



Disaster Relief Act of 2019

FLASH REPORT: STATUS OF THE U.S. DEPARTMENT OF THE INTERIOR'S 2019 ADDITIONAL SUPPLEMENTAL APPROPRIATIONS FOR DISASTER RELIEF

In 2018, the United States experienced at least 14 separate weather and climate disasters, including tropical cyclones, severe storms, drought, and wildfires that caused widespread damage to critical infrastructure, livelihoods, and property. The disasters included:

- Three major hurricanes that made landfall in the United States in quick succession—Lane (August 19), Florence (September 14), and Michael (October 10).
- Two super typhoons—Mangkhut (September 7) and Yutu (October 24). Typhoon Mangkhut affected Guam and the Commonwealth of the Northern Mariana Islands with a strength equivalent of a Category 5 hurricane. Typhoon Yutu was the strongest typhoon ever recorded in the Mariana Islands and the second strongest to strike the United States or its territories.
- Historic wildfires in California—such as the Mendocino Complex Fire (July 2018), the Camp Fire and Woolsey Fire (November 2018), and others. The Camp Fire covered more than 150,000 acres and destroyed more than 18,000 buildings near Paradise, California. The Mendocino Complex Fire burned more than 450,000 acres near Clearlake Oaks, California, and the Woolsey Fire burned almost 100,000 acres within the Santa Monica Mountains National Recreation Area.

Definitions

A **tropical cyclone** tropical cyclone is an intense circular storm that develops over warm tropical or subtropical waters and is characterized by low atmospheric pressure, high winds, and heavy rain. These include hurricanes and typhoons.

A **hurricane** is a strong tropical cyclone located over the North Atlantic Ocean, the Northeast Pacific Ocean, or the South Pacific Ocean.

A **typhoon** is a strong tropical cyclone located over the Northwest Pacific Ocean.

The **Strategic Petroleum Reserve** is a supply of emergency crude oil that was established primarily to reduce the impact of disruptions in supplies of petroleum products and to carry out obligations of the United States under the international energy program.

Light detection and ranging (lidar) is a remote sensing method used to examine the surface of the Earth.

Historic preservation is the practice of stewardship of historic districts, sites, buildings, and objects to manage and protect resources that tell America's history.



Disaster Relief Act Funds

On June 6, 2019, the President signed the Additional Supplemental Appropriations for Disaster Relief Act, 2019 (Pub. L. No. 116-20), which included funds for expenses related to the consequences of Hurricanes Lane, Florence, and Michael, and of Typhoons Mangkhut and Yutu; it also included funding for those areas affected by flooding, wildfires, earthquakes, and volcanic eruptions.¹ The Act provided the U.S. Department of the Interior (DOI) with approximately \$327 million² to support the needs of its disaster response, appropriated as follows:

- **\$128 million** to the National Park Service (NPS) for construction (\$78 million) and Historic Preservation Fund expenses (\$50 million).
- **\$82.4 million** to the U.S. Fish and Wildlife Service (FWS) for construction to restore and rebuild national wildlife refuges and increase the resiliency of coastal habitats and infrastructure.
- **\$98.5 million** to the U.S. Geological Survey (USGS), which included \$72 million for repair and replacement of equipment and facilities damaged by disasters.

- **\$15.5 million** to the Bureau of Reclamation (BOR) for fire remediation and suppression emergency assistance.
- **\$2 million** to the Office of Insular Affairs (OIA) for technical assistance for financial management expenses.

We are issuing this flash report to provide information on DOI's funding status as of the end of fiscal year (FY) 2023. We specifically describe obligation and expenditure information, funding recipients, examples of bureau projects, and potential disaster funding risk areas.³

Summary of the 2019 Disaster Relief Act Funds

We reviewed the total appropriations, obligations, and expenditures for DOI bureaus and offices, as of September 30, 2023. Of the \$326 million appropriated to DOI,⁴ the bureaus and offices obligated approximately \$236 million (72 percent) and expended approximately \$128 million (39 percent), leaving \$90 million (28 percent) unobligated (see Figure 1).

Figure 1: Funds Appropriated, Obligated, and Expended by DOI Bureaus and Offices as of September 30, 2023

Bureau/Office	Appropriated (\$)	Obligated (\$)	Expended (\$)	Unobligated (\$)
NPS	128,000,000	105,431,619	38,101,443	22,568,381
FWS	82,400,000	71,077,816	34,804,019	11,322,184
USGS	98,500,000	44,634,114	40,719,045	53,865,886
BOR	15,500,000	13,002,208	12,985,701	2,497,792
OIA	2,000,000	2,000,000	1,098,451	0
Totals	\$326,400,000	\$236,145,757	\$127,708,659	\$90,254,243

¹Beyond the funding for named natural disasters, the legislation provided funding to DOI for consequences of “flooding associated with major declared disaster DR-4365 [Hawai’i severe storms], and calendar year 2018 earthquakes,” “calendar year 2018 wildfires, earthquakes, and volcanic eruptions,” and other declared disasters.

²Included in this appropriation, our office received \$1 million for salaries and expenses.

³We did not review whether the DOI’s use of the funds complied with the intent of Pub. L. No. 116-20.

⁴This amount does not include the \$1 million appropriated to our office.



Disaster Relief Act Funds

NPS, FWS, BOR, and OIA have obligated more than 80 percent of their 2019 disaster relief appropriations through contracts, grants, and other procurements as of September 30, 2023.

According to bureau and office officials:

- NPS' unobligated funds will go to repairing structures in multiple areas of Cape Lookout National Seashore in North Carolina and replacing volcano disaster-damaged facilities and exhibits at Hawai'i Volcanoes National Park.
- FWS' unobligated funds will go to replacing storm-damaged boundary signs, floating docks, and levees, among other structures, at national wildlife refuges.
- BOR plans to use its unobligated funds to increase communications resiliency and emergency power backup systems.
- While USGS had obligated only 45 percent of its appropriations as of September 30, 2023, it has stated to our office that it plans to use the remaining funds for its FY 2024 facility construction project at the Hawaiian Volcano Observatory.
- OIA, the only office to obligate all of its funding, obligated 100 percent of its \$2 million disaster relief appropriation through a grant for technical assistance to the Commonwealth of the Northern Mariana Islands for relief from the effects of Typhoon Yutu. Specifically, the grant included provisions to streamline financial management coordination across recipients of disaster recovery funds and create and maintain a website to track and report progress on all Federal recovery program awards and activities for the Commonwealth of the Northern Mariana Islands.

Challenges to Awarding and Expending Disaster Relief Act Funds

DOI bureaus and offices identified several challenges to awarding and expending the 2019 disaster relief funds, and officials from three of the five offices reported that complications from the COVID-19 pandemic posed the single greatest challenge for awarding and expending the funds.

NPS	FWS	USGS
<p>NPS officials stated that the pandemic made it difficult to hire and retain staff to manage programs and to contract with qualified consultants. NPS officials also told us that NPS had to rescope projects due to increasing material and construction costs because of pandemic-related supply chain issues.</p>	<p>FWS officials told us that project planning, design, and permitting for repairs to the Hanalei River's water intake and channel hydrology at the Hanalei National Wildlife Reserve were delayed due to the pandemic because FWS could not hold public meetings and because the island of Kaua'i was closed to all nonlocal personnel.</p>	<p>USGS officials told us the impact of the pandemic was significant on the programming and design of the Hawaiian Volcano Observatory project. The design process was longer than expected due to social distancing requirements, travel restrictions, and the transition to virtual design sessions. USGS also stated that uncertainty on the future of workplace requirements added complexity to the design. Finally, USGS stated that increased cost estimates due to supply chain disruptions and volatile market conditions further delayed the design timelines as projects were rescope and redesigned.</p>



Disaster Relief Projects

Examples of Bureau Disaster Relief Act Projects

FWS, NPS, and USGS received the majority of DOI's 2019 disaster relief funding. Below, we discuss examples of completed and ongoing projects at these bureaus.

U.S. Fish and Wildlife Service

FWS awarded its largest storm damage repair project to replace an aircraft hangar at its Alaska Hangar Facility in Anchorage. FWS also awarded a resiliency project to the Texas General Land Office for construction of a beach ridge to provide a buffer in the Texas Point National Wildlife Refuge.

ALASKA HANGAR FACILITY

FWS stated that its Alaska Hangar Facility supports FWS, NPS, and Bureau of Land Management missions by providing aviation access to 12 remote FWS Alaska field stations and the Arctic Coastal Plain areas, and it accommodates more than 190 flights per day. On November 30, 2018, a 7.1 magnitude earthquake hit the Anchorage area and damaged the original 15,000-square-foot hangar. The hangar, built in 1950, experienced significant structural damage that required it to be demolished and replaced.

In August 2020, FWS awarded a \$9.3 million contract to complete the project, which included demolishing the damaged hangar, constructing a new hangar with associated utilities, addressing historic preservation requirements, and abating hazardous materials on the construction site.

The new hangar was completed in 2022, and the contract was closed in July 2023.

TEXAS POINT NATIONAL WILDLIFE REFUGE

The Texas Point National Wildlife Refuge is located in an area that experiences frequent storm surges from tropical storms in the Gulf of Mexico. The refuge consists of tidal flats, shallow freshwater lakes and ponds, and marshes strongly influenced by the daily tides. According to FWS, the surrounding areas contain more than 109 Federal assets valued at more than \$75.3 million as well as more than half the Nation's Strategic Petroleum Reserve capacity.

FWS awarded a \$22 million cooperative agreement in September 2020 to plan, design, and construct a beach ridge to protect marshland at the Texas Point National Wildlife Refuge. The beach ridge is intended to serve as the first line of defense to mitigate the effects of storm surges; FWS stated the project will help promote energy security by halting continued erosion in an area that is critical to petrochemical industry. According to FWS, the project will not only reduce costly damages to both public and private property from future storm surges, but it also will make the Federal Government a responsible partner in the community's economic health.

The cooperative agreement was scheduled to be completed on April 1, 2024.



Disaster Relief Projects

National Park Service

NPS awarded its largest 2019 disaster relief grant to the North Carolina Department of Natural and Cultural Resources for historic preservation of the Brunswick Town and Fort Anderson sites affected by Hurricanes Florence and Michael. NPS also awarded a contract to rebuild the Paramount Ranch and Rocky Oaks facilities (located in the Santa Monica Mountains National Recreation Area), which were destroyed by the Woolsey Fire in 2018.

BRUNSWICK TOWN AND FORT ANDERSON STATE HISTORIC SITES

The Brunswick Town and Fort Anderson State Historic Sites on North Carolina's Cape Fear River include culturally significant sites and artifacts dating back to the Civil War, such as a working archaeological site and the mounds of Fort Anderson. Hurricanes Florence and Michael made landfall on September 14, 2018, and October 10, 2018, respectively, causing extensive structural damage, flooding, and beach erosion in the area.

In January 2020, NPS awarded the North Carolina Department of Natural and Cultural Resources a \$17.1 million grant from its Historic Preservation Fund to address the damage caused by Hurricanes Florence and Michael. The grant requires the State to use the funds to support the recovery and repair of historic resources in areas affected by the hurricanes, including historic districts, buildings, sites, and structures listed in the National Register of Historic Places or in the Tribal Register. Specifically, the State is using grant funds to stop the shoreline erosion that was exacerbated by Hurricane Florence at the Brunswick Town and Fort Anderson State Historic Sites. According to NPS, this project will help protect Colonial and Civil War-era archaeological resources and earthworks from flooding, wave action, and storm surges.

The grant's period of performance extends through December 31, 2024, and the project components are in various stages of survey, design, and construction.

SANTA MONICA MOUNTAINS NATIONAL RECREATION AREA

The Santa Monica Mountains National Recreation Area has several historical and cultural sites, from Native American centers to old movie ranches. In November 2018, the Woolsey Fire burned 88 percent of the land within NPS' recreation area. Most of western Paramount Ranch was destroyed as well as the Rocky Oaks Park ranger residence and museum building. Although this area has experienced a number of fires, the Woolsey Fire burned more acres within the Santa Monica Mountains National Recreation Area than any other fire in recorded history.



Photo of Woolsey Fire burning near King Gillette Ranch.

In February 2023, NPS awarded a \$19.2 million contract to rebuild facilities within the Paramount Ranch and Rocky Oaks Park administration area that were damaged or destroyed by fire. The project includes constructing four buildings and accessible parking, completing site grading and landscaping, and conducting other site improvements at Paramount Ranch. It also includes rebuilding a portion of Rocky Oaks Park.

The contract's period of performance extends through December 31, 2024.



Disaster Relief Projects

U.S. Geological Survey

USGS contracted to acquire airborne light detection and ranging (lidar) for its 3D Elevation Program to assist post-hurricane and post-wildfire recovery efforts. Additionally, USGS signed a cooperative agreement with the University of Hawai'i to support eruption response at the Hawaiian Volcano Observatory.

3D ELEVATION PROGRAM

According to USGS, its 3D Elevation Program informs numerous critical decisions that depend on elevation data, including decisions that affect the immediate safety of life, property, and the environment as well as long-term planning for infrastructure projects.

According to USGS, of the \$98.5 million of FY 2019 disaster relief funds, the 3D Elevation Program received \$11.4 million to complete lidar coverage of the disaster areas through a contract to acquire geospatial products and services. The USGS National Geospatial Program contributed an additional \$750,000 and obtained \$7.59 million in additional funding from Federal, State, and other partners to augment the supplemental funding levels to complete coverage of the planned areas of interest and for locations adjacent to the disaster areas. As a result, USGS stated to us that the 3D Elevation Program completed coverage of 77,840 square miles of high-resolution airborne lidar for FEMA-declared

disaster regions in North Carolina, South Carolina, Georgia, Florida, and California to serve post-hurricane and post-wildfire recovery. This recovery includes assessing landscape change and vulnerability and designing restoration, redevelopment, and protection projects.

HAWAIIAN VOLCANO OBSERVATORY

The Hawaiian Volcano Observatory monitors earthquakes and the active volcanoes in Hawai'i, assesses their hazards, issues warnings, and advances scientific understanding to reduce the impacts of volcanic eruptions.

In September 2021, USGS awarded a grant of nearly \$1 million for cooperative monitoring and assessment of Hawai'i volcano hazards, including studies to document the geological and geophysical investigations associated with the 2018 Kīlauea eruption. Other types of support include ongoing documentation and analysis of eruptive materials from Kīlauea and other Hawaiian eruptions, studies of ash deposits for evidence of Kīlauea explosive activity, research regarding the frequency of these events, and ongoing monitoring of the after-effects of the 2018 summit collapse. In addition, USGS stated that it plans to use 2019 disaster relief funds for construction of a new facility in Hilo to reduce the risk to life and property posed by volcanic activity.

USGS Hawaiian Volcano Observatory scientists monitoring the Halema'uma'u lava lake using instruments acquired through the Additional Supplemental Appropriations for Disaster Relief Act, 2019.





Risk Areas

DOI's five disaster preparedness phases are prevention, protection, mitigation, response, and recovery.⁵ According to DOI, it faces unique recovery challenges from each disaster, while also providing Federal recovery support in a consistent, timely, and efficient manner.⁶ Additionally, different risks become more severe or likely to occur during different phases of the disaster preparedness cycle. We identified several risk areas affecting the efficient and effective use and oversight of disaster relief funds in the recovery phase.

Oversight of Supplemental Funding, Contracts, and Grants

In its 2018 guidance, the Office of Management and Budget (OMB) explained agency responsibilities for managing and overseeing disaster relief funds:⁷

In disaster situations, fraud risks are higher than under normal circumstances because the need to provide services quickly can hinder the effectiveness of existing controls and create additional opportunities for individuals to engage in fraud. As a result, Federal managers face the additional challenge of balancing their mission to provide assistance quickly with implementing controls to address the increased risk of fraud. A risk-based approach includes establishing risk tolerances in disaster situations.

We have conducted several audits and inspections of disaster relief funds and processes, and we found particular risk areas in contract and grant oversight. Specifically, we issued 19 Hurricane Sandy-related reports between 2013 and 2017 that identified weaknesses in DOI's post-award oversight related to disaster relief. Post-award oversight includes ensuring the contractor or grantee has sufficient and accurate documentation for all costs claimed. We found problems related to this requirement in six audit reports. We also found problems related to timesheets, labor, and travel documentation in nine audit reports, including potential forgeries, unsigned timesheets, or unsupported or inadequately supported contractor or grantee documentation.⁸

Additionally, the Council of the Inspectors General on Integrity and Efficiency stated that the issues described in our reports—such as the lack of emergency contracting training for NPS, FWS, and USGS officials—could hinder DOI's ability to respond to natural disasters.⁹ Supplemental disaster relief funding is provided in chaotic situations to address pressing needs.¹⁰ While acquisition flexibilities that are frequently implemented in disaster situations may enable agencies to provide goods and services in a timely, more efficient manner than might otherwise occur, as noted in our 2022 evaluation,¹¹ the use of such flexibilities includes risks that should be addressed and mitigated.¹² In particular, this type of special funding presents inherent risks of fraud, abuse, or mismanagement.

⁵ DOI, 900 *Departmental Manual* 1, "Emergency Management Program Policy, Responsibilities, and Requirements," effective February 5, 2019.

⁶ A description of DOI's natural disaster response and recovery operations can be found on its website: <https://www.doi.gov/recovery>.

⁷ OMB Memorandum M-18-14, *Implementation of Internal Controls and Grant Expenditures for the Disaster-Related Appropriations*, issued March 30, 2018.

⁸ Report No. 2017-FIN-057, *Summary of Hurricane Sandy Audit and Inspection Reports and Management Advisories*, issued April 23, 2018, summarized common themes and problems in award acquisition and management across 19 Hurricane Sandy-related reports.

⁹ Council of the Inspectors General on Integrity and Efficiency, Report No. 2023-FW-1001, *Management Challenges of Federal Agencies in Preparing for and Responding to Natural Disasters*, issued October 18, 2022, <https://www.oversight.gov/sites/default/files/oig-reports/HUD/2023-FW-1001.pdf>.

¹⁰ Cong. Rsch. Serv., Report No. R45844, *FY2019 Disaster Supplemental Appropriations: Overview*, issued July 30, 2019.

¹¹ Report No. 2020-CGD-006, *The U.S. Department of the Interior Could Expand Its Use of Contracting Flexibilities and Should Establish an Acquisition Policy for Future Disasters*, issued August 8, 2022.

¹² Cong. Rsch. Serv., Report No. R47350, *Federal Procurement: Emergency-Related Acquisition Flexibilities*, issued March 27, 2023.



Risk Areas

When emergency funding is obligated and expended relatively quickly, contracting and grant officials must provide adequate oversight to ensure disaster funds are used for eligible and necessary purposes. A lack of adequate oversight and controls can lead to improper payments when agencies spend relief dollars quickly. Additionally, the lack of reporting requirements may make disaster relief funds difficult for agencies to track, as reported by the Congressional Research Service.¹³ This increases the risk that disaster relief funds may be used for ineligible purposes, inappropriately allocated to projects, or improperly commingled with other Federal, State, or Tribal funds.

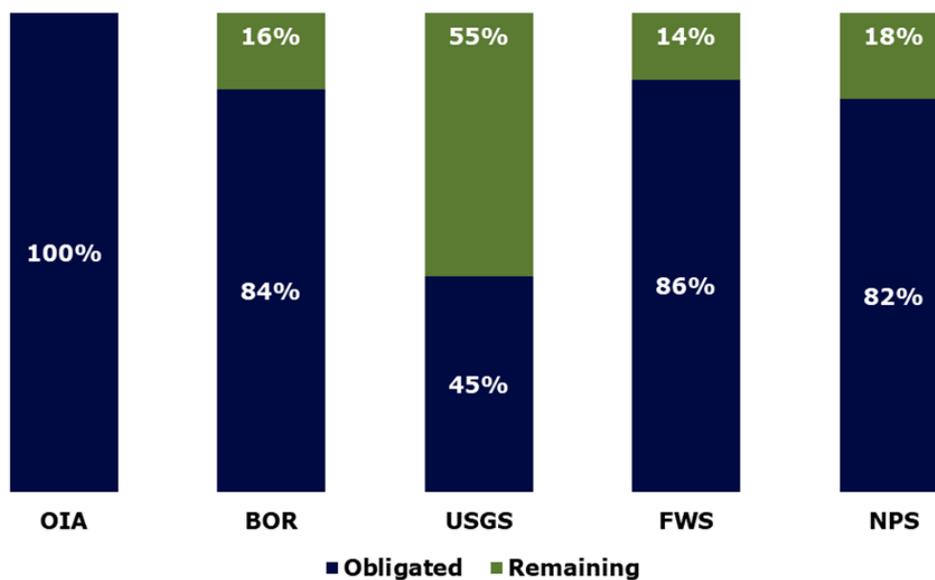
Unobligated Funds

Other than NPS' Historic Preservation Fund appropriation, which had to be obligated by September 30, 2022, the Department's 2019 disaster supplemental appropriations are available until expended. However, if funds are not obligated and expended in a timely manner, DOI's procurement risks increase because the funding was provided for

expenses related to the consequences of specifically declared disasters. This is because projects started or obligated years after the disasters occurred may include ineligible activities or procurements unrelated to the past declared disasters. Given that more than \$90 million remained unobligated and unexpended more than 4 years after the Act was signed, DOI is at increased risk of fraud or misuse of these supplemental funds. Figure 2 shows a percentage breakdown, by bureau and office, of obligations.

Additionally, our earlier reporting found that the slow pace of obligations and expenditures leaves Government infrastructure and lands more vulnerable to subsequent disasters. For example, we found that if NPS and FWS do not complete supplemental projects quickly, their resources may not be able to withstand another natural disaster in these areas and habitats may suffer additional environmental impacts. Furthermore, employees may work in substandard conditions while they await repairs to duty stations.¹⁴

Figure 2: Status of Bureau and Office Obligations (% of Appropriation) as of September 30, 2023



¹³ Cong. Rsch. Serv., Report No. R45844, *FY2019 Disaster Supplemental Appropriations: Overview*, issued July 30, 2019.

¹⁴ Report No. 2018-FIN-052, *The U.S. Department of the Interior Has Opportunities to Improve Disaster Preparedness and Response*, issued November 6, 2020.



Scope and Methodology

We conducted our inspection in accordance with the *Quality Standards for Inspection and Evaluation* as put forth by the Council of the Inspectors General on Integrity and Efficiency. To accomplish our objective:

- We identified and reviewed total appropriations, obligations, and expenditures for NPS, FWS, USGS, BOR, and OIA provided through the Additional Supplemental Appropriations for Disaster Relief Act, 2019.
- Reviewed relevant laws, regulations, and policies governing the supplemental funding.
- Obtained prior and current oversight related to this funding.
- Gathered data about completed and planned DOI disaster relief projects.
- Identified any challenges or barriers for DOI to award and spend its disaster relief funding.

Based on the scope of this inspection, we summarized the status of disaster relief funds provided through the Act and a selection of associated NPS, FWS, USGS, BOR, and OIA projects, but we did not verify eligibility of projects or audit DOI's use of funds. For the purposes of this inspection, we did not report on our obligations and expenditures. However, we note that we are using our appropriation to provide oversight of disaster relief funds and expenditures for staff salaries and benefits.

LOOKING AHEAD

Our planned oversight efforts of DOI's disaster relief activities may include the following:

Planned Oversight Efforts

- Examining disaster relief appropriations or specific DOI projects in future audits.
- Auditing contracts, grants, or other procurements of individual bureaus or offices.
- Reviewing DOI's use of disaster funds for allowability, allocability, and reasonableness.

Photo Sources

p. 1: lavizzara/stock.adobe.com, p. 5: NPS, p. 6: USGS,
p. 9: Mindscape studio/shutterstock.com.



REPORT FRAUD, WASTE, ABUSE, AND MISMANAGEMENT

The Office of Inspector General (OIG) provides independent oversight and promotes integrity and accountability in the programs and operations of the U.S. Department of the Interior (DOI). One way we achieve this mission is by working with the people who contact us through our hotline.



If you wish to file a complaint about potential fraud, waste, abuse, or mismanagement in the DOI, please visit the OIG's online hotline at www.doioig.gov/hotline or call the OIG hotline's toll-free number: **1-800-424-5081**

Who Can Report?

Anyone with knowledge of potential fraud, waste, abuse, misconduct, or mismanagement involving the DOI should contact the OIG hotline. This includes knowledge of potential misuse involving DOI grants and contracts.

How Does it Help?

Every day, DOI employees and non-employees alike contact the OIG, and the information they share can lead to reviews and investigations that result in accountability and positive change for the DOI, its employees, and the public.

Who Is Protected?

Anyone may request confidentiality. The Privacy Act, the Inspector General Act, and other applicable laws protect complainants. Section 7(b) of the Inspector General Act of 1978 states that the Inspector General shall not disclose the identity of a DOI employee who reports an allegation or provides information without the employee's consent, unless the Inspector General determines that disclosure is unavoidable during the course of the investigation. By law, Federal employees may not take or threaten to take a personnel action because of whistleblowing or the exercise of a lawful appeal, complaint, or grievance right. Non-DOI employees who report allegations may also specifically request confidentiality.