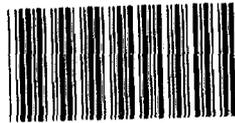




UNITED STATES GENERAL ACCOUNTING OFFICE
WASHINGTON, D.C. 20548

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LOGISTICS AND COMMUNICATIONS
DIVISION



MARCH 28, 1980

B-198068

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The Honorable Paul S. Sarbanes, United States Senate
 The Honorable Charles McC. Mathias, Jr., United States Senate
 The Honorable Gladys Noon Spellman, House of Representatives
 The Honorable Clarence D. Long, House of Representatives
 The Honorable Michael D. Barnes, House of Representatives
 The Honorable Beverly B. Byron, House of Representatives
 The Honorable Barbara A. Mikulski, House of Representatives
 The Honorable Marjorie S. Holt, House of Representatives
 The Honorable Parren J. Mitchell, House of Representatives
 The Honorable Robert E. Bauman, House of Representatives

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et al.

Subject: [Review of the Federal Emergency
 Management Agency's Planned Relocation
 of Positions from Olney, Maryland, to
 Philadelphia, Pennsylvania] (LCD-80-47)

DLG 01399

In a November 8, 1979, letter, the Maryland congressional delegation asked us to review the Federal Emergency Management Agency's (FEMA's) justification for the planned move of several positions from Olney, Maryland, to Philadelphia, Pennsylvania. Subsequently, you requested that we:

- Find out what plans FEMA has for moving the National Computer Center from Olney to Berryville, Virginia.
- Determine how FEMA planned moves in other regions: Atlanta/Thomasville, Georgia; Dallas/Denton, Texas; Seattle/Bothell, Washington; and Chicago, Illinois/Battle Creek, Michigan.
- Obtain information on the proposed move of the Civil Defense Staff College from Battle Creek to Emmitsburg, Maryland.

The results of our review, which are summarized below, were discussed with the staff of the Maryland delegation on February 15, 1980.

The planned move from Olney to Philadelphia is part of an overall plan to consolidate field operations of several disaster-related agencies which were abolished to form FEMA.

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FEMA officials told us that it would be more costly to transfer positions to Philadelphia rather than to keep them in Olney, but that cost savings was not a major factor in deciding to relocate. In fact, FEMA's decision to transfer program staff to Philadelphia was attributed to intrinsic managerial advantages to be derived from a consolidated work force. Thus, we are not in a position to question or validate the stated benefits.

With the planned move to Philadelphia, the region III staff will be split since some regional people will remain at Olney. The National Computer Center will also remain at Olney.

The planned relocation from Thomasville has been abandoned while the planned relocation from Battle Creek is being reconsidered. The Dallas and Seattle regions have relocated to Denton and Bothell, respectively.

During our review, we interviewed top officials at FEMA's national headquarters in Washington, D.C. We visited the Olney field office and the Emmitsburg training facility.

BACKGROUND

On June 19, 1978, the President transmitted a reorganization plan to the Congress to improve Federal emergency management and assistance. The plan called for establishing FEMA and consolidating a number of civil preparedness and disaster relief functions. Under the provisions of statutes governing executive reorganizations, the Congress approved the plan on September 16, 1978.

FEMA was established in two phases:

--The first phase, effective April 1, 1979, established FEMA and authorized the transfer to it of functions from the U.S. Fire Administration and the Federal Insurance Administration. FEMA also had oversight responsibility for the Emergency Broadcast System. *AGC00751*

--The second phase, effective July 15, 1979, transferred to FEMA other civil defense and emergency preparedness and mitigation functions vested by law in the President.

FEMA is responsible for handling all emergency management and assistance functions in the Federal Government. It provides a leadership role in response to all natural and nuclear disasters, such as floods, fires, earthquakes, hurricanes, riots, terrorism, and nuclear accidents and attacks. The FEMA field offices are to lead, mobilize, and orchestrate the emergency activities of other Federal, State, and local agencies.

FEMA is a relatively new agency, and its Director did not assume his position until August 1, 1979. The Director acknowledges that FEMA is still in the "organizing stage of development" and is currently evaluating options on how to best organize--merging programs and eliminating duplication which existed under the previous disaster-related agencies. For example, as of February 13, 1980, the agency was still

- developing several position descriptions for headquarters and regional personnel,
- awaiting approval of an overall staffing plan,
- developing an organizational manual, and
- realining and consolidating field operations.

AC
The FEMA Director announced his initial plans and goals for consolidation of regional offices on August 31, 1979. The Director's primary concern was unifying all program staff at a single location, preferably, the Federal regional cities. 1/ The Director's basic reasons for the consolidation were to

- integrate the separate agencies into a single organization and
- enhance the capacity of FEMA regional offices to lead, mobilize, and orchestrate the emergency activities of the other Federal agencies, as well as selected State and local agencies.

1/In April 1974 the Office of Management and Budget established 10 standard Federal regions. Within each region is a city designated as the regional office headquarters.

The Director addressed the relocation of all field offices, but specifically, in region III he directed that the Olney program staff be relocated to the Federal regional city of Philadelphia.

OLNEY WILL REMAIN OPEN

Region III is authorized 89 regional positions: 34 in Philadelphia, the Federal regional city, and 55 in Olney. About April 1, 1980, region III plans to transfer 28 program staff positions from Olney to Philadelphia, thus, leaving 27 regional positions in Olney. FEMA also plans to relocate 16 of Olney's 51 headquarters positions. Six of the 16 positions are connected with the National Computer Center, but FEMA does not plan to relocate any computer equipment from Olney.

FEMA anticipates that the General Services Administration will release office space in Philadelphia in March. Therefore, the earliest possible date employees will be expected to report to Philadelphia will be April 1, 1980.

FEMA has not seriously considered locating its regional headquarters at Olney for two reasons. First, such a plan would violate the Office of Management and Budget's 10-region concept and second, it would appear as if FEMA had adopted the "mole hole" mentality--essentially removing itself from normal daily commerce with other Federal agencies by operating from underground Olney. We were told that much of what FEMA does must be accomplished through and with the active cooperation and support of other Federal agencies as well as State and local governments. FEMA management believes the success of interagency relationships depends on close and continuing personal contact. Therefore, FEMA believes it needs to be in the regional city of Philadelphia rather than in the underground facility in Olney.

ADVANTAGES AND DISADVANTAGES
OF THE PROPOSED MOVE

FEMA officials told us that it would be more costly to transfer positions to Philadelphia rather than to keep them in Olney, but that cost savings was not a major factor in deciding to relocate. In fact, FEMA's decision to transfer program staff to Philadelphia was attributed to intrinsic managerial advantages to be derived from a consolidated work force. Thus, we are not in a position to question or validate the stated benefits.

FEMA Regional and Headquarters Positions
Currently in Olney and Planned Relocation

	Positions currently in Olney	Possible position relocations to			Remaining in Olney
		Philadelphia	Berryville	Washington, D.C.	
Region III:					
Director's office	3	3	-	-	-
Plans and prepared- ness division	16	16	-	-	-
Training and education	3	3	-	-	-
Administrative division	6	6	-	-	-
Operations support division	27	-	-	-	27
FEMA headquarters attached:					
National Computer Center	36	-	6	-	30
Alternate warning center	10	-	-	10	-
Shelter data management staff	<u>5</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>5</u>
Total	<u>106</u>	<u>a/28</u>	<u>b/6</u>	<u>b/10</u>	<u>c/62</u>

a/Firmly planned.

b/Possible, but the final decision has not been made.

c/It is possible the FEMA mathematical/computer laboratory may be relocated from Washington, D.C., to Olney. The laboratory has 20 Federal positions.

With the planned move to Philadelphia, the region III staff will be split since some regional people will remain at Olney. Also, the National Computer Center will remain at Olney.

FEMA officials provided us with the following list of disadvantages in relocating Olney's program staff to Philadelphia.

- Disruption of the personal lives of Olney staff whose positions are designated to transfer.
- Loss of experienced personnel who decide not to relocate.
- A "split staff" situation would persist if operations support staff remain in Olney.
- Existing Federal space which can accommodate the region would not be used.
- The Philadelphia office does not have special protective features needed to conduct regional emergency activities during a nuclear attack.

REGIONAL CONSOLIDATION PLANS
AND PROGRESS

Based on the Director's August 31, 1979, memorandum, FEMA plans to consolidate 30 field office locations to 16. FEMA officials said the Director based his restructuring plans around the standard 10-city Federal regional structure, plus the 6 underground bomb-hardened sites--for a total of 16 cities. FEMA consolidation plans hinge upon the General Services Administration making space available. Therefore, General Services is looking for commercial space. Currently, FEMA has field offices in 27 locations with relocations essentially complete in these regions: Dallas/Denton; Denver, Colorado; and Seattle/Bothell--where the existing facilities were temporarily occupied while waiting for office space in the Federal regional city.

In order to consolidate the field offices as planned, personnel in three regions would have to relocate. In the three regions--Chicago, Atlanta, and Philadelphia--FEMA has employees at suboffices long distances from their Federal regional cities.

Federal regional city and suboffice <u>location</u>	Number of positions theoretically subject to <u>relocation</u>	Number of miles involved <u>in relocation</u>
III Philadelphia/ Olney	28	127
IV Atlanta/ Thomasville	36	266
V Chicago/ Battle Creek	37	180

As of August 1979 FEMA planned to transfer the program staffs of Olney, Thomasville, and Battle Creek suboffices to their respective Federal regional cities. Since that time, FEMA has abandoned plans of transferring positions in the Atlanta region while the Chicago moves are being reconsidered. In region III, Philadelphia, FEMA is scheduled to relocate staff positions from Olney to Philadelphia about April 1, 1980.

Relocation of Civil Defense Staff
College from Battle Creek to Emmitsburg

FEMA has located its U.S. Fire Academy at Emmitsburg, Maryland, and has plans to move its Civil Defense Staff College from Battle Creek to Emmitsburg. FEMA officials said the consolidation of emergency preparedness training facilities at Emmitsburg will reduce cost and eliminate duplication. The U.S. Fire Academy is currently operating and growing. It is planned that the Civil Defense Staff College will be moved to Emmitsburg in the fall of 1980. However, FEMA is reconsidering this move. If the Civil Defense Staff College is established as planned, the Emmitsburg facility will have a Federal staff of 111 people.

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We discussed our audit findings and this report with agency officials, and they agreed with the facts.

Copies of this report are being sent to the Director, FEMA.



R. W. Gutmann
Director