nonresponse for Assessment (AST) Survey. Ideal adjustment factors will exhibit both a high degree of nonresponse and significant differences in satisfaction. The AST Survey includes two populations (Eligible for Assistance vs. Ineligible for Assistance) that FEMA Recovery Directorate will separately examine. If applying population-based weights is too burdensome for FEMA Recovery Directorate to complete on a quarterly basis, FEMA Recovery Directorate may also consider leveraging sample-based weights. The AST Survey provides an overall picture of the customer's experience and is the most utilized IA Survey. Results from this analysis will provide evidence for the necessity and reasonableness of FEMA Recovery Directorate incorporating weights for nonresponse, and whether further nonresponse analyses by FEMA Recovery Directorate are warranted.	August 31, 2021,
FEMA Recovery Directorate will determine which variables are most relevant to nonresponse for Initial Survey. The Initial Survey includes two populations (Internet Registrations vs. Phone Registrations) that FEMA Recovery Directorate will examine separately.	February 28, 2022
FEMA Recovery Directorate will determine which variables are most relevant to nonresponse for Contact Survey. This includes three populations (Helpline, Internet Inquiry, and Inspection) that FEMA Recovery Directorate will examine separately.	August 31, 2022
FEMA Recovery Directorate will conduct research on calculating sampling error for weighted data in R (e.g., Taylor Linearization and replication techniques). FEMA Recovery Directorate will gain a better understanding of resources required to complete calculations across each survey population on a quarterly basis.	October 31, 2022
FEMA Recovery Directorate will complete its evaluation of the nonresponse bias analysis and required resource allocations for sampling error calculations. FEMA Recovery Directorate will decide whether it is necessary or reasonable to implement sub-parts (2) and (3) of the recommendation in the future.	December 30, 2022

ECD: December 31, 2022.

Recommendation 13: Complete the following key process improvement activities as part of its effort to redesign the Individual Assistance Program: (1) engage with additional program customers and stakeholders to obtain a more comprehensive understanding of their needs; (2) assess performance gaps between current processes and customer and stakeholder needs, and develop measurable and achievable improvement goals to address any identified performance gaps; and (3) prioritize the processes that need improvement based on documented selection criteria.

Response: Concur. FEMA IA Division will improve any redesign process. As a first step, in March 2019 the Assistant Administrator of the Recovery Directorate established a cross-functional project team to develop a vision and implementation strategy as part of the redesign effort. Part of the project team’s efforts were to operationalize FEMA’s commitment to continuous improvement and customer experience. The next phase of the IA Program redesign process will utilize the key process improvement activities described in this recommendation, as well as guidance suggested in GAO’s Process Reengineering Assessment Guide. FEMA’s IA Division currently engages in all three recommended process improvement activities as it navigates policy decisions, process evaluations, and when formulating annual priorities and budget.

Interim Milestones:	ECD:
Complete the 3 activities listed in the recommendation for the first of two redesign concepts.	July 1, 2021
Complete the 3 activities listed in the recommendation for the second of two redesign concepts.	December 31, 2021

ECD: December 31, 2021.

Recommendation 14: Establish time frames for finalizing the Individual Assistance Division’s draft strategic plan and developing implementation plans that integrate its IHP improvement efforts.

Response: Concur. On August 21, 2020, the IA Division finalized and published the Individual Assistance 2020-2024 Strategic Plan after the initial drafting of this report. Beginning in 2021, the IA Division, with assistance of the Office of Strategy and Innovation, plans to develop implementation plans for each goal and objective of this strategic plan. FEMA believes that these implementation plans should be integrated with the various improvement efforts being coordinated across the Division. Over the next four years, FEMA plans to allocate resources for three strategic goals: (1) advance integrated program and service delivery; (2) maintain a highly trained and effective professional workforce; and (3) strengthen relationships with partners. This plan is the

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foundation for cultivating strategic thinking across the IA Division and will be used to guide annual priorities, resource allocations, and performance measurements.

Interim Milestones:	ECD:
25 percent of the implementation plans will be created for the IA Strategic Plan.	September 30, 2021
50 percent of the implementation plans will be created for the IA Strategic Plan.	September 30, 2022
100 percent of the implementation plans will be created for the IA Strategic Plan.	December 29, 2023

ECD: December 29, 2023.

Appendix VIII: GAO Contact and Staff Acknowledgments

GAO Contact

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Staff Acknowledgments

In addition to the contact named above, Aditi Archer (Assistant Director), Joseph E. Dewechter (Analyst-in-Charge), Matthew Lowney, Amanda Parker, Carl Barden, Lilia Chaidez, Dominick Dale, Pamela Davidson, David Dornisch, Eric Hauswirth, Laura Ann Holland, Tracey King, John Mingus, and Su Jin Yon made significant contributions to this report.

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