



OFFICE of
INSPECTOR GENERAL
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UNITED STATES DEPARTMENT OF
HOUSING AND URBAN DEVELOPMENT

Disaster Recovery Data Portal

Audit Report Number: 2023-FW-0003

July 21, 2023

To: Sairah R. Ijaz
Deputy Chief Information Officer, Office of the Chief Information Officer, Q

Todd M. Richardson
General Deputy Assistant Secretary, Office of Policy Development and Research, R

Tennille S. Parker
Director, Office of Disaster Recovery, DGR

//signed//

From: Kilah S. White
Assistant Inspector General for Audit, Office of Inspector General, GA

Subject: Disaster Recovery Data Portal

Attached are the U.S. Department of Housing and Urban Development (HUD), Office of Inspector General's (OIG) final results of our audit related to the Disaster Recovery Data Portal.

HUD Handbook 2000.06, REV-4, sets specific timeframes for management decisions on recommended corrective actions. For each recommendation without a management decision, please respond and provide status reports in accordance with the HUD Handbook. Please furnish us copies of any correspondence or directives issued because of the audit.

The Inspector General Act, as amended, requires that OIG post its reports on the OIG website. Accordingly, this report will be posted at <https://www.hudoig.gov>.

If you have any questions or comments about this report, please do not hesitate to call Danita Wade, Audit Director, at (817) 978-9309.

Highlights

Disaster Recovery Data Portal | 2023-FW-0003

What We Audited and Why

We performed an audit related to the U.S. Department of Housing and Urban Development's (HUD) Disaster Recovery Data Portal. The Disaster Recovery Data Portal is a technological solution planned by HUD to facilitate the rapid and secure transmission of data from the Federal Emergency Management Agency (FEMA) to HUD's Community Development Block Grant Disaster Recovery grantees. We performed the work because HUD needs a solution to automate delivery of data to its grantees and because Congress directed HUD to prioritize the project. Our objective was to determine the status of HUD's Disaster Recovery Data Portal and whether it would be an effective tool to assist grantees in preventing and detecting duplication of benefits when using disaster recovery and mitigation grant funds.

What We Found

HUD's Disaster Recovery Data Portal was in the initial stages of project planning to complete the application that had been partially developed in 2017. We found that (1) HUD prioritized the project but had not developed all of the required project management documents, and (2) the Disaster Recovery Data Portal has the potential, once deployed, to be an effective mechanism to assist grantees in preventing and detecting duplication of benefits. However, the project's performance plan indicated that the Disaster Recovery Data Portal would include data from only one FEMA program, and HUD's grantees could benefit from including additional data sources. HUD had not developed the project management documents because the project team had been waiting for congressional approval of its project plan. Until the project is completed, HUD does not have an automated system to share FEMA data with its disaster grantees. As a result, HUD personnel invest additional time and effort to deliver FEMA data to grantees using a manual process, and grantees remain burdened with the responsibility of obtaining data separately for other potential sources of duplication.

What We Recommend

We recommend that HUD's Office of the Chief Information Officer and Office of Policy Development and Research (1) develop the required project management documents for the Disaster Recovery Data Portal and (2) in coordination with the Office of Disaster Recovery, pursue additional data sources to incorporate into the Disaster Recovery Data Portal.

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Background and Objective

Congress has appropriated more than \$47 billion under the U.S. Department of Housing and Urban Development's (HUD) Community Development Fund for disaster recovery and mitigation in response to disasters that occurred between 2015 and 2021. HUD allocated those funds to grantees using Community Development Block Grant (CDBG) Disaster Recovery and Mitigation grants. HUD's grantees are required to prevent any duplication of benefits as defined by Section 312 of the Robert T. Stafford Disaster Relief and Emergency Assistance Act (42 U.S.C. (United States Code) 5155).

According to the U.S. Government Accountability Office, disaster recovery is fragmented across more than 30 federal agencies and departments, resulting in various sources of federal support for disaster recovery.¹ The Federal Emergency Management Agency (FEMA) has the primary responsibility for coordinating disaster response and recovery and establishes the order in which disaster relief agencies and organizations provide assistance to disaster survivors. This is intended to prevent duplication of benefits, maximize available resources, and coordinate efforts to help disaster survivors navigate the recovery process. A duplication of benefits occurs when a person, household, business, or other entity receives disaster assistance from multiple sources for the same recovery purpose and the total assistance received for that purpose is greater than the total need. For example, FEMA, the Small Business Administration (SBA), and HUD all provide assistance for repairs to homes damaged in a disaster. HUD's disaster grants come after funding from FEMA, insurance, and SBA programs in the order of assistance, making HUD and its grantees responsible for ensuring they do not provide assistance that exceeds unmet need. Preventing duplication of benefits in advance is important to avoid subjecting disaster victims to the financial and emotional burdens of having to repay improper payments.

HUD established a basic framework for grantee duplication of benefits calculations that considers the applicant's total need and assistance received when determining the applicant's remaining unmet need for CDBG disaster recovery and mitigation funds. HUD required its grantees to use the best, most recent data from FEMA, SBA, insurers, and others to avoid duplication of benefits. Grantees have historically obtained the necessary data through data-sharing agreements with FEMA and SBA. In early 2021, FEMA informed HUD and its grantees that it would no longer provide data directly to grantees and required the data to pass through HUD.

In fiscal year 2022 appropriations, HUD received \$323 million for its Information Technology (IT) fund, of which up to \$40 million could be used for development, modernization, and enhancement projects. Congress directed HUD to prioritize the modifications needed to accommodate the Disaster Recovery Data Portal. HUD was authorized to obligate up to 10 percent of the \$40 million before it submitted and Congress approved its project plans and related details.

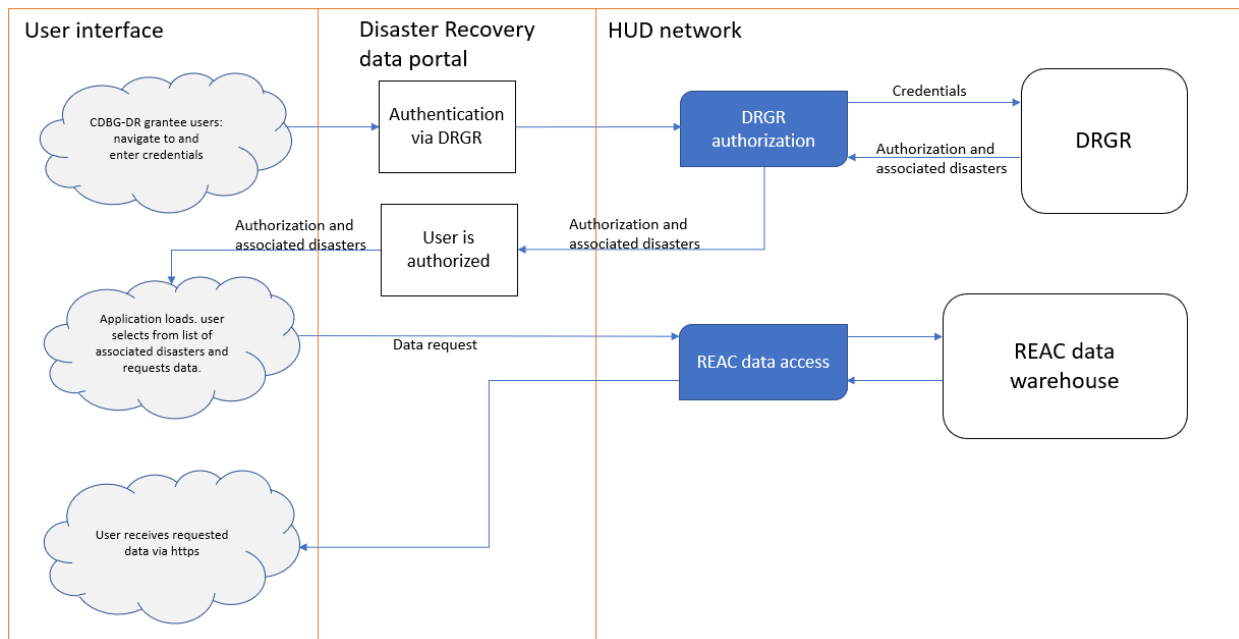
HUD requires all IT projects to follow its Project Planning and Management Life Cycle V2.0 policy, which requires specific documents to be completed over the life of the project. The project management process is designed to enable HUD to manage the quality of the project by identifying, analyzing, and responding to project risks, thereby helping to ensure the successful implementation of the project. The Disaster Recovery Data Portal project involves multiple HUD program offices. HUD's Office of the Chief Information Officer (OCIO) is responsible for delivering the technology. HUD's Office of Policy

¹ *Disaster Recovery: Actions Needed to Improve the Federal Approach*, November 2022, [GAO-23-104956](#)

Development and Research (PD&R) is the project owner and will work jointly with OCIO on project management documentation. HUD’s Office of Community Planning and Development (CPD) and PD&R expertise is necessary for understanding the business process and functionality needs. In addition, CPD, as a stakeholder, has a need for grantees’ access to data for planning and duplication of benefits assessments. In addition, as shown in figure 1, HUD will store the FEMA data in HUD’s Real Estate Assessment Center (REAC) data warehouse, which is owned by HUD’s Office of Public and Indian Housing.

The Disaster Recovery Data Portal is planned to be a web-based application to serve as a gateway to connect authorized grantees with the appropriate data stored in HUD’s Real Estate Assessment Center (REAC) Data Warehouse. The application will be the authentication and data request part of the information flow process diagrammed in figure 1.

Figure 1: Information flow



Our audit objective was to determine the status of HUD’s Disaster Recovery Data Portal and whether it would be an effective tool to assist grantees in preventing and detecting duplication of benefits when using CDBG Disaster Recovery and Mitigation grant funds.

Results of Audit

The Disaster Recovery Data Portal Was Partially Developed

As of January 2023, HUD's Disaster Recovery Data Portal application had been partially developed, and HUD was in the preliminary stages of planning a new project to complete it. HUD prioritized the project in December 2022, after the project team met with stakeholders and understood the urgency of the need for the application. In addition, the project team had been waiting for congressional approval of its project plan but later determined that it could proceed without congressional approval. Until the application is fully developed, HUD personnel will continue to invest additional time and effort to manually deliver FEMA data to grantees.

HUD Partially Developed the Disaster Recovery Data Portal During Fiscal Year 2017

During fiscal year 2017, HUD began developing the Disaster Recovery Data Portal under an interagency agreement with the U.S. General Services Administration (GSA). GSA procured and managed a contract on HUD's behalf. The application would facilitate rapid and secure transmission of data from FEMA to HUD's CDBG Disaster Recovery grantees. HUD indicated that the initial Disaster Recovery Data Portal application had been developed and had undergone some testing during 2017 but had not reached the deployment phase. The application had not been completed for multiple reasons, including the inability to obtain access to real-time data from FEMA, the terms of the computer-matching agreement with FEMA, expiring contracts with GSA's contractor and HUD's Office of the Chief Information Officer that prevented the continuance of further work, and staff turnover at contractors and of HUD staff assigned to the project.

HUD Identified a Contract To Complete the Project and Indicated That It Had Begun Developing the Required Project Management Documents

In its October 2022 project plan, HUD wrote that it planned to leverage an existing contract to perform the development work for the application. However, the project team later determined that the contract it planned to leverage would expire before the project was complete. HUD identified a different contract, which it planned to use for this work, and is waiting for procurement to be complete.

In early December 2022, staff in the OCIO's office stated that the Disaster Recovery Data Portal was not a priority IT project. The staff also stated that they could not proceed with the IT project without congressional approval of the project plan, which they submitted in October 2022. The project plan is one of the required IT project management documents under HUD's Project Planning and Management Life Cycle V2.0 policy, which requires specific documents to be completed over the life of the project. The project team said they had not developed the additional documents because they were waiting for congressional approval of the project plan before proceeding.

During the same discussion with OCIO staff, OIG staff relayed that the project was a priority for the Office of Community Planning and Development (CPD) and recommended the project team speak with the CPD stakeholders. Later in December 2022, the project team met with the CPD stakeholders and understood the urgency of the need for the application to deliver necessary data to HUD's disaster grantees. The project team also determined during December 2022 that they could proceed with the project without

congressional approval because its cost was less than the approval threshold under the law. In January 2023, the General Deputy Assistant Secretary for Policy Development and Research indicated that the project team had begun work on the required project management documents.

Until the application is fully developed, HUD will not have an automated tool to share FEMA data with its disaster grantees. Completing the IT project management documentation will help HUD ensure the successful implementation of the project. Currently, HUD personnel are investing additional time and effort to deliver FEMA data to grantees using encrypted email because FEMA will no longer provide the necessary data directly to HUD's grantees.

Recommendation

We recommend that the General Deputy Assistant Secretary, Office of Policy Development and Research, and the Deputy Chief Information Officer, Office of the Chief Information Officer,

- 1A. Develop the project management documents, as required by HUD's Project Planning and Management Life Cycle V2.0 policy, including obtaining required approvals and ensuring that an adequate project risk management process is established for identifying, analyzing, and responding to project risks.

The Disaster Recovery Data Portal Has the Potential to be an Effective Tool to Prevent and Detect Duplication of Benefits

The Disaster Recovery Data Portal has the potential, once in production, to be an effective tool to assist grantees in preventing and detecting duplication of benefits when using CDBG Disaster Recovery and Mitigation grant funds. However, the performance plan as of December 2022 included data from only FEMA's Individuals and Households program and no other sources of potential duplication of benefits. Although FEMA's Individuals and Households program is the largest source of duplication of benefits for HUD's disaster grants, grantees remain burdened with the responsibility of obtaining data separately for other potential sources of duplication, including other FEMA programs, SBA, insurers, and others.

The Disaster Recovery Data Portal Will Provide Grantees With Data From Only One Potential Source of Duplication of Benefits

The project plan and the computer matching-agreement between HUD and FEMA included only FEMA's Individuals and Households program data and no other sources of potential duplication of benefits. Because FEMA will no longer provide the data directly to HUD's grantees, HUD has an immediate need for an automated solution to provide the necessary data to its grantees. However, although the FEMA program is the largest source of potential duplication of benefits for HUD's disaster grants, HUD requires grantees to use the best, most recent data from sources in addition to this FEMA program in conducting duplication of benefits assessments. Incorporating additional data sources into the Disaster Recovery Data Portal could reduce grantee and Federal agency burden by eliminating the need to manage individual data-sharing agreements to obtain data about benefits received from other sources, including FEMA's National Flood Insurance Program and SBA programs. It would be beneficial to HUD's grantees to access data from multiple sources in one place to assist them in planning and marketing their activities and conducting eligibility and duplication of benefits assessments.

Grantees Supported Having All of the Data They Need in One Place

Based on interviews with six grantees, they had differing experiences with the ease or difficulty in obtaining and maintaining data-sharing agreements and ensuring that they received current and complete data. Despite their varying experiences, grantees generally expressed interest in having all of the data they need to conduct planning, outreach, and duplication of benefits analyses in one place. One grantee stated that it would be helpful if the process could be automated so that grantees would see matches to applicants without having to manually check every address. Another grantee stated that having historical data, such as knowing that an applicant for a current disaster received assistance in an overlapping disaster, would be beneficial. Therefore, the Disaster Recovery Data Portal has the potential to be an effective tool to assist grantees in preventing and detecting duplication of benefits when using CDBG Disaster Recovery and Mitigation grant funds if it includes additional data sources.

Recommendations

We recommend that the General Deputy Assistant Secretary, Office of Policy Development and Research; the Deputy Chief Information Officer; and the Director, Office of Disaster Recovery,

- 2A. Identify and incorporate at least one additional data source into the Disaster Recovery Data Portal to further assist grantees with duplication of benefits assessments.

Scope and Methodology

The scope of the audit was the status of the Disaster Recovery Data Portal. The audit period covered activity between October 2016 and January 2023, which included the previous development effort on the application and the current project to complete it

We conducted the audit remotely from August 2022 through January 2023. To accomplish our objective, we

- Reviewed relevant laws and congressional directives.
- Reviewed the 2022 computer-matching agreement between FEMA and HUD.
- Reviewed HUD's Project Planning and Management Life Cycle 2.0 policy for IT projects.
- Reviewed project-related records from the initial development project, including the interagency agreement with the U.S. General Services Administration and limited project management documents.
- Reviewed the project's performance plan and business needs document.
- Interviewed HUD staff in the Offices of the Chief Information Officer, Community Planning and Development, and Policy Development and Research.
- Interviewed six grantees with CDBG Disaster Recovery or Mitigation grants.

We obtained an understanding of HUD's internal controls relevant to the audit objective. Specifically, we obtained an understanding of HUD's IT project management process.

We conducted the audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

Appendix

Auditee Comments and OIG's Evaluation

Ref to OIG Evaluation – Auditee Comments



OFFICE OF POLICY DEVELOPMENT
AND RESEARCH

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-6000

MEMORANDUM FOR: Danita Y. Wade, Audit Director, Disaster Recovery Audit Division, 6AGA

FROM: Todd Richardson, General Deputy Assistant Secretary, R

TODD RICHARDSON
Digitally signed by TODD RICHARDSON
DN: cn = TODD RICHARDSON, c = US, o = U.S. Government
ou = Department of Housing and Urban Development, ou = Policy
Development and Research, email = todd.richardson@hud.gov

Cc: Sairah Ijaz, Deputy Chief Information Officer, Q; Tennille S. Parker, Director, Office of Disaster Recovery, DGR

SUBJECT: Draft Audit Report – Disaster Recovery Data Portal

DATE: June 30, 2023

The draft audit report recommends “that HUD’s Office of the Chief Information Officer and Office of Policy Development and Research (1) develop the required project management documents for the Disaster Recovery Data Portal and (2) in coordination with the Office of Disaster Recovery, pursue additional data sources to incorporate into the Disaster Recovery Data Portal.”

The Office of Policy Development and Research (PD&R), working with the Chief Information Officer (CIO) and the Office of Community Planning and Development (CPD) are currently working to satisfy both recommendations. Specifically:

- Per Draft Recommendation 1. CIO, with PD&R as subject matter expert, has already developed Initial project documentation. Other required documents are forthcoming once a contract is awarded. The contract is expected to be awarded in early July 2023. The funding for the project has been approved.
- Per Draft Recommendation 2. HUD has negotiated with FEMA an update to the Computer Matching Agreement (CMA) that currently allows data sharing for FEMA Individual Assistance (IA) data. That update will add additional data from FEMA’s National Flood Insurance Program (NFIP).

We appreciate that the Inspector General agrees with our strategy to improve data sharing through automation via the Disaster Recovery Data Portal.

The draft recommendation 2 is open ended, we would appreciate if it could be more specific. We hope that we can satisfy it with the addition of the NFIP data, as noted above. Our initial goal is to implement the data sharing system successfully with the FEMA data before pursuing the addition of data from other agencies. Once we prove that this system works with the FEMA data, then we would begin the process of adding additional data. That process of adding data from other agencies is far from guaranteed. It involves agreeing on the legal terms, having both agencies secure funding for the information technology development, and then development. We anticipate we are two to three years out, in a best-case scenario, from adding any additional data sharing with the Disaster Recovery Data Portal beyond the FEMA data currently planned. As such, we would appreciate if the second recommendation could be modified to read:

www.hud.gov

espano@hud.gov

 **Comment 1 >**

 **Comment 2 >**

Ref to OIG Evaluation – Auditee Comments

 **Comment 2 >**

2

“(2) in coordination with the Office of Disaster Recovery, pursue a minimum of one additional data source to incorporate into the Disaster Recovery Data Portal.”

Thank you for your consideration.

OIG Evaluation of Auditee Comments

- Comment 1 We appreciate HUD’s cooperation throughout the audit and that it is making progress implementing the recommendations. Specifically, HUD reported its progress developing the project management documents. We acknowledge that some of the documents cannot be completed until after a contract is awarded. HUD also reported it is working with FEMA to update their computer matching agreement to obtain additional data specific to the National Flood Insurance Program. We understand that negotiating the agreement and incorporating the additional data into the Disaster Recovery Data Portal will take time. We look forward to working with HUD to close the recommendations as soon as possible.
- Comment 2 We acknowledge that adding data sources is a lengthy process that requires coordination, legal review, and IT development at different federal agencies. We support HUD’s plan to implement the system successfully with FEMA data before pursuing other data sources. Further, we support HUD’s plan to continue to identify and incorporate additional data sources in the future to make the Disaster Recovery Data Portal a robust tool to help grantees prevent duplication of benefits, assess eligibility, and prevent waste, fraud, abuse, and improper payments. We would like to emphasize that the inclusion of additional data sources as expeditiously as possible is important to the future success of the Disaster Recovery Data Portal. This could include working with multiple agencies simultaneously or pursuing the use of HUD available data. We revised the recommendation at HUD’s request to make it more specific and achievable in a reasonable amount of time and allow the recommendation to be closed with the successful implementation of the Disaster Recovery Data Portal that includes FEMA’s National Flood Insurance Program data.