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FEMA Public Assistance: Analysis, Considerations, and Implications of the Small Project Efficient and Effective Disaster Recovery Act

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Abstract

This study explored FEMA's Public Assistance (PA) program and the implementation of the Small Project Efficient and Effective Disaster Recovery Act (SPEED Act) to analyze their effectiveness and efficiency in response to COVID-19. The SPEED Act raised the large project threshold for PA from $131,100 to $1,000,000 to increase the number of small projects which would otherwise be audited at 100%. The act creates significantly more room for error and increases the possibility of overpaying on PA reimbursements. Although FEMA acknowledges that the risk of overpaying these projects has always existed, overpayments may now surpass hundreds of thousands of dollars. Peer reviewed literature describes the need for adequate input from stakeholders in creating public policy, the risks created through methodologies used by agencies responding to disasters, and the value in seeking long-term, sustainable solutions. Surveying stakeholders and analyzing actual PA reimbursements provided data that is not assumed or estimated, which was used to test the methodologies within the SPEED Act. This study identified trends, gaps, and redundancies that can be addressed for increased efficiency and effectiveness in future administration of FEMA's Public Assistance program.

Key Terms: Public Assistance, FEMA, COVID-19, Federal funding, SPEED Act, Disaster Risk Reduction, Emergency Management

Chapter 1: Research Introduction

Background

Since the first cases of the novel coronavirus (COVID-19) appeared in China's Hubei Province in December 2019, COVID-19 has ravaged the world and claimed over 6.8 million lives, (World Health Organization, 2023). The global death toll includes over 1.1 million Americans that have died from the virus since the first reported cases in the United States in January of 2020. Upon entering the country, COVID-19 spread rapidly, and overwhelmed state and local resources within a few weeks. In response to requests for federal assistance from state governors, former president Donald Trump, issued a major disaster declaration for all states, tribes, and territories through the Robert T. Stafford Act (Stafford Act).

Major disaster declarations are declared through the Stafford act when the magnitude of a catastrophic event requires a response that is greater than the capabilities of the impacted state and local governments can provide. It allows the President to direct any federal agency to support state and local governments in their response and recovery efforts, as well as coordinate all other forms of disaster relief assistance, (2022). Under normal circumstances, the Department of Health and Human Services (HHS) would serve as the federal agency designated to lead the response to a pandemic; however, per the direction of the White House Coronavirus Task Force, the Federal Emergency Management Agency (FEMA) was placed in the role of leading the national COVID-19 response on March 19, 2020, (Government Accountability Office, [GAO], 2020).

In addition to fulfilling the leadership actions and duties of the COVID-19 disaster, FEMA also provided disaster relief funding through one of its own grant programs, Public

Assistance (PA). PA provides reimbursements to state, local, tribal, and territorial governments, and certain private nonprofit organizations for costs incurred during response and recovery efforts to a presidentially declared disaster. As of February 4, 2023, FEMA had provided over $60.6 billion in disaster relief through the program for COVID-19. PA has supported a plethora of response and recovery activities including vaccination clinics, extensive feeding programs for marginalized communities, non-congregate sheltering operations, safely reopening schools, and supplying personal protective equipment (PPE) to hospitals around the nation.

The unprecedented impact of the COVID-19 pandemic has pushed the PA program beyond its realm of normalcy in several ways - standardized PA processes have been altered, programmatic deadlines have been waived or deemed unapplicable, and the criteria for eligible applicants and costs have changed multiple times. Some of changes have been made retroactive which adds another layer of complexity to an already complex disaster. At a surface level, the necessity of significant program changes is defensible when considering the magnitude and evolving nature of the pandemic. However, the haste in which changes were implemented has made administering the program more difficult and carries further implications.

Problem

FEMA's PA program has been crucial to the nation's ability to respond to the COVID-19 pandemic. The scale of COVID was unprecedented and pushed the limits of what PA is capable of handling. This has inevitably caused changes to policy, procedure, and legislation in order to keep pace with the demand for federal assistance. Though necessary, the process of making changes has not always been smooth or without flaw. Stakeholder input for accurate representation was not adequately acquired after or considered in the implementation of the Small Project Efficient and Effective Disaster Recovery Act (SPEED Act). New COVID-specific

PA programs and retroactive policies were also executed without the vital information from stakeholder input on response and recovery through the course of the event (P1). More specifically, the SPEED Act raised the large project threshold for reimbursements through the PA program from $131,100 (FY2020) to $1,000,000. Raising the project threshold undermines the American taxpayer and simultaneously increases the workload and burden on stakeholders, both immediately and in the long-term (P2). Additionally, the haste in which the PA program, and the multiple administrative changes were implemented, did not allow for any consideration to be given to more cost-efficient or sustainable methods of disaster recovery (P3).

Purpose of Study

The Small Project Efficient and Effect Disaster Recovery Act (SPEED Act) raised the threshold for large projects funded through PA to $1,000,000, from the previous threshold of $131,100. The purpose of this study was to analyze the methodology utilized in the SPEED Act to determine to what extent it increases effectiveness and efficiency of the PA program when the same methodology is applied to actual federal reimbursements from the course of the pandemic and compared to FEMA's projected cost savings.

Significance of the Study

PA projects are categorized as small or large depending on the project's total eligible costs. Projects are deemed small whenever the costs fall below the specified large project threshold. Both categories of projects can be written according to estimated expenditures or incurred costs, but only small projects are reimbursed based on their estimated values. FEMA inspects large projects for accuracy and adjusts the reimbursable amount accordingly. Large projects are subsequentially reimbursed based on actual expenditures rather than estimates. Since

small projects are not inspected for accuracy, these run the risk of being under or over paid due to cost estimation errors.

This study is significant because it takes into consideration that estimations are not always accurate, and that the increased threshold creates significantly more room for error. Given that the large project threshold has increased over 700% from $131,100 to $1,000,000, any single reimbursement through the PA program that is under a million dollars will now be considered small and will be paid based on estimations alone. Although the risk of error is assumed whenever estimations are used, the significance of an error increases as the estimation itself increases. Regarding PA, an estimation error on a reimbursement of $131,100 or less has the potential to result in tens of thousands of dollars being overpaid in a worst-case scenario. Estimation errors on projects where the reimbursement may approach a million dollars, however, could result in an overpayment of hundreds of thousands of dollars. The SPEED Act methodology acknowledges this but makes clear that the prevalence and implications of these scenarios remain unknown regarding COVID-19. FEMA assumes this risk to be small and believes that the occurrence of overpaying small projects is rare, (SPEED Act, 2022).

The data used in this study encompasses more of the pandemic than what was available during the SPEED Act research which adds further significance to it. Research for the SPEED Act only includes data for PA projects through September 30, 2020, which does not capture enough of the pandemic to justify such a large increase in project threshold. Testing the methodology with updated figures did help clarify some of the true implications of the large project threshold established through the SPEED Act. This study contributes to the general body of literature regarding disaster response and recovery by making connections that have yet to be made.

Research Question and Sub-questions

Main Question

In response to COVID-19, has the administration of FEMA's Public Assistance program been effective and efficient and in what ways can the program be improved upon for future disasters?

Sub-questions

Q1: How much support would the SPEED Act or any of FEMA's new COVID specific programs have received stakeholder input was taken into consideration? Would there have been support for it or enough opposition for the act to be written differently?

Q2: Would raising the Large Project threshold to $500K meet FEMA's goal to alleviate the documentation burden during final inspections while also mitigating fraud, waste, and abuse?

Q3: What other options could have been used for a more efficient and effective response to COVID-19? How could the open-ended nature of the SPEED Act and surplus funds be beneficial to stakeholders?

Theory of Change and Assumptions

Theory of Change - FEMA's Public Assistance program (PA) has been crucial to responding to the COVID-19 pandemic. However, the haste in which it was implemented prompted changes to the program and its surrounding legislation which have ultimately hindered the effectiveness and efficiency of the program.

Assumption One (A1) – If stakeholder input was integrated into the creation and implementation of the Small Project Efficient and Effective Disaster Recovery Act (SPEED Act), and new COVID-19 specific policies and programs…

Assumption Two (A2) – If the threshold for large projects was raised to $500K instead of $1M…

Assumption Three (A3) – If cost-efficient and sustainable methods of supporting COVID-19 recovery were utilized…

Then: the administration of the Public Assistance program would be more effective and efficient with fewer redundancies and less waste resulting in more tax dollars saved.

Study Limitations

While a significant portion of this study utilized figures derived from actual PA reimbursements, there are still limitations that must be acknowledged. The Stakeholder Engagement survey was distributed to the PA offices for each primary PA recipient with a COVID-19 disaster declaration, and to each county level emergency management office in the state of Maryland. Participation in the survey was completely voluntary, which may have limited the number of responses received. Time constraints may have also been a factor in the amount of participation; PA is a bustling program and most personnel affiliated with the program are extremely busy. Regarding the actual figures from PA reimbursements, the amount of time required to analyze each PA project from the beginning of the event through present day is far more than what was allotted for this study to be accomplished. Without a more thorough analyzation of individual projects, the context of any specific project is unknown. As such, this study provides an overview of COVID-19 related PA projects and places emphasis on a few specific reimbursements. Limitations also exist in the amount of available research on the implications of the changes made to legislation and policy through the course of COVID-19; the event period for the pandemic was still open at the conclusion of this study and additional reimbursements and programmatic changes are anticipated.

Definition of Terms

Obligate – Obligated funds are funds that are approved and allocated by FEMA for reimbursement of a PA project.

Deobligate – Deobligationed funds are funds that are removed from the eligible total of a reimbursement of a PA project.

Project – A set of costs submitted to FEMA for a single reimbursement to an applicant of the PA program for costs incurred during disaster response and recovery. An applicant can submit an unlimited number of projects. To this paper, the terms ‘project’ and ‘reimbursement’ can us used interchangeably.

Public Assistance – FEMA’s Public Assistance (PA) program provides disaster relief funding to state, local, tribal, and territorial governments, in addition to certain private non-profit organizations to reimburse costs incurred during response and recovery.

Recipient – A non-federal entity that receives PA funding directly from FEMA.

SPEED Act – The Small Project Effective and Efficient Disaster Recovery Act will be referred to as the “SPEED Act” through the course of this paper and study. Effective August 3, 2022, the SPEED Act raises the large project threshold for PA to $1,000,000.

Stakeholder – For the purpose of this study, a stakeholder is assumed to any person, government, or organization that has a personal interest in the Public Assistance program.

Sub-recipient – A program applicant who receives PA funding from FEMA indirectly through a recipient.

Impact of Research

The research conducted in this study aimed to identify where gaps exist in the administration of FEMA's PA program in addition to other disconnects that may hinder disaster recovery. Though little can be done to bridge gaps or make connections that were missed in the earlier administration of PA for the pandemic, there is still opportunity to learn from them and apply lessons learned in the future. Making connections similar to the ones described on the proceeding pages should improve stakeholder representation, disaster relief and recovery coordination, and cost-effectiveness of these efforts for disasters in the future.

Chapter 2: Literature Review

Introduction to Literature

The assumptions made in Chapter 1 were streamlined into three key themes which guided the web-based searches for peer-reviewed resources, and academic journals: Stakeholder input in disaster recovery planning and policy making, project threshold calculations for the SPEED Act, and Cost-efficient and sustainable methods of supporting COVID-19 recovery. Literature reviews were conducted, and their key points are described through this chapter.

Stakeholder Input

"As Human Beings, we do not exist in a vacuum and there are multiple factors that create our level of health and well-being", (Lewis et al., 2022, pg.1). What is necessary to restore a community's health and well-being will be unique to that community and may not be necessary elsewhere. Goals, priorities, and any other attributes of a policy written without stakeholder input lack the insight that is gained from engaging with and understanding the community itself. Public policy dictates public service and stakeholder input ensures that it is written in ways that result in the best possible service for the intended population. Stakeholder input should be

considered in all policy, but it is of utmost importance for policy guiding disaster response and recovery.

"Engaging directly with stakeholders in emergency preparedness and response…is the best way to ensure that informational resources reflect their needs and preferences," (Documet et al., 2018, pg. 394). Direct engagement with stakeholders promotes communication between responding organizations and communities, which boosts the overall effectiveness of response activities. Documet et al. links stakeholder engagement to collaboration, further explaining that this promotes innovation, and sustainability. Engaging with stakeholders helps identify gaps, and redundancies that hinder application. Policy written with adequate stakeholder input is "especially successful if those with the least power in a system are able to participate", (Documet et al., 2018, pg. 394).

Stakeholder input broadens the range of influence to be considered when developing policy and strategy. It adds context to information or data that would otherwise go without and, if continuously sought after, stakeholder input helps policy in maintaining relevance to actual happenings. Disasters are ever-changing and response or recovery efforts need to follow suit. To be successful, decision-making needs to be adaptable to the specific needs as they evolve over the course of a disaster. Policy surrounding disaster actions "demands transparent decision-making that is flexible to changing circumstances, and embraces a diversity of knowledge and values", (Hutahaean, 2016, pg. 462). Increasing diversity of knowledge and values will accompany increased stakeholder input.

In Hutahaean's (2016) analysis of utilization of stakeholder input in public policy making, emphasis is placed on the difference of interests between various stakeholders. When policy is written based on assumptions and does not involve adequate representation from

stakeholders, the interests and goals will also be assumed. This often fails to provide the greatest benefit to the target community or population because their needs and interests are out shadowed by those of larger stakeholders and therefore remain unknown. It is not uncommon for policy that lacks stakeholder input to also exacerbate issues that already exist among vulnerable populations. Adverse effects of policy may also remain unknown since these would likely be communicated through stakeholder input and stakeholder input is rarely taken into consideration.

Disaster research tends to primarily focus on short-term aspects of response and recovery following a catastrophic event and not the long-term implications. Up until the late 20th century, disasters were viewed strictly as "geo-physical phenomena" rather than social in nature (Chandrasekhar, 2010). The shift towards understanding disasters as having social aspects to them creates a need for more input from stakeholders. Communal needs will differ between communities and these differences often are not recognized due to the lack of input from community members. Not only do needs vary, but they are also subject change as response and recovery progresses.

"Inaccurate or unclear knowledge of recovery needs, the motivations or actions of other actors, and of the changing social, demographic, economic, and political circumstance over the course of recovery, makes decision-making more challenging", (Chandrasekhar, 2010, pg. 4). Stakeholder input is vital for clarifying recovery needs. When recovery needs are assumed, support may be provided that does not address the actual recovery needs of the community and inevitably wastes time and resources. Assumption of needs can be seen in blanket policy that covers the entirety of PA applicants for COVID-19 without consideration of applicant size or capacity.

Literature also highlights additional benefits that stem from increasing stakeholder input. “Better coordinated efforts between federal, state, and local governments [will] achieve a more effective and efficient process for reacting to the inevitable disasters of the future”, (Hendrix, 2021, pg. 69). Hendrix explains that the “unique intricacies and complexities” of each disaster are missed because of the “one size fits all” approach that is taken response and recovery legislation. The federal government has tighter restrictions than smaller state and local governments which limits legislative adaptability. State and local governments have the flexibility needed for more innovation and focus when responding to emergency situations. These entities better understand the “finer, less obvious aspects of emergency response” and the impact of a disaster on specific communities, (Hendrix, 2021). Incorporating stakeholder input into decision making helps ensure that those aspects of emergency response are not lost in the generalities of “one size fits all” policies.

Methodology of the SPEED Act

FEMA’s PA program provides disaster recovery grants to state, local, tribal, and territorial governments, and certain private nonprofit organizations following a major disaster declaration from the president. PA grants reimburse costs for debris removal, emergency protective measures, repairing or restoring eligible facilities, and managing the grant itself; for the COVID-19 disaster, only emergency protective measures and grant management costs are eligible for reimbursement. Typically, PA reimburses 75% of the eligible costs and the remaining 25% is paid by the primary recipient, sub-recipient, or both. Eligible costs for COVID-19 are reimbursed at 100% if incurred from January 20, 2020, through July 1, 2022. Any costs incurred on or after July 2, 2022, are eligible for reimbursement at 90%. The incident end period for the pandemic is May 11, 2023, which means that program applicants can incur

reimbursable costs through then and still have them reimbursed at 90%. There has not yet been a deadline established to have projects submitted to FEMA for reimbursement, (Forbes, 2023).

PA projects are categorized as small or large depending on the total eligible costs of the project and where it falls in relation to the large project threshold. Projects that fall above the threshold are categorized as large and undergo inspections by FEMA for accuracy. Small projects are not inspected and are paid based on estimated amounts. The applicable threshold for most of the pandemic has been $131,100 which means that projects surpassing this amount are inspected and reimbursed accordingly. This is an incredible number of projects that will need final inspections performed at some point following the end of the event. To help alleviate the administrative burden of final inspections and to expedite the dispersal of funds, the Small Project Effective and Efficient Disaster Recovery Act, or "SPEED Act", was created which raised the large project threshold to $1,000,000 as of August 3, 2022, (Small Project Efficient and Effective Disaster Recovery Act, [SPEED Act], 2022).

Since inspections will not be conducted on any projects that fall below the large project threshold, any project estimated at less than $1,000,000 will now be paid based on estimated values. FEMA believes that by eliminating a portion of the administrative burden from final inspections that the overall costs incurred by FEMA for administering the program will be reduced. The background and discussion section of the SPEED Act suggests that reducing the administrative expenditures of FEMA correlates to saving taxpayer money. FEMA has estimated that $6,464,964 will be saved by the agency annually through the SPEED Act, (SPEED Act, 2022).

Reducing the total number of large projects through the SPEED Act will inevitably reduce the number final inspections required during closeouts as well as the administrative time

and money spent conducting them. Time is valuable and can be a useful tool in managing costs if used wisely. Disaster research has shown that “governments move slowly in post-disaster environments due to their hierarchical decision processes”, (Garcia et al., 2022, pg. 1). PA is a complex program that has multiple components each with its own hierarchical structure and set of rules to follow. If each facet of PA adheres to the structure and rules applied to federal-level decision making, it is reasonable to assume that it is also time consuming and expensive. Saving money through working more efficiently can be more effective than eliminating the work all-together.

While the intent is to save money and to reduce risk, it is possible that risk can be created or perpetuated instead. Clark-Ginsberg et al. describes several ways in which disaster risk can be created by the organizations expected to reduce it; “Self-seeking public expenditure, denial of access to resources; corruption and siphoning of public money”, (2021, pg. 2), are consistent with many of the risks associated with receiving federal grants. Increasing the large project threshold to the extent that FEMA has increases the likelihood that these risks will be prevalent since the assumed accuracy of small projects has such a large margin of error.

Failures to properly estimate small projects under the new threshold may lead to underruns on projects. An underrun occurs when the actual costs incurred are less than what was originally estimated. Since small projects are paid based on estimations, it is possible for overpayments to occur. The SPEED act explicitly states that in the event of an overpayment on small projects that FEMA does not desire to take the money back. Rather, FEMA believes that by allowing the funds to remain with recipients and subrecipients, funding is still providing public benefit. The SPEED Act does not list any stipulations or requirements on how excess funds are spent and FEMA assumes no responsibility on the matter, (SPEED Act, 2022).

An assessment of fraud risk management conducted by the Government Accountability Office (GAO) found that while the organization places significant emphasis on program compliance and eligibility, little focus is placed on mitigating or detecting fraud. FEMA has a responsibility to respond swiftly to disasters when called upon, but it has difficulty balancing and simultaneously minimizing the risks of fraud, waste, and abuse. GAO recommended in 2017 that FEMA consider increasing its internal antifraud efforts but reported that the organization had not made any significant changes as of April 2020. As such, there is the growing risk of loss and misuse of taxpayer dollars. While FEMA has identified risks of fraud within PA, it has not done a comprehensive analysis of them, determined fraud risk tolerance, or documented risks to create fraud risk profiles for future fraud detection, (GAO, 2020).

Raising the threshold and stepping away from accountability on surplus funding creates even more risk in the form of disaster capitalism. Per Sandoval et al., "disaster capitalism refers to the use of the occurrence of disasters as an opportunity to introduce (or reinforce) neoliberal-style political adjustments and as a market opportunity and economic profiteering", (2022, p. 5). When estimates on small projects are exaggerated, whether intentional or not, surplus funds from small projects essentially become free money to whomever it was awarded. Disaster capitalism and the opportunists that perpetuate it are able to take full advantage of this, further exploiting disaster programs and perpetuating inequities in disaster relief.

"Disaster capitalism takes advantage of an acute crisis not just to make money but also to enable corporate interests to entrench themselves into the area undergoing the disaster", (Miller & Liu, 2021, pg. 5). Miller and Liu (2021) explain that through disaster capitalism, public funding is diverted into private organizations, away from the public. These organizations gain control of these funding sources and often maintain it even following the end of an immediate

crisis. The use of private consulting firms, for example, has been more prominent during the pandemic response than in previous disasters. Ernst & Young Global Limited (EY) is one of the firms whose services have been frequently used by sub-recipients to aid in managing their PA grant. For fiscal year 2021, the organization saw global revenues of $45.5B, an increase of 13.7% from the previous year and among the highest experienced by the company in the last two decades. Their consulting services alone saw growth of 24.5% which accounts for $13.9B of their additional revenue, (Ernst & Young, 2022).

Cost-Efficiency, Sustainability, and Improvements

Major disaster declarations generally have definitive dates to mark the beginning and the end to an event. This time frame encompasses a short span in the grand scheme of response and recovery since fully recovering from a disaster can take several years. COVID-19, unlike a normal disaster, has been ongoing for over two years and is not going to be "over" until May 11, 2023. The lines between response and recovery are seemingly non-existent as PA is still funding "emergent" activities. Federal funding through PA is not endless and the program is not intended to be used for long-term recovery, (Federal Emergency Management Agency, 2018).

Recommendations for increasing cost-effectiveness have been made on several occasions regarding the administration of FEMA programs. Leverage contracts can be awarded prior to disasters to "rapidly and cost-effectively mobilize resources [and] preclude the need to procure critical goods and services noncompetitively", (Government Accountability Office, [GAO], 2020). Doing so may mitigate paying exorbitant amounts on goods and services from private sector entities. COVID-19 has forced prices to increase on several fronts; supply and demand has influenced this, but some suppliers of essential goods and services have also exploited the need for such things and increased prices for the sake of profit.

Pre Fraser et al, “Funding programs focus on the short term and are not suited for the long temporality of post-disaster recovery”, (2022, pg. 25). Funding for the pandemic is a prime example of this; long term solutions to issues exacerbated by COVID-19 have not been taken into consideration. PA funding has reimbursed a significant amount of costs related to providing food or groceries or non-congregate sheltering to vulnerable populations. This was understandable at the beginning of the disaster but after two years, it begs the question as to why are these populations still unable to access food and shelter? Issues with sustainability are apparent and little is being done to address them. Fraser et al. explains that responding to challenges sustainably in the future will require “embracing innovative, locally grounded solutions, and fostering the ability of the network to learn and adapt”, (2022, pg. 25).

Conclusion/Summary

Understanding the needs of a community or population is essential when creating and implementing public policy. This is especially important when the policy in question influences disaster planning, response, or recovery. Stakeholder input provides the insight and recommendations needed to address legitimate needs as opposed to needs that are assumed by those outside of the community of affected population. Without it, support provided through policy will not accurately reflect the actual needs of the community and needs will inevitably go unmet, (Chandrasekar, 2010). The SPEED Act methodology seems to lack enough stakeholder input to accurately represent the whole population and the open-ended nature of it may create risk in the form of disaster capitalism and exploitation of the PA program. Clark-Ginsberg et al. describes scenarios in which organizations that provide relief from disasters create risk instead of mitigating it, (2021). Disaster capitalism and the repercussions of it are explained further by Sandoval et al. (2022) which emphasize the need for deterring it. To limit this in the future, the

sustainability of the program and the implications of the SPEED Act should be reviewed and addressed; PA is still open and continues to provide disaster funding for COVID-19 activities. In the future, this may cause issues as "funding programs focus on the short term and are not suited for the long temporality of post-disaster recovery", (Fraser et al., 2022 pg. 25).

Chapter 3: Research Methodology

Introduction

The data and information used for this study was gathered using a mixed-method design that incorporates survey responses from stakeholders, researcher experience, and data derived from federal opensource data sets. The data gathered was qualitative and quantitative and focuses on the cost-effectiveness of federal disaster relief. This research aimed to explore recent changes to FEMA's Public Assistance program (PA) and their long-term implications in hope to improve upon the administration of the program for future disasters.

Research Questions

Main Question:

In response to COVID-19, has the administration of PA been effective and efficient and in what ways can the program be improved upon for future events.

Sub-questions:

Q1: How much support would the SPEED Recovery Act or any of FEMA's new COVID specific programs have received if more stakeholders had been aware of it? Would there have been more opposition or support for the increased threshold?

Q2: Would raising the Large Project threshold to $500K meet FEMA's goal of alleviating the documentation burden during final inspections while also limiting fraud, waste, and abuse?

Q3: What other options could have been used for a more efficient and effective response to COVID-19? How could the open-ended nature of the SPEED recovery act and surplus funds be beneficial to stakeholders?

Theory of Change and Assumptions

Theory of Change: FEMA's Public Assistance program (PA) has been crucial to responding to the COVID-19 pandemic. However, the haste in which it was implemented prompted changes to the program and its surrounding legislation which have ultimately hindered the effectiveness and efficiency of the program.

Assumption One (A1) – If stakeholder input was integrated into the creation and implementation of the Small Project Efficient and Effective Disaster Recovery Act (SPEED Act), and new COVID-19 specific policies and programs…

Assumption Two (A2) – If the threshold for large projects was raised to $500K instead of $1M…

Assumption Three (A3) – If cost-efficient and sustainable methods of supporting COVID-19 recovery were utilized…

Then: the administration of the Public Assistance program would be more effective and efficient with fewer redundancies and less waste.

Operational Definitions

More Effective – The effectiveness of the SPEED Act will be measured using data received from the stakeholder engagement survey in terms of representation of the population and opinion of the SPEED Act and large project threshold. A positive survey consensus

would be indicative of increased effectiveness. A negative survey consensus would be indicative of decreased effectiveness.

Cost-efficient – This will be measured by comparing FEMA's estimated cost savings over 3 years as described in the SPEED Act against the cumulative total deobligations from small COVID-19 projects. A positive difference between these figures will represent increased cost-efficiency. A negative difference will represent decreased cost-efficiency.

Fewer Redundancies – For the purpose of this study, redundancies refer to overlaps that are identified within administration of PA or between PA and other federal programs. Fewer redundancies will be achieved if redundancies, if any, are found and able to be alleviated.

Less Waste – For the purpose of this study, waste will be measured by comparing the cost of PA funded projects for feeding programs and non-congregate sheltering operations to the cost of sustainable feeding and housing solutions. If PA funded feeding and sheltering projects are more expensive than other equivalent options or standard, it can be assumed that pursuing other options would be less wasteful.

Survey Sample

The ideal survey sample was to include representatives from the PA offices of each state, tribe, and territory, as well as the District of Columbia, and local level stakeholders. Participants should have first-hand experience in administering the PA program and an understanding of the large project threshold. Participants with more frequent interactions with stakeholders who have received or are currently receiving PA funding were also sought after. Surveys were distributed to the office of each primary recipient's PA office and were encouraged to be distributed further

to other stakeholders such as local level governments, municipalities, and private non-profit organizations. Approximately100 surveys were initially distributed but distribution of the survey may have continued after if passed on by participants. Responses from 50% of the primary recipients would be considered sufficient to represent the majority of stakeholders for the purpose of this study.

Open-source Data

Data is available online with details on each reimbursement through the PA program. This data is accessible to the public and provides information regarding the recipient of the funding, the relative location of the recipient (state, county, municipality), the dates on which the reimbursements were approved (obligated) by FEMA, and the actual dollar amount of each. For this study, data included reimbursements from the beginning of the COVID-19 event through February 4, 2023; research conducted following the study should encompass additional time as the official end date for the COVID-19 pandemic is May 11, 2023.

Procedure

Mixed methods were used to obtain both quantitative and qualitative data. The stakeholder engagement survey was created and administered via Google forms. The survey questions (Appendix A) were designed to gather input similar to that which was assumed in the creation of the SPEED Act. Responses provided qualitive data regarding administrative plans and statutory audit requirements and quantitative data focusing on the totals for time spent on changes and adjustments. While participation from all survey recipients would have provided the best representation, full participation was not anticipated.

Quantitative data for this research was comprised of actual PA reimbursements for COVID-19 derived primarily from FEMA's opensource database and the federal government's tracker on government spending. Included in this was the same data utilized in the SPEED act calculations to justify the increased large project threshold. However, the data used for the SPEED Act calculations only encompassed a 6-month span of COVID-19 projects. Data for this study included COVID-19 projects from the beginning of the event through February 4, 2023, a span of almost 35 months. Comparing a broader span of data to the estimates and limited external data utilized in the SPEED act methodology brought perspective to the implications of the SPEED Act and the trends between policy changes and administrative expenditures.

Sustainability and cost-efficiency were measured using quantitative data from other parts of this study as well as data retrieved from outside sources. The qualitative data in this study includes viewpoints of stakeholders regarding the SPEED Act, the administration of Public Assistance for the COVID-19, and differences in stakeholder actions throughout the event. The quantitative data in this study includes figures from the SPEED Act calculations and from FEMA reimbursements. These were compared to the costs of other response and recovery measures, as well as to costs for community feeding and sheltering operations from a budgetary standpoint.

Data Processing and Analysis

Assumption one was tested using the aggregate survey results of the stakeholder engagement survey. These results were used for comparing actual stakeholder input and opinions to those assumed in the SPEED Act methodology. This allowed for the analyzation of not only the amount of input received but also the thoughts and concerns of stakeholders that may have not been adequately addressed through the SPEED. Data gathered through survey responses

provided an overview of the statutory audit requirements for stakeholders as well as insight as to how raising the large project threshold would impact them.

Assumption two was tested using the open-source data found within the federal databases containing data on PA reimbursements throughout the COVID-19 event. Historical data on daily award activities through the PA program is also available and was used during the testing process. Specific occurrences of deobligations were pulled from larger data sets and compared to assumptions made in methodology of the SPEED Act. Deobligated funds are funds that are removed from a PA reimbursement after having initially been approved by FEMA. The SPEED Act was written under the premise that it would save FEMA approximately $20,041,386 over a three-year span (3.1 years is range for the data utilized in the SPEED Act methodology). If the cumulative total of deobligated funds from small projects under the increased threshold is greater than that of FEMA's estimated cost savings, this may indicate that potential overpayments due to estimation errors in the future will surpass the estimated savings through the SPEED Act.

Data was retrieved from multiple databases located within FEMA's 'OpenFEMA Data Sets' webpage for Public Assistance, and from USAspending.gov. OpenFEMA provided raw data on every PA project that has ever been obligated. This data was spread between multiple data sets and simultaneous use of several sets was often required. This research specifically included data from the 'Public Assistance Funded Project Details', and 'Public Assistance Applicants' data sets. Between these, the following information was pulled: the disaster declaration number, disaster type, Project Worksheet number (PW), project's title, sub-recipient's identification number (assigned by FEMA), project size (small or large), obligated federal share, and the original obligation date, and the name of each recipient and sub-recipient. Using the sub-recipient's identification number, projects from the first database can be matched

to specific sub-recipients. COVID-19 projects and declarations were isolated from other disasters or projects through filtering out any that were not labeled as “biological” under disaster type.

COVID-19 Public Assistance grants for each primary recipient were found at USAspending.gov by pairing the four-digit disaster declaration number to the first four digits of the Federal Award Identification Number (FAIN) of grants found at USAspending.gov. Every primary recipient with a disaster declaration has a FAIN for their public assistance grant. A series of filters and settings were used to navigate the website, but the declaration number and FAIN served as the links between the sets of data. Data derived from the USAspending.gov databases provided information on the individual transactions that cumulatively form the obligated federal share of each PA project.

It is possible for a project to have multiple transactions associated with it if amendments are made to the it after it was initially obligated. Many of the earliest COVID-19 projects had at least two transactions due to the increase in federal cost share from 75% to 100% in March of 2021. Increasing the cost share ultimately increased the eligible reimbursement for each project by 25% which prompted amendments and subsequent reimbursements for all projects obligated prior to the increase. The ability to break down the obligated federal share into smaller transactions also allows for both obligations and deobligations to be identified. This is important because deobligations are negative amounts and are not found in other data. Deobligations are used for testing the SPEED Act methodology in this study.

Raw data from the above resources was compiled to include covid-19 data through February 4, 2022. It was analyzed to compare projects from three different periods of time: March 1, 2020 – September 30, 2020, March 1, 2020 – August 2, 2022, and August 3, 2022 – February 4, 2023. Respectively, these periods of time represent the obligated PA projects

included in the SPEED Act development, obligations from the beginning of the pandemic through the last day of the $131,100 large project threshold, and obligations that occurred after the increase in large project threshold.

Assumption three utilized data from the previously mentioned data sets in addition to information gathered from outside sources and interviews. By comparing federal data to sources outside of federal influence, connections were made between the data and actual happenings. A mix of both qualitative data and quantitative data was used to inform upon this assumption. Qualitative data gave an overview of where relief funding is distributed and how the pandemic response was been perceived by the public. Interactions with emergency management personnel who understand the PA program, and researcher experience provided this data. Quantitative data for this research included comparisons of the costs for feeding operations and non-congregate sheltering activities funded by PA to the costs associated with other means of supporting these activities. Making this comparison tested the cost-effectiveness of PA for long-term feeding operations and non-congregate sheltering.

Validity

Internal validity was maintained by utilizing open-source data that focused solely on COVID-19. This data will consisted of actual figures pulled from federal databases and was not diluted or skewed by figures representing PA reimbursements from other disasters. However, the context that lacks from each reimbursement or unknown federal processes or stipulations could threaten internal validity. Specificity of variables and circumstances surrounding other disasters could threaten external validity as this study focuses solely on the COVID-19 pandemic. Other disasters in which PA may be involved are less likely to undergo as many adaptations and changes which would allow the program to operate as it normally would. Additionally, COVID-

19 itself is an anomaly in terms of magnitude when compared to other events in which PA has been used – the findings of this study may be exclusive to the COVID-19 event.

Study Limitations

While a significant portion of this study utilized figures derived from actual PA reimbursements, there are still limitations that must be acknowledged. The Stakeholder Engagement survey was distributed to the PA offices for each primary PA recipient with a COVID-19 disaster declaration, and to each county level emergency management office in the state of Maryland. Participation in the survey was completely voluntary, which may have limited the number of responses received. Time constraints may have also played a factor in this as PA is a bustling program and most personnel affiliated with the program are extremely busy. Regarding the actual figures from PA reimbursements, the amount of time required to analyze each PA project from the beginning of the event through present day is far more than what was allotted for this study to be accomplished. Without a more thorough analyzation of individual projects, the context of any specific project remains unknown. As such, this study provides an overview of COVID-19 related PA projects with emphasis on a few specific reimbursements. Limitations also exist in the amount of available research on the implications of the changes made to legislation and policy through the course of COVID-19; the event period for the pandemic was still open at the conclusion of this study and additional programmatic changes are anticipated.

Chapter 4: Results and Findings

Introduction

Chapter 4 analyzes the data collected through the Stakeholder Engagement Survey, researcher interrogation of secondary data, and participant observation to either validate or challenge the assumptions made through the Theory of Change from the previous chapters. Each assumption will be restated with relative data analysis described in the subsequent paragraphs.

Assumption 1 (A1) – If stakeholder input was integrated into the creation and implementation of the Small Project Efficient and Effective Disaster Recovery Act (SPEED Act), and new COVID-19 specific policies and programs…

Quantitative data: The Stakeholder Engagement Survey was distributed to 100 stakeholders but has only garnered a total of 5 responses. Regarding familiarity with the SPEED Act, only one participant rated their familiarity as a 5 on a 5-point scale. One participant responded with 4, two with 3, and one participant responded with a 2. 4 out of 5 participants responded "yes" to having statutory audit requirements, and one responded "no". 4 out of 5 participants responded "no" and one responded "unsure" when asked if they believed that the increased large project threshold would help alleviate the administrative burden of closing out their Public Assistance projects. 3 participants responded to approximately how much time they had spent familiarizing or adjusting to the new threshold with "over 3 hours". "1-3" hours, and "1 hour or less" both received one response. Although the total number of responses received does not adequately represent the intended survey population, the consensus does not coincide with the SPEED Act and increased large project threshold.

Qualitative data: Two survey questions asked explicitly about the cumulative cost and length of time any feeding operations or non-congregate sheltering activities took place. Three responses claimed to have projects for one or both, feeding and sheltering. One response included approximately $150k in feeding operations and approximately $1 million in sheltering

activities with each lasting one month. One participant responded that their feeding operations were combined with sheltering activities which cost approximately $3.2 million and lasted 3 months. This response also responded to this question with “currently under appeal”. The last response included $54 million in feeding costs for projects into the year 2022, and ongoing sheltering activities with a current total of $46.6 million.

Included at the bottom of the survey was a box for additional comments three comments were left with only two of them being relative to this study. One participant stated, “the guidance appears to lighten the administrative burden, especially for small jurisdictions”, but also explained that they have not had any public assistance projects from which to experience a difference. The second comment also stated that they believed the administrative burden could be less with the increased threshold but that they had not yet reached that point in the process and therefore could not be certain. This participant also mentioned that steps had been added into other Public Assistance processes which caused additional time to be spent elsewhere.

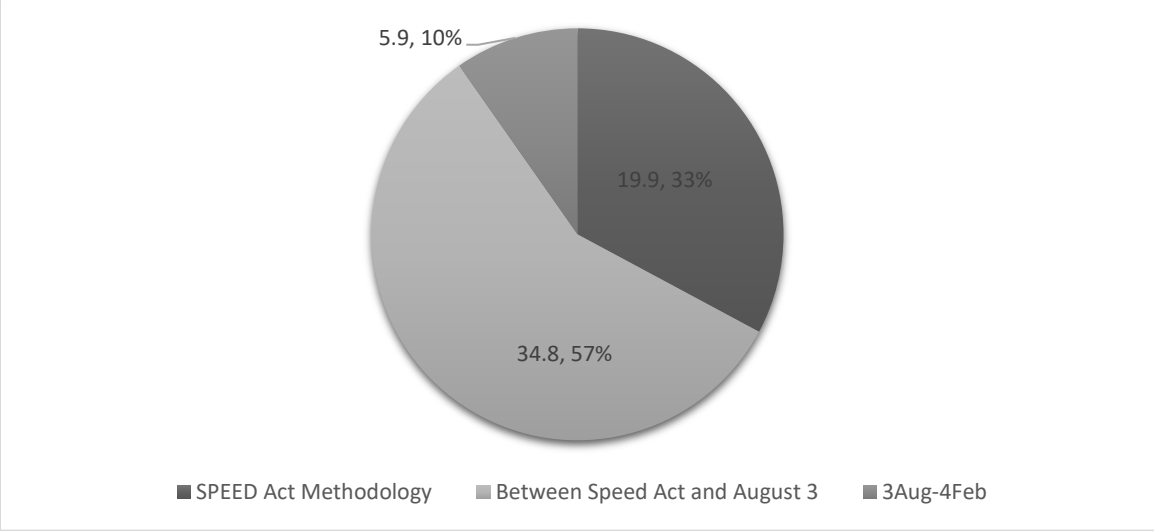
Although there were not enough responses to truly validate or substantiate this assumption, the responses received do contradict some of the methodologies used in the SPEED act. The act estimates that two representatives from each primary recipient would require one hour each to familiarize and adjust to the new threshold – 60% of the responses were “3 hours or more”. The SPEED Act claims that the benefits of increasing the threshold will be experienced to the fullest degree by organizations that do not have statutory audit requirements in their administrative plans – 80% of the responses claimed to have statutory audit requirements, one responded “no”.

Assumption Two (A2) – If the threshold for large projects was raised to $500K instead of $1 million…

Quantitative: Per OpenFEMA data, approximately $60.6 billion had been obligated through PA for pandemic declarations between March of 2020 and February 4, 2023. Approximately $54.7 billion had been obligated from March 2020 through August 2, 2022, accounting for over 90% of the funding in this study. From October 1, 2022, through February 4, 2023, approximately $5.9 billion had been obligated through the program which accounts for almost 10% of the funding included in this study. The methodology of the SPEED act utilizes data that spans from March of 2020 through September 30, 2020. This time frame only accounts for $19.9 billion in funding or almost 33% of the total obligations used in this study.

Figure 1

Cumulative Project Totals by Specific Frame of Time



Note. This figure shows the cumulative total of projects between specific frames of time.

It is important to note that the ratio of covid reimbursements included in the SPEED Act methodology to the total amount of covid reimbursements will decrease as the official end period to the pandemic is not until May 11, 2023. Sub-recipients of the program can continue to submit projects for reimbursement up to 60 days following the incident end date. This is significant

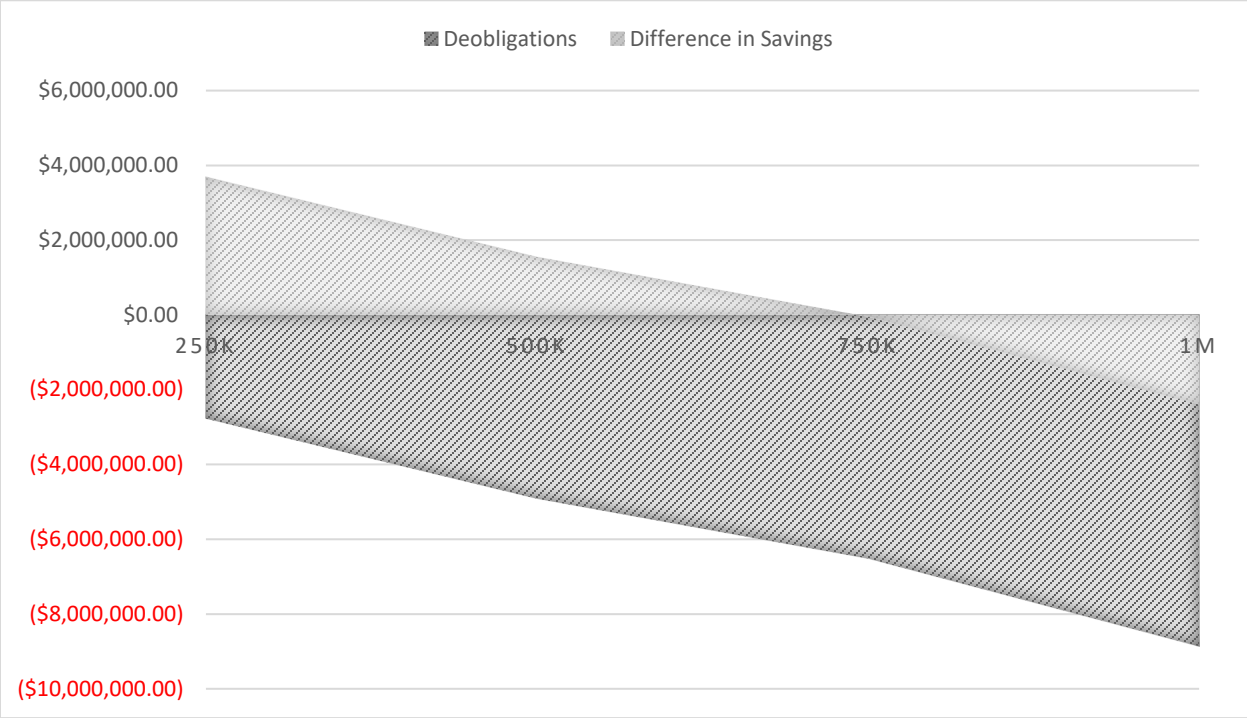
because the changes made to the large project threshold will ultimately include less than a third of data from pandemic. This does not accurately portray the magnitude of COVID-19 nor the financial burden to the American taxpayer in paying for recovery from it.

Between March 13, 2020, and September 30, 2020, a span of 201 days, a cumulative total of $8,860,777.75 was deobligated from projects under $1 million which equates to an average of $44,083.47 per day. In comparison, FEMA's estimated cost savings according to the speed act is $6,464,964 annually, or approximately $17,712.23 saved daily. The difference between the potential savings and the cumulative total of deobligations equates to $26,371.24 more in overpaid funds per day. While $44,083.37 in daily deobligations is unlikely to occur during a normal disaster, it does indicate that errors in project estimations do exist and occur more frequently as the cost of the project increases.

221 projects with deobligations were tested at thresholds of $250k, $500k, $750k, and $1 million to determine at what point their cumulative total would surpass the estimated savings of $6,464,964 from the SPEED Act. At a threshold of $500k, deobligations from 170 projects totaled $4,915,997.38 which is below FEMA's estimated cost savings. 29 additional projects were added at the $750k threshold for a total of $6,513,231.71 in deobligated funds. This amount surpasses the estimated cost savings which suggests that somewhere between the $500k and $750k thresholds is where deobligations and savings intersect and the benefits of increasing the threshold are lost.

Figure 2

Estimated Savings and Deobligations

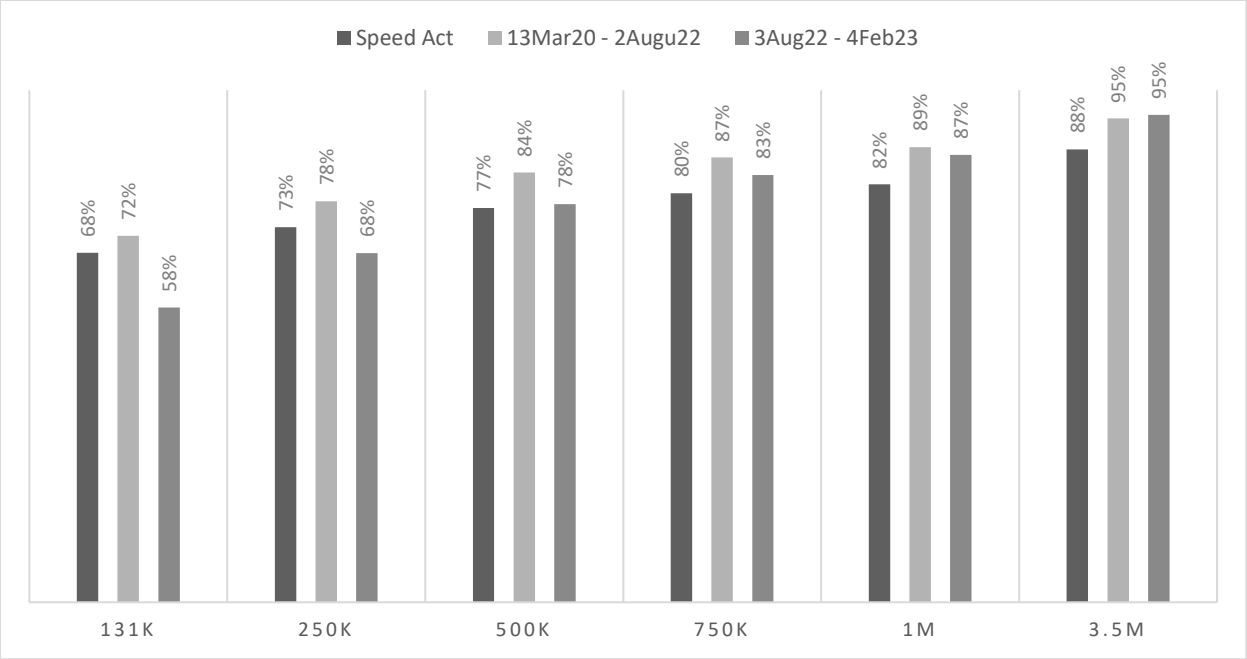


Note. This figure shows the difference between savings and deobligations at varying thresholds.

While the above data validates this assumption, it is supported further in examining the SPEED Act's aim to achieve a congressional goal of 95% small projects. Per OpenFEMA data, it was found that even with the he increased threshold, only 89% of all covid projects obligated through February 4, 2023, would be considered small. Even if excluding projects obligated prior to August 3, 2022, only 87% of these would account for projects under $1 million. For this data, 95% small projects would not be achieved until raising the small project threshold to $3.5 million.

Figure 3

Small Projects per Threshold



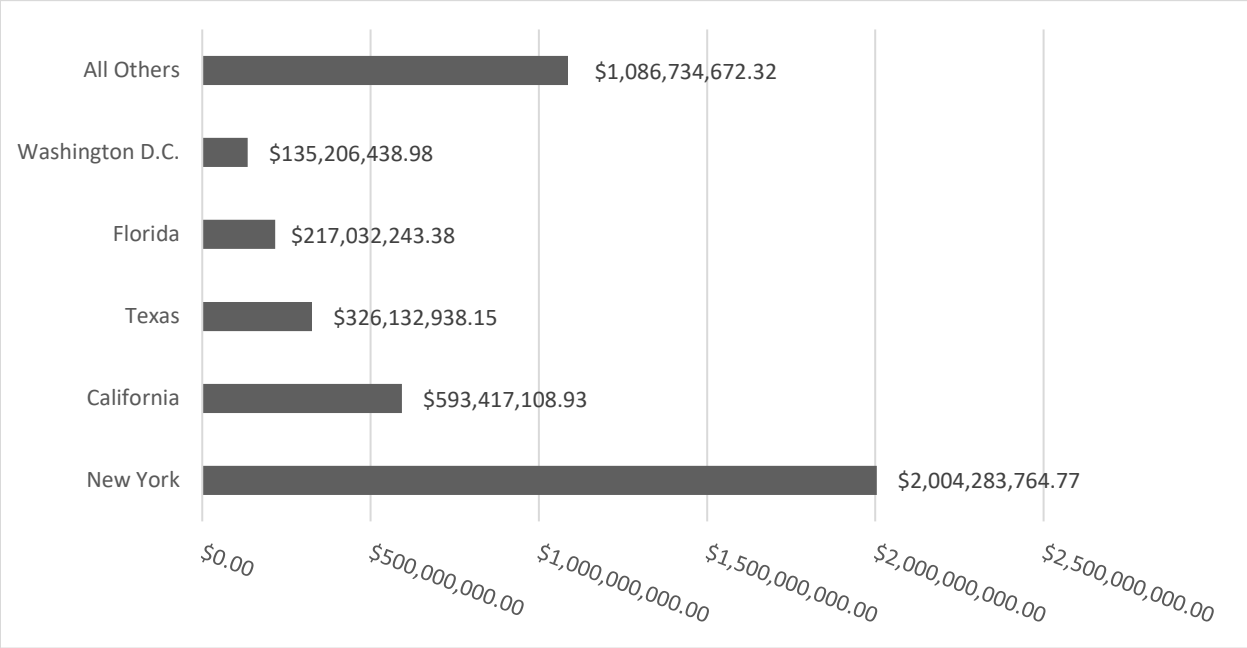
Note. This figure shows the percentage of projects that would be small at varying thresholds.

Assumption Three (A3) – If cost-efficient and sustainable methods of supporting COVID-19 recovery were utilized…

Quantitative: Between March 13, 2020, and February 4, 2023, a total of $4,362,807,166.53 was reimbursed for 1078 projects known to support feeding operations or non-congregate sheltering activities. The five primary recipients with the highest expenditures in these types of projects were New York, California, Texas, Florida, and Washington D.C. Per the U.S. Department of Housing and Urban Development (2021), New York, California, Texas, and Florida have the highest homeless populations. Washington D.C. has the highest number of people experiencing homelessness at approximately 66 people in every 10,000. Though the pandemic has certainly exacerbated the housing crisis and increased homelessness across the nation, these problems existed prior to.

Figure 4

Feeding and Sheltering Projects



Note. This figure shows the cumulative total of feeding and sheltering projects for COVID-19.

In comparison, the Federal Budget for Homelessness for proposed a $8.7 billion budget fiscal year 2023 which would be administered through approximately 24 different programs. Two of these programs, the Emergency Food and Shelter Program (EFSP), and Emergency Food and Shelter – Humanitarian Relief, are administered by FEMA. The requested budgets for these specifically are $130 million, and $24 million respectively, (United States Interagency Council on Homelessness, 2022). Reimbursements through public assistance for feeding operations and non-congregate sheltering are equivalent to almost 50% of the proposed budget for fiscal year 2023. These services were provided under emergency circumstances, although the stark difference indicates that feeding and sheltering operations are significantly less expensive when administered through means other than Public Assistance.

Conclusion:

Assumption 1 from this study cannot be validated or substantiated given the low number of responses from the intended survey population. The findings do suggest however that stakeholders may not be in favor of the increased large project threshold and that more research into its implications should be conducted. Assumption 2 can be considered validated per the data included in this study. The amount of funds deobligated from projects under $1 million surpassed that of the estimated cost savings in the SPEED Act which indicates that at this threshold, there is the potential to over-pay projects to an extent that limits actual savings. It was found that at a threshold of $500k, the amount of deobligations remained less than the estimated savings for FEMA through the SPEED Act. Analyzation of the data regarding feeding operations and non-congregate sheltering activities shows that the cost of supporting these activities through Public Assistance is significantly more expensive than supporting them through other means. This validates assumption 3 and suggests further research be done to investigate why these costs were so high.

Chapter 5: Conclusions and recommendations

Conclusions

This study sought to analyze the SPEED Act methodology and implications on the Public Assistance program, as well as the administration of the program in response to COVID-19 to ultimately determine their overall efficiency regarding taxpayer dollars. The SPEED act was written and implemented without input from stakeholders, a stakeholder engagement survey was distributed to see what this input may look like and whether it would represent the assumptions made within the SPEED Act. It was found that engaging stakeholders is more difficult than it is presumed to be for several reasons to include high turn-over rates, inaccurate or lacking contact information, and differences in organizational structure between primary recipients. From

participant observation, the sheer amount of work that most public assistance offices are faced with may have also influenced the inability of the survey population to participate; most offices are inundated with work and constant changes trickling down from congress and FEMA are difficult to keep up with.

Testing the SPEED Act methodology utilized raw data for all COVID-19 Public Assistance projects through February 4, 2023 – approximately 23,967 projects. It was found that the cumulative total of deobligations on projects under the $1 million threshold surpasses the annual cost savings for FEMA as estimated by the SPEED Act. Using the same methods, projects were tested at other thresholds including $750k and $500k. The cumulative total of deobligations surpassed FEMA's estimated cost savings at $750k but did not at $500k which suggests that a lower threshold may result in more savings overall. Additionally, projects that fall below the $500k threshold encompass the majority of all projects under $1 million indicating that most projects submitted will fall below $500k per project.

Projects initially obligated on or after August 3, 2023, are included in this this overall study were not included in the specific threshold testing as these projects were obligated under the new threshold. It should be noted, however, that there were no deobligations on projects that fell below $1 million and were obligated on or after August 3, 2022. This suggests that many of the errors that prompted deobligations on projects obligated prior to this date are no longer being discovered or addressed. This suggests that because these projects are now categorized as small and will not be inspected for accuracy, less scrutiny is applied on the front end and estimation errors are missed.

Further analyzation of the raw data showed that feeding operations and non-congregate sheltering activities that were reimbursed through Public Assistance projects are far more costly

than supporting these activities through other means. Over $4 billion has been obligated and reimbursed through the program which equates to approximately half of the proposed 2023 federal budget for homelessness across the nation. Food insecurity and homelessness are problems that existed well before the pandemic, but COVID-19 has exacerbated these issues and shed light on many of the inadequacies of the systems currently in place. This data helps to establish the connections between them and demonstrates the inefficiency of using Public Assistance to combat them.

In conclusion, despite not receiving enough data from the stakeholder engagement survey to validate or substantiate assumption 1 from this study's theory of change, the few responses received do suggest that several of the assumptions made in the SPEED Act are inaccurate and should be reevaluated. Raw data indicates that at the $1 million threshold, more federal funds are likely to be overpaid in public assistance provided to sub-recipients than will be saved through the speed act. Additionally, public assistance funding for feeding operations and non-congregate sheltering activities far surpasses that of the federal funds put towards combatting these through their primary means. Based on these findings, assumptions 2 and 3 of this study's theory of change can be considered validated. "Reforms must consider the full scope of the action's impact to ensure that changes are not unintentionally hurting the area intended to be helped by the effort", (Hendrix, 2021, pg. 10).

Recommendation 1

Increase the large project threshold to $500k instead of $1 million and apply a 5% allowable margin of error on final inspections for projects that are obligated at more than $500k but less than $1 million. When tested, the cumulative total of deobligations at the $500k threshold did not surpass the estimated cost savings from the SPEED Act. Additionally, this

threshold would make 83% of the total number of projects included in this study “small”, compared to 69% or 89% for the old $131,100 and new $1 million thresholds respectively. Applying a 5% allowable margin of error on final inspections for projects that are between $500k and $1 million will cut down on the additional work that accompanies deobligating funds from a project while also providing oversight on reimbursements. A margin of error will result in less projects having to go through the full inspection process which reduces FEMA’s overall administrative burden. Any projects with errors that fall outside of 5% will go through the deobligation process to recoup those funds for FEMA.

When tested in this study, 50 projects with deobligations fell between $500k and $1 million equating to $3,944,780.37 in deobligated funds. Only 18 of these projects had deobligations that fell outside of the 5% margin of error and cumulative total of these projects was $3,742,486.64. This would eliminate 32 additional final inspections and recoup approximately 42% of the funds potentially lost in not performing a final inspection at all on projects under $1M. The SPEED Act estimates that a final inspection for each large project costs the organization approximately $1,520 which equates to $76,000 for 50 projects. Even if a final inspection was conducted on every project that fell between $500K and $1M, the costs of the inspections is far less than the total funds deobligated from projects within that range.

Recommendation 2

Repurpose FEMA’s Validate-as-you-go (VAYGo) program to reduce redundancies. VAYGo was first introduced as a pilot program to test the costs from projects associated with hurricanes Harvey, Irma, and Maria. It was introduced to the pandemic response early in the event but was later suspended for unknown reasons. Per participant observation, the decision to cease using VAYGo is likely derived from the failure of the program to keep pace with the

ongoing nature of the pandemic. Vaygo operates separately from the rest of the PA process and consistently attempted to validate information that was known to be inaccurate or obsolete. The VAYGo program and team members are valuable resources that could be utilized in other ways to increase the efficiency of Public Assistance.

In the earlier stages of the process, VAYGo could be used in conjunction with or at the discretion of the recipients or the PDMG to build and validate projects for reimbursement to ensure accuracy. This would help to keep VAYGo informed when performing validations and mitigate miscommunications. Since VAYGo functions as a separate program, it could also be utilized during final inspections to increase the FEMA workforce during closeouts. This would lessen the administrative burden on the regional closeout teams by distributing the workload between more people. If incorporated at the beginning of an event as well as during the closeout process, VAYGo could bridge the gap in between them and bring project familiarity to the closeout portion of the process.

Recommendation 3

Engage stakeholders and establish methods of open communication between all parties to address needs and eliminate redundancies. Understanding the needs of recipients and sub-recipients is best gained through direct communication. Currently, major decisions are made at the highest level, FEMA Headquarters, and disseminated to recipients and sub-recipients with little to no input from them. This is likely done to maintain consistency at a national level. However, the needs of each community and the processes of each primary recipient differ which hinders the efficiency and effectiveness of implementing blanket policies or guidance.

Engaging stakeholders would provide the necessary information to create more accurate metrics for future testing and methodologies. Several of the metrics used creating the SPEED Act were based on assumptions or did not capture the full scope of implications. The metrics used to determine the amount of time required to acclimate to the increased threshold, or the time required to complete certain FEMA mandated forms, for example, are inaccurate as well as unrealistic. Stakeholder engagement could have provided more insight into how many people and how much time would be required to realistically acclimate or perform administrative functions.

Additionally, stakeholder engagement would allow for information to flow upwards as well as laterally which could increase the efficiency of administering the program at the recipient level. Data from this study identified trends and differences between each primary recipient in how clean and organized the projects of their sub-recipients appear - some recipients had zero deobligations or errors while others had a significant amount. Though this data is provided and compiled federally, it is derived from reports provided the primary recipients themselves. This suggests that tracking methods for projects also differ between them. If information can flow without restrictions, better methods of tracking and organizing can be shared for more accurate reporting.

Areas for further research

Several areas for further research were identified through this study. Further research should be conducted to identify gaps in communicating the program lower profile applicants and marginalized communities. Many potential applicants for the program were denied because they discovered the Public Assistance program too late and were not able to apply in time.

Further research should be conducted to identify the causes of discrepancies in reported data. The data provided from sub-recipients and recipients varies in accuracy which can hinder the overall accuracy of anything that uses it. Research may present ways in which reporting can be standardized to increase accuracy.

Further research should be conducted to evaluate to what extent consulting firms have helped or hindered the administration of Public Assistance. Contracts with consulting firms are eligible for reimbursement through Public Assistance and have been used significantly more during the pandemic than in previous disasters. Thought needing extra help is understandable, consulting firms have lucrative rates and are generally used only by wealthier program applicants because of the upfront costs associated with them. Participant observation indicates that most consultants have little knowledge of the program and complicate things.

Further research should be conducted to evaluate to what extent the open-ended nature of Public Assistance for COVID-19 and the SPEED Act perpetuates disaster capitalism. The SPEED Act explicitly states that FEMA does not want to recoup overpayments and that these funds should remain with the recipient or sub-recipient. The new threshold allows projects to be written strategically under $1M to forego a final inspection which opens the door for fraud, abuse, and disaster capitalism.

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Appendix A

1. Which of the following best describes your organization:
    a. *State/Tribe/Territory Government or Agency*
    b. *County Government or Agency*
    c. *Municipality*
    d. *Private Non-Profit*
2. Location: *(drop down menu of states and territories)*
3. Position, field, or title:
4. Please rate your familiarity with the Small Project Efficient and Effective Disaster Recovery Act (SPEED Act): *(1 Unfamiliar – 5 Extremely Familiar)*
5. Are there statutory audit requirements in your administrative plan for grant funding? *(Yes/No/Unsure)*
6. Do you believe that increasing the large project threshold will help alleviate the administrative burden of closing out your Public Assistance projects? *(Yes/No/Unsure)*
7. Approximately how much time have you spent familiarizing with or adjusting to the new, large project threshold? *(None, 1 hour or less, 1-3 hours, Over 3 Hours)*
8. If any of your Public Assistance projects included feeding operations, approximately how long did they last and how much did they cost? *(short answer)*
9. If any of your Public Assistance projects included non-congregate sheltering activities, approximately how long did they last and how much did they cost? *(short answer)*
10. Thank you for your time. Please use this area if you would like to leave any additional comments. *(short answer)*