

## Why GAO Did This Study

The 2017 and 2018 hurricanes and California wildfires affected millions of people and caused billions of dollars in damages. Extreme weather events are expected to become more frequent and intense due to climate change. Federal contracts for goods and services play a key role in disaster response and recovery, and government purchase cards can be used by agency staff to buy needed items.

GAO was asked to review federal response and recovery efforts related to recent disasters. This report examines the extent to which selected agencies planned for their disaster response contracting activities, assessed their contracting workforce needs, and assessed the fraud risk related to their use of purchase cards for disaster response.

GAO selected six agencies based on contract obligations for 2017 and 2018 disasters; analyzed federal procurement and agency data; reviewed agencies' policies on workforce planning, purchase card use, and fraud risk; and analyzed purchase card data. FEMA was not included in the examination of workforce planning due to prior GAO work.

## What GAO Recommends

GAO is making 12 recommendations, including to three agencies to assess disaster response contracting needs in workforce planning, and to five agencies to assess fraud risk for purchase card use in support of disaster response.

View [GAO-21-42](#). For more information, contact Marie A. Mak at (202) 512-4841 or [makm@gao.gov](mailto:makm@gao.gov).

## DISASTER RESPONSE

### Agencies Should Assess Contracting Workforce Needs and Purchase Card Fraud Risk

## What GAO Found

The efforts of selected agencies to plan for disaster contracting activities and assess contracting workforce needs varied. The U.S. Forest Service initiated efforts to address its disaster response contracting workforce needs while three agencies—the U.S. Army Corps of Engineers (USACE), the U.S. Coast Guard, and Department of the Interior (DOI)—partially addressed these needs. The Environmental Protection Agency indicated it did not have concerns fulfilling its disaster contracting responsibilities. Specifically, GAO found the following:

- USACE assigned clear roles and responsibilities for disaster response contracting activities, but has not formally assessed its contracting workforce to determine if it can fulfill these roles.
- The Coast Guard has a process to assess its workforce needs, but it does not account for contracting for disaster response activities.
- DOI is developing a strategic acquisition plan and additional guidance for its bureaus on how to structure their contracting functions, but currently does not account for disaster contracting responsibilities.

Contracting officials at all three of these agencies identified challenges executing their regular responsibilities along with their disaster-related responsibilities during the 2017 and 2018 hurricane and wildfire seasons. For example, Coast Guard contracting officials stated they have fallen increasingly behind since 2017 and that future disaster response missions would not be sustainable with their current workforce. GAO's strategic workforce planning principles call for agencies to determine the critical skills and competencies needed to achieve future programmatic results. Without accounting for disaster response contracting activities in workforce planning, these agencies are missing opportunities to ensure their contracting workforces are equipped to respond to future disasters.

The five agencies GAO reviewed from above, as well as the Federal Emergency Management Agency (FEMA), collectively spent more than \$20 million for 2017 and 2018 disaster response activities using purchase cards. GAO found that two of these six agencies—Forest Service and EPA—have not completed fraud risk profiles for their purchase card programs that align with leading practices in GAO's Fraud Risk Framework. Additionally, five of the six agencies have not assessed or documented how their fraud risk for purchase card use might differ in a disaster response environment. DOI completed such an assessment during the course of our review. An Office of Management and Budget memorandum requires agencies to complete risk profiles for their purchase card programs that include fraud risk. GAO's Fraud Risk Framework states managers should assess fraud risk regularly and document those assessments in risk profiles. The framework also states that risk profiles may differ in the context of disaster response when managers may have a higher fraud risk tolerance since individuals in these environments have an urgent need for products and services. Without assessing fraud risk for purchase card programs or how risk may change in a disaster response environment, agencies may not design or implement effective internal controls, such as search criteria to identify fraudulent transactions.