

UNITED STATES GOVERNMENT
National Labor Relations Board
Office of Inspector General



Continuity of Operations

Report No. OIG-AMR-55-07-03

September 2007

INSPECTOR GENERAL



NATIONAL LABOR RELATIONS BOARD

WASHINGTON, DC 20570

September 18, 2007

I hereby submit a review of the National Labor Relations Board (NLRB or Agency) Continuity of Operations, Report No. OIG-AMR-55-07-03. This audit was conducted to evaluate the NLRB's continuity of operations (COOP) plans to determine whether they meet Federal guidelines and have been tested.

Agency operations have been affected by two disasters: the terrorist attack at the World Trade Center on September 11, 2001, and Hurricane Katrina, which made landfall on August 29, 2005. Although COOP plans were not in place at the time of the attack on the World Trade Center, they were in place for Hurricane Katrina. The Agency did not incorporate lessons learned from those experiences into its COOP plans.

The Chairman and General Counsel cannot be assured that the Agency would continue its essential functions during a disaster because the Agency's COOP plans do not meet Federal requirements, the most important of which is the proper identification of essential functions. The plans that had essential functions identified them generally as case handling, payroll, and protection of employees and property. Because the essential functions were not properly identified, the remaining elements of COOP plans would not support the Agency's essential functions during an emergency.

An exit conference was held on August 9, 2007, with members of the Division of Administration. A draft report was sent to the Director of Administration on August 16, 2007, for her review and comment. She generally agreed with the findings and the three recommendations made in the draft report. The Director's response is included in its entirety as an appendix to this report.

A handwritten signature in black ink, appearing to read "Jane E. Altenhofen".

Jane E. Altenhofen
Inspector General

TABLE OF CONTENTS

BACKGROUND 1

OBJECTIVE, SCOPE, AND METHODOLOGY 2

FINDINGS 3

NLRB DISASTER EXPERIENCES..... 3

COORDINATION OF COOP RESPONSIBILITIES..... 4

FPC 65 REQUIREMENTS 4

 Essential Functions..... 4

 Delegation of Authority..... 6

 Orders of Succession 6

 Alternate Operating Facilities 7

 Devolution of Control and Direction..... 8

 Interoperable Communications..... 8

 Vital Files, Records, and Databases 9

 Test, Training, and Exercise Program 10

 Reconstitution..... 10

RECOMMENDATIONS..... 11

APPENDIX

Memorandum from the Director of Administration, Response to Inspector General's Draft Report "Continuity of Operations: (OIG-AMR-55)," dated September 14, 2007.

BACKGROUND

The National Labor Relations Board (NLRB or Agency) administers the principal labor relations law of the United States, the National Labor Relations Act (NLRA) of 1935, as amended. The NLRA is generally applied to all enterprises engaged in interstate commerce, including the United States Postal Service, but excluding other governmental entities as well as the railroad and the airline industries. As of February 1, 2007, the NLRB had approximately 1,765 full-time equivalents that are located at Headquarters, 51 field offices throughout the country, and 3 satellite offices for administrative law judges.

Federal Preparedness Circular (FPC) 65, Federal Executive Branch Continuity of Operations (COOP), which was issued on July 26, 1999, and updated on June 15, 2004, provides guidance for use in developing COOP plans. COOP planning includes plans and procedures that: delineate essential functions; specify succession to office and the emergency delegation of authority; provide for the safekeeping of vital records and databases; identify alternate operating facilities; provide for interoperable communications; and validate the capability through regularly scheduled tests, training, and exercises. A viable COOP plan must be capable of implementation both with and without warning, be operational within 12 hours, and capable of maintaining sustained operations until normal business activities can be reconstituted, which may be up to 30 days. Reconstitution, the last phase of a COOP situation, is the process by which the surviving or replacement agency personnel resume normal agency operations from the original or replacement primary operating facility.

FPC 65 requires that all Federal Executive Branch departments, agencies, and independent organizations, regardless of location, have in place a viable COOP capability to ensure continued performance of essential functions from alternate operating sites during any emergency or situation that may disrupt normal operations. The Agency is responsible for maintaining COOP plans for Headquarters and all subordinate elements. The NLRB is classified as a Category III agency based on its COOP responsibilities.

The Agency is responsible for appointing a senior Federal government executive as an emergency coordinator to serve as program manager and agency point of contact for coordinating agency COOP activities. The former Deputy Director of Administration was the senior executive for COOP at the NLRB. The Director of Administration is currently assuming that responsibility. The Security Branch (Security) Chief is responsible for Headquarters security and the Headquarters' COOP. The Procurement and Facilities Branch's (PFB) Management and Program Analyst is responsible for maintaining all other plans.

OBJECTIVE, SCOPE, AND METHODOLOGY

The objective of this audit was to evaluate the NLRB's COOP plans to determine whether they meet Federal guidelines and have been tested.

We reviewed FPC 65, updated on June 15, 2004, by the Department of Homeland Security; Presidential Decision Directive 67, Enduring Constitutional Government and Continuity of Government Operations, issued October 21, 1998; National Security Presidential Directive (NSPD) 51, National Continuity Policy, dated May 9, 2007; and National Communications System Directive 3-10, Minimum Requirements for Continuity Communications Capabilities, dated July 25, 2007, to determine the requirements for Federal Executive Branch departments and agencies for use in developing contingency plans and programs for COOP.

We reviewed Agency guidance including Administrative Policies and Procedures Manual (APPM) Chapter REC-6, Vital Records Program, dated March 23, 2006; APPM Chapter IT-1, Computer Security Program Information Systems Security Policy, dated April 2, 2003; NLRB 2006 Disaster Recovery Plan and Procedures, dated October 30, 2006; Division of Operations-Management (Operations-Management) memorandums; and union agreements. We reviewed the NLRA and NLRB Rules and Regulations and Statements of Procedures to identify functions that should be classified as essential. We also reviewed position descriptions to determine responsibility for COOP.

We reviewed the COOP plans for Headquarters, field, and satellite offices to determine whether the plans contained all the required elements and whether they were sufficient to perform essential functions in an emergency or situation that may disrupt normal operations. We also interviewed staff in Operations-Management, Regional Offices, Division of Administration, and Office of the Chief Information Officer (OCIO) to identify policy and clarify procedures performed. We interviewed the Department of Labor's Regional Solicitor to confirm the alternate location for one field office. Also, we reviewed other agencies experience regarding telework.

We reviewed Agency actions taken in response to the September 11, 2001, terrorist attack on the World Trade Center and Hurricane Katrina in August 2005. Our analysis focused on whether current COOP plans applied experiences from those events.

This audit was performed in accordance with generally accepted government auditing standards during the period February 2007 through August 2007. We conducted this audit at NLRB Headquarters in Washington, DC.

FINDINGS

The Agency did not apply experiences from previous disasters into its COOP plans. Also, the Agency did not effectively coordinate COOP activities within the Division of Administration.

The Agency's COOP plans do not meet the requirements of FPC 65, the most important of which is the proper identification of essential functions. Not all COOP plans identified essential functions. For the plans that did, the essential functions were only generally identified as case handling, payroll, and protection of employees and property. This general description does not meet the criteria established by FPC 65. Because the essential functions were not properly identified the remaining elements of COOP plans would not support the Agency's essential functions in an emergency.

NLRB DISASTER EXPERIENCES

Agency operations were affected by two disasters: the terrorist attack at the World Trade Center on September 11, 2001, and Hurricane Katrina which made landfall on August 29, 2005. Although COOP plans were not in place at the time of the attack on the World Trade Center, they were in place for Hurricane Katrina.

The COOP plan for Region 15 was not adequate to enable continued operations of the Region after Hurricane Katrina made landfall on the Gulf Coast. Despite this, Agency managers responded quickly and provided services in a relatively short period of time. The effective actions taken were not, however, incorporated into COOP plans that have since been updated.

The COOP plan for Region 15 called for initiating a telephone tree in the event of an emergency situation, and if telephone service was not available, the managers were to meet at a predetermined location. As a result of the widespread destruction by Hurricane Katrina, the planned use of the telephone tree was hampered because employees were not able to remain in their homes and land lines in the area were not operational. Also, the Region was unable to use its alternate operating facility. The Agency communicated with employees by posting information on NLRB's Web site.

An action that appears to have enhanced the Agency's COOP abilities after the terrorist attack at the World Trade Center and Hurricane Katrina was the assignment of at least one other field office to provide support for essential functions. Also, in the aftermath of Hurricane Katrina, the Agency used the

Case Activity Tracking System (CATS) to retrieve case information related to essential functions.

The use of the Agency's Web site to communicate with employees, identification of other offices prior to a COOP event, and the utilization of CATS to retrieve case information were important for ensuring the continuation of essential functions. Despite reviewing COOP plans after Hurricane Katrina, the use of the Agency's Web site to communicate with employees was only included in 22 field office COOP plans. Only 17 field office COOP plans contained language that other field offices could perform essential functions and only 6 of these specified which offices would assume responsibility. None of the field office COOP plans addressed the use of CATS.

COORDINATION OF COOP RESPONSIBILITIES

Each agency is responsible for appointing a senior Federal government executive as an emergency coordinator to serve as program manager and agency point of contact for coordinating COOP activities. This includes planning, programming, and budgeting for a viable and executable COOP program that conforms to FPC 65.

The Agency did not effectively coordinate its COOP program. Two offices within the Division of Administration performed similar duties and were not aware of the other's involvement. Both the Security Chief and Management and Program Analyst in PFB were maintaining COOP plans for field and satellite offices. The majority of copies maintained by Security were outdated compared to the plans retained by PFB. After we brought this to the Security Chief's attention, he stated that he is now making copies of the COOP plans maintained by PFB and that he will obtain updates from now on.

FPC 65 REQUIREMENTS

Essential Functions

The identification and prioritization of essential functions is at the core of the COOP planning process because it establishes the parameters and priorities that drive the Agency's efforts in all other planning and preparedness areas. Essential functions, as identified by FPC 65, are those that enable agencies to provide vital services, exercise civil authority, maintain the safety and well-being of the general populace, and sustain the industrial/economic base in an emergency.

To properly identify essential functions, plans must:

1. Determine which functions must be continued under all circumstances.
2. Prioritize these functions based on the criticality and time sensitivity of the function.
3. Establish staffing, resource requirements, and other supporting activities needed to perform these functions within 12 hours, or less, of COOP activation and until normal business activities can resume, which may be up to 30 days.
4. Identify mission critical data needed to perform essential functions.
5. Identify consumable office supplies needed to perform essential functions.
6. Include a statement that indicates all functions deemed not essential will be deferred.

Not all COOP plans identified essential functions. For the plans that did, such as Headquarters, the essential functions were only generally identified as case handling, payroll, and protection of employees and property. This general description does not meet the criteria established by FPC 65 as outlined above. By including all case handling as an essential function, the COOP plans provide no guidance or direction in prioritizing the Agency's resources and efforts in an emergency.

Under the criteria established by FPC 65, Agency managers should review the Agency's case handling process and determine which functions are vital, exercise the Agency's civil authority, maintain the well-being of the general public, and are needed to sustain the Nation's industrial and economic base in an emergency. Some of the factors that the Agency should consider are the statutory priority under the NLRA for certain types of allegations, the requirement that allegations of unfair labor practice violations must be filed and served within 6 months of the allegation, and need to ensure the industrial peace during an emergency. To some extent, the COOP planning process may also benefit from the Agency's experience with Impact Analysis.

Payroll is not an essential function because the Agency's system automatically defaults to pay employees if time and attendance information is not entered in the system and corrections can and are made for time and attendance errors. There are, however, important administrative functions that do not have an automatic feature to them that should be considered for inclusion in COOP plans. For example, the Agency's contracting function may be essential to replace supplies and equipment needed for the continued operation of the Agency. Likewise, limited facilities and budget functions may be essential to those activities as well. The absence of those types of essential Agency

functions from the planning process could severely hamper the ability of the Agency to have continued operations in an emergency. The Director of Administration said that the Agency will re-evaluate the identification of essential functions.

Delegation of Authority

FPC 65 states that to ensure a rapid response to any emergency situation requiring COOP plan implementation, agencies should pre-delegate authorities for making policy determinations and decisions at Headquarters, Regional, field, satellite, and other agency locations, as appropriate. To ensure legal sufficiency and clarity, FPC 65 requires that these delegations contain specific information for officials to make key policy decisions during a COOP situation. Some delegation requirements include delineating the limits of authority, authority to re-delegate, circumstances under which the authorities would be exercised, and when they would terminate.

Prior to the COOP planning process, the Board and General Counsel delegated certain case handling and administrative responsibilities to Regional Directors and staff at Headquarters. Those delegations have been promulgated through the Federal Register process and COOP plans note these delegations. The plans, however, do not address any further delegation of authority that may be necessary in a COOP situation. For example, the Headquarters COOP plan does not provide for the delegation of administrative functions outside of officials located at Headquarters. In the event that those officials are not available, it is not clear how the Agency could perform essential functions without administrative support.

Orders of Succession

Orders of succession provide for the assumption of senior agency offices during an emergency in the event that any of those officials are unavailable to execute their legal duties. According to FPC 65, agencies are responsible for establishing, promulgating, and maintaining orders of succession to key positions, including to the agency head and other key agency leadership positions. COOP plans are required to establish rules and procedures that designated officials must follow when facing a succession to office and include the conditions under which the succession will take place, method of notification, and any limitations on the authority delegated. Also, NSPD 51 states that emphasis will be placed upon geographic dispersion of leadership, staff, and infrastructure in order to increase survivability and maintain uninterrupted Government functions.

Ten field and satellite office COOP plans did not contain orders of succession and three field offices included lines of succession that were not clear. For example, two field offices stated that the Regional Director's duties were to be shared between the Regional Attorney and the Assistant to the Regional Director, but did not specify which duties each individual would be responsible for performing. Another field office stated that the Regional Attorney or the Assistant to the Regional Director would succeed the Regional Director, but it did not indicate the order for succession. One of the 14 Headquarters' lines of succession contained a nonexistent position, and others were not of sufficient depth to ensure succession.

The COOP plans did not establish the rules and procedures that designated officials must follow when facing the issue of succession to office. They also did not identify the method of notification and any temporal, geographical, or organizational limitations, if any, of authorities.

The line of succession for the Agency head is not geographically dispersed. At a minimum, the COOP plan must establish an order of succession to Agency head and have geographic dispersion to ensure that leadership roles and responsibilities are transferred in all contingencies. This requirement would also apply to the General Counsel because of his specific statutory authority under the NLRA. For Regional Directors, the lines of succession should also be geographically dispersed.

Alternate Operating Facilities

All agencies must identify and prepare alternate operating facilities as part of their COOP plans. FPC 65 states that agencies should take maximum advantage of existing field infrastructures and give consideration to other options, such as telework, virtual offices, and joint or shared facilities.

Headquarters and most field and satellite office COOP plans identified an alternate operating facility. Four field office COOP plans did not identify an alternate location and one plan for a Resident Office identified two different alternate locations, but not which one should be utilized first.

The NLRB does not have an Agency-wide policy regarding telework. However, most field office COOP plans provide that employees can be directed to work from home or from an alternate location. The Agency's telework guidance is contained in union agreements; however, those agreements do not cover all employees. Also, these agreements generally set limits on telework and do not provide instructions that would be useful in an emergency, such as how to access files.

Without an Agency telework policy, the efforts to use telework in a COOP situation would be hampered because employees would not have the necessary direction and resources to successfully telework. A lesson that could be learned from other agencies is that a telework policy enhances a COOP program and can help to ensure that essential functions are continued.

Devolution of Control and Direction

Devolution is the capability to transfer statutory authority and responsibility for essential functions from an agency's primary operating staff and facilities to other employees and facilities, and to sustain that operations capability for an extended period. This would be needed if an office was unavailable to or incapable of supporting the execution of its essential functions from either its primary or alternate location.

The Headquarters' COOP plan did not identify a devolution site or develop a devolution plan to ensure the continuation of the Agency's mission-essential functions if Headquarters or its alternate facility were rendered unavailable. The Security Chief stated that if the alternate facility was not available, the Agency would use another field office. This is a reactive solution and is not a substitute for a well thought-out plan.

A majority of field and satellite office COOP plans did not designate a devolution site. Additionally, the field and satellite office COOP plans did not address the devolution of control and direction requirements. Of the 22 field and satellite offices that did designate devolution sites, only 11 identified the likely triggers that would initiate or activate the devolution plan. As our experience shows, it is too late to establish the devolution process after the disaster occurs. Proper planning would alleviate these difficulties.

Interoperable Communications

The ability of an agency to execute its essential functions at its alternate operating facilities is dependent upon the identification, availability, and redundancy of critical communications and information technology (IT) systems to support connectivity between key government leadership, internal elements, other agencies, critical customers, and the public during crisis, disasters, or wartime conditions. All necessary and required communications and IT capabilities must be operational as soon as possible following COOP plan activation, but in all cases within 12 hours of notification. A viable interoperable communications program must include access to data, systems, and services necessary to conduct essential functions and support activities.

National Communications System Directive 3-10 requires the Agency to have a secure and non-secure telephone and facsimile, unclassified and secret data networks, a high frequency automatic link establishment radio, secure satellite telephone, certain mobile in-transit communications capabilities, and priority access and restoration. An executive department or agency may request an exemption from one or more of the minimum communications requirements by submitting a request by letter to the Manager of the National Communications System. Lack of funds is not considered a valid justification for an exemption.

Plans included provisions for contacting Agency personnel through the use of a telephone tree. However, as experienced after Hurricane Katrina, the telephone tree may not be an effective means of communication in all circumstances. Additionally, the telephone tree does not meet the requirements of FPC 65 and Directive 3-10. The Director of Administration stated that she believes the Agency will be requesting an exemption to Directive 3-10 requirements.

Vital Files, Records, and Databases

The identification, protection, and ready availability of electronic and hardcopy documents, references, records, and information systems needed to support essential functions during a COOP situation is a critical element of a viable COOP plan. Agency personnel must have access to and be able to use these records and systems in conducting their essential functions. The COOP plan must account for the identification and protection of the vital records, systems, and data management software and equipment necessary to perform essential functions, and to reconstitute normal agency operations after the emergency. To the extent possible, agencies should pre-position and update on a regular basis duplicate records or back-up electronic files.

The COOP plans did not address the vital files, records, and database requirements. Despite this fact, the Agency is making progress on the use of electronic case files in Regional Offices. On May 11, 2005, Operations-Management issued a memorandum setting forth a standardized system for naming and storing electronic documents. The OCIO is currently working on a project to consolidate all Regional Office servers in two different locations. Operations-Management issued a memorandum on April 20, 2007, instructing Regions to fully implement standardized storage conventions within two months of switching over to the new servers. Electronic files would be useful in a COOP situation in that they would be available remotely and their use should be addressed in all Agency COOP plans.

Test, Training, and Exercise Program

All agencies must plan, conduct, and document periodic tests, training, and exercises to demonstrate the COOP plan's viability and identify deficiencies. This includes developing a multi-year plan that addresses requirements, resources to support these activities, and a planning calendar. Deficiencies and actions taken to correct them must be documented. Also, the agency training program must include annual COOP awareness briefing for the entire workforce and annual team training for COOP personnel.

The former Deputy Director of Administration and Security Chief participated in the Federal Emergency Management Agency's Forward Challenge, a table top exercise, in June 2006. This exercise, however, is not sufficient to satisfy the test, training, and exercise requirements in FPC 65. The Agency failed to provide annual COOP awareness briefing for the entire workforce, annual team training for COOP personnel, and an annual exercise that incorporates the deliberate and pre-planned movement of the COOP personnel to an alternate operating facility. The Security Chief stated that the Agency does not have the funding for an annual exercise that incorporates the deliberate and pre-planned movement of COOP personnel to an alternate operating facility.

None of the COOP plans contained provisions for a test, training, and exercise program. Also, the Agency does not have a multi-year test, training, and exercise plan. Without an effective program, the NLRB has no assurance that it is capable of supporting the continued execution of the Agency's mission-essential functions during a COOP situation.

Reconstitution

Reconstitution is the last phase of a COOP event and is the process by which surviving and/or replacement agency personnel resume normal agency operations from the original or replacement primary operating facility. Agencies must identify and outline a plan to return to normal operations once agency heads or their successors determine reconstitution operations can begin to resume normal operations. The Agency must have an executable plan to transition from COOP status to normal operations once the threat or disruption has passed. This includes pre-planning options for reconstitution of an agency regardless of the level of disruption and must include movement from the COOP or devolution location to the originating operating facility or a new operating site if necessary.

The COOP plans are not sufficient for the Agency to have a smooth transition from a relocation site to a new or restored facility. The Headquarters' COOP plan only contained provisions for the notification of employees. Only 36 field and satellite office COOP plans contained information on reconstitution and

none of them contained information for the coordination and pre-planning of options or outlined procedures necessary to affect a smooth transition from a relocation site.

RECOMMENDATIONS

We recommend that the Director of Administration:

1. Work with Agency management to identify essential functions.
2. Ensure that all Agency offices have a COOP plan that complies with FPC 65 requirements.
3. Develop and implement an Agency policy for telework and incorporate the use of telework in all Agency COOP plans.

APPENDIX

UNITED STATES GOVERNMENT
National Labor Relations Board
Division of Administration
Memorandum



TO: Jane E. Altenhofen
Inspector General

FROM: Gloria J. Joseph
Director of Administration

DATE: September 14, 2007

SUBJECT: Response to Inspector General's Draft Report "Continuity of Operations: (OIG-AMR-55)

This responds to the August 16, 2007 draft report by the OIG, subject as above.

The OIG's Audit of the Continuity of Operations Plans (COOPs) is timely in that, after several years of operating under the Agency's headquarters and regional COOPs, we believe that it is now an appropriate time to review the COOP plans in light of subsequently issued guidance from the Administration and the Agency's own experiences in emergency management in the years following implementation of the COOPs. In reviewing and revising the COOPs, our approach will be to ensure that the Agency's COOPs are in compliance with outstanding guidance, but to do so in a manner that has practical value for the NLRB. The goal is to put into place plans that assure the ability to continue essential functions, but which are also commensurate with our role in supporting the National Essential Functions (NEFs), recognizing that the NLRB is not a Category 1 or 2 agency under the National Continuity Policy. Therefore, in reviewing and revising our COOPs, we will be careful to not overestimate the value of paper plans that may have no relation to the options that are realistically available in a disaster or that take away the flexibility to use "facts on the ground" in making decisions in an emergency.

The responses, below, track the order of the draft audit report.

FINDINGS

NLRB Disaster Experiences

The OIG in the outbrief meeting indicated that it was not criticizing the manner in which the Agency handled the Katrina situation, but rather was criticizing the fact that the Agency did not subsequently include some of the actions it took during Katrina in the COOPs. (Those actions, which were quickly implemented, included: quick contact with the Regional

Director; locating 23 of 25 widely scattered employees within three days of the hurricane, notwithstanding that land line and cell phone service to that area was unavailable or unreliable; providing vital information and support to employees; relocating the point of contact for the public to the Memphis Regional Office; notifying parties of the new contact information; establishing a website presence for Katrina issues; and securing alternative space in Baton Rouge.)

The IG asserts that the Region 15 COOP's telephone tree was hampered by the problems with the damaged infrastructure. While it is obviously true that virtually all inhabitants of that area were impacted by the impairment to phone service, it is also true that the Agency was able to communicate with employees rather quickly. So, in fact, a "telephone tree" did work under very difficult circumstances, and the website, while a very important part of the communications with the regional employees, was not the only means of getting information to them.

Nevertheless, and notwithstanding the fact that regional and HQ personnel took the appropriate actions during this emergency without the benefit of detailed written directions in a COOP, we will review the actions taken after Katrina to determine which of those actions should be incorporated formally into the COOPs.

Coordination of COOP Responsibilities

The point of the OIG criticism regarding the fact that the Security Office was unaware that the Procurement and Facilities Branch also had copies of regional COOPs is not clear. The fact is that Frank Battle, the senior official in charge of the COOP Program and the person to whom Security and PFB reported, had copies of *all* COOPs. Furthermore, Operations Management had copies of all regional COOPs, which were the only copies it needed to perform its functions.

In any event, as part of our review of the COOPs, we will reconsider who should have copies of the COOPs and the degree of redundancy needed in that regard.

FPC Requirements

Essential Functions

The OIG report indicates that the Agency has not properly identified its essential functions, that the COOPs provide no guidance or direction in prioritizing the Agency's resources and efforts in an emergency, and that identifying "casehandling" as an essential function is overly broad, as there may be aspects of casehandling which the Agency can forgo in an emergency.

Our standard operating procedure is to do what we can with what we have and we have existing procedures for prioritizing the work (statutory priorities, Impact Analysis, etc.). The existing procedures are meaningful precisely because they are flexible. Nevertheless, we will examine whether adding an additional layer of case prioritization procedures special to emergencies adds value. We remain concerned that doing so may simply introduce an

element of confusion and that, in a time of maximum stress, those in the agency capable of continuing to provide service to the public might be made hesitant to act on what they already know about agency priorities or to ignore "facts on the ground".

As part of our review, we will also consider the feasibility of narrowing the definition of essential functions and, in addition, consider whether there are other functions beyond casehandling that should also be included in the definition of essential functions.

Delegation of Authority

As part of the review of the COOPs, we will review the sufficiency of the delegations of authority.

Orders of Succession

As part of the review of the COOPs, we will review the sufficiency of the orders of succession, including the need to geographically disperse authority in the event Headquarters is incapacitated.

Alternate Operating Facilities

We will review the COOPs' provisions for alternative operating facilities, including the appropriate means of incorporating the Agency's current telework program and draft telework policy into the COOPs. We do not believe, however, that the COOP is the appropriate vehicle for detailed instructions for such things as accessing databases, etc., as those types of instructions are subject to continual change as our systems and software evolve.

Devolution of Control and Direction

As part of the review of the COOPs, we will thoroughly consider the devolution issues raised by the OIG in its audit report.

Interoperable Communications

As part of our review of the COOPs, we will identify communications requirements which would be critical to the continuity of operations in an emergency situation. We will also consider whether the Agency should seek an exemption from the requirements of the National Communications System Directive 3-10 to the extent it requires technology such as secret data networks, secure satellite phones, and high frequency automatic link establishment radio.

Vital Files, Records, and Databases

Only when we have reconsidered the issue of the Agency's essential functions can we select the vital records that support these functions. APPM Chapter 6, Vital Records Program, dated 3/23/06, contains policy guidance, outlines procedures, and provides a simple plan to identify, maintain, protect, recycle and make essential information available and accessible to the COOP, independent of the physical location. Appendix II of this APPM also provides a Vital Records Plan – Inventory Survey for use to collect, identify, inventory, and recycle vital records.

Using this guidance, and also working with the OCIO and other managers regarding issues of availability of databases and other electronic media during a COOP situation, we will address the issue of vital files, records, and databases in the COOPs.

Test, Training, and Exercise Program

As part of the review of our COOP plans, we will develop plans for tests, training, and exercises sufficient to demonstrate the COOPs' viability and will develop annual COOP awareness training.

Reconstitution

As part of our review of the COOPs, we will examine reconstitution issues and address them in the COOPs, as appropriate.

RECOMMENDATIONS

- 1. Recommendation: Work with Agency management to identify essential functions.**

Response: We will work with Agency management to determine what, if any, changes should be made to the currently identified essential functions.

- 2. Recommendation: Ensure that all Agency offices have a COOP that complies with FPC 65 requirements.**

We will work with Agency management to review the COOPs to ensure their compliance with FPC 65.

3. Recommendation: Develop and implement an Agency policy for telework and incorporate the use of telework in all Agency COOP plans.

We will work with Agency management to implement the draft telework policy and to include or reference it, as appropriate, in the COOPs.

cc: Board
General Counsel