



**Report
to
The LEGISLATIVE FINANCE COMMITTEE**



Department of Public Safety
OEM Emergency Management Review
July 12, 2006

Report # 06-33

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July 12, 2006

John Denko, Secretary
Department of Public Safety
4491 Cerrillos Road
Santa Fe, NM 87504

Dear Secretary Denko,

On behalf of the Legislative Finance Committee (committee), I am pleased to transmit the Review of Emergency Management and Homeland Security Funding.

The review team evaluated emergency management plans, policies, procedures, and laws, best practices used by other states, training and exercises provided to staff, other state agencies and local jurisdictions, state and federal funding and performance measures.

The report will be presented to the committee on July 12, 2006. We appreciate the cooperation and assistance we received from you and your staff. An exit conference was conducted on June 28, 2006, to discuss the contents of the report.

Please provide your responses by July 10, 2006. The committee expects a corrective action plan from the agency within 30 days from the date of the hearing. Committee staff will continuously monitor your progress.

I believe that this report addresses the issues the committee asked us to review and hope the Department of Public Safety/Office of Emergency Management will benefit from our efforts. Thank you for your cooperation and assistance.

Sincerely,


David Abbey
Director

DA:US/yr

cc: Tim Manning, Homeland Security Advisor, NM Dept. of Public Safety, Office of
Emergency Management

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New Mexico is not unique in areas needing improvements.

Credit should be given to the legislature and OEM for passing the mutual aid agreement law.

Statewide all-hazard emergency operations plan is not updated after exercises and actual events.

After-action reports are not prepared after each disaster.

The overall objective of this review was to determine if the office of emergency management (OEM) has adequate processes and systems in place to ensure New Mexico is prepared to respond to various types of emergencies. To achieve project objectives, the following functions were reviewed:

- Emergency management plans, policies and procedures;
- Training and exercises provided to staff, other agencies and other entities;
- Coordination with state agencies, local jurisdictions and other entities;
- State (executive orders) and federal funding;
- Recruitment and retention practices; and
- Performance measures.

Many findings noted in federal oversight reports are similar to findings in this report.

OEM's purpose is to oversee and coordinate all emergency management and homeland security activities in the state of New Mexico to protect life and property by providing a coordinated system for the prevention, preparedness, mitigation, response and recovery from disasters and emergencies.

Emergency Management Plans, Policies, and Procedures. OEM does not have documentation to show that the 2004 all-hazard emergency operations plan was promulgated by the Governor within one year following the election or to show that it is updated after all exercises and actual events. The absence of the Governor's formal approval may create confusion among state and local emergency management organizations regarding whether the plan is final or being revised, especially during an emergency.

Each local jurisdiction does not have a current all-hazard emergency operations plan: five jurisdictions and cities have not developed their plans, and 17 jurisdictions and cities have not updated their plans from 1992 through 2000.

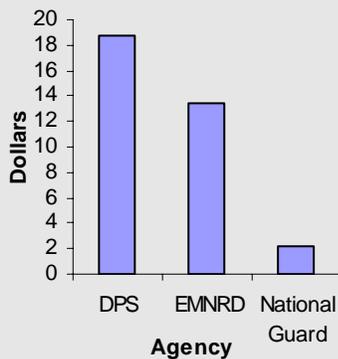
OEM does not monitor the progress of achieving homeland security strategy goals and objectives.

In FY06, the federal emergency management agency (FEMA) denied pre-disaster mitigation grant funds to update a statewide hazard mitigation plan. Since there is no statewide hazard mitigation plan, OEM may not be eligible for hazard mitigation grant program funding

Training and exercise procedures are outdated.

OEM has not coordinated with DFA, the responsible agency for the E-911 project.

Summary of Executive Orders Reviewed
(in millions)



Source: Governor's Website

The law is silent about the actual form and content of executive orders.

for statewide mitigation projects to enhance prevention activities and minimize resources required to fund emergency response

Training and Exercises. Training records are not analyzed to ensure that each local jurisdiction has equal access to training and that training provided is aligned with the needs identified in the homeland security strategy.

The multi-year exercise plans are not monitored and tracked to ensure that each jurisdiction completes at least one exercise a year and that exercises requested by jurisdictions are terrorism based and threat related.

Policies and Procedures Regarding Coordination. OEM has not established a mechanism to ensure that each agency develops a continuity of operations plan, whether completed plans are updated regularly, and whether regular exercises are conducted to improve emergency preparedness.

OEM could not provide evidence to show that collaboration has been established among various entities involved in the governor's "operation safe border" initiative. New Mexico homeland security strategy requires that the homeland security advisor will collaborate with border authorities, local officials, and other countries.

State (Executive Orders) and Federal Funding. State law is unclear about the definitions of disaster and emergency for purposes of providing state assistance when local resources are overwhelmed.

Disaster and emergency funding through executive orders totaled approximately \$34.5 million for calendar years 2003 through 2005. Executive orders issued to Energy, Minerals and Natural Resources Department were not triggered by specific events and may not meet statutory intent because funding covered both response and prevention.

Some previously declared long-term public emergencies have resulted in executive orders being used to fund recurring expenditures rather than being properly planned and budgeted through the normal appropriation process. Using emergency and disaster funds for long-term operations constitutes funding recurring expenditures, which require a different funding mechanism.

The state-funded disaster assistance program definitions for disaster relief and emergency assistance appear to be inconsistent with federal guidance (Stafford Act). Administrative compliance monitoring visits had not been conducted because the functional group within OEM is understaffed. For the most part, project activities are closely monitored

and carefully tracked.

OEM has expended about \$57 million since FY03. Complete and accurate financial data was not available, and all financial records are not reconciled. The current homeland security grant administration financial tracking system is not flexible enough for federally required grant accounting.

Recruitment and Retention. OEM has grown by 58 percent since the beginning of calendar year 2005. The overall vacancy rate is almost 16 percent since 2003, which is comparable to DPS' overall vacancy rates for FY04, FY05 and FY06 through 3/31/06 (14.99, 17.65 and 16.88 percent, respectively). The turnover rate since 2003 is about 61 percent, which far exceeds State Personnel Office's (SPO) historical turnover rate of from 12 to 14 percent annually.

Positions are not created by SPO unless funding can be demonstrated from federal or state sources, yet many positions are left vacant. One possible interpretation of hiring patterns noted is that positions are filled when state funding availability becomes more certain (April, May and June) or at the beginning of the new state budget year (July), indicating a general fund budget shortfall.

The top two management positions have been vacant about 20 months since April 2005. The Governor's homeland security advisor and authorized representative also acts as OEM director, creating possible conflicts of interest.

The office of homeland security advisor and OEM created 11 additional positions in May 2006, 10 at OEM and one at the homeland security advisor's office. It is unclear why new positions are necessary when the vacancy and turnover rates for the existing positions are so high.

Performance Measures. Two of three General Appropriation Act (GAA) performance measures should be replaced by others that are more relevant to actual program priorities and activities. Target achievement for two out of three measures could not be assessed because performance results were based on flawed data. Performance measures are only as meaningful as the activities that they are designed to represent, and performance results should be based on reliable and valid data.

Recommendations. Develop and follow formal procedures for conducting regular assessment of all-hazard emergency operations plans.

The legislature should consider amending the law, making OEM

Current staff appears overloaded while positions are held vacant.

The current practice of "double hatting" is detrimental to the effective on-site, day-to-day management of OEM.

OEM concurs with staff that GAA measures should be replaced or reworded.

Prepare after-action reports after each disaster that critique emergency response and recovery activities.

Consider establishing a statewide hazard mitigation program in statute.

Develop a system to demonstrate border security coordination with all concerned entities.

Use disaster assistance program funds for short-term disaster recovery and emergencies only.

Document monthly reconciliation.

Fill positions as soon as they are created.

Reconcile all grant records to the accounting system monthly.

responsible for ensuring that all local jurisdictions regularly update their emergency operations plans.

Develop a system to monitor and track progress made in achieving goals and objectives identified in the homeland security strategy.

Update the New Mexico hazard mitigation plan regularly.
Establish and consistently follow a documented mechanism to monitor training and exercises received by OEM staff. Analyze local jurisdictions' multi-year exercise plans to ensure that each jurisdictions conducts at least one exercise a year.

Develop a system to ensure emergency management coordination with other state agencies.

The legislature may consider amending the state disaster assistance statute to clarify legislative intent, revise the definition of disaster and emergency to dovetail with federal guidance, prescribe the specific detail required in executive orders, and require all non-disaster or non-emergency activities and related expenditures to be appropriately planned and included in the normal budget and appropriation process.

Conduct periodic state disaster program compliance site visits and review source documents for reimbursable expenditures.

Revise state disaster assistance program guidance to be consistent with the federal definitions and guidance for disaster relief and emergency assistance.

Allocate sufficient administrative resources to bring all grant accounting records up to date and to ensure completeness and accuracy.

Consider tailoring the SHARE grant administration module to properly account for sub-grant activity detail according to federal reporting requirements or procure specialized grant administration software to provide the flexibility needed

Fill the classified general manager position to assist the director and to provide institutional stability to assist OEM staff with the myriad of day-to-day responsibilities and activities.

The legislature may want to consider replacing or rewording the three current GAA performance measures so that they are more relevant to actual program priorities and activities.

Report performance results using hard data, not percentages.

BACKGROUND INFORMATION

Background. Section 9-19-4 NMSA 1978 created the Department of Public Safety (department) as a cabinet-level department to consist of, but not limited to, five program divisions, an administrative division and an information division as follows:

- New Mexico state police division,
- Special investigation division,
- Training and recruiting division,
- Technical and emergency support division,
- Administrative services division,
- Motor transportation division, and
- Information technology division.

Section 12-10-3 NMSA 1978 created the emergency planning and coordination bureau of the department of public safety. The director of the technical and emergency support division of the department of public safety shall be responsible to the secretary for carrying out the program for civil emergency preparedness authorized by law and shall serve as the governor's authorized representative at the discretion of the governor. The emergency planning and coordination bureau chief shall direct and coordinate the civil emergency preparedness activities of all state departments, agencies and political subdivisions and shall maintain liaison with and cooperate with civil emergency preparedness agencies and organization of other states and of the federal government.

On July 1, 2005, the office of emergency management (OEM) was administratively separated from the technical and emergency support division within the department.

Sections 12-11-23 through 12-11-25 NMSA 1978:

- Establish a source of emergency funds.
- Specify an allocation of \$750 thousand for each eligible and qualified applicant to be made available from surplus unappropriated money in the general fund, if any, at the time of emergency declaration.
- State that funding shall be expended for disaster relief for any disaster declared by the governor to be of such magnitude as to be beyond local control and requiring state resources until a situation becomes stabilized and again under local self-support and control. Expenditures made must be necessary to protect the public health, safety, and welfare.

According to the Disaster Acts, it appears that the legislature intended to fund disaster relief and recovery through executive orders issued by the governor. State funding allocated through executive orders can be used for a variety of specific and temporary purposes, such as:

- Federal match requirements,
- Lodging and sheltering,
- Health care,
- Food,
- Any transportation or shipping necessary to protect lives or public property, and
- Any other action necessary to protect the public health, safety, and welfare.

Section 12-11-20 NMSA 1978 defines disaster as the damage or injury, caused by enemy attack, to persons or property in this state of such magnitude that a state or martial law is declared by the chief executive officer of the United States and the chief executive of this state.

For state disaster assistance program purposes, an emergency is defined as any situation that exceeds the capability of local emergency response agencies. In this context, emergencies are typically short lived with no physical damage to repair. A disaster is defined as any emergency that exceeds the capability of the local emergency response agencies and requires specific recovery efforts to restore damaged facilities to their pre-event condition, which may take years to accomplish.

Section 74-4B-3 NMSA 1978, Emergency Management Act, provides for four phases of emergency management:

- **Preparedness:** activities undertaken in advance to ensure readiness for responding to an emergency, such as developing emergency plans and mutual aid operational plans, training staff, and conducting exercises to test plans and training.
- **Response:** activities undertaken to respond to an emergency, such as activating warning systems and mobilizing resources. Emphasis is placed on saving lives, controlling the situation, and minimizing the consequences of the disaster.
- **Recovery:** activities undertaken to return to pre-disaster conditions, such as repairing building.
- **Mitigation:** activities undertaken to eliminate or reduce the impact of future disasters, such as thinning forests to mitigate [or lessen] the impact of fire.

The four phases of emergency management represent the main programmatic activities carried out by OEM staff. A variety of state and federal grants fund OEM emergency management activities in all categories. Program activity is supported by human resource, fiscal and administrative staff. Adequate program management and administrative support is essential to maintain the highest-possible levels of emergency preparedness.

New Mexico periodically experiences disasters including fires, floods, earthquakes, civil disturbances, and storms. These disasters highlight the importance of an effective emergency response system in New Mexico. Table 1 shows major emergencies in New Mexico, and their associated costs, from FY91 through FY05.

Table 1. Disaster Expenditures from 1991 through 2005
(in dollars)

Disasters	Federal Funds	State Funds
Floods	\$9,964,534	\$10,961,598
Snow	\$1,884,914	\$2,293,317
Fire	\$26,341,728	\$4,486,648
Tornado(1996)		\$231,544
Drinking Water		\$72,062
Mud		\$145,117
Total	\$38,191,176	\$18,190,286

Source: OEM

The OEM state disaster assistance program allocates funding for disaster recovery in New Mexico on a 75/25 percent cost-share with political subdivisions of the state and certain non-profit organizations serving a governmental function. The Disaster Relief Act establishes the statutory authority for providing state-level support and financial assistance, to be made available to local governments and other eligible public entities where there are emergencies or disasters that cannot be resolved by local sources. The Act requires a declaration of disaster (through executive order) by the governor before resources can be made available. The governor's authorized representative considers requests for disaster and emergency declarations, makes recommendations to the governor, and defines the incident period for each disaster.

Issuance of each disaster- or emergency-related executive order allows up to \$750 thousand (12-11-24 NMSA 1978) to be made available for program purposes. In most cases, funding is released on a cost-reimbursement basis. For any particular disaster or emergency, applicants must follow a prescribed series of steps before recovery funding is approved. The state share is split 75/25 with applicants in most cases. Applicants may apply for a waiver of the 25 percent because of budgetary issues. If a waiver is approved, the state-local share is adjusted to 95/5.

Office of Homeland Security Advisor. On March 18, 2003, the Governor created the office of the security advisor through executive order 2003-07 in response to the attacks on the World Trade Center and Pentagon on September 11, 2001. These unexpected terrorist attacks, which were considered highly improbable, identified a critical need to bring focus and structure to terrorism prevention and preparedness planning in New Mexico.

The homeland security advisor is responsible for:

- Advising the governor and executive agencies with regard to various aspects of homeland security,
- Serving as the governor's authorized representative,
- Coordinating use of the National Guard to address state emergencies,
- Acting as liaison on behalf of the state of New Mexico to the federal department of homeland security, the federal emergency management agency and similar agencies, and
- Serving as the chair of the homeland security advisory committee.

The homeland security advisory committee shall assess New Mexico's overall state of readiness and generate recommendations for a comprehensive homeland security strategy.

Executive order 2003-050 established the homeland security advisor as a deputy secretary of the department for coordination and integration to more efficiently manage resources and provide accountability. Through this executive order, OEM will report through the homeland security advisor to the secretary of the department and ultimately to the office of the governor. Further, OEM will not be under the direct supervision of the department.

Both the homeland security advisor and OEM provide coordinated leadership and conduct extensive coordination in carrying out the programs designed to protect the state from emergencies and threats. Every state and local response agency is also involved in the state's homeland security initiative. In case of emergency or threat, local governments handle most disasters and emergencies and are normally the first responders to an incident. Generally, state

and the federal emergency agencies are called upon to provide supplemental assistance when the consequences of the local jurisdiction capabilities are overwhelmed.

In March 2004, the Secretary of Homeland Security released the national incident management system (NIMS). The NIMS is a comprehensive system that will improve response operations through the use of the incident command system and other standard procedures and preparedness measures. It will also promote development of cross-jurisdictional, statewide and interstate regional mechanisms for coordinating incident management and obtaining assistance during large-scale or complex incidents.

States play an important role in ensuring the effective implementations of the NIMS. They must ensure that the systems and processes are in place to communicate the NIMS requirements to local jurisdictions and support them in implementing the NIMS. States must implement specific NIMS implementation actions. At the end of FFY05, states must submit a self-certification form attesting that the state, taken as a whole, has met the minimum FFY05, requirements. OEM has completed the self certification for FFY05. at the end of FFY06, states must again submit a self-certification form attesting that the state has met the minimum FFY06 requirement. Full NIMS compliance is required for all federal preparedness funds in FFY07 and out years. Appendix I summarizes the NIMS implementation schedule, requirements and certification process.

House Bill 213 (HB213) was introduced during the 2005 legislative session to create an office of homeland security, which would have been administratively attached to the office of the governor. HB213 was vetoed. Subsequently, during the 2006 legislative session, House Bill 413 was introduced to create the office of homeland security and emergency management, which would act as the central and primary coordinating agency for the state and its political subdivisions in response to emergencies, disasters and acts of terrorism. In the 2006 fiscal impact report, the committee analyst reported having concerns in several areas; a primary concern was that the homeland securing advisor is continuing to “wear two hats” by serving as both:

- Policy advisor and interagency coordinator in the office of the Governor, and
- Deputy secretary of the department.

Objectives. Determine:

- If office of emergency management has developed the emergency preparedness response plans, policies, and procedures. Whether the office has maintained and regularly updated the plans and they contain sufficient guidance;
- If the office has provided sufficient training and exercise to the staff, other agencies, and other entities to respond to emergency;
- If the office and other related agencies’ recruitment and retention practices and staffing level impact their readiness to respond to emergency or their ability to attract qualified personnel for emergency preparedness positions;
- If the office has developed policies and procedures regarding coordination between the state, the federal department of homeland security, and other agencies regarding consulting and advising and preparation for and response to any terrorist acts or natural disasters. If the role of local government and other entities are defined in case of emergency;

- If the state is taking full advantage of all state and federal funding for emergency preparedness; and
- If performance measures are reasonable and targets were achieved.

Scope.

- Emergency response plans, policies, and procedures from January 1, 2003 through December 31, 2005;
- Training and exercises provided from January 1, 2003, through December 31, 2005;
- Financial, administrative and programmatic reports;
- Grant administration records from FY03 through present;
- Review of databases and validation of data accuracy from January 1, 2003 through December 31, 2005; and
- Past, current, and proposed performance measures.

Procedures.

- Review of laws, administrative codes, and regulations;
- Review of emergency response plans;
- Analysis of reports, policies, procedures, and survey of local jurisdictions;
- Review of committee briefs;
- Review of grant administrative and financial records;
- Review of database and validation of data accuracy;
- Review of federal monitoring visit reports and national plan review report;
- Research on other states' practices;
- Analysis of Training Management System data for the period FY03 through FY05; and
- Discussion with department staff, other state agencies' staff, and local jurisdictions' staff.

Authority for Review. The Legislative Finance Committee (committee) has the statutory authority under Section 2-5-3 NMSA 1978 to examine laws governing the finances and operations of departments, agencies and institutions of New Mexico and all of its political subdivisions, the effects of laws on the proper functioning of these governmental units and the policies and costs. The Committee is also authorized to make recommendations for change to the Legislature. In furtherance of its statutory responsibility, the Committee may conduct inquiries into specific transactions affecting the operating policies and cost of governmental units and their compliance with state law.

Review Team.

G. Christine Chavez, Deputy Director for Performance Audit
 Usha Shannon, Performance Auditor
 Susan Fleischmann, Performance Auditor

Exit Conference. The contents of this report were discussed with the homeland security advisor; deputy secretary for administration-DPS; department of finance and administration budget analyst; and OEM and other staff on June 28, 2006.

Report Distribution. This report is intended to inform the Office of the Governor, the Department of finance and Administration, the Department of Public Safety, the Office of Homeland Security Advisor, the Office of the State Auditor, and the Legislative Finance Committee. This restriction is not intended to limit distribution of this report which is a matter of public record.



G. Christine Chavez
Deputy Director for Performance Audit

FINDINGS AND RECOMMENDATIONS

EMERGENCY MANAGEMENT PLANS, POLICIES, AND PROCEDURES

Documenting Regular Updates and Evaluation of an All-hazard Emergency Operations Plan Will Enhance State Preparedness. OEM does not have documentation to show that a 2004 interim plan was promulgated by the Governor within one year following the election, as required by the all-hazard emergency operations plan.

The 2004 interim all-hazard emergency operations plan indicates that the final plan must be promulgated by the Governor with agreement from involved state agencies after a period of review and evaluation within one year following the election. Additionally, a review of the all-hazard emergency operations plan must be conducted no later than one year following the election of a new governor or change of administration; and must be evaluated during all exercises and actual events. According to OEM's all-hazard emergency operations plan, review and maintenance of the plan will be carried out as follows:

- OEM staff will conduct annual review of the plan, annexes, and appendices, with input from all responsible agencies.
- Changes to the plan will be made as required. Changes in policy or agency responsibilities will be expeditiously forwarded through each responsible department/agency secretary to OEM.
- All changes, revisions, and updates must be forwarded to OEM by October 1st each year. If changes have not been received by the deadline, it will be assumed that all agency parts of the plan are complete and current.

The Federal Emergency Management Agency (FEMA) provides guidance for all-hazard emergency operations planning in *State and Local Guide 101*, published in September 1996. Review of the New Mexico all-hazard emergency operations plan shows that it covers the basic plan contents.

The 1999 all-hazard emergency operations plan was promulgated by the governor on July 1, 1999, and OEM updated it in 2004. According to the homeland security advisor, the 2004 interim all-hazard emergency operations plan has not yet been promulgated by the governor. The homeland security advisor, who is also the governor's authorized representative, approved the 2004 interim all-hazard emergency operations plan. Evidence could not be provided to show that the 2004 all-hazard emergency operations plan had been adopted by the homeland security advisor. Furthermore, there was no evidence that the interim all-hazard emergency operations plan, annexes, and appendices had been reviewed and updated since 2004, as required by the all-hazard emergency operations plan itself. During our review, OEM staff updated the 2004 interim all-hazard emergency operations plan for 2006.

As indicated in the plan, all primary agencies are required to submit changes to OEM regarding their respective parts of the plan. However, OEM staff indicates that only three agencies provided comments during 1999 plan updates for 2004.

OEM could not provide documents to show that the all-hazard emergency operations plan is updated during all exercises and actual events, as required by the all-hazard emergency operations plan.

The absence of the Governor's formal approval may create confusion among state and local emergency management organizations regarding whether the plan is final or being revised, especially during an emergency.

Emergency preparedness is an ongoing process, and any entity is never totally prepared. In reality, an entity can only be prepared as its resources and planning allow. However, OEM's level of preparedness can be improved by proper planning and allocating sufficient resources for emergencies.

Best practices used by other states include: (See Appendix A for detail.)

- The Louisiana office of homeland security and emergency preparedness reviews its plan, annexes, appendices, and procedures following critiques of actual emergency/disaster performance and/or exercises, where deficiencies were noted.
- The Colorado office of emergency management is notified in writing by the department head that respective plans, annexes and appendices have been reviewed and are considered valid and current even if no changes, revisions, and/or up-dates are required.
- When a change is made to any Ohio emergency operations plan's element, an entry is made into the plan's record of change page that identifies what the change was, where it is located in the plan, who made the change and/or authorized the change, and on what date the change was made.
- All changes, revisions, and/or updates to the all-hazard emergency operations plan are forwarded to the New Hampshire office of emergency management. If no changes are required, the New Hampshire office of emergency management is to be notified in writing by the respective department, agency, or office that the plan and all supporting documents, have been reviewed and are considered valid and current. The all-hazard emergency operations plan is exercised at least annually in the form of a simulated emergency in order to provide practical, controlled, operational experience to those who have state operations center responsibilities.
- The Texas state coordinator ensures that the plan is updated as necessary, based on lessons learned during actual occurrence of events and exercises, and other changes in organization, technology, and/or capabilities.

Recommendations. Develop and follow formal procedures for conducting regular assessment of these plans to determine if updates are required and to ensure that the emergency plan, annexes, and appendices are regularly evaluated and updated when necessary.

Develop a method to track changes made to the all hazards emergency operations plan. For example, when a change is made to any all-hazards emergency operations plan's element, an entry should be made into the plan's record of change page that identifies what the change was, where it is located in the plan, who made the change and who authorized the change, and on what date the change was made.

Develop a form with the following columns to monitor updates.

- Date

- Reason
- Who updated
- Who authorized

Require all responsible agencies to notify OEM in writing, even if updates are not required.

New Mexico is Not Unique in Areas Needing Improvements. The US department of homeland security's nationwide plan review report identifies similar areas of improvement as noted during this review. The US department of homeland security's nationwide plan review was conducted in two phases. In the first phase, each state and urban area provided a self assessment and certification of the all-hazard emergency operation plan. In phase two, teams of former state and local homeland security and emergency management officials visited each state and urban area to validate the all-hazard emergency operations plan status.

The US department of homeland security report indicates that a majority of the nation's current emergency operations plans and planning processes cannot be characterized as fully adequate, feasible, or acceptable to manage catastrophic events as defined in the national response plan. The US department of homeland noted weaknesses in the following areas: (See Appendix B for detail.)

- The all-hazard emergency operations plan does not reflect sufficient continuity of operations and continuity of government planning.
- The all-hazard emergency operations plans lack formalized corrective action and improvement processes.
- States and territories on the nation's borders lack mutual aid agreements with foreign entities, as well as lack coordination with the federal government.
- Many states lack an effective resource-tracking system.
- Many states and urban areas lack prioritized resource lists.
- With the exception of states and urban areas vulnerable to hurricanes, most states' emergency managers do not consider catastrophic incidents a likely occurrence.
- Some emergency managers believe a mass evacuation of an entire state or urban area is not considered a plausible scenario.

Recommendation. Continue implementing recommendations from the US department of homeland security's nationwide plan review report in order to improve state emergency management.

Implementing Recommendations from Department of Homeland Security Grant Monitoring Visits and Reports Will Improve Emergency Response Activities. Many of the findings noted in subsequent sections of this review are consistent with those of a programmatic and financial review conducted on February 23 and 24, 2004. The reviewers found the following:

- Many state strategy goals and implementation steps of the strategy are not assigned and tracked.
- New Mexico is actively training first responders. However, the training is coming from the requests of local jurisdictions rather than in accordance with needs identified in the state strategy.

- OEM appears understaffed and in need of additional personnel to tackle planning and administration issues.
- New Mexico is not currently evaluating its jurisdictions and first responders in accordance with an evaluation plan.
- While New Mexico has obligated most of its funds, little from the FY04 and FY05 grants have been expended.
- Grant management is not centralized. Draws and reporting of federal funds, purchasing and transfers, and monitoring and flow-through were performed at different sites. Budgeting and forecasting procedures for administrative portions were not clear. Overall grant tracking, maintenance, and coordination did not appear to be occurring.

According to OEM documents, a major focus of the monitoring visit was the “improper use” of ODP [Office of Domestic Preparedness] funds. The state was required to repay about \$135 thousand because:

- “Several employees at the Governor’s Office of Homeland Security were paid using ODP [Office of Domestic Preparedness] funds for non-ODP work from July 2003-June 2004,” and
- “...unallowable travel expenses and purchases which were also paid out of ODP funds.”

The monitoring visit was conducted after homeland security grant administration had been moved to the office of homeland security advisor. Partly as a result of federal findings, the grant administration function was moved back to the department’s administrative services division around April 2005, and OEM staff took over grant administration activities again at the beginning of FY06. OEM staff are still struggling to reconstruct transactions and reconcile accounting records to grant records for the 2003 sub-grants. Four grant administration staff were added to correct reported deficiencies.

OEM grant administration staff took the initiative and developed spreadsheets to track all programs and local jurisdictional allocations for each grant. Consolidating and recording grant documents have proven to be very time consuming and have taken longer than expected. OEM staff report that expenditure detail from FY03 is still unaccounted for at the sub-grant level. FY03 homeland security sub-grants are just being closed at this time. The current spreadsheet system is definitely not flexible enough for the federally required grant accounting requirements, which involve tracking financial detail (such as equipment purchases) at the jurisdictional or regional level.

A subsequent homeland security grant program monitoring visit was conducted while this review was in progress. A draft copy of the monitoring report became available shortly before this report was completed. The following items were noted:

- The state has made little progress towards identifying regions (no. 1 strategic goal).
- A revised state emergency operations plan will be finalized by June 30, 2006. Fourteen out of 33 counties have OEM-approved emergency operations plans.
- The state has begun following the homeland security exercise and evaluation program, but has only one staff member for conducting exercises.
- The state has identified stakeholders for intelligence fusion center development.
- The state has hired a program manager for the development of an interoperable communication system.

In 2006, OEM staff developed an administrative guide for the state homeland security grant program that covers sub-grantee contracts, monitoring visit protocols and procurement guidelines. OEM staff also initiated conducting sub-grant monitoring site visits. This critical oversight and internal control activity has not been done before 2006. OEM staff developed a team approach to monitoring in which all program, administrative and fiscal compliance monitoring is accomplished during a single visit. A unified approach to conducting site monitoring visits is a best practice. Staff should be commended for adopting the unified model.

Recommendation. Continue implementing recommendations from all federal monitoring visit reports to improve the state emergency management.

The Office of Emergency Management Should Consider Preparing After-Action Reports to Review Its Emergency Response Efforts Following Each Emergency. OEM does not prepare after-action reports after each state or federal disaster, as recommended by the national response plan. The New Mexico all-hazard emergency plan indicates that OEM may use after-action reports to update its all-hazard emergency operations plan.

OEM could not provide any after-action reports for four disasters selected out of 48 FEMA-declared disasters. The homeland security advisor indicated that OEM staff prepares after-action reports of actual events in collaboration with local jurisdictions. A new list of OEM-prepared after-action reports was obtained. Four actual disasters were selected from this list for review; however, OEM could not provide these four additional after-action reports.

Although the Hurricane Katrina after-action report was not part of our sample, OEM staff provided it for our review. OEM indicated several weaknesses noted during the hurricane disaster. However, OEM staff indicates that they have not implemented corrective actions to address the weaknesses noted. The Hurricane Katrina after-action report is 40 pages long and was prepared in January 2006. According to the report, the following weaknesses were noted during the Hurricane Katrina disaster:

- Insufficient prior planning and coordination,
- Unable to capitalized state and local resources,
- Unclear roles and responsibilities among agencies, and
- Lack of accurate and timely communication to local emergency managers and volunteer agencies.

Regularly preparing after-action reports and implementing corrective actions to address weaknesses noted during disasters will continuously improve the state's preparedness.

The US department of homeland security uses after-action reports as a tool to improve its own emergency operations. FEMA recommends preparing after-action reports detailing operational successes, problems, and key issues affecting incident management. The report should include appropriate feedback from the state, local, tribal, nongovernmental, and private sector partners participating in the incident.

Best practices used by other states indicate:

- Other states prepared more concise after action reports. (See Appendix C)

- Any city or county declaring a local emergency for which the governor of California proclaims a state of emergency shall complete and transmit an after-action report to the office of emergency services within 90 days of the close of the incident period. The after-action report is used in the following ways:
 - A source for documentation of response activities,
 - Identification of problems/successes during emergency operations,
 - Analysis of the effectiveness of the components of the standardized emergency management system, and
 - Describe and define a plan of action for implementing improvements.

Recommendations. Prepare after-action reports after each disaster that assess emergency response and recovery activities.

Develop a system that tracks (1) weaknesses noted in the after-action reports, (2) what corrective actions were taken to address weakness, and (3) the entity responsible for implementing corrective actions.

Develop a system to evaluate OEM’s performance during emergencies and to identify areas for improvement to ensure an adequate and timely response.

Mutual Aid Agreements Have Been Established between Local Jurisdictions and Other States. Before the 2006 legislative session, the state did not have a statewide mutual aid agreement or program for emergency management functions. However, OEM took the initiative and drafted House Bill (HB) 219, which addressed establishing statewide mutual aid agreements.

Credit should be given to the legislature and OEM for passage of HB219. HB219 establishes an intrastate mutual aid system to support and facilitate requesting aid for responding to local emergencies and disasters. Every political subdivision of the state is part of the system. An Indian nation, tribe or pueblo located within the boundaries of the state may become a member. A member jurisdiction other than the state may elect not to participate with other entities or to withdraw from the system. OEM has quickly developed an associated implementation guide that requires a list with the following information be compiled and maintained:

- Current mutual-aid system membership to provide information on entities that opt out, and
- Authorized officials of participating and non-participating entities.

Recommendation. No recommendation.

Use Statewide Homeland Security Strategy to Monitor Progress Towards the State Response and Preparedness. The OEM does not use the homeland security strategy to monitor progress made towards the state’s preparedness for various emergencies and could not provide documents to show that it tracks the progress of achieving various goals identified in the homeland security strategy. The strategy identifies various goals and objectives relevant to the state preparedness, mitigation, response, and recovery. The strategy for FY03-06 indicates progress toward various goals and objectives. In 2004, OEM staff collected information from

each local jurisdiction to show the progress toward various goals and objectives; however, OEM has not collected information from local jurisdictions to show progress made since 2004.

The homeland security strategy from FY03-06 indicates that New Mexico has developed a two-tiered review and analysis process to:

- Compile important management information,
- Track trends that emerge as the state three-year strategy is implemented,
- Ensure that implementation of the state's goals and objectives is on track, and
- Make changes and adjustments to the strategy as necessary.

FEMA developed the homeland security exercise and evaluation program manual to implement a program that addresses state and local needs and that requires conducting vulnerability, risk, and needs assessment and to develop a state homeland security strategy. The assessment outlines the state's goals for enhancing prevention, response, and recovery capabilities, and lists specific objectives and implementation steps for the use of planning, training, equipment and exercise responses in attaining these objectives.

Recommendations. Develop a system to monitor and track progress made in goals and objectives identified in the homeland security strategy.

Analyze data yearly to ensure that the progress of goals and objectives implementation is on track.

Ensure Each Local Jurisdiction Has a Current OEM-Approved All-Hazard Emergency Operations Plan to Improve Preparedness. Every political subdivision does not have a current OEM-approved all-hazard emergency operations plan. Review of a list of local jurisdictions' all-hazard emergency operation plans indicates the following:

- Eleven out of 33 local jurisdictions have current all-hazard emergency operations plans. An all-hazard emergency plan dated 2005 was considered current for review purposes.
- Three jurisdictions updated their plans in January 2006.
- Two local jurisdictions updated their plans in 2004.
- One local jurisdiction's plan has not been updated since 1991.
- Seventeen local jurisdictions' and cities' plans have not been updated from 1992 through 2000.
- Five local jurisdictions and cities have not developed an all-hazard emergency operations plan.

FEMA *State and Local Guide 101* for all-hazard emergency operations planning describes the usefulness of preparing local all-hazard emergency operations plans. "In our country's system of emergency management, local governments must act first to attend to the public's emergency needs. Depending on the nature and size of the emergency, state and federal assistance may be provided to the local jurisdiction. The local all-hazard emergency operations plan focuses on the measures that are essential for protecting the public. These include warning systems, emergency public information, evacuation and shelter."

Recommendation. The legislature should consider making OEM responsible to develop a system to ensure that all local jurisdictions update their all-hazard emergency operations plan regularly.

Ensure the New Mexico Hazard Mitigation Plan Is Updated Regularly So New Mexico Is Qualified to Receive Federal Grant Program Funding. OEM has not updated the hazard mitigation plan since 2004.

The New Mexico hazard mitigation plan itself requires that the plan be updated within three years of the original date of approval. FEMA approved the New Mexico hazard mitigation plan on November 2004. The 2004 New Mexico hazard mitigation plan was developed in collaboration with several other state agencies, private organizations, and local jurisdictions' emergency managers.

OEM uses pre-disaster mitigation grant funds to update the New Mexico hazard mitigation plan. In January 2006, OEM applied for \$150 thousand in pre-disaster mitigation grant funds to update the hazard mitigation plan. However, FEMA denied the application. OEM is eligible to reapply for funds one more time in FY07. The hazard mitigation plan needs to be updated by November 2007 as required by FEMA. If OEM receives funds in FY07, staff may not have sufficient time to update the plan. Although OEM could use other grant funds to update the hazard mitigation plan, it will lose access to the \$150.0 thousand available for updating the New Mexico hazard mitigation plan.

Furthermore, if OEM does not update the New Mexico hazard mitigation plan, the hazard mitigation grant program eligibility for statewide hazard mitigation project funding may also be lost. To receive the hazard mitigation grant program funds for mitigation projects, states are required to have a FEMA-approved statewide hazard mitigation plan. Because the plan is not being updated, New Mexico may lose its only funding source for hazard mitigation projects.

44 CFR Parts 201 and 206 Hazard Mitigation Planning and Hazard Mitigation Grant Program, Interim Final Rule requires:

- The key responsibilities of the state are to coordinate all state and local activities relating to hazard evaluation and mitigation and to:
 - Prepare and submit to FEMA a standard state mitigation plan following the criteria established in 44 CFR Part 201.4 as a condition of receiving Stafford Act assistance (except emergency assistance).
 - Prepare and submit an enhanced mitigation plan in accordance with 44 CFR Part 201.5, which states that the plan must be reviewed and updated, if necessary, every three years from the date of the approval of the previous plan in order to be considered for the 80-percent hazard mitigation grant program funding.
 - At a minimum, review and, if necessary, update state standard mitigation plan by November 1, 2003, and every three years from the date of the approval of the previous plan in order to continue program eligibility.

Recommendation. Update the New Mexico hazard mitigation plan regularly and maintain a record of updates.

The Federal Emergency Management Agency Takes Too Long to Approve Local Jurisdictions' Hazard Mitigation Plan. FEMA has a cumbersome and lengthy mitigation plan approval process. Local jurisdictions need a FEMA-approved hazard mitigation plan before they can apply for mitigation funds from FEMA. It is important that each jurisdiction either has a FEMA-approved mitigation plan or participates in a multi-jurisdiction or regional mitigation plan. Since 2001, FEMA has approved six local jurisdictions' mitigation plans covering 18 jurisdictions, out of a total of 28 plans submitted for approval. Review of plan approval documents indicates that FEMA took one year to approve Dona Ana county's mitigation plan. Discussions with staff indicate the following difficulties:

- During the review of Lea county's plan, FEMA required inclusion of a map that shows the boundaries of each jurisdiction; however, it is not used by the "IFR" or 44CFR, which sets the guidelines for the mitigation plan.
- During the review of Grant county's plan, FEMA required the county to describe the hazard's impact (e.g., kind and level of damage to building, infrastructure and critical facilities) and activities including evacuation and emergency services. However, inclusion of such information was not required in the previous approved plans.

Recommendations. Provide management assistance to the staff in resolving the issues faced by the hazard mitigation officer in developing and receiving timely approval of local mitigation plans.

Consider discussing and obtaining assistance from other states' emergency management directors and their staff to expedite local jurisdictions' hazard mitigation plan approval process.

Consider Establishing a Statewide Hazard Mitigation Program to Enhance Prevention Activities and Minimize Resources Required to Fund Emergency Response. Adequate funding is key to mitigation projects, and the state has not established a secure funding source for state and local mitigation projects.

The hazard mitigation grant program is the only grant that provides funding for statewide hazard mitigation projects. Mitigation project applicants must compete nationally to receive FEMA grant funds. The competitive evaluation process puts states with lower population levels at a disadvantage. For example, Texas and California have an advantage over New Mexico because their mitigation projects impact large populations.

FEMA requires that the hazard mitigation grant program funds can only be disbursed to local jurisdictions that have FEMA-approved mitigation plans. Statewide, New Mexico has nine FEMA-approved local mitigation plans, which cover 18 jurisdictions out of 33. Only these 18 jurisdictions can request funds for mitigation projects. Moreover, mitigation projects must be approved by FEMA before grant funds can be disbursed.

FEMA assesses project eligibility based on the following factors:

- High risk: Population is an indicator of risk; therefore, the population of a jurisdiction is considered a high priority when selecting mitigation projects.
- Repetitive loss: Jurisdictions that are able to document repetitive losses due to natural hazards receive a higher priority than others.

- Unusual development pressure: Rapidly growing communities get additional consideration because they are developing so fast they often grow faster than their infrastructure.
- Favorable benefit/cost profile: If a smaller jurisdiction requests a funding amount much larger than necessary, its request would be reduced to a more reasonable amount.
- Multi jurisdiction vs. single jurisdiction: Multi-jurisdiction projects receive a higher priority than single-jurisdiction projects.

FEMA has paid for four mitigation projects from FY03 through FY05. Three other projects have been submitted to FEMA for approval. FEMA typically takes years to approve projects funded by hazard mitigation grant program funds.

Recommendation. The legislature may consider establishing a statewide hazard mitigation program in statute.

TRAINING AND EXERCISES PROVIDED TO STAFF, OTHER AGENCIES, AND OTHER ENTITIES

Maintain and Analyze Accurate and Timely Training and Exercise Data to Ensure That OEM Staff and Jurisdictions Receive Sufficient Training. OEM could not provide any evidence that its staff training records were internally analyzed in order to ensure that staff receive the prescribed 16 hours of training. Staff training files could not be located for review. However, OEM staff subsequently collected information from each staff member and created files for our review. The recreated files were not reviewed due to time constraints.

Internal training and exercise policies and procedures require staff to have an average of 16 hours of training each month. It also requires that FEMA training provided through OEM will be maintained on the New Mexico OEM data system (training management system database) and transcripts will be run quarterly and placed in the employee's training folders.

The homeland security advisor stated that the policies and procedures manual is outdated and should not be used by staff. However, OEM staff appeared to be unaware that the document is no longer applicable because they provided the manual for review and referred to it during recent training. Also, it appears that OEM staff updated the training and exercise policies and procedures manual in 2005 to address compliance with the national incident management system. It is unclear why the manual is considered to be outdated since OEM has not developed new or updated training and exercise policies and procedures.

OEM could not provide evidence to show analysis was performed to ensure that each jurisdiction has equal access to training. The training management system data is unreliable, incomplete, not regularly updated, and the database is not used as a management tool to monitor local jurisdictions' trainings. Analysis of training management system data from FY03 through FY05 indicates that department name, division name, and course hours are the following information is not entered consistently.

OEM does not update the status column consistently after completion of training. The status column shows successful completion of a course offered. OEM staff indicates that when

participants submit a training application, OEM enters the term “registered,” and when applicants complete training, OEM updates the status column by entering “complete.” Analysis of the database and signoff sheets does not support the claim that this process is being followed. The homeland security advisor also stated that the database is used for archival purpose.

A review of files showed the following incorrect information in the database:

- Basic ICS Overview course, conducted in Santa Fe on 4/7/04, was four hours long, but the database indicates eight hours.
- Basic Incident Command System training, conducted at OEM on 12/15/05 through 12/19/05, was not entered in the database.

FEMA requires that the primary federal agencies should plan and conduct training and exercises within assigned functional areas aimed at continuous improvement of prevention, response, and recover capabilities. FEMA guidelines further state that lessons learned should be incorporated. OEM General Command Objective-14, implement a statewide training program (for the period October 1 through December 31, 2005), directs that the training management system be used as a management tool at the state level for all training-related programs. OEM’s draft training and exercise policy and procedures manual requires that the OEM training coordinator will track all OEM-sponsored FEMA courses and Office of Domestic Preparedness courses offered within the state of New Mexico.

OEM is actively training local jurisdictions’ first responders. However, the training provided is based on requests from local jurisdictions rather than in accordance with needs identified in the state homeland security strategy. OEM could not provide evidence of an analytical review that ensures that training provided is aligned with the needs identified in the homeland security strategy.

Training data is central to effective analysis in order to provide sufficient training to local jurisdictions, state agencies, and other entities, but an incomplete database limits effective and efficient analysis. According to the training and procedure manual, the goal of data analysis should be to ensure that all jurisdictions have equal access to the training they need and wish to participate in.

Recommendations. Develop and institute current training and exercise policies and procedures. Establish and consistently follow a documented mechanism to monitor training and exercise received by OEM staff.

Maintain accurate data in the training management system database. Update the training database regularly and analyze it quarterly to ensure that local jurisdictions have equal access to trainings. Document the analysis. Also, use the data to make decisions - for example, the type of training requested by local jurisdictions, the entities not attending regular training, and local jurisdictions regularly canceling training requests. Use the database to track OEM staff training.

Use Local Jurisdictions’ Multi-Year Exercise Plans to Improve State and Local Preparedness. OEM does not analyze local jurisdictions’ multi-year exercise plans to enhance the state and local jurisdictions’ emergency preparedness.

Actual exercise dates could not be analyzed because local jurisdictions' multi-year exercise plans are not monitored and tracked in an exercise monitoring system such as an Excel spreadsheet. Therefore, we analyzed local jurisdictions' exercise plan dates rather than actual exercise dates. OEM staff indicates that they started entering local jurisdictions' multi-year exercise plans in the FEMA-secured portal beginning August 2005.

Local jurisdictions' four-year exercise plans for FY02-05, FY03-06, and three-year exercise plans for FY05-07 were analyzed. In 2003, the US department of homeland security changed plan development by local jurisdictions from four years to three years. During review of the exercise plans, we calculated quarters based on calendar year as required by the homeland security exercise and evaluation program. OEM could not provide local jurisdictions' FY04-06 three-year exercise plans. Analysis of the multi-year exercise plans showed the following:

- Every jurisdiction does not use calendar year to plan its three-year exercise plan as required by the homeland security exercise and evaluation program. The local jurisdictions used three different timelines to plan their exercises: FFY, FY, and CY. Also, in the plan, the date of an exercise does not match to the related quarters of a year. For example:
 - Bernalillo county's three-year exercise plan for FFY05-07 shows October 2004 as the third quarter in FFY05.
 - Cibola county's three-year exercise plan for FFY05-07 shows August 2004 as the fourth quarter in FFY05.
- Every jurisdiction did not conduct one exercise every year. For example, nine out of 33 counties did not receive training during FY02.
- Several counties planned more than one exercise in a year and no exercises in other years. For example:
 - In its three-year exercise plan for FFY05-07, Chavez county requested two exercises in CY05 and none in CY06 and one in CY07.
 - In its three-year exercise plan for FFY05-07, Colfax county requested two exercises in CY04, none in CY05, and one in CY06.

OEM currently has only one exercise training coordinator who is responsible for assisting local jurisdictions in preparing their Multi-year exercise plans, preparing exercise materials before actual exercises, and conducting exercises.

The US department of homeland security developed the homeland security exercise and evaluation program, which consists of both doctrine and policy for designing, developing, conducting, and evaluating exercises. The program requires that:

- A multi-year exercise plan will be produced from the exercise plan workshop and submitted to the US department of homeland security/office of domestic preparedness. The timeline built in 2003-05 exercise plans represents exercise activities that must take place from January 1, 2004, to December 31, 2006, and the 2004-05 exercise plans represent exercise activities planned for January 1, 2005, to December 31, 2007.
- The scenarios used in exercises will be terrorism related and threat based.
- Exercise policies are developed to provide guidance or parameters of acceptable practices for designing, developing, conducting, and evaluating exercises.

The US department of homeland security exercise and evaluation program requires that the state appoint a staff member to serve as an exercise point of contact. This person will implement and manage the homeland security exercise evaluation program, coordinate exercise planning, and interface with federal and local exercise partners. The responsibilities of the point of contact include:

- Assisting in identifying and prioritizing jurisdictions within the state that will participate in the exercise program and receive resources,
- Ensuring after-action reports and implementation plans are prepared and submitted to the US department of homeland security/office of domestic preparedness,
- Establishing a mechanism for tracking improvement plan implementation,
- Validating areas for improvement identified in the improvement plan by testing them in future exercises. and
- Completing at least once exercise every year.

Well-designed and executed exercises are the most effective means of:

- Testing and validating policies, plans, procedures, training, equipment, and interagency agreements;
- Clarifying and training personnel in roles and responsibilities;
- Improving interagency coordination and communications;
- Identifying gaps in resources;
- Improving individual resources; and
- Identifying opportunities for improvement.

The multi-year timeframe of planning exercises should allow adequate time for a natural progression of building-block exercises.

Recommendations. Analyze local jurisdictions' multi-year exercise plans to ensure that each jurisdiction conducts at least one exercise a year. Assist local jurisdictions in preparing multi-year exercise plans to ensure that exercises are planned based on threats and actual events.

Hire an additional FTE to assist the training and exercise coordinators as needed and to ensure that the department maintains current and accurate data in the database and conducts regular analysis of data.

Develop criteria for determining the types of exercises needed. Criteria should consider the need for exercise; and jurisdiction- or district-wide risks, resources, and capabilities.

POLICIES AND PROCEDURES REGARDING COORDINATION

Substantially Improve Coordination with Other State Agencies and Other Branches of Government to Ensure that Responsible Agencies Are Adequately Prepared to Respond to Emergencies. OEM has not established a mechanism to ensure that each agency has developed a continuity of operations plan. OEM could not provide documents to determine if state agencies and other branches of government have completed continuity of operations plans, if completed plans have been updated regularly, and if regular exercises have been conducted to improve preparedness during emergencies. According to OEM staff, state agencies are responsible for developing continuity of operations plans, updating them regularly, and performing exercises.

State agencies have identified at least three successors for continuity of government, by title, to the agency executive and key officials. OEM maintains such a list. Review of the list shows it is updated regularly.

New Mexico's continuity of operations plan requires that a similar plan for each agency and other branches of government be completed, updated, and exercised regularly. Having such a plan is a good business practice and is the responsibility of all state agencies and other branches of government. According to the all-hazard emergency operations plan, state agencies and other branches of government must prepare for continuity of government by:

- Preparing a continuity of operations plan,
- Identifying at least three successors, by title not name, to the agency executive and key officials,
- Identifying at least two alternate locations for the agency to continue business with memoranda of understanding with alternate facility custodians,
- Identifying and securing alternate modes of communication,
- Identifying and prioritizing essential functions,
- Securing essential records, and
- Maintaining a disaster recovery plan or business continuity plan for information technology systems.

OEM has also not coordinated with the department of finance and administration, which is responsible for funding and implementing a statewide E-911 function, according to the communications planner. OEM recently hired a communications planner to assess statewide interoperability capability. The responsibility of the communications planner is to take a statewide inventory of communication systems, such as towers, radios, and other communication systems used by different state agencies and local jurisdictions. However, project completion is estimated to be three years. The committee report: *Status of Implementation of E911: Cost and Program Effectiveness* dated April 2006 also addresses this issue.

Section 12-10-3 NMSA 1978 requires that the director of the technical and emergency support division of the department of public safety shall be responsible to the secretary for carrying out the program for civil emergency preparedness authorized by law and shall serve as the governor's authorized representative at the discretion of the governor. The emergency planning and coordination bureau chief shall direct and coordinate the civil emergency preparedness activities of all state departments, agencies and political subdivisions and shall maintain a liaison with and cooperate with civil emergency preparedness agencies and organizations of other states and of the federal government. However, OEM could not provide documents to show that OEM has established a mechanism of coordination with other state agencies as required by the law. For example, Section 22.13.44 NMSA 1978 requires that 12 emergency drills shall be conducted in each public school and private school in the state, including in each charter school.

A request for a list of public and private schools' all-hazard emergency operations plans was made from OEM. OEM could not provide documents to show which schools have developed the all-hazard emergency operations plan. The same list was requested from and provided by the Public Education Department (PED) School Safety Bureau. Plans for five schools out of 896 schools reviewed appear to address the steps required to respond to all emergencies.

To ensure that the schools test the all-hazard emergency operations plan regularly, the same five schools were selected to review emergency drill documents. However, PED's school safety bureau could not provide documents to show that each school performs regular emergency drills. PED school safety bureau informed us that the State Fire Marshal maintains documents of school emergency drills. However, the fire marshal's office indicates that they do not keep such documents in their office. The school safety bureau agreed to provide this information for our review, but to date the information has not been provided.

Recommendations. Develop a system to ensure that all state agencies develop their continuity of operations plan, update it regularly, and perform exercises regularly to improve continuity of operations during emergencies.

Develop a system to ensure that OEM collaborate with other state agencies to ensure that other state agencies takes appropriate measures to prepare for emergencies.

Collaborate with Other State Agencies, Local Jurisdictions, Other Entities, Other States and Other Countries for Border Security to Make the Best Use of Limited Resources.

OEM could not provide evidence that collaboration has been established among different entities or that a mechanism has been established to collaborate among various entities. Several local jurisdictions, other state agencies, other countries, and the federal government are involved in the Governor's initiative "operation safe border."

The border security plan was requested for review. The homeland security advisor provided the plan, but indicated that it is classified to prevent media access. Staff at the office of homeland security advisor was not aware that a statewide border security plan has been developed. This situation shows that a lack of communication exists between management and staff.

The US department of homeland security nationwide plan review report indicates that states and territories on the nation's borders lack coordination with the federal government.

Establishing a mechanism of collaboration between other state agencies, local jurisdictions, other entities, and other countries for safe borders will ensure effective resource management and will reduce overlapping of efforts.

OEM's strategic plan addresses border security issues and identifies several implementation steps, such as the office of homeland security advisor will:

- Collaborate with border authorities, local officials, and when needed with Mexican officials to make the U.S./Mexico border more secure.
- Convene a border security task force, comprised of federal (U.S. and Mexican), state, local entities and adjacent states to investigate border security issues.
- Evaluate response capabilities of the "sister cities" in the region.

Recommendations. Develop a system of border security coordination with local jurisdictions, other state agencies, and other entities. Maintain evidence of collaboration among various relevant agencies.

Use the border security plan to coordinate border security efforts with local jurisdictions, other state agencies, other entities, other states, and other countries.

STATE (EXECUTIVE ORDERS) AND FEDERAL FUNDING

Amending the Disaster Statutes to Strictly Define Disasters and Emergencies Would Clarify Legislative Intent and Reduce the Need to Use Executive Orders as a Funding Mechanism. State statute is unclear about the definitions of disaster and emergency for purposes of providing state assistance when local resources are overwhelmed. The law is silent about the actual form and content of executive orders. Executive orders reviewed varied in format and content and from one administration to another. Inclusion of a specific allocation is not statutorily required, nor does statute require that an executive order define the duration of the event for the purposes of providing public assistance.

Executive orders are the funding mechanism to provide relief and recovery for sudden or unforeseen public disasters or emergencies. The state and federal disaster assistance programs together expended about \$20 million from FY03 through the present (see expenditure table 6). However, it appears some executive orders are being used as a vehicle to fund non-disaster, non-emergency activities that should be planned and included in the base budget. The legislature has sole authority to appropriate money and has chosen to delegate that authority only in specific circumstances and for specific purposes, such as public disasters and emergencies.

Laws that govern such circumstances include the following:

- Article 4, Section 30 of the New Mexico Constitution states that money shall be paid out of the treasury only upon appropriations made by the legislature, except for interest or other payments on the public debt.
- Section 6-4-2 NMSA 1978 states that expenditures from the general fund shall be made only in accordance with appropriations authorized by the legislature.
- Section 6-4-2.3 creates the appropriation contingency fund within the general fund and directs that the fund may be expended only upon specific authorization by the legislature or as provided in Sections 6-7-1 through 6-7-3 NMSA 1978 (recompiled as Sections 12-11-23 through 12-11-25).
- Sections 12-11-23 through 12-11-25 NMSA 1978 (Disaster Acts):
 - State that funding shall be expended for disaster relief for any disaster declared by the governor to be of such magnitude as to be beyond local control and requiring state resources until a situation becomes stabilized and again under local self-support and control. Expenditures made must be necessary to protect the public health, safety, and welfare.
 - Establish a source of emergency funds.
 - Specify an allocation of \$750 thousand for each eligible and qualified applicant to be made available from surplus unappropriated money in the general fund, if any, at the time of emergency declaration.

According to the Disaster Acts, the legislature intended to fund disaster relief and recovery through executive orders issued by the governor. State funding allocated through executive orders can be used for a variety of specific and temporary purposes, such as:

- Federal match requirements,

- Lodging and sheltering,
- Health care,
- Food,
- Any transportation or shipping necessary to protect lives or public property, and
- Any other action necessary to protect the public health, safety, and welfare.

The Robert T. Stafford Disaster Relief and Emergency Assistance Act, as amended by Public Law 106-390, October 30, 2000, defines emergency and major disaster as follows:

- Emergency means any occasion or instance for which, in the determination of the President, federal assistance is needed to supplement state and local efforts and capabilities to save lives and to protect property and public health and safety, or to lessen or avert the threat of a catastrophe.
- Major disaster means any natural catastrophe (including any hurricane, tornado, storm, high water, wind-driven water, tidal wave, tsunami, earthquake, volcanic eruption, landslide, mudslide, snowstorm or drought), or, regardless of cause, any fire, flood or explosion, which in the determination of the President causes damage of sufficient severity and magnitude to warrant major disaster assistance under this Act to supplement the efforts and available resources of states, local governments and disaster relief organizations in alleviating the damage, loss, hardship or suffering caused thereby.

The federal definition of emergency is based on any sudden event that threatens lives, property, public health and safety or lessens or averts the threat of a catastrophe, and the federal definition of disaster refers to sudden natural events. Merriam-Webster's Online Dictionary's definitions for disaster, emergency and catastrophe all have the quality of being sudden or unforeseen.

Recommendations. Use disaster assistance program funds for short-term emergencies. Develop methods to address non-emergency, long-term conditions through other financing mechanisms. For example, water-related projects could be funded through the capital outlay process, and recurring expenditures should be funded through the normal appropriation process.

The legislature may want to consider amending the state disaster assistance statutes to (1) clarify legislative intent or purpose, (2) revise the definitions of disaster and emergency to dovetail with federal guidance, and (3) prescribe the specific details required in executive orders, in order to provide public transparency for all stakeholders involved and to prevent funding circumstances that are not clearly disaster or emergency related.

The legislature should require all non-disaster or non-emergency activities and related expenditures to be appropriately planned and included in the normal budget and appropriation process.

Proper Planning and Budgeting for Prevention and Recovery Would Reduce the Need to Use Executive Orders to Fund What Appear to Be Recurring Expenditures. The table below summarizes executive orders issued for various purposes during calendar years 2003, 2004 and 2005 with specific funding allocations (see Appendix D for all executive orders reviewed). The functional classification shown below was based on available information.

**Table 2. Summary of Calendar Years 2003 through 2005
Executive Orders Reviewed - Sorted by Agency and Purpose**
(in millions)

Purpose	No. E.O.s Issued	DPS	EMNRD	NG	Total
Drought	2	\$1.50			\$1.50
Security	2	\$1.50			\$1.50
Hurricane Katrina	2	\$0.75		\$0.25	\$1.00
Flood	12	\$9.00			\$9.00
Fire	2	\$1.50			\$1.50
Severe Weather	5	\$3.75			\$3.75
Fire-Prepositioning	1	\$0.75			\$0.75
Fire-General	18		\$13.50		\$13.50
Statutory	8			\$2.00	\$2.00
Total	52	\$18.75	\$13.50	\$2.25	\$34.50

Source: Governor's Website

The following points were noted:

- Most funds were allocated to three state agencies: DPS-OEM – 54 percent; Energy, Minerals and Natural Resources Department (EMNRD) – 39 percent; and the New Mexico National Guard – seven percent.
- OEM staff responded to 22 declared disasters or emergencies and the resulting effects or conditions.
- One order issued to the department appears to be for pre-positioning (or prevention) because it was triggered by changes in federal regulations that resulted in cancellation of contracts for air tankers used to fight fires.
- Two executive orders were issued to the DPS-OEM for border security preparedness purposes. They are not included in the state disaster assistance program's administrative recordkeeping system and are separately managed.
- The majority of orders issued to the National Guard were categorized as statutory because the New Mexico Military Code requires that all necessary expenses resulting from the Governor's call into state service be paid by the state (Section 20-1-6 NMSA 1978).
- Eighteen executive orders were issued to EMNRD for general purposes and may not meet statutory purpose.
- Some executive orders did not include explicit funding allocations, so the total of \$34.5 million is likely understated. A specific allocation is not required for an executive order to trigger the funding.
- One executive order authorized all executive branch agencies of state government to apply for emergency funds "as required to carry out the New Mexico Drought Plan and for such other disaster relief related to drought as set forth" in the executive order. Total funds allocated are not stated.

All executive orders managed by the DPS-OEM state disaster assistance program provided reimbursement for damages that occurred as a result of sudden or unexpected events (disasters and/or emergencies). Such situation-triggered executive orders typically follow public events and provide a minimal level of transparency and assurance that funds are being expended for authorized purposes. None of the executive orders issued to EMNRD appeared to be triggered by

sudden or unforeseen events, and most orders mentioned expenditures related to specific fiscal years.

Although the first of two executive orders issued to the DPS-OEM for border security was triggered by a specific event, both appear to relate more to administrative or operational emergencies because the necessity for activities covered by the \$1.5 million allocated was known and planned for as early as FY03. Border security priorities, objectives, and implementation steps were included in the homeland security strategic plan for that year, as well as the revised homeland security strategy dated October 31, 2005, and the final homeland security strategy dated February 28, 2006.

Some Previously Declared Long-Term Public Emergencies Have Resulted in Executive Orders Being Used to Fund Recurring Expenditures Rather than Being Properly Planned and Budgeted through the Normal Appropriation Process. As a part of this review, National Guard state project expenditure records were reviewed on a cursory basis, and staff was interviewed. Expenditure records revealed that three water-hauling projects authorized by and funded through executive orders are of long duration. The orders were triggered by water emergencies arising for a variety of reasons that created the need for alternative sources of drinking and required water to be transported via tanker and include:

- Executive order 01-29, issued August 20, 2001, to assist the community of Lumberton in Rio Arriba County.
- Executive order 01-30, issued on August 21, 2001, to assist the Greater Chimayo Mutual Domestic Water Consumer’s Association.
- Executive order 02-91, issued October 31, 2002, to assist the Canoncito at Apache Canyon Mutual Domestic Water Association

National Guard staff provided available records and sufficient information to estimate average long-term, water-hauling costs for the outstanding executive orders. The table below summarizes the average estimated costs incurred by National Guard since water-haul activity began. Existing data was averaged and then used to estimate total costs. National Guard staff provided a schedule of water hauling payroll costs for calendar year 2005 by mission. This information was used to estimate total related payroll costs to date.

**Table 3. Estimated Average Costs to Haul Water
Project Inception to Date**
(in dollars)

	Executive Order Date	No. of Months
Canoncito at Apache Canyon	10/31/02	43
Chimayo	8/21/01	57
Lumberton	8/20/01	57
Total Average Haul Costs		\$242,954
Total Payroll Costs		\$583,687
Total		\$826,641

Source: Department of Military Affairs data

The Environment Department provided cost information to date regarding the status of required repairs and improvements to resolve each location’s water issues on a long-term basis, which is shown in Table 4.

**Table 4. Funds Allocated to Date for Water System Construction/Repair
Since Water Emergency Declaration**
(in dollars)

	Canoncito Apache Canyon	Lumberton	Greater Chimayo
2003 Special Appropriation	\$15,000		
2004 Special Appropriation	\$125,000	\$250,000	
2005 Special Appropriation	\$80,000	\$30,000	
2006 Appropriation	\$50,000		
NMFA Grant	\$262,500	\$400,000	\$800,000
Governor's Tax Relief Funds			\$1,600,000
EPA Grant			\$173,500
Special appropriation			\$1,000,000
Subtotal	\$532,500	\$680,000	\$3,573,500
Grand Total			\$4,786,000

Source: Environment Department

These three water-hauling emergencies provide good examples of public resource availability, allocation and delivery issues that can be expected to increase if short-term solutions such as ongoing water hauling are used to address long-term operational issues. Using emergency funds for long-term operations constitutes funding recurring expenditures, which requires a different funding mechanism.

Resource allocation between mitigation (prevention) and response activities is important and strategically significant because contemporary mitigation techniques and practices have been shown to reduce future damages and free up resources formerly required to address disasters or emergencies. Funding prevention activities through the appropriation process will preserve general funds allocated for disaster and emergency response. Mitigation activities can be planned and budgeted and lend themselves to the normal appropriation process. Restricting the issuance of executive orders to bona fide disasters and emergencies would be more faithful to what appears to be legislative intent.

OEM's state disaster assistance program guidance is also inconsistent with the Stafford Act for disaster relief and emergency assistance. For state program purposes, an emergency is defined as any situation that exceeds the capability of local emergency response agencies. In this context, emergencies are typically short lived with no physical damage to repair. A disaster is defined as any emergency that exceeds the capability of the local emergency response agencies and requires specific recovery efforts to restore damaged facilities to their pre-event condition, which may take years to accomplish. The requirement that a disaster be naturally occurring or from weapons of mass destruction is not even addressed.

The State-Funded Disaster Assistance Program Should Document Internal Policies and Procedures and Revise the Definitions of Disaster and Emergency to Be Consistent with Federal Guidelines. Administrative compliance monitoring visits had not been conducted because the functional group, disaster recovery and mitigation, lost one position during previous reorganizations. No written guidance was available that set forth the criteria that are followed in evaluating disaster and emergency declarations or for defining the incident period. In addition,

there are no documented policies and procedures to guide internal program activities and record keeping.

The group is understaffed and would benefit from additional administrative support. According to OEM's most recent organization chart, two additional positions will be added to support the state disaster assistance program.

Appendix E shows all emergency orders issued to the state Disaster Assistance Program, a subset of the executive orders shown in Table 2. Total federal and state reimbursements are about \$14.3 million, with the state share at about \$5.3 million, or 37 percent. Of the total funds allocated, floods accounted for 75 percent (including Hurricane Katrina), fires for 16 percent, snow for eight percent and drought for one percent. Amounts presented in the table are based on OEM records, which were not traced to the general ledger-based amounts presented in the expenditure table below.

Potential state funding allocations associated with the 22 executive orders issued from 2003 through 2005 to the state disaster assistance program managed by the DPS-OEM totaled \$16.5 million (22 times \$750 thousand). Actual state-funded disaster assistance program expenditures were about 32 percent of the \$16.5 million originally allocated. Funding for some declared disasters or emergencies was not required because no assistance was requested. On the other hand, more than one executive order may have been necessary to reimburse all covered damages or to provide federal match.

Administrative recordkeeping for the state disaster assistance program was very detailed and appeared substantially complete. Project activities are closely monitored and carefully tracked using a spreadsheet system. OEM staff indicated that financial detail is reconciled with the general ledger on-line, but the reconciliation itself is not documented. A discovery sample of three declared disasters/emergencies was tested, which involved reviewing the files of 17 entities that applied for assistance along with others. Three applicants' files contained only summary expenditure records. Payment was made based on the summary records. Detail records were kept at the applicant site and had not been reviewed by program staff.

Recommendations. Conduct periodic state disaster program compliance site visits and review source documents for reimbursable expenditures.

Develop internal disaster assistance program policies and procedures to guide staff and to set forth criteria to be followed in evaluating disaster and emergency declarations or for defining the incident period.

Require documented, monthly reconciliation of program expenditures to accounting records

Fill vacant positions in the disaster recovery and mitigation group as soon as possible.

Revise state disaster assistance program guidance to be consistent with the federal definitions and guidance for disaster relief and emergency assistance.

Improving Internal Administrative Operations Will Allow OEM to Plan and Manage So That Federal and State Funding Is Used Most Effectively. OEM grant administration activities are completely decentralized, and regular, monthly budget status reports that summarize all grant-related financial activity are not produced. Review of the data shows that homeland security grant spending appears to be lagging. According to OEM staff, many jurisdictions have yet to expend all their FY04 funds.

The schedules presented below were difficult to produce because grant financial records were incomplete and could not be updated without creating an undue hardship for grant administration staff. The FY03 critical infrastructure program, as well as the FY04 and FY05 allocations, could not be traced to the federal award documents. Local jurisdictions have been allocated the majority of FY03 grant funds, and OEM staff is getting ready to close out FY03 sub-grants. Most current homeland security activity is being funded with FY04 funds.

The following two tables are based on available data. The table below shows federal funds expenditures from FY03 through about April 14, 2006. Grant program expenditures have been combined functionally because administrative records are maintained in a variety of formats that could not easily be combined into a single schedule.

Table 6. Federal Homeland Security and Emergency Management Expenditures
Fiscal Year 2003 through April 14, 2006
(in dollars)

Program Area	FY03	FY04	FY05	FY06 to date	Total
Domestic Preparedness/Homeland Security ¹	\$729,637	\$4,538,660	\$12,603,446	\$9,126,334	\$26,998,077
Disaster Assistance ²	\$8,202,104	\$5,467,926	\$6,165,263	\$520,495	\$20,355,788
Hazardous Materials Assistance ³	\$438,064	\$353,045	\$191,917	\$87,970	\$1,070,996
Emergency Management Performance Grant ⁴	\$1,999,926	\$1,338,129	\$972,747	-	\$4,310,802
National Urban Search and Rescue Response System ⁵	-	\$49,222	\$433,526	\$1,687,076	\$2,169,825
Miscellaneous ⁶	\$33,862	\$111,028	\$221,673	\$4,489	\$371,052
Flood, Hazard and Pre-Disaster Mitigation	\$389,690	\$425,816	\$972,823	\$99,791	\$1,888,120
Total Expenditures	\$11,793,283	\$12,283,826	\$21,561,395	\$11,526,155	\$57,164,659

Source: DPS ASD Files, reviewed by OEM; data is not audited

Notes:

- (1) Assistance related to terrorist incidents, weapons of mass destruction and family and community preparedness)
- (2) Presidentially declared disasters, housing assistance and mitigation, management and control of fire
- (3) Preparedness, training, planning, exercises and WIPP-related
- (4) Develop, maintain and improve state and local emergency management capabilities
- (5) Assist victims of disaster-caused structural collapse
- (6) Emergency operations and flood hazard map modernization

The primary grant program is the homeland security program, followed by the federal and state disaster assistance programs. OEM grant programs are described in Appendix E.

The table below shows federal homeland security grant funds awarded to OEM from FY03 to FY05. In general, 80 percent of total grant funds must be allocated to local jurisdictions and tribes. The remaining 20 percent is allocated to state agencies, related special projects, statewide projects and project administration.

**Table 7. Homeland Security Grant Expenditures
FY03 through April 2006**
(in dollars)

Award Date	Grant Number	Grant Period	Award Amount	Expended to Date
5/6/03	2003-TE-TX-0193	4/1/03 - 3/31/06	\$6,401,000	\$4,557,581
6/13/03	2003-MU-T3-0047	5/1/03 - 10/31/06	\$16,956,000	\$10,925,578
3/29/04	2004-GE-T4-0005	12/1/03 - 5/31/06	\$24,946,000	\$3,291,713
3/21/05	2005-GE-T5-0012	10/1/04 - 3/31/07	\$18,726,716	\$2,694,869
Total			\$67,029,716	\$21,469,741

Source: DPS and OEM files

FY05 grant expenditures are higher than those of FY04 because the emergency management grant program was combined with the homeland security program. About \$10,000 had been spent from FY05 homeland security grant funds. Appendices G and H summarize homeland security grant program allocations to local jurisdictions, as well as the statewide allocations for FY03 through FY05 grants awarded. Allocations were used rather than expenditures because grant records were incomplete. The statewide allocations are informational only because the statewide share has not been fully allocated.

The following conditions were noted during the review of OEM financial and grant administration records:

- Complete and accurate financial data was not available for all grants. In some cases, internal homeland security grant financial detail records did not agree with summary records due to spreadsheet linkage issues. In other cases, it is not clear why detail and summary grant financial data did not agree with each other or with the grant award documents.
- Several adjustments were required to correct internal differences for presentation. For example, FY04 grant allocations to jurisdictions had a difference of about \$389 thousand after adjustments were made to account for differences between detail and summary grant ledgers. The FY04 statewide allocations had to be adjusted by about \$867 thousand for the same reason.
- Current grant administration fiscal tracking and reporting activities are decentralized, and recording and reporting of grant financial data encompass a variety of formats and processes. Periodic financial status reports summarizing activity for all grant programs are prepared on an as-needed basis, not routinely. At least eight different staff members independently administer OEM grant programs. As a result, no single point of contact is designated to routinely summarize all grant fiscal activity.
- No documented policies and procedures provide guidance on day-to-day internal activities and related processes. There is very little consistency among the internal grant administrative methods currently being used.

- Not all OEM grant administrators reconcile monthly to the general ledger. The department's administrative services division staff reconciles all OEM financial records per AFRAS to the statewide accounting system, as directed by DFA. However, this overall offsite reconciliation does not readily provide specific grant-related information.
- Current communications among OEM grant staff and the department's administrative support staff appear strained and too infrequent to be very helpful in resolving the administrative difficulties that currently exist. The department and OEM staff have begun meeting quarterly to review federal draw-down requests and ensure that requests agree with the general ledger. This practice occurred in the past, but was discontinued for a while. Other than for draw-down requests, the only time OEM and department fiscal staff officially get together is during the grant close-out process. Grant closeouts occur infrequently every few years.

Homeland security grant program administration fell behind subsequent to the reorganization of emergency management services around 2003, when grant program funding and activity expanded after 9/11 and the governor's office of homeland security was created. At that time, a decision was made to transfer program grant administration to that office. The governor's office of homeland security grant administration staff was assisted by DFA staff. The function was moved back to the department's administrative services division around April 2005, and OEM staff took over grant administration activities again at the beginning of FY06. OEM staff is still struggling to reconstruct transactions and reconcile accounting records to grant records for the 2003 sub-grants. Most grant administration staff was hired during FY06. Despite their prior experience, it takes time to come up to speed on complex grant requirements.

There is no assurance that financial reports generated from the current internal OEM system are either complete or accurate because of the internal accounting differences. Inaccurate financial reports have limited usefulness and may be misleading to users. Financial data should be accurate, complete, routinely monitored and regularly reported so that it can be relied upon by management, oversight bodies and the public. Additional fiscal tracking and reporting procedures would enhance the appearance and timeliness of financial reporting. The lack of policies and procedures addressing such practices make it unlikely that future grant financial reporting will be done in a manner that is useful on an agency-wide basis or to facilitate decision making. All aspects of management and legislative decision making would be improved and state preparedness goals would be better served and supported if consolidated grant financial data would be internally reported monthly or at least quarterly.

Recommendations. Allocate sufficient administrative resources to bring all grant accounting records up to date and to ensure completeness and accuracy. Consider tailoring the SHARE grant administration module or procuring specialized grant administration software to provide the flexibility needed to properly account for sub-grant activity detail according to federal reporting requirements.

Centralize internal grant financial reporting within OEM to the level necessary so that monthly grant budget and financial status reports are regularly reported to management in a standard format. Consider designating one staff person to gather monthly, summarize and review financial data.

Develop and regularly update written internal policies and procedures for all administrative grant functions. This guidance should provide information on required staff grant activities and include sufficient information so that a newly hired staff person will know the exact nature of duties involved and how to accomplish them on a step-by-step basis.

Reconcile all grant records to the accounting system monthly. Document monthly reconciliations.

Consult with department staff frequently to assist in producing timely reconciliations and accurate reports. Communicate with department staff openly about financial and other administrative issues and problems that arise in order to speed issue resolution.

RECRUITMENT AND RETENTION PRACTICES

Filling Vacant Positions and Improving Employee Retention Would Improve OEM’s Emergency Response Readiness. The following chart summarizes overall OEM staffing levels since FY03, according to OEM records, and shows dramatic growth since January 2005.

**Table 8. Number of OEM FTE Per Year
2003 through May 2006**

CY03	CY04	CY05	CY06 – May 2006	Increase 1/1/05 – May 2006	Percent Increase
28	29	41	46	17	58.6

Source: OEM records; 46 FTE per 4/28/06 TOOL

Vacancy Rate. The 41 oldest positions were cumulatively vacant for about six months per FTE. This represents an overall vacancy rate of almost 16 percent for the period CY 2003 through CY 2005. According to the State Personnel Office’s third quarter performance report dated April 2006, statewide vacancy rates for FY04 and FY05 were 12.15 and 12.19 percent, respectively. OEM’s three-year vacancy rate is comparable to the department’s overall vacancy rates for FY04, FY05 and FY06 through 3/31/06 (14.99, 17.65 and 16.88 percent, respectively).

The two management positions, a division director II and a general manager, were vacant a total of 20 months since the former general manager and OEM director was appointed as the Governor’s homeland security advisor and authorized representative in April 2005. The division director II slot was filled in May 2006 by an experienced emergency manager with extensive international experience. The general manager position has been vacant since April 2005.

In addition to assuming new, higher levels of authority and responsibility, the Governor’s homeland security advisor has continued to manage OEM’s important, complex and demanding day-to-day operations for 20 months. It is difficult for the homeland security advisor and deputy secretary of the department to adapt to a new, higher level of authority, while continuing to direct OEM’s critically important operations.

Managing the office of the homeland security advisor and serving as a Governor’s authorized representative while directing OEM occasionally presents internal conflicts that require proper segregation of duties. For example, the homeland security advisor should not approve plans that

staff he supervised developed, updated and/or produced. The on-site, day-to-day presence of top-level operational managers is essential to the smooth and effective functioning of most organizations, especially during times of rapid growth and organizational change. A greater degree of organizational stability is required and could be achieved by fully staffing both top-level management positions and discontinuing the current practice of “double-hatting.”

The table below shows an analysis of the 17 positions added to OEM between January 2005 and May 2006. Functional and organizational position titles were not useful for this analysis because of frequent reorganizations.

Table 9. Analysis of the 17 OEM Positions Created, Filled or Transferred between January 2005 and May 2006

No.	Date Created	Date Filled	Funding Source	Position Status	Months Vacant
1	July-04	June-05	50% general funds/50% EMPG	Term	11
2	July-04	June-05	100% US&R grant funds	Term	11
3	August-04	July-05	100% US&R grant funds	Term	11
4	August-04	July-05	100% US&R grant funds	Term	11
5	July-05	July-05	100% fed funds	Term	0
6	September-05	December-05	100% HS grant funds	Term	3
7	February-05	December-05	100% HS grant funds	Term	3
8	August-05	December-05	100% HS grant funds	Term	4
9	July-05	April-06	100% fed funds	Term	8
10	April-05	May-06	100% General funds	Govex	7
11	May-05	May-06	100% HS grant funds	Term	4
12	February-06	May-06	100% fed funds EMPG flw thr	Term	2
13	February-06	June-06	100% fed funds EMPG flw thr	Term	3
14	July-05	Vacant	100% US&R grant funds	Term	10
15	February-06	Vacant	100% fed funds EMPG flw thr	Term	3
16	February-06	Vacant	100% fed funds EMPG flw thr	Term	3
17	February-06	Vacant	100% fed funds EMPG flw thr	Term	3
					97

Source: OEM data

Points to note include:

- The 17 positions were vacant a total of 97 months since they were created or an average of 5.7 months each (17.5 percent vacancy rate).
- Four of the 17 positions are currently vacant or about 23 percent.
- Of the remaining 13, ten positions (77 percent) were filled between the months of April and July in both 2005 and 2006.

OEM’s vacancy rate seems unusually high. Positions are not created by SPO unless funding can be demonstrated from federal or state sources, yet they were left vacant. According to OEM staff, the only position held open because of state funding issues is that of general manager. However, one possible interpretation of hiring patterns noted above is that positions are filled when state funding availability becomes more certain (April, May and June) or at the beginning

of the new state budget year (July). The extended time the positions were held vacant indicates that they may be held open for more than the five-percent budgeted vacancy savings.

Turnover – Due to a variety of reasons, the 41 oldest positions turned over 67 times from January 2003 through May 2006, or an average of 1.6 times during that period (about 61 percent). This turnover rate far exceeds State Personnel Office’s reported historical turnover rate of from 12 to 14 percent annually.

Current staff as a group appears overloaded trying to attain compliance deadlines while positions are held vacant. The work has gotten behind and existing staff must do their own jobs plus bring new staff up to speed at the same time. The level of stress being experienced by staff may well contribute to employee turnover.

Unwanted employee turnover costs employers much more than typically realized and involves separation processing costs, replacement hiring costs, new hire training costs, and lost productivity cost. Although actual losses vary from one work category to another, various methods are available to calculate turnover costs. According to one employee retention website, the first thing that needs to be done is to quantify the problem. This helps to not only realize the extent of the problem, but to also measure the return on investment with any retention strategies implemented.

According to an employee retention model downloaded from the internet, there are three work categories to consider when estimating the cost of employee turnover – nonexempt, exempt and executive. Nonexempt employees are those generally in hourly paid work categories covered by the federal wage and hour laws governing hours of work and overtime pay eligibility. Exempt employees are professionals, supervisors and managers who are exempt from wage and hour regulations. Executives are top management. According to this model:

- The loss of each nonexempt employee can cost between 0.25 and 0.5 times the salary plus benefits.
- The cost of losing an employee who is “exempt” from wage and hour regulations is even greater – between one and 1.5 times the salary plus benefits depending on the level of the position.
- For top management employees, the turnover cost is between 3 and 5 times the annual salary plus benefits.

OEM’s estimated turnover cost in three job categories was calculated to be about \$579 thousand for the last year. For the nonexempt portion of the model, the emergency management specialist-A job category was used; for the exempt portion, five mid-level manager positions were used; and for the executive portion, the two top management positions at OEM were used. Employee benefits were estimated at 30 percent of salary. The low end of each turnover cost range used by the model was used in the calculation (nonexempt-25 percent; exempt 100 percent; executive-300 percent).

The office of the homeland security advisor is staffed by a director, a deputy director (currently vacant) and a secretary, according to the April 28, 2004, Table of Organizational Listing detail report (TOOL). A review of the May 31, 2006, State Personnel Office TOOL conducted subsequent to fieldwork completion shows that 10 new positions were created in OEM and one

was created in the office of homeland security advisor. It is unclear why new positions are necessary when the vacancy and turnover rates for the existing positions are so high.

OEM's ability to attract qualified personnel may impact its emergency preparedness and readiness. Recent records show that salary levels may play a part in attracting new staff. Occasionally, a job must be offered to two and three individuals or reposted in order to fill a position. Higher salaries may be required to compensate employees for the stress involved in staffing the emergency operations center and then successfully completing the work backlog.

A unique feature of OEM that sets it apart from most other state agencies is that when the emergency operations center is activated, all staff are called away from their normal duties and take on the tasks required to operate the center. Depending on the nature of the emergency, this can be very time consuming. For example, according to OEM internal records, during the Hurricane Katrina emergency when the emergency operations center was activated, staff spent a combined total of 1,960 hours. Once an emergency is over, staff must do catch-up work and complete their normal work as well. It is difficult for staff to keep up with the normal heavy workload under these circumstances, which may impact recruitment and retention.

OEM's primary responsibility is the welfare, health and safety of New Mexicans. This requires capable, experienced managers and staff that are adequately trained and prepared to carry out their assigned activities. Most are hard working and dedicated and are assets to the programs they manage, execute and administer. In general, OEM staff appears to possess a level of experience and education that is sufficient to successfully manage and perform program activities and appropriate to the current economic environment. On-going, progressive professional development and training is essential to maintain and enhance emergency management expertise and is a compliance requirement of some emergency management programs.

Recommendations. Transfer the division director II position permanently to OEM and fund it through the regular budget process. Fill the classified general manager position to assist the director and to provide institutional stability and memory to assist OEM staff with the myriad of day-to-day responsibilities and activities. This will return OEM to its previous organizational status with two top-level managers to lead operational activity. Both the division director II and the general manager positions have been funded for FY07.

Fill positions when they are created to provide the support necessary to carry out programmatic activities in an organized, timely and cost-effective manner. Budget sufficient state funds to adequately support the management positions and other administrative activity as required to ensure that programmatic activities are conducted in an effective and efficient manner and that state funding is available to match federal grant funds as they become available.

Conduct formal exit interviews to document the reasons for staff turnover.

Conduct a salary study for OEM positions (including a study of other states) in light of the additional staff duties involved in emergency operations and the subsequent stress related to playing catch up while also moving forward in accomplishing current tasks.

PERFORMANCE MEASURES

Program Performance Measures Should Be Replaced or Reworded to Reflect Significant, High-Priority Activities and Reported Results Should Be Based on Valid Data. Two of three General Appropriation Act performance measures should be replaced by others that are more relevant to actual program priorities and activities. Target achievement for two out of three measures could not be assessed because performance results were based on flawed data. Performance measures are only as meaningful as the activities that they are designed to represent, and performance results should be based on reliable and valid data.

OEM's purpose is to oversee and coordinate all emergency management and homeland security activities in the state of New Mexico to protect life and property by providing a coordinated system for the prevention, preparedness, mitigation, response and recovery from disasters and emergencies.

Percent Compliance with Fifty-Four Emergency Management Accreditation Program Standards Endorsed by the Federal Emergency Management Act. Compliance with program standards does not appear to be a priority, and a more meaningful measure could be substituted. The emergency management accreditation program for state and local government is based on compliance with collaboratively developed national standards and is the standard for emergency management organizations. The emergency management accreditation program commission agreed to work with the U.S. department of homeland security to use the emergency management accreditation program standards and procedures to conduct baseline assessments of all states and territories by July 30, 2006.

New Mexico completed its baseline assessment in August 2003. OEM staff reported that no active work is being done toward emergency management accreditation, but the standards are used to the extent possible. The baseline assessment can be used to seek accreditation. However, the accreditation standards are being used as guidance only because OEM management believes they are too narrow for strict interpretation. Based on federally mandated priorities and the homeland security strategy, OEM is of the opinion that the emergency management accreditation program should not be used as a quarterly performance measure and agrees to a measure change.

Percent Increase in Emergency Management and Homeland Security Training Hours per Year. The progress indicator, a percent increase, does not provide enough information to assess progress. The percent increase shows that more training was provided. However, standing alone, there is no information about the magnitude of the increase relative to any sort of baseline, e.g., how many training hours were delivered previously. Is the increase really a performance improvement or was previous performance poor and easily exceeded?

Reported performance results were based on OEM's training management system that appears to have problems and should be re-evaluated for possible upgrades. According to OEM documentation, general command objective 14 relates to implementing a statewide training program and directs staff to "Utilize the Training Management System (TMS) as a management tool at the state level for all training-related programs." Despite this directive, data entry into the training management system lagged and contributed to inaccurate results.

This measure reports progress for an activity that is strategically important in preparing state and local emergency managers and staff to effectively plan, assess and react to local conditions. They are trained in methods to assess situations, manage and direct resources respond to situations as they arise in a cost-effective manner. However, the integrity and reliability of performance data sources should always be considered before a performance measure is adopted. OEM reports that the training database problem is currently being addressed. It appears that the training management system is being updated by redirecting staff resources from training to data entry.

Number of Students Trained in National Incident Management System Awareness per Year. FFY 2007 federal preparedness funding is contingent upon statewide national incident management system implementation. This measure was significant because completing the national incident management system awareness course, IS-700, was a recommended activity for FFY 2005. Incident management system awareness is a preliminary step in becoming compliant with the federal mandate. However, it does not show in a meaningful way whether permanent compliance with the standard is being achieved. The reported number of students trained was inaccurate because it was based on federal data that was rough and inaccurate.

A better measure of compliance might report on local jurisdictions' progress in completing FY06 implementation steps, such as all jurisdictions accurately completing the national incident management system capability assessment support tool so that statewide compliance can be achieved.

The national incident management system capability assessment support tool is a self-assessment instrument for state, local, tribal, and private-sector and nongovernmental organizations to evaluate their jurisdiction's ability to effectively prepare for, prevent, respond to and recover from domestic incidents, regardless of cause, size or complexity. The national incident management system and the assessment support tool integrate existing best practices into a consistent, nationwide approach to domestic incident management that is applicable at all jurisdictional levels and across functional disciplines in an all-hazards context.

OEM reports that staff are actively working with the local jurisdictions to ensure that they are aware of and working toward accomplishing national incident management system requirements. OEM is tasked with coordination of overall state readiness and assisting jurisdictions to achieve compliance requirements. Earlier this year, OEM sent all jurisdictions that have not completed their baseline self assessment an e-mail notifying them that they had to submit their reports not later than March 17, 2006, or they would not be eligible for federal preparedness assistance.

As of May 2006, all counties have completed baseline self-assessments. However, OEM staff must assist several counties re-evaluate their responses to more accurately reflect each jurisdiction's ability to effective prepare for, prevent, respond to and recover from domestic incidents. Considering New Mexico's large geographic area and primarily rural nature, a regional approach will most likely be required to pool emergency resources in order to achieve compliance and to maximize funding.

Recommendations. The legislature may want to consider replacing or rewording the three current GAA performance measures so that they are more relevant to actual program priorities and activities.

Report performance results using hard data, not percents. Do not state results in percent format unless supplementary information is presented to place percentages in the proper context.

Reword the training performance measure to include the number of training courses conducted annually, supplemented by percent increase of training courses conducted. Strategic goal 5 relates to training state and local jurisdictions to prevent, protect, respond to and recover from a terrorist incident, disaster or emergency. This goal includes a number of training-related sub-objectives that might also be targeted using additional performance indicators, depending on the relative priority of each to the overall goal.

Select a performance measure or measures that reflect the overall statewide national incident management system compliance status. One possible measure might be the number of jurisdictions accurately completing the self assessment so that statewide compliance can be achieved. Another possible measure might be the number of state entities (including tribes, jurisdictions and municipalities) that formally adopt the national incident management system.

Develop a performance measure or measures to systematically evaluate the effectiveness of regional collaboration. Expanding regional collaboration (strategic goal number one) is essential to maximize federal and state resources.

Select external and internal performance measures more reflective of short-, intermediate- and long-term emergency management and homeland security strategies and objectives, such as:

- Number of program and administrative team compliance visits conducted by OEM staff each year - all grants (the first year would be used as a baseline for subsequent years).
- Number of desk compliance reviews conducted by OEM staff each year – all grants.
- Number of exercises conducted annually in compliance with the homeland security exercise and evaluation program, including after-action reports and corrective-action plans.
- Number of multi-discipline exercises conducted to properly use new equipment and personnel resources to enhance regional capability.
- Number of planned exercises addressing recovery (to enhance regional capacity).
- Number of local jurisdictions' emergency operations plans on file at OEM that address a multi-discipline and all-hazards approach and are current within three years. (strategic goal 2)
- Number of local emergency managers who have completed the FEMA Professional Development Series, supplemented by percent of local emergency managers who have completed the FEMA Professional Development Series.

New Mexico Department of Public Safety
Office of Emergency Management
Audit Response – 7 July, 2006

Emergency Preparedness Response Plan, Policies, and Procedures

Finding - Regular updates and evaluation of an All-Hazard Emergency Operations Plan will enhance the State preparedness.

Recommendations. Develop and follow formal procedures for conducting regular assessment of these plans to determine if updates are required and to ensure that the emergency plan, annexes, and appendices are regularly evaluated and updated when necessary.

OEM Response: Formal procedures for conducting regular assessments of the All-Hazard Emergency Operations Plan (EOP) have been incorporated into the 2006 update. Specifically, they are listed in the 2006 plan development and maintenance section. Information regarding the updating of this plan is also discussed in the Governor's Letter of Promulgation and in the Agencies' Letter of Agreement. The updating of the EOP, and other emergency management documents, is a best practice utilized by OEM.

Develop a method to track changes made to the all hazards emergency operations plan. For example, when a change is made to any all hazards emergency operations plan's element, an entry should be made into the plan's record of change page that identifies what the change was, where it is located in the plan, who made the change and/or authorized the change, and on what date the change was made.

Develop a form with the following columns to monitor updates:

- Date
- Reason
- Who updated
- Who authorized

OEM Response: A method to track EOP document changes has been incorporated into the 2006 EOP update. It incorporates the date of the change, the reason for the change, identifies the person authorizing the change, and the person making the change.

Require all responsible agencies to notify OEM in writing even if updates are not required.

OEM Response: The Governor's Letter of Promulgation and the Agencies' Letter of Agreement establish a plan for annual updating of the EOP by state agencies. These documents call for state agencies to notify OEM, in writing, by 1 Oct of each year, if there are changes or updates to the basic document. Agencies are required to report, in writing, if no changes are necessary.

Finding- The Office of Emergency Management should consider preparing after-action reports to review its emergency response efforts following each emergency.

Recommendations. Prepare after-action reports after each disaster that reviews emergency response and recovery activities.

OEM Response: OEM has had limited personnel in the last two to three years to prepare such reports. That personnel situation continues to improve allowing OEM to prepare after-action reports.

Develop a system that tracks weaknesses noted in the after-action reports, what corrective actions were taken to address weakness and the entity responsible for implementing corrective actions.

OEM Response: Using established best practices, OEM will review after-action reports, identify corrective actions needed, and implement them accordingly. After-action reports are also required by the National Incident Management System (NIMS) and the Homeland Security Exercise Evaluation Program (HSEEP) and are best practices to be utilized by OEM.

Develop a system to evaluate OEM's performance during emergencies and to identify areas for improvement to ensure that it responded and provided sufficient resources in a timely manner.

OEM Response: Using established best practices, OEM will review after-action reports, identify corrective actions needed, and implement them accordingly. After-action reports are also required by the National Incident Management System (NIMS) and the Homeland Security Exercise Evaluation Program (HSEEP).

Training provided to staff, other agencies, and other entities

Finding – Ensure that the Office of Emergency Management staff are sufficiently trained to respond during emergencies; training; exercise data is regularly analyzed and recordkeeping is accurate, complete, and timely.

Recommendations. Develop and institute current training and exercise policies and procedures. Establish and consistently follow a mechanism to monitor training and exercise received by OEM staff.

Maintain accurate data in the training management system database. Update the training management system database regularly and analyze it quarterly to ensure that local jurisdictions have equal access to trainings. Also, use the database data to make decisions, for example, type of training requested by local jurisdictions, the entities not attending regular training, and local jurisdictions regularly canceling training requests. Use this database to track OEM staff training.

OEM Response: The draft Training Policies & Procedures document is for external partners and OEM staff training requirements will be published as separate policy directed by the OEM Director or Deputy Director. The Exercise and Training Unit is coordinating with the Director and Deputy Director to produce an acceptable local government exercise policies and procedural manual.

Additional staff has been authorized and will allow the replacement training coordinator to focus more on training management and delivery and less on having to actually conduct and monitor courses. With the additional staff previously mentioned, the training coordinator will be able to insure quality control and conduct quarterly analysis. Additional administrative staff will be added to assist in data entry.

OEM will be adding four local government preparedness coordinator positions (authorized as of 1 July, 2006) that will facilitate the Training and Exercise Unit's ability to coordinate the analysis of training needs of jurisdictions statewide, match the needs with our Homeland Security Strategy, and provide the training to insure that OEM meets the jurisdiction and Homeland Security Strategy requirements. Use of the local government preparedness coordinators will additionally assist in improving overall strategy performance and in better targeting of and response to the training needs of the emergency management community.

OEM has begun the process of making necessary corrections to the training database and will place high priority on completion of this project.

Finding- Use local jurisdictions' four-year exercise plans to improve State and local preparedness.

Recommendation. Analyze local jurisdictions' four year exercise plans to ensure that each jurisdiction receives at least one exercise a year. Assist local jurisdictions in planning four year exercise plans to ensure that exercises are planned based on threat basis and actual events.

OEM Response: Prior to January 2005, FEMA required a 4 year exercise plan. The Homeland Security Exercise Evaluation Program (HSEEP) and DHS now require adoption of a 3 year exercise plan. OEM has adopted the 3 year plan process, has conducted the required annual Exercise Plan Workshop, and has developed a 3 year exercise plan spreadsheet. The transition from the prior 4 year cycle to the 3 year cycle requirement caused some confusion and there were inconsistencies in the program.

The OEM exercise coordinator maintains close contact with all jurisdictions to ensure local jurisdictions are meeting their exercise schedule.

OEM will be adding four local government preparedness coordinator positions which will allow OEM to have the ability to provide direct technical support and assistance and provide more time for the exercise coordinator to prepare statistics and conduct in-depth analysis of the programs and processes.

Finding- Use statewide strategic plan to monitor progress towards the State response and preparedness.

Recommendation. Develop criteria for determining the types of exercises needed. Criteria should consider: need for exercise; and jurisdiction or district wide risks, resources, and capabilities.

OEM Response: The New Mexico Homeland Security Strategy is the guiding document and progress is tracked by the action plan. The Homeland Security Strategy has real value since it

integrates homeland security and emergency management goals and objectives into one plan. The strategies, once approved by DHS, are then translated into an OEM 2006 Action Plan that translates the strategies into General Control Objectives (GCO) with specific assignments to individual program personnel within OEM. These assignments are reported on weekly, as part of a formalized reporting system. Further, OEM is in the process of incorporating the assignments into individual EDAs.

DHS also monitors the strategy implementation through site visits with specific discussion concerning the status of the goals, objectives and action steps as outlined in the strategy.

While there was limited progress made during 2005 in the tracking of the 2003-2005 Three-Year Strategy, OEM has started a more aggressive program progress reporting system for the 2006-2008 State Strategy. Jurisdictions are required to submit quarterly program progress reports to OEM for all programs for which they receive funding. Quarterly reporting requirements are outlined in the grant application process as well in individual sub-grant agreements for which the jurisdictions receive funding.

Finding – Ensure each local jurisdiction has an Office of Emergency Management approved all-hazards emergency operations plan.

Recommendation. Develop a system to ensure that all local jurisdictions’ update their all-hazard emergency operations plan regularly.

OEM Response: While it is correct that each political subdivision does not have an approved all-hazard emergency operations plan (EOP), there is currently no statutory requirement of local governments or authorization for the State to require every jurisdiction to develop or update their EOP. A current EOP is presently a requirement for funding from OEM.

An excellent working relationship has been established with most of the county emergency managers and OEM has been successful in getting EOP goals accomplished. Out of 33 counties in New Mexico, 32 counties have a completed emergency operation plan, one in development, and/or one in revision/updating. There is only one county (Catron) that does not have an EOP and is not taking any action to develop one. Approximately 60% of the counties have an EOP that has been updated within the past three years.

Albuquerque has a new EOP dated Apr 2005. (Albuquerque is tracked due to its size. Most other cities, towns and villages will be included in their counties EOP.)

Finding- Ensure the New Mexico Hazard Mitigation Plan is updated regularly.

Recommendation. Update New Mexico hazard mitigation plan regularly.

OEM Response: The reported \$150,000 in funding was from the competitive Pre-Disaster Mitigation grant fund so there is no set aside funding for the update of the State mitigation plan. (OEM is considering an appeal to the denial of the funding.)

OEM has completed the required Standard State Mitigation Plan. Either the Standard State Mitigation Plan or an Enhanced Mitigation Plan is required by FEMA, but not both. Additional support from FEMA, including staffing and capabilities are required to meet the standards set forth for an Enhanced Mitigation Plan.

OEM is considering either securing funding to hire a contractor or assigning staff, in-house, with the sole responsibility to update the plan. One staff position is required to work on all other mitigation program issues, including local mitigation plan development and approval. Mitigation has seen a decline in resources and attention from the federal government for the past five years.

Finding- Federal Emergency Management Agency (FEMA) takes too long to approve local jurisdictions' hazard mitigation plan.

Recommendation. Provide assistance to the staff in resolving issues faced by hazard mitigation officer in developing and receiving timely approval of local mitigation.

OEM Response: OEM submitted a letter to the FEMA Region VI Regional Director in May 2006 expressing concern over the local mitigation plan review process. This was in addition to several phone calls made to Region VI over the past two years on the same topic. As of July 7, 2006 OEM has had no reply from Region VI.

Finding- The State should consider establishing a statewide mitigation program.

Recommendation. Legislature may consider addressing a statewide hazard mitigation program in statute.

OEM Response: Mitigation has always been an important function of emergency management. The State's Disaster Assistance Program allows for post-disaster mitigation using State disaster funds during rebuilding. OEM has discussed a State-funded pre-disaster program in the past, but it has been viewed as cost prohibitive. OEM will take the recommendation under advisement and reexamine the efficacy of a State level, state funded mitigation program.

There are two FEMA mitigation grants for all natural hazards – the Hazard Mitigation Grant Program and the Pre-Disaster Mitigation Program (PDM). Mitigation project applicants (through the Pre-Disaster Mitigation Program) compete nationally to receive FEMA grant funds. The PDM competitive process gives states which experience federal disasters an advantage because they have an easier time meeting the benefit cost requirements.

FEMA requires the Hazard Mitigation Grant Program, and PDM funds, be disbursed only to local jurisdictions that have FEMA approved mitigation plans. Statewide, New Mexico has 6 FEMA approved mitigation plans at this time. The 18 jurisdiction covered by an approved plan include both counties and cities. In looking only at the 33 counties, 5 counties have an approved plan, one of the approved plans is for a city. Only these 18 jurisdictions can request funds for mitigation projects.

To the knowledge of OEM, a major factor in making PDM grant awards centers on the benefit/cost analysis of the project. Additionally, three indirect factors in the making of the award are high risk, repetitive loss and unusual development pressure. Population however does not seem to be a deciding factor in making these awards.

Policies and Procedures regarding coordination

Finding- OEM needs substantial improvement in coordination with other State agencies and other branches of government.

Recommendations. Develop a system to ensure that all state agencies develop their continuity of operations plan, update it regularly, and perform exercises regularly to improve continuity of operations during emergencies.

OEM Response: Specifically regarding school safety in support of the Education Department and the State Fire Marshal, OEM does not maintain these documents. OEM does however work with local governments to help them, while at the same time allowing other agencies to perform their statutory duties.

Develop a system to ensure that OEM collaborate with other state agencies.

OEM Response: OEM has strong collaboration relationships with other executive agencies such as the Secretary of State and the Public Regulation Commission. The system of collaboration is established by law, Executive Order, the New Mexico Emergency Operations Plan, and standard operating guidelines.

Finding – Collaborate with other State agencies, local jurisdictions, other entities, other states, and other countries for safe border.

OEM Response: OEM currently actively collaborates with other state agencies, other entities, local jurisdictions, other states, the federal government, and Mexico regarding safe border issues.

Recommendations. Develop a system of border security coordination with local jurisdictions, other state agencies, and other entities. Maintain evidence of collaboration among various relevant agencies.

OEM Response: OEM currently has a system of border security coordination with other jurisdictions, state agencies, and federal organizations having an interest in border operations.

Use the border security plan to coordinate border security efforts with local jurisdictions, other state agencies, other entities, other states, and other countries.

OEM Response: OEM utilizes the border security plan as the basic guidance document when coordinating border security operations with the other local, state, and federal jurisdictions having security interests in the region, as well as Mexico.

State (Executive Orders) and federal funding

Finding – Amending the disaster statutes to strictly define disasters and emergencies would clarify legislative intent and reduce the need to use executive orders as a funding mechanism.

OEM Response: The Executive is satisfied with the process for Executive Orders, and the uses for emergencies and disasters. Existing statutes and rules provide sufficient guidance to the executive in providing for the health, safety, and welfare of all New Mexicans.

- A) Proper planning and budgeting for prevention and recovery would reduce the need to use executive orders to fund what appear to be recurring expenditures.
- B) Some previously declared, long-term public emergencies have resulted in executive orders being used to fund recurring expenditures rather than being properly planned and budgeted through the normal appropriation process.
- C) The State Disaster Assistance Program should document internal policies and procedures and revise the definitions of disaster and emergency to be consistent with federal guidelines.

Recommendations:

Use disaster assistance program funds for short term emergencies. Develop methods to address non-emergency, long-term conditions through other financing mechanisms. For example, water-related projects could be funded through the capital outlay process, and recurring expenditures can be funded through the normal appropriation process.

OEM Response: OEM agrees long-term fixes to chronic problems should be budgeted for and undertaken in a timely fashion by affected jurisdictions. However, emergencies and disasters are various and changing by their very nature. Essential services cannot be cut while long-term repairs are ongoing.

The legislature may want to consider amending the disaster assistance statute to (1) clarify legislative intent, (2) revise the definitions of disaster and emergency to dovetail with federal guidance, and (3) prescribe the specific details required in executive orders, in order to provide public transparency for all stakeholders involved and to prevent funding circumstances that are not clearly disaster or emergency related.

OEM Response: The Disaster Acts provide sufficient guidance regarding emergency and disaster assistance procedures. Executive Orders set forth the specific purpose of the emergency assistance especially to local governments. When emergencies have ended in the short-term, assistance may still be required to allow communities the time to transition towards recovery, identify potential funding sources, and apply for those funding sources through agency application or legislative action.

The legislature should require all non-disaster or non-emergency activities and related expenditures to be appropriately planned and included in the normal budget and appropriation process.

OEM Response: There are currently sufficient restrictions pertaining to emergency expenditures. All expenditures are consistent with Disaster Acts.

Conduct periodic state disaster program compliance site visits and review source documents for reimbursable expenditures.

OEM Response: The expansion of the OEM Recovery Unit, the recent hiring of a Recovery Officer, and the hiring of a Recovery Specialist will allow OEM to conduct additional site visits and review source documentation to ensure reimbursable expenditures meet all payment requirements.

Develop internal disaster assistance program policies and procedures to guide staff and to set forth criteria to be followed in evaluating disaster and emergency declarations or for defining the incident period.

OEM Response: OEM will review current policies and procedures to ensure that sufficient guidance is available to staff members when evaluating local disaster and emergency declarations and defining the incident period.

Require documented, monthly reconciliation of program expenditures to accounting records.

OEM Response: OEM will require monthly reconciliations of all grant related expenditures, to include full reconciliation to the general ledger reports provided by the Department's financial system and the overall grant award itself.

Fill vacant positions in the disaster recovery and mitigation group as soon as possible.

OEM Response: OEM has hired a Recovery Officer for the Recovery Unit of the Response and Recovery Bureau as of 3 July, 2006. Hiring procedures will be used to fill the vacant Recovery Specialist as soon as possible.

Revise state Disaster Assistance Program guidance to be consistent with the federal definitions and guidance for disaster relief and emergency assistance.

OEM Response: The state Disaster Assistance Program guidance mirrors the policies and procedures of the Federal Emergency Management Agency (FEMA) except where such guidance is in conflict with state laws and regulations.

Maintain a written record of Border Security Task Force meetings and recommendations, and document all reports made to the governor.

OEM Response: The Border Security Task Force is sponsored by Senator Jeff Bingaman and is not an adjunct of OEM or Homeland Security. OEM is not in a position to maintain written records of these meetings.

Finding – The Office of Emergency Management could take better advantage of federal and state funding.

Recommendations. Allocate the administrative resources necessary to bring all grant accounting records up to date and ensure completeness and accuracy. Consider procuring specialized grant administration software to provide the flexibility needed to account for detail sub-grant activity detail.

OEM Response: The excel spreadsheets been used as a means of reconciliation of past activity . However, due to the fact that a database is not available, the spreadsheets have continued to be used. OEM is currently looking at acquiring a new database that would provide better performance and financial tracking.

Centralize internal grant financial reporting to the level necessary so that monthly grant budget and financial status reports are regularly reported in a standard format. Consider designating one staff person to gather monthly, summarize and review financial data.

OEM Response: The consolidation to an electronic grant management system will resolve the reporting dilemmas. The centralization of all grant information will be readily available to all staff members. The system will allow for daily summary reports to be run if need be. It is our intent to re-enter all applicable grant information into the electronic grant management system, including those processed by the Governor's Office. (Target date for full implementation is late 2006 or early 2007.)

Develop and regularly update written internal policies and procedures for all administrative grant functions. This guidance should provide information on required staff grant activities and include sufficient information so that a newly hired staff person will know the exact nature of duties involved and how to accomplish them on a step-by-step basis.

OEM Response: OEM staff members assigned to the SHSGP have drafted external policies and procedures for sub-recipients related to the management of the grant. Staff will work on creating the internal standard operating procedures necessary to effectively manage the grant program as a whole.

Reconcile all grant records to the accounting system monthly

OEM Response: The consolidation to an electronic grant management system will resolve the reporting dilemmas. The centralization of all grant information will be readily available to all staff members. The system will allow for daily summary reports to be run as required. OEM intends to transfer all applicable grant information into the electronic grant management system including that processed by the Department of Finance and Administration.

Consult with DPS staff frequently to assist in producing timely reconciliations and accurate reports. Communicate openly about financial and other issues and problems that come up to hasten issue resolution.

OEM Response:

DPS Administrative Services Division (ASD) agrees that communications with the OEM Grant and Administrative staff can be improved. Monthly budget reviews will continue and will be open for discussions on grant related issues. Quarterly reviews to validate reported expenditures, reconciliation issues and drawdown requests will continue with all grant staff, including the Grants and Administration Bureau Chief at OEM. ASD agrees that communications regarding quarterly reviews did not always occur with the OEM Grants and Administration Bureau Chief; however, the ASD staff is constantly in communication with the OEM staff on a variety of fiscal matters. Because the OEM Bureau Chief was filling the responsibilities of the Division Director, quarterly communications occurred with OEM grant staff.

The Citizen Corps funding is reconciled on a monthly basis, and documentation was provided to the auditors. However, we do agree that the monthly reconciliations to the general ledger are vital to maintaining accurate records.

Recruitment and Retention Practices

Finding- OEM's staffing levels and employee retention record impacts its readiness to respond to emergencies.

Recommendations. Transfer the division director II position permanently to OEM and fund it through the regular budget process. Fill the classified general manager position to assist the director and to provide institutional stability and memory to assist OEM staff with the myriad of day-to-day responsibilities and activities. This will return OEM to its previous organizational status with two top-level managers to lead operational activity.

OEM Response: The Division Director II position has been transferred to OEM. (Details submitted from the DPS Budget Office have been provided to the audit staff.)

Fill positions when they are created to provide the support necessary to carry out programmatic activities in an organized, timely and cost-effective manner. Budget sufficient state funds to adequately support the management positions and other administrative activity as required to ensure that programmatic activities are conducted in an effective and efficient manner and to ensure that state funding is available to match federal grant funds as they become available.

OEM Response: OEM is working with DPS personnel and the State Personnel Office regarding the most effective and efficient way to fill OEM positions. For example, OEM has been granted an exception to standard recruitment policies to allow for the recruitment of specialized and experienced emergency management personnel.

Conduct formal exit interviews to document the reasons for staff turnover.

OEM Response: OEM will establish exit interview procedures.

Conduct a salary study for OEM positions in light of the additional staff duties involved in emergency operations and the subsequent stress related to playing catch up while also moving forward in accomplishing current tasks.

OEM Response: Emergency management is a complex specialty. A salary study would be useful and could assist the continued OEM recruitment of highly qualified personnel.

Performance Measures

Finding – Program performance measures should be replaced or reworded to reflect significant high priority activities and reported results should be based on valid data.

Recommendations. The Legislature may want to consider replacing or rewording the three current GAA performance measures so that they are more relevant to actual program priorities and activities.

OEM Response: OEM staff members would work with the Governor’s office, the Department of Finance and Administration, and legislative staff members regarding the review of current GAA performance measures as needed.

Report performance results using hard data, not percentages. Do not state results in percent format unless supplementary information is presented to place percentages in the proper context.

OEM Response: OEM has changed measures using hard data (numbers) and not percentages in June, 2006.

Reword the training performance measure to include the number of training courses conducted annually, supplemented by percent increase of training courses conducted. Strategic goal 5 relates to training state and local jurisdictions to prevent, protect, respond to and recover from a terrorist incident, disaster or emergency. This goal includes a number of training-related sub-objectives that might also be targeted using additional performance indicators, depending on the relative priority of each to the overall goal.

Select external and internal performance measures more reflective of short-, intermediate- and long-term emergency management and homeland security strategies and objectives, such as:

Select a performance measure or measures that reflect the overall statewide NIMS compliance status. One possible measure might be the number of jurisdictions accurately completing the NIMCAST so that statewide compliance can be achieved. Another possible measure could be the

number of state entities (including tribes, jurisdictions and municipalities) that formally adopt NIMS.

Develop a performance measure or measures to systematically evaluate the effectiveness of regional collaboration. Expanding regional collaboration (strategic goal number one) is essential to maximize federal and state resources.

OEM Response: OEM will review current program requirements and operational priorities and develop appropriate performance measurement standards.)

Other Administrative Issues

Finding- Non-compliance with procurement code.

Audit staff note: The Governor's Office of Homeland Security and OEM are not in compliance with state procurement requirement to annually report to the Legislative Finance Committee and the Department of Finance and Administration on money expended for planning and preparing for an emergency response. Section 13-1-127(C) NMSA 1978 requires that money expended for planning and preparing for an emergency response be accounted for and reported to the legislative finance committee and the department of finance and administration within 60 days after the end of each fiscal year.

OEM Response: OEM will review Section 13-1-127 (C) NMSA 1978 and take corrective action. Section 13-1-127 (C) NMSA 1978 deals with emergency procurement and reporting of exempted procurement expenditures for planning. DPS was involved in recommending this change to the law in 2003. It is only for emergency procurement expenditures and DPS/OEM has been compliant.

The most recent summary financial report reviewed is dated February 7, 2005. The report presents a summary rollup of federal awards and related allocations to jurisdictions and other entities for FFY 2003 - 2005. Actual expenditures are not reported, and the report is not timely.

OEM Response: Reports are prepared weekly, however not in the manner requested by the audit staff. OEM is currently examining the use of different reporting formats.

According to Section 13-1-127 NMSA 1978, "an emergency condition is a situation which creates a threat to public health, welfare or safety such as may arise by reason of floods, fires, epidemics, riots, acts of terrorism, equipment failures or similar events and includes the planning and preparing for an emergency response." The existence of the emergency condition creates an immediate and serious need for services, construction or items of tangible personal property that cannot be met through normal procurement methods and the lack of which would seriously threaten:

1. The functioning of government;
2. The preservation or protection of property; or
3. The health or safety of any person.

Recommendations: None listed.

Finding - Department of Homeland Security Grant Monitoring Visit and Report

A programmatic and financial review was conducted February 23 and 24, 2004. The reviewers found that grant management is not centralized. Draws and reporting of federal fund, purchasing and transfers, and monitoring and flow-through were performed at different sites. Budgeting and forecasting procedures for administrative portions were not clear. Overall grant tracking, maintenance and coordination did not appear to be occurring.

As a result of this monitoring visit, repayment was required for about \$135 thousand of unauthorized expenditures and four grant administration staff were added to correct reported deficiencies. When the monitoring was conducted, homeland security grant administration was occurring at the Governor's Office of Homeland Security. At the beginning of FY06, that arrangement was ended, and all financial activities for the grants was transferred back to OEM, with DPS headquarters staff providing support.

The grant administrative staff developed spreadsheets to track all programs and local jurisdictional allocations for each grant. Transferring financial responsibility and consolidating the grant documents is very time consuming and has taken longer than expected. OEM staff report that expenditure detail from FY03 is still unaccounted for and the grants are just being closed at this time. The spreadsheet system currently being used is not flexible enough for the required purpose.

A subsequent homeland security grant program monitoring visit was conducted while this review was in progress. Recent inquiry indicates that results of the programmatic part of the monitoring visits will be released within the next few weeks.

In 2006, OEM staff developed an administrative guide for the state homeland security grant program that covers sub grantee contracts, monitoring visit protocols and procurement guidelines and began conducting monitoring site visits. This critical oversight and internal control activity was not performed prior to 2006. OEM staff developed a team approach to monitoring in which all program, administrative and fiscal compliance monitoring is accomplished during a single visit. A unified approach to conducting site monitoring visits is considered to be a best practice. Staff should be commended for adopting the unified model.

Recommendations: None listed.

OEM Response: Significant changes have been made since 2004 to address the findings set forth in the DHS review.

DPS Administrative Services Division (ASD) does not agree that detailed records are not accounted for. DPS ASD agrees that an inventory of the records is necessary and that any not on hand will be requested from the Governor's Office of Homeland Security (GOHS).

Records exist in three areas, the GOHS, DPS ASD or OEM. Prior to April 2005, the GOHS processed all financial documents with assistance from the Department of Finance and Administration (DFA). Copies of these documents were provided to OEM with summary reports at certain intervals. When DPS took over all of the processing, GOHS staff turned over one box of original payment vouchers and purchase documents. These documents are at DPS ASD. After that date, all documents processed are stored at DPS ASD. DPS ASD and OEM will meet to inventory records on hand and will request those not on hand from GOHS via the DFA imaging system.

Best Practices Used By Other States

Louisiana: Louisiana Office of Homeland Security and Emergency Preparedness requires that its plan, annexes, appendices, procedures, resource inventories, and notification/recall lists shall be maintained and kept current by all parties in the following manner:

- The EOP and its annexes and appendices, continuity of government and continuity of operations provisions will be reviewed every year, with a comprehensive review and update every four (4) years. Any agency changes or additions will be forwarded to the Director of the homeland security and emergency agency by 31 March every year.
- Resource inventories and notification/recall lists should be reviewed on a six-month basis or as changes occur. Procedures will be reviewed following critiques of actual emergency/disaster operations and/or exercises, where deficiencies were noted.

Colorado: The plan, its annexes and appendices, state department plans, checklists, and notification/recall lists shall be maintained and kept current by all parties on the following schedule:

- Review of Colorado Emergency Operations Plan, annexes, and appendices every two (2) years.
- Resource inventories/database list and department internal plans and checklists yearly.
- Verify notification/recall lists every six (6) months. Review and revise procedures following critiques of actual emergency or disaster operations and/or exercises where deficiencies were noted.
- All changes, revisions, and/or updates to the Plan, its annexes and appendices shall be forwarded to COEM for review, publication and distribution to all holders of the Plan. If no changes, revisions, and/or up-dates are required, the COEM shall be notified in writing by the department head that respective plans, annexes, appendices, etc., have been reviewed and are considered valid and current.

Ohio: When all involved agencies have provided input to the update process and a final document has been decided on, agency directors sign an acceptance document stating they understand the agency assignments of responsibility to be provided as operational support in disaster or emergency situations.

- When a change is made to any Ohio emergency operations plan's element, an entry will be made into the plan's record of change page that identifies what the change was, where it is located in the plan, who made the change and/or authorized the change, and on what date the change was made. Agencies with defined EOP/EOC responsibilities will be notified of changes via email on a quarterly basis.

New Hampshire: The New Hampshire Office of Emergency Management will conduct the overall plan review and revision on an annual basis. NHOEM will request the necessary updates as noted below from the primary and secondary support agencies.

- Major changes that affect the Situation and Assumptions and Concept of Operations will be made as required. The department head shall approve major

changes. Authority to revise and/or update routine documents such as standard operating procedures (SOP's), notification and recall lists, and resource inventories, shall be made by the primary and support agencies. As part of the evaluation process, the primary state agency will provide written recommendations for revisions to this plan to the State Coordinator.

- All changes, revisions, and/or updating shall be forwarded to the New Hampshire Office of Emergency Management (NHOEM) for review, editing, publication, and distribution to all holders of the State EOP. If no changes are required, NHOEM is to be notified in writing, by the respective department, agency, or office that the plan and associated ESF, and all supporting documents, have been reviewed and are considered valid and current. This plan shall be exercised at least annually in the form of a simulated emergency in order to provide practical, controlled, operational experience to those who have state operations center responsibilities.

Texas: The State Coordinator of Governor's Division of Emergency Management will maintain and update emergency management plan as required. The state coordinator will coordinate all review and revision efforts, and ensure that the plan is updated as necessary, based on lessons learned during actual occurrence events and exercises, and other changes in organization, technology and/or capabilities.

The US Department Of Homeland Security's Nationwide Plan Review

The plan review was organized in two phases. Phase one consisted of a self assessment and certification of plan status by each State and urban area. Phase two consisted of peer review by teams of former State and local homeland security and emergency management officials who visited each State and urban area to validate plan status and determine requirements for planning assistance. Peer Review Teams worked with homeland security advisors to conduct site visits between February 1 and April 27, 2006. The three assessment levels were defined as follows:

- **Sufficient:** Formal plan components and associated capabilities were in place at the time of the review that were compliant with applicable Federal guidance and could meet the requirements of a catastrophic incident.
- **Partially Sufficient:** Formal or informal plan components and associated capabilities were in place at the time of the Review that were partially compliant with applicable Federal guidance and could meet some, but not all, requirements of a catastrophic incident.
- **Not Sufficient.** Formal or informal plan components and associated capabilities were not in place at the time of the Review that were compliant with applicable Federal guidance and could not meet the requirements of a catastrophic incident.

The Peer Review Template included 34 questions to guide review of all-hazard emergency operations plans and supporting materials. The US department of homeland security noted weaknesses in all categories. The following are major weaknesses by each category:

- Basic Plan:
 - Most emergency operations plans do not reflect Sufficient COOP or COG planning.
 - Many Review participants lack a formalized corrective action and improvement process.
 - Although relevant legal authorities are referenced in Basic Plans, some aspects of mutual aid agreements are unclear. For example, arrest powers are not well-defined for law enforcement officers responding to a mutual aid request.
 - For States and Territories on the Nation's borders, MAAs with foreign entities need to be coordinated more thoroughly with the Federal Government.
 - With the exception of States and urban areas vulnerable to hurricanes, most review participants do not consider catastrophic incidents a likely occurrence.
- Questions Common to All Functional Annexes
 - Based on their planning and emergency management experience, States and urban areas tend to rely heavily on the Federal Government during the incident instead of conducting "collaborative planning with the Federal Government as a part of 'steady state' preparedness for catastrophic incidents."
 - Review participants identified several reasons for not identifying and developing system to identify special need population.
- Direction and Control Annex
 - Most State and urban area Direction and Control Annexes were found to be Partially Sufficient to handle the challenges presented in a catastrophic disaster response. The most prevalent deficiency is the absence of a clearly defined command structure.

- Communication Annex
 - Communication links between State and local emergency operation centers and military resources are generally inadequate.
 - Responders in rural areas often lack the ability to communicate directly with direction and control facilities. Inefficient communications paths and processes cause delays and impede response.
- Warning Annex
 - The inability of the Review participants to contact populations in custodial institutions and special needs populations is a significant shortfall.
 - The inability to provide messages to the public in multiple languages is a widespread weakness.
- Emergency Public Information Annex
 - Many Emergency Public Information Annexes fail to contain checklists, phone lists, and other operational references. In addition, procedures identifying backup PIOs, JICs, or other components of a JIS were not provided.
 - Public outreach messages that addressed the preferred protective actions for at risk populations, including the special needs community, were limited.
 - Although advances in technology (e.g. Internet, cell phones, pagers) have provided several avenues to communicate to the public, many Review participants have failed to utilize those resources to effectively provide public information.
- Evacuation Annex
 - Some participants believe they will never experience a catastrophic event as defined in IB197; a mass evacuation of an entire State or urban area was not considered a plausible scenario.
 - Overall, Review participants have not thoroughly and/or realistically determined how they will manage special needs populations that require evacuation.
- Mass Care Annex
 - Capabilities vary among regional and/or local entities due, in general, to the lack of statewide planning—for example, shelter capacity is not evaluated for the ability to host large masses of evacuees and statewide plans generally do not address shelter identification and tracking
 - Traditional sheltering procedures do not adequately accommodate special needs populations.
 - Compliance standards for issues such as condition, health risk, and safety are not developed at identified shelter site locations. Shelters face barriers to supplying medical services and sharing medical information.
 - Shelters are often designed for individual rather than family placement.
 - There is a wide variation in the coordination and prioritization of statewide resources to support animal management issues. Many States lack procedures for animal identification and tagging.
- Health and Medical Annex

- Both States and urban areas agreed that patient tracking systems need to be improved. There were interoperability issues with the various tracking systems that response agencies (EMS, hospital and public health) were using.
 - Patient tracking systems generally did not include the entire patient/victim population.
 - As a result of HIPAA requirements, there was general confusion about who can access patient-related information.
 - There is no comprehensive system for credentialing out-of-State medical professionals. Additionally, some Review participants expressed confusion about the Emergency Management Assistance Compact (EMAC) and who is covered under this system. The majority of confusion had to do with private providers and private medical professionals.
 - Generally, urban areas believed credentialing is a State's authority and they do not have a system in place to recognize or receive out-of-State medical professionals.
 - There was a lack of surge capacity in the medical examiner's/coroner's office relative to catastrophic/mass fatality events such as pandemic flu.
 - Standardized plans and checklists are needed for handling contaminated bodies during mass mortuary operations. This standard should include recommended removal and storage of contaminated bodies and types of containers.
- Resource Management Annex
 - Many States and urban areas lacked prioritized resource lists.
 - Responding to catastrophic events will require Review participants to pre-identify vendors of last resort, including those well beyond their routine resource base.
 - The lack of an effective resource tracking system was a common observation across Review participants.
- Overall Questions
 - Most Review participants have not identified a prioritized list of resources and suppliers or are in the process of updating a prioritized list of resources and supplies. This includes internal resources.
 - Many Review participants were quick to accept that a catastrophic event would overwhelm State or urban area resources and cited EMAC or similar mutual aid as a mechanism for providing support. However, few considered practical implementation of mutual aid, resource management, and other logistical aspects of mutual aid requests.
 - A number of Review participants that had inadequate catastrophic event planning also lacked NIMS integration; many Review participants reported a need for greater inclusion of the private sector in NIMS-compliant MAAs.
 - Urban areas involving multiple counties, municipalities, and States were less likely to have clear legislation to guide emergency response as a region.

After Action Report
FEMA FL-FEM-2005070601
Hurricane Dennis

Southern Area Incident Management Team

Summary of Assignment

The Southern Area “RED” Type I Incident Management Team (IMT) was ordered on July 7, 2005 to stage at the Northern Florida Fairgrounds in Tallahassee, Florida. The original order was for a short team and included 17 individuals. The team was ordered by FEMA on the Surge account. Most of the team members were in place by 1400 on July 8, 2005. The initial mission, as defined in the FEMA Mission Assignment (MA) was to stage in and wait for Hurricane Dennis to make landfall. As this was occurring, ice, water and MRE trucks started to arrive at the fairgrounds. FEMA then requested the IMT to manage the fairgrounds as a staging area. The short IMT managed the staging area through Sunday, July 10, 2005, when a new MA was received to move to Duke Field at Eglin Air Force Base, to set up a base camp and manage a receiving and distribution center in support of Hurricane Dennis recovery efforts. Hurricane Dennis had made landfall on Sunday, July 10, 2005 near Ft Walton Beach, Florida.

With the new MA, the full IMT was ordered, plus 10 Type 2 hand crews at FEMA’S request. The short IMT arrived at Duke Field at 1500 hours on July 11, 2005 and started to set up their operation. Already on site at Duke Field was the State of Florida SERT operation which had set up their Operational Staging Area (OSA) and FEMA with a Logistical Staging Area (LSA). A State of Florida IMT (Green) was already on site to manage the OSA.

As we met with the State IMT, it became evident that in order to accomplish both the FEMA and Florida State SERT missions all agencies would need to work cooperatively. The State of Florida’s IMT, Green Team, co-located with our Red Team and worked as a unified command. The ICs agreed that the Red Team would stage, park and track incoming and out going trucks as well as warehouse items as needed. The Green Team would run the State “tracker” system and fill orders based on these tracker missions. In addition the Green Team would manage a separate State warehouse on site and track orders for food commodities, personal hygiene items.

Both teams worked extremely well together. This was due in large part to the State of Florida and Federal IMT’S working together in the same situation on Hurricanes Charley and Ivan in 2004. This was to be a shorter event as the impact of Hurricane Dennis was not as great as projected. Both teams were looking at downsizing by July 19, 2005.

What Went Well

1. LSA/OSA Location – The facilities at Duke Field were outstanding, as was the support of the base. The hangar provided ample space for storing the contents of trucks that needed

to be warehoused. Although the runways at Duke remained active, taxiways located at the LSA made for a good staging area with room to run the generator missions as well as stage trucks. At one point space did become an issue, but an overflow grass field was used for empty trailers, once again giving us ample room to operate.

2. The agencies on site recognized early on that we had different missions and responsibilities. We all worked together to make this a successful operation. Kudos need to be given to all on site for incorporating into one Incident Action Plan, co-locating IMT's, working in a unified command and understanding that our primary mission was to help those affected by Hurricane Dennis.
3. The agency representatives and leadership that ran the operations at Duke Field this year had many of the same people involved in the 2004 Hurricane Ivan Incident, including FEMA, SERT and IC's. This made for a smooth start, early recognition of organization structure and the knowledge that each knew their roles and responsibilities. Whenever possible, IMT's that have worked at a certain site or with certain people should be considered for deployment to that location again.

Areas of Concern and Recommendations

1. Organize under ICS (Incident Command System)- In a memorandum dated March 1, 2004 Tom Ridge, Secretary for Homeland Security, directs all federal and state agencies in support of a declared federal disaster to adopt the National Incident Management System for disaster response and preparedness. Once again this year it is clear that state and federal agencies need to urgently work to accomplish this Presidential Directive (HSPD-5). Although the Red Team has overcome the lack of ICS involvement of other agencies we still encountered some problems that could have been avoided if all agencies practiced ICS. Examples of these include: no in-briefing, inconsistent shift schedules, confusion over authority and roles, lack of organization and duplication of processes.

Recommendation: Key agencies such as FEMA and USACOE to complete the Presidential Directive (HSPD-5). Train together with National Incident Management Teams and/or develop courses that facilitate this need.

2. Forms for tracking incoming trucks and commodities are not uniform and seem to be driven by individual agencies needs. At one time, three different spreadsheets were employed to track these goods. There was no standard truck check-in form and several iterations were developed early in the incident trying to catch all the information needed to later identify the truck or commodity for distribution. The IMT's did finally settle on one form and one database that suited all agencies, unfortunately this was developed by the IMT's and not the agencies in charge of the commodities (FEMA-SERT).

Recommendation: FEMA reps on site should arrive with a standard form and data base developed by their agency to facilitate information gathering and inventory tracking. It is

recommended that since so much effort has been put in to this by the IMT's, the IMT's database should become standard.

Conclusions

Continued improvement of emergency response requires a commitment from all the agencies to fully utilize the Incident Command System (ICS).

All involved need to stay focused on the main goal of OSA's and LSA's, getting supplies to the victims. The tracking, inventory, accountability, and paperwork that might accompany a recovery effort need to be greatly streamlined in a response effort.

George Custer
Incident Commander
Southern Area Red Team

Summary Schedule of Executive Orders Reviewed Calendar Years 2003 through 2005

(in dollars)

Executive Order Date	Executive Order Number	Authorized Agency	Regional or Statewide Assistance	Location or Region(s) Assisted	Event Classification	Trigger	Specific Amount Allocated
03/20/03	03-009	DPS	Statewide	State emergency operations center	Emergency	Potential Terrorist attacks	Unknown
05/01/03	03-012	EMNRD	Statewide		Emergency	FY not specified-Prevention	\$750,000
05/22/03	03-016	NG	Statewide		None	FY03 expenditures and water tankers	\$250,000
06/13/03	03-021	EMNRD	Statewide		Emergency	FY not specified-Prevention	\$750,000
06/26/03	03-023	DPS	Regional	Bernalillo County	Emergency	Bosque fire	\$750,000
06/26/03	03-024	EMNRD	Statewide		Emergency	FY not specified-Prevention	\$750,000
06/27/03	03-025	NG	Statewide		None	FY04 expenditures	\$250,000
06/27/03	03-026	NG	Regional	Jenny fire and Seco fire	None	Jenny and Seco fires	Unknown
07/07/03	03-028	DPS	Regional	Taos County	Emergency	Encebado fire	\$750,000
08/15/03	03-034	EMNRD	Statewide		Emergency	FY03 budget shortfall	\$750,000
08/15/03	03-035	EMNRD	Statewide		Emergency	FY04 expenditures	\$750,000
08/15/03	03-036	EMNRD	Statewide		Emergency	FY04 expenditures	\$750,000
10/21/03	03-045	DPS	Regional	San Miguel County, Rio Arriba County and the City of Elephant Butte in Sierra County	Disaster	Heavy rains and flash flooding	\$750,000
10/27/03	03-046	DPS	Regional	Santa Fe County near Chimayo	Disaster	Heavy rains and flash flooding	\$750,000
10/28/03	03-047	NG	Statewide		None	FY04 expenditures	\$250,000
11/13/03	03-049	EMNRD	Statewide		Emergency	FY04 expenditures	\$750,000
02/24/04	04-008	DPS	Regional	Bernalillo, Guadalupe, Santa Fe, San Miguel, Sandoval, Mora, Tarrant and Quay Counties	Disaster	Severe winter storms and snowfall accumulation	\$750,000
03/10/04	04-009	NG	Statewide		None	FY04 expenditures	\$250,000
03/26/04	04-013	EMNRD	Statewide		Emergency	FY04-Prevention and emergency	\$750,000
04/05/04	04-015	DPS	Statewide-flooding	Eddy County	Disaster	Severe weather and widespread flooding	\$750,000

Executive Order Date	Executive Order Number	Authorized Agency	Regional or Statewide Assistance	Location or Region(s) Assisted	Event Classification	Trigger	Specific Amount Allocated
04/06/04	04-016	DPS	Statewide-severe weather conditions	San Miguel and Mora Counties	Disaster	Severe weather and snow pack caused flooding	No -use funding from EO 04-015
04/09/04	04-018	DPS	Regional	Bernalillo County	Disaster	Severe weather and flooding	\$750,000
05/17/04	04-027	N/A	Statewide		Emergency	Drought conditions statewide	Unknown-all executive agencies may apply
05/24/04	04-028	NG	Statewide		None	Supplement-FY not specific	No-use funding from EO 04-009
05/24/04	04-029	DPS	Regional	Lincoln County	Emergency	Peppin fire	No-use funding from EO 04-028
05/24/04	04-028	DPS	Statewide		Emergency	Wildfires and recent federal rulings	\$750,000
05/28/04	04-030	EMNRD	Statewide		Emergency	FY04 expenditures and prevention	\$750,000
05/28/04	04-031	DPS	Regional	Bernalillo, Guadalupe, Santa Fe, San Miguel, Sandoval, Mora, Torrance, Quay and De Baca Counties	Disaster	Severe winder storm and snowfall accumulation	\$750,000
06/03/04	04-032	EMNRD	Statewide		Emergency	FY04 expenditures	\$750,000
06/03/04	04-033	EMNRD	Statewide		Emergency	FY04 expenditures	\$750,000
06/18/04	04-035	EMNRD	Statewide		Emergency	Prior FY03 expenditures	\$750,000
07/01/04	04-036	DPS	Regional	Dona Ana County	Disaster	Severe storms and flooding	\$750,000
07/09/04	04-037	EMNRD	Statewide		Emergency	FY05 expenditures	\$750,000
07/09/04	04-038	DPS	Regional	Colfax County	Disaster	Severe storms and damage	
07/15/04	04-039	EMNRD	Statewide		Emergency	FY04 expenditures	\$750,000
07/22/04	04-040	DPS	Regional	City of Ruidoso Downs	Emergency	Severe drought conditions	\$750,000
08/23/04	04-043	DPS	Regional	City of Cloudcroft	Emergency	Severe drought conditions	\$750,000
08/26/04	04-045	NG	Statewide		None	FY05 annual funding	\$250,000
10/05/04	04-055	EMNRD	Statewide		Emergency	FY05 expenditures	\$750,000
10/14/04	04-057	DPS	Regional	Chaves and Socorro County	Disaster	Severe weather, hail and flood damage	\$750,000
12/06/04	04-064	DPS	Regional	La Joya Acequia in Socorro County	Disaster	Severe storms and flooding	\$750,000
02/17/05	05-008	DPS	Regional	Grant, Hidalgo and Catron Counties	Disaster	Severe rainfall and flooding	\$750,000
03/07/05	05-012	DPS	Regional	Taos County	Disaster	Heavy rain and severe weather	\$750,000

Executive Order Date	Executive Order Number	Authorized Agency	Regional or Statewide Assistance	Location or Region(s) Assisted	Event Classification	Trigger	Specific Amount Allocated
03/09/05	05-013	NG	Statewide		None	FY05 supplement	\$250,000
03/15/05	05-016	DPS	Regional	Bernalillo, Torrance, Santa Fe, San Miguel, Colfax, Quay and Guadalupe Counties	Emergency	Heavy snowfall, rain and severe weather	\$750,000
04/15/05	05-021	EMNRD	Statewide		Emergency	FY05 expenditures	\$750,000
04/25/05	05-025	DPS	Statewide		Emergency	Snowmelt, runoff and flooding	\$750,000
04/26/05	05-026	DPS	Regional	Harding, Union, Mora and McKinley Counties	Disaster	Heavy snowfall, rain and severe weather	\$750,000
05/20/05	05-029	NG	Statewide		None	FY05 supplement	\$250,000
07/08/05	05-034	EMNRD	Statewide		Emergency	FY06 expenditures	\$750,000
07/15/05	05-037	NG	Statewide		None	FY06 supplement	\$250,000
08/05/05	05-038	EMNRD	Statewide		Emergency	FY06 expenditures and prevention	\$750,000
08/12/05	05-040	DPS	Regional	Hidalgo, Luna, Dona Ana and Grant Counties	Disaster	Border crime	\$750,000
09/04/05	05-043	DPS	National	Louisiana, Mississippi and Alabama	Emergency	Hurricane Katrina	\$750,000
09/04/05	05-044	NG	National	Mississippi, Mississippi and Alabama	Disaster	Hurricane Katrina	\$250,000
12/06/05	05-058	DPS	Regional	Guadalupe, Rio Arriba, Cibola, Sierra, San Miguel and Socorro Counties	Disaster	Weather related flash floods and damage	\$750,000
12/06/05	05-059	DPS	Regional	Bernalillo County	Disaster	Severe weather and flooding	\$750,000
12/06/05	05-057	DPS	Statewide		Emergency	Snowmelt, runoff and flooding	\$750,000
12/29/05	05-061	DPS	Regional	Hidalgo, Luna, Dona Ana and Grant Counties	Disaster	Border crime	\$750,000
Grand Total							\$34,500,000

Source: Office of the Governor's Public Website

**Summary of State Disaster Projects Funded
Calendar Years 2003, 2004 and 2005
(in dollars)**

Executive Order No.	Date	Location	Event	No. of Applicants	Total State and Federal Amount Funded	State Share	Project Status
03-023	06/24/03	Bernalillo County	Fire-Bosque	7	\$2,332,812.81	\$180,577.39	Closed
03-028	07/07/03	Taos County	Fire-Encebado	0	\$0.00	\$0.00	Closed
03-045	10/21/03	San Miguel County, Rio Arriba County and the City of Elephant Butte in Sierra County	Flood	3	\$41,099.56	\$32,810.00	Closed
03-046	10/27/03	Santa Fe County	Flood	3	\$29,826.56	\$28,335.03	Closed
04-008	02/24/04	Bernalillo, Guadalupe, Santa Fe, San Miguel, Sandoval, Mora, Tarrant and Quay Counties	Snow	0	\$0.00	\$0.00	Closed
04-015	04/05/04	Eddy County	Flood	6	\$817,208.77	\$152,405.34	Open
04-016	04/06/04	San Miguel and Mora Counties	Flood	14	\$769,758.96	\$132,064.44	Open
04-018	04/09/04	Bernalillo County	Flood	6	\$5,850,505.76	\$1,095,232.18	Open
04-029	05/24/04	Lincoln County	Fire-Peppin	0	\$0.00	\$0.00	Closed
04-031	05/28/04	Bernalillo, Guadalupe, Santa Fe, San Miguel, Sandoval, Mora, Tarrant, Quay and De Baca Counties	Storm	1	\$176,513.00	\$132,385.00	Closed
04-036	07/01/04	Dona Ana County	Flood	1	\$423,377.19	\$317,532.91	Closed
04-038	07/09/04	Colfax County	Flood	1	\$240,592.41	\$180,444.31	Closed
04-040	07/22/04	Ruidoso Downs	Drought - Water Emergency	1	\$32,093.00	\$24,070.00	Closed
04-043	08/23/04	Cloudcroft	Drought-Water Emergency	1	\$63,988.14	\$47,992.00	Closed
04-057	10/15/04	Chavez and Socorro	Flood	2	\$49,979.90	\$38,456.61	Closed
04-064	12/06/04	Socorro County	Flood	1	\$18,849.00	\$17,907.00	Closed
05-008	02/17/05	Grant, Hidalgo and Catron Counties	Flood	18	\$782,541.49	\$733,364.85	Open
05-012	03/07/05	Taos County	Flood	1	\$193,489.00	\$145,117.00	Open
05-016	03/15/05	Bernalillo, Tarrant, Santa Fe, San Miguel, Colfax, Quay and Guadalupe Counties	Snow	8	\$308,968.00	\$231,730.00	Open
05-025	04/25/05	Statewide	Spring Runoff	16	\$781,910.85	\$729,193.00	Open
05-026	04/27/05	Harding, Union, Mora and McKinley Counties	Snow	3	\$597,428.00	\$447,869.00	Closed
05-043	09/04/05	Statewide	Hurricane Katrina	0	\$0.00	\$0.00	Closed
05-057	12/06/05	Statewide	Spring Runoff-Extension	14	\$318,109.15	\$280,787.70	Open
05-058	12/06/05	Guadalupe, Rio Arriba, Cibola, Sierra, San Miguel and Socorro Counties	Flood	11	\$433,247.00	\$363,019.00	Open
05-059	12/06/05	Bernalillo County	Flood-Extension	1	\$0.00	\$0.00	Open
FEMA-1514		Four Counties	Flood	24	\$0.00	\$0.00	Open
FEMA-3229		Statewide	Katrina	6	\$0.00	\$0.00	Open
Total					\$14,262,298.55	\$5,311,292.76	

Source: OEM files; data not reviewed for accuracy

Grant Programs Monitored By The Office Of Emergency Management

- Homeland Security Program – In general, this program is intended to enhance state and local emergency responders to prevent, respond to and recover from terrorism incidents. It includes many separate activities that must be accomplished to support overall statewide emergency readiness. The primary activity categories are: mitigation, preparedness, response and recovery.
- State and federal disaster programs – The state disaster assistance program (DAP) is intended provide assistance to local jurisdictions and certain non-profits when sudden disasters arise or emergencies occur that exceed local responders' resources. The program is funded through executive orders approved by the governor. State funding may be used for federal matching purposes or it may go directly to pay the costs required to return applicants to their pre-event condition.
- Emergency management performance program – This program assists the development, maintenance and improvement of state and local management capabilities, which are key components of a comprehensive national emergency management system. The national emergency management system is used for disasters and emergencies that may result from natural disasters or accidental or human-caused events.

The program attempts to provide support that state and local governments need to achieve measurable results in key functional areas of emergency management: (1) laws and authorities; (2) hazard identification and risk assessment; (3) hazard management; (4) resource management; (5) planning; (6) direction, control and coordination; (7) communications and warning; (8) operations and procedures; (9) logistics and facilities; (10) training; (11) exercises; (12) public education and information; and (13) finance and administration.

The emergency management performance program is funded by a 50-50 percent federal-state match. The performance period is 24 months.

- National urban search and rescue program – The purpose of this program is to develop an immediately deployable, national response capability to locate, extricate and medically stabilize victims of structural collapse during a disaster. The program also enhances urban search and rescue response capabilities of state and local governments. This program has no state matching requirements.
- Flood, hazard and pre-disaster mitigation programs – This functional category combines three programs. The hazardous materials assistance program supports states, local and tribal governments in oil and hazardous materials emergency planning and exercises. It also enhances capabilities to interact with the national response system. The Federal Emergency Management Agency determines each applicant's allocation based the proposal, federal interagency agreements and previous funding and accomplishments.

The pre-disaster mitigation program provides states and communities with a much needed source of pre-disaster mitigation funding for cost-effective hazard mitigation activities. Funded activities must be part of a comprehensive mitigation program and must reduce injuries, loss of life and damage and destruction of property. The federal government contributes up to 75 percent of the cost of approved activities. Most program funding is granted on a competitive basis. A 75-25 percent federal-non-federal share is required.

The flood mitigation assistance program reported \$11,000 of expenditures for FY03. No other activity has been reported since.

- Hazardous materials emergency preparedness training and planning grants increase state, local and tribal effectiveness to safely and efficiently handle hazardous materials accidents and incidents. They also enhance implementation of a related federal law and encourage a comprehensive approach to emergency planning and training by incorporating response to transportation standards.

The grant program required non-federal cost sharing of at least 20 percent of total project costs. It also has maintenance-of-effort requirements. This functional category includes expenditures for WIPP-related activities, which are funded through an agreement with EMNRD.

The miscellaneous functional category combines small grant programs related to emergency operations planning, assistance for emergency operations centers and flood hazard map modernization.

APPENDIX G

Federal Homeland Security Grant Program Allocations to State Agencies, Special Programs and Statewide Allotment 2003 to 2005 (in dollars)

Jurisdiction or Agency	FY03 I Allocation	FY03 II Allocation	FY03 CIP Allocation	FY04 Allocation	FY05 Allocation	Total
Medical Examiner	\$50,000.00	\$50,000.00		\$35,000.00		\$135,000.00
Department of Health (DOH)	\$69,200.00	\$200,000.00				\$269,200.00
DOH - Scientific Lab Div.		\$50,000.00		\$30,000.00		\$80,000.00
DOH. - MCI Response Trailers				\$485,000.00		\$485,000.00
Environment Dept.	\$25,000.00	\$200,000.00				\$225,000.00
University of New Mexico	\$80,000.00	\$50,000.00				\$130,000.00
OEM-Emergency Operations Center (EOC)	\$223,000.00					\$223,000.00
Governor's Office of Homeland Security (GOHS)	\$2,000.00					\$2,000.00
Dept. of Public Safety (DPS)		\$350,046.00				\$350,046.00
Radios for Ranchers Program		\$7,344.35	\$68,600.00			\$75,944.35
Statewide Use			\$600,254.42			\$600,254.42
General Services		\$250,000.00				\$250,000.00
DPS-Law Enforcement Terrorism Protection Program				\$200,000.00	\$24,491.61	\$224,491.61
OEM-Law Enforcement Terrorism Protection Program				\$605,006.00		\$605,006.00
Livestock Board				\$200,000.00		\$200,000.00
Dept. of Agriculture				\$250,000.00		\$250,000.00
Dona Ana/Otero				\$21,748.40		\$21,748.40
EMC Command Vehicle				\$1,000,000.00		\$1,000,000.00
Indian Affairs Dept.				\$1,514,700.00		\$1,514,700.00
Citizen Corps Program				\$393,000.00		\$393,000.00
Regional	\$449,200.00	\$1,149,075.00				\$1,598,275.00
Bomb Teams				\$1,000,000.00		\$1,000,000.00
HazMat				\$241,285.00		\$241,285.00
Tech (or tactical?) Teams				\$832,332.00		\$832,332.00
Interoperable Communications						
DPS (Swat Teams)				\$922,531.25		\$922,531.25
San Juan				\$714,235.00		\$714,235.00
Eddy County				\$685,000.00		\$685,000.00
Planning/Admin						
OEM-EOC	\$448,400.00	\$440,850.00		\$568,020.00		\$1,457,270.00
Planning - State Share				\$152,232.46	\$40,415.00	\$192,647.46
Planning - Local Share				\$365,000.00		\$365,000.00
Exercise						
DPS-OEM	\$1,123,000.00	\$500,000.00				\$1,623,000.00
Exercise - State Share				\$100,000.00		\$100,000.00
Exercise - Local Share				\$85,000.00		\$85,000.00
Training						
DPS-OEM	\$337,000.00	\$500,000.00				\$837,000.00
Training - State Share				\$489,700.00		\$489,700.00
Total	\$2,806,800.00	\$3,747,315.35	\$668,854.42	\$10,889,790.11	\$64,906.61	\$18,177,666.49

Source: OEM Records

**Federal Homeland Security Grant Program Allocations to Jurisdictions
2003 to 2005
(dollars)**

Jurisdiction or Agency	FY03 I Allocation	FY03 II Allocation	FY03 CIP Allocation	FY04 Allocation	FY05 Allocation	Total
City of Albuquerque	\$358,125	\$1,098,764	\$222,915	\$833,450	\$1,152,693	\$3,665,947
Bernalillo	\$130,880	\$442,829	\$56,000	\$469,257	\$437,886	\$1,536,852
Catron	\$44,763	\$131,891		\$44,939	\$63,227	\$284,820
Chaves	\$119,036	\$409,569		\$1,342,609	\$870,508	\$2,741,722
Cibola	\$77,830	\$285,526	\$59,310	\$371,056	\$62,562	\$856,284
Colfax	\$71,072	\$207,983		\$471,247	\$224,339	\$974,641
Curry	\$99,366	\$322,620		\$360,082	\$195,981	\$978,049
De Baca	\$43,991	\$129,406		\$44,166	\$27,074	\$244,637
Dona Ana	\$200,649	\$681,450	\$390,160	\$1,065,036	\$1,584,028	\$3,921,323
Eddy	\$113,874	\$391,023	\$657,350	\$421,850	\$182,591	\$1,766,688
Grant	\$101,034	\$351,626		\$200,211	\$77,150	\$730,021
Guadalupe	\$45,464	\$134,059		\$69,212	\$382,024	\$630,759
Harding	\$63,144	\$126,678		\$84,958	\$26,524	\$301,304
Hidalgo	\$46,179	\$136,447		\$46,354	\$28,495	\$257,475
Lea	\$115,557	\$398,371	\$47,195	\$563,277	\$518,302	\$1,642,702
Lincoln	\$74,166	\$217,943		\$309,341	\$88,336	\$689,786
Los Alamos	\$83,533	\$271,694		\$217,709	\$59,771	\$632,707
Luna	\$57,487	\$172,845		\$57,663	\$202,824	\$490,819
McKinley	\$116,986	\$379,369		\$117,162	\$390,329	\$1,003,846
Mora	\$45,733	\$135,013		\$205,209	\$28,205	\$414,160
Otero	\$119,579	\$411,316		\$301,855	\$362,449	\$1,195,199
Quay	\$68,681	\$200,290	\$63,006	\$79,447	\$74,453	\$485,877
Rio Arriba	\$87,071	\$259,482		\$297,247	\$249,193	\$892,993
Roosevelt	\$93,340	\$326,862		\$208,216	\$205,654	\$834,072
Sandoval	\$115,940	\$352,400	\$117,625	\$398,515	\$69,664	\$1,054,143
San Juan	\$164,573	\$565,334	\$45,000	\$1,614,462	\$742,179	\$3,131,548
San Miguel	\$60,615	\$182,592		\$755,517	\$429,444	\$1,428,168
Santa Fe	\$173,752	\$594,879		\$901,171	\$847,178	\$2,516,980
Sierra	\$50,527	\$150,443		\$50,702	\$31,319	\$282,991
Socorro	\$53,377	\$159,613		\$53,552	\$296,869	\$563,411
Taos	\$60,428	\$182,311		\$60,604	\$37,749	\$341,092
Torrance	\$52,684	\$157,387	\$166,160	\$299,343	\$56,079	\$731,653
Union	\$45,137	\$133,094		\$45,313	\$80,313	\$303,857
Valencia	\$101,863	\$307,091		\$374,688	\$205,614	\$989,256
Total	\$3,256,438	\$10,408,200	\$1,824,720	\$12,735,420	\$10,291,006	\$38,515,785

Source: OEM Records

SUMMARY OF NIMS IMPLEMENTATION SCHEDULE,
REQUIREMENTS, AND CERTIFICATION PROCESS

Fiscal Year	Implementation Requirements	Certification Process
FY 2005	<p>States and territories must meet minimum FY 05 NIMS implementation requirements;</p> <p>Tribal and local governments encouraged to start implementing the NIMS</p>	<p>At the end of FY 2005, States and Territories submit a self-certification form attesting that the state, taken as a whole*, has met the minimum FY 2005 requirements.</p> <p>State certification is required to receive FY 2006 preparedness funds.</p>
FY 2006	<p>States, territories, tribes and local governments <u>must</u> meet the FY 06 NIMS implementation requirements</p> <p><i>Refer to the attached FY 2006 NIMS Implementation Matrices for State and Local Governments</i></p>	<p>At the end of FY 2006, States and Territories submit a self-certification form attesting that the State (including its tribal and local jurisdictions) has met the minimum FY 2006 requirements.</p> <p>State certification is required to receive FY 2007 preparedness funds.</p>
FY 2007 and outyears	<p>Full NIMS compliance is required for all federal preparedness funds.</p> <p>States, territories, tribes and local governments continue to implement the NIMS and meet any additional requirements as identified by the NIMS Integration Center to ensure the continued success of the NIMS.</p>	<p>State certification of ongoing NIMS compliance requirements.</p> <p>NIMS compliance continues to be required to receive federal preparedness funds.</p>

* "Taken as a whole" recognizes that not every community or individual responder will have completed all of the requirements. The "taken as a whole" standard means that most have and that good faith efforts are underway to achieve full compliance.