



Homeland  
Security

September 11, 2007

The Honorable Bennie G. Thompson  
Chairman  
Committee on Homeland Security  
U.S. House of Representatives  
H2-176 Ford House Office Building  
Washington, D.C. 20515

**Re: *Implementation of the Post-Katrina Emergency Management Reform Act of 2006 and of Additional Changes Pursuant to § 872 of the Homeland Security Act of 2002.***

Dear Chairman Thompson:

As we approach the one-year anniversary of the Post-Katrina Emergency Management Reform Act of 2006 (P.L. 109-295) ("Post-Katrina Act" or the "Act"), I would like to provide an update on organizational changes the Department of Homeland Security (DHS) has made to implement the Act. This letter also provides an update on certain additional organizational improvements to the Department made pursuant to Section 872 of the Homeland Security Act of 2002 (P.L. 107-296) (HSA). We are pleased to report that we have completed the functional transfers required by the Post-Katrina Act and have requested the additional changes described in the January 18, 2007 Section 872 notice, effective March 31, 2007.

### **I. Transition Teams and Integration Activities**

In support of the Department's overall mission of protecting, mitigating, defending, responding to, and recovering from threats to the homeland, the Preparedness components that were transferred to the Federal Emergency Management Agency (FEMA) will be completely integrated into the agency to carry out FEMA's mission. DHS's goal for FEMA is to integrate and operationalize a national preparedness system with an agile and adaptive emergency management response system. This integration signifies a considerable operational shift for FEMA, one that will strengthen the Nation's resilience, improve service to our stakeholders, and empower FEMA employees. Through this effort, we are strengthening the FEMA regions to represent the full range of FEMA missions. We will also plan and execute similar integration efforts to enhance business processes and operational capabilities.

The FEMA leadership now reflects the blended capability expected of this new and stronger organization. The leadership continues to work diligently to ensure a smooth and effective transition. Transition activities include the following:

- **Integrated Senior Leadership Team:** FEMA and the former Preparedness Directorate's senior leadership have collaborated to provide vision and direction that is advancing an integrated preparedness and forward-leaning response, recovery, and mitigation ethos throughout the agency.
- **Functional Alignment:** Ten tiger teams examined essential management issues and guided implementation plans across areas such as budget, finance, personnel, information and telecommunications technology functions, facilities/space, legal, and security. These teams drew substantive experts from FEMA, the former Preparedness Directorate, and the Department to ensure a smooth transition.
- **Organizational Alignment:** Senior leaders continue to develop objectives, guiding concepts, and alternative organizational models to enhance integration across all business and operational mission areas.
- **Communications:** A dedicated communications team ensured informative and consistent messaging to enhance internal and external understanding of objectives and character of the new FEMA.
- **Sustaining the Transformation:** A Transformation Section has been formed within the Office of Policy and Program Analysis to engage leadership and elements of the organization in implementing essential steps to attain the vision of a new, transformed FEMA for the next 12-30 months.

## II. Post-Katrina Act Transfers

This section details leadership appointments in the new FEMA, outlines transfers within and among DHS components, and describes certain other actions as required by the Post-Katrina Act.

Consistent with our Hurricane Katrina lessons learned analysis, the new FEMA will not be a stove-piped aggregation of legacy programs. The Act clearly invites a thorough assessment of the internal FEMA structure and provides an opportunity to integrate new and existing assets and responsibilities systematically. Accordingly, the new organization reflects the expanded scope of FEMA's responsibilities within DHS and supports a more nimble, flexible employment of resources. The new organization also strengthens coordination among FEMA elements and with other DHS components. Further, the new FEMA will deliver enhanced capabilities to strengthen partnerships with external emergency management and preparedness entities, including our Federal, State, local, and non-government organization partners.

As required by the Act, the new FEMA includes the functions existing within FEMA as of June 1, 2006, and those elements of the Preparedness Directorate that were in the Preparedness Directorate as of June 1, 2006, that were not excluded by the Act, as well as several other new and existing programs. The functions, personnel, assets, components, authorities, grant programs, and liabilities of the following DHS offices and divisions have been transferred to FEMA:

- The United States Fire Administration;
- The Office of Grants and Training;

- The Chemical Stockpile Emergency Preparedness Division;
- The Radiological Emergency Preparedness Program;
- The Office of National Capital Region Coordination;
- The Office of State and Local Government Coordination; and,
- The Center for Faith-Based and Community Initiatives.

An updated FEMA organizational chart (enclosed) outlines the new organization and is based on an extensive review of missions and functions of the transferring elements and existing FEMA programs. This refinement has allowed us to better align functions and organizational structures.

In terms of FEMA leadership, R. David Paulison continues his leadership as the Administrator. As indicated in the January 18, 2007 notice, FEMA has established two Deputy Administrators. The Deputy Administrator and Chief Operating Officer will be the principal deputy and have overall operational responsibility at FEMA.

The following sections detail the leadership and organizational functions of FEMA's National Preparedness Directorate, the Office of Grant Programs, the regional office structure, and other FEMA positions.

#### *National Preparedness Directorate*

National Preparedness is a new directorate within FEMA and will be led by the second FEMA Deputy Administrator. On August 3, 2007, the Senate confirmed the President's nominee, Dennis R. Schrader, to be the Deputy Administrator for National Preparedness. The following team,<sup>1</sup> which includes two Assistant Administrators, is leading this new directorate, which is composed of five divisions:

- Preparedness Doctrine, Planning and Analysis—Corey Gruber, Assistant Administrator;
- Preparedness Coordination Division—Andy Mitchell, Director;
- Community Preparedness Division—Brock Bierman, Director and Small State and Rural Advocate;
- Technological Hazards Division—Vanessa Quinn, Director;\*
- National Integration Center—Jim Kish, Acting Assistant Administrator;\*
  - Training and Exercise Integration—Jim Kish, Director;
  - Emergency Management Institute—Vilma Milmoie, Acting Superintendent;\*
  - Center for Domestic Preparedness—Cortez Lawrence, Acting Director;\*
  - Incident Management Systems—Al Fluman, Director;\* and,
  - National Exercise Division—Jim Kish, Director.

The Preparedness Doctrine, Planning and Analysis Division will be responsible for preparedness doctrine, policy, and strategic preparedness planning, metrics, and coordination of the National Assessment and Reporting System.

The Preparedness Coordination Division is responsible for strategic preparedness coordination with State and local governments; preparedness technical assistance; Homeland Security

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<sup>1</sup> The \* indicates positions are currently filled on an acting basis.

Presidential Directive (HSPD)-8 (National Preparedness) implementation; Nationwide Plan Review; the Federal Preparedness Coordination program; building capabilities at the State and local level; and requirements analysis and systems support.

The Community Preparedness Division comprises, among other elements, the Citizen Corps and the Community Emergency Response Team (CERT) program and is responsible for work on preparedness issues with Voluntary Organizations Active in Disasters (VOADs).

The Technological Hazards Division includes the Radiological Emergency Preparedness Program and the Chemical Stockpile Emergency Preparedness Program.

The National Integration Center is the lead organization for training and exercises in emergency management and manages the National Response Plan/National Response Framework and the National Incident Management System (NIMS), including resource typing and first responder credentialing called for under NIMS.

#### *Office of Grant Programs*

Grant applicants will interact with FEMA much as they did with the Preparedness Directorate. However, there have been some structural changes to the former Grants and Training organization in order to integrate and align resources within FEMA. As outlined in our January 2007 letter and described above, the training and exercise aspects of the former Office of Grants and Training have become part of the National Integration Center.

The Assistant Administrator for Grant Programs is responsible both for the development of grant guidance and for financial administration of the grants program. This division will include those grants previously administered by the Assistant Secretary for Grants and Training and the financial element of mitigation grants. The President has nominated W. Ross Ashley to serve as the Assistant Administrator for Grant Programs. Lisa Lewis is currently Acting Assistant Administrator.

The Office of Grant Programs will be made up of three divisions:

- Financial Oversight and Accountability—Lisa Lewis, Acting Director;\*
- Business Support and Data Analysis—Lisa Lewis, Director; and,
- Program Development and Administration—David Kaufman, Director.\*

The Financial Accountability and Oversight Division will ensure compliance with Federal law and OMB Circular A-133 requirements and provide financial analysis and control.

The Business Support and Data Analysis Division will be responsible for the grants management online systems and support regional technical assistance.

The Program Development and Administration Division will be responsible for Homeland Security Grant Program guidance and grant technical assistance.

This structure allows FEMA to align grant management functions, gain efficiencies, and elevate visibility for the financial management process while maintaining fiscal separation between the programmatic and the financial management aspects of grants. State and local grantees may contact the Program Development and Administration Division, formerly known as the Preparedness Programs Division within the Office of Grants and Training, for program-related

questions. Those grant-focused Preparedness officers of the former Office of Grants and Training will remain the source for grant advice and counsel to the States.

The Assistant Administrator for Grant Programs works collaboratively with the Deputy Administrator for National Preparedness. In particular, the Office of Grant Programs interfaces with the Preparedness Doctrine, Planning and Analysis Division to ensure that grant programs attain outcomes that are consistent with and contribute to achieving preparedness mission objectives.

#### *Other FEMA Positions and Regional Office Structure*

The Act also requires that the Administrator appoint a Disability Coordinator. The Disability Coordinator reports directly to the Administrator and works closely with FEMA's Office of Equal Rights. Cindy Lou Daniel has been appointed as the FEMA Disability Coordinator and is providing the agency with guidance and coordination on emergency planning requirements and relief efforts for individuals with disabilities. The Act also creates a National Advisory Council (NAC), the members of which are appointed by the FEMA Administrator (Post-Katrina Act, § 508). The NAC has been established by charter and members of the NAC were named on June 19, 2007. The Act also directs the President to appoint a Small State and Rural Advocate (Post-Katrina Act, § 689g). On August 20, 2007, the President appointed Brock Bierman to fill this position.

The Act codifies and expands FEMA's regional office structure (HSA, § 507). The ten Regional Administrators provided for in the Act have all been named and report directly to the Administrator. FEMA leadership is planning additional enhancements to the Regional office structure. For example, FEMA will establish regional grant advocates whose mission will be to facilitate the provision of direct technical assistance to State, local, and tribal stakeholders for financial management issues related to grants.

At the direction of the President and Congress, FEMA has implemented the transfer and integration of functional units as required by the March 31, 2007 effective date and named a new leadership team. FEMA will continue the integration process over the remainder of the fiscal year. The Department expects this new FEMA structure will bolster the Department's emergency preparedness, response, recovery, and mitigation capabilities and facilitate a robust coordinated response to all hazards.

### **III. The National Protection and Programs Directorate**

The Post-Katrina Act retained, outside of FEMA, certain offices of the Preparedness Directorate and the Under Secretary for Preparedness position. The Department has renamed this directorate the National Protection and Programs Directorate (NPPD). As specified in the Act, the functions, personnel, assets, components, authorities, and liabilities of the Office of Infrastructure Protection, the National Communications System, and the National Cyber Security Division remain in this directorate.

The Department has also transferred additional functions into NPPD, which includes the following offices:

- Office of the Under Secretary;
- Office of Cyber Security and Communications;
- Office of Infrastructure Protection;
- Office of Risk Management and Analysis (*formerly part of Infrastructure Protection*);
- Office of Intergovernmental Programs; and,
- United States Visitor and Immigrant Status Indicator Technology (US-VISIT).

NPPD will be led by an Under Secretary, appointed by the President with the advice and consent of the Senate. On September 5, 2007, President Bush announced his intention to nominate Deputy Under Secretary Robert D. Jamison to serve as the Under Secretary. Jamison has been serving as the Acting Under Secretary since April 4, 2007. The leadership team within NPPD also includes Assistant Secretary for Cyber Security and Communications Greg Garcia; Assistant Secretary for Infrastructure Protection Robert B. Stephan; Director for US-VISIT Robert Mocny; Assistant Secretary for Intergovernmental Programs Anne Petera; and Acting Director for Risk Management and Analysis Tina Gabbrielli.

The Office of Cyber Security and Communications (CS&C) combines the already-extant Office of Cyber Security and Communications and the Office of the Manager of the National Communications System with the new Office of Emergency Communications (OEC). The OEC Director reports directly to the Assistant Secretary for CS&C. Colonel Victoria Velez has been named Acting Director for OEC. Consistent with the Post-Katrina Act, the Department has established the Office of Emergency Communications and transferred the following to OEC: Integrated Wireless Network from the Office of the Chief Information Officer, the SAFECOM program from the Science and Technology Directorate (except for those elements relating to research, development, testing, and evaluation and standards), and the Interoperability Communications Technical Assistance Program (ICTAP) from the former Office of Grants and Training.

The Office of Infrastructure Protection remains unchanged. The Office continues to establish and support public-private partnerships and information-sharing networks and lead the implementation of a united risk-based national effort. This includes identifying risks, threats, and vulnerabilities to critical infrastructure and key resources (CI/KR) and developing methods to mitigate them. The Office will also continue to help strengthen the first line of defense against attacks on our Nation's CI/KR and provide robust, real-time monitoring and response to incidents of national significance, in accordance with the National Infrastructure Protection Plan and in coordination with Federal, State, local and private sector partners.

The Department established the Office of Risk Management and Analysis (RMA) under Section 872 authority. RMA leads the Department's efforts to establish a common framework to address the overall management and analysis of homeland-security risk. Specifically, the Office will: (1) serve as the DHS executive agent for national-level risk-management analysis standards and metrics; (2) develop and embed a consistent, standardized approach to risk;

(3) develop a coordinated, collaborative approach to risk management that will allow the Department to leverage and integrate risk expertise across Components and external stakeholders; (4) assess DHS-level risk performance to ensure that programs are measurably reducing risk across the country; and (5) communicate the DHS “risk story” in a manner that reinforces the value of the risk-based approach. RMA plans to utilize up to thirteen nonreimbursable detailees from Components to facilitate the integration and synchronization of risk-assessment methodologies and lexicon from departmental Components.

The Department also used its Section 872 authority to bolster the Office of State and Local Coordination and to rename it the Office of Intergovernmental Programs (IGP). IGP is designed to be a DHS headquarters-level focal point for coordinating communications and policies with departmental officials and State and local officials across a range of policy issues. IGP has a broad portfolio to address areas of interest across the Department. To support the stand up of IGP, FEMA has detailed to IGP ten non-reimbursable detailees.<sup>2</sup> Detailing employees to IGP will provide a benefit to FEMA as the Department continues to strengthen its ties with State, local, and tribal officials on all levels. FEMA’s Office of External Affairs has received resources from the former Office of State and Local Government Coordination which will be focused on developing preparedness and emergency management capabilities in contrast to IGP’s broader mission. Ultimately, this arrangement will complement FEMA’s ongoing efforts to partner with State and local officials to build a national system of emergency management.

Finally, the Department used its Section 872 authority to transfer the US-VISIT program into NPPD. US-VISIT complements the other NPPD risk management reduction missions by incorporating data gathering, data analysis, and dissemination of information to law enforcement personnel and border protection agencies. Incorporating US-VISIT’s identity management services into NPPD supports three of NPPD’s critical missions: (1) fostering stronger and better integrated national approaches among key strategic homeland security activities; (2) protecting the Nation’s critical infrastructure, both physical and virtual; and (3) enhancing the security of our citizens and visitors by facilitating legitimate travel with appropriate safeguards. US-VISIT has cross-cutting responsibilities that provide significant support to U.S. Citizenship and Immigration Services, U.S. Immigration and Customs Enforcement, the U.S. Coast Guard, and other DHS Components, as well as the Department of Justice and the intelligence community. Moreover, US-VISIT supports the Department’s goals of promoting international information sharing and screening by working with other countries that are currently developing, or interested in developing, their own biometrics-based systems. US-VISIT is extending the boundaries of the United States beyond physical borders to the point where the biometrics of all visa applicants are collected and used for risk and threat assessment purposes long before those individuals enter our country. These myriad efforts will allow US-VISIT to fulfill its potential as a key national identity management services program.

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<sup>2</sup> On March 31, 2007, DHS moved the budget and full-time employees from the Office of State and Local Government Coordination (SLGC) to FEMA, pursuant to Section 611 (HSA, § 505) of the Post Katrina Emergency Management Reform Act (PKEMRA). SLGC resources that were formerly part of the Management and Administration Preparedness appropriation (17 full-time employees, \$2.6 million) have been shifted to FEMA’s Administrative and Regional Operations appropriation.

#### **IV. Reorganization Outside of FEMA and NPPD**

In July 2005, the Department established the Office of the Chief Medical Officer (CMO) within the Preparedness Directorate as part of the Secretary's Second Stage Review. The Post-Katrina Act contains congressional authorization for the CMO and retains it in the Preparedness Directorate (HSA, §§ 505, 516). Under the Act, the CMO, who is appointed by the President with the advice and consent of the Senate, is the principal advisor to the Secretary on medical and public health issues and the Department's primary point of contact for health issues with the Department of Health and Human Services and the Department of Agriculture, as well as for the health affairs contacts with the Department of Veterans Affairs and Department of Defense. The CMO is also DHS's chief liaison to State, local, and tribal governments and the private sector medical community on medical issues. The Act charged the CMO with coordinating the Department's biodefense activities, as well as departmental responsibilities related to Project BioShield. The Act also made the CMO responsible for ensuring internal and external coordination of all medical readiness activities of the Department, including training, exercises, and equipment support (HSA, § 516).

To conduct these important duties more effectively, DHS created the Office of Health Affairs (OHA), which reports to the Secretary through the Deputy Secretary. On August 2, 2007, the President nominated Dr. Jeff W. Runge to serve as Assistant Secretary for Health Affairs and Chief Medical Officer. Dr. Runge currently serves as Acting Assistant Secretary for Health Affairs and Chief Medical Officer. OHA has three main divisions: (1) Weapons of Mass Destruction and Biodefense; (2) Medical Readiness; and (3) Component Services. OHA has established active liaisons with other DHS Components involved in activities relating to biosurveillance; planning for and response to certain catastrophic events caused by biological, chemical, radiological, and nuclear threats; and, for protection of the safety and health of the DHS workforce.

#### **V. Legislative Adjustments**

The Department has implemented the reorganization as required under Title VI of the FY 2007 Homeland Security Appropriations Act. However, there are three areas where a legislative adjustment is required to effectively carry out the intended mission areas as described in our reorganization. The three proposals described below have been submitted to Congress for consideration.

*The Office of Intergovernmental Programs.* DHS has requested a legislative change to allow the personnel and assets of the former Office of State and Local Government Coordination (SLGC) to permanently support IGP. The reason for this adjustment is that the functions of the SLGC are not FEMA functions. As described above, IGP is responsible for department-level communication functions on a broad range of issues such as border security, critical infrastructure protection, information and intelligence sharing, immigration, transportation security, and emergency management.

*Integrated Wireless Network.* Sec. 671 of the Post-Katrina Act, implementing new Title 18 of the HSA, transfers in its entirety the Integrated Wireless Network program to the newly established Office of Emergency Communications (OEC). A more nuanced approach is



necessary to fulfill the intent of the Act and to ensure DHS meets its internal operational requirements in this area as DHS must address two levels of responsibility with regard to a wireless communications program. The first responsibility, which is appropriate for OEC leadership, is focused on the Department's national responsibility for leadership at the Federal Government level to plan, coordinate, and implement solutions for effective interoperable communications among Federal, State, and local personnel and their command and supporting logistical elements during emergencies and disasters. The other responsibility, which is appropriate for the Chief Information Officer, is focused on the Department's internal responsibilities to ensure that its operational components command and support elements are able to meet their mission effectively, communicate requirements, adopt the national standards and policies, invest properly as an enterprise, and interface with other Departmental network and information sharing initiatives. To fulfill these responsibilities effectively, the Department has proposed a legislative adjustment to allow the Secretary more discretion in managing these assets.

*Center for Faith-Based and Community Initiatives.* Consistent with the Post-Katrina Act, the Center for Faith-Based and Community Initiatives, formerly in the Preparedness Directorate, has been transferred to FEMA. The Department would like the flexibility to adjust the placement of this office given its department-wide mission. Responsibilities for this office include a requirement to conduct a department-wide audit to identify existing barriers to participation of faith-based and other community organizations in the delivery of social and community services. This audit includes a review of regulations, rules, orders, procurement, and other internal policies and practices, and outreach activities that unlawfully discriminate against or otherwise discourage or disadvantage participation by faith based organizations.

## **VI. Conclusion**

The Department has invested significant time and effort to implement the requirements of the Post-Katrina Act, as well as other reorganization activities identified in the January 2007 notice to Congress. This reorganization will facilitate our efforts to focus on the greatest risks, to be nimble in our response to changing threats, and to be disciplined in our use of resources as we build a Department ready to meet future challenges. We look forward to working with you as we build a 21<sup>st</sup> Century organization. Please contact me if we can provide you with additional information regarding organizational changes and improvements or legislative adjustments.

Sincerely,



Michael Chertoff

Enclosure: FEMA Organizational Chart