

Be Prepared!

Sustaining Business Operations in the Wake of a Disaster

Presented to ABAG

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August 6, 2008

Role of Finance Officer

- Business Operations
- Emergency Preparedness
- Community Leadership
 - Community Needs
 - Economic Sustainability

Finance Areas Directly Impacted

All financial operations will be impacted. To name a few:

- | | |
|--|--|
| <ul style="list-style-type: none">▪ Financial Policy▪ Risk Management▪ Payroll and Benefit Administration to Employees and Retirees▪ Accounts Payable to Governmental Vendors and Suppliers▪ Accounts Receivable▪ Claims Adjudication | <ul style="list-style-type: none">▪ Tax Collection▪ Investments▪ Claims Processing and Payment▪ Reconciliation and Financial Reporting▪ Reimbursement from State and Federal Programs▪ Audits |
|--|--|

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Planning and Operational Challenges on Financial Operations

Common components of the plan include:

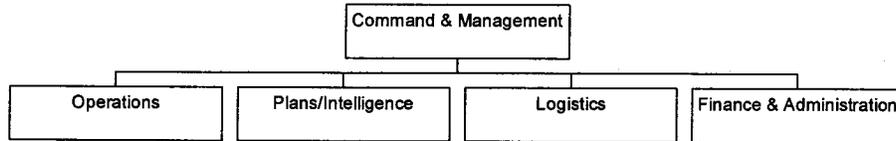
- Policy guidelines
- Area-wide general tactical response
- Area-wide general and specific hazard response

- ➔ **Develop your local Finance Operations Center plan; and**

- ➔ **Develop specific Department Operation Center Plan.**

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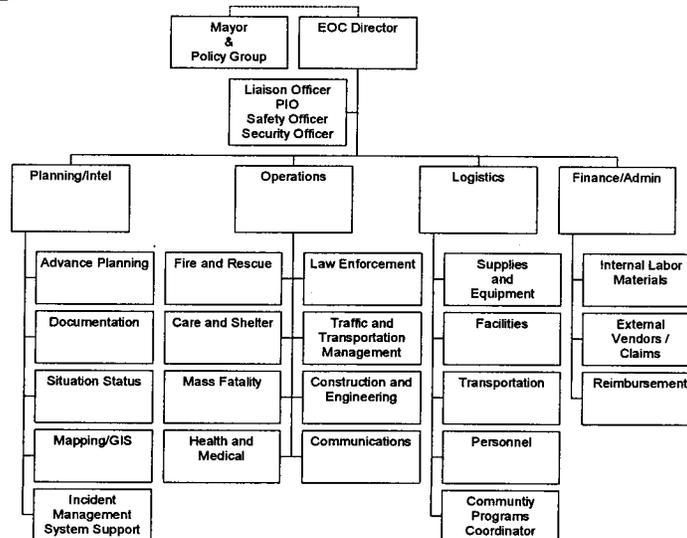
Incident Command System: Organizational Structure



- Structure is common to all California governmental organizations (also called Standard Emergency Management System)
- Defines roles and responsibilities
- Can and should be adjusted to accommodate local staffing patterns and organizations
- Duties and responsibilities depicted in check lists

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City and County of San Francisco: Emergency Management Organization



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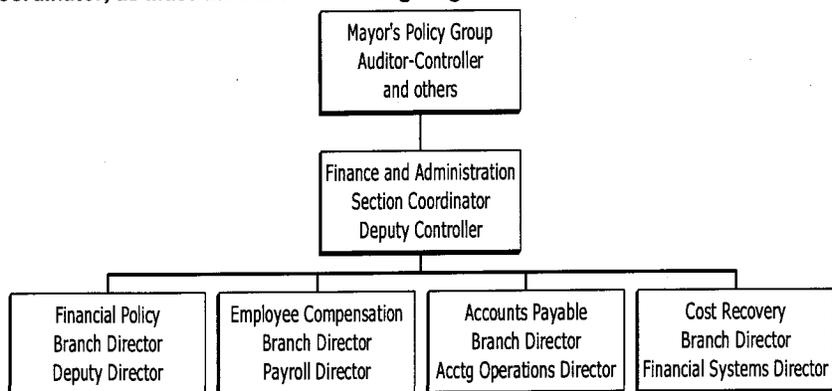
Finance and Administration (That's Us!)

- Develops financial policies
- Performs financial and cost analyses
- Assures documentation of costs
- Handles and pays claims
- Pays vendors
- Sets up procurement documentation
- Maintains payroll
- Files claims for reimbursement

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Finance and Administration Section Emergency Operations Plan: Organization and Key Personnel

The Finance and Administration Section will be led by the Section Coordinator and will be organized into four branches, each with a Branch Director reporting to the Section Coordinator, as illustrated in the following diagram:



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**Finance and Administration Section
Emergency Operations Plan:
Financial Policy Branch**

- Develops and disseminates financial policies; Coordinate policies during all four phases: Disaster Preparedness, Response, Recovery and Mitigation phases
- Performs financial risk assessments
- Ensures City departments have records to document the cost of disaster recovery, (timesheets, accounting codes, reimbursement forms and other backup documentation).
- Ensures internal controls and approval paths for the procurement functions carried out in the Logistics Section

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**Finance and Administration Section
Emergency Operations Plan:
Financial Policy Branch (cont.)**

- Establish policies for and use of credit and/or debit cards
- Recommend employee compensation and leave guidelines to the Policy Group (in consultation with Department of Human Resources)
- Acquire financial and accounting staff from other departments to fulfill functions for the Finance and Administration Section
- Ensure the accuracy of pertinent financial data

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**Finance and Administration Section
Emergency Operations Plan:
Employee Compensation Branch**

- Ensure a continuation of employee compensation processes including payroll, health service and retirement payments
- Deploy alternate payroll processing system if normal systems are down
- Coordinate with Health Services and Retirement systems to process back benefit payments in accordance with past practice
- Ensure that all on-duty time is tracked and quantified for all emergency response personnel

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**Finance and Administration Section
Emergency Operations Plan:
Accounts Payable Branch**

- Ensure financial institutions honor City checks and have adequate cash available during the emergency period (in conjunction with the Treasurer)
- Insure business continuity and resumption planning for financial institutions are complete, and meet your needs
- Process payments for purchase orders, contracts, and claims resulting from the emergency and its response within a reasonable time
- Process claims for reimbursement from employees and the public

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Finance and Administration Section Emergency Operations Plan: Cost Recovery Branch

- Coordinate the data collection and analysis of all financial information related to disaster response and recovery
- Ensure that response and recovery financial records are maintained throughout the emergency either on paper and/or in the City's financial systems
- Ensure that equipment used and supplies procured are tracked and quantified for all City and contract emergency personnel

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Finance and Administration Section Emergency Operations Plan: Cost Recovery Branch (cont.)

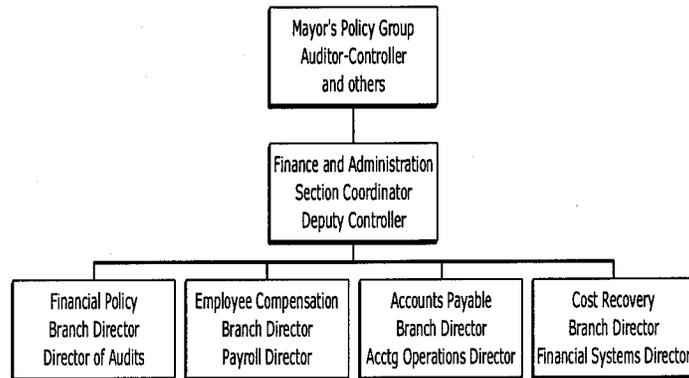
- Ensure financial recovery documentation is accurately maintained during the response
- Ensure prompt submittal of documentation to the Federal Emergency Management Agency (FEMA) and/or the Governor's Office of Emergency Services/Homeland Security
- Assume leadership position among local, state and federal agencies regarding claims and reimbursement
- Provide on-site reviews and verification of damage to City's facilities, as well as use of equipment, facilities, and other major costs incurred during the relief effort

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Finance and Administration Section Emergency Operations Plan

ORGANIZATION AND KEY PERSONNEL

The Finance and Administration Section is led by the Section Coordinator and is organized into four branches, each with a Branch Director reporting to the Section Coordinator, as illustrated in the following diagram:



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Departmental Operations Center

- Primary Role is to support the Finance and Administration Section.
- Also responsible for restoring functionality to the department and support of the departmental staff.
- Serves as the primary vehicle for collection and dissemination of information.
- Staffed by few, impact is HUGE!!

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Departmental Operations Center Functions

- Administration
- Communications
- Human Resources
- Logistics
- MIS/Systems Recovery

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Controller's Office Departmental Operations Center

ADMINISTRATION	COMMUNICATIONS	HUMAN RESOURCES	LOGISTICS	MIS
Department Emergency Plan -- Policies & Procedures -- Training	Phone Trees	Operation Return	City Hall Work Site	Hot Site -- Back-up Procedures -- Data Recovery
Alternative Site & Mutual Assistance Agreements with other Departments	Controller's Website	Key Staff / Critical Functions -- Work Assignments -- Shift Assignments	875 Stevenson Work Site	WAN Connectivity -- Data Center access -- Internet access -- Email access
Finance and Administration Section's Office at OES	Emergency Status Message 415-703-6579	Alternative Work Assignments -- Shift Assignments	Alternative Work Site 1380 Howard	LAN -- Computer Equipment -- File Server data
Coordination with Critical Functions -- F&A Section Branches	Departmental Operations Center Call-in Number 415-554-7500	Personnel	Other Alternative Work Sites As Necessary	Telecom
Administrative Support	General Emergency Info Resources -- Emergency Alert System -- Local TV Stations -- AM Radio KCBS 740 -- AM Radio KNBR 680 -- AM Radio KGO 810	Payroll	Remote Access	
		Departmental Operations Center Status Reports		Updated Dec 05

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Activation of Operations Center:

Through activation, focus is on:

- Workforce training;
- Workforce deployment;
- Internal and external communications; and
- Business recovery for financial systems.

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Workforce and Community Training

- Entire City workforce is not trained or prepared to accept responsibilities of plan activation, nor is personally prepared for disaster recovery.
- The community is not educated on personal preparedness.

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Workforce and Community Training

- The entire workforce participates in training and desk top exercises through all-staff meetings, specialized training and city-wide operations.
- Basic First Aid Training and personal preparedness (Free from American Red Cross).
- 72 Hours.org- City's disaster preparedness education website and public education campaign for all citizens.

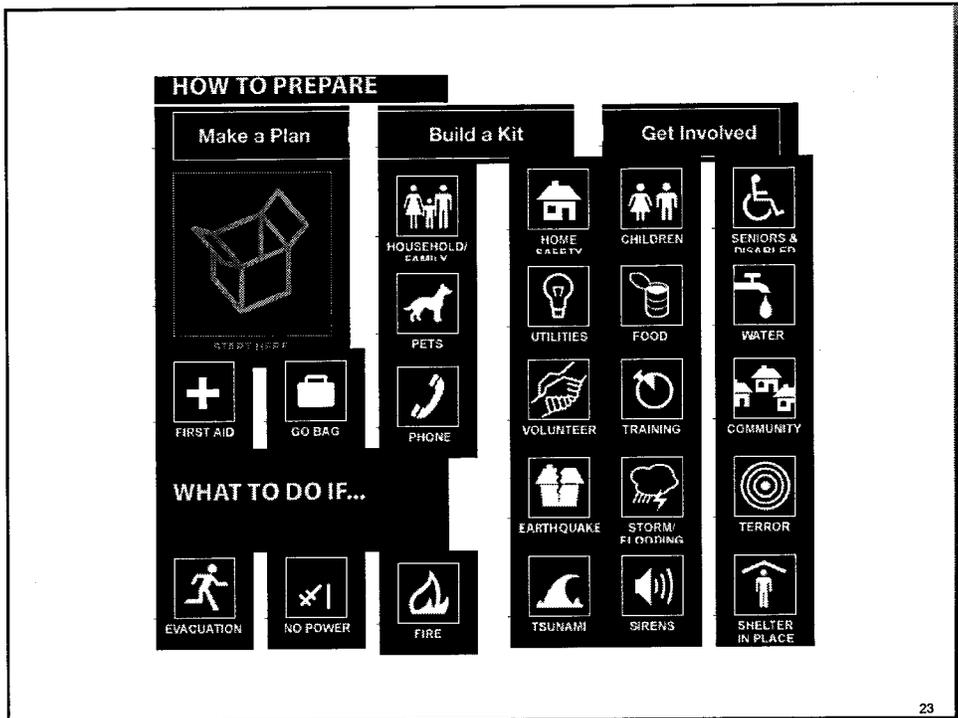
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<http://www.72hours.org/>

In a major disaster, it might be several days before vital services are restored.

- San Francisco disaster exposure
- What do you do until help arrives?
- Citizen awareness and response planning management

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Workforce Training – Specialized

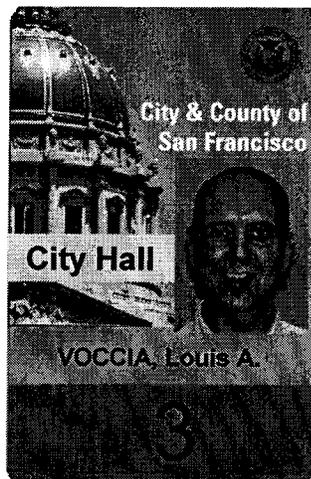
- Senior staff level participation in City’s Disaster Council
- City OES Training and Desktop Exercises
- Departmental Operations Center Training and Simulation
- Business Resumption Training
- State Office of Emergency Services Training and Workshops for documentation and claims requirements, reimbursement

Workforce Deployment - Disaster Service Workers

- Deployment of personnel
 - Identify resources in a disaster (who)
 - Establish a policy to designate all government workers as disaster
 - Establish critical and specialized employees and assignments

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Disaster Service Worker ID Card



All City and County employees are designated by both State and City law as "Disaster Service Workers." In the event of a declaration of emergency, any employee of the City and County of San Francisco may be assigned to perform activities which promote the protection of public health and safety or the preservation of lives and property, California Government Code Section 3.100e seq.

Controller - City Hall

Human Resources - 44 Gough Street

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Employee Emergency Responsibilities & Expectations

Employees have responsibilities to keep informed and maintain contact during an emergency:

- Keep contact information and emergency contact information up-to-date with Human Resources and supervisor.
- Know how to contact supervisor and at least one other supervisor or manager.
- Refer to Emergency Contact Information Cards for important telephone numbers and resources.
- Have Disaster Service Worker ID cards available at all times.

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Employee Emergency Responsibilities & Expectations (cont.)

- Be prepared to work up to 12-hour shifts.
- Prepare to return to work as soon as possible.
- If not contacted within 24 hours, employee must contact a supervisor or manager in their Division or the Departmental Operations Center for emergency status updates or check the Controller's emergency web site.

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Employee Emergency Responsibilities & Expectations (cont.)

- Non-critical staff:
 - Prepare to perform any type of work that is appropriate in an emergency situation (may not be related to their regular work assignment).
- In emergency, pre-arranged time off and normal work schedules may not be honored.
- City HR system maintains data on all employees' skills, training, and qualifications to facilitate deployment of staff to meet the need.

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Workforce Deployment - Critical Positions

Critical Positions: Personnel in each branch of the Finance and Administration Section able to take responsibility for carrying-out the operational functions of each of the branches during a disaster.

- Positions may exist in your normal operations. However but they should be identified as critical positions that will be needed when a disaster occurs.

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Workforce Deployment – Departmental Operations Center

- Primary vehicle for collection and dissemination of information.
- Some questions to consider:
 - What is the status of your workforce?
 - Has the disaster impacted them and their families personally?
 - Can they return to work? When?
 - Are you able to fully support your emergency operations with your critical positions? What are the holes?

How do you get answers to the questions above?

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Workforce Deployment

COMMUNICATION IS KEY! Provide as many communication vehicles as possible:

- Establish and maintain Phone Trees
- Emergency Contact Information Wallet Cards
- Maintain current Finance and Administration Section Web Site
- Establish Emergency Status Message Telephone Number – record brief status messages available to all staff
- Establish Departmental Operations Center Call-In Number – live attendants (critical positions)
- Identify outside emergency resources (TV, Radio, Emergency Alert System, etc)

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Controller's Office Emergency Contact Information Card



**CITY AND COUNTY OF SAN FRANCISCO
CONTROLLER'S OFFICE EMERGENCY CONTACT INFO**
Carry this info with you at all times

If you have not been contacted within 24 hours of emergency, call:

415-703-6579

Call for brief instructions and/or information.
No live attendant. No messages taken.

415-554-7500

To leave a message or talk to a live attendant.

<http://www.sfgov.org/controlleremergency>

For emergency and/or work assignment info.

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Controller's Office Emergency Contact Information Card (cont.)

**Questions I Should be Prepared to Answer
or Leave Information About:**

- Name of person calling.
- Are you and your family okay?
- When available to work?

If you and/or your family not okay:

- What are your needs?
- When available to work?

Confirm/Update Contact Info

**Confirm Call Back Date/Time That You Can
Be Reached Directly**

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Controller's Office Emergency Contact Information Card (cont.)

My Supervisor's Name and Office Phone Number:

Name:

Telephone:

My Supervisor's Emergency Contact Info:

Staff that I need to Contact Emergency Info:

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Controller's Office Emergency Contact Information Card (cont.)

Other Emergency Information Resources

Emergency Alert System

Local TV Stations

AM Radio KCBS 740

AM Radio KNBR 680

AM Radio KGO 810

www.72hours.org

Work Telephone Number Voicemail

415-554-5959

Your Password:

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Workforce Deployment - Operation Return

- Arrange back-up transportation for disaster service workers (Ferry Service, Van Pools, Charter City Buses).
- Identify centralized meeting locations for pick-up and drop-off.
- Establish disaster service workers overnight shelters and facilities.

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Workforce Deployment - Operation Return (cont.)

- Determine staffing needs
 - Which are your critical positions?
 - What skills do these positions require?
- Arrange for back-up and temporary staff who possess necessary skills
- What about non-critical positions?
 - Deployed to support other disaster needs of the City

Activate employee tracking system

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Workforce Deployment - Logistics

▪ Emergency Worksites

- Primary location
 - Equip and prepare worksite (utilities, workspace, equipment)
 - Store food, water, first aid and other necessities
 - Consider consolidating primary site into one location to facilitate communication and conserve resources
- Alternative locations
 - Away from primary site
 - Accessible, and familiar to the workforce
- Remote access
 - Both from home and from alternative locations

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Workforce Deployment - Logistics (cont.)

- Emergency Worksites
 - Primary location
 - Alternative locations
 - Remote access
- Considerations for primary and alternative emergency worksites:
 - Access to worksite (24/7)
 - Level of power required
 - Contact information
 - Equipment and supplies

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Communication Plan

- Chief Information Officer's role
- Hourly Bulletins to one another
- Provide instructions to the public through the media
- Provide confirmed information about the disaster, its consequences, and recovery measures to the public
- Establish media photo site locations and briefing areas
- Establish rumor control functions
- Provide volunteer phone bank and reception center information to the public

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Communication Plan (cont.)

- The Mayor's Office provides policy guidance for dissemination of information to the media
- Life-safety information and instructions takes priority
- Emergency Digital Information System used as the primary method to distribute alerts, warnings, and life-safety information.
- All section public information officers coordinate with Policy Section for instructions.

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Communication Plan (con't)

- Develop and implement comprehensive communication plans with critical responders
 - Local Office of Emergency Services
 - Department of Public Works
 - Public Utilities Commission
 - Transportation and Parking
 - Police Department
 - Fire Department
 - Health Department
 - Social Services Department

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Communication Plan (cont.)

- Entities, agencies and organizations need to be communicated and coordinated with.
- Local organizations (examples):
 - American Red Cross,
 - Salvation Army,
 - Utilities,
 - Food banks,
 - Shelters,
 - Transportation agencies,
 - School districts, etc.
- Mutual aid organizations (other jurisdictions) examples: Fire and Rescue, Law Enforcement, Water Agencies, Emergency Managers, Coroner's, etc.

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Information Technology and Systems Recovery

- Develop redundant back-up system and business resumption plan to secure and retrieve financial data.
- Develop hot-site procedures at remote location(s)
- Plan, test and re-test hot-site connectivity
- Recover data and analyze results
- Assure that hot-site vendor has robust disaster recovery plan in place
- Test, repeat.... Test, repeat....

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Information Technology and Systems Recovery (cont.)

- Communicate, coordinate and document when staff from other agencies (such as the city's data center) have responsibilities for elements of the systems' recovery plan.
- Assign responsibilities to staff from all other agencies during the planning and testing phases.

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Steps Taken

- IBM Hot Site back-up
- Alternate site for weekly back-up of data files and operating system
- File Transfer Protocol (FTP) for electronic back-up of incremental files
- Reconciliation of files can be done from remote locations even if back up data is retrieved.

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Steps Taken (cont.)

- Daily back-up of files at the City Data Center.
- Daily back-up tapes also maintained at City Hall.
- Restoration is successful, however there is a gap in data files due to timing differences in back-up and FTP file transfers.
- Now, we also run hot site back-ups from alternate location instead of from the City's data center.
Successful!

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Steps Taken (cont.)

- Remote printing capability exists for reports. Alternate printer also available at the hot site for batch printing to high speed printing.
- Currently, check printing alternative in planning stage
- Developed agreement with financial institution to transfer payroll files, and have bank print and electronically deposit all payroll and retiree checks.
- If systems are down, employees and retirees will receive amount equal to their last paycheck.

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Steps Taken (cont.)

- Debit cards developed by financial institution to automatically credit employees and retirees' bank accounts with funds.
- Developing similar back-up process for payments to City vendors and contractors.
- Upgraded to Electronic Fund Transfer to allow easier implementation of these work-arounds.
- Arrangement with financial institutions to bring automated teller machines to shelters, evacuations sites, and other areas.
- Received certification that financial institutions and other financial partners have viable business resumption plans.

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Final Lesson...

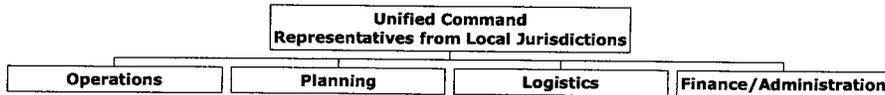
- **DOCUMENT, DOCUMENT, DOCUMENT!**
- Critical that emergency plan is documented, including all policies and procedures.
- Document at level that anyone reading the plan can understand and implement.
- Ensure that plan is maintained and current.

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FEMA NATIONAL INCIDENT MANAGEMENT SYSTEM (NIMS)

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National Incident Management System Unified Command Structure



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Nationwide Strategy for Incident Management

Presidential Directive 5:

- Directed Homeland Security to develop and administer a "National Incident Management System" (NIMS)
- Effective February 28, 2003
- FEMA became part of Homeland Security in March 2003

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Nationwide Strategy for Incident Management

National Incident Management System:

A comprehensive National approach to Incident Management that is applicable to all jurisdiction levels and across all functional boundaries.

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Nationwide Strategy for Incident Management: National Incident Management System

- Flexible enough to apply across all incident types
- Scalable to all incident sizes
- An improvement in the coordination and cooperation between public and private partnerships

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National Incident Management System: Compliance

Presidential Directive Requires:

- National Incident Management System compliance by federal, state and local agencies by FY 2005

Can Comply (short term):

- By adopting the Incident Management System

Can Comply (long term):

- NIMS still developing long-term compliance strategies

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National Incident Management System: Components

- Command and management
- Preparedness
- Resource Management
- Communication and information management
- Support technologies
- On-going management and maintenance

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National Incident Management System: Training

Sponsored by FEMA:

- National Standard Curriculum
- Entry Level
 - FEMA IS 700 - Introduction to NIMS
 - ICS 100 - Introduction to ICS
- First Line / Field Supervisor
 - ICS 200 – Basic ICS
- Middle Management / Strike Team Leaders
 - ICS 800 – National Response Plan Training

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State Offices of Emergency Services

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When a Disaster Strikes: FEMA Responsibilities

- Administer the Public Assistance Program
- Coordinate with all federal and state agencies
- Set-up a Disaster Field Office
- Collect project data and prepare cost estimates (with the State)
- Approve grants and obligate funds to the state

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When a Disaster Strikes: State Responsibilities

- | | |
|---|---|
| <ul style="list-style-type: none">▪ Educate applicants on Public Assistance program and other available assistance▪ Provide technical support and assistance to applicants▪ Collect cost data and prepared cost estimates (with FEMA)▪ Disburse grants funds to applicants | <ul style="list-style-type: none">▪ Administer applicant grants through project monitoring, inspection, review and audits for compliance with federal regulations▪ Organize and conduct applicant briefing▪ Administer the NDAA program |
|---|---|

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When a Disaster Strikes: Local Responsibilities

- Request Assistance
- Thoroughly identify damaged sites and costs
- Provide information to FEMA and OES for all projects
- Expend grant funds in accordance with grant requirements
- Be accountable to the state, for state and federal funds
- Maintain clear and organized documentation
- Complete recovery efforts

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Declarations of Emergency

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Declarations of Emergency Escalations

Declarations of Emergency allow for and initiates the mutual aid and disaster assistance program.

The Escalation Order is as follows:

- Starts with the Local Government.
- Escalates to the State Government, if needed.
- Escalates to the Federal Government, if needed.

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Local Emergency Proclamation

A local proclamation allows local government to adequately deal with an emergency and start the recovery process. This is the first step to access state/federal disaster relief programs.

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Local Emergency Proclamation

- Local government must proclaim local emergency in order to for the State Office of Emergency Services to take the next step with providing assistance
- Local proclamation must be made within 10 days of the emergency
- Each local government has its approval process for declaring emergency (City Council, Board of Supervisors, Mayor)

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Local Emergency Proclamation

Local Emergency allows:

- Provision of mutual aid by other political subdivisions
- Provision of mutual aid by state agencies
- Charging of costs to the State for extraordinary services incurred by political subdivisions in executing mutual aid agreements when approved by the Governor

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Local Emergency Proclamation

Local Emergency allows:

- Declaration of orders and regulations necessary to provide for the protection of life and property
- Local emergency should be proclaimed only when mutual aid is, or may be, required or upon determination by the affected jurisdiction that special emergency authority is needed to preserve public order and safety

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State of Emergency Proclamation

During a State of Emergency, the Governor:

- Assumes complete authority over all agencies of the State government and the right to exercise, within the area designated, all police power vested in the State
- May promulgate, issue, and enforce such orders and regulations as governor deems necessary
- May suspend non-safety related restrictions on delivery of emergency necessities during the State of Emergency

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State of Emergency Proclamation

A State of Emergency Proclamation allows the State to assist with the management of incidents beyond local capability. It also provides the State the ability to task state agencies to assist with the emergency.

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State of Emergency Proclamation

During State of Emergency, the Governor:

- May utilize and employ state personnel, equipment, and facilities for the performance of any and all activities designed to prevent or alleviate actual or threatened damage due to the emergency

- May direct any state agency to expend any of the monies appropriated to it, irrespective of the particular purpose for which the money was originally appropriated

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State of Emergency Proclamation

Disaster assistance funds can be made available through the State Office of Emergency Services:

1. Director's Concurrence or;
2. State of Emergency

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State of Emergency Proclamation

1. Director's Concurrence:

- Issued by the Director of OES
- Initiates the State Natural Disaster Assistance Act and provides for limited recovery assistance for PERMANENT WORK ONLY on public facilities
- Generally a 75%/25% cost share between state and local government

The Legislature of the State of California may increase the cost share percentage.

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State of Emergency Proclamation

2. State of Emergency:

- Issued by the Governor
- Initiates broader public assistance support under the State Natural Disaster Assistance Act
- This program is also a *75%/*25% cost share between state and local government**

**If there is a Federal Emergency/Major Disaster Declaration, the State of California's cost share is at least *75% of the remaining *25%.

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Federal Emergency Declaration

- A Federal Emergency Declaration supports response activities and may provide limited recovery assistance under the Stafford Act.
- Governor must file a request for an emergency declaration within the 30-day period immediately following the incident.

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Federal Emergency Declaration

Upon Declaration of an emergency by the President, the Governor may:

- Accept any grant from the federal government to fund such needs (Upon determination of financial necessity to meet the disaster-related necessary expenses)
- Enter into an agreement with the federal government to participate in the funding of any grant for the above program, in an amount not to exceed 25%.
- The Governor is also allowed to accept an advance from the federal government of the state share to be repaid with the state is able;

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Federal Emergency Declaration

Upon Declaration of an emergency by the President, the Governor may (cont.):

- Apply to the federal government on behalf of the local government, for federal Community Disaster Loans, and receive and disburse proceeds; and
- Apply to the federal government on behalf of state and local governments, and private non-profit organizations, for public assistance, and to receive and disburse funds

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Other Resources

- Training
- Websites
- FEMA
- State Departments of Emergency Services
- Local Agency Office of Emergency Services
- Local Red Cross
- Fire Departments

- And Of Course, we have GFOA!

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Disaster Recovery Websites

- Federal Emergency Management Agency (FEMA):
<http://www.fema.gov>
- 44 CFR (Code of Federal Regulations):
http://www.fema.gov/fima/hmgrp/44cfr_206434.shtm
- OMB Circulars (Office of Management and Budget):
<http://www.whitehouse.gov/omb>
- Federal Emergency Management Agency (FEMA) POLICY:
<http://www.fema.gov/rrr/pa>
- Robert T. Stafford Act
<http://www.fema.gov/library>
- National Incident Management System (FEMA)
<http://www.fema.gov/nims/>
- Governor's Office of Emergency Services (OES):
<http://www.oes.ca.gov>
- San Francisco Office of Emergency Services:
http://www.sfgov.org/site/oes_index.asp
- San Francisco Controller's Office Emergency Website:
http://www.sfgov.org/wcm_controller/emergency/index.html
- San Francisco Office of Emergency Services:
<http://www.72hours.org/>

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Questions...



