
**Performance Audit of the
Office of Homeland Security**

**ENHANCED COORDINATION BETWEEN THE
SAN DIEGO OFFICE OF HOMELAND SECURITY
AND CITY DEPARTMENTS WOULD STRENGTHEN
EMERGENCY MANAGEMENT EFFORTS**

JULY 2014

Audit Report

Office of the City Auditor
City of San Diego



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THE CITY OF SAN DIEGO

July 9, 2014

Honorable Mayor, City Council, and Audit Committee Members
City of San Diego, California

Transmitted herewith is a performance audit report on the City of San Diego's Office of Homeland Security. This report was conducted in accordance with the City Auditor's Fiscal Year 2014 Audit Work Plan, and the report is presented in accordance with City Charter Section 39.2. The Results in Brief are presented on page 1. Audit Objectives, Scope, and Methodology are presented in Appendix B. Management's responses to our audit recommendations are presented after page 26 of this report.

We would like to thank staff from the Office of Homeland Security for their assistance and cooperation during this audit. All of their valuable time and efforts spent on providing us information is greatly appreciated. The audit staff members responsible for this audit report are Shawneé Pickney, Michael Lee, Matthew Helm, and Kyle Elser.

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Results in Brief

With ongoing concerns about terrorism, pandemic influenza, and catastrophic natural disasters, leaders at all levels of government continue to acknowledge the need to efficiently and effectively strengthen emergency planning capabilities. The City of San Diego (City) Office of Homeland Security's (SD-OHS) role is to promote a secure and resilient City with the capabilities required across the whole community to prevent, protect against, mitigate, respond to, and recover from the threats and hazards that pose the greatest risk.

The objective of this audit was to determine the extent to which SD-OHS has developed effective emergency response operations that include adequate coordination within the City, a comprehensive planning framework, and performance measures to assess progress towards meeting emergency planning and preparedness goals. While SD-OHS has mechanisms in place to coordinate emergency planning efforts at the federal, state, and regional levels, enhanced coordination between City departments and SD-OHS is necessary to ensure that the City is prepared to handle disasters independent of state, federal, or regional assistance.

In order for more coordination to occur between SD-OHS and City departments, SD-OHS needs to be empowered with the formal authority to administer the City's emergency management program. Additionally, increased focus on performance measurement may enhance SD-OHS' ability to assess progress towards achieving the department's mission. Lastly, we found that SD-OHS should strengthen its planning framework and familiarize City staff with emergency plans and responsibilities through targeted and structured training activities.

In order to assist the City and SD-OHS with improving its emergency management program, we made three recommendations to address the issues identified in this report. Specifically, we recommend that:

- SD-OHS should coordinate with the City Attorney and the Chief Operating Officer to update relevant sections of the Municipal Code to reflect SD-OHS duties and develop departmental directives to ensure timely and complete departmental emergency plans;
- SD-OHS should develop performance measures to better evaluate coordination and oversight of departments' emergency readiness; and

- SD-OHS should coordinate with Human Resources to develop trainings to familiarize employees with the City's emergency management program.

SD-OHS agreed with all three recommendations.

Background

Whether natural or manmade, disasters can result in significant human casualty and financial loss. The City of San Diego (City) is at risk of various types of disasters.

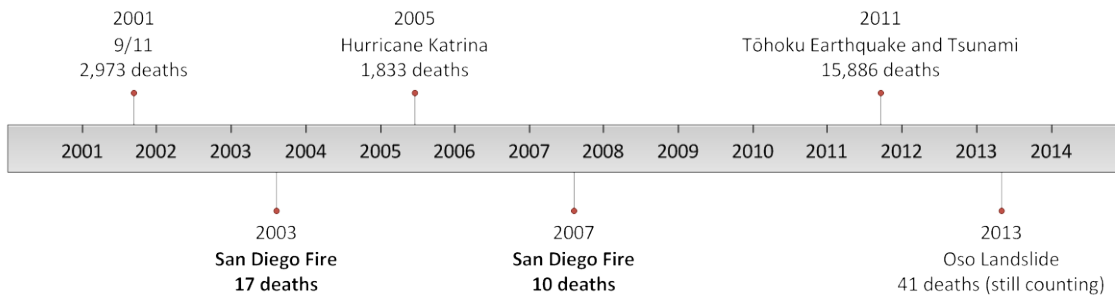
The City’s geography puts its urban population in an extremely volatile wildland area. The City sits on an active earthquake fault, lies along 53 miles of coastline, and has extensive canyon systems with thick vegetation that occupy urbanized areas. These natural characteristics put the City at particular risk of earthquakes, floods, tsunamis, coastal storms, wildland fires, landslides, droughts, and extreme heat.

In addition to the risks from its geography, the City also has numerous structural risks. The City has one of the busiest international border crossings in the world, military installations, an international port, multiple large airports, over 150 high rise buildings, tourist attractions, and large public venues such as Petco Ballpark, Qualcomm Stadium, and the San Diego Convention Center. These and other structural risks put the City at risk of different manmade disasters such as terrorist attacks. In addition, the City is at risk of other disasters such as a hazardous materials incident, dam failure, or other catastrophic event.

Past Disasters Demonstrate the Need for Preparedness Past disasters in San Diego and in other places demonstrate the need to prepare. **Exhibit 1** shows a select sample of disasters from different locations in the recent past as well as the estimated loss of human life resulting from each.

Exhibit 1

Sample List of Recent Disasters in San Diego and Elsewhere



Source: OCA, based on information from 9/11 Commission Report; County of San Diego Health and Human Services Agency; San Diego Wildfires Education Project; National Police Agency of Japan; and City of Stanwood, WA.

By their very nature, disasters are unpredictable and can cause immense damages. To minimize these damages, community resilience—the sustained ability of a community to withstand and recover from adversity—is critical. Since community resources are severely limited in the aftermath of a disaster, it is necessary for communities to build resilience before disasters strike.

**Disaster Preparedness
Requires a Coordinated
Effort**

Unlike response to regularly occurring emergencies, which is a primary function of agencies like police and fire departments, effective response to a disaster requires coordinated preparation across multiple agencies, even across multiple jurisdictions. The San Diego Office of Homeland Security (SD-OHS) manages this coordination.

The mission of SD-OHS is “to mitigate, prepare for, respond to, and recover from natural and man-made disasters.” Through its Disaster Preparedness program, SD-OHS ensures that the City is prepared for major disasters by:

- coordinating planning efforts and the training of City employees;
- assisting with the integration of the City's emergency plans in a collaborative environment both internally and externally;
- interfacing with County, State, and federal jurisdictions; and
- ensuring the flow of information to the public and business community to assist in emergency preparation and response.

SD-OHS receives funding from the City's General Fund and from federal Homeland Security Grant Program funds, which consists mainly of Urban Area Security Initiative (UASI) grant funds. UASI grant funds support regional (i.e. countywide) disaster response capabilities, including planning, equipment, and training and exercise needs. SD-OHS, as representative of the region's core city, receives a small percentage of the UASI grant for the purpose of administering the grant for the region. **Exhibit 2** shows SD-OHS personnel and funding over the past six fiscal years.

Exhibit 2

SD-OHS Adopted Budgets, FY 2009–FY 2014

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014
Personnel						
Positions	11.35	11.7	13.51	13.4	13.39	13.4
Expenditures						
Personnel	\$1,183,843	\$1,189,060	\$1,435,499	\$1,490,582	\$1,307,453	\$1,410,146
Non-Personnel	\$420,065	\$347,160	\$320,416	\$324,938	\$437,012	\$325,059
Total	\$1,603,908	\$1,536,220	\$1,755,915	\$1,815,520	\$1,744,465	\$1,735,205
Revenues¹						
Total	\$765,895	\$915,742	\$1,033,828	\$1,087,593	\$1,028,515	\$930,957

¹ The budgets for these years use different terms to categorize the sources of these revenues. According to SD-OHS, all revenues originate as federal grants.

Source: OCA, based on SD-OHS budget documents.

SD-OHS Must Comply with Federal and State Requirements

In 2005, the City, by Council resolution, adopted the National Incident Management System (NIMS) framework as the City’s disasters management standard to facilitate effective and efficient coordination of disaster preparedness. The NIMS framework “provides a consistent nationwide template to enable Federal, State, tribal, and local governments, nongovernmental organizations (NGOs), and the private sector to work together to prevent, protect against, respond to, recover from, and mitigate the effects of incidents, regardless of cause, size, location, or complexity.” In order for the City to receive federal grant preparedness funding, the City must be in full compliance with NIMS.

Similar to complying with NIMS requirements to receive federal funding, SD-OHS must also comply with the California Standardized Emergency Management System (SEMS) to receive reimbursement for costs associated with responding to disasters under the state’s disaster assistance programs. The purpose of SEMS “is to summarize the fundamental integrated components of SEMS and its source documents that make up California’s integrated emergency management system.”

City Emergency Plan Documents Adhere to NIMS and SEMS, and Provide a Framework for Coordination across City Departments

SD-OHS developed and maintains the City's Emergency Operations Plan (EOP) to comply with NIMS requirements and to establish the framework for the City to implement SEMS. The City's EOP is a preparedness document, and as such is meant to be read, understood, and exercised before an emergency. The EOP:

- delineates operational concepts relating to various emergency situations;
- identifies components of the emergency management organization; and
- describes responsibilities for protecting life and property and assuring the overall well-being of the population.

Also consistent with federal and state guidelines, SD-OHS maintains the City's Continuity of Operations Plan (COOP). The City's COOP contains individual annexes that detail the emergency response actions of 25 City departments. The City's COOP outlines how City departments will continue to provide mission essential functions (MEFs) to residents in the event that a disaster disrupts normal operations of one or more departments. MEFs are routine vital services that the City provides for staff and citizens during normal day-to-day operations. The COOP also lays the groundwork for reconstituting normal operations after a disaster. In essence, the COOP ensures that departments have multiple contingencies to ensure the continuance of operations with the least amount of service disruption to City residents. Those operations include restoring power after outages, ensuring water is clean and drinkable after contamination, and communicating emergency information to residents.

In addition to fulfilling NIMS and SEMS requirements, the EOP and the COOP provide a framework for departments to create and implement their own response plans, thereby helping SD-OHS coordinate preparedness across City departments.

Audit Results

Finding 1: Emergency Planning Efforts of City Departments Could Be Improved

As the first level of emergency response, designated City departments must be equipped to immediately protect the City and its residents from natural and manmade disasters. Additionally, all City departments are required to develop individual Continuity of Operations Plan (COOP) annexes that include key information for maintaining mission essential functions (MEFs) during and after an emergency. Specifically, we found the following issues with department emergency planning efforts:

- City departments have varying levels of emergency readiness;
- some COOP annexes had insufficient or inaccurate information; and
- the San Diego Office of Homeland Security's (SD-OHS) authority to administer the City's emergency management program is not formalized in the City's municipal code or administrative regulations.

Additionally, SD-OHS should improve oversight to ensure that departmental emergency plans are complete and current. To facilitate this oversight, SD-OHS needs authority to oversee department compliance and performance measures to enhance accountability in the City's overall emergency readiness. Moreover, as the City's emergency management entity, SD-OHS should use performance measures to evaluate policies, programs, procedures, and capabilities, including the effectiveness of City department emergency plans.

SD-OHS developed and maintains the City's Emergency Operations Plan (EOP) in compliance with state and federal requirements. The City's EOP provides guidance for an effective response to emergency incidents that may result from natural and manmade disasters. Also consistent with federal and state guidelines, SD-OHS maintains the City's COOP. The COOP complements the City's EOP and is the framework for City departments to maintain and restore MEFs after an emergency incident affects operations. The annexes within the COOP detail the specific COOP actions of individual City departments.

City Departments Have Varying Levels of Emergency Readiness

While the COOP designates that departments maintain their own COOP annexes, the City does not have any formal procedures to ensure that departments comply. In contrast, the County of San Diego's Administrative Regulations require departments to:

- complete the COOP template;
- conduct an annual COOP review;
- update the COOP plans as necessary; and
- annually submit signed Department Head confirmation of the COOP review, along with an updated COOP, to a central COOP repository.

Based on our review, we found that departments' existing emergency practices and procedures related to vital records, alternate locations, and contact lists were not always reflected in the COOP annexes. As a result, the City is unable to ensure that the COOP reflects the actual operating environment of City departments or that employees are prepared to implement their department's COOP annex.

Vital Records Described in Department COOP Annexes Were Not Always Identical to Physical Records Onsite

In our sample of 20 vital records, we found that only seven matched their description in the COOP annexes. Vital records are records that, if damaged or destroyed, would disrupt operations and information flow and require replacement or re-creation at considerable expense or inconvenience. These records are vital to completing MEFs that the City provides to staff and residents during normal day-to-day operations. Examples of vital records include department policies and procedures, route maps, personnel files, contracts, operations manuals, and other documents that provide guidance for completing business or that aid in repairing infrastructure within the City. These documents can be electronic or hard copy and must be backed up.

One of the departments reviewed identified and maintained vital records onsite for one of its MEFs. However, the COOP annex indicated that those same vital records did not exist. One of the MEFs for another department appeared to be incomplete as the item for identifying vital records was left blank. On the contrary, upon speaking with department management, it was explained that a procedure is in place. Vital records are not identified because the assessment is visual and no physical record is required.

According to SD-OHS, maintenance of vital records is the responsibility of individual City departments and the City Clerk's Office. SD-OHS provides the common framework for departments to inventory essential documents, but does not oversee the

maintenance of vital records. However, while maintenance of vital records may be the responsibility of City departments, we maintain that SD-OHS is responsible for ensuring that emergency planning documents, including the COOP, are completed accurately. This entails making sure that departments are fulfilling their obligation to inventory vital records accurately. Without well-maintained vital records, the City is ill-equipped to execute mission essential functions in the aftermath of a major emergency or disaster.

**Alternate Sites Identified in
COOP Annexes Are
Inadequate**

The City's EOP requires and industry guidelines advise City departments to designate alternate sites from which to operate in the event that their primary locations become unavailable during an emergency incident. Selecting continuity locations is one of the fundamental elements of a COOP. However, some of the continuity locations identified in the City's COOP are not adequate because sites have either not been identified or more than one department has identified the same alternate site. SD-OHS could enhance the process of departments choosing alternate sites by providing guidance on which sites are available and suitable options.

Our review of the COOP annexes identified that 21 out of 22 (95 percent) of City departments indicated in their COOP that department leadership "will confer" in the event of an emergency or listed no alternate site.

Additionally, a February 2014 After Action Report (AAR) identified that departments have not identified alternate locations, or have identified locations that are being used by other departments, or are otherwise unsuitable as a relocation site. It was also determined that no formal list exists in the COOP to specifically designate which department has priority if the same space is identified by more than one department. SD-OHS indicated that one possible reason some departments have not submitted their alternate location is because not all departments own additional City land to designate as a substitute. During our conversation with a department, it was noted that while SD-OHS asked the department to select an alternate work site for continuity of operations purposes, the department did not receive any guidance on how to select the alternate work site. The department suggests that the SD-OHS and Real Estate Assets work together to advise City departments and offices on how to identify locations, in addition to providing a list of possible available locations or properties that are run by the City.

According to federal guidance, agencies shall, at a minimum, identify and maintain an alternate facility that provides:

- sufficient space, equipment, and other resources to sustain the agencies MEFs immediately and up to 30 days following an emergency incident;
- capabilities to access and use vital records necessary to facilitate the performance of those MEFs;
- sufficient distance from an area where the potential disruption of the agency's ability to initiate and sustain operations is minimized;
- access to essential support resources such as food, water, fuel, medical facilities, and municipal services (e.g., fire, police); and
- a defined transportation support plan that describes procedures for events with both warning and no warning.

SD-OHS is aware of the need to develop a system to aid departments with choosing alternate locations, and as part of its corrective action is set to: 1) establish a process to prioritize locations; 2) identify alternate locations for all City departments; and 3) assess existing alternate locations to ensure the facilities are adequate for operations.

**Contact Lists within
Department COOP Annexes
Were Not Always Current**

Lastly, we observed that contact information contained within the COOP annexes was not always current. In our sample of seven departmental employee contact lists we found that none of the lists had current contact information for the employees recorded. There were instances where staff left a department or assumed new duties within a department and the annexes were not updated. This is notable because after position changes, some staff members were no longer assigned to a particular role within the COOP annex or were assigned to new roles. We also observed instances where there were no names assigned to identified positions within the COOP annex, rendering the annex incomplete.

In January 2014, SD-OHS sent a memorandum to department directors noting that, to ensure the readiness of the City's Emergency Operations Center (EOC), SD-OHS will contact department directors on a quarterly basis to update the EOC staff roster and fill any vacant positions. However, the EOC contact list pertains only to the staff required to report to the City's central emergency management center during a catastrophic incident. It is not in reference to individual emergency responsibilities assigned to specific staff members as listed in a department's COOP annex.

The citywide COOP requires individual departments to review and update their plans annually. Yet, as explained earlier, there is no formalized oversight body or procedures to ensure compliance.

**The City Should Formalize
SD-OHS Authority to
Administer the City's
Emergency Management
Program**

While SD-OHS is primarily responsible for overseeing the City's preparedness activities, we found that the roles and responsibilities of SD-OHS should be more explicitly stated in the City's ordinances. Currently, SD-OHS has no formal authority to require departments to actively engage in citywide emergency planning efforts leading to varying levels of preparedness by City departments.

Guidelines advise that designated emergency management offices be empowered with the authority to administer the emergency management program. The powers and responsibilities should be established and executed in accordance with statutes, regulations, directives, or policies.

However, Chapter 5 of the City's Municipal Code, which provides for the preparation and carrying out of plans for the protection of persons and property within this City in the event of an emergency does not identify SD-OHS as the City's official emergency management office.

Section 51.0104, added in 1974, establishes a City of San Diego Disaster Council to:

"...develop and recommend for adoption by the City Council, emergency and mutual aid plans and agreements and such ordinances and resolutions and rules and regulations as necessary to implement such plans and agreements."

According to SD-OHS, the Disaster Council does not currently meet and would not reflect the modern practice of regional preparedness efforts. These efforts are accomplished through existing regional coordination and collaboration bodies, of which SD-OHS shares membership.

Moreover, Section 51.0108, added in 1974, designates that:

"The City of San Diego Disaster Council shall be responsible for the development of the City of San Diego Emergency Plan, which plan shall provide for the effective mobilization of all the resources of this City, both public and private, to meet any condition constituting a local emergency...and shall provide for the organization, powers and duties, services, and staff of the emergency organization."

SD-OHS acknowledges that it, not a Disaster Council, is the organization that currently develops the City's EOP. Additionally, in consultation with City departments, SD-OHS also acted as the lead organization that coordinated the completion of the City's COOP.

Recommendation #1: In order to improve coordination between SD-OHS and City departments, SD-OHS should work with the City Attorney to update the applicable provisions in the Municipal Code to reflect SD-OHS' current operations and responsibilities. Furthermore, SD-OHS should work with the Chief Operating Officer to develop an Administrative Regulation or similar directives to departments regarding requirements for timely and complete emergency plans. (Priority 3)

**Increased Focus on
Performance Measurement
May Enhance SD-OHS'
Accountability in the City's
Overall Readiness**

Confidence that emergency plans will be able to be executed as designed depends on the reliability of the system that is executing them. According to RAND research, measuring response reliability allows entities to answer with certainty that the systems put in place to respond to damaging events will be able to deliver when called upon. Response reliability evaluation entails:

- identifying what could go wrong within the plan(s);
- estimating the likelihood of breakdowns;
- identifying their impact on performance; and
- determining if planning has accounted for them and either built in hedging strategies or is flexible enough to compensate if they occur.

While national planning and standardization efforts (such as the development of the National Incident Management System) are designed to make it possible for different entities to work well together, often cooperation and coordination do not go smoothly and key functions "fall through the cracks" between entities.

SD-OHS oversight of City departmental COOP annexes could be enhanced. Currently, departmental annexes are incomplete because the vital records, alternate sites, and contact lists recorded do not accurately reflect current operating environments. Breakdowns in planning can derail COOP efforts by causing catastrophic failures, delaying when essential functions can be resumed, or limiting the number of people who can be served. While changes to the Municipal Code and administrative regulations would give SD-OHS authority to oversee department compliance, development of performance measures centered around assessing the reliability of

department emergency readiness would make them accountable to do so. For example, the County of San Diego's Administrative Manual requires the Office of Emergency Services to annually track and notify COOP Coordinators of department compliance. Additionally, other frameworks offer additional possible indicators that can be adopted at a local level including:

- the percentage of departments reporting that personnel possess the required technical capacity to carry out essential elements and tasks for effective disaster response;
- a review of progress on existing citywide preparedness mechanisms; and
- a review to determine if citywide emergency response networks and plans are regularly updated and tested.

By increasing the focus to include evaluating oversight of City department emergency readiness, SD-OHS can help build and assess department resilience to handle natural and manmade disasters. It has long been standard practice that emergency response begins at the local government level, with state and federal government becoming involved when local resources are overwhelmed. It is therefore imperative that the City can be reasonably assured that its emergency plans, emergency systems, and City management and employees are prepared to handle disasters independent of state and federal assistance which may take time to coordinate.

Recommendation #2 In order to increase accountability and better assess the effectiveness of SD-OHS operations, SD-OHS should develop additional performance measures for all key aspects of the department's operations. Importantly, the performance measures should include the evaluation of completeness of department emergency plans (i.e. vital records accurately reflected, alternate sites chosen, contact lists updated, department employee training, etc.). (Priority 3)

Finding 2: City Employees Need Increased Familiarity with City Emergency Plans

Staff lacking familiarity with the City's emergency management principles and plans can hamper their response during an emergency, especially when under pressure to execute. Competency to perform during emergency situations is based on demonstrated performance to achieve designated objectives. Those objectives include employees understanding their roles in implementing emergency plans. Additionally, the objectives include employees understanding the possible repercussions of not being well-versed in the City's emergency management procedures. Given these objectives, it is important that the San Diego Office of Homeland Security (SD-OHS) implement a competency-based training program that supports all employees.

Industry Guidelines Recommend Training Employees on Components of the Emergency Management Program

According to industry guidelines, emergency management offices should develop and implement a competency-based training and education curriculum that supports all employees who have a role in the program. The training program should also regularly test the skills, abilities, and experience of emergency personnel as well as the plans, policies, procedures, equipment, and facilities of the emergency management program. Emergency personnel would include all City employees because public employees, if assigned, are obligated to serve as Disaster Service Workers during an emergency, disaster, or catastrophic event.

To that end, as described in the sections below, we found that City employees need additional guidance regarding the contents and their roles in the development, maintenance, and implementation of these city emergency management plans.

Feedback from Past SD-OHS Activities Recommend Enhanced Training for New and Existing Employees

In February 2014, SD-OHS hosted a Continuity of Operations Plan (COOP) Tabletop Exercise (TTX) with one of the objectives being to "evaluate the roles and responsibilities of mission essential function personnel to be executed during the COOP plan activation and relocation phase as identified in the City of San Diego COOP."

The Tabletop After Action Report (AAR) noted that as an area of improvement for this objective, COOP-specific training should be provided to all new and existing City employees. Specifically, the corrective action suggests mandatory regularly scheduled COOP training for all new City employees and an annual COOP refresher course for existing employees.

According to the AAR, participants noted that while new employees receive training and information from the Human Resources Department (HR) regarding their expected roles and responsibilities as Disaster Service Workers during an emergency incident, COOP-specific training is not currently provided. It was also noted that no COOP “refresher” trainings are currently being offered to existing employees. The need for emergency preparation training has been expressed in AARs dating as far back as 2012.

The COOP Introductory Training Requirement Is Not Being Met

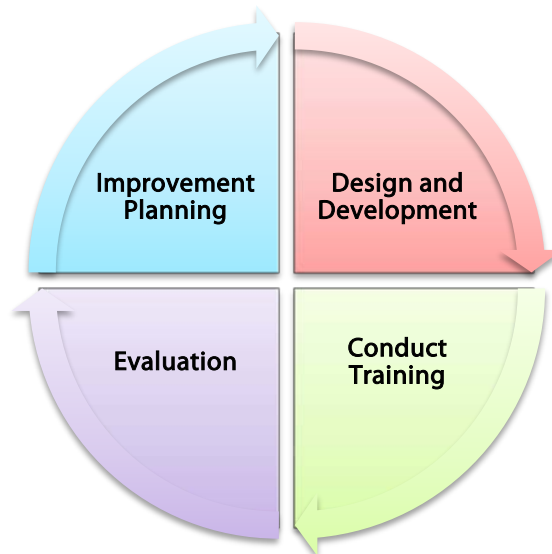
The City’s COOP requires that “all new personnel working for any department receive training on the contents and execution of the overarching COOP and their department’s annex within 90 days of hire.” However, there are no mechanisms in place to ensure that departments meet this requirement. Neither SD-OHS nor HR currently monitors compliance to this requirement. The City’s COOP indicates that it is important that human resource policies support the overall COOP program. To this end, HR has expressed that it is available and open to working with SD-OHS to facilitate the development of this and other necessary trainings.

Employee Retention of Information Is Necessary for a Progressive Training Approach

According to the Homeland Security Exercise and Evaluation Program, a training program should follow a progressive approach where each successive training event builds upon the previous until mastery is achieved. **Exhibit 3** illustrates how this approach functions.

Exhibit 3

Progressive Training Approach Cycle



Source: OCA, adapted from Homeland Security Exercise and Evaluation Program.

Successive training events cannot build upon previous information that employees do not retain. Federal guidelines advise agencies to coordinate training events, prevent duplication of effort, and promote the efficient use of resources.

In May 2011, SD-OHS hosted an Emergency Operations Center (EOC) Functional Exercise to test the City's EOC response capability to a wildfire, including use of the City's WebEOC system. Two hours into the exercise, Information Technology staff were still tutoring participants on the system's use and operating procedures. The AAR noted that participants had difficulty using WebEOC and as an area of improvement, participants expressed desires for refreshers at the beginning of training exercises on how to use WebEOC. This inefficient use of time and resources to cover basic competencies would hinder a progressive training approach. Moreover, if participants do not regularly practice information learned in trainings, their chances of retaining knowledge of their roles and responsibilities are diminished, especially under times of duress.

SD-OHS Lacks Formal Authority to Require Department Participation In Training Activities

In order to maximize efficiency, resources, time, and funding, SD-OHS' training cycle should correspond with their submitting state and federal emergency plan documents that require input from City departments. For SD-OHS to create an effective training program, it needs authority and City administrative regulations that would require departments to follow through on its emergency planning requests, including participation in training activities.

For example, the County of San Diego's Administrative Manual clearly identifies the roles and responsibilities of the Office of Emergency Services and County Departments in preparing, practicing, reviewing, and updating their COOP. Specifically, in reference to trainings, the manual requires departments to:

- conduct COOP exercises every other year;
- provide staff COOP training and awareness; and
- annually submit signed Department Head confirmation of the COOP review, along with an updated COOP, to a central COOP repository (as identified by OES).

Currently, the City's COOP provides a framework that encourages, but does not mandate, that departments adhere to the guidelines set forth in the COOP. Furthermore, City Administrative Regulation 1.01 details the chain of command and emergency communication procedures during emergencies but does not provide instruction to

departments regarding their emergency preparedness administrative duties (training, updating COOP, etc).

Recommendation #3 In order to increase employees' familiarity with the City's emergency plans, SD-OHS should work with Human Resources to develop a training program for new and existing employees. Additionally, requirements for the type and timing of training should be incorporated into the Administrative Regulation or directive described in Recommendation #1. (Priority 3)

Conclusion

A comprehensive emergency preparedness program requires developed plans that are trained to and exercised on a regular basis. Effective plans require a collaborative and coordinated approach between the San Diego Office of Homeland Security (SD-OHS) and City departments. While SD-OHS has mechanisms in place to coordinate emergency planning efforts at the federal, state, and regional levels, enhanced coordination between City departments and SD-OHS is necessary to reasonably ensure that the City is prepared to handle disasters independent of state, federal, or regional assistance. To that end, we identified areas where SD-OHS can increase its oversight regarding the emergency preparedness of City departments.

First, in order to increase coordination between SD-OHS and City departments, SD-OHS needs to be empowered with the authority to administer the City's emergency preparedness program. The authority comes by updating the City's municipal code to reflect SD-OHS' current duties and responsibilities. Additionally, the development of administrative regulations would require departments to comply with SD-OHS requests in a timely and complete manner.

Secondly, as administrator of the City's emergency preparedness program, increased focus on performance measurement may enhance SD-OHS' accountability in the City's overall emergency readiness. With increased focus on evaluating oversight of City department readiness, SD-OHS can evaluate its progress with strengthening departments' resilience to handling natural and manmade disasters.

Lastly, SD-OHS should develop a training program that allows all City employees to understand their roles in the City's ability to quickly respond to and recover from disastrous events. Additionally, since employees can be designated as disaster service workers, it is imperative that City employees are familiar with their department emergency plans and citywide emergency protocols. Staff lacking familiarity with the City's emergency management principles and plans can hamper their response during an emergency, especially when under duress.

Emergency response begins at the local government level, with state and federal government becoming involved once local resources are

overwhelmed. It is therefore imperative that City departments are equipped to respond to emergencies and maintain operations with the least amount of disruption possible to residents and City operations until additional help becomes available. With better coordination and planning, SD-OHS can improve the City's emergency management program.

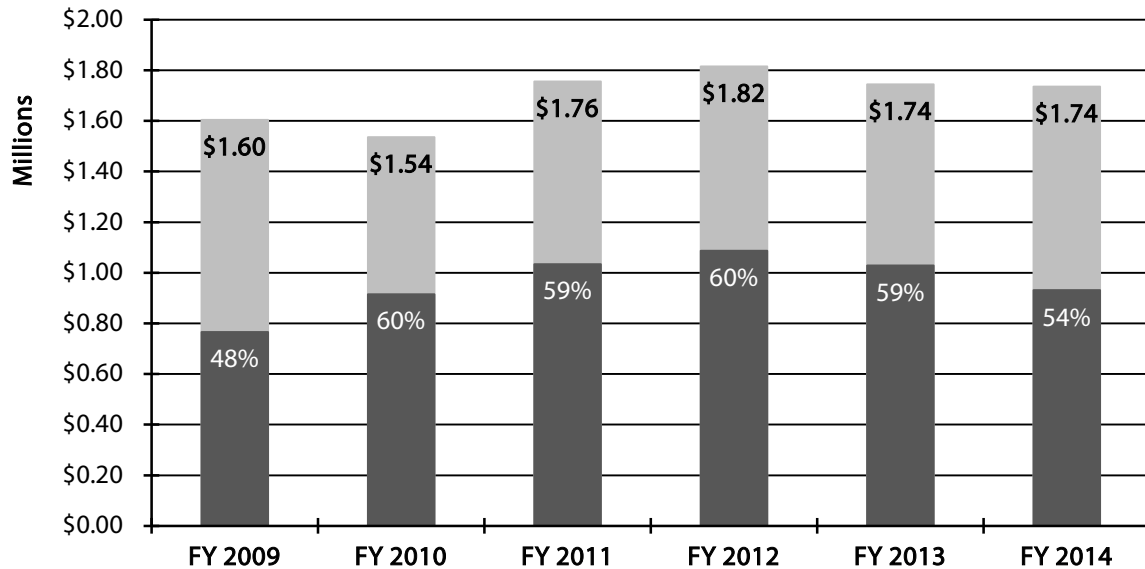
Other Pertinent Information

Federal Grants Provide a Large Portion of SD-OHS Funding

The San Diego Office of Homeland Security (SD-OHS) receives funding from the City General Fund and from the federal Homeland Security Grant Program (HSGP), which consists mainly of the Urban Area Security Initiative (UASI) grant program. UASI grant funds support regional (i.e. countywide) disaster response capabilities, including planning, equipment, and training and exercise needs. SD-OHS, as representative of the region’s core city, receives a small percentage of the UASI grant for the purpose of administering the grant for the region. As **Exhibit 4** shows, this grant allotment has accounted for close to or more than half of annual SD-OHS funding for the past six fiscal years.

Exhibit 4

Total SD-OHS Funding and Percent Grant-Funded



Source: OCA using SD-OHS budget documents.

A Loss of Federal Grant Funds Could Diminish the City’s Disaster Preparedness

HSGP grants, and others, are awarded to the San Diego region in order to strengthen the region’s prevention, protection, mitigation, response, and recovery capabilities with regard to emergencies. If these grant funds were to diminish or disappear altogether, the capabilities they fund could weaken. Furthermore, if SD-OHS relies at least in part on grant funds to support its management of City department preparedness, then a reduction of grant funds could diminish City preparedness.

It is possible that the region could lose a portion or all of its federal grant funding. In fiscal year 2006, the region's UASI grant amount declined by more than half compared to the previous fiscal year. And in fiscal year 2014, the federal government expanded the UASI program from 25 regions to 39. With more regions to fund, the federal government will have to reduce the grant amount to some of the 25 historically funded regions, absent increases in total funding for the UASI program.

The City Should Develop a Contingency Plan in the Event that Grant Funds Decline

According to the Government Finance Officers Association, to ensure the efficient financial management of grants, a government should develop a contingency plan to continue funding services if grant funds terminate. As previously explained, federal grant funds support SD-OHS operations at the City level, since SD-OHS manages the grant for the region, and also support the region's shared disaster response capabilities. Therefore, SD-OHS might benefit from the development of a financial contingency plan that considers:

- how the City will maintain SD-OHS coordination of the City's disaster response efforts in the event that SD-OHS loses some grant funding; and
- how the region will preserve previously grant-funded disaster response capabilities.

SD-OHS has indicated that management is aware of the risk of losing grant funds and the department has plans to transfer funding for two FTEs from grant funds to the General Fund. However, further contingency planning and action are necessary.

Recommendations

- Recommendation #1:** In order to improve coordination between SD-OHS and City departments, SD-OHS should work with the City Attorney to update the applicable provisions in the Municipal Code to reflect SD-OHS' current operations and responsibilities. Furthermore, SD-OHS should work with the Chief Operating Officer to develop an Administrative Regulation or similar directives to departments regarding requirements for timely and complete emergency plans. (Priority 3)
- Recommendation #2** In order to increase accountability and better assess the effectiveness of SD-OHS operations, SD-OHS should develop additional performance measures for all key aspects of the department's operations. Importantly, the performance measures should include the evaluation of completeness of department emergency plans (i.e. vital records accurately reflected, alternate sites chosen, contact lists updated, department employee training, etc.). (Priority 3)
- Recommendation #3** In order to increase employees' familiarity with the City's emergency plans, SD-OHS should work with Human Resources to develop a training program for new and existing employees. Additionally, requirements for the type and timing of training should be incorporated into the Administrative Regulation or directive described in Recommendation #1. (Priority 3)

Appendix A: Definition of Audit Recommendation Priorities

DEFINITIONS OF PRIORITY 1, 2, AND 3 AUDIT RECOMMENDATIONS

The Office of the City Auditor maintains a classification scheme applicable to audit recommendations and the appropriate corrective actions as follows:

Priority Class ¹	Description ²	Implementation Action ³
1	Fraud or serious violations are being committed, significant fiscal or equivalent non-fiscal losses are occurring.	Immediate
2	A potential for incurring significant or equivalent fiscal and/or non-fiscal losses exist.	Six months
3	Operation or administrative process will be improved.	Six months to one year

¹ The City Auditor is responsible for assigning audit recommendation priority class numbers. A recommendation which clearly fits the description for more than one priority class shall be assigned the higher number.

² For an audit recommendation to be considered related to a significant fiscal loss, it will usually be necessary for an actual loss of \$50,000 or more to be involved or for a potential loss (including unrealized revenue increases) of \$100,000 to be involved. Equivalent non-fiscal losses would include, but not be limited to, omission or commission of acts by or on behalf of the City which would be likely to expose the City to adverse criticism in the eyes of its residents.

³ The implementation time frame indicated for each priority class is intended as a guideline for establishing implementation target dates. While prioritizing recommendations is the responsibility of the City Auditor, determining implementation dates is the responsibility of the City Administration.

Appendix B: Audit Objectives, Scope, and Methodology

Objectives In accordance with the City Auditor’s FY 2014 Work Plan, we conducted a performance audit of the City of San Diego (City) Office of Homeland Security (SD-OHS) Disaster Preparedness Program. The objective of this audit was to determine the extent to which SD-OHS has developed effective emergency response operations that include:

1. a comprehensive planning framework—primarily the City’s Emergency Operations Plan (EOP) and Continuity of Operations Plan (COOP);
2. adequate coordination within the City, including training personnel on emergency response procedures, financial stability of SD-OHS, communication protocols, and coordination across City departments; and
3. performance measures to assess progress towards meeting emergency planning and preparedness goals.

Scope and Methodology We reviewed SD-OHS current operations and FY 2009 – FY 2014 budget and staffing information. To address objective 1, we reviewed the program’s operations and governing policies, including the City Municipal Code, Administrative Regulations, Council Resolutions, Council Policies, internal memorandums, SD-OHS budgets, and additional reports and documents provided by SD-OHS. We also examined the City’s emergency plans, including the EOP and the COOP, as well as the federal and state guidelines upon which these plans are based, notably the National Incident Management System and California Standardized Emergency Management System standards. In addition, we researched emergency program best practices, including the National Fire Protection Association’s (NFPA) Standard on Disaster/Emergency Management and Business Continuity Programs and RAND Corporation research on emergency preparedness.

In order to check the completeness and accuracy of the City’s COOP, we reviewed the COOP, including the departmental COOP Annexes, and selected a sample of seven out of 25 departments to analyze their management of certain vital records, staff contact information, and alternate work locations identified in the COOP. Our findings from these seven departments are not meant to numerically

represent how complete or accurate the City's COOP is. Instead, they qualitatively demonstrate if the City's COOP is complete and accurate. To perform this analysis, we met with key personnel in each department in our sample and compared the vital records, staff contact information, and alternate work locations documented in the COOP to the actual operating environments of each department.

To address the second objective, we assessed the effectiveness of the City's emergency preparedness training by reviewing the SD-OHS training program, meeting with SD-OHS management, and meeting with Human Resources. We also attended two training events organized by SD-OHS: a COOP tabletop exercise (in which department representatives walked through their COOP activation procedures) and an Executive Education Seminar (in which senior officials from the area met to discuss the homeland security challenges for their jurisdictions). In addition, we reviewed the After Action Reports for these exercises as well as those for exercises in the past to see how well the City addressed areas identified as needing improvement. In all cases we compared what we learned about the City's training program to federal and state guidelines and industry best practices.

We also reviewed whether the City would be able to communicate with all necessary parties in the event of an emergency incident. We interviewed SD-OHS staff to identify efforts for general public awareness as well as mechanisms that would ensure emergency responders from multiple agencies or jurisdictions could communicate with each other. We also reviewed AARs that identified gaps in communication coverage and assessed how the City responded. To determine the extent of coordination OHS has with stakeholders both internal and external to the City we reviewed the organizations of which SD-OHS is a member and the formal partnerships SD-OHS has formed with other jurisdictions.

To evaluate the budgetary risk to SD-OHS in the event of a loss of grant funds, we reviewed SD-OHS budgets for fiscal years 2009 through 2014 and Urban Area Security Initiative (UASI) grant funding for fiscal years 2003 through 2014. We also attended the San Diego Urban Area Working Group's fiscal year 2014 UASI grant allocation meeting, where disaster preparedness representatives from jurisdictions all over San Diego County met to approve or deny this year's UASI-funded projects for the San Diego region. In a meeting with the San Diego County Office of Emergency Services we discussed how other jurisdictions confront the risk of losing federal

grants by dedicating additional general funds to emergency preparedness activities. Lastly, we reviewed City policy to determine if the City could use its reserve funds to make up for a loss of federal grants in the event of an emergency.

Finally, to address the third objective, we reviewed various general and emergency preparedness-specific literature and guidance to determine if SD-OHS has effective performance indicators for overseeing the City's emergency management program. In particular, we reviewed NFPA guidelines on emergency management program evaluation and RAND Corporation research on response reliability and community resilience. We also reviewed the performance measures of emergency management offices in other jurisdictions, including Boston, Denver, and the County of San Diego.

We conducted this performance audit in accordance with Generally Accepted Government Auditing Standards. These standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on the audit objectives.



THE CITY OF SAN DIEGO

M E M O R A N D U M

DATE: July 7, 2014

TO: Eduardo Luna, City Auditor

FROM: Javier Mainar, Fire Chief

SUBJECT: Management Response to Performance Audit of the Office of Homeland Security

The City of San Diego Office of Homeland Security (SD-OHS) staff and I have reviewed the City Auditor's recommendations in the audit report examining SD-OHS emergency management operations and planning efforts. The response to each of the audit recommendations is documented below.

Recommendation #1: In order to improve coordination between SD-OHS and City departments, SD-OHS should work with the City Attorney to update the applicable provisions in the Municipal Code to reflect SD-OHS' current operations and responsibilities. Furthermore, SD-OHS should work with the Chief Operating Officer to develop an Administrative Regulation or similar directives to departments regarding requirements for timely and complete emergency plans.

Management Response: Agree

Management agrees with the recommendation and SD-OHS will work with the City Attorney's Office to initiate the changes to the San Diego Municipal Code (SDMC).

In addition, SD-OHS will work to develop an Administrative Regulation or similar directive to departments regarding requirements and expectations in respect to the development, review, and update of relevant emergency plans. Previously, such expectations and requirements were stated through formal memoranda developed by SD-OHS and issued by the Mayor or Chief Operating Officer; this method has been used to develop or update the Emergency Operations Plan, Continuity of Operations Plan, Recovery Plan, and Multi-Jurisdictional Hazard Mitigation Plan, for example. However, a consolidated Administrative Regulation or similar directive would provide greater predictability and clarity to departments on emergency planning expectations, facilitate City-wide monitoring of emergency plan development and updates, and provide SD-OHS with a permanent regulation or directive to achieve coordination with departments (rather than having to develop and publish a memorandum for each specific planning activity.)

Within this recommended Administrative Regulation or directive, SD-OHS would address City-level or multi-department plans and procedures that pertain to the five Mission Areas and the thirty-one Core Capabilities specified in the Federal Emergency Management Agency's *National Preparedness Goal*. It would not address the departments' internal plans and procedures that may use the term "emergency" but are otherwise outside of the scope, mission, and expertise of SD-OHS to oversee and coordinate.

Recommendation #2: In order to increase accountability and better assess the effectiveness of SD-OHS operations, SD-OHS should develop additional performance measures for all key aspects of the department's operations. Importantly, the performance measures should include the evaluation of completeness of department emergency plans (i.e. vital records accurately reflected, alternate sites chosen, contact lists updated, department employee training, etc).

Management Response: Agree

Management agrees with the recommendation and SD-OHS is currently refining its internal operations, processes, and procedures to functionally align to the five Mission Areas identified in the Federal Emergency Management Agency's *National Preparedness Goal*. As part of this refinement, SD-OHS will develop additional performance measures to correspond with each Mission Area (i.e. Prevention, Protection, Response, Mitigation, and Recovery), to include performance measures on the evaluation of relevant department emergency plans. The Administrative Regulation or similar directive resulting from Recommendation #1 will greatly inform and facilitate the development of some of the additional SD-OHS performance measures.

Recommendation #3: In order to increase employees' familiarity with the City's emergency plans, SD-OHS should work with Human Resources to develop a training program for new and existing employees. Additionally, requirements for the type and timing of training should be incorporated into the Administrative Regulation or directive described in Recommendation #1.

Management Response: Agree

Management agrees with the recommendation. SD-OHS supports, oversees, or coordinates a wide range of emergency training activities for various groups and target audiences throughout the City. These training groups include *National Incident Management System*-designated job classifications, Emergency Operations Center staff, and emergency plan-specific staff (e.g. Continuity of Operations Planning Team). SD-OHS currently uses internal spreadsheets and schedules to plan and track these training activities, and memoranda and email communications to coordinate them. SD-OHS will formalize and consolidate these training activities into the Administrative Regulation or directive described in Recommendation #1, and develop corresponding performance measures as described in Recommendation #2.

Additionally, SD-OHS and the Human Resources Department developed a Disaster Service Worker (DSW) training module (per California Government Code, Sections 3100 to 3109) that is presented to all newly hired City personnel during their employee orientation. To enhance that

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existing training, SD-OHS will collaborate with Human Resources Department to develop recurring DSW training resources, and to post permanently available and routinely updated DSW references to the City's website. Existing and any newly developed DSW training will also be incorporated into the directive and performance measures resulting from Recommendations #1 and #2, respectively.

SD-OHS will complete and submit to the Chief Operating Officer or relevant City department all of the above stated work outputs and products by the end of FY 2015. However, any required formal hearings, reviews, revisions, and approvals by non-Mayoral department entities (e.g. City Attorney's Office or City Council) may occur thereafter.



Javier Mainar
Fire Chief

cc: Scott Chadwick, Chief Operating Officer
Stacey LoMedico, Assistant Chief Operating Officer
Brian Pepin, Director of Council Affairs, Office of the Mayor
Judy von Kalinowski, Human Resources Director