

MEMORANDUM

Date: October 24, 2018

To: Steve Relyea
Executive Vice Chancellor and Chief Financial Officer

From: Larry Mandel 
Vice Chancellor and Chief Audit Officer

Subject: **Audit Report 18-51, Emergency Management, Office of the Chancellor**

We have completed an audit of *Emergency Management* as part of our 2018 Audit Plan, and the final report is attached for your reference. The audit was conducted in accordance with the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*.

I have reviewed the management response and have concluded that it appropriately addresses our recommendations. The management response has been incorporated into the final audit report, which has been posted to Audit and Advisory Services' website. We will follow-up on the implementation of corrective actions outlined in the response and determine whether additional action is required.

Any observations not included in this report were discussed with your staff at the informal exit conference and may be subject to follow-up.

I wish to express my appreciation for the cooperation extended by the chancellor's office personnel over the course of this review.

c: Timothy P. White, Chancellor

CSU

The California State University
Audit and Advisory Services

EMERGENCY MANAGEMENT

**California State University,
Office of the Chancellor**

Audit Report 18-51
September 24, 2018

EXECUTIVE SUMMARY

OBJECTIVE

The objectives of the audit were to ascertain the effectiveness of operational and administrative controls for emergency management and to ensure compliance with relevant governmental regulations; Trustee policy; Office of the Chancellor (CO) directives; campus procedures; and where appropriate, federal guidance and industry-accepted standards.

CONCLUSION

We found the control environment for some of the areas reviewed to be in need of improvement.

Based upon the results of the work performed within the scope of the audit, except for the weaknesses described below, the operational and administrative controls for emergency management as of July 20, 2018, taken as a whole, provided reasonable assurance that risks were being managed and objectives were met.

In general, we found that the CO had an appropriate framework for emergency management. The assistant director for CO emergency and continuity operations, in conjunction with the assistant vice chancellor business and finance operations support, recently strengthened the program by establishing a multiyear training and exercise plan, implementing a virtual emergency operations center (EOC) platform, and refreshing emergency supplies. However, we found that due to turnover in the assistant director role, some components of the existing emergency management program needed improvement. Specifically, we found that there was no emergency power supply for the primary or secondary EOCs; evacuation procedures did not incorporate individuals with access or functional needs, and the results of the evacuation drills performed at the Catalina Landing (CL) leased offices were not documented in after-action reports; required emergency training was not always completed; and the emergency management plan (EMP) had not been finalized and communicated to the entire CO community.

Specific observations, recommendations, and management responses are detailed in the remainder of this report.

OBSERVATIONS, RECOMMENDATIONS, AND RESPONSES

1. EMERGENCY OPERATIONS CENTER

OBSERVATION

The primary and secondary EOCs were not equipped with an emergency power supply.

We found that although there were several portable generators in the primary EOC storage closet that could be used during a power outage, these portable generators would not be able to provide sufficient power to sustain a fully functional EOC. Additionally, the back-up or secondary EOC was also not equipped with an emergency power supply to mitigate this risk.

Maintaining an adequately powered EOC allows for a timely and adequate response in the event of an emergency.

RECOMMENDATION

We recommend that the CO perform an evaluation of emergency power for the primary and secondary EOC and identify a source that would allow for a timely and adequate response during an emergency.

MANAGEMENT RESPONSE

We concur. The CO will perform an evaluation of emergency power for the primary and secondary EOC and identify a source that would allow for a timely and adequate response during an emergency.

This recommendation will be implemented by March 2019.

2. EVACUATION PROCEDURES AND DRILLS

OBSERVATION

Evacuation procedures and documentation of evacuation drills needed improvement.

Specifically, we found that:

- The current CO evacuation procedures did not address individuals with access and functional needs. We found that although the CO EMP indicated that all aspects of emergency planning and preparedness would incorporate individuals with access and functional needs, the current evacuation procedures did not address how these individuals would be assisted during an evacuation/emergency.
- The results and lessons learned from evacuation drills performed at the CL leased offices were not documented in an after-action report as required by systemwide policy. We found that although CO emergency management personnel was involved in the 2017 CL

evacuation drill, the results were not required to be documented in a summary or after-action report.

Comprehensive evacuation procedures and documented after-action reports provide assurance that emergency personnel can effectively respond to emergencies, decreases the risk of loss and injury to the CO community, and ensures that deficiencies identified during an evacuation drill are communicated and addressed.

RECOMMENDATION

We recommend that the CO:

- a. Update the evacuation procedures as noted above to address individuals with access and functional needs and communicate the updated procedures to key emergency management personnel.
- b. Require that results of all CL evacuation drills be documented in after-action reports, and communicate the results of CL drills to all key emergency management personnel.

MANAGEMENT RESPONSE

We concur. The CO will update the evacuation procedures as noted above to address individuals with access and functional needs and communicate the updated procedures to key emergency management personnel. Further, the CO will require that results of all CL evacuation drills be documented in after action reports, and communicate the results of CL drills to all key emergency management personnel.

This recommendation will be implemented by March 2019.

3. EMERGENCY PREPAREDNESS TRAINING

OBSERVATION

The CO did not have a process to monitor completion of required emergency preparedness training.

Systemwide policy requires that new employees complete an emergency preparedness overview training within one year of employment and that floor captains (FC) and block leaders (BL) complete specialized training annually. At the CO, new employees receive emergency preparedness overview training through the service department orientation (SDO), which is organized by the human resources department. The assistant director for emergency and continuity operations is responsible for providing annual specialized training to FC and BL, as these individuals are responsible for conducting evacuations during an emergency.

We reviewed training records for the years 2016 through 2018 and found that:

- New employees did not always attend the SDO. We found that new employees are not required to attend this orientation, and there was no current process in place to ensure

- that the emergency preparedness training provided through this orientation was completed by all new hires within one year of employment when employees did not attend.
- FC and BL did not consistently complete annual training. We found that although an annual training was offered to all FC and BL, there was no current process in place to verify and ensure annual attendance of each FC and BL.

Monitoring emergency preparedness training ensures that the emergency program is in compliance with systemwide requirements and that employees and emergency personnel are prepared to respond in emergencies.

RECOMMENDATION

We recommend that the CO:

- a. Develop a process to monitor the completion of new-hire emergency preparedness training and FC and BL specialized training in order to ensure timely completion as required by systemwide policy.
- b. Communicate the process to key emergency management personnel.

MANAGEMENT RESPONSE

We concur. The CO will develop a process to monitor the completion of new-hire emergency preparedness training and FC and BL specialized training in order to ensure timely completion as required by systemwide policy and communicate the process to key emergency management personnel.

This recommendation will be implemented by March 2019.

4. EMERGENCY MANAGEMENT PLAN

OBSERVATION

The CO EMP needed to be updated, finalized, and communicated.

We reviewed the current EMP, dated April 10, 2017, and found that:

- The EMP was in draft form and had not been communicated to the entire CO community in several years. We found that although the CO had made several revisions to the EMP since 2014 and provided these revisions to emergency management team members, the last final version of the EMP made available to CO employees had a date of 2004. Further, updates and revisions made to the EMP were not documented using the record of changes form included in the plan.
- Hazard-specific and functional annexes for the risks identified in the EMP had not been developed and provided to key emergency team members.

- The plan referenced emergency communication equipment that was considered obsolete and no longer expected to be used by emergency team members. Specifically, the EMP indicated that emergency communication equipment included satellite telephones; however, we found that satellite telephones were not maintained or tested to ensure functionality. Further, the discontinued use of this equipment had not been formally communicated to emergency team members who were in possession of this equipment.

A current and comprehensive EMP, including hazard-specific and functional annexes, provides assurance that the CO can effectively respond to various types of emergencies and decreases the risk of loss and injury to the CO community.

RECOMMENDATION

We recommend that the CO:

- a. Finalize the EMP and communicate the plan to the entire CO community as noted above.
- b. Use the record of changes form in the EMP to document updates or revisions made to the plan.
- c. Review the risks and hazards identified in the EMP and develop hazard-specific and functional annexes as needed, and provide these annexes to key emergency team members.
- d. Update the EMP to remove the reference to satellite telephones as emergency communication equipment and notify all emergency team members of the discontinued use; and verify that this equipment is accounted for and properly disposed as needed.

MANAGEMENT RESPONSE

We concur. The CO will finalize the EMP and communicate the plan to the entire CO community and use the record of changes form in the EMP to document updates or revisions made to the plan. In addition, the CO will review the risks and hazards identified in the EMP and develop hazard-specific and functional annexes as needed, and provide these annexes to key emergency team members. Finally, the CO will update the EMP to remove the reference to satellite telephones as emergency communication equipment and notify all emergency team members of the discontinued use; and verify that this equipment is accounted for and properly disposed as needed.

This recommendation will be implemented by March 2019.

GENERAL INFORMATION

BACKGROUND

The California State University (CSU) consists of 23 campuses, with approximately 484,000 students enrolled in fall 2017, and employs more than 50,000 people. Each campus is responsible for the safety and general welfare of all members of the campus community. Because emergencies and disasters can occur with little to no warning and encompass a wide range of events, including earthquakes, fires, active-shooter situations, pandemics, protests or riots, and other natural and manmade disasters, it is critical that campuses plan ahead so that when emergencies happen, an appropriate response can be coordinated. The president of each CSU campus has been delegated responsibility for the implementation and maintenance of the campus emergency management program. At the CO, the overall responsibility for the CO emergency management program resides with the chancellor and the executive vice chancellor/chief financial officer, who serves as the CO's emergency operations executive. The CO emergency management program ensures the safety and welfare of approximately 745 employees, as well as guests and visitors to the CSU headquarters facilities in Long Beach, California.

The Federal Emergency Management Agency (FEMA) is the federal agency that leads the country in preparing for, preventing, responding to, and recovering from disasters. FEMA emphasizes the use of hazard mitigation planning to reduce the loss of life and property due to natural and other hazard risks and publishes a number of emergency planning guides, including *Building a Disaster Resistant University* and the *Guide for Developing High-Quality Emergency Operations Plans for Institutions of Higher Education*. The Department of Education (DOE) and the National Fire Protection Agency (NFPA) have also developed relevant federal guidance for emergency management programs.

On February 28, 2003, the president of the United States issued Homeland Security Presidential Directive 5, *Management of Domestic Incidents*, which directed that the National Incident Management System (NIMS) be developed. NIMS provides a common approach to managing incidents that allows government departments and agencies, nongovernmental organizations, and the private sector to work together. NIMS requires the use of a standard organizational framework, the Incident Command System (ICS), for incident response. Federal departments and agencies, as well as state, local, and tribal governments, are required to fully comply with NIMS and adopt ICS to receive federal preparedness funding and grants.

The cornerstone of California's emergency response system is the Standardized Emergency Management System (SEMS), which state agencies are required by law to use when responding to emergencies involving multiple jurisdictions or agencies. Key components of SEMS, codified in Government Code §8607, include the use of ICS, multiagency coordination, mutual aid, and defined operational areas. SEMS was developed as a result of the 1991 East Bay Hills fire in Oakland, which drew attention to the need for better coordination among emergency services responders.

As a result of federal and state regulations, all CSU campuses are required to incorporate NIMS, SEMS, and ICS into their emergency management program. Executive Order (EO) 1056, *California State University Emergency Management Program*, defines the key components of an effective campus emergency management program. In January 2018, the Office of Risk

Management (ORM) issued Coded memorandum Risk Management (RM) 2018-1, *Emergency Management*, to replace out-of-date sections of EO 1056 and further define the responsibilities and needs of an effective emergency management program. At the systemwide level, ORM has administrative oversight and programmatic responsibility for the emergency management function and coordinates the emergency coordinators working group, an advisory body for CSU systemwide emergency management.

At the CO, the assistant director for emergency and continuing operations is responsible for the administration of the emergency management program. The responsibilities of the assistant director include, but are not limited to, the maintenance of the CO emergency management plan; execution of emergency exercises and drills; coordination of emergency management activities with external partners; and maintenance of the EOC, including management of emergency resources. The assistant director also provides emergency preparedness training to emergency team members and new employees, participates in the systemwide emergency managers working group, and communicates with ORM regarding systemwide policies. The EOC at the CO also functions as a systemwide EOC in the event of a catastrophic incident at any of the CSU campuses.

SCOPE

We visited the CO from June 18, 2018, through July 20, 2018. Our audit and evaluation included the audit tests we considered necessary in determining whether operational and administrative controls are in place and operative. The audit focused on procedures in effect from June 1, 2016, through July 20, 2018.

Specifically, we reviewed and tested:

- Emergency management administration and organization, including clear lines of organizational authority and responsibility, and current and comprehensive policies and procedures.
- The emergency operations plan and event-specific annexes, including integration of SEMS, NIMS, and ICS components, and considerations for special populations on campus, such as international students, students and personnel with limited English proficiency, and people with access and functional needs.
- The EOC, emergency equipment, and related emergency supplies and resources.
- Coordination with other agencies, including mutual aid and assistance.
- The effectiveness of the building marshal or similar program and evacuation procedures and drills.
- Emergency management training for new hires and emergency management team members.
- Testing and drills for emergency communication systems and emergency incidents, and preparation of appropriate after-action reports.

As a result of changing conditions and the degree of compliance with procedures, the effectiveness of controls changes over time. Specific limitations that may hinder the effectiveness of an otherwise adequate system of controls include, but are not limited to,

resource constraints, faulty judgments, unintentional errors, circumvention by collusion, and management overrides. Establishing controls that would prevent all these limitations would not be cost-effective; moreover, an audit may not always detect these limitations.

Our testing and methodology, which was designed to provide a review of key administrative and operational controls, included interviews, walkthroughs, and detailed testing on certain aspects of the campus emergency operations program. Our review was limited to gaining reasonable assurance that essential elements of the campus emergency management program were in place and did not examine all aspects of the program.

CRITERIA

Our audit was based upon standards as set forth in federal and state regulations and guidance; CSU Board of Trustee policies; Office of the Chancellor policies, letters, and directives; campus procedures; and other sound administrative practices. This audit was conducted in conformance with the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*.

This review emphasized, but was not limited to, compliance with:

- EO 943, *University Health Services*
- EO 1056, *California State University Emergency Management Program*
- Coded memorandum Human Resources 2004-10, *Mutual Aid*
- Coded memorandum RM 2018-1, *Emergency Management*
- Technical memorandum RM, *CSU Campus Emergency Plan Topics*
- Code of Federal Regulations Title 28, Part 36, *American Disabilities Act*
- Code of Federal Regulations Title 29, Part 1910, *Occupational Safety and Health Standards*
- FEMA *Guide for Developing High-Quality Emergency Operations Plans for Institutions of Higher Education*
- NFPA 1600, *Standard on Disaster/Emergency Management and Business Continuity/Continuity of Operations Programs*
- Government Code §8607
- Government Code §13402 and §13403
- CO *Emergency Management Plan*
- CO EMP *Reference Addendum Documents*
- CO *Crisis Communications Plan*
- CL *Tenant Emergency Response Guide*

AUDIT TEAM

Audit Manager: Cindy Merida
Senior Auditor: Mayra Villalta