



Department of Homeland Security Office of Inspector General

Review of Selected Personnel Practices at FEMA's Maryland National Processing Service Center





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Preface

The Department of Homeland Security (DHS) Office of Inspector General (OIG) was established by the *Homeland Security Act of 2002* (Public Law 107-296) by amendment to the *Inspector General Act of 1978*. This is one of a series of audit, inspection, and special reports prepared as part of our oversight responsibilities to promote economy, efficiency, and effectiveness within the department.

The Chairman of the House Homeland Security Committee requested that we review several allegations by employees at the Federal Emergency Management Agency (FEMA) Maryland National Processing Service Center (MD NPSC). Our review focused on these allegations as well as related operational issues. It is based on interviews with employees and officials of relevant agencies and institutions, direct observations, and a review of applicable documents.

The recommendations herein have been developed to the best knowledge available to our office, and have been discussed in draft with those responsible for implementation. We trust this report will result in more effective, efficient, and economical operations. We express our appreciation to all of those who contributed to the preparation of this report.

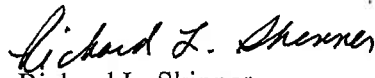

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Abbreviations

EEO	Equal Employment Opportunity
EPIMS	Enterprise Performance Information Management Section
FEMA	Federal Emergency Management Agency
IA	Individual Assistance
MD NPSC	Maryland National Processing Service Center
NEMIS	National Emergency Management Information System
NPSC	National Processing Service Center
Stafford Act	<i>Robert T. Stafford Disaster Relief and Emergency Assistance Act</i>
TX NPSC	Texas National Processing Service Center
VA NPSC	Virginia National Processing Service Center

OIG

*Department of Homeland Security
Office of Inspector General*

Executive Summary

The Chairman of the House Homeland Security Committee requested that we review allegations submitted by employees at the Federal Emergency Management Agency's Maryland National Processing Service Center. National Processing Service Centers provide centralized disaster assistance application services to individuals and families during presidentially declared disasters. Employees at the Maryland center alleged that the agency concentrated higher salaried positions at other centers, terminated employees by outsourcing operations, and mismanaged employee performance evaluations. Employees asserted that these issues undermine operational effectiveness.

We reviewed certain events and practices at the Maryland center that led to employees' perceptions of favoritism by agency headquarters toward other centers and complaints that managers were using employee performance evaluations to punish or terminate employees. Although management did reduce the number of employees needed at the center, resulting in fewer higher salaried positions there, the agency did not exceed its authority or act improperly. We did not find any instances where managers used individual performance reports for punitive reasons. However, the employee performance evaluation process should be more transparent.

Other issues have lowered morale and increased tension between employees and managers. Low supervisor-to-employee ratios have hindered communication. Until recently, the Maryland center operated without fixed employee work schedules, meaning schedules changed every pay period. The center's workforce consists mostly of temporary, excepted service employees, and the tenuous nature of their employment status creates constant anxiety among many.

Morale problems at the Maryland center may be undermining operations. The agency acknowledges that the performance management process needs improvements and is refining the process, but overall it has responded slowly to these issues. We make seven recommendations to streamline the employee rating process, improve communication and management-employee relations, educate employees on their rights under excepted service appointments, and improve training programs. In its response to our draft report, FEMA concurred with each recommendation.

Background

The mission of the Federal Emergency Management Agency (FEMA) is to reduce the loss of life and property and protect the Nation from all hazards, including natural disasters, acts of terrorism, and other manmade disasters. It carries out its mission by leading and supporting a comprehensive national emergency management system that addresses all aspects of preparedness, protection, response, recovery, and mitigation.

FEMA's Disaster Assistance Directorate Individual Assistance Branch serves individuals and communities affected by disasters so they can return to normal function with minimal suffering and disruption of services. Individual Assistance provides or coordinates emergency housing, financial, unemployment, and other public assistance for individuals and families. The Disaster Assistance Directorate also assists states, local communities, businesses, and nonprofit groups to remove debris, restore and rebuild public systems and facilities, and comply with emergency protective measures.

In 1994, FEMA opened full-service National Processing Service Centers (NPSC) in Denton, TX, and Winchester, VA. In 1995, FEMA opened a National Teleregistration Center in Trujillo Alto, PR, to provide Spanish-language support to disaster applicants. In 1997, FEMA opened another NPSC for registration intake activities in Hyattsville, MD, and full-service applicant processing began by the end of the year. From 1997 to 2008, FEMA operated the Maryland, Texas, and Virginia NPSCs and the teleregistration center in Puerto Rico. FEMA closed the teleregistration center in 2008; the other three NPSCs remain operational.

NPSCs provide direct assistance to victims affected by natural disasters through a combination of telephone- and Internet-based registration, help line, and application processing services. For example, in 2007, NPSC employees completed approximately 260,000 disaster assistance registrations and 110,000 on-site inspections of damaged property, mailed more than 6.7 million applicant letters, and awarded more than \$2.3 billion in disaster assistance to individuals and families.

Disaster victims contact an NPSC to begin the application process or inquire about the status of an existing application. Human services specialists, also known as agents, answer calls and provide registration and helpline services. The National Emergency Management Information System (NEMIS) automatically grants eligibility to about 90% of applicants. Agents make eligibility determinations for applications that cannot be processed automatically; those applicants must provide additional documentation or information (see appendix C).

Most NPSC employees are temporary, excepted service personnel hired under the authority of the *Robert T. Stafford Disaster Relief and Emergency Assistance Act* (Stafford Act). FEMA's Employee Handbook and various position descriptions describe these personnel as Cadre of On-Call Response and Recovery (CORE) employees. NPSCs typically employ about 1,600 staff and add up to 1,000 additional temporary duty personnel when severe or multiple disasters occur. FEMA also has a memorandum of agreement with the Internal Revenue Service to add up to 300 agents from its call centers, if necessary. During the 2005 hurricane season, when seven major hurricanes, including hurricanes Katrina and Rita, occurred, FEMA expanded NPSC staff to 13,000 personnel, using temporary call centers and contracted staff. FEMA releases Stafford Act temporary appointment staff to inactive, nonpay status when disaster assistance activity diminishes but may recall them to employment. In November 2006, when applicant processing activity in response to hurricanes Katrina and Rita decreased, FEMA released 600 agents serving across the NPSC-wide enterprise.

In 2002, FEMA determined that the NPSCs had become more interrelated and interdependent, and it began a large reorganization to ensure more uniformity in structure, streamline operations and procedures, and eliminate duplicate functions. In 2005, the FEMA Under Secretary approved a plan to combine and centralize many NPSC functions carried out at each of the four service centers. Centralization and reorganization of the NPSCs was phased in over several years. As a result, FEMA shifted job functions and work units from the Maryland and Puerto Rico NPSCs to the Denton, TX, and Winchester, VA, NPSCs and to FEMA headquarters in Washington, DC. The Maryland and Puerto Rico NPSCs operated only as call and processing centers, with applicant services and minimal support staff. In 2007, to reduce MD NPSC office rental, facility, and security costs, FEMA announced plans to outsource mailroom operations and moved center operations to a smaller, nearby building in Hyattsville, MD. In December 2008, following a 6-month closure due to building safety issues, FEMA decided to close the Puerto Rico center. Currently, the three FEMA NPSCs are located in Hyattsville, MD; Denton, TX; and Winchester, VA.

Following the NPSC reorganization, the 2006 release of Stafford Act employees, and the announcement of plans to outsource mailroom operations, MD NPSC employees submitted complaints to FEMA's Equal Opportunity Office about the workplace and the loss of positions at the center. During 2007, center employees contacted Senator Barbara Mikulski and other elected representatives regarding these issues. FEMA subsequently responded to a congressional inquiry (see appendix D) and the letter highlighted actions taken in response to employee complaints at that time. Employees also raised these issues and discussed their

discontent and low morale during an all-hands meeting with senior FEMA leadership. Employees cited the same issues when they contacted Chairman Bennie Thompson, which led to this review.

Results of Review

The Chairman of the House Homeland Security Committee requested that we review allegations by employees at FEMA's MD NPSC that FEMA concentrated higher salaried positions at other NPSCs, terminated employees in order to outsource operations, and mismanaged employee performance evaluations. Employees asserted that these issues have undermined operational effectiveness.

FEMA management reduced the number of employees needed at the center, resulting in fewer higher salaried positions there, but did not exceed its authority or act improperly. We did not find that managers were using performance reports for punitive reasons, but the performance management process should be more transparent.

These and other issues are contributing to low morale and increased tension between employees and managers. FEMA has responded slowly to these challenges. We make several recommendations to improve the employee rating process, improve communication and management-employee relations, better educate employees on their rights under excepted service appointments, and improve training programs.

FEMA Did Not Inappropriately Shift or Eliminate MD NPSC Job Functions

From 2005 to 2008, FEMA centralized operations at four NPSCs and also contracted for MD NPSC mailroom operations, which transferred or eliminated 112 of 389 positions at the MD NPSC. During this time, FEMA also selected 600 temporary, excepted service employees employed at three centers for release. MD NPSC employees alleged that FEMA unfairly targeted the MD NPSC in favor of another center; terminated employees; unwisely reduced functions and eliminated higher graded positions, which restricted opportunities for advancement; and did not follow FEMA's Equal Opportunity Employment Plan. Some MD NPSC employees believe that FEMA unfairly abolished mailroom positions occupied by minority employees because it did not conduct a cost/benefit analysis. Despite employee allegations, FEMA did not improperly terminate employees or transfer higher salaried positions from the MD NPSC, and it did conduct a cost/benefit analysis of mailroom operations before electing to outsource them.

Reorganization of the NPSC Enterprise

In 2002, FEMA determined that NPSC work processes had become more interrelated and interdependent, and began to reorganize to ensure more uniformity in structure, streamline operations and procedures, and eliminate duplicate functions. That effort culminated in the *National Processing Service Center Reorganization Business Case*, which was approved by the FEMA Under Secretary. In April 2005, FEMA implemented the plan. Between 2005 and 2008, it eliminated or shifted NPSC functions and centralized them in enterprise-wide operational units. Specifically, FEMA shifted job functions and work units from the Maryland and Puerto Rico NPSCs to the Denton, TX, and Winchester, VA, NPSCs, and to FEMA headquarters. The Maryland and Puerto Rico NPSCs would operate only as call and processing centers, with applicant services and minimal support staff. The VA NPSC branch chief assumed management oversight of the Maryland center. FEMA reassigned the following organizational units:

- The Enterprise Processing Services Section, National Coordination Center, to the VA NPSC;
- The Enterprise Technical Assistance Group to the National Coordination Team at the VA NPSC, with these employees located within the MD NPSC Training Unit;
- The Correspondence Unit to FEMA headquarters;
- The Enterprise Processing Analysis Section, Queue Management, to the TX NPSC;
- The Enterprise Processing Analysis Section, Quality Assurance/Call Monitoring, to the TX NPSC;
- The Enterprise Processing Analysis Section, Process Improvement, to the VA NPSC;
- The Enterprise Processing Analysis Section, Individual Assistance Web Design, to the VA NPSC; and
- The Enterprise Processing Analysis Section, Performance Standards Development, to the TX NPSC.

The reorganization was carried out to help FEMA streamline management, create more uniformity, and eliminate duplicate functions. Employees correctly pointed out that it affected the MD NPSC the most, and this had become a central issue in employee complaints and workplace dissatisfaction. The NPSC reorganization accounted for 99 of the 112 positions transferred or eliminated at the MD NPSC, including 48 GS-11 or higher positions. Before terminating their employment, FEMA gave employees in those positions the opportunity to relocate to another

NPSC, or move to another position for which they were qualified. Among the 99 MD NPSC affected employees:

- Of 48 Enterprise Processing Analysis Section employees, 10 relocated to other NPSCs, 17 shifted into other positions at MD NPSC, and 21 declined employment options presented to them and were terminated;¹
- 18 employees in the Correspondence Unit moved to FEMA headquarters in Washington, DC; and
- 33 employees resigned.

The 2006 Release of Stafford Act Employees to Nonpay Status

Under the authority of the Stafford Act, FEMA hires human service specialists or agents as temporary, excepted service personnel. Agents sign Conditions of Employment to affirm their understanding that appointments are temporary (see appendix E). The agent's Conditions of Employment form and employee handbook states that release from service may occur because of workload fluctuations. Agents are advised that selection for release from service will be based on one or more factors, including performance, job function, work schedule availability, most recent hire date, and production levels.

In late 2006, FEMA prepared to release Stafford Act employees it no longer needed because of a decrease in applicant registration and processing activity. In preparation for this release, headquarters transmitted agent performance, job function, availability, and individual production rate data from the Enterprise Performance Information Management Section (EPIMS) database to managers at each NPSC. Center managers used this data to determine who to release. In November 2006, NPSC operations released 600 agents across the enterprise, of whom 183 worked at the MD NPSC. This action was not related to the 99 positions transferred or eliminated as a result of the NPSC reorganization discussed above.

Employees alleged that up to 20 of the 183 MD NPSC agents selected for release had low individual production rates only because their work assignments had been under special project work queues such as special applicant outreach or processing, which they did not receive credit for in their production rate totals. Although we were unable to confirm that number and whether

¹ The TX NPSC eliminated seven positions, while the Puerto Rico NPSC eliminated two positions. The VA NPSC did not eliminate any positions.

these cases were isolated or systemic in nature, we did confirm that at the time of the release, certain work queue assignments did not generate accurate production counts. Employees still perceive that the process was unfair and that management did not properly follow its own release criteria. Staff who remain concerned about their potential release believe that they are not getting sufficient credit for special projects completed outside of normal work queues. For this reason, agents are more likely to pick the easiest cases to review to ensure that their production rates remain high.

Employees said that their temporary status affects morale, owing to confusion or uncertainty about their appointment term, release from service, and employment status in relation to the federal civil service. Despite having signed the form acknowledging their employment status, employees reported still being confused about what their status means. For instance, some employees are uncertain whether their Stafford Act appointment is included in a calculation of federal employment time in service. Some employees are confused about the differences in permanent termination from employment and release to nonpay status. FEMA may recall individuals in nonpay status to employment. Some employees stated that they did not know that their Stafford Act appointment does not count as time-in-service when applying for a federal civil service position.

Outsourcing the MD NPSC Mailroom Operations

Some MD NPSC employees asserted that FEMA unfairly abolished mailroom positions occupied by minority employees because it did not conduct a cost/benefit analysis. In fact, in 2008 FEMA conducted an analysis in accordance with the *Federal Activities Inventory Reform Act of 1998* (FAIR Act). FEMA projected that it could save an average of \$1,693,000 per year by contracting with the private sector for its MD NPSC mailroom operations. FEMA gave the 13 MD NPSC mailroom employees the opportunity to move to other positions at the center or transfer to another NPSC. Nine employees transferred to other positions at the center and four employees resigned.

The FAIR Act requires that federal agencies submit to the Office of Management and Budget (OMB) an annual inventory of functions that are not inherently governmental or commercial activities. OMB's Circular A-76 outlines procedures to conduct cost comparison studies to determine whether such functions should be performed by federal employees or the private sector. After completing the cost study, FEMA used a competitive process

to select a contractor to provide centralized mail-related services for the NPSC enterprise.

Soon after the announcement of the plans to outsource mailroom operations, MD NPSC employees complained to FEMA's Equal Employment Opportunity (EEO) Office that closing the mailroom would negatively impact minority employees. The EEO Office determined that FEMA's actions were not discriminatory.

Recommendations

We recommend that the Administrator, Federal Emergency Management Agency:

Recommendation #1: Develop a process to identify and track agents' special projects and other work assignments and generate appropriate production data.

Recommendation #2: Review its briefing process for new employees hired pursuant to the Stafford Act to ensure that FEMA is clearly articulating differences from the federal service and policies related to benefits and retirement, release to nonpay status, termination of employment, and qualification for civil service merit hiring.

Management Comments and OIG Analysis

FEMA provided written comments on our draft report. We evaluated these comments and have made changes where we deemed appropriate. Below is a summary of FEMA's written response to the report's first recommendation and our analysis. A copy of FEMA's complete response is included as appendix B.

FEMA's Comments to Recommendation #1:

FEMA concurred with the recommendation. In its response, FEMA stated that the National Processing Service Center's (NPSC) Performance Standards Analysis Department continually works to enhance the Individual Performance Report (IPR) by including special project data in the Production Key Performance Indicators (KPI). The criteria for establishing a production measurement for any "Special Projects" requires that the work activity be of adequate volume and/or duration to allow sample data to be confirmed in order to establish a viable measurement.

For this reason, it is not always possible to include every special project in the production reports.

During the last eighteen months, FEMA has been modifying IPR measurements, including a new measurement to capture agents' time spent in "ready state for calls" as well as all "talk time" in order to give employees credit for being in an available mode while assigned to the call center. FEMA also reduced the "weight" assigned to the Production KPI from 40% to 20% to increase focus on the Quality KPI.

Beginning October 1, 2009, additional work functions, previously identified as special projects, were tracked and incorporated into the employees' production data on the IPR (e.g. Indexing and Flood Plain mapping). In addition, the development of the Decision-based Routing measurement and the ability to capture cases that were reviewed and then placed on "policy hold" provide for a more complete picture of the employees' daily accomplishments on the IPR.

OIG Analysis:

We concur with FEMA's response.

This recommendation is Resolved – Closed.

FEMA's Comments to Recommendation #2:

FEMA concurred with the recommendation. FEMA responded that its Disaster Assistance Directorate and Human Capital Division (HCD) are coordinating the need to include more information about Stafford Act appointments and the differences and similarities with civil service appointments. FEMA will update the NPSC Employee Handbook and information posted on the website to include policies related to benefits and retirement, release to non-pay status, termination of employment, and qualifications for civil service merit hiring.

OIG Analysis:

We concur with FEMA's response. In its action plan, FEMA should note when it updated the employee handbook and identify new information it added to the handbook.

This recommendation is Resolved – Open.

The Employee Performance Management Process Should Be More Transparent

In 2007, as part of the NPSC reorganization plan, FEMA centralized its employee performance management system. Employees alleged that FEMA has mismanaged the system—specifically, individual performance reports and quality control assessments—and that the system is unfair. Despite allegations, FEMA has not mismanaged the system, and we could not confirm any instances where managers tainted daily employee performance assessments to punish employees. However, the subjective nature of the quality control assessments and the appeals process has brought about employees’ lack of confidence in the system, and undermined its utility. To be more helpful to employees and managers, the system should provide for assessments that are less subjective, and an appeals process that is more flexible and timely.

The individual performance reports and quality control assessments are intended to capture daily performance data, measure the quality of assistance provided to disaster assistance applicants and support remedial training and mentoring. Employees alleged that the performance management system, conducted by staff located at another center, does not emphasize direct and timely feedback or learning from one’s mistakes. Agents and some supervisors contend that the system is punitive and low production may lead to release. Moreover, employees contend that the quality control assessments and individual performance reports do not accurately capture performance, and that scoring is subjective or unfair. Some agents said that the criteria on which individual performance reports are based do not allow sufficient time to serve customers, and that pressure creates processing errors and poor customer service. Employees also alleged that there is no timely and transparent method to appeal individual performance report and quality control assessment scores, and should an employee obtain a favorable appeal, there are no assurances that management will adjust appealed scores so the employee is not penalized.

The NPSC reorganization gave the TX NPSC responsibility for managing EPIMS, which oversees individual performance report and quality control assessment standards and analysis for the entire NPSC enterprise. EPIMS creates and delivers on average 625 individual performance reports daily to agents across the enterprise. Managers said the individual performance report captures daily performance data necessary to evaluate each agent. Managers evaluate agents on how they conduct telephone interviews, complete initial disaster assistance registration procedures, process claims and requests for disaster assistance, and provide information to applicants and the public. Services delivered by agents fall primarily into one of three processing functions or queues: registration intake, help line, and casework. The individual performance report measures work queue

performance according to specific performance standards in the following categories: quality, availability, after-call work, production rate efficiency, and adherence to “handle time” limits—the total talk time per transaction or the after-call case processing time.

Quality control assessments measure the effectiveness of assistance provided to disaster assistance applicants. EPIMS quality control specialists at the TX NPSC monitor selected registration intake telephone conversations and the agent’s computer screen to verify data entry. Based on their assessment of an agent’s performance, the specialists may enter an assessment score of up to 100 points. The goal of EPIMS is to score five of an agent’s calls per pay period. However, due to resource limitations, quality control specialists complete only two or three assessments per agent per pay period. The department tends to monitor recently hired agents more.

The quality control specialists score calls of 80 points or above as “successful” when the agent performs all mandatory registration intake requirements, correctly answers questions from the caller, resolves problems, uses resources appropriately, and provides accurate information to the applicant and public. Specialists may determine that a call is “unsuccessful” when the agent does not verify or complete one or more mandatory items during the call.

An agent may appeal his or her score to their supervisor within 5 days. Given the agent’s daily work duties, tight timeframes, and the time required to prepare an appeal, we question whether 5 days is sufficient for filing an appeal.

When a supervisor concurs with an agent’s appeal, the appeal is forwarded to the Quality Control department and an appeal board. The appeal board consists of one member of the Quality Control department not involved with the original assessment and two program specialists from the NPSC Applicant Processing Services department. Since the calls are not recorded, appeals often are a matter of the agent’s word against that of the quality control specialist.

The appeal board frequently overturns quality control specialists’ scores. From October 2007 through May 2008, EPIMS completed 50,150 agent quality reviews. Of those reviews, 46,024 or 92% received a perfect score of 100 points. During this period, employees appealed 1,162 scores (2%), and the board granted 338 appeals. Although employees do not often appeal their scores, they and first-line supervisors perceive that scoring is inaccurate, which undermines their confidence in the evaluation systems, as does the fact that the appeal board overturned and changed 29% of the appealed scores.

EPIMS managers said that they continue to examine and refine procedures and metrics to eliminate problems. Managers periodically review the quality control and individual performance report scoring processes and the expected handle times for casework. They have adjusted the quality control and individual performance report metrics, as well as data collection, scoring, and appeal processes. Managers have also revised quality control scoring guidelines, and they regularly select sample cases to calibrate quality control specialists' scoring to reduce subjectivity among the staff. EPIMS managers meet with quality control specialists to review all overturned appeals and, when appropriate, they conduct audits on other quality control review cases similar to those overturned at appeal. There is consensus among NPSC supervisors and agents that the initial negativity surrounding the performance management system has decreased as the metrics have been refined and as agents become more familiar with the process. However, managers should periodically consult with agents and their supervisors about potential refinements to the quality control and individual performance report processes.

In 2009, FEMA plans to begin recording all quality control assessment calls. This would be a major step toward making the quality control process more transparent. It would eliminate the need to conduct real-time quality control reviews because the reviews can be conducted later. Since there is a plan to record calls, quality control specialists can apply more fact-based assessments and less subjectivity to their analyses of agent performance. In addition, an agent's recorded quality control review call will be saved, which will allow a third party to assess the call and score during the appeal process. This should help reduce disputes over scores, as well as the time required to prepare and process appeals. Recorded calls will also allow more precise feedback to agents and can be used for mentoring and training.

Recommendation

We recommend that the Administrator, Federal Emergency Management Agency:

Recommendation #3: Establish a procedure to solicit suggestions from agents, managers, and specialists on possible refinements to the individual performance review and quality control processes.

Management Comments and OIG Analysis

FEMA's Comments to Recommendation #3:

FEMA concurred with the recommendation. In its response, FEMA stated that the NPSC's Enterprise Performance Information Management Section, which is responsible for the Quality Control (QC) and Individual Performance Report, does reach out to the NPSCs to solicit feedback and recommendations, but will increase these outreach efforts as a result of this recommendation. The section hosts bi-weekly meetings with Applicant Services Section managers from each NPSC to solicit recommendations for Quality Control changes and Individual Performance Reports refinements.

In June 2009, FEMA conducted a focus study group to capture suggestions for improving the IPR and QC processes. FEMA is assessing the feasibility of the requested changes. During July 2009, the Quality Control Department coordinated several focus group sessions to receive additional feedback from Applicant Services employees on the Rental Recertification process. That feedback resulted in enterprise workshops to improve the effectiveness and efficiency of Recertification processing guidelines.

The Performance Standards Analysis and Quality Control Departments plan follow-up surveys throughout 2010 and will continue to include opportunities for agents, managers, and specialists to provide feedback. They will publish the information received from participants of surveys, work shops, training, etc. and make the information available to all enterprise staff to ensure planned actions/responses are communicated.

OIG Analysis:

We concur with FEMA's response.

This recommendation is Resolved – Closed.

Constantly Changing Work Schedules Have Affected Employee Morale

Inconsistent practices across the three NPSCs regarding agents' work schedules and shift assignments have affected morale at the MD NPSC. Different approaches to work schedules have also challenged managers to meet customer service requirements during peak demand periods, such as hurricane season or when call volume surges in the late afternoon or early morning. MD NPSC employees have been disgruntled concerning constant work shifts or schedule changes and feel that managers have given preferential treatment to employees working at other NPSCs. Only 25% of the MD NPSC employees who responded to the 2008 Work Climate Survey, described on page 19, felt that management assigned work hours equitably. Some employees at other centers have not had a shift or schedule change throughout their entire period of employment and want an opportunity to move to a different schedule.

Managers said that ensuring that all work shifts and schedules across the NPSC enterprise are staffed sufficiently is a constant challenge. The number of staff required to meet NPSC customer service demands can change quickly depending on the amount of disaster activity. For this reason, as a condition of employment, agents agree to be available to work schedules and temporary geographical assignments based on the needs of the agency, and to be available for service with 24 to 48 hours' notice.

The Enterprise Contact Center Telecommunications Section in Denton, TX, forecasts the applicant services workload for the NPSC enterprise. Within the center, the Enterprise Agent Coordination Team is responsible for forecasting and scheduling caller and case processing queue requirements to ensure sufficient staff coverage at all NPSCs. It determines daily and intraday workloads, call and case processing loads, and staffing requirements for each facility.

MD NPSC employees have felt disadvantaged with regard to scheduling, knowing that the TX and VA NPSCs were using very manageable fixed weekly schedules and shift assignments. The MD NPSC was changing agent work shifts and weekly schedules whenever the Coordination Team issued a new set of shifts and schedules. MD NPSC managers explained that they did this because the early morning and late afternoon shifts are hard to staff, and there are insufficient volunteers to permanently assign agents to these shifts. Employees do not volunteer for these shifts because public transportation is not available at these hours. Frequently changing schedules frustrate employees because they must adjust commuting schedules, daycare services, and other personal activities.

In May 2009, FEMA implemented an enterprise-wide 90-day fixed scheduling process for all agents, known as shift bids. This approach permits employees to bid for a set weekly schedule and shift start time every 90 days. Managers award shift bids based on employees' time in service. Managers estimate that 80% of the Applicant Services staff now have a 90-day fixed work schedule. The remaining staff works flexible schedules, based on seniority, which may shift weekly as operational needs dictate. The new schedule eliminates the need for managers to produce new schedules every few weeks and rotate daily shifts and work assignments during weekends. Managers estimate that the new plan gives weekends off to 46% of the staff, and all staff have at least one weekend day off.

Managers expect these scheduling adjustments to partially address agent complaints regarding scheduling and to improve morale. The shift bid concept should improve the work environment at the MD NPSC as well as the entire NPSC enterprise. FEMA plans to assess the benefits of the 90-day fixed shift scheduling process implemented in May 2009 and modify it as necessary to maintain uniform and stable shift assignments across the NPSC enterprise.

Low Supervisor-to-Agent Ratios and Ineffective Communication Have Led to Morale Problems

Low supervisor-to-agent ratios, as many as 1 to 80 during peak disaster periods, and ineffective communication by first-line and midlevel managers have strained relationships with employees. Agents expressed concern that their supervisors do not manage and communicate effectively because of the number of employees each is assigned. This has, at times, escalated into employee charges of supervisory harassment or intimidation, and has contributed to an atmosphere of tension and distrust at the MD NPSC.

Supervisory human services specialists supervise agents handling core applicant processing functions, develop and adjust work schedules, and perform administrative and personnel management functions. When fully staffed, 56 supervisory human services specialists oversee 850 agents across the three NPSCs. However, because of the geographic distribution of supervisors, weekly schedules, leave, unfilled supervisory positions, and other factors, supervisors typically manage 25 to 35 agents per shift. During peak disaster periods of up to 2 months or more, such as hurricane season, one supervisor may be responsible for up to 80 agents per shift. Each NPSC needs a proportionate number of experienced supervisors to support agents helping disaster victims. Supervisors said that providing adequate support to large teams, particularly ensuring that agents are aware of and follow applicant processing procedures and policies, is difficult.

Although 55% of the MD NPSC respondents indicated in the 2008 climate survey that they think positively of their supervisor's performance, agents and supervisors told us that supervisors are challenged by having such a wide span of control. Many MD NPSC managers and supervisors were once agents, and agents who earn promotions usually possess good technical skills and knowledge of NPSC core functions. Nevertheless, supervisors also need leadership experience and managerial training.

According to managers and agents, the work environment at the MD NPSC is very intense during disasters. Policy or procedural changes are often necessary, which require that agents receive timely information about operational changes. Supervisors and agents are under great pressure to deliver services to victims, which exacerbates the tension between them. As the number of staff to supervise grows and supervisors are spread too thinly, supervisors struggle to oversee the agents' work. We noted that:

- Supervisors spend less time supporting and mentoring each agent. Agents want supervisors to be available to them more often during their work shifts, to spend more time with them individually, and to address workplace issues more quickly. However, supervisors communicate less frequently and less effectively with each agent. This has led to friction or breakdowns in communication between agents and supervisors.
- Supervisors have less time to keep agents abreast of policy and operational information during daily preshift meetings, and agents attribute some of their processing or casework errors to poor communication of operational and policy changes.
- In the absence of adequate supervision and communication, employees believe the quality of registration intake, customer helpline service, or casework processing suffers.
- Supervisors spend less time following up with agents whose production or quality of service is poor, or addressing poor quality control or individual performance reports scores.
- Employees lack confidence that supervisors take the time to forward or follow up on their complaints to management, which results in complaints submitted to the FEMA EEO Office instead.

FEMA is aware that many NPSC supervisors have not had formal training in many managerial skill areas, and would benefit from a comprehensive management, communication, and leadership training program. Under the direction of NPSC Operations in FEMA headquarters, the TX NPSC

training unit has established a standard supervisory curriculum to support the development of supervisory skills. During 2009, all supervisors are scheduled for leadership, EEO, and communication training. As part of this initiative, FEMA should establish individual training plans for supervisors to set goals and track progress against their goals.

Recommendations

We recommend that the Administrator, Federal Emergency Management Agency:

Recommendation #4: Establish a limit for how many agents may be assigned to one supervisor, including during peak operations, and if necessary, hire additional supervisors to increase the ratio.

Recommendation #5: Establish an individual training plan for all NPSC managers and supervisors and ensure that training goals and progress are tracked and recorded.

Management Comments and OIG Analysis

FEMA's Comments to Recommendation #4:

FEMA concurred with the recommendation. In its response, FEMA emphasized that it typically does not have a need for a greater supervisor to employee ratio during most years. FEMA has to increase the number of supervisors only when it augments staffing by hiring additional employees in the NPSCs. When necessary, the NPSCs may hire additional contract staff, who have contract supervisors and are managed through the contract's Contracting Officer's Technical Representative. FEMA intends to continue this practice as needed.

FEMA also explained that just prior to receiving our draft report, the NPSCs adjusted their employee to supervisor ratio baseline from 30:1 to 25:1. In addition, each NPSC has hired a number of CORE supervisors to augment the employee to supervisor ratio. Currently, all three NPSCs have a 20:1 ratio or smaller. In larger disasters, FEMA intends to limit the employee to supervisor ratio to 50 employees during large disasters. FEMA will support the supervisors by providing subject matter experts to support oversight of the employees.

OIG Analysis:

We concur with FEMA's response.

This recommendation is Resolved – Closed.

FEMA's Comments to Recommendation #5:

FEMA concurred with the recommendation. In its response, FEMA stated that the NPSC Enterprise Training Department has created a comprehensive Supervisor Development Training curriculum for all Applicant Services supervisors. FEMA has developed training course catalogs to help supervisors and staff obtain appropriate professional development training. Managers and supervisors can use the catalogs in developing their Individual Development Plan (IDP) training goals and objectives and select the courses they need to complete their goals.

FEMA is enhancing its Enterprise Personnel Database System (E-PDS). The system will include the ability to enter, track, and report IDPs that will include training requirements. Managers, supervisors, and individuals will be able to track their IDP achievements and accomplishments. FEMA expects to implement the E-PDS by June 30, 2010. It will establish IDPs with clearly determined goals and well-developed training plans for meeting goals.

OIG Analysis:

We concur with FEMA's response. In its action plan, FEMA should apprise the OIG of its progress in launching the E-PDS and establishing IDPs.

This recommendation is Resolved – Open.

FEMA Has Been Addressing MD NPSC Morale and Workplace Issues

In 2008, FEMA offered MD NPSC employees the opportunity to voice their concerns through a survey, and it has taken several actions to address those concerns. For example, as previously described, refinements to the individual performance report and quality control processes are ongoing, and additional changes (such as the plan to record calls) have been approved. FEMA has conducted all-hands meetings and work climate surveys. In addition, FEMA expanded its employee award and

recognition programs to include recognition for superior individual performance report results, special project participation, and applicant services functions. Management implemented the employee shift bid process to provide more regularity and stability to schedules and work shifts. It also developed a supervisory training curriculum, with an emphasis on leadership and communication skills.

The 2008 Work Climate Survey

In May 2008, NPSC operations leaders held an all-hands meeting at the MD NPSC to hear employees' concerns about their work environment. Among many topics, employees cited issues that included negative sentiments about center operations, the performance management system, and opportunities for advancement. In July 2008, management conducted a Work Climate Survey to assess staff perceptions and prioritize aspects of the workplace that it needed to address. In August 2008, management published the survey results. However, MD NPSC managers have neither involved center employees in formulating actions to implement nor kept them informed of their efforts to address issues, which were among the survey's primary goals.

The NPSC Customer Satisfaction Analysis Section in Denton, TX, developed the survey, which it patterned closely after a survey of TX NPSC employees in April 2008. FEMA distributed 282 surveys to MD NPSC employees, and employees returned 180 surveys. Three categories in the survey received a positive response of 80% or more: including training, physical work environment, and relationships with coworkers.

The survey results identified 6 of 10 categories where the rating indicated either "serious concern" (51% to 65% positive rating) or a "need for immediate attention"(less than 50% positive rating):

- Overall job satisfaction (63% positive rating)
- Effectiveness of communication (51%)
- Commitment to quality (49%)
- Confidence in leadership (45%)
- Performance management (37%)
- Recognition and awards (22%)

Survey responses to questions in the 10 categories pointed to several specific issues "in need of immediate attention":

- Morale (41% positive rating)
- Job security (19%)

-
- Work schedules (25%)
 - Confidence in the IPR as an effective tool (24%)
 - Promotional opportunities (24%)
 - Effective communication regarding workforce changes (27%)

Both the Texas and Maryland NPSC 2008 Work Climate Survey recommendations and action plans cite improving organizational performance and employee morale as goals for follow-up action. In response to its survey, TX NPSC managers convened employee focus groups and created Change Teams composed of a wide range of employees. Managers asked the teams to propose actions to address immediate priorities and deadlines for completing them. The MD NPSC did not organize similar teams, nor did it undertake the action plan produced by the Customer Satisfaction Analysis Section.

While we recognize that FEMA management has responded and taken action regarding some enterprise-wide workplace issues, MD NPSC management has not launched a definitive plan of action or substantially engaged employees since the 2008 Work Climate Survey. In the months following the survey, the MD NPSC center manager sent several communications to employees assuring them that management was addressing their concerns. However, at the time of our fieldwork, MD NPSC employees were not sure what actions management had implemented. In March 2009, we asked the center manager about those plans and were told that managers and supervisors had met periodically since the survey and were addressing issues. In April 2009, the center manager sent a memorandum to employees informing them how management was addressing their concerns. Senior FEMA managers said that they are aware of low employee morale and other workplace issues at the MD NPSC, and that they plan to survey employees again.

Recommendations

We recommend that the Administrator, Federal Emergency Management Agency:

Recommendation #6: Deploy an MD NPSC Work Climate survey steering committee and create Change Teams to identify actions, required resources, and timelines to address immediate priorities.

Recommendation #7: Ensure that MD NPSC managers follow up on staff complaints and notify employees in a timely manner of any actions to address those concerns.

Management Comments and OIG Analysis

FEMA's Comments to Recommendation #6:

FEMA concurred with the recommendation. In its response, FEMA stated that the MD NPSC management team will establish a steering committee and create Change Teams to address those elements of the NPSC survey which were categorized as "in need of immediate attention" or a "serious concern." FEMA set two goals for the committee. First, the committee will seek to educate employees regarding specific improvements already in place as a direct result of the climate survey. Second, for all of the items management has not addressed, the committee will form a multidisciplinary team composed of representatives from all sections of the processing center to address specific concerns, propose solutions, determine feasibility of those solutions, and implement recommended changes. The NPSC Operations Branch Chief will review the committee's recommendations and approve accordingly. Management will establish a timeline for implementing the changes. It will publish the results, as well as any follow-up, in a memorandum to staff.

OIG Analysis:

We concur with FEMA's response. In its action plan, FEMA should update the OIG on the creation of the steering committee and change teams, and its timeline for resolving "unaddressed" items.

This recommendation is Resolved – Open.

FEMA's Comments to Recommendation #7:

FEMA concurred with the recommendation. In its response, FEMA stated that the MD NPSC management team will follow up on staff complaints identified in the climate survey with an all hands memorandum to address the current status of those elements of the survey which were categorized as "in need of immediate attention" or a "serious concern." Once the work from the steering committee/change teams is complete, a final report will be prepared and sent to all employees detailing specific results and/or actions. The Maryland NPSC management team will ensure that

reasonable timelines are established and publicized to employees for dissemination of the results and will develop a process for on-going steering committee involvement. The MD NPSC management team will send interim reports regarding follow-up actions to the NPSC Operations Branch Chief.

OIG Analysis:

We concur with FEMA's response. In its action plan, FEMA should apprise the OIG of its progress in following up on issues identified in the climate survey and completing a report detailing actions management has taken or plans to take. FEMA should include copies of the MD NPSC's interim reports in its updates for the OIG.

This recommendation is Resolved – Open.

Appendix A

Purpose, Scope, and Methodology

The Chairman of the House Homeland Security Committee requested that we review complaints he received regarding selected personnel management practices at FEMA's National Processing Service Center in Hyattsville, MD. Our objective was to determine whether FEMA has improperly (1) conducted employee performance evaluations, (2) terminated employees, and (3) concentrated higher salaried positions at other selected processing centers. We also reviewed other issues involving agent work schedules, supervisory/managerial training, and management-employee relations.

We examined data and documents related to the MD NPSC and enterprise-wide disaster assistance operations. We reviewed organizational charts, business cases, position descriptions, performance management guides and materials, employee surveys and staffing assessments, personnel policies and procedures, and operational and training materials, as well as correspondence between officials and MD NPSC staff. We also examined documents and records related to employee EEO complaints.

We interviewed 51 current and former staff at the Maryland NPSC, including human service specialists, training and administrative staff, supervisors, and managers. In addition, we interviewed 25 staff members at the Texas and Virginia NPSCs. At FEMA headquarters, we interviewed staff in NPSC Operations, the Alternative Dispute and Resolutions Office, and the Equal Employment Opportunity Office. We also observed operations at the Maryland, Texas, and Virginia NPSCs.

We conducted our review between October 2008 and March 2009 under the authority of the *Inspector General Act of 1978*, as amended, and according to the *Quality Standards for Inspections* issued by the President's Council on Integrity and Efficiency.

Appendix B Management Comments to the Draft Report


U.S. Department of Homeland Security
500 C Street, SW
Washington, DC 20472



FEMA

NOV 24 2009

MEMORANDUM FOR: Carlton I. Mann
Assistant Inspector General for Inspections
Office of Inspector General

FROM: 
David J. Kaufman
Director
Office of Policy and Program Analysis

SUBJECT: Comments on OIG Draft Report, *Review of Selected Personnel Practices at Maryland's National Processing Service Center*

Thank you for the opportunity to review and comment on the Office of Inspector General's (OIG's) subject draft audit report. As the Federal Emergency Management Agency (FEMA) works toward refining its programs, the OIG's independent analysis of program performance greatly benefits our ability to continuously improve our activities.

FEMA concurs with the draft report's seven recommendations. FEMA has been working diligently to correct the issues identified in your audit. While we will be providing corrective action plans in our 90-day response, we provide the following information relative to the seven recommendations:

Recommendation #1: Develop a process to identify and track agents' special projects and other work assignments and generate appropriate production data.

Response: The National Processing Service Center's (NPSC) Performance Standards Analysis Department continually works to enhance the Individual Performance Report (IPR) by including special project data in the Production Key Performance Indicators (KPI). The criteria for establishing a production measurement for any "Special Projects" requires that the work activity be of adequate volume and/or duration to allow sample data to be confirmed in order to establish a viable measurement. For this reason, it is not always possible to include every special project in the production reports.

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Management Comments to the Draft Report

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During the last eighteen months, modifications to the IPR measurements have been introduced. In April 2009, the first significant changes were implemented. They include:

1. A new Occupancy measurement was added to the IPR that captures the agents' time spent in "ready state for calls" as well as all "talk time" in order to give employees credit for being in an available mode while assigned to the call center.
2. FEMA has reduced the "weight" assigned to the Production KPI from 40% to 20% to increase focus on the Quality KPI.

Beginning October 1, 2009, additional work functions, previously identified as special projects, were tracked and incorporated into the employees' production data on the IPR (e.g. Indexing and Flood Plain mapping). In addition, the development of the Decision-based Routing measurement and the ability to capture cases that were reviewed and then placed on "policy hold" provide for a more complete picture of the employees' daily accomplishments on the IPR.

Recommendation #2: Review its briefing process for new employees hired pursuant to the Stafford Act to ensure that FEMA is clearly articulating differences from the federal service and policies related to benefits and retirement, release to nonpay status, termination of employment, and qualification for civil service merit hiring.

Response: FEMA's Disaster Assistance Directorate and Human Capital Division (HCD) are coordinating the need to include more information about Stafford Act appointments and the differences and similarities with civil service appointments. The NPSC Employee Handbook and information posted on the website will be updated to include policies related to benefits and retirement, release to non-pay status, termination of employment, and qualifications for civil service merit hiring. The NPSC Employee Handbook is posted on the intranet and is accessible to all NPSC employees. The NPSCs will also include more emphasis on these topics in their briefings and workshops to new employees.

Recommendation #3: Establish a procedure to solicit suggestions from agents, managers, and specialists on possible refinements to the individual performance review and quality control processes.

Response: The NPSC's Enterprise Performance Information Management Section which is responsible for the Quality Control (QC) and Individual Performance Report does reach out to the NPSCs to solicit feedback and recommendations, but will increase these outreach efforts as a result of this recommendation.

The Enterprise Performance Information Management Section has an established procedure that hosts bi-weekly meetings with Applicant Services Section (APS) managers from each NPSC to solicit recommendations for Quality Control changes and Individual Performance Reports refinements.

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In June 2009, approximately 30 Applicant Services employees from each NPSC participated in a focus study group to capture suggestions for improvements to the IPR as well as QC processes. Many of the requested changes require system enhancements and are being addressed for feasibility. Additional follow-up is planned.

During July 2009, the Quality Control Department coordinated several focus group sessions to receive additional feedback from Applicant Services employees on the Rental Recertification process. The information was analyzed and resulted in enterprise workshops to improve the effectiveness and efficiency of Recertification processing guidelines.

The Performance Standards Analysis and Quality Control Departments plan follow-up surveys throughout 2010 and will continue to include opportunities for agents, managers, and specialists to provide feedback. They will publish the information received from participants of surveys, work shops, training, etc. and make the information available to all enterprise staff to ensure planned actions/responses are communicated.

Recommendation #4: Establish a limit for how many agents may be assigned to one supervisor, including during peak operations, and if necessary, hire additional supervisors to increase the ratio.

Response: It is important to note that typically we do not have a need for a greater supervisor to employee ratio during most years. We find the need to increase supervisors only when we augment our staffing by hiring additional employees in the NPSCs. When necessary, the NPSCs may hire additional contract staff, who have contract supervisors and are managed through the contract's Contracting Officer's Technical Representative. We intend to continue this practice as needed in the future.

Just prior to the publication of this report, the NPSCs adjusted their employee to supervisor ratio baseline from 30:1 to 25:1. In addition, each NPSC has hired a number of CORE supervisors to augment the employee to supervisor ratio. Currently, all three NPSCs have a 20:1 ratio or smaller. In larger disasters, our intent is to limit the employee to supervisor ratio to 50 employees. While this may seem high, it is only during large disasters and for a very limited time. We will support the supervisors by providing Subject Matter Experts to support oversight of the employees. The employee to supervisor ratio is consistent with call center industry standards for the call types and volume.

Recommendation #5: Establish an individual training plan for all NPSC managers and supervisors and ensure that training goals and progress are tracked and recorded.

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Response: The NPSC Enterprise Training Department has created a comprehensive Supervisor Development Training curriculum given to all Applicant Services supervisors. Additionally, FEMA has developed training course catalogs to support supervisors and staff to request and receive appropriate professional development training. These catalogs list job skills/task-based credentialing courses, professional development courses and leadership training courses. Catalogs can be used to assist managers and supervisors in helping staff to complete their Individual Development Plan (IDP) goals and objectives and select the courses they need to complete their goals.

Course titles offered to supervisors include: Change Management, Coaching and Counseling, Communication, Conflict Management, Decision Making, Diversity, Diversity/EEO Policies and Procedures, Goal Setting and Planning, Motivation, Problem Solving, Team Building, Time Management, Creating a Framework for Effective Leadership and Supervision, and Delegation Techniques and Strategies.

Supervisors also attend training outside the NPSCs. For instance, this year all of the MD-NPSC Supervisors attended Leading Teams and Groups training at the USDA Graduate School.

Over the past year FEMA's Information Technology Division has worked to enhance an Enterprise Personnel Database System (E-PDS) to include a method to record, track and report training data. The system will include the ability to enter, track, and report IDPs which will include training requirements. E-PDS will also be able to track and record training as it is completed and report this to managers, supervisors, and individuals so they can track their IDP achievements and accomplishments.

Full development and implementation of the E-PDS for tracking training is expected to be completed and implemented by June 30, 2010. IDPs will be established with clearly determined goals and well developed training plans for meeting goals using the FEMA Human Capital Form 30-05.

Recommendation #6: Deploy a MD NPSC Work Climate survey steering committee and create Change Teams to identify actions, required resources, and timelines to address immediate priorities.

Response: The Maryland NPSC management team will establish a steering committee and create Change Teams to address those elements of the NPSC survey which were categorized as "in need of immediate attention" or a "serious concern." The goals of the committee will be two-fold:

- The committee will seek to educate employees regarding specific improvements that have already been implemented as a direct result of the climate survey.

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Management Comments to the Draft Report

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- For all of the items that have not been addressed, the committee will form a multi-disciplinary team composed of representatives from all sections of the processing center to address specific concerns, propose solutions, determine feasibility of those solutions, and implement recommended changes. The recommendations will be made to the NPSC Operations Branch Chief for review and approval prior to implementation.

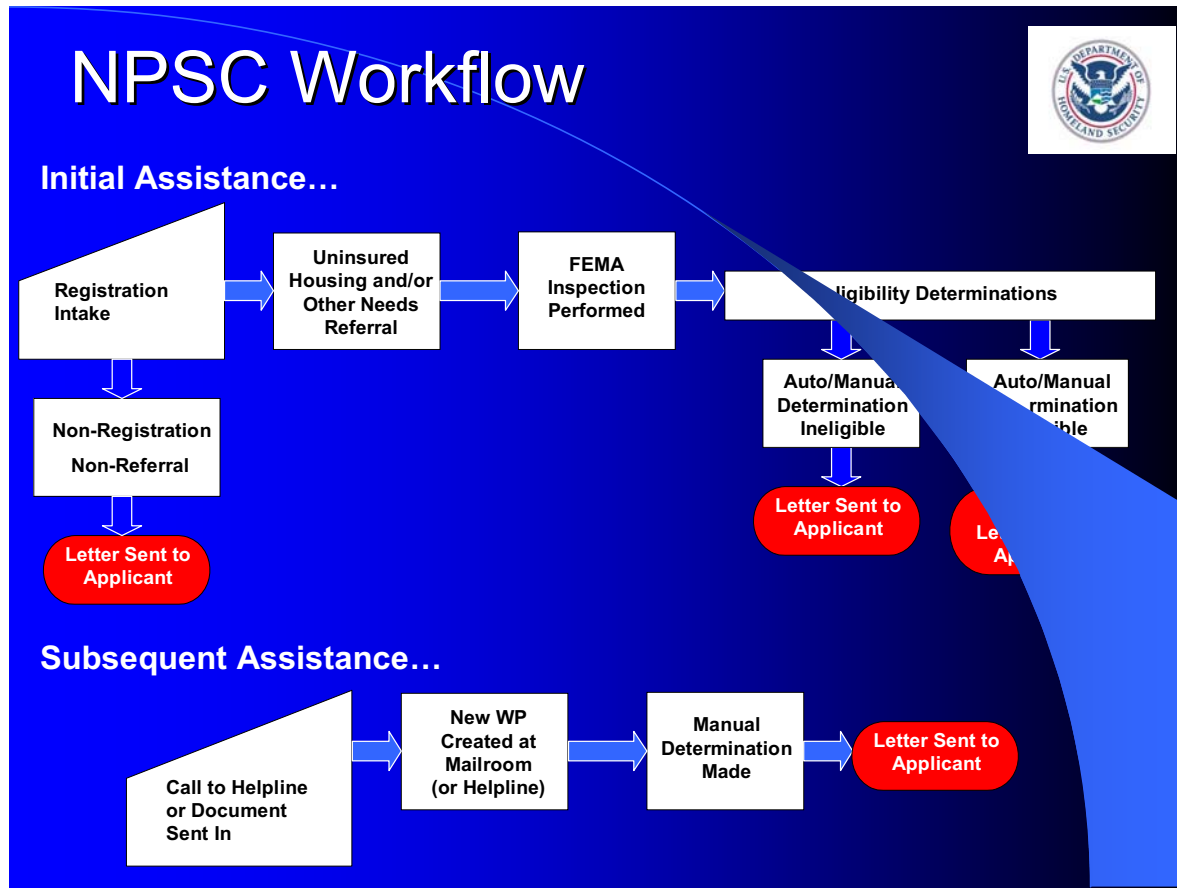
A timeline will be established to implement the changes and the results, as well as any follow-up, will be published in an "all hands" memorandum.

Recommendation #7: Ensure that MD NPSC managers follow up on staff complaints and notify employees in a timely manner of any actions to address those concerns.

Response: The Maryland NPSC management team will follow up on staff complaints identified in the climate survey with an all hands memorandum to address the current status of those elements of the survey which were categorized as "in need of immediate attention" or a "serious concern." Once the work from the steering committee/change teams is complete, a final report will be prepared and sent to all employees detailing specific results and/or actions. The Maryland NPSC management team will ensure that reasonable timelines are established and publicized to employees for dissemination of the results and will develop a process for on-going steering committee involvement. Interim reports regarding follow-up actions will be sent to the NPSC Operations Branch Chief.

Thank you again for the opportunity to comment on this draft report and we look forward to working with you on other issues as we both strive to improve FEMA.

Appendix C
National Processing Service Center Workflow



Source: FEMA NPSC Briefing Book, April 2008.

Appendix D
FEMA November 28, 2007, Reply to Senator Barbara Mikulski

U.S. Department of Homeland Security
500 C Street, SW
Washington, DC 20472



FEMA

NOV 28 2007

The Honorable Barbara Mikulski
United States Senator
1629 Thames Street, Suite 400
Baltimore, Maryland 21231

Dear Senator Mikulski:

This is in response to your facsimile transmitted to Department of Homeland Security, Federal Emergency Management Agency (FEMA) dated October 18, 2007. The correspondence transmitted by your office, regarding various constituents, current and former employees of the Maryland National Processing Services Center (MD-NPSC), was referred to the FEMA, Office of Equal Rights for response.

In reviewing FEMA's log of records of complaints currently housed, and being processed in the Office of Equal Rights, it was discovered that at least one of the signatories to the letter attached to your Congressional inquiry has contacted the Office of Equal Rights to file a formal complaint regarding some of these issues. Consequently, since that case is being litigated, the Agency cannot comment on the merits of allegations or grievances involved in that litigation.

Most of the NPSC employees are hired under the authority of the Robert T. Stafford Disaster Relief and Emergency Assistance Act, Public Law 93-288, as amended (Stafford Act). FEMA's disaster workforce is comprised of Stafford Act employees hired specifically to perform disaster-driven and disaster-related work. These employees are not subject to the provisions of Title 5, nor are they necessarily provided with the same allowances granted Title 5 employees.

However, until June 2006, the Stafford Act employees at the NPSCs, as a term of their employment, were entitled to receive sick and annual leave. In June 2006, each such employee was converted to an appointment which provides the same benefits typical of most other Federal employees in excepted service appointments. Unfortunately, there is no policy allowing for retroactive actions or the ability to pay into the retirement system for prior service.

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Appendix D
FEMA November 28, 2007, Reply to Senator Barbara Mikulski

The Honorable Barbara Mikulski

Page 2

Date NOV 28 2007

The employees of the MD-NPSC are often asked to work evenings and weekends; and, sometimes are scheduled for extended hours. MD-NPSC employees consistently demonstrate extraordinary professionalism, compassion and commitment to FEMA's mission. However, this letter from your constituents reveals that managers and supervisors need to do a better job of communicating a wide range of issues, despite the fact that these topics are included in regular all-hands and daily team meetings.

Employees at all NPSC facilities are evaluated against a performance matrix which includes Individual Performance Reports and evaluations by the NPSC Quality Control Team. The Quality Control Team is made up of experienced specialists who are required to attend the full employee development training required of Human Service Specialists, and who must recertify annually. Upon completion of training, Quality Control Specialists are expected to perform the same case processing assignments as the caseworkers. In addition, the NPSCs have an internal Quality Control process to ensure the quality of the work completed by Quality Control Specialists exceeds the performance standards set for the Human Service Specialists.

A quality control companion guide with explicit instructions on performance standards and the quality control review process is posted on the NPSC intranet site. An appeal process was embedded in the quality control program when it began several years ago. To ensure that each case and quality control decision is objectively reviewed, the process includes an appeal panel that is made up of Quality Control Specialists and Program Specialists not associated with the case. The panel reviews the case and reports back to the employee. The appeal decision comes from the panel, not the Quality Control staff.

The NPSC function throughout FEMA was reorganized in 2005, and this resulted in restructuring the call center operations, in some locations. The reorganization and subsequent elimination of some departments and relocation of others did in fact reduce the number of managerial and analyst positions at the MD-NPSC; however, many others were transitioned into positions that gave them career ladder opportunities. No employees were terminated because of the reorganization. The MD-NPSC was never "down graded" and remains an important component of the NPSC enterprise. The former NPSC manager referenced in the employees' letter was one of several very-well qualified employees selected in November 2004, to staff the Program Coordination and Planning (PCP) Branch and work on catastrophic planning.

The unusual requirements of Hurricane Katrina and Hurricane Rita produced different strategies to address the needs of the large, multifaceted, impacted disaster population. In response to this letter, research disclosed that NPSC staff trained Florida Long Term Recovery Center (FLTRC) employees to process duplicate queue applications for over 700,000 cases locked in the system. While the strategy was successful in clearing many

Appendix E

Conditions of Employment – Stafford Act Employee

U.S. Department of Homeland Security
500 C Street, SW
Washington, DC 20472



CONDITIONS OF EMPLOYMENT FOR EMPLOYEES HIRED UNDER THE STAFFORD ACT

APPOINTMENT TYPES:

- CORE (Cadre of On-Call Response Employee) – hired to perform longer term disaster work at a fixed location with a regular tour of duty.
- DAE (Disaster Assistance Employee) – hired for initial surge staffing required in disasters with an intermittent tour of duty. Employees surge to disaster sites from their duty station, which are their homes, and are placed on per diem for the duration of their surge assignment.

NATURE OF APPOINTMENT:

- I understand that this is a temporary civil service excepted service position that does not confer eligibility or priority consideration for permanent appointment. I may be terminated at any time, with cause (e.g. poor performance or misconduct) or without cause (e.g. downsizing of workforce, change in program direction or operational needs). My appointment will neither help nor hinder my chances for permanent appointment.
- I understand that my appointment is subject to successful completion and processing of essential security investigation forms, cooperation with the investigation and a favorable determination on my suitability for Federal employment.
- I will conduct myself at all times in a professional manner, preserve the public trust and adhere to FEMA/DHS rules and regulations.
- I may be required to work long hours under stressful and unfavorable conditions.
- I understand that I may be assigned to perform my disaster-related duty, irrespective of my position description, based on the needs of the operational situation. (CORE)
- I may be released from an assignment at any time and with little or no notice based on the needs of the operation. In addition, I understand that I may be placed in a non-duty, no-pay status at anytime (e.g. due to downsizing of the workforce or change in program direction) and may be terminated at any time for cause (e.g. poor performance or misconduct) and that I am not subject to any protection afforded by reduction-in-force provisions, re-employment rights or adverse action procedures established under any statutory or regulatory provision. (CORE & DAE)

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Appendix E

Conditions of Employment – Stafford Act Employee

- My work schedule and temporary geographical assignment may be changed based on the mission needs of the Agency.
- I must be ready to deploy wherever the Agency needs my services within 24 -48 hours of notification.
- I understand that I will not receive any benefits such as health or life insurance; I will however contribute to the social security system. **(DAE only, No Benefits)**
- I understand that my appointment will end on the Not to Exceed (NTE) date of my appointment, unless it is extended based on the needs of the Agency.

CONDITIONS OF APPOINTMENT:

- Use of electronic funds transfer is mandatory for salary payments and travel reimbursements.
- My compensation, progression and retention will be based on acceptable performance and conduct, professional ability and availability to deploy. **(DAE only)**
- I must be eligible for and able to maintain a government issued travel card and I will abide by the terms and conditions established by the card provider and FEMA. Violations (e.g. delinquency, personal use of card) will result in appropriate disciplinary action, up to and including termination of employment.
- I will travel in the most expeditious and cost effective manner, using the Agency's Travel Agent to make all my travel arrangements.
- If I am authorized to use a motor vehicle for official business, I must comply with all applicable laws, regulations and policies relating to official motor vehicle usage.
- Upon arriving at a temporary duty station location, I must check in accordance with guidance set in place by my cadre manager whether it be by phone or online and follow instructions. I am also required to check out and update my deployment status with the Automated Deployment Database.
- If I am a retired Federal civil servant, my pay from FEMA may be subject to offset.

REQUIRED NOTIFICATION OF AVAILABILITY:

- If not in a pay status, I must certify my availability for deployment at least once every 30 days. **(DAE only)**
- I must be available to be in deployment status not less than 60 days a year. I understand that my availability for deployment does not guarantee that I will be deployed. **(DAE only)**
- Because of extraordinary circumstances, I may be called to work by the Agency even when I have informed the Agency that I am unavailable. I will become available within two weeks of receiving the call unless I have medical or other appropriate documentation that justifies my unavailability. **(DAE only)**

Appendix E
Conditions of Employment – Stafford Act Employee

- The National Processing Service Centers (NPSC) require highly trained and skilled staff to meet FEMA's mission of providing disaster assistance to individuals and families affected by major disasters. All employees classified as Human Services Specialist are required to demonstrate core job competencies by completing and passing a Registration Intake course with a score of 85% or higher. Following the completion and passing of the Registration Intake course, these same employees will be required to adhere by the terms and conditions stated in the "Conditions of Continued Employment Individuals and Households Program (IHP) Training Requirements" document.

I CERTIFY THAT I HAVE READ AND UNDERSTAND THE TERMS AND CONDITION OF MY EMPLOYMENT WITH FEMA AS A STAFFORD ACT EMPLOYEE. I ALSO UNDERSTAND THAT FAILURE TO MEET AND MAINTAIN THE CONDITIONS OF EMPLOYMENT AT ANY TIME COULD RESULT IN TERMINATION OF MY EMPLOYMENT.

Printed Name of Employee

Last Four digits of SSN

Signature of Employee

Date

Appendix F
Major Contributors to This Report

William McCarron, Chief Inspector
Jim O’Keefe, Senior Inspector
Gina Davis, Inspector

Department of Homeland Security

Secretary
Deputy Secretary
Chief of Staff for Operations
Chief of Staff for Policy
Deputy Chiefs of Staff
General Counsel
Executive Secretariat
Director, GAO/OIG Liaison Office
Assistant Secretary for Office of Policy
Assistant Secretary for Office of Public Affairs
Assistant Secretary for Office of Legislative Affairs
Director, Departmental GAO/OIG Liaison Office
Audit Liaison, Federal Emergency Management Agency

Office of Management and Budget

Chief, Homeland Security Branch
DHS OIG Budget Examiner

Congress

Congressional Oversight and Appropriations Committees, as appropriate



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- Email us at DHSOIGHOTLINE@dhs.gov; or
- Write to us at:
DHS Office of Inspector General/MAIL STOP 2600,
Attention: Office of Investigations - Hotline,
245 Murray Drive, SW, Building 410,
Washington, DC 20528.

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