GAO Highlights

Highlights of GAO-25-107136, a report to congressional requesters

Why GAO Did This Study

FEMA obligates billions of dollars annually on contracts to respond to natural disasters. These include contracts for providing temporary housing to those affected by disasters.

GAO was asked to review FEMA's use and oversight of its disaster contracts. This report examines (1) how and to what extent FEMA used contracts to support its response and recovery efforts from fiscal years 2018 through 2023; (2) steps FEMA took to provide oversight of contractor performance; and (3) the extent to which FEMA identified contract oversight staffing needs, among others.

GAO analyzed contracting data on FEMA's obligations. GAO selected a nongeneralizable sample of 15 contracts and orders across three disasters. At the time of selection, 12 selected contracts accounted for 42 percent of total contract obligations across the three disasters. GAO subsequently selected three additional contracts to review ongoing oversight activities. GAO also reviewed training and staffing documents, conducted site visits to observe contract performance and oversight activities, and interviewed agency officials.

What GAO Recommends

GAO is making seven recommendations, including that FEMA reiterates to oversight staff the importance of documenting contractor performance and takes steps to ensure those performing oversight duties have proper certification and authorization; and that DHS incorporates potential risks into its staffing model. DHS and FEMA concurred with the recommendations.

View GAO-25-107136. For more information, contact Travis J. Masters at (202) 512-4841 or masterst@gao.gov.

DISASTER CONTRACTING

Opportunities Exist for FEMA to Improve Oversight

What GAO Found

U.S. states and territories have experienced several devastating and costly natural disasters requiring aid from the Federal Emergency Management Agency (FEMA). From fiscal years 2018 through 2023, FEMA obligated more than \$10 billion on contracts—mostly for services, such as housing inspections—to conduct response and recovery efforts. Three disasters in that time frame include the Kentucky floods, Hurricane Ian, and the Maui wildfires. Contract obligations for these disasters totaled more than \$1 billion.

Maui Wildfires Damage



Source: Damage at site of Maui wildfires; GAO (photo). | GAO-25-107136

GAO reviewed 15 contracts from the three disasters and found that FEMA took oversight steps, such as assessing contractor reports of work performed and conducting site inspections. However, FEMA did not always document oversight activities or details of contractor performance, such as whether a contractor performed work within the time frame specified in the contract. Without this documentation, FEMA and others may not know whether FEMA received the level and quality of services or goods that it purchased.

Additionally, some FEMA staff performed oversight without the required authorization or certification, which is not in accordance with Department of Homeland Security (DHS) guidance or FEMA policy. For example, some FEMA housing specialists conducted activities like filling out contactor assessment forms without having received certification or authorization for performing such tasks. Without FEMA identifying who across the agency is currently performing contract oversight duties and ensuring they are appropriately certified and authorized, there is increased risk that FEMA has unqualified staff performing contract oversight. These staff may not properly assess the goods and services received in accordance with the contract.

FEMA uses DHS's staffing model to identify certain contract oversight staff needs. This model, however, does not fully adhere to staffing model key principles. For instance, the model does not incorporate risk factors, such as attrition. Doing so would better position FEMA to retain the staff it needs.