



JANET NAPOLITANO
GOVERNOR

STATE OF ARIZONA
Department of Emergency And Military Affairs
5836 EAST McDOWELL ROAD
PHOENIX, ARIZONA 85008-3495
(602) 267-2700 DSN: 853-2700



THE ADJUTANT GENERAL
MAJOR GENERAL DAVID P. RATAZAK
DIRECTOR

June 14, 2004

Debbie Davenport
Auditor General
2910 North 44th Street
Phoenix, Arizona 85008

Dear Ms. Davenport,

The Department of Emergency and Military Affairs thanks you and your staff for the professionalism displayed during the performance audit and Sunset review. We plan to implement the audit recommendations as follows:

Finding 1

Recommendation 1:

The finding of the Auditor General is agreed to and the audit recommendation will be implemented. The Division has activated the State Emergency Operations Center 43 times over a six-year period (1998-2004), 10 for emergencies and 33 for disaster exercises. Subsequent to these 43 activations, the Division conducted 42 after-action reviews, and published 20 After-Action Reports. While the Division purposefully determined there was no need for an after-action report for the Y2K and the Indian Fire activations, the reasons were not documented. In the future the Division will always conduct after-action reviews and will either publish an after-action report or document why one is not needed.

Recommendation 2:

The finding of the Auditor General is agreed to and the audit recommendation will be implemented. All future after-action reports will identify shortcomings, corrective action, suspense, and responsible individual. The status of the corrective actions will be tracked and reviewed no less than quarterly as part of the Division's Strategic Plan and Performance Reporting process.

Finding 2

Recommendation 1:

The finding of the Auditor General is agreed to and the audit recommendation will be implemented. A new agreement has been drafted and staffed, and will be forwarded to the Department of Agriculture for signature. It will go into effect with the new Federal Fiscal year (FY05) using the adjusted storage rates for that year. The new agreement contains language limiting the liability of the State against loss or damage to Department of Agriculture material on site and identifies the Department of Agriculture as responsible for any environmental damage that may result from that storage activity.

Recommendation 2:

The finding of the Auditor General is agreed to and a different method of dealing with the finding will be implemented. A draft policy for processing private contracts already exists and is being implemented. A parallel policy to cover government contracts is being drafted that will reflect key safeguards for State liability. Key among these safeguards is standardized language in the agreements limiting State liability for stored material and making customers responsible for any environmental impacts of their property on Camp Navajo. This language has already been approved by the Attorney General's Office and DOA Risk Management. The Judge Advocate General and DEMA Risk Management Officer will review all agreements, and a staffing cover requiring signature will be included with each agreement. Per agreement with the Attorney General's Office and DOA Risk Management, staffing to their agencies will only occur if, in the opinion of the Judge Advocate General or the DEMA Risk Management Officer, unique circumstances exist in the agreement, or if the customer insists on different language from what is already in the standard agreement document.

Sincerely,

DAVID P. RATACZAK
Major General, AZ ARNG
The Adjutant General