

**Written Statement of**

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**“Emergency Logistics Management:  
Transforming the Delivery of Disaster  
Relief for the 21<sup>st</sup> Century”**

**Before the**

**Subcommittee on Emergency Communications,  
Preparedness, and Response  
Committee on Homeland Security  
U.S. House of Representatives  
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## **I. Introduction**

Good morning Chairwoman Richardson, Ranking Member Rogers and distinguished Members of the Subcommittee. My name is Eric Smith, and I am the Federal Emergency Management Agency's (FEMA) Assistant Administrator for the Logistics Management Directorate. I am also a retired Army Officer with over 24 years of experience in the areas of logistics management, planning and operations. It is an honor to appear before you today on behalf of FEMA.

We appreciate this Subcommittee's attention to the issue of logistics, because the treatment of this issue has a powerful impact on our Agency's ability to conduct effective response and recovery efforts. Comprehensive planning is central to the successful response to an emergency or disaster. In the Logistics Management Directorate, we are responsible for ensuring the appropriate and timely provision of initial response resources.

The devastation of Hurricanes Katrina and Rita overwhelmed the capacity of federal, state and local governments to respond and recover. The severe devastation and lack of adequate communication led to serious logistical failures, including misplaced shipments, spoiled food and wasted life-sustaining resources.

Through FEMA and Congress' shared commitment to ensure that such breakdowns do not occur in future disasters, FEMA has made many improvements since Hurricanes Katrina and Rita to improve FEMA's logistics program, including the implementation of a logistics provision in the Post-Katrina Emergency Management Reform Act (PKEMRA) of 2006. As a July 2010 OIG report (OIG-10-101) states, FEMA "has made great strides to improve its logistics capability." The report highlighted improvements in increasing staff levels; training and development of personnel; enhanced coordination among federal, state and local governments, NGOs and the private sector; development of plans and exercises to improve readiness; utilization of interagency agreements and advanced contracts for commodities; hosting meetings with logistics partners where we share and discuss best practices, lessons learned and new initiatives; and our process of reviewing and evaluating performance immediately following an incident. FEMA now does all of these things on a regular basis. As a result, the July 2010 OIG concluded that "given these recent initiatives, FEMA is better prepared now than at any previous time for dealing with a catastrophic disaster."<sup>1</sup>

We are proud of these improvements and the acknowledgement in the OIG Report, but we recognize that there is more work to do. We must constantly evaluate whether our logistics support, services and operations are up to the task of facilitating a robust response to any disaster or emergency. We will continue to make the improvements necessary for a thorough and speedy response.

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<sup>1</sup> Department of Homeland Security Office of Inspector General, "FEMA's Logistics Management Process for Responding to Catastrophic Disasters," OIG-10-101 (July 2010).

## **II. Mission of the Logistics Management Directorate**

Prior to Hurricanes Katrina and Rita, logistics within FEMA was a branch-level operation and logistics functions such as planning and delivery of disaster commodities occurred only in the aftermath of a disaster or emergency.

In 2006, Congress passed PKEMRA, requiring, among other things, that FEMA “develop an efficient, transparent, and flexible logistics system for procurement and delivery of goods and services necessary for an effective and timely response to natural disasters, acts of terrorism, and other man-made disasters and for real-time visibility of items at each point throughout the logistics system.” Recognizing the need to improve logistics capabilities, FEMA elevated logistics from a branch-level operation to a full directorate with the creation of the Logistics Management Directorate (LM). Earlier this year, FEMA took an additional step to ensure that logistics is organizationally aligned with and fully integrated into response and recovery operations.

LM is FEMA’s major program office responsible for the policy, guidance, standards, execution and governance of logistics support, services and operations. Its mission is to provide an efficient, transparent and flexible logistics capability for the procurement and delivery of goods and services to ensure an effective and timely response to disasters. Also, pursuant to the National Response Framework, FEMA’s LM serves as co-lead for Emergency Support Function 7 (Logistics Management and Resource Support) along with the General Services Administration (GSA). As the National Logistics Coordinator, LM has also helped to foster a strong and unique interagency partnership between FEMA, GSA, U.S. Northern Command (NORTHCOM), the Defense Logistics Agency and the U.S. Army Corps of Engineers, to develop a national support concept based on collaboration, coordination, communications and transparency.

As an organization, LM is organized around four core competencies: Logistics Plans & Exercises develops and implements cohesive and synchronized logistics plans and exercises to achieve both short and long term readiness requirements; Logistics Operations manages and executes the coordination, communication, tracking and reporting for all hazards operations and serves as the central reporting element for the National Response Coordination Center on all logistics actions and operational activities; Distribution Management coordinates the agency’s warehouse facilities and transportation systems used to receive, store, maintain, issue, distribute and track supplies, services, material and equipment; and Property Management provides industry standard quality assurance, customer assistance and technical reviews of property accountability, inventory services to distribution centers and staging areas, and oversight of disposal and donations of agency disaster funded supplies and equipment.

## **III. How FEMA Achieves its Logistics Mission**

The progress we have made over the past several years in enhancing our logistics capability is the result of a great deal of work and focus on FEMA’s part. I would like to share a few of the ways in which we have worked to achieve our logistics mission.

### *Personnel*

An effective logistics operation depends on a trained and talented workforce. Since 2007, FEMA has almost tripled the number of permanent full-time logistics staff and has reprogrammed fifteen headquarters positions to the field in order to enhance the regional logistics response capability, which improves the quality of our overall response.

Our ability to maximize the use of our personnel depends not only on ensuring that positions are filled, but also that employees receive training that enables them to perform the task at hand. We are working to ensure that our staff has the proper training and is equipped to handle any contingency. As an example, LM hosted Boot Camp 2009, a national training symposium that included more than 150 logistics disaster reservists and staff from all 10 FEMA Regions for pre-disaster synchronization and training.

### *Planning and Sourcing*

Comprehensive planning is also a necessary aspect of implementing a successful logistics operation. In order to ensure that FEMA has reliable systems and methods, LM plans and coordinates exercises aimed at enhancing readiness and identifying limitations.

FEMA Logistics has placed a renewed focus on supporting the mission of our regional logistics staff – the primary link for executing the logistics mission and facilitating information flow between FEMA and state and local logisticians. Through the establishment of the HQ logistics Regional Planning Assistance Teams, we assist regional logistics staff in supporting state, local and tribal partners with planning, training and exercises. Additionally, LM works with FEMA HQ and regional staff to conduct after-action reviews and implement timely corrective actions.

FEMA closely coordinates planning activities with regional, state, local and tribal authorities, as well as our federal partners, including GSA, the Defense Logistics Agency and the U.S. Army Corps of Engineers. We work together to set planning milestones, establish working groups and conduct training exercises.

Sourcing refers to the ways in which FEMA acquires and delivers resources to affected individuals and locations in the event of a disaster or emergency. FEMA relies on four sourcing methods to acquire commodities needed to respond to a disaster: warehoused goods, interagency agreements, mission assignments and contracts.

Warehoused goods are controlled by FEMA and are immediately available when incidents occur. They include initial response resources, which are intended to sustain life and prevent further property damage. Examples of these include water, meals, tarps, cots, blue roof sheeting and blankets. They are pre-staged during a notice event in accordance with pre-coordinated state and region support concept plans. I have brought a sample of our 2010 Hurricane Season Concept of Resource Support Briefing for your review. As a real-world example, in preparation for Hurricane Earl four weeks ago, FEMA shipped roughly 400,000 liters of water, 300,000 emergency meals and 54 generators to an Incident Support Base location at Fort Bragg Army Base, North Carolina. We also shipped approximately 213,000 emergency meals and 162,000

liters of water, 40 generators, and 12,500 tarps to an Incident Support Base at Westover Reserve Air Force Base, Massachusetts.

FEMA uses interagency agreements to access resources managed by other federal agencies. For example, FEMA has interagency agreements with the Defense Logistics Agency and GSA for a number of critical resources, including water, emergency meals, cots, blankets, and fuel.

Mission Assignments are work orders issued by FEMA to other federal agencies that direct the completion of a specific task and are intended to meet urgent, immediate and short term needs. They allow FEMA to quickly task federal partners to provide critical resources, services or expertise. FEMA has developed hundreds of pre-scripted mission assignments with 30 federal agencies. Accordingly, FEMA Logistics can issue mission assignments to the U.S. Army Corps of Engineers pursuant to Emergency Support Function 3 for its Planning and Response Team support, and the Defense Logistics Agency for its Deployable Distribution Center Teams to assist with incident response requirements.

Finally, FEMA uses contracts, which can be activated following an incident, to provide services such as ambulance and bus evacuation, facilities support, electrical generator maintenance and temporary housing support.

### *Tracking*

FEMA tracks supplies going to individuals and communities in need to ensure that supplies are shipped efficiently and in a timely manner. As part of the larger restructuring of FEMA, we set out to update our logistics supply chain management capability by updating our technology to more efficiently manage, store and ship equipment and supplies with greater assurance that they will arrive when and where they are needed.

FEMA is implementing the Logistics Supply Chain Management System (LSCMS), formerly known as the Total Asset Visibility Program, which will provide asset and in-transit visibility as well as electronic order management for all primary commodities. LSCMS embraces more than just total asset visibility, encompassing the entire supply chain management process. Currently, all ten FEMA regions have LSCMS program capability to electronically track orders, shipments in transit and shipments received in near real-time. The aspect of the program that manages warehouse inventory is currently available in two of FEMA's nine distribution centers. Four of the remaining seven distribution centers should have this same capability by the end of the calendar year, and the last three in 2012.

### *Coordination and Communication*

During the initial aftermath of Hurricanes Katrina and Rita, one of our biggest failures was an inability to successfully communicate and coordinate tasks among all of the parties involved. However, when working on a tight timeframe with partners at the federal, regional, state, local and tribal levels, not to mention the private sector, faith-based groups, non-profits and individual disaster survivors, making sure that everyone is on the same page is absolutely essential. As a

result, we have worked hard and put systems in place to ensure that we can coordinate and communicate in a manner that allows us to accomplish our objectives during disasters.

LM now conducts weekly teleconferences with headquarters and regional logistics staff, as well as other interagency partners. During real-world contingencies, we conduct daily logistics operations calls with the same broad partner community. We also reach out to the faith-based and non-profit communities through our role as Coordinator of Emergency Support Function 6 – Mass Care.

LM and GSA co-host an annual Emergency Support Function 7 summit meeting to discuss lessons learned, new logistics concepts and initiatives, best practices and focus areas for the upcoming response cycle. Summit participants include all of the Emergency Support Function 7 partners, including the U.S. Army Corps of Engineers, the Defense Logistics Agency, U.S. NORTHCOM, the Department of Agriculture, the U.S. National Guard, Emergency Support Function 6 – Mass Care partners and others.

In 2007, Congress directed FEMA to develop and conduct a Demonstration Program with regional and local governments “to improve readiness, increase response capacity, and maximize the management and impact of homeland security resources.” Drawing on input from several FEMA regions along with several states, FEMA developed a collaborative maturity model for use by the states and territories to voluntarily self-assess current disaster logistics planning and response capabilities, identify areas for targeted improvement, and develop a roadmap to mitigate or eliminate weaknesses and enhance strengths.

Finally, in 2009, LM issued several guidance documents in order to ensure that all parties are on the same page, including: the Logistics Operations Manual, the Temporary Housing Unit Concept of Operations, and the Logistics Management Center Standard Operating Procedures. These guidance documents help to ensure complete transparency through proper communication and coordination between Operations and Logistics at all levels during preparedness, response and recovery operations.

#### *Private Sector Collaboration*

FEMA recognizes the important role of the private sector in emergency management. Engaging these partners during an emergency allows us to quickly and effectively provide resources to communities affected by disaster, and we are committed to continuing and strengthening this successful collaboration.

FEMA is currently working with the private sector to ascertain the operating status of retail locations during disasters, which will give our leadership a good sense of the on-the-ground reality of an incident. Using a web-based Logistics Visibility Tool (LogVIZ), FEMA is able to import from our private sector partners the locations and operating statuses of retail and wholesale stores, distribution centers and warehouses. This data helps us make informed decisions during response and recovery operations and can also assist FEMA Acquisition in identifying local vendor sources to meet disaster resource requirements. This concept is also consistent with FEMA doctrine to help restore local economies by buying from the impacted community as much as possible. LogVIZ is a real-time tool, providing live updates to relevant

data so that operational personnel constantly have access to the latest situational information, and it allows us to partner with, rather than compete against, local businesses. We also use Interagency Agreements to leverage existing contracts between other federal partners and private sector entities to gain contracting efficiencies.

Finally, FEMA hosts and attends biweekly “Vendor Day” meetings to invite private sector companies to share information on products and services that may improve FEMA’s ability to carry out its mission. Last month, LM was awarded the FY2009 DHS Competition and Acquisition Excellence Award for Innovation and Best Practices in recognition of the success of the Vendor Presentation Meeting Program that established a formal forum for vendors to highlight their products, services and capabilities. This program improved acquisition operations by promoting competition and increasing transparency and market knowledge.

#### **IV. Looking Ahead**

Over the past several years, FEMA has undertaken many initiatives to improve our logistics capability. We value the recommendations provided by the July 2010 OIG Report to further improve FEMA logistics and we are acting swiftly to implement them.

We are constantly looking for ways to improve our sourcing, information systems and coordination with state, local and federal partners. Having already discussed the steps we have taken in recent years, I would like to share with you some of the steps we will take in order to continue to improve upon our logistics capability.

##### *Logistics Supply Chain Management*

In its report, the OIG recommended that FEMA evaluate whether the LSCMS program that is under development is on track to support logistics operations. FEMA agrees with this recommendation and is taking proactive steps in that regard. The LSCMS Program supports FEMA’s mission of responding to all hazards expediently and efficiently by managing the nation’s end-to-end supply chain of critical disaster assets and commodities.

This year, FEMA will continue making progress with LSCMS Phase 2, the implementation of industry-standard Warehouse Management systems at FEMA distribution centers and the utilization of hand-held devices to automate receipt and shipment information at field sites. LSCMS Phase 2 implementation plans are in place as well for both 2011 and 2012.

##### *Coordination and Communication*

The OIG Report recommended that FEMA work with state partners to identify and overcome state and local logistical deficiencies, which we are doing with the implementation of the Logistics Capability Assessment Tool (LCAT). The LCAT allows states to automatically self-assess their logistics maturity in five key areas: logistics planning, operations, organization, property management and distribution management. We have also created an internal guidance

document that assists the states with the emergency supplies grant approval process as they determine their needs through LCAT self-assessment.

### *National Distribution Centers*

LM will systematically upgrade our National Distribution Centers, which are at the core of FEMA's supply chain transformation effort and are essential to FEMA's fundamental life-sustaining and saving assets. The improved warehousing strategy will provide the capacity and flexibility to respond effectively and efficiently to the full set of disaster scenarios.

### *State Logistics Planning and Preparedness*

Beginning in FY2009, critical emergency supplies, such as shelf stable food products, water and basic medical supplies, became allowable expenses under the Homeland Security Grant Program, State Homeland Security Program (SHSP), allowing states to apply for SHSP funding to address these needs.

Prior to allocating grant funding, each state must have FEMA's approval of a viable inventory management plan, an effective distribution strategy, sustainment costs for such an effort, and logistics expertise to avoid situations where funds are wasted because supplies are rendered ineffective due to lack of planning.

The inventory management plan and distribution strategy are evaluated and monitored by the Grants Programs Directorate (GPD) with the assistance of LM. GPD will coordinate with LM and the respective FEMA Region to evaluate each state application and provide program oversight and technical assistance as it relates to the purchase of critical emergency supplies under SHSP. GPD and LM have established guidelines and requirements for the purchase of these supplies under the SHSP and will monitor the development and status of the State's inventory management plan and distribution strategy.

LM is also working with FEMA Preparedness to publish a Comprehensive Planning Guide (CPG 201) Logistics Preparedness and Planning manual to further enhance state logistics planning and preparedness.

### *Single Point Order Tracking*

Finally, pursuant to FEMA's Operations and Logistics Integration Guidance issued in August 2009, and the OIG Sourcing audit (OIG-09-96), FEMA has developed a single-point order-tracking business process to facilitate management and tracking of all resource orders. During disaster response and recovery operations, all orders will be tracked via one central point from the order to the delivery to the end user.

## **V. Conclusion**

There are few things more critical to our response to and recovery from a disaster than having and executing an effective logistics plan to provide critical resources support. FEMA has made great strides to improve its logistics capability since Hurricanes Katrina and Rita. As the OIG has recognized, the improvements made by FEMA HQ and Region personnel and our interagency logistics partners have been essential to making these improvements.

We will continue to approach our work of preparing for, protecting against, responding to, recovering from, and mitigating all hazards with vigilance. We must constantly work to improve our systems and our execution. The OIG made valuable and important observations and recommendations for improving our logistics efforts. We agree with those recommendations, and are already taking actions to implement them. We look forward to keeping the Subcommittee apprised of our efforts.

Thank you again for the opportunity to testify before you today, and for your continued interest in FEMA logistics. I am prepared to answer any questions the Subcommittee may have.