



Office of Audits
Office of Inspector General
U.S. General Services Administration

GSA's Northeast and Caribbean Region Lacks Policies and Procedures for Emergencies and Evacuations in Puerto Rico

Report Number A180073/P/2/R19006
June 19, 2019

Executive Summary

GSA's Northeast and Caribbean Region Lacks Policies and Procedures for Emergencies and Evacuations in Puerto Rico

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Why We Performed This Audit

We performed this audit based on a concern expressed by GSA management in the Northeast and Caribbean Region (Region 2) over the accountability of \$770,537 in funds expended by GSA in 2017 in the wake of Hurricanes Irma and Maria. GSA used these funds to purchase supplies and equipment for affected employees and provide travel and subsistence payments when it decided to evacuate GSA employees and their dependents to safe havens on the island. The objectives of the audit were to determine whether: (1) Region 2 has policies and procedures in place to effectively respond to disasters in Puerto Rico and (2) all supply and equipment distributions for and travel and subsistence payments made to and on behalf of GSA employees are accounted for, supported, and justified.

What We Found

We found that Region 2 properly justified and supported supply and equipment purchases for and travel and subsistence payments to its employees in Puerto Rico who were affected by Hurricane Maria. However, Region 2 lacks policies and procedures for emergencies and evacuations in Puerto Rico, which led to delays in purchasing supplies for and evacuating GSA employees and their dependents.

We also found that Region 2 did not effectively account for all travel and subsistence payments due to a lack of oversight of government purchase card charges, inadequate reconciliation of all lodging charges, and a misinterpretation and miscommunication of applicable federal travel regulations.

What We Recommend

We recommend that the Office of Mission Assurance:

1. Coordinate the development of policies and procedures for emergencies and evacuations in all areas where GSA has a presence based on lessons learned and applicable federal regulations.

We also recommend that the Regional Commissioner for the Public Buildings Service in the Northeast and Caribbean Region:

2. Recoup \$9,062 for hotel overcharges and billing errors.
3. Inform affected evacuees that they can seek reimbursement of a total of \$806 of underpaid meals and incidental expenses due to errors identified on the travel vouchers.
4. Attempt to recover the \$2,868 in lodging tax paid and issue a reminder to cardholders and approving officials of their responsibility to provide effective oversight of government charge card transactions.

The Associate Administrator of the Office of Mission Assurance and both the Commissioner and Acting Regional Commissioner of the Public Buildings Service agreed with our findings and recommendations. GSA's written comments are included in their entirety in **Appendix C**.

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Introduction

We performed an audit of supply and equipment distributions and travel and subsistence payments made to and on behalf of GSA employees in Puerto Rico in the aftermath of Hurricanes Irma and Maria.

Purpose

We performed this audit based on a concern expressed by GSA management in the Northeast and Caribbean Region (Region 2) over the accountability of \$770,537 in funds expended by GSA in 2017 in the wake of Hurricanes Irma and Maria. GSA used these funds to purchase supplies and equipment for affected employees and provide travel and subsistence payments when it decided to evacuate GSA employees and their dependents to safe havens on the island.

Objectives

The objectives of the audit were to determine whether: (1) Region 2 has policies and procedures in place to effectively respond to disasters in Puerto Rico and (2) all supply and equipment distributions for and travel and subsistence payments made to and on behalf of GSA employees are accounted for, supported, and justified.

See **Appendix A** – Scope and Methodology for additional details.

Background

GSA acquires space on behalf of the federal government through new construction and leasing and acts as a caretaker for federal properties across the country. Region 2 manages government-owned and leased space in New Jersey, New York, Puerto Rico, and the U.S. Virgin Islands. Before the 2017 Caribbean hurricanes, GSA's real estate portfolio in the Caribbean was almost 2 million square feet of real estate within eight owned buildings and 102 leases for federal agency tenants.¹

Hurricanes Irma and Maria caused severe damage in the U.S. Virgin Islands and Puerto Rico. Hurricane Irma made landfall on the U.S. Virgin Islands and Puerto Rico on September 6, 2017. Shortly after, on September 20, 2017, Hurricane Maria made landfall on the southern coast of Puerto Rico. Hurricane Maria is considered the worst natural disaster on record to affect Puerto Rico. The hurricane caused catastrophic damage to the island, resulting in an extensive effort to assess damages to and reopen GSA-owned and leased facilities.

In the aftermath of Hurricane Maria, GSA Region 2 played a key role in support of federal disaster recovery efforts in Puerto Rico. Among other things, it was responsible for promptly

¹ GSA reflects on response to 2017 Caribbean hurricanes, Alison Kohler, <www.gsa.gov>.

assessing, repairing, and re-opening federal facilities to allow other federal agencies to restart operations, and for supporting the Federal Emergency Management Agency pursuant to the National Response Plan. Region 2’s primary concerns during an emergency situation are the continuation of these functions and the safety of its employees during and after a disaster. Towards this end, GSA leadership made the decision to procure supplies and equipment totaling \$316,640 for 43 affected GSA employees in Puerto Rico. According to GSA officials, the supplies and equipment were to enable employees to return to work and continue working.

In addition, on November 3, 2017, the Acting GSA Administrator authorized the local evacuation of GSA employees and their dependents in Puerto Rico to “another location in Puerto Rico” due to the lingering damage and impact from the hurricanes. In accordance with 5 CFR 550, Subpart D, *Payments During Evacuation*, GSA paid local travel and subsistence expenses to 19 employees and 31 dependents. The supply and equipment purchases and travel and subsistence payments totaled \$770,537. *Figure 1* shows the timeline of events related to GSA’s response to the hurricanes in Puerto Rico.

Figure 1 – Timeline of Events

September 6, 2017 – Hurricane Irma made landfall and caused widespread damage on the U.S. Virgin Island of St. Thomas and northern Puerto Rico.
September 20, 2017 – Hurricane Maria made landfall and caused widespread damage on St. Croix and Puerto Rico.
September 29, 2017 – GSA leadership agreed to procure supplies and equipment for the affected workforce, and determined that all local GSA employees were essential and could report to work at the federal building.
October 3, 2017 – GSA’s Office of General Counsel determined that the purchase of supplies and equipment for use by the GSA employees in Puerto Rico in the aftermath of the hurricanes would be a proper expenditure of GSA funds.
October 5, 2017 – GSA ordered the supplies and equipment, including food, generators, camp stoves, battery-operated fans, propane gas lamps, extension cords, flashlights, and outlet power strips.
October 16, 2017 – Supplies and equipment shipped to Puerto Rico.
October 21, 2017 – The shipment of supplies and equipment for the workforce arrived at the GSA federal building in Hato Rey, Puerto Rico.
October 23 – November 29, 2017 – GSA distributed the supplies and equipment to the employees. The equipment was to be returned to GSA when no longer needed or when directed by the Agency.
November 3, 2017 – The Acting GSA Administrator issued a memorandum authorizing the local evacuation of GSA employees and their dependents in Puerto Rico due to the lingering damage and impact from Hurricanes Irma and Maria. The evacuation was approved for 30 days.
December 7, 2017 – The Acting Regional Administrator extended the evacuation for an additional 30 days.
January 6, 2018 – The Acting Regional Administrator authorized a 1-day extension of evacuation and special allowances for employees affected by Hurricanes Irma and Maria to make employees eligible for a maximum of 60 nights of lodging and 61 days of meals and incidental expenses (M&IE).

Results

In the aftermath of Hurricane Maria, GSA purchased supplies and equipment for affected employees and provided travel and subsistence payments when it evacuated GSA employees and their dependents to safe havens on the island.² While Region 2 properly justified and supported supply and equipment purchases for and travel and subsistence payments to its employees in Puerto Rico who were affected by Hurricane Maria, we found that Region 2 lacks policies and procedures for emergencies and evacuations in Puerto Rico, which led to delays in purchasing supplies for and evacuating GSA employees and their dependents.

We also found that Region 2 did not effectively account for all travel and subsistence payments due to a lack of oversight of government purchase card charges, inadequate reconciliation of all lodging charges, and a misinterpretation and miscommunication of applicable federal travel regulations.

Finding 1 – GSA lacks policies and procedures for emergencies and evacuations in Puerto Rico, which led to delays in purchasing supplies for and evacuating GSA employees and their dependents.

In the aftermath of Hurricane Maria, GSA Region 2 was responsible for supporting federal disaster recovery efforts in Puerto Rico. Its responsibilities included promptly assessing, repairing, and re-opening federal facilities to allow other federal agencies to restart operations, and supporting the Federal Emergency Management Agency pursuant to the National Response Plan. To meet these responsibilities, GSA was relying on its employees in Puerto Rico who were also personally struggling to cope with the emergency situation. While the majority of GSA employees were able to report to their duty station in Puerto Rico within a week of the hurricane, many employees did not have electricity and potable water for several months.

In the immediate aftermath of the hurricane, GSA did not have policies and procedures in place to assist its employees. After hearing from some employees about the conditions they faced and learning that other agencies were providing supplies to their employees, senior and regional GSA leadership began discussing potential assistance for affected employees. On September 29, 2017, GSA leadership decided to support its employees by purchasing supplies and equipment. On October 3, 2017, the GSA Office of General Counsel determined that the purchase was justified because it was necessary to preserve human life and protect federal property. Although the supplies and equipment were ordered on October 5, 2017, the supplies did not ship to Puerto Rico until October 16, 2017, and did not arrive until October 21, 2017, a full month after Hurricane Maria had hit.

² 5 CFR 550.402 defines a ‘safe haven’ as a “designated area to which an employee or dependent will be or has been evacuated.” Although the term was not used in GSA’s evacuation authorization, we use it in this report based on this citation.

The receipt and distribution of the supplies and equipment took place at the end of October and continued through November. However, although 6 weeks had elapsed since Hurricane Maria made landfall, evacuations to safe havens were still warranted because the conditions faced by employees were still dire, even after receiving the supplies and equipment. Procedures dealing with evacuations from or within the United States and certain non-foreign areas are found in 5 CFR 550, Subpart D, *Payments During Evacuation*, and in the U.S. Office of Personnel Management's (OPM's) *Handbook on Pay and Leave Benefits for Federal Employees Affected by Severe Weather Conditions or Other Emergency Situations*.

OPM's handbook states that executive agencies may authorize advance payments, evacuation payments, and payments for travel and subsistence expenses to employees who are ordered to evacuate from an area because of imminent danger to their lives as a result of a severe weather condition or other emergency situation. The head of an agency or designated official must make the determination that an employee was officially ordered or authorized to evacuate. OPM's handbook further states that an agency may use the special allowance authority in 5 CFR 550.405 to provide allowances for subsistence expenses (including lodging) for an employee performing work at his or her permanent duty station whose home is uninhabitable.³

GSA officials in Region 2 stated that they were aware of evacuation regulations; however, they initially assumed that evacuation meant removing employees from the island. Consequently, an evacuation was not considered an option because employees needed to be on site in order to accomplish the Agency's mission. However, after learning that other federal agencies had evacuated their employees to safe havens on the island, thereby allowing them to continue to report to their duty stations, management decided that a safe haven evacuation was a viable option. Consequently, on November 3, 2017, the Acting GSA Administrator issued a memorandum authorizing the local evacuation of GSA employees and their dependents in Puerto Rico due to the lingering damage and impact from Hurricanes Irma and Maria.

We interviewed 22 of 43 GSA employees from the Caribbean Field Office regarding GSA's response to Hurricane Maria. Each employee expressed their gratitude for the supplies and equipment provided by GSA and explained that it enabled them to focus on work and accomplish the Agency's mission. However, the majority of employees we interviewed felt that GSA was unaware of OPM regulations for evacuations, did not have a plan, and lacked preparedness for a disaster of this magnitude.

³ "A home may be considered 'uninhabitable' if it does not have power or potable water or has other deficiencies that render occupancy a risk to health and safety. A home also may be considered uninhabitable if it is inaccessible (e.g., due to road obstructions)." *Handbook on Pay and Leave Benefits for Federal Employees Affected by Severe Weather Conditions or Other Emergency Situations*, OPM, June 2008, Page 5.

In addition, many of the employees we interviewed said they would have evacuated immediately, had GSA given them the option. For example, one employee told us:

Had GSA given me the option to evacuate earlier, I would have taken it right away. I wouldn't have left the island because I needed to be here to get the buildings operational. I live far away, I didn't have water or electricity, and I was working in this building until 11:00 PM and sometimes until midnight. It would have helped a lot to evacuate earlier because after working for so many hours I was tired and it was very dangerous on the streets.

Further, when the evacuation authorization was issued on November 3, 2017, employees stated that it was very difficult to find a hotel room in designated safe haven areas on the island because most of the hotel rooms were already booked. Thus, it took the 19 employees who evacuated from 5 to 37 days (an average of 17 days) to evacuate to a safe haven in Puerto Rico once GSA issued the evacuation authorization.

GSA plays a key role in support of federal disaster recovery efforts in its owned and leased spaces. However, as described above, its ability to fulfill this pivotal role is at risk due to a lack of policies and procedures for emergencies and evacuations. Although our audit focused specifically on Puerto Rico, lessons learned from Region 2's response to Hurricanes Irma and Maria can be applied to all regions in which GSA has a presence.

Within GSA, the Office of Mission Assurance is responsible for providing integrated security, continuity, and readiness expertise to achieve a secure, resilient federal workplace. GSA management has assigned this office to coordinate a national framework for responding to emergency situations. Accordingly, the Office of Mission Assurance should coordinate the development of appropriate policies and procedures that will position GSA to effectively and efficiently respond to similar emergency situations in the future.

Finding 2 – GSA did not accurately account for travel and subsistence payments and paid unnecessary lodging tax.

GSA did not account for all travel and subsistence payments due to a lack of oversight of government purchase card charges, due diligence in reconciling all lodging charges, and a misinterpretation and miscommunication of the Federal Travel Regulation (FTR). In addition, GSA paid unnecessary lodging tax because GSA employees did not obtain and submit the requisite tax exemption certificates.

Government Purchase Cards Billing Errors

During the evacuation, GSA paid for employees' lodging with government purchase cards. GSA purchase cards are linked to a centrally billed account (CBA). Therefore, GSA is liable for all purchases on these cards. We found that GSA cardholders and approving officials did not provide effective oversight to ensure lodging charges to government purchase cards were

supported and accurate. As a result, GSA is owed \$9,062 due to various billing errors and erroneous charges.

GSA Order OAS 4200.1B, *Management and Use of the GSA SmartPay Purchase Card*, establishes procedures for using the government-wide commercial purchase card to make purchases and payments. Cardholders' responsibilities include, but are not limited to, performing timely reconciliations of all transactions, ensuring purchases are tax-exempt, reviewing the bank billing statement to ensure its accuracy, and resolving disputed transactions with vendors and banks as necessary.

Evacuation lodging expenses were charged to the CBA. Employees provided a separate credit card for incidental expenses, including meals, laundry, parking, and other miscellaneous charges. Consequently, hotels had two authorized credit cards on file for each employee. We examined all hotel invoices and CBA statements and found that a hotel erroneously refunded \$8,047 in lodging and incidental expenses to three employees' personal credit card accounts instead of the CBA that was used to make the original purchase. We also determined that a hotel erroneously charged the CBA \$1,014.

Employee A: On November 15, 2017, a hotel charged a deposit of \$7,316.54 to the CBA to reserve a room. The employee only stayed at the hotel for 2 days: November 16 and November 17, 2017. The lodging charges for this period totaled \$941.64. On November 18, 2017, the hotel issued a refund of \$6,374.90 to the employee's government travel card (provided by the employee for incidental expenses), instead of refunding the CBA that was charged for the deposit. On March 16, 2018, the bank issued a check to the employee for the credit amount. The employee had been advised to disregard the check so he neither deposited nor cashed it.

Employee B: The employee stayed at the hotel for the period of November 13, 2017, to January 11, 2018. The room charge for this period totaled \$21,169.20. The hotel charged the CBA \$22,183.50 (\$11,748.90 on November 13, 2017, and \$10,434.60 on December 15, 2017). A refund of \$1,014.30 should have been made to the CBA. However, according to the invoice we reviewed, the hotel issued a refund of \$1,014.30 to the employee's personal credit card account and not to the CBA that was originally charged.

Furthermore, we found that an additional \$1,014.30 was erroneously charged to the CBA. The charge was not disputed by the cardholder and was approved in Pegasys by the approving official.^{4,5} GSA contacted the hotel regarding this transaction. The hotel claims a refund was made to the CBA for this overcharge; however, GSA has no record of the refund.

⁴ The Pegasys system is GSA's web-based core financial system of record.

⁵ According to GSA Order OAS 4200.1B, *Management and Use of the GSA SmartPay Purchase Card*, the cardholder should start the dispute process no later than 60 calendar days after the date of the bill that reflects the incorrect charge or problem. It further prescribes that "In instances where a cardholder fails to timely dispute and/or resolve an improper charge in a timely manner, the cardholder, consistent with Office of Management and Budget's

Employee C: The employee and his dependents occupied two rooms during the evacuation for the period of December 3, 2017, to January 30, 2018. We reviewed the invoices associated with both rooms and identified the following errors:

- Invoice 1 – The total lodging cost was \$20,816.38. In addition to the lodging, the employee and his dependents incurred incidental expenses totaling \$1,031.17. The hotel charged the CBA a total of \$21,271.28. On December 27, 2017, the hotel also charged the employee’s personal credit card account for \$2,000.00 for these expenses. On January 31, 2018, the hotel credited the employee’s personal credit card account for \$1,423.73 but did not issue any credits to the CBA. The hotel should have credited the employee’s personal account \$968.83 (\$2,000.00 deposit - \$1,031.17 personal expenses) and refunded the CBA \$454.90 (\$21,271.28 - \$20,816.38).
- Invoice 2 – The total lodging cost for the second room was also \$20,816.38. The hotel charged the CBA \$21,019.75. Similar to *Invoice 1*, on December 27, 2017, the hotel charged the employee’s personal credit card account for incidental expenses in the amount of \$2,000.00. Unlike *Invoice 1*, *Invoice 2* did not have any charges for incidental expenses. On January 31, 2018, the hotel credited the employee’s personal credit card account for \$2,203.37 but did not issue any credits to the CBA. The hotel should have credited the employee’s account \$2,000.00 and refunded the CBA \$203.37 (\$21,019.75 - \$20,816.38).

In sum, GSA is due a refund of \$9,062, consisting of the refunds that should have been made to the CBA, as described above. Proper management and oversight of government charge cards could help identify erroneous, inappropriate, or unauthorized transactions. Failure to conduct timely reconciliations of transactions prevents GSA from identifying opportunities to further reduce the costs of purchase card transactions.

Subsistence Allowances Underpayments

We identified M&IE underpayments totaling \$806 for eight employees. The majority of underpayments occurred because GSA initially provided guidance that was not in accordance with 5 CFR 550.405, *Determination of Special Allowances and the Federal Travel Regulation*.

Section (a) of this regulation states that an agency must determine the travel expenses and per diem for an evacuated employee and the travel expenses for his or her dependents in accordance with the FTR and any applicable implementing agency regulations, whether or not employees or dependents are actually covered by or subject to the FTR. Further, FTR 301–11.101 prescribes that the allowance for M&IE should be 75 percent of the applicable M&IE rate on the day of arrival and day of departure, and 100 percent on full days of travel.

Circular No. A-123, Appendix B, *Improving the Management of Government Charge Card Programs*, shall reimburse GSA for the cost of that transaction.”

However, GSA initially provided the following guidance:

Employees are entitled to a maximum of 60 days worth of benefits. Employees can put in for M&IE benefits beginning on the day they arrived at safe haven, but the last day they can claim M&IE is the day prior to check-out and is claimed at 75% of per diem rate. On the check-out day, the employee cannot receive M&IE, because it would total 61 days, which is over the maximum allowed.

Because this guidance conflicted with the FTR, on January 6, 2018, the Acting Regional Administrator extended the evacuation period for 1 additional day for a total of 61 days of M&IE. The guidance stated:

After issuing the memorandum described above, I was advised that employees who evacuated for the full 60 day term of the evacuation were entitled to 59 nights of lodging and 60 days of M&IE in accordance with 5 CFR 550.405(b) and the Federal Travel Regulation. This guidance created an issue as employees were previously advised that GSA would reimburse them for 60 nights of lodging and 60 days of M&IE....

Based on the circumstances outlined above, as well as the requirements of 5 CFR 550.405(b) and the Federal Travel Regulation, I am extending the evacuation by one (1) additional day. Accordingly, employees will be eligible for a maximum of 60 nights of lodging and 61 days of M&IE (30 nights of lodging and 31 days of M&IE for those employees who evacuated for the first time during the extension) pursuant to this one (1) day extension.

Nevertheless, we identified underpayments on seven travel vouchers. In some instances the employees claimed 75 percent of per diem rate the day prior to check-out and \$0 for M&IE on the final check-out day. In other instances, the employees claimed 75 percent of M&IE on the final check-out day but reduced the number of full days of M&IE they were claiming by 1 day. See **Appendix B** for M&IE underpayment details.

Further, we identified one underpayment that occurred because the M&IE amount reimbursed did not correspond to the lodging location. The employee and dependents left a safe haven hotel in San Juan and continued evacuation at a different safe haven hotel in Dorado, which had a higher M&IE rate. On the departure day, the M&IE rate reimbursed was the San Juan rate and not the Dorado rate where the employee and dependents spent the night. Consequently, the employee was underpaid \$120.

GSA Paid Unnecessary Lodging Tax

GSA paid \$2,868 in unnecessary lodging tax because the CBA cardholders either did not dispute taxes charged by some hotels or did not provide the requested exemption certificates.

According to the Office of Management and Budget's Circular No. A-123, Appendix B, *Improving the Management of Government Charge Card Programs*, federal government transactions, for which any of the government charge cards are used, are exempt from state and local taxes. The circular prescribes that the federal government is not liable to pay taxes to state and local governments, and thus, any such taxes paid must be recovered. Further, according to the GSA SmartPay state tax information guidance, Puerto Rico exempts state taxes for CBAs without requiring a tax exemption certificate.

We reviewed the hotel invoices for 19 GSA employees and found that the hotels charged lodging taxes for 7 employees in error. For four employees, lodging tax was not waived for the entire stay due to errors by the hotels. For the three other employees, the hotels charged lodging tax because neither the employees nor the CBA cardholders submitted tax exemption certificates, which were erroneously required by the hotels to waive the taxes.

These taxes should have been addressed when the bills were reviewed by the cardholder; however, Region 2 did not contact the hotels for a refund of the lodging taxes. The hotels later offered to refund the lodging taxes provided that GSA produced tax exemption certificates; however, Region 2 did not pursue the matter further.

Region 2 should seek to recover the lodging tax paid of \$2,868. The Region should also remind regional staff to exercise due diligence when paying and reviewing expenses in order to protect taxpayer dollars.

Conclusion

GSA's Region 2 properly justified and supported supply and equipment purchases for and travel and subsistence payments to its employees in Puerto Rico who were affected by Hurricane Maria. However, we found that GSA Region 2 lacks policies and procedures for emergencies and evacuations in Puerto Rico, which led to delays in purchasing supplies for and evacuating GSA employees and their dependents.

We also found that Region 2 did not effectively account for all travel and subsistence payments due to a lack of oversight of government purchase card charges, inadequate reconciliation of all lodging charges, and a misinterpretation and miscommunication of applicable federal travel regulations.

Recommendations

We recommend that the Office of Mission Assurance:

1. Coordinate the development of policies and procedures for emergencies and evacuations in all areas where GSA has a presence based on lessons learned and applicable federal regulations.

We also recommend that the Regional Commissioner for the Public Buildings Service in the Northeast and Caribbean Region:

2. Recoup \$9,062 for hotel overcharges and billing errors.
3. Inform affected evacuees that they can seek reimbursement of a total of \$806 of underpaid meals and incidental expenses due to errors identified on the travel vouchers.
4. Attempt to recover the \$2,868 in lodging tax paid and issue a reminder to cardholders and approving officials of their responsibility to provide effective oversight of government charge card transactions.

GSA Comments

The Associate Administrator of the Office of Mission Assurance and both the Commissioner and Acting Regional Commissioner of the Public Buildings Service agreed with our findings and recommendations. GSA's written comments are included in their entirety in **Appendix C**.

Audit Team

This audit was managed out of the Northeast and Caribbean Region Audit Office and conducted by the individuals listed below:

Steven Jurysta	Regional Inspector General for Auditing
Gregory Ventola	Audit Manager
Yajaira Torres	Auditor-In-Charge

Appendix A – Scope and Methodology

Our audit initially focused on the accountability, support, and justification for supply and equipment purchases for and travel and subsistence payments made to and on behalf of GSA employees in Puerto Rico in the aftermath of Hurricanes Irma and Maria. After interviewing employees during fieldwork, we added an objective to focus on whether Region 2 has policies and procedures in place to effectively respond to disasters in Puerto Rico.

To accomplish our objectives, we:

- Examined relevant criteria, including 5 CFR Part 550, Subpart D, *Payments During Evacuation*, and OPM’s *Handbook on Pay and Leave Benefits for Federal Employees Affected by Severe Weather Conditions or Other Emergency Situations*;
- Reviewed FTR reimbursement rates;
- Reviewed the Office of Management and Budget’s Circular No. A-123, Appendix B, *Improving the Management of Government Charge Card Programs*;
- Conducted interviews with 22 of 43 GSA employees from the Caribbean Field Office that were affected by the hurricanes in Puerto Rico;
- Examined all hotel invoices for the 19 evacuees and reconciled the charges with the purchase cards statements;
- Examined receipts for all supplies and equipment purchased by GSA for 43 employees in the Caribbean Field Office;
- Examined the Property Receipt Form signed by employees who received equipment from GSA;
- Reviewed the evacuation authorization issued by GSA, guidance provided by GSA officials to the affected workforce, GSA’s Office of General Counsel justification for purchasing the supplies and equipment, and a timeline of events;
- Examined all employees’ travel authorizations and travel vouchers related to the evacuation and compared them to travel and per diem regulations to determine if there were any overpayments and/or underpayments; and
- Examined hotel receipts for the rate charged versus maximum per diem allowance.

We conducted the audit between April 2018 and November 2018 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 objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Internal Controls

Our assessment of internal controls was limited to those necessary to address the objectives of the audit.

Appendix B – M&IE Underpayments

Employee	Evacuation Period	# of Days the Employee Evacuated	# of Days M&IE Paid to Employee	Per Travel Voucher M&IE	Per Audit M&IE	M&IE Underpayment	Auditor Notes
				(A)	(B)	(C = B - A)	
Employee A	11/10/17 - 01/09/18	61 days	60 days	\$ 8,289.60	\$ 8,395.20	\$ 105.60	Employee claimed 75 percent of M&IE the day prior to check-out and \$0 for M&IE on the final check-out day.
Employee B	11/29/17 - 01/29/18	61 days	60 days	15,993.60	16,195.20	201.60	Employee claimed 75 percent of M&IE on the final check-out day and did not claim M&IE for 1 day during the evacuation.
Employee C	11/13/17 - 01/12/18	61 days	59 days	4,100.80	4,153.60	52.80	Employee claimed 75 percent of M&IE on the final check-out day and did not claim M&IE for 1 day during the evacuation. ***Employee was on TDY for one day***
Employee D	11/08/17 - 01/07/18	61 days	60 days	13,328.00	13,496.00	168.00	Employee claimed 75 percent of M&IE on the final check-out day and did not claim M&IE for 1 day during the evacuation.
Employee E	11/23/17 - 12/23/17	31 days	30 days	2,596.00	2,657.60	61.60	Employee claimed 75 percent of M&IE on the final check-out day and did not claim M&IE for 1 day during the evacuation.
Employee F	11/15/17 - 12/15/17	31 days	30 days	4,444.00	4,505.60	61.60	Employee claimed 75 percent of M&IE on the final check-out day and did not claim M&IE for 1 day during the evacuation.
Employee G	11/20/17 - 12/20/17	31 days	30 days	5,192.00	5,227.20	35.20	Employee claimed 75 percent of M&IE the day prior to check-out and \$0 for M&IE on the final check-out day.
Employee H	11/17/17 - 12/07/17 12/07/17 - 12/16/17	30 days	30 days	13,942.00	14,062.00	120.00	Employee and dependents were reimbursed 100 percent of the San Juan M&IE rate on 12/07/17, instead of 100 percent of the Dorado rate.
Total Underpayment						\$ 806.40	

Appendix C – GSA Comments



General Services Administration

June 6, 2019

MEMORANDUM FOR: STEVEN JURYSTA
REGIONAL INSPECTOR GENERAL FOR AUDITING
NORTHEAST AND CARIBBEAN AUDIT OFFICE (JI-2)

THROUGH: DANIEL W. MATHEWS
COMMISSIONER
PUBLIC BUILDINGS SERVICE (P)

A handwritten signature in blue ink, appearing to read "Dan W. Mathews", written over the printed name of the Commissioner.

THROUGH: ROBERT J. CARTER
ASSOCIATE ADMINISTRATOR
OFFICE of MISSION ASSURANCE (D)

FROM: DARREN GOMEZ
ACTING REGIONAL COMMISSIONER,
PUBLIC BUILDINGS SERVICE (2P)

SUBJECT: Office of Inspector General Draft Report on GSA's Northeast and Caribbean
Region Lacks Policies and Procedures for Emergencies and Evacuations in Puerto Rico
(A180073)

The Public Buildings Service and Office of Mission Assurance appreciate the opportunity to comment on the above draft audit report. GSA has reviewed the report, and agrees with the findings and recommendations cited.

Please contact Darren Gomez, at (212) 264-4630 if you have any questions.

1800 F Street, NW
Washington, DC 20405-0002
www.gsa.gov

Appendix D – Report Distribution

GSA Administrator (A)

GSA Deputy Administrator (AD)

Commissioner (P)

Deputy Commissioner (P)

Chief of Staff (P)

Associate Administrator, Office of Mission Assurance (D)

Regional Administrator (2A)

Acting Regional Commissioner, Public Buildings Service (2P)

Regional Commissioner, Federal Acquisition Service (2Q)

Regional Counsel (LD2)

Director of Financial Management (BG)

Chief Administrative Services Officer (H)

Audit Management Division (H1EB)

Assistant Inspector General for Auditing (JA)

Director, Audit Planning, Policy, and Operations Staff (JAO)