



OFFICE *of*
INSPECTOR GENERAL

**SEMIANNUAL REPORT
to CONGRESS**

OCTOBER 1, 2014 *to* MARCH 31, 2015

FOREWORD

On March 23, 2015, I became the Inspector General of the National Archives and Records Administration (NARA). In assuming this position, I commit to providing the highest quality service consistent with the Inspector General Act of 1978 (as amended). NARA represents a public trust on which our government and citizens depend. The Office of Inspector General (OIG) is dedicated to independently assisting NARA to meet its mission of providing public access to vital Federal records. Public access to government records strengthens our democracy by allowing Americans to claim their rights of citizenship, hold their government accountable, and understand their history so they can participate more effectively in their government.

At this time in NARA's history, the agency faces many significant challenges and obstacles, some of which we identify in this report in the section titled "Top Ten Management Challenges." These challenges require NARA to assess, modify, and change the way business is done; and transition programs and operations to more economical and efficient models in order to adequately serve the American public. The OIG stands ready to assist with high-quality, independent reports and products. We can and will be a constructive force in this time of great challenge. Through our independence, expertise, and due diligence, we serve as a significant asset to our many customers.

The Archivist has established four strategic goals for facilitating NARA's mission:

One: "Make Access Happen" establishes public access as NARA's core purpose. It affirms public access is the ultimate outcome of all of NARA's work.

Two: "Connect with Customers" challenges NARA to continuously improve customer service, cultivate public participation, and generate new understanding of the importance of records in a democracy.

Three: "Maximize NARA's Value to the Nation" recognizes public access to government information creates measurable economic value, which adds to the enduring cultural and historical value of NARA's records.

Four: "Build Our Future Through Our People" is NARA's commitment to provide all employees with the training and opportunities necessary to successfully transition to a digital environment.

As the Inspector General I will focus my own and my staff's efforts on independently facilitating these goals. Our audits, investigations, and other services will serve as vehicles to increase economy, efficiency, and effectiveness; and detect and deter waste, fraud, abuse, and mismanagement. I look forward to helping the agency resolve the challenges it faces.



James Springs
Inspector General

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Visit <http://www.archives.gov/oig/> to learn more about the National Archives Office of Inspector General.

EXECUTIVE SUMMARY

This is the 53rd Semiannual Report to Congress summarizing the activities and accomplishments of the National Archives and Records Administration (NARA) Office of Inspector General (OIG). A summary of NARA's top ten management challenges is included as well. The highlights of our major functions are summarized below.

Audits and Reports

The Audit Division continued to examine NARA's Information Technology (IT) systems, including the Electronic Records Archives (ERA) system, and assess the economy and efficiency of NARA's programs and operations. During the reporting period, we issued the following audit reports and management letters.

Information Technology (IT)

- **NARA's Information Security Program.** NARA has not fully established an information security program consistent with Federal Information Security Management Act of 2002 (FISMA) policy. Further, NARA has not fully implemented a risk management program for Information Technology security. (OIG Audit Report #15-01, dated October 27, 2014. See page 12.)
- **Status Update of Electronic Records Archives (ERA) Census and Classified Instances.** The Census Instance of ERA, storing the 2010 U.S. Census, cost over \$1.4 million and is functioning as intended. However, NARA spent over \$6 million on the development, software, hardware, and maintenance for the Classified Electronic Records Archives (CERA) Instance, which did not meet its intended functionality and was never utilized. This was caused primarily by the contractor's inability to properly integrate the ERA Base System with CERA. As a result, NARA continues to rely on legacy systems, external hard drives, and tapes to store and maintain classified records. (OIG Advisory Audit Report #15-04, dated December 11, 2014. See page 12.)
- **NARA's Mobile Device Management.** It generally appears NARA's mobile devices are managed effectively. However, some deficiencies existed because strong internal controls, such as having detailed and clearly defined policies and procedures, were not implemented. Further, there was a lack of effective performance monitoring and oversight. (Audit Report #15-02, dated November 12, 2014. See page 13.)

Programs and Operations

- **NARA's Digitization Partnerships.** OIG personnel identified over \$420,000 in direct partnership costs that could have been put to better use. NARA has not fully and consistently implemented digitization partnership agreement principles developed "to ensure that NARA maintains its public trust." Further, NARA's digitization partnership program has not expanded at the rate necessary to meet the agency's overall digitization initiative. In addition, stronger controls are needed over digitization partnership progress reporting. (OIG Audit Report #15-10, dated March 30, 2015. See page 13.)

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- **NARA's Specially Protected Holdings.** The existing internal controls for Specially Protected Holdings (SPHs) are not adequate to ensure effective oversight and management. Improvement is needed in several areas to ensure SPHs are controlled, handled properly, accounted for, and protected. (OIG Audit Report #15-03, dated February 6, 2015. See page 14.)
- **NARA's Processing of Military Interfiles and Refiles at the National Personnel Records Center (NPRC).** Internal controls put in place by management to address issues cited in Management Letter 12-18, *Veteran's Records Issues*, significantly improved and enhanced the management control environment. We identified opportunities to further strengthen the overall internal control environment. (OIG Audit Report #15-06, dated February 10, 2015. See page 14.)
- **NARA's Timeliness in Responding to Department of Veterans Affairs (VA) Record Requests.** The NPRC appeared to respond to requests from the Department of Veterans Affairs (VA) in a timely manner. However, an influx of requests related to various allegations about VA practices, decreased funding requests from service branches, inadequate staffing, and the NPRC's recently implemented Quality Assurance Program hindered the facility's ability to process other requests in a timely manner. (Audit Memorandum #15-08, dated February 12, 2015. See page 15.)
- **NARA's Fiscal Year 2014 Financial Statement Independent Audit Report.** NARA received an unmodified opinion on their financial statements. There were no material weaknesses in internal control over financial reporting, no significant deficiencies, and no instances of noncompliance with certain provisions of laws and regulations. (Audit Report #15-05, dated December 19, 2014. See page 16.)
- **Compliance with the Improper Payment Elimination and Recovery Act of 2010.** NARA's work appeared to be sufficient and reasonable in determining agency activities were not susceptible to significant improper payments and no recapture payment audits were needed. (OIG Audit Memorandum #15-07, dated January 13, 2015. See page 16.)

Management Issues

- **Security Concerns for NARA Holdings.** A researcher processed through screening was able to leave a research room with a tape belonging to NARA. A security officer at another exit inspection station identified the tape as a NARA holding and recovered it. This brought to light several deficiencies in internal controls needing to be addressed. These concerns included (a) inadequate research room inspection of items the researcher was removing, (b) inaccurate verification of dates recorded on Reference Service Slips for items the researcher requested for review, (c) NARA's inability to verify the location of the holding prior to providing it to the researcher, and (d) outdated and inconsistent guidance for addressing this situation. When we brought these concerns to management's attention they took prompt actions to address the issues noted in this management letter. (OIG Management Letter #15-09, dated February 25, 2015.)

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Investigations

Significant accomplishments by the Office of Investigations (OI) during this reporting period include:

- While investigating allegations private companies failed to comply with elements of cooperative agreements, the OI discovered approximately \$420,000 in costs to NARA which potentially should have been borne by the companies.
- The OI identified where an information technology company was allowed to perform and bill for approximately \$8,000 of work outside of their contract.
- An investigation began into a contractor employee who allegedly attempted to destroy Federal records while digitizing NARA holdings.
- During an investigation of a potential attempted theft of NARA holdings, the OI uncovered several issues with NARA's internal controls over holdings security and practices. These were reported in OIG Management Letter #15-09, dated February 25, 2015, and described more fully on page three.
- Rewrote and issued a new Special Agent Handbook detailing office policies and procedures.

The OI opened 5 investigations and 18 complaints for preliminary investigation, while closing 11 investigations and 25 complaints. At the end of this reporting period, the OI had 12 ongoing investigations and no complaints. Of the closed investigations, 2 were not investigations in the traditional sense as one was a compilation of computer forensic support provided during the entire period, and another was a compilation of non-investigative activities relating to the Archival Recovery Team. However, for administrative purposes they were tracked in the OIG electronic case management system as investigations. Approximately 50 percent of the investigations and complaints closed this period involved the potential alienation of NARA holdings. This number reflects continuing OI efforts to identify and investigate lost, missing, and stolen NARA holdings. Finally, during this period the OI's computer crimes investigator left the NARA OIG to work for another law enforcement agency. The OI no longer maintains a computer crimes unit.

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Management Assistance and Other Work

- Brought to NARA's attention that the information technology consent and use banners were not in accordance with policy, and worked with NARA management to develop corrective actions.
- Reviewed and provided input to NARA's mobile phone user agreement resulting in improved language ensuring both management and the OIG could use data appropriately.
- Continued running the Whistleblower Ombudsman program, providing training and information to potential whistleblowers on various rules and protections available.
- Closed a request to the Department of Justice (DOJ) OIG pertaining to DOJ records storage facilities.
- Responded to multiple requests for OIG records under the Freedom of Information Act (FOIA), and coordinated with the Department of Justice (DOJ) on requests from the media pertaining to joint work between the DOJ and NARA.
- Corrected language in the agency's appropriations request to clarify the OIG's status.
- Provided comment and input into several NARA directives and regulations covering a variety of topics.
- Worked with NARA HR office to devise and implement an agreement on setting Inspector General pay.
- Continued assisting NARA in litigation resulting from a civil judgment collection action relating to a closed OIG investigation.
- Reviewed legislative and OMB proposals and provided feedback to appropriate entities, and reviewed newly passed legislation for its effect on NARA and the NARA OIG.



INTRODUCTION

About the National Archives and Records Administration

Mission

The National Archives and Records Administration serves American democracy by safeguarding and preserving the records of our Government, ensuring the people can discover, use, and learn from this documentary heritage. NARA's mission is to provide public access to Federal Government records in its custody and control. Public access to government records strengthens democracy by allowing Americans to claim their rights of citizenship, hold their government accountable, and understand their history so they can participate more effectively in their government.

Background

NARA, by preserving the nation's documentary history, serves as a public trust on which our democracy depends. It enables citizens to inspect for themselves the record of what the Government has done. It enables officials and agencies to review their actions and helps citizens hold them accountable. It ensures continuing access to essential evidence documenting the rights of American citizens, the actions of Federal officials, and the national experience.

Federal records reflect and document America's development over the centuries. They are great in number, diverse in character, and rich in information. NARA's traditional holdings amount to nearly 4.76 million cubic feet of records. These holdings also include, among other things, letters, reports, architectural/engineering drawings, maps and charts; moving images and sound recordings; and photographic images. Additionally, NARA maintains nearly 600,000 artifact items and approximately 643 terabytes of electronic records. The number of records born and stored solely in the electronic world will only continue to grow; thus NARA developed the Electronic Record Archives to attempt to address this burgeoning issue.

NARA involves millions of people in its public programs, which include exhibitions, tours, educational programs, film series, and genealogical workshops. In FY 2014, NARA had 57.3 million online visits in addition to hosting 3.2 million traditional museum visitors, all while responding to almost one million written requests from the public. NARA also publishes the *Federal Register* and other legal and reference documents, forming a vital link between the Federal Government and those affected by its regulations and actions. Through the National Historical Publications and Records Commission, NARA helps preserve and publish non-Federal historical documents that also constitute an important part of our national heritage. Additionally, NARA administers 13 Presidential libraries preserving the papers and other historical materials of all past Presidents since Herbert Hoover.

Resources

In Fiscal Year (FY) 2015, NARA was appropriated \$381.7 million, approximately one percent less than FY 2014. This included \$365 million for operating expenses (including the operations and maintenance of the Electronic Records Archives system), \$7.6 million for repairs and restoration of NARA-owned buildings, \$5 million for the National Historical Publications and Records Commission (NHPRC), and \$4.13 million for IG operations. With approximately 3,045 full-time equivalents (FTEs), NARA operates 44 facilities nationwide.

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About the Office of Inspector General (OIG)

The OIG Mission

The OIG serves the American citizen by improving the effectiveness, efficiency, and economy of NARA programs and operations. As part of our mission, we detect and prevent fraud and abuse in NARA programs, and strive to ensure proper stewardship over Federal funds. We accomplish this by providing high-quality, objective audits and investigations, and serving as an independent, internal advocate. Unique to our mission among other OIGs is our duty to ensure NARA protects and preserves the items belonging in our holdings, while safely providing the American people with the opportunity to discover, use, and learn from our documentary heritage.

Background

The Inspector General Act of 1978, as amended, along with the Inspector General Reform Act of 2008, establishes the OIG's independent role and general responsibilities. The Inspector General reports to both the Archivist of the United States and Congress. The OIG evaluates NARA's performance, makes recommendations for improvements, and follows up to ensure economical, efficient, and effective operations and compliance with laws, policies, and regulations. In particular, the OIG:

- assesses the effectiveness, efficiency, and economy of NARA programs and operations
- recommends improvements in policies and procedures to enhance operations and correct deficiencies
- recommends cost savings through greater efficiency and economy of operations, alternative use of resources, and collection actions; and
- investigates and recommends actions to correct fraud, waste, abuse, or mismanagement.

Further, the OIG investigates criminal and administrative matters concerning the agency, helping ensure the safety and viability of NARA's holdings, customers, staff, and resources.

Resources

In FY 2015, Congress provided \$4.13 million for the OIG's appropriation, including authorization for 24 FTEs. During this period the Acting Inspector General was appointed as the Inspector General, and one criminal investigator position was vacated. The Assistant Inspector General for Investigations position and the Assistant Inspector General for Audits position also remained vacant, and efforts began to fill these critical vacancies. Currently the OIG has 16 FTEs on board, including an Inspector General, 1 support staff, 8 FTEs devoted to audits, 5 FTEs devoted to investigations, and a counsel to the Inspector General.

Further, the OIG remains concerned we could lack funding to investigate an incident outside of Washington, DC, at the end of the fiscal year. We believe it would not be prudent to ask for increased appropriated funds each year for such a contingency. Instead, we have sought a limited transfer provision from NARA, so that we could ask for available end-of-year funds in such a circumstance. However, NARA management does not support our position and states they will not request such a transfer provision.

ACTIVITIES

Involvement in the Inspector General Community

Counsel of Inspectors General on Integrity and Efficiency (CIGIE) Legislation Committee

The Legislation Committee provides timely information about congressional initiatives to the IG community; solicits the views and concerns of the community in response to legislative initiatives and congressional requests; and presents views and recommendations to congressional committees and staff, the Government Accountability Office, and the Office of Management and Budget on issues and legislation affecting the IG community. The OIG continues to serve as a member of the CIGIE Legislation Committee. OIG counsel is involved in drafting the Committee's comments to Congress on potential legislation such as the proposed IG Empowerment Act of 2015, and in other aspects of the Committee's work such as drafting a congressional relations guide.

Federal Audit Executive Council (FAEC)

The Assistant Inspector General for Audits (AIGA) continued to serve as a representative to the FAEC. The AIGA attended FAEC's meeting to discuss topics such as financial statement audit issues, audit training, opinion reports on internal controls, and information security.

Council of Counsels to Inspectors General (CCIG)

The OIG counsel continues to be an active member of the CCIG. The CCIG provides a rich environment wherein legal issues can be raised and interpretations can be presented and reviewed with an experienced network of OIG lawyers.

CIGIE Training Institute

The OIG counsel continued to work with the CIGIE Training Institute, teaching the IG Authorities course twice during the period. Counsel also taught at the IG Criminal Investigator Academy's Periodic Refresher Program.

Whistleblower Ombudsman Working Group (WOWG)

In accordance with the spirit of the Whistleblower Protection Enhancement Act of 2013, the OIG formed a whistleblower ombudsman program, and is working with the WOWG to learn best practices and implement an effective training program.

Peer Review Information

Peer Review of NARA OIG's Audit Organization

The NARA OIG audit function was last peer reviewed by the Federal Deposit Insurance Corporation OIG in accordance with the Government Accountability Office's *Government Auditing Standards* (GAS) and CIGIE's *Guide for Conducting External Peer Reviews of the Audit Organizations of Federal Offices of Inspector General*. FDIC OIG concluded "the system of quality control for the audit organization of the NARA OIG, in effect for the 12-months ended September 30, 2013, has been suitably designed and complied with to provide the NARA OIG

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with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Federal audit organizations can receive a rating of *pass*; *pass with deficiencies*, or *fail*. NARA OIG has received a peer review rating of *pass*.”

The peer review report’s accompanying letter of comment contained 14 recommendations that, while not affecting the overall opinion, were designed to further strengthen the system of quality control in the NARA OIG Office of Audits. In responding to the recommendations, we committed to completing recommended actions by September 30, 2014. We completed actions for all but 2 recommendations.

Outstanding Recommendations: The FDIC OIG recommended that the Acting Inspector General revise the Procedures Manual to (1) require that auditors request a description of planned corrective actions to address recommendations from NARA management before finalizing audit reports and memoranda, and (2) include a process for addressing situations in which NARA management does not provide corrective action plans in its responses to audit reports and memoranda. The corrective actions necessary also involved changing NARA management’s process, which they were not able to immediately implement. Full implementation is anticipated by September 30, 2015. There are no other outstanding recommendations from any peer review of the NARA OIG conducted by another Office of Inspector General that have not been fully implemented.

Peer Review of NARA OIG’s Office of Investigations

NARA OIG’s Office of Investigations was last peer reviewed by the National Science Foundation in May 2008. There are no outstanding recommendations from this review.

In February 2012, the Attorney General of the United States granted the Inspector General’s application for statutory law enforcement authority. Accordingly, the OI has begun preparations for the now mandatory peer review that must be completed within three years of being granted statutory authority. The peer review is currently scheduled for Fiscal Year 2015.

Response to Congressional Items

In addition to communicating and meeting with Congressional staff over the period to keep the Congress informed about agency and OIG activities, the OIG responded to the following items.

Report requested by Chairman Johnson and Chairman Grassley

The OIG responded to a letter signed by Senator Ron Johnson, Chairman of the Committee on Homeland Security and Governmental Affairs, and by Senator Charles Grassley, Chairman of the Committee on the Judiciary, requesting several items of information. Among other things, our response included information on outstanding unimplemented audit recommendations, descriptions of products provided to the agency but not responded to within 60 days, issues involving IG independence, and information on closed investigations, evaluations, and audits that were not disclosed to the public.

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Report requested by the House Committee on Oversight and Government Reform

The OIG responded to a letter signed by Representative Jason Chaffetz, Chairman of the Committee on Oversight and Government Reform, and by Representative Elijah Cummings, the Committee's Ranking Member, requesting several items of information. Our response included information on outstanding unimplemented audit recommendations (including those the IG felt most important or urgent), and information on closed investigations, evaluations, and audits that were not disclosed to the public.

Constituent Request Response

The OIG provided congressional staff with information on potential issues surrounding a constituent request.

Hearing on Inspector General Issues

The Inspector General attended a hearing by the House Committee on Oversight and Government Reform titled "Inspectors General: Independence, Access and Authority."

Federal Information Security Management Act (FISMA) Report

The Federal Information Security Management Act of 2002 (FISMA) requires annual independent evaluations of the effectiveness of NARA's information security practices. We completed our evaluation in accordance with FISMA, OMB Memorandum M-15-01, and Department of Homeland Security (DHS) FY 2014 Inspector General FISMA Reporting Metrics. The reporting metrics consisted of 11 functional areas for evaluation. NARA made some efforts to address some of the weaknesses identified in previous FISMA evaluations and audit engagements. However, NARA still needs significant improvement in all 11 functional areas. Many of the weaknesses pertained to underdeveloped policies and procedures not reflecting NARA's current information security practices. We remain concerned NARA has decided to reclassify and downgrade the material weakness in information security when significant improvements on all 11 areas are still needed. Please see the section on Top Ten Management challenges for information on management actions taken after this FISMA report was issued.

The Government Charge Card Abuse Prevention Act of 2012, P.L. 112-194

This law requires the OIG to conduct, at minimum, annual assessments of the agency's purchase card program and to perform analysis or audits, as necessary, of purchase card transactions. We reviewed risks and controls previously identified, received input from NARA staff, and reviewed prior reports (including open recommendations). We also reviewed data on the number of card holders, limits, amounts, and number of transactions. During this process, we developed a risk assessment of NARA's purchase card program. Based on the number of purchase card holders and the amount spent in FY 2014 using purchase cards, we assess the risk over NARA's purchase card activity as moderate. We determined, except for some related open recommendations, NARA has effective policies, procedures, and monitoring controls.

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Audit and Reports Overview

This period, we issued:

- seven final audit reports,
- two audit memoranda,¹ and
- one management letter.²

We completed fieldwork on audits of:

- NARA's Digitization Storage and Transfer Capabilities, evaluating NARA's current processes for the storage and transfer of digitized records.
- NARA's Human Resource Systems, assessing the security controls over the systems processing or storing of human resource data, and evaluating the validity of the data entered into the system.
- NARA's Online Public Access Development Effort evaluating the development and implementation of the OPA Prod System.

We initiated or continued work on audits of:

- NARA's Cable Infrastructure, assessing and analyzing the efficiency and viability of NARA's network communications cabling to ensure it can support current and emerging technologies.
- NARA's Web Hosting Environment, determining if NARA is maintaining a secure web hosting environment.
- NARA's Procurement Program, determining whether NARA's procurement program is efficient and effective for acquiring goods and services that provide the best value to NARA.
- NARA's Compliance with Homeland Security Presidential Directive (HSPD) – 12 Policy for a Common Identification standard for Federal Employees and Contractors, determining whether NARA is effectively complying with HSPD-12 requirements for accessing NARA facilities and information systems.
- NARA's Space Management Program, evaluating the adequacy and effectiveness of NARA's space management efforts for storing textual archival holdings.

¹ An audit memorandum is used when an audit is performed in accordance with GAO's generally accepted government auditing standards (GAGAS) and there are either no findings or the findings are insignificant.

² Management letters are used to address issues which need to be quickly brought to the Archivist's or management's attention. They do not follow GAGAS, nor are they intended to.

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Audit Summaries

NARA's Information Security Program

As part of our responsibilities under the Federal Information Security Act of 2002 (FISMA), the OIG conducts an annual independent evaluation of the effectiveness of NARA's information security program and practices. Based on the results of our FY 2013 FISMA evaluation, limited progress made from previous year's evaluations, and at the request of NARA's former Chief Information Officer, the OIG chose to issue an audit report with formal recommendations to assist NARA in establishing a foundation for future FISMA compliance.

NARA has not fully established an information security program consistent with FISMA policy. Further, NARA has not fully implemented a risk management program for Information Technology security. NARA has created an Enterprise Governance, Risk, and Compliance Program and issued a revised Internal Control Program directive. However, NARA has not fully defined the controls, processes, monitoring, and testing plans within the IT Security program area. We made two recommendations, and management concurred with both. (OIG Audit Report #15-01, dated October 27, 2014.)

Status Update of Electronic Records Archives (ERA) Census and Classified Instances

NARA built the ERA to fulfill its mission in the digital age. One of NARA's primary challenges with ERA was to preserve different types of records along with the processes and documentation required for each type. Therefore, ERA was designed using separate subsystems, or "instances," for categories of records. The initial three instances were the Federal Records Instance (Base ERA), deployed June 2008; the Executive Office of the President Instance, deployed December 2008; and the Congressional Records Instance, deployed December 2009. Two additional instances, Census and Classified ERA (CERA), were developed in Fiscal Year 2011.

As the ERA Base System only supports housing unclassified data, a classified instance is needed. CERA was intended to meet the specialized requirements for ingesting, storing, preserving, and accessing classified records. However, NARA spent over \$6 million on the development, software, hardware, and maintenance for a system that did not meet its intended functionality, and was never utilized. The ERA development contractor delivered the CERA Instance, but was unable to get the system to work. The primary issue was integrating the unclassified ERA Base System and CERA. As CERA is not used, NARA continues to rely on legacy systems, external hard drives, and tapes to store and maintain classified records.

Alternatively, the Census Instance is being maintained and it is functioning as intended. The Census Instance was created to manage the storage and retrieval of records related to the 2010 Census. NARA spent over \$1.4 million for development, hardware, software, migration, and maintenance of the Census Instance. In 2011, NARA received more than 300 terabytes of 2010 census data. Due to the confidential nature of census records, Federal law specifies enhanced procedures NARA must observe to ensure non-disclosure of this information and to segregate it

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from other ERA holdings. In addition, there is a 72-year restriction on access to this data. (OIG Advisory Audit Report #15-04, dated December 11, 2014.)

NARA's Mobile Device Management

Mobile devices such as smart phones and tablet computers have become increasingly popular with today's highly mobile workforce. NARA provides mobile devices to eligible employees to improve communication and productivity. However, security threats need to be mitigated to support confidentiality, integrity, and availability of the data and applications on the devices. We reviewed NARA's efforts to secure and deploy mobile devices on the NARA network, and to maintain and dispose of these devices. Although it appeared NARA's mobile devices were effectively managed in general, we found the following deficiencies:

- Users who violated NARA's mobile device use policy were not held accountable, and no reimbursement requests were made for inappropriate or excessive use. For FY 2013, charges related to inappropriate or excessive use were estimated at \$2,745.
- NARA did not always ensure only one phone line was activated per user, resulting in spending approximately \$7,289 for duplicate phone lines.
- Logical security controls, including local synchronization settings, password requirements, and lockout settings, were either not implemented or were inconsistent with NARA policy.
- NARA did not always ensure data on lost or retired mobile devices was completely sanitized, and the inventory of retired mobile devices was outdated and inaccurate.
- NARA provided only one type of smartphone, BlackBerry devices, to employees, and had no strategic plan to expand NARA's mobile device portfolio. This may jeopardize NARA's mobile computing and communication capability in the event these devices become obsolete, become vulnerable, or if something should happen to their supply in the market.

Most of these deficiencies existed because strong internal controls, including detailed and clearly defined policies and procedures, were not implemented; and because effective performance monitoring and oversight had not been conducted for managing NARA's mobile devices. We made 10 recommendations to assist NARA, and management concurred with all of them. (Audit Report #15-02, dated November 12, 2014.)

NARA's Digitization Partnerships

NARA has made the digitization of its vast record holdings a major initiative within the agency's strategic planning. One of NARA's approaches involves partnering with external entities to make archival holdings available in digital format. NARA's 2014 Open Government Plan states the public has access to over 235 million images from the agency's digitized collection—of which 97 percent were created by these digitization partnerships. This audit assessed NARA's current digitization partnership process, including an evaluation of NARA's efforts in establishing partnerships and the controls in place to ensure both NARA and the various partners are meeting the terms and conditions set forth in NARA's Digitization Partnership Agreements and policy.

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Although NARA's Digitization Strategy identifies a set of partnership agreement principles developed "to ensure that NARA maintains its public trust," Office of Innovation management has not fully and consistently implemented these principles. One principle required partners to pay all direct costs associated with the digitizing partnership. Due to a lack of enforcing this control, OIG personnel identified over \$420,000 in direct partnership costs that could have been put to better use. Further, although NARA's Strategic Plans and policy over the past decade state the agency is working to expand digitization partnerships, the rate of expansion necessary to meet its overall digitization initiative has not been achieved. In addition, the Office of Innovation has not developed adequate controls to ensure accurate reporting and tracking of its digitization partnership strategy. We made 11 recommendations, and management concurred with all of them. (OIG Audit Report #15-10, dated March 30, 2015.)

NARA's Specially Protected Holdings

Specially Protected Holdings (SPHs) are holdings needing special protection and extra measures of physical and intellectual control because they are (1) especially valuable or vulnerable to theft; (2) likely targets of vandalism; or (3) known or presumed to contain concentrations of sensitive PII; particularly in electronic format. This audit assessed whether offices were protecting, controlling, handling, and accounting for SPHs in accordance with NARA guidance; and whether recommendations in prior audit reports were adequately implemented.

Many of the internal control weaknesses identified in prior reports still existed as the recommendations had not been adequately implemented. The existing SPHs internal controls were not adequate to ensure effective oversight and management of SPHs. Some internal controls have been outlined in NARA policies, however, additional implementation effort is needed to ensure records are controlled, handled properly, accounted for, and protected. We noted:

- SPHs were not always properly monitored, as security guidelines were inadequate in some cases;
- SPHs inventory listings were not always fully documented, at the item level, or accurate;
- SPHs inspections were not always properly completed and recorded;
- Access to SPHs storage areas was not always properly controlled; and
- SPHs procedures were outdated, not documented, or not comprehensive.

We made 10 recommendations, and management concurred with all of them. (OIG Audit Report #15-03, dated February 6, 2015.)

NARA's Processing of Military Interfiles and Refiles at the NRPC

The National Personal Records Center (NPRC), located in St. Louis, Missouri, is the central repository of personnel-related records for both military and civilian services. The NRPC stores records of individual military service pertaining to former service members who no longer have a service obligation. In 2012 we notified the Archivist of the United States in Management Letter

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12-18, *Veteran's Records Issues*, that records housed at the NRPC were found abandoned off the grounds of the facility. In this audit, we assessed the effectiveness and adequacy of management controls in place for managing and accounting for records at the NRPC. Specifically, we (1) followed-up on issues identified in Management Letter No. 12-18, including reviewing the refile and interfile processes; and (2) reviewed the processing of requests within the Case Management and Reporting System (CMRS).

We found the internal controls put in place by management to address issues cited in Management Letter 12-18 significantly improved and enhanced the management control environment. However, our audit identified opportunities to further strengthen the overall internal control environment. We noted:

- The NRPC had no available rationale for reviewing five percent of interfile batches;
- The Batch Control Application (BCA) does not accurately select, capture, and report all interfile reviews performed;
- Supervisor reviews of refile and interfile documentation were either not completed or evidenced in a timely manner;
- Exit inspections were not fully implemented at the NRPC; and
- Under-shelf inspections were not consistently performed for all the NRPC stack areas.

We made five recommendations, and management concurred with all of them. (OIG Audit Report #15-06, dated February 10, 2015.)

NARA's Timeliness in Responding to VA Record Requests

During this period, recent publicity about practices at the Department of Veterans Affairs (VA) contributed to an increase in military personnel record requests from both the VA and veterans sent to the NRPC. We assessed whether the NRPC was adequately fulfilling the VA requests in a timely manner, and it appeared they did. However, the additional requests, decreased funding requests from service branches, inadequate staffing, and the NRPC's recently implemented Quality Assurance Program hindered the facility's ability to process other requests in a timely manner. Additional resources were requested by management and approved for the NRPC. The resources should allow the NRPC to significantly reduce the pending requests.

We also noted the NRPC provided opportunities for veterans to indicate if their requests were for medical appointments or benefits. However, the NRPC does not track this information, and providing this information does not guarantee faster service. Veterans with an urgent request (e.g., upcoming surgery, funeral, etc.) can submit an emergency request to the NRPC, which can be completed within two working days. The NRPC has made all of this information available on NARA's website for veterans. However, if a veteran goes to NARA's veteran's page and clicks on the link for "Need Immediate Assistance," they are directed to the NRPC's general customer service line. This line does not offer any option for those needing immediate help with medical records, and it has experienced some issues in the past (please see OIG Management Letter #14-18, titled "Customer Service Weaknesses at the NRPC, dated September 11, 2014).

AUDITS AND REPORTS

We made two recommendations, and management concurred with both of them. (OIG Audit Memorandum #15-08, dated February 12, 2015.)

NARA's Fiscal Year 2014 Financial Statements Independent Audit

We contracted with CliftonLarsonAllen LLP (CLA), a public accounting firm; to audit NARA's Consolidated Balance Sheets as of September 30, 2014 and the related Statements of Net Cost, Changes in Net Position, and Budgetary Resources. CLA issued NARA an unmodified opinion on NARA's FY 2014 financial statements. CLA disclosed no material weaknesses, significant deficiencies or instances of noncompliance with certain provisions of laws and regulations. There were no audit recommendations. However, in connection with their audit, CLA noted several matters presenting opportunities for strengthening internal control, compliance control, and operating efficiency. CLA sent management 13 recommendations in a separate management letter, and NARA agreed with all of them.

We monitored CLA to ensure the audit was conducted in accordance with the contract, and in compliance with the Government Accountability Office's *Government Auditing Standards* and other authoritative references, such as OMB Bulletin No. 14-02, *Audit Requirements for Federal Financial Statements*. Our review disclosed no instances wherein CLA did not comply, in all material respects, with the contract or *Government Auditing Standards*. (OIG Audit Report #15-05, dated December 19, 2014.)

NARA's Compliance with the Improper Payment Elimination and Recovery Act of 2010

As required by Section 3(b) of the Improper Payments Elimination and Recovery Act of 2010, we completed an independent review of NARA's improper payment reporting in NARA's FY 2014 Performance and Accountability Report (PAR) and accompanying materials. NARA's FY 2014 PAR did not identify any programs or activities susceptible to significant improper payments, and NARA determined payment recapture audits would not be cost-effective. Based on OMB Memorandum M-15-02, NARA is not required to do another review until FY 2017.

We gained an understanding of the internal controls over NARA's improper payments reporting process, risk assessment process, recapture audit determination process, and management control tests used to identity improper payments. We reviewed NARA's reporting on improper payment, risk assessments, and recapture audit determinations for accuracy and completeness. (OIG Audit Memorandum Report #15-07, dated January 13, 2015)

INVESTIGATIONS

Investigations

The Office of Investigations (OI) receives and evaluates complaints, and conducts investigations related to fraud, waste, and abuse in NARA programs and operations. This includes identifying and recovering alienated NARA holdings. Investigations showing violations of Federal law, NARA Directives, or contract terms/specifications may result in administrative sanctions, civil action, or criminal prosecution. Such actions can include employee terminations, contractor debarments, and court-imposed prison terms, probation, fines, or restitution. The OI may also issue Management Letters detailing systemic or timely problems or vulnerabilities, and offer recommendations on how to correct them.

OI activities are broadly divided into two groups: general investigations and archival recovery investigations. General investigations encompass the entire spectrum of criminal and administrative investigations, including such topics as procurement fraud, employee misconduct, and cyber crimes. Archival recovery investigations revolve around protecting NARA's historical holdings and returning items missing from NARA's collection.

The OI has statutory law enforcement authority, and is presently staffed with four 1811 series criminal investigators and an investigative archivist. The OI is based in the National Archives at College Park, MD (Archives II), but conducts investigations at all NARA locations across the country. The OI maintains a close relationship with NARA Security Services to coordinate law enforcement efforts impacting NARA. Specifically, the investigative archivist routinely coordinates efforts with the Holdings Protection Team, a NARA Security Services unit charged with proactively protecting and securing NARA holdings. We also liaise with the Department of Justice (DOJ), the OIG community, and other law enforcement agencies and organizations.

Investigative Initiatives

The OI conducts Investigative Initiatives to proactively identify and test vulnerabilities in NARA programs and operations, and address other OIG concerns. As part of this program, the OI periodically assesses the agency's vulnerability to fraud, archival theft, and loss of sensitive electronic data. These assessments may also be undertaken to review such things as employee conflicts of interest, systemic weaknesses in operations and controls, incident responses taken by NARA, and other administrative and criminal topics. Assessments are limited in scope to quickly identify relevant information and transmit it to NARA management for appropriate consideration or action. The OI did not conduct any assessments this period, but is waiting for NARA's response to a previous assessment of critical incident law enforcement response plans at a NARA facility.

The OI also collects information and documents general investigative activity in Intelligence Files to improve our own efficiency and enhance the OI's operational knowledge of NARA programs, operations, and facilities. This period, the OI maintained Intelligence Files related to archival recovery, information security, and computer crimes.

INVESTIGATIONS

Overall Activity Summary

At the end of the last reporting period, 18 investigations were open (our last Semiannual Report mistakenly stated there were 16). During this reporting period, the OI opened 5 investigations and closed 11. The OI referred 1 closed investigation to NARA for action. At the end of this reporting period, 12 investigations were open.

General Investigations

Updates on Previously Reported General Investigations

Allegations of Fraud

The OI continues to investigate allegations private companies failed to comply with elements of cooperative agreements.

Theft of Funds from a Presidential Library

The OI worked jointly with the Atlanta Police Department to investigate and arrest a former NARA employee for the theft of funds from the Jimmy Carter Presidential Library and Museum gift shop. The subject was indicted on theft charges through the Fulton County District Attorney's Office, and trial is pending.

Missing Laptops

The investigation into three laptop computers missing from a NARA facility was closed, and the disposition of the laptops could not be determined. The main issue affecting the investigation was workers' failure to follow the requirements of NARA policy on documenting this type of property.

Potential Employee Improper Contract Practices

The OI continued an investigation into allegations of employee misconduct relating to potential improper contract practices involving an IT services contract.

Misuse of Federal Records

The OI continues to assist in an investigation of alleged misuse of Federal records pertaining to a potential fraud scheme.

New General Investigation Highlights

Qui Tam Investigation Assistance

The OI assisted a United States Attorney's Office in gathering information on a contractor who was involved in a qui tam action.

NARA Employees Bypassing Exit Screening

Two NARA employees were found bypassing exit screening at a NARA facility. No thefts were discovered, and both employees returned into the building and went through the screening process. In response, NARA implemented a new policy on staff use of certain doors at the facility.

INVESTIGATIONS

Improper Hiring Practices

The OI started an investigation into allegations Federal hiring rules were violated.

Fraudulent Benefits Application

The OI started an investigation with another Federal agency into whether fraudulent records were used in connection with an application for certain benefits.

Archival Recovery Team (ART) Activity

ART is a concept that embodies the OI's focus on recovering alienated Federal records. ART is the teaming of agents with the expertise of an investigative archivist. These teams often work with NARA archivists, the Holdings Protection Team, and other law enforcement organizations responsible for investigating thefts, loss, or trafficking of Federal records and property.

Thefts

ART investigates all allegations of theft of NARA holdings. Thefts may be internal or external and involve NARA employees, contractors, interns, or researchers. ART refers all instances of substantiated theft to the DOJ for potential criminal prosecution. ART also refers internal thefts to NARA management for administrative action.

Non-criminal Recoveries

Individuals may intentionally or unknowingly alienate a Federal record before it is accessioned into NARA's holdings. Once identified, alienated records are subject to recovery through a legal process known as replevin, a common law action to recover property unlawfully taken.

If ART receives allegations a record or item was alienated, our investigative archivist helps establish if the record should have been accessioned into NARA's holdings. If the record should have come to NARA, ART refers this substantiation to the NARA Office of General Counsel (NGC) to begin the replevin process or other methods of recovering the document, such as voluntary donation. If the holder of the document is unwilling to release or donate a document, NGC may also pursue recovery through the DOJ civil division.

Proactive

Tips from our public sentinels are critical to successfully recovering our nation's records. To leverage the power of their knowledge, ART engages in a variety of initiatives to establish relationships within the historical artifacts community and the public at large. Several times every year, ART staffs a display at various historical artifact shows throughout the country. However, in this reporting period ART did not attend any shows.

ART maintains a Facebook page updating the public about upcoming shows and ART happenings, along with other newsworthy items about document thefts, investigations, and

INVESTIGATIONS

recoveries at NARA and other institutions worldwide. ART received 3,700 “likes” on its Facebook page this reporting period. Visit the site at www.facebook.com/archivalrecoveryteam.

In this reporting period, ART also relied upon a NARA volunteer to search an Internet auction site for Federal documents. Finally, ART reviews NARA holdings, identifying items at risk for theft and making recommendations to NARA about what records should be restricted or protected.

Missing Documents

Working in conjunction with NARA, ART has established a listing of documents identified as missing from NARA holdings. Some of these documents are known to have been stolen, but have never been recovered. Others have simply been identified by NARA archivists or researchers as missing. In both cases, ART has little or no evidence to work with, so the documents are listed on the NARA website in the hope of receiving viable leads to recover these materials. During this period, ART received 17 inquiries from the public and NARA staff about Federal items for sale through online auction sites. ART’s Missing Documents email also received 31 inquiries this period.

Please visit the website at www.archives.gov/research/recover/missing-documents.html to learn more. If you have information about any documents listed on the site or believe you have seen a Federal document in private hands, please email ART at MissingDocuments@nara.gov.

Updates on Previously Reported ART Investigations

Document Signed by Revolutionary War General

ART had previously discovered a document signed by Revolutionary War General Peter Muhlenberg for sale. The document is consistent with holdings at the NARA Mid-Atlantic region. ART previously referred this document to management for recovery, but additional investigation was not able to determine to whom the document was sold.

Missing Historical World War II Movies

The OI could not determine the location or disposition of original historical World War II movies missing from the National Archives in College Park, MD due to conflicting and missing documentation. However, copies exist, allowing uninterrupted access to the records.

Recovery Related to Theft of Sound Recordings

The OI continues efforts to locate and recover sound recordings stolen and sold by a former NARA employee.

Recovery of a U.S. Army Continental Command Record

ART recovered a Weekly Station & Effective Force Report for the 2nd Cavalry Division, dated October 2, 1865, and authored by Major General George Custer. The report had been listed on the Missing Documents webpage, and an investigation was unable to identify the person responsible for removing the report.

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Missing Andrew Jackson Presidential Pardon

There was some evidence a missing Andrew Jackson pardon issued to Zachariah Smith on August 18, 1835 had been sold in 2004. However, the OI was unable to recover or identify who was responsible for removing the pardon. The pardon had been listed on the Missing Documents webpage.

Recovery of Holdings from Another Federal Archives

ART assisted in a joint investigation with the Naval Criminal Investigative Service in executing a search warrant at the home of a former volunteer with the Navy's archives, resulting in the recovery of 35 boxes of historical Federal records and the arrest of the subject on Federal theft charges. The suspect pleaded guilty to one count of theft of government property and was sentenced to two years probation.

Records Allegedly for Sale

Records from an affiliated archive were allegedly for sale on an Internet auction site. A joint investigation is ongoing with the agency in charge of the affiliated archive.

Potential Theft of Bureau of Indian Affairs Records

The OI continues looking into a complaint of an alleged theft of Bureau of Indian Affairs records relating to water rights at a NARA regional facility.

Artifact Potentially Missing from Presidential Library

An artifact potentially missing from a Presidential Library was found offered for sale. The artifact has been recovered.

United States Senate Committee Records

The OI received allegations records belonging to the United States Senate Select Committee on Improper Activities in Labor and Management were located on private property. It was determined they were duplicates of records NARA holds.

Potential Attempted Theft of NARA Holdings

A private researcher took a NARA motion picture recording out of the research room at a NARA facility. It was recovered by security officers at an exit checkpoint.

Non-NARA Items Stolen from NARA Facility Recovered Overseas

Non-NARA-owned items related to a NARA exhibit which had been stolen in 2002 came up for auction overseas. The investigation was referred to the appropriate entity.

New ART Investigative Highlights

Destruction of Federal Records

The OI started an investigation into claims a contractor was destroying Federal records.

United States Customs Service Records from the 1800's

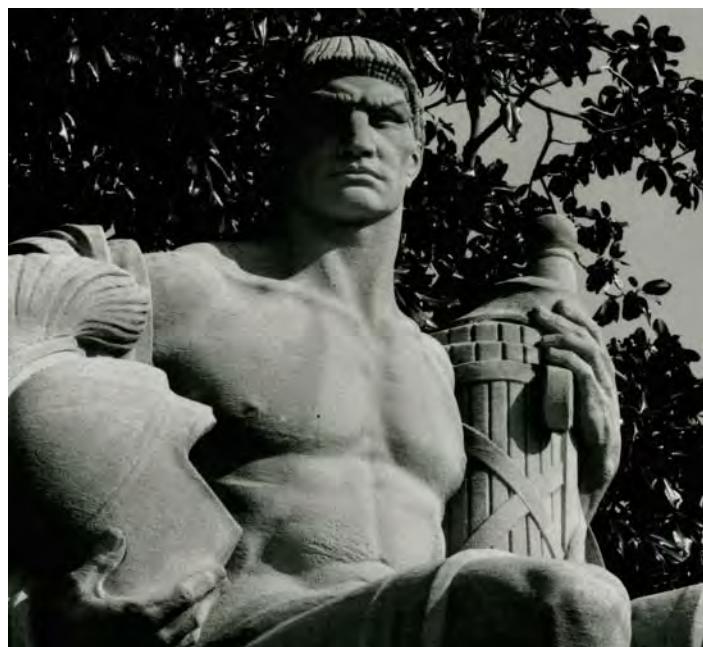
A private citizen contacted ART about potentially transferring United States Customs Service records from the 1800s to NARA. The issue was referred to NARA for replevin consideration.

INVESTIGATIONS

Referrals for Recovery of Alienated Documents

The following referrals either remained ongoing or were acted on during this reporting period.

- Historic Letter for Sale
ART found a letter for sale believed to have been alienated from NARA holdings. The letter is dated May 12, 1861, and concerns troops being fired upon by a mob in St. Louis, MO. NARA management continues to consider recovery.
- Historic Coast Guard Records for Sale
ART found historic Coast Guard records for sale. While these were Federal records, they were not alienated from NARA holdings and were not ever in NARA's possession. The issue was referred to NARA for consideration. NARA management continues to consider recovery.
- Historic Photo Negatives Held by Another Institution
Historic photo negatives potentially belonging in NARA's collection appear to be held by another institution. NARA management continues to consider recovery.
- Classified Documents in Personal Papers
Classified documents were found among personal papers donated to a public university. Presidential library staff members continue to review the documents for declassification and to identify any which should be among NARA's holdings.
- Alienated State Department Document for Sale
A NARA researcher found a document for sale that may be part of a State Department record. The historically significant document contains handwritten annotations from President Franklin D. Roosevelt. NARA management continues to consider recovery.



INVESTIGATIONS

OIG Hotline

The OIG Hotline provides a confidential channel for reporting fraud, waste, abuse, and mismanagement to the OIG. In addition to receiving telephone calls at a toll-free Hotline number and letters to the Hotline post office box, we also accept email communication from NARA's internal network or the Internet through the Hotline email system. Walk-ins are always welcome. Visit <http://www.archives.gov/oig/> for more information, or contact us:

- **By telephone**
Washington, DC, Metro area: (301) 837-3500
Toll-free and outside the Washington, DC, Metro area: (800) 786-2551
- **By mail**
NARA OIG Hotline
P.O. Box 1821
Hyattsville, MD 20788-0821
- **By email**
oig.hotline@nara.gov
- **By Fax**
(301) 837-0879
- **By online referral form**
http://www.archives.gov/oig/referral-form/index.html

The Office of Investigations promptly and carefully reviews calls, letters, and email to the Hotline. We investigate allegations of suspected criminal activity or civil fraud and conduct preliminary inquiries on noncriminal matters to determine the proper disposition. Where appropriate, referrals are made to OIG audit staff, NARA management, or external authorities. Substantive Hotline contacts are captured as complaints in the Office of Investigations.

<u>Hotline Activity for the Reporting Period</u>	
Hotline contacts received	46
Hotline contacts opened to Complaints or Investigations	4
Hotline contacts referred to other entity	5
Hotline contacts closed to file (includes referrals to NARA or audit)	31
Hotline contacts pending resolution	4

Contractor Self Reporting Hotline

As required by the Federal Acquisition Regulation, a web-based form allows NARA contractors to notify the OIG, in writing, whenever the contractor has credible evidence a principal, employee, agent, or subcontractor of the contractor has committed a violation of the civil False Claims Act or a violation of Federal criminal law involving fraud, conflict of interest, bribery, or gratuity violations in connection with the award, performance, or closeout of a contract or any related subcontract. The form can be accessed through the OIG's home page or found directly at <http://www.archives.gov/oig/contractor-form/index.html>.

SIGNIFICANT DISAGREEMENTS

Disagreements with Significant Management Decisions

Under the IG Act, as amended, the OIG reports “information concerning any significant management decision with which the Inspector General is in disagreement.” The following disagreements have been reported previously, but as nothing has changed, they remain an issue.

In October 2014, we reviewed NARA’s FY 2014 Draft Federal Manager’s Financial Integrity Act (FMFIA) statement. We disagreed with the assurance statement for Section 2 of the (FMFIA) reporting requirements. We disagree because the current entity-wide Internal Control Program is not comprehensive nor developed enough to clearly reflect NARA’s internal control environment. Without a fully implemented Program that is able to identify, document, and test risks and controls for each function, the agency is not able to identify all its existing risks and potential weaknesses. The FY 2014 agency assurance statement currently underreports material weaknesses and does not accurately reflect the breadth of risks in NARA’s Holdings Protection, Processing, Electronic Records Management, and Information Security Programs.

NARA’s Holdings Protection Program

NARA’s FY 2014 assurance statement downgraded the Holdings Protection Program from a material weakness to a reportable condition. The agency based this decision on (1) the development and application of risk-ranking criteria for facilities and (2) a gap analysis of actions taken since the Program was declared a material weakness 13 years ago. According to the agency, the analysis identified no material control gaps.

Based on our assessment, the two actions presented by the agency are no basis for the downgrade. Specifically, based on our review of the analysis, a majority of the identified Holdings Protection internal controls have material gaps for internal threats, external threats, and specially protected records. We also noted none of the internal controls identified in the analysis were mapped to risks or risk-ranked (high, medium, low). There was limited supporting documentation provided to support both actions, including the review and testing of the controls.

Further, there is also confusion in the agency over the Holdings Protection Team’s real mission and how the Team will best execute the mission in the future. This is evident by the Team’s failure to perform proactive analyses aimed at strengthening protection of NARA’s holdings. These issues and continued concerns over the Program are driving the OIG to plan an entity-wide holdings protection audit in FY 2015.

NARA’s Processing Program

NARA’s FY 2012 assurance statement downgraded the Processing Program from a material weakness to a reportable condition. The agency made this decision based on the current state of Federal records processing, the strides the agency has made in the last six years, and the current focus on reengineering processing work. The agency also decided to remove the processing of electronic Presidential records from this weakness since the processes and requirements for processing these records are distinctly different from Federal textual records.

SIGNIFICANT DISAGREEMENTS

Based on our assessment, NARA's Processing Program should still be carried as a material weakness. Approximately 32% of NARA's textual holdings have not been processed, which will not allow efficient and effective access to these records. Further, in our FY 2013 audit³ we reported the strategic direction of processing needs to include an overall agency policy and definition, adequate backlog reduction plans for Research Services field locations, plans for increased processing progress in the Presidential libraries, improved processing staff utilization, and a realistic and attainable processing goal. Some of the actions planned by the agency for the critical recommendations identified in the audit are not scheduled to be completed until later in FY 2015. Therefore, the risks identified in the audit report still exist. As a result, a processing backlog continues placing records at risk, increasing the time for reference requests, impairing the agency's ability to describe the records online, and limiting access to records.

NARA's Information Systems and Technology Security

The Information Systems and Technology Security (IS&TS) was downgraded by management in FY 2013 to a reportable condition in the annual Performance and Accountability Report. The decision to report IS&TS as a reportable condition rather than a material weakness was based on management's assertion they have new processes to address previous recommendations for improvement. Management reports these processes include applying a risk ranking methodology and instituting metrics and measures to monitor progress. We believe, as we did in previous years, management's assessment does not represent the true material weakness surrounding NARA's weak IT security environment.

Based on our assessment, critical functions, controls, and risks for IS&TS have not been adequately identified. Without this information it is impossible to assess the control environment for IS&TS. Our previous audits (e.g., Network Discovery and Assessment, Network Vulnerability Assessment and Penetration Testing, and Wireless Access⁴) and NARA's internally contracted studies continue to point to internal control weaknesses, including the potential for NARA's network to be hacked. Additionally, findings from the OIG's FY 2013 FISMA assessment, where we reported the agency did not have an established program in any of the 11 assessment areas, should continue to encourage NARA management to reconsider IS&TS as a material weakness. Further, recent comments by NARA's Chief Information Security Officer, acknowledging numerous ongoing vulnerabilities in NARA's web environment that possibly put veterans' PII data at risk, further increase the urgency to revisit IS&TS as a material weakness.

After the 2014 Performance and Accountability Report was issued, NARA management reclassified IT security as a material weakness. We will assess these actions for the Performance and Accountability Report issued next period.

³ Audit Report No. 13-14, Audit of Processing Textual Records, dated September 18, 2013.

⁴ Audit Report No. 12-11, IMRI Network Discovery and Assessment Report dated August 27, 2012, Audit Report No. 11-05, Clifton Gunderson LLP Network Vulnerability Assessment and Penetration Testing dated November 8, 2010, and Audit Report No. 14-10, Cotton & Company's Audit of NARA's Enterprise Wireless Access dated May 9, 2014.

SIGNIFICANT DISAGREEMENTS

NARA's Electronic Records Management Program

NARA reported the Electronic Records Management program as a reportable condition instead of a material weakness. This decision was predicated on the issuance of Presidential Memorandum – Managing Government Records, and OMB Memorandum 12-18. These documents represent an executive branch-wide effort to reform records management policies and practices and to develop a 21st-century framework for the management of government records. Management is using OMB Memorandum 12-18 to guide the development of the Chief Records Officer operational plans for years to come and serve as an action plan against which NARA can monitor and assess progress. However, the directive does not mitigate the existing risks outlined in our 2010 audit report, OIG 10-04, *NARA's Oversight of Electronic Records Management in the Federal Government*. The report found NARA did not have adequate controls in place to protect permanent Federal electronic records from loss. Specifically, we reported NARA could not reasonably ensure permanent electronic records are being adequately identified, maintained, and transferred to NARA in accordance with Federal regulations. Until sufficient controls have been implemented to minimize these risks, NARA should classify this program as a material weakness.

GAO is currently conducting a review to assess Federal agencies implementation of OMB Memorandum 12-18, including actions taken by NARA to assist agencies in using electronic recordkeeping and ensuring agencies comply with Federal records management statutes and regulations. We will review GAO's audit and make an assessment if the material weakness can be downgraded.



TOP TEN MANAGEMENT CHALLENGES

Overview

Under the authority of the Inspector General Act, the NARA OIG conducts and supervises independent audits, investigations, and other reviews to promote economy, efficiency, and effectiveness; and to prevent and detect fraud, waste, and mismanagement. To fulfill our mission and help NARA achieve its strategic goals, we have aligned our programs to focus on areas we believe represent the agency's most significant challenges. We have identified those areas as NARA's top ten management challenges.

1. Electronic Records Archives

NARA initiated the Electronic Records Archive (ERA) program in order to address the challenge of ingesting, preserving, and providing access to our nation's electronic records for as long as needed. However, virtually since inception the program has been fraught with delays, cost overruns, and technical shortcomings and deficiencies identified by our office and the Government Accountability Office (GAO). In August 2010, the Office of Management and Budget (OMB) placed ERA on its high-priority list of 26 high-risk Federal IT projects. On September 30, 2011, the development contract between NARA and Lockheed Martin Corporation concluded. However, many core requirements were not fully addressed, and ERA lacks the originally envisioned functionality.

The program is now in an Operations and Maintenance (O&M) phase under a 10-year, \$240 million contract with IBM. The O&M tasks to be performed by IBM, under a firm-fixed-price (FFP) arrangement, include help desk operations, incident management, problem management, hardware and software maintenance, asset and configuration management, deployment management, capacity management, availability management, security services, backup and recovery services, and ingest operations. The contract also includes replacing and updating the technologies comprising ERA, and correcting and adapting ERA functionality as necessary to meet stakeholder needs. These additional tasks will be performed under Technical Direction Letters (TDLs), which may be either FFP or time-and-materials (T&M) arrangements.

ERA faces many challenges going forward, including addressing increased volumes of data to be ingested and support for increased numbers of users now that ERA use is mandatory for all Federal agencies. However, the greatest challenge will be NARA's ability (with vendor support) to effectively meet stakeholder needs while operating and maintaining a system whose development failed to meet core benchmark requirements and lacks originally envisioned capabilities. Additionally, NARA needs to start planning for a significant number of electronic records from the Executive Office of the President, as there will be a change of administration after the 2016 election.

2. Improving Records Management

Part of NARA's mission is safeguarding and preserving the records of our government, thereby ensuring people can discover, use, and learn from this documentary heritage. NARA provides continuing access to the essential documentation of the rights of American citizens and the actions of their government. The effective management of these records is key to accomplishing this mission. NARA must work with Federal agencies to ensure the effective and efficient

TOP TEN MANAGEMENT CHALLENGES

appraisal, scheduling, and transfer of permanent records, in both traditional and electronic formats. The major challenge is how best to accomplish this component of our overall mission while reacting and adapting to a rapidly changing technological environment in which electronic records, particularly email, proliferate. In short, while the ERA system is intended to work with electronic records received by NARA, we need to ensure the proper electronic and traditional records are in fact preserved and sent to NARA in the first place.

In November 2011, a Presidential Memorandum titled *Managing Government Records* was issued. This began a new executive branch-wide effort to reform records management policies and practices. In August 2012, the Office of Management and Budget (OMB) and NARA jointly issued Memorandum 12-18, *Managing Government Records Directive*, creating a robust records management framework. This directive requires agencies, to the fullest extent possible, to eliminate paper and use electronic recordkeeping. It is applicable to all executive branch agencies and to all records, without regard to security classification or any other restriction. This directive also identifies specific actions to be taken by NARA, OMB, and the Office of Personnel Management (OPM) to support agency records management programs. Agencies must manage all permanent electronic records in an electronic format by December 31, 2019, and must manage both permanent and temporary email records in an accessible electronic format by December 31, 2016. NARA, its government partners, and Federal agencies are challenged with meeting these deadlines, determining how best to manage electronic records in accordance with this guidance, and how to make electronic records management and e-Government work more effectively. GAO is currently reviewing Federal agencies' efforts to comply with Memorandum 12-18. Until sufficient controls have been implemented to protect permanent Federal electronic records from loss, NARA should classify electronic records management as a material weakness.

3. Information Technology Security

The Archivist identified IT Security as a material weakness under the Federal Managers' Financial Integrity Act reporting process from FY 2007 to FY 2012. In 2013, NARA reclassified and downgraded the material weakness in IT security to a reportable issue. However, in January 2015, NARA decided to again reclassify IT security from a reportable issue back up to a material weakness. We have been informed this material weakness focuses on specific aspects, and does not encompass the entire IT security program. This is concerning as audits and assessments continually identify that significant improvements and focused efforts are needed to establish a mature information security program. Further, there are identified vulnerabilities which still present an extreme risk to the agency and its sensitive data.

Annual assessments of NARA's compliance with the Federal Information Security Management Act have consistently identified program areas in need of significant improvement. NARA experienced a change in leadership in the Office of Information Services during FY 2014, and new initiatives have been introduced to promote a mature information security program for the agency. However, real progress will not be made until NARA establishes an effective system of internal control for information security. The confidentiality, integrity, and availability of our electronic records and information technology systems are only as good as NARA's IT security program infrastructure.

TOP TEN MANAGEMENT CHALLENGES

In FY 2012, an assessment performed by contractors identified multiple deficiencies with NARA's network architecture, many of which stem from the lack of strategic planning with regard to the redundancy, resiliency, and overall design of the network. These issues not only allow for security and performance problems, but they inhibit NARA IT management from effectively establishing a tactical and innovative strategy for the next generation of NARA's network. Each year, risks and challenges to IT security continue to be identified. NARA must ensure the security of its data and systems or risk undermining the agency's credibility and ability to carry out its mission.

4. Expanding Public Access to Records

The records of a democracy's archives belong to its citizens. NARA's challenge is to more aggressively inform and educate our customers about the services we offer and the essential evidence to which we can provide access. Unfortunately, approximately 32 percent of NARA's textual holdings have not been processed to allow efficient and effective access to them. To meet its mission, NARA must work to ensure it has the processes and resources necessary to establish intellectual control over this backlog of unprocessed records. However, NARA's FY 2012 assurance statement downgraded the Processing Program from a material weakness to a reportable condition. This is concerning as audits have identified multiple issues with the program, including the fact NARA lacks a strategic direction. Further, NARA reports unprocessed records by giving the percentage of records which have been processed. However, this can lead to un-intuitive results, such as when the physical volume of unprocessed records increases, but the percentage of records processed increases as well since the total collection is growing. Thus an "improving" percentage figure can at times also represent a growing backlog of unprocessed records.

Another challenge for NARA, given society's growing expectation for easy and near-immediate access to information online, will be to provide such access to records created digitally ("born digital") and to identify those textual records most in demand so they can be digitized and made available electronically. The ERA's diminished access capabilities compound this challenge (see Challenge #1 above). Another access issue is the lack of mobile interfaces for smartphones, tablets, and similar devices for any NARA website. Further, NARA's role in ensuring the timeliness and integrity of the declassification process of classified material held at NARA is also vital to public access.

NARA's FY 2014-2018 Strategic Plan further emphasizes public access to records by including the strategic goal: "Make Access Happen." This goal establishes public access as NARA's core purpose and includes an initiative to digitize all analog archival records in order to make them available online. Although NARA recently updated the agency's Digitization Strategy, historically the digitization approaches implemented have not reached a scale large enough to make significant progress in achieving NARA's overall digitization initiative. NARA must ensure the appropriate management, controls, and resources are in place to successfully implement its Digitization Strategy and expand public access to records.

TOP TEN MANAGEMENT CHALLENGES

5. Meeting Storage Needs of Growing Quantities of Records

NARA-promulgated regulation 36 CFR Part 1228, “Disposition of Federal Records,” Subpart K, “Facility Standards for Records Storage Facilities,” requires all facilities housing Federal records to meet defined physical and environmental requirements by FY 2009. NARA’s challenge is to ensure NARA’s own facilities, as well as those used by other Federal agencies, are in compliance with these regulations; and to effectively mitigate risks to records which are stored in facilities not meeting these standards. NARA is also challenged in acquiring sufficient archival space to store its ever-increasing volume of textual records. NARA is approaching its overall archival storage capacity and space limitations are affecting NARA’s accessioning, processing, preservation, and other internal efforts. Without obtaining additional archival space, NARA may face challenges in meeting its mission and may have to house accessioned textual records in space not meeting its physical and environmental requirements.

In addition to NARA’s physical storage needs, the agency is also challenged in meeting its requirements for electronic data storage. NARA’s in-house data storage is reaching capacity, impacting the agency’s digitization efforts and other IT programs dependent on scalable, secure, and readily available data storage. Increasing amounts of electronic data storage is necessary for NARA to meet its mission. Without adequate storage NARA cannot continue accepting, storing, and processing records, or make electronic records available to the public. NARA is challenged to develop an enterprise-wide data storage management solution compliant with the Office of Management and Budget’s Federal Data Center Consolidation Initiative, which focuses on reducing the energy and real estate footprint of government data centers.

6. Preservation Needs of Records

Preservation continues to be a material weakness for the agency. NARA holdings grow older daily and face degradation associated with time. This affects both traditional paper records and the physical media that electronic records and audiovisual records are stored on. According to management, preservation resources have not been able to adequately address the growth in holdings needing preservation action. Preserving and providing access to records is a fundamental element of NARA’s duties to the country, and NARA cannot provide access to records unless it can preserve them for as long as needed. The backlog of records needing preservation remains steady. NARA is challenged to address this backlog and future preservation needs, including the data integrity of electronic records. Further, NARA’s primary tool for preserving electronic records, the ERA system, has not delivered the functionality necessary to address record format obsolescence (see OIG Challenge #1). The challenge of ensuring NARA facilities meet environmental standards for preserving records (see OIG Challenge #5) also plays a critical role in the preservation of Federal records.

7. Improving Project Management

Effective project management, particularly for IT projects, is essential to obtaining the right equipment and systems to accomplish NARA’s mission. Complex and high-dollar contracts require multiple program managers, often with varying types of expertise. NARA is challenged with planning projects, developing adequately defined requirements, analyzing and testing to support acquisition and deployment of the systems, and providing oversight to ensure effective or efficient results within contracted costs. Currently, IT systems are not always developed in

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accordance with established NARA guidelines. These projects must be better managed and tracked to ensure budget, scheduling, and performance goals are met.

As an example, GAO reported NARA did not document the results of briefings to its senior management oversight group during the development of NARA's largest IT project, the ERA program. There is little evidence the group identified or took appropriate corrective actions, or ensured such actions were taken and tracked to closure. Without adequate oversight evaluating project progress, including documenting feedback and action items from senior management, NARA will not be able to ensure projects are implemented at acceptable costs and within reasonable time frames. GAO also reports NARA has been inconsistent in its use of earned value management (EVM), a project management approach providing objective reports of project status and early warning signs of cost and schedule overruns. Inconsistent use of key project management disciplines like EVM limits NARA's ability to effectively manage projects and accurately report on their progress.

8. Physical and Holdings Security

Holdings Security continues to be a material weakness for the agency. Document and artifact theft is not a theoretical threat; it is a reality NARA has been subjected to time and time again. NARA must maintain adequate levels of security to ensure the safety and integrity of persons and holdings within our facilities. This is especially critical in light of the security realities facing this nation and the risk our holdings may be pilfered, defaced, or destroyed by fire or other man-made and natural disasters. Not only do NARA's holdings have immense historical and financial value, but we hold troves of national security information as well. NARA's implementation of the Holdings Protection Team and stricter access controls within the past five years has increased NARA's security posture. However, without adequate oversight and accountability, NARA continues to be challenged in implementing an effective Holdings Protection Program.

9. Contract Management and Administration

The GAO has identified Commercial Services Management (CSM) as a government-wide initiative. The CSM initiative includes enhancing the acquisition workforce, increasing competition, improving contract administration skills, improving the quality of acquisition management reviews, and strengthening contractor ethics requirements. Effective contract management is essential to obtaining the right goods and services at a competitive price to accomplish NARA's mission. NARA is challenged to continue strengthening the acquisition workforce and to improve the management and oversight of Federal contractors. NARA is also challenged with reviewing contract methods, to ensure a variety of procurement techniques are properly used in accordance with laws, regulations, and best practices.

10. Management of Internal Controls

OMB Circular A-123, *Management's Responsibility for Internal Control*, explains management is responsible for establishing and maintaining internal controls to achieve the objectives of effective and efficient operations, reliable financial reporting, and compliance with applicable laws and regulations. GAO has reported NARA has not established an enterprise risk management capability, thus reducing its ability to anticipate future challenges and avoid potential crises. Currently, the agency has not established an effective internal control program,

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and OIG audit recommendations from as far back as FY 2009 concerning an internal control program have yet to be implemented. Thus, NARA is vulnerable to risks that may not be foreseen or mitigated, and does not have the ability to self-identify and appropriately manage or mitigate significant deficiencies. Establishment of an effective internal control program is critical as it provides several benefits, including (1) improved decision making; (2) risk identification, management, and mitigation; (3) opportunities for process improvement; (4) effective use of budgeted resources; and (5) strategic planning. NARA's challenge is to ensure the agency is in compliance with OMB Circular A-123 and to develop and fully implement an internal control program.



REPORTING REQUIREMENTS

MANDATED BY THE INSPECTOR GENERAL ACT OF 1978, AS AMENDED, AND OTHER LAWS

<u>REQUIREMENT</u>	<u>SUBJECT</u>	<u>PAGE(S)</u>
Section 4(a)(2)	Review of legislation and regulations	5, 8
Section 5(a)(1)	Significant problems, abuses, and deficiencies	2–3, 12–16, 24–32
Section 5(a)(2)	Significant recommendations for corrective action	2–3, 12–16
Section 5(a)(3)	Prior significant recommendations unimplemented	38–52
Section 5(a)(4)	Summary of prosecutorial referrals	35
Section 5(a)(5)	Information or assistance refused	36
Section 5(a)(6)	List of reports issued	35
Section 5(a)(7)	Summaries of significant reports	2–3, 12–16
Section 5(a)(8)	Audit Reports—Questioned costs	36
Section 5(a)(9)	Audits Reports—Funds put to better use	37
Section 5(a)(10)	Prior audit reports with no management decision	36
Section 5(a)(11)	Significant revised management decisions	36
Section 5(a)(12)	Significant management decisions with which the OIG disagreed	24–26
Section 5(a)(14)	Reporting on OIG peer review	8–9
P.L. 110-181	Annex of completed contract audit reports	37
P.L. 104-106	Prior fiscal years' open audit recommendations	38–52

REPORTING REQUIREMENTS

STATISTICAL SUMMARY OF INVESTIGATIONS

<i>Investigative Workload</i>	
Hotline contacts received this reporting period	46
Complaints opened this reporting period	18
Investigations pending at beginning of reporting period	18
Investigations opened this reporting period	5
Investigations closed this reporting period	11
Investigations carried forward this reporting period	12
<i>Categories of Closed Investigations</i>	
Fraud	0
Conflict of Interest	0
Contracting Irregularities	0
Misconduct	1
Larceny (theft)	9
Other	3
<i>Investigative Results</i>	
Cases referred – accepted for prosecution	1
Cases referred – declined for prosecution	2
Cases referred – pending prosecution decision	1
Arrest	0
Indictments and informations	0
Convictions	1
Fines, restitutions, judgments, and other civil and administrative recoveries	\$0
NARA holdings recovered	0
<i>Administrative Remedies</i>	
Employee(s) terminated	0
Employee(s) resigned	0
Employee(s) suspended	0
Employee(s) given letter of reprimand or warnings/counseled	1
Employee(s) taking a reduction in grade in lieu of administrative action	0
Contractor (s) removed	1
Individual(s) barred from NARA facilities	1

REPORTING REQUIREMENTS

SUMMARY OF PROSECUTORIAL REFERRALS

Requirement 5(a)(4)

Accepted for Prosecution

Fraudulent Benefits Application

The OI started an investigation with another Federal agency into whether fraudulent records were used in connection with an application for certain benefits.

Declined for Prosecution

Allegations of Fraud

The OI continues to investigate allegations private companies failed to comply with elements of cooperative agreements.

Potential Attempted Theft of NARA Holdings

A private researcher took a NARA motion picture recording out of the research room at a NARA facility. It was recovered by security officers at an exit checkpoint.

Pending Prosecutorial Determination

Destruction of Federal Records

The OI started an investigation into claims a contractor was destroying Federal records.

LIST OF AUDIT REPORTS ISSUED

Requirement 5(a)(6)

Report No.	Title	Date	Questioned Costs	Unsupported Costs	Funds Put to Better Use
15-01	Audit of NARA's Information Security Program	10/27/2014	\$0	\$0	\$0
15-02	Audit of NARA's Mobile Device Management	11/12/2014	\$0	\$0	\$10,034
15-03	Audit of NARA's Specially Protected Holdings	02/06/2015	\$0	\$0	\$0
15-04	Status Update of ERA Census Data Storage and Classified Instances	12/11/2014	\$0	\$0	\$0
15-05	CliftonLarsonAllen's NARA FY 2014 Financial Statements Independent Audit Report	12/19/2014	\$0	\$0	\$0
15-06	Audit of NARA's Processing of Military Interfiles and Refiles at the National Personnel Records Center	02/10/2015	\$0	\$0	\$0
15-07	Audit of NARA's Compliance with the Improper Payment Elimination and Recovery Improvement Act of 2012	01/13/2015	\$0	\$0	\$0
15-08	NARA's Timeliness in Responding to Department of Veterans Affairs Record Requests	02/12/2015	\$0	\$0	\$0
15-10	Audit of NARA's Digitization Partnerships	03/30/2015	\$0	\$0	\$420,000

REPORTING REQUIREMENTS

AUDIT REPORTS WITH QUESTIONED COSTS

Requirement 5(a)(8)

Category	Number of Reports	DOLLAR VALUE	
		Questioned Costs	Unsupported Costs
A. For which no management decision has been made by the commencement of the reporting period	0	\$0	\$0
B. Which were issued during the reporting period	0	\$0	\$0
Subtotals (A + B)	0	\$0	\$0
C. For which a management decision has been made during the reporting period	0	\$0	\$0
(i) dollar value of disallowed cost	0	\$0	\$0
(ii) dollar value of costs not disallowed	0	\$0	\$0
D. For which no management decision has been made by the end of the reporting period	0	\$0	\$0
E. For which no management decision was made within 6 months	0	\$0	\$0

OTHER REQUIRED REPORTS

REQUIREMENT	CATEGORY	SUMMARY
5(a)(3)	Prior significant recommendations unimplemented	See pages 38–52.
5(a)(5)	Information or assistance refused	None
5(a)(10)	Prior audit reports with no management decision	Management has concurred or disagreed with all issued reports.
5(a)(11)	Significant revised management decisions	None
5(a)(12)	Significant management decisions with which the OIG disagreed	See pages 24–26.

REPORTING REQUIREMENTS

AUDIT REPORTS WITH RECOMMENDATIONS THAT FUNDS BE PUT TO BETTER USE

Requirement 5(a)(9)

CATEGORY	NUMBER	DOLLAR VALUE
A. For which no management decision has been made by the commencement of the reporting period	8	\$18,239,724
B. Which were issued during the reporting period	2	\$430,034
Subtotals (A + B)	10	\$18,669,758
C. For which a management decision has been made during the reporting period	6	\$8,550,845
(i) dollar value of recommendations that were agreed to by management	5	\$8,541,583
Based on proposed management action	0	\$0
Based on proposed legislative action	0	\$0
(ii) dollar value of recommendations that were not agreed to by management	1	\$9,262
D. For which no management decision has been made by the end of the reporting period	5	\$10,119,313
E. For which no management decision was made within 6 months of issuance	3	\$9,688,879

ANNEX ON COMPLETED CONTRACT AUDIT REPORTS

Section 845 of the 2008 Defense Authorization Act, Public Law 110-181, requires certain information on completed contract audit reports containing significant audit findings be included as an annex to this report. While the OIG audited the ERA and other contracts during this period, they were generally program audits as opposed to contract audits.

REPORTING REQUIREMENTS

Prior Fiscal Years' Open Audit Recommendations⁵

Report	Title	Recommendation
06-09	Review of NARA's Information Security Program	<ul style="list-style-type: none">2a The Assistant Archivist NH should document policies and procedures for ensuring that software products running on NARANET are current versions, still supported by the software vendors.2c The Assistant Archivist should immediately begin planning for the migration from Novell Netware to another type of operating system software, e.g., Microsoft or Linux.
06-10	Evaluation of NARA's Affiliated Archives Program	<ul style="list-style-type: none">3 The Archivist should take appropriate measures to revise MOUs between NARA and affiliates to incorporate current standards for housing NARA records.4 The Archivist should ensure that there is a mechanism to update the MOUs. Specifically, a procedure should be established to update the MOUs on an interim basis, or when new standards are implemented at NARA.5 The Archivist should ensure that all MOUs contain the required clause for the use of the NARA seal.6 The Archivist should ensure that all affiliates meet the current storage standards or provide waivers and time frames to have the affiliates become compliant with the NARA 1571 standards.
06-11	Audit of System Adm. Rights and Controls	<ul style="list-style-type: none">5 Ensure that Access Control lists are produced for all IT systems and used as a basis for access validation.
07-10	Review of Selected Security Aspects of NARA's Computer Network Environment	<ul style="list-style-type: none">1a Direct the CISO to perform a more comprehensive survey of computer network devices, to identify any other unauthorized devices not identified by the earlier survey conducted in response to RFC 1120.1b When the recommended survey is completed, direct the FOSAs to immediately remove any unauthorized devices connected to the commuter network.1d Require NARANet system administrators to periodically scan the network using automated software tools to ensure that only approved devices are connected to the network.
08-01	Audit of NARA Artifacts	<ul style="list-style-type: none">1b The Assistant Archivist for Presidential Libraries (NL) should ensure that the results of the completed physical inventory are transmitted to NL and appropriately secured to serve as control or master copies establishing a reliable baseline for each library's museum collection.1d The Assistant Archivist for Presidential Libraries (NL) should ensure that once an initial physical inventory has been completed, non-HVOs are reinventoried/verified in a timelier manner than the current 5% or 1,000 items annually.2c The Assistant Archivist for Presidential Libraries should ensure that policy and standards are developed for linking digital images of items to their record in i/O, giving priority to photographing HVOs and outgoing loan items.5d Procure storage hardware appropriate for both the type of artifact and seismic zone; and better configure the museum storage area in order to minimize damage to the artifacts and improve the ease of access to them.

⁵The OIG is currently reviewing documentation submitted by NARA for multiple recommendations listed in this section in order to determine whether the recommendations can be closed.

REPORTING REQUIREMENTS

- 08-02 Audit of NARA's Purchase Card Program**
- 13 The Assistant Archivist of Administration should direct the Director NAA to establish written policies and procedures to evaluate the effectiveness of cardholder reconciliations and approving officials' certifying duties.
- 08-05 FY 07 FISMA Review**
- 2 The Assistant Archivist for Information Services should establish a process to review the Remedy trouble ticket work logs daily and communicate with the CIRT team, if needed, to ensure all events are fully investigated.
 - 7 The Assistant Archivist for Information Services should add security vulnerabilities identified during the server audits to the system's plan of action and milestones to ensure proper tracking and visibility.
 - 8 The Assistant Archivist for Information Services should conduct "lessons learned" meetings in accordance with the guidance in NIST SP 800-61 when a major incident occurs and periodically for lesser incidents, and develop and implement a control mechanism to verify compliance.
 - 12 The Assistant Archivist for Information Services should develop and implement management controls to monitor and enforce compliance with NIST SP 800-37 and NARA C&A policy.
 - 14 The Assistant Archivist for Information Services should develop and implement a mechanism to monitor system accreditations for NARA's National Security Systems to ensure the systems are re-certified and accredited at least every three years.
 - 15b The Archivist along with NARA Senior Management and Information Owners should develop recovery strategies for at least those systems identified as critical based on the outcome of the Business Impact Analysis.
 - 16b The Assistant Archivist for Information Services should implement management controls to verify contingency plans are reviewed and updated at least annually as required by NIST SP 800-34
 - 16c The Assistant Archivist for Information Services should update the contingency plans, if needed, and record any changes made in the Record of Changes section of the plans.
 - 17 The Assistant Archivist for Information Services, along with the system owners, should develop tests of the system contingency plans to evaluate the viability of the plan procedures and determine the ability of recovery staff to implement the recovery strategy identified.
 - 18 The Assistant Archivist for Information Services should develop a plan of action and milestone process that provides visibility over all IT security weaknesses and issue written procedures regarding that process.
 - 19 The Assistant Archivist for Information Services should develop a process to identify employees with significant security responsibilities.
 - 20 The Assistant Archivist for Information Services should require all individuals with significant security responsibilities, including contractor employees, to complete training based on the risk provided by their activities and develop a process to monitor compliance.
- 08-07 Audit of the Researcher ID Card Program**
- 1 Evaluate the enhanced security and customer service benefits that would accrue to NARA and consider implementing an automated integrated researcher registration system at all NARA facilities with research rooms.
 - 3 Require periodic monitoring of the Archives I and Archives II database. A log recording the date of the review and corrective action taken should be maintained.

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- 09-05 Audit of NARA's IV6 Compliance**
- 1 The Assistant Archivist for Information Services/CIO should ensure testing required by OMB and outlined in the Federal CIO Council Architecture and Infrastructure Committee “Demonstration Plan to Support Agency IPv6 Compliance,” version 1.0 on NARA’s operational core network is performed and the test results required by the CIO Council to demonstrate compliance are documented, or obtain a written waiver from OMB.
- 09-15 Audit of NARA's Work at Home System**
- 7 We recommend the CIO ensures that the WAHS meets OMB and NIST requirements prior to full implementation.
- 09-16 Audit of Processing and Safeguarding Veterans Requests**
- 1 The Assistant Archivist for Regional Records Services should direct the Director, NPRC, to export data for the “record of disclosure file” and follow the approved Records Disposition Schedule and limit the amount of record requests stored online.
 - 3 The Assistant Archivist for Regional Records Services should direct the Director, NPRC, to establish controls to restrict users to only those rights and views needed to perform their job.
 - 5 The Assistant Archivist for Regional Records Services should direct the Director, NPRC, to limit users’ ability to perform extracts of the database containing sensitive information or remove access to CD burners and thumb drives.
 - 6 This audit recommendation contains information concerning an ongoing weakness which could be used to compromise veterans’ information; or to exploit NARA programs, operations, and systems if made public. Contact the OIG if you need more information.
 - 7 The Assistant Archivist for Information Services should encrypt backup tapes containing PII as required by OMB Memorandum 06-16.
- 10-04 Audit of NARA's Oversight of Electronic Records Management in the Federal Government**
- 2 The Archivist should consider using the authority given under title 44 of the US Code to direct Federal agencies to perform assessments of their electronic records management programs based on requirements contained in 36 CFR Part 1236.
 - 3 The Archivist should ensure NARA establishes a strategy for consistently and systematically monitoring compliance with electronic records regulations and guidance throughout the Federal Government.
 - 4 The Assistant Archivist for Records Services, Washington DC (NW) should ensure NARA’s strategy for monitoring and evaluating Federal agency compliance with electronic records management regulations and guidance results in adequate identification and mitigation of risks to permanent electronic records.
 - 5 The Assistant Archivist for Records Services, Washington DC (NW) should ensure development of controls to adequately monitor agency scheduling of electronic records in an effort to reasonably ensure electronic records/systems are scheduled in timely manner, and therefore provide a reasonably accurate reflection of the universe of electronic records.
 - 6 The Assistant Archivist for Records Services, Washington DC (NW) should ensure a methodology for verifying the accuracy/completeness of Federal agency responses to electronic records scheduling requirements resulting from the E-Government Act of 2002.
 - 7 The Assistant Archivist for Records Services, Washington DC (NW) should ensure development and application of a methodology for adequately identifying gaps in electronic record accessions. This methodology should reasonably ensure permanent electronic records are identified, scheduled, and ultimately obtained by NARA.

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- 10-05 Audit of NARA's Contract for IT and Telecommunications Support Services**
- 2 The Director, Acquisitions Services Division (NAA) should, for future procurements involving a T&M contract, ensure that contracting personnel comply with the FAR requirement that a "Determination and Findings" be prepared.
- 10-07 Audit of NARA's Network Infrastructure**
- 10a The CIO should implement multifactor authentication for network access to infrastructure devices.
- 14 The Archivist should direct the Assistant Archivist for Information Services, Assistant Archivist for Regional Records Services, and the Assistant Archivist for Presidential Libraries to coordinate with the Assistant Archivist for Administration to develop a mechanism to track access reviews and key inventories for computer rooms and other locations where IT network infrastructure equipment is stored at the field sites.
- 10-14 Audit of the Process for Providing and Accounting for Information Provided to Researchers**
- 1 The Assistant Archivist for NW should establish formal written policies and procedures to improve NW monitoring of the pull and refile process.
- 2 The Assistant Archivist for NW should implement a centralized database for all of the NW divisions involved in the processing of researchers' requests for records and determine the necessary information that should be included in the database.
- 11-02 Network and Penetration Testing Oversight**
- 1 NARA management should apply the appropriate hot fix referenced in the vendor advisory on the affected machines.
- 2a This recommendation contains information about IT deficiencies which, if made public, could endanger NARA systems. Please contact the OIG if you need further information.
- 2b This recommendation contains information about IT deficiencies which, if made public, could endanger NARA systems. Please contact the OIG if you need further information.
- 2c This recommendation contains information about IT deficiencies which, if made public, could endanger NARA systems. Please contact the OIG if you need further information.
- 3a This recommendation contains information about IT deficiencies which, if made public, could endanger NARA systems. Please contact the OIG if you need further information.
- 3b This recommendation contains information about IT deficiencies which, if made public, could endanger NARA systems. Please contact the OIG if you need further information.
- 3c This recommendation contains information about IT deficiencies which, if made public, could endanger NARA systems. Please contact the OIG if you need further information.
- 3d This recommendation contains information about IT deficiencies which, if made public, could endanger NARA systems. Please contact the OIG if you need further information.
- 6a NARA management should immediately address corrective action for all vulnerabilities identified as "high" and "critical" risk.
- 6b NARA Management should evaluate the identified risks and corrective actions to address those identified as "medium" and "low" risk vulnerabilities.
- 11-05 Audit of Archives I & II Guard Service Contract**
- 6 The Assistant Archivist for Administration should develop a new fitness standard to test the physical fitness of the security officers that more closely resembles the requirements of the contract.
- 11-14 Audit of NARA's Foreign and Premium Travel**
- 2a Develop and implement a mandatory specialized training course for travelers and authorizing officials reiterating their roles and responsibilities. Refresher courses should be provided on a periodic basis.
- 2d Develop and implement procedures to follow up on travel vouchers not submitted within five working days. Take appropriate action for people who do not comply within five working

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- days.
- 6a Review and update policy and procedures for issuing travel cards to employees. Include additional restrictions as outlined in OMB Circular A-123 on cardholders with credit scores less than 660.
- 6b Enhance procedures to perform timely periodic reviews of the appropriateness of individually and centrally billed travel cards to help ensure the effectiveness of travel card expenditures controls. Specifically, as outlined in OMB Circular A-123 review ATM cash withdrawals for reasonableness and association with official travel.
- 11-15 Audit of NARA's Drug Testing Program**
- 2 Amend NARA TDPs to ensure compliance with the SAMHSA's Interagency Coordinating Group Executive Committee Guidelines for the Selection of Testing Designated Positions and establish a mechanism to periodically review and update TDPs as necessary.
 - 3 Develop a training course for all supervisors that will aid them in recognizing and addressing illegal drug use by agency employees. This training should be mandatory for all supervisors. Also evaluate the current drug awareness training for employees.
 - 4 Develop a retention plan for all drug testing-related documentation consistent with the guidance issued by SAMHSA.
 - 5 Review NARA's Drug Free Workplace Plan and update it as necessary. In addition, a plan for periodic reviews and updates of the plan document should be developed.
- 11-20 Audit of NARA's Telework Program**
- 1d Develop a method and common criteria for tracking telework participation.
 - 3a The Executive for Information Systems, CIO, and Executive for Business Support Services should ensure all deferred and failed security tests have been reassessed and the results documented.
 - 3d Monitor compliance with HSPD-12 to ensure established deadlines are met.
 - 3e Review Citrix security configurations for adequacy.
- 12-02 Audit of the Management of Records at the Washington National Records Center**
- 11a This audit recommendation contains information concerning security deficiencies in NARA's handling of national security classified materials, and has not yet been made publicly available.
 - 11b This audit recommendation contains information concerning security deficiencies in NARA's handling of national security classified materials, and has not yet been made publicly available.
 - 12b This audit recommendation contains information concerning security deficiencies in NARA's handling of national security classified materials, and has not yet been made publicly available.
 - 11d This audit recommendation contains information concerning security deficiencies in NARA's handling of national security classified materials, and has not yet been made publicly available.
 - 14b This audit recommendation contains information concerning security deficiencies in NARA's handling of national security classified materials, and has not yet been made publicly available.
- 12-05 Audit of the management of Records at the Washington National Records Center**
- 3a A Problem Resolution Process is created for all problems, regardless of whether they are considered major or minor. All problems should be tracked to resolution and supported by adequate documentation.
 - 3b A mechanism to facilitate the problem tracking and resolution process is implemented.
 - 4c The Executive of Agency Services should ensure the disposal review process is streamlined.

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- 5 The Executive of Agency Services should ensure a process to perform periodic inventories of the records held at WNRC is documented and implemented. This process should be systematic and repeatable.
- 6b A detailed review of the record storage areas is performed to assess the conditions of records stored at WNRC. Problems identified should be corrected.
- 6c Employees are reminded of the importance of safeguarding records, including what to do when boxes deteriorate or no longer support the stored contents.
- 7 The Executive of Agency Services should ensure accounts for separated or terminated employees are terminated in a timely manner. Also quarterly reviews of access to ARCIS should be performed to identify whether user accounts access is appropriate.
- 8 The Executive of Agency Services should ensure management designs and implements monitoring activities for records processed at WNRC including weekly, monthly, and quarterly reports.
- 9c A monitoring process is implemented for ensuring classified operations are performed as written in the Classified SOP.
- 9d The Classified SOP is reviewed on an annual basis and updated when necessary.
- 10 The Executive of Agency Services should ensure a plan is developed to help all agencies transition to fully using all of the features available in ARCIS's Customer Portal.
- 12a Procedures for all WNRC processes are documented. Review existing procedures and update as necessary.
- 12b Procedures between unclassified and classified processes are consistent where possible.

12-09**Audit of NARA's Data Center Consolidation Initiative**

- 1b The CIO should update the Master System List and/or Enterprise Architecture to incorporate energy usage calculations.
- 1c The CIO should update the Master System List and/or the Enterprise Architecture to incorporate realistic estimates of funding needed or savings to be realized from implementing NARA's data center consolidation goals.
- 1d The CIO should update the Master System List and/or the Enterprise Architecture to incorporate annual savings metrics such as rack count reduction, server count reduction, energy usage reduction, and energy cost reduction to monitor progress.
- 3 The CIO should conduct the consolidation/virtualization analysis to investigate the impact of consolidating or virtualizing two major application domains (NISP and ERA) and the General Support System (NARANET) as planned, or evaluate other alternatives to increase the average server utilization rate.
- 4 The Executive for Business Support Services should evaluate the current organization of rack space and determine whether servers can be consolidated into fewer racks when considering space optimization, power consumption, operations management, and component failure/recovery perspectives.
- 5 The CIO should review and approve the annual Enterprise Architecture update to ensure that the agency is considering OMB's cloud-first policy and guidance on virtualization and consolidation.

12-10**Follow up Audit of Artifacts**

- 1a The remaining five libraries complete baseline inventories as expeditiously as possible with master copies forwarded to LP.
- 1b The remaining five libraries performing baseline inventories complete legacy reconciliation to identify discrepancies as expeditiously as possible and all libraries with identified discrepancies take action to resolve the discrepancies.

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- 1d The time-lapse between inventory cycles is completed in a timelier manner than the current guide of seven to ten years for libraries with larger collections, or an analysis has been completed to indicate that the current guidance is appropriate.
- 1e Interim steps are developed to document and monitor deleted records from the current collections database system or a replacement database is implemented.
- 1f Photographs of all valuable and vulnerable (V/V) artifacts and artifacts on loan are completed, and all libraries establish plans to photograph their remaining collection.
- 1h Appropriate storage hardware for the Reagan Library is procured and installed.
- 2a Develop and identify an appropriate staffing plan for museum operations. The plan should 1) align with collection sizes and life cycles, (2) include temporary staff or other staffing alternatives to support collection inventories and other core collection work, and (3) identify the planned inclusive time periods devoted to the collection inventory.
- 2b Review and revise current time-guidance policy, as appropriate, for baseline inventories for newly established Presidential libraries.
- 4 Develop management controls to minimize the risks associated with a lack of separation of duty over the safeguarding of Presidential artifacts.
- 5a Clarify policy concerning what should be classified as a V/V artifact. An appropriate lists needs to be developed to ensure those artifacts requiring additional stewardship measures are included.
- 5b Develop documentation guidelines that identify the importance of supporting the conclusion reported on the annual V/V reports. When counting objects, the support documentation should show the same count.
- 5c Develop an annual V/V report format the prompts the preparer of the report to include the requested data.
- 6a Separation of duty policies are developed, along with policies on efforts to minimize possible unauthorized removal of Presidential gifts from courtesy storage with compensating controls.
- 6b Reconciliation procedures between the completed inventories and White House legacy documentations for both Bush 43 and Obama administrations as a compensating management control until the separation for duties issue at LM is mitigated.
- 6c Policy is developed for a security escort when picking up HVO gifts from the White House for courtesy storage at NARA.
- 7a Policies and procedures are clarified and reiterated to library personnel concerning 1) sequestration of museum artifacts from library personnel other than museum personnel, and 2) procedures to periodically review access logs and security camera tapes.
- 7b Policies and procedures for artifacts on long-term loan are re-iterated and disseminated concerning 1) the annual update of loan agreements and 2) requirements for long-term loans including photo requirements. LP should establish time caps on loans or periodically request temporary return of items for condition assessments.
- 7c Reiterate NARA policy to adequately backup inventory-related collection documentation.
- 8a Update comprehensive set of museum collection management policies and procedures and ensure their development.
- 8b Establish procedures to periodically review and, if necessary, revise said policies and procedures.

12-11 NARA's Network Assessment Audit

- 1 This recommendation contains information about IT deficiencies which, if made public, could endanger NARA systems. Please contact the OIG if you need further information.
- 2 This recommendation contains information about IT deficiencies which, if made public, could endanger NARA systems. Please contact the OIG if you need further information.
- 4 This recommendation contains information about IT deficiencies which, if made public, could endanger NARA systems. Please contact the OIG if you need further information.

REPORTING REQUIREMENTS

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- 50 This recommendation contains information about IT deficiencies which, if made public, could endanger NARA systems. Please contact the OIG if you need further information.
- 12-14 Audit of OGIS**
- 2 Director of OGIS should, through the budget process, define the resources necessary to better accomplish the statutory requirements of the office. If NARA budget staffing limitations and competing priorities negate NARA's abilities to fund the requirements of OGIS, we recommend this condition be reported to the appropriate external stakeholders.
- 12-15 Audit of NARA's Classified Systems**
- 1 The Executive for Information Services/CIO, in coordination with the Chief Operating Officer, should ensure all classified system authorization packages are updated in accordance with NARA policy.
- 2 The Executive for Information Services/CIO, in coordination with the Chief Operating Officer, should establish a timeframe for review and approval of authorization documents.
- 3 The Executive for Information Services/CIO, in coordination with the Chief Operating Officer, should develop a continuous monitoring strategy for classified systems requiring system owners on at least a quarterly basis to assess security controls and inform authorizing officials when changes occur that may impact the security of the system.
- 4 The Executive for Information Services/CIO, in coordination with the Chief Operating Officer, should obtain authorizations to operate for each of the classified systems or disallow them in accordance with NARA and Federal policy.
- 8 The Executive for Information Services/CIO, in coordination with the Chief Operating Officer, should ensure all contingency plans are updated, completed, reviewed, and tested in accordance with NARA policy.
- 13-01 Audit of NARA's Internal Controls Program for FY 2010**
- 1d Resources are employed to develop and implement the ICP including, but not limited to, a Chief Risk Officer, additional employees or contractors, and the purchase of appropriate ICP software.
- 1e Risk management responsibilities are included in the performance plans for program and function owners.
- 1f Prior recommendations from previous OIG and GAO reports are closed.
- 1g A Risk Management Policy is created to communicate NARA's commitment to enterprise risk management.
- 1i A training plan is developed that encompasses educating the agency on risks and internal control. Additional training is provided to all individuals responsible for executing the ICP, including program owners, function owners, and MCOC members.
- 13-03 Audit of ERA Preservation Efforts**
- 4 The CIO should conduct and document a thorough assessment of the production version of the ERA system's preservation framework capabilities.
- 5 The CIO should establish a quality control process for reporting ERA preservation status to internal and external stakeholders and the public.
- 13-08 Audit of NARA's Preservation Program (Textual)**
- 1a The Archivist should ensure an overarching preservation strategy is developed. Additionally, a risk-based approach to holistically assess the agency's preservation needs and design the agency's preservation plan should be implemented.
- 1b The Archivist should ensure an analysis is conducted of the organizational structure and responsibilities of each office involved in preservation. This should include a determination whether the preservation strategy can be effectively implemented with a decentralized structure, or if one NARA office should have authority over the entire Preservation Program.

REPORTING REQUIREMENTS

- 2 The Chief Innovation Officer and Executives for Research Services and Legislative Archives, Presidential Libraries and Museum Services, should ensure comprehensive preservation policies and procedures for each of their organizations are developed and/or updated.
- 3a The Chief Innovation Officer and Executives for Research Services and Legislative Archives, Presidential Libraries and Museum Services should completely identify the resources necessary to adequately accomplish NARA's preservation mission.
- 3b Develop a plan to identify the complete universe of textual and non-textual records that require preservation.
- 4 The Executive for Research Services should ensure a detailed analysis is performed and communicate about the risks versus the benefits associated with not using the existing risk assessment data to calculate the backlog for the Washington area Archives.
- 5a The Executive for Research Services should ensure an analysis is performed to determine if additional risk assessments for the Washington area Archives and Presidential Libraries including older holdings should be completed. Identify the risks for not completing the assessments.
- 5b The Executive for Research Service should ensure additional measurable performance metrics are developed and implemented to track the progress within the Preservation Program.
- 5c The Executive for Research Services should ensure a cost benefit analysis for the HMS circulation Module is completed. Request required resources if the cost benefit analysis identifies benefits to the agency.
- 5d The Executive for Research Services should ensure Denver, St. Louis, and Special Media implement HMS to record risk assessments.
- 6 The Executive for Legislative Archives, Presidential Libraries and Museum Services should ensure an analysis is performed to identify whether HMS should be implemented across the Libraries. If it is decided HMS will be implemented, a timeline should be established. If it is decided HMS will not be implemented, identify (1) how the existing system will meet the agency's preservation needs and (2) obstacles and risks for not implementing HMS.

13-09

NARA's Data Backup Operations

- 1 The CIO should create a full backup of the EOP instance of ERA as soon as the upgrade and data migration is complete.
- 2 The CIO should encrypt backup tapes containing sensitive PII or devise another method of protecting the data that provides a similar level of security.
- 3 The CIO should include the restoration of files from backups as part of the annual contingency plan testing for at least high-impact systems such as ERA and CMRS.
- 4 The CIO should develop a process to regularly test data backups to verify information integrity.
- 10 The CIO, the Director of Acquisition Services, and NARA's Office of General Counsel should review purchases made for offsite storage costs to determine whether NARA's procurement process and Federal appropriations laws were violated and if so take appropriate corrective action.

13-10

NARA Archival Facilities

- 1a The COO should ensure a comprehensive review of the Standards is completed. Additionally, roles and responsibilities for offices involved in the execution of the directive are clearly defined.
- 1b The COO should ensure a plan is developed including a timeline for when the archival storage facility reviews will be completed.
- 1c The COO should ensure an accurate listing of facilities currently compliant with the Standards along with the area of deficiencies is identified and communicated.

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- 1d The COO should ensure resources needed to make all archival storage facilities compliant by 2016 are identified. If the facility cannot be brought into conformance with the Standards, determine and document what mitigating actions have been implemented.
- 1e The COO ensure PMRS is updated to accurately reflect percentage of archival holdings in appropriate space.

13-11

Audit of ERA Ingest Efforts

- 1 The COO assess Federal agency usage of Base ERA and implement a process to improve the records management workload and records management practices that exist between NARA and Federal agencies to ensure electronic records are being properly transferred.
- 2 The COO identify the most efficient and effective method of ingest and require Federal agencies to follow this method when transferring electronic records into base ERA. In addition this information should be properly disseminated to Federal agencies.

13-12

Audit of the NARA IDS

- 12 The CIO should ensure the preliminary reporting of all incidents and events reportable to US-CERT is made with the specified timeframes. Further details on the incident or event gathered after the original reporting should be communicated to US-Cert as an update.
- 14 The CIO should ensure incident response tabletop exercises are conducted for staff performing and/or supporting computer security incidents on at least an annual basis, and practical and relevant topics to NARA's computing environment are covered within the exercises.
- 15 The CIO should develop a policy for CIRT members to take training at least on an annual basis to ensure they remain up to date with current patterns/types of cyber attacks and effective, efficient incident remediation methodologies.

13-14

Audit of the Processing of Textual and Electronic Records

- 1 The Archivist should ensure an analysis is conducted of the organizational structure and responsibilities of each office involved in processing. This should include a determination whether the processing strategy can be effectively implemented with a decentralized structure, or if one NARA office should have authority over the entire Processing Program.
- 2a The Executive of Research Services should coordinate with the Executive for Legislative Archives, Presidential Libraries and Museums to develop a processing policy and agency definitions. This policy and definition should highlight the difference between Federal records processing and processing of Presidential records.
- 2b The Executive of Research Services should ensure the San Bruno, St. Louis, and Chicago field locations have a current processing backlog reduction plan. These plans should be developed yearly and updated periodically during the year as necessary.
- 2c The Executive of Research Services should ensure the cost-benefit analysis study on serving unprocessed records is completed, and that it outlines the risks and benefits of serving unprocessed records with an appropriate strategy consistent across the agency.
- 2d The Executive of Research Services should conduct a workload analysis to determine if resource allocation between AI and AII is appropriate.
- 3 The Executive for Legislative Archives, Presidential Libraries and Museums should (a) analyze the backlogs at the pre-PRA libraries and create processing plans for reducing the backlogs at these libraries on a more accelerated basis; (b) assess if there are additional ways to accelerate processing at the PRA libraries; (c) work with the Performance and Accountability Office to update the PMRS metadata to require an ARC entry prior to considering Presidential records processed.
- 4 The Executive for Research Services and the Executive for Legislative Archives, Presidential Libraries and Museums, should work with the Performance and Accountability Office to reassess current processing goals and make changes to the goals.

REPORTING REQUIREMENTS

- 5a The Executive for Legislative Archives, Presidential Libraries and Museums should work with the Performance and Accountability Office to develop a performance measure for tracking the process of electronic presidential records.
- 5b Determine the true backlog of electronic presidential records and determine if additional resources are needed and can be obtained to handle the increased workload.
- 6 The Executive for Legislative Archives, Presidential Libraries and Museums and the Executive for Research Services should ensure a review is performed to validate the accuracy of processing data supplied to the Performance and Accountability Office.
- 7 The Executive of Research Services should ensure procedures for all field locations are documented. Review existing procedures and update as necessary.
- 8 The Executive for Legislative Archives, Presidential Libraries and Museums should ensure procedures for all Presidential libraries are documented, and review existing procedures and update them as necessary.

14-01 Oversight of NARA's Energy Savings Performance Contract (ESPCs)

- 5 NARA should maintain documentation supporting NARA's efforts to contest inaccurate or inadequate ESPC reporting.
- 8 NARA should establish formal assessment criteria and future savings analysis for use in determining whether to cancel ESPCs.

14-04 Audit of the Use of Presidential Libraries by Outside Organizations

- 4 Presidential libraries should work with NARA's general counsel to institute general counsel review program of a sample of applications for use (16011 forms) from all Presidential libraries to ensure the forms meet the requirements of 36 CFR 1280.94.
- 5 We recommend all Presidential libraries create and maintain rental guidelines that help to ensure compliance with 36CFR 1280.94.

14-05 Audit of NARA's Field Offices Acquisition Activity

- 1a NARA should establish and implement a tracking system to document and monitor training for all contracting officers ensuring compliance with the Federal Acquisition Certification in Contracting policy memorandum.
- 1b NARA should consider terminating field office contracting officers' warrants until all initial training requirements are met.
- 2 NARA should ensure all field office contracting officers and buyers are adequately trained on how and when to close out NARA contracts. Additionally, periodic monitoring and testing of closeout procedures should be conducted to ensure contracts are closed out in a timely manner.
- 3 NARA should establish and implement a formal documented process for informing the field office support team of field office contracts requiring review prior to award.
- 4 Update NARA policies to ensure the guidance for approval of small and small disadvantaged business utilization exceptions is consistent.

14-07 Audit of NARA's Payments to Federal Agencies (excluding GSA)

- 3 NARA should work with DHS in understanding what services are included in building specific security charges and how the monthly charges are calculated for each facility owned or leased by GSA. NARA should compare and reconcile their understanding of building specific security charges to the FPS bill to ensure accuracy.
- 4 Update NARA Interim Guidance 402010, Reimbursable Work Authorizations and Security Work Authorizations to provide guidance on what controls are needed over procurement vehicles, such as an SWA covering multiple events, and what supporting documentation is needed.

14-08 Audit of NARA's Capital Planning and Investment Control (CPIC) Process

- 1a The CIO should ensure any changes to NARA's CPIC policy are promulgated in the form of a NARA notice and published on the NARA@Work Intranet site.

REPORTING REQUIREMENTS

- 1b The CIO should ensure all required CPIC related documentation is completed for all NARA IT investments going through the CPIC process.
- 1c The CIO should require the creation and use of a checklist outlining the IT governance related documentation required to be completed for all IT investments going through the CPIC process.
- 2 The CIO should require NARA's updated CPIC policies and procedures meet the CPIC process requirements detailed in the Clinger Cohen Act.
- 3 The Chief Operating Officer (COO) should ensure NARA IT investments do not bypass NARA's CPIC process.
- 5 The COO should ensure I-P maintains documentation of its approval of IT investments in PRISM and I-P's PRISM approval of IT investments is tested on an annual basis with all documentation of this testing sent to NARA's internal controls group.
- 6 The COO should ensure the training guide for purchase card holders is updated to include a discussion of the requirements of NARA's CPIC Process.
- 7 The CIO should distribute a NARA notice annually to remind employees of their CPIC responsibilities related to the acquisition of IT investments.
- 8 The CIO should ensure NARA's IT governance process, which includes CPIC, incorporates the lessons learned when Directive 801 was followed to create a more user-friendly, streamlined, and transparent policy where CPIC requirements align closely with the costs of IT investments.
- 9 The COO should consider including an enforcement mechanism in any updates to NARA's CPIC policy.

14-09 Audit of Conference-Related Activities and Expenses

- 2a The CFO should ensure communication is provided to offices regarding adherence to conference policies, including penalties for non-compliance.
- 2b The CFO should ensure interim guidance 165-1, Conference-Related Activities and Expenses, is updated to incorporate statutory requirements for reporting to the OIG any conferences where expenses exceed \$20,000.
- 2c The CFO should ensure methodology is developed for gathering and reporting post-conference details, including details of all expenses and justification when total costs increase by a threshold established by management. This should include a timeframe for reporting.

14-10 Audit of NARA's Enterprise Wireless Access

- 1d NARA should assess the security controls using appropriate assessment procedures to determine the extent to which the controls are implemented correctly, operating as intended, and producing the desired outcome with respect to meeting the security requirements.
- 1e NARA should authorize network operation based on a determination of the risk to organizational operations and assets, individuals, other organizations, and the nation resulting from the operation of the information system and the decision that this risk is acceptable.
- 1f NARA should monitor the security controls in the network on an ongoing basis, including assessing control effectiveness, documenting changes to the system or its environment of operation, conducting security impact analysis of the associated changes, and reporting the security state of the system to designated officials.
- 2c This recommendation contains information about IT deficiencies which, if made public, could endanger NARA systems. Please contact the OIG if you need further information.
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REPORTING REQUIREMENTS

- 2g This recommendation contains information about IT deficiencies which, if made public, could endanger NARA systems. Please contact the OIG if you need further information.
- 3 NARA should develop, document, review, update, and implement wireless policies and procedures on at least an annual basis in accordance with internal NARA and NIST requirements.
- 4a NARA should utilize existing WLC and WAP baseline configurations or develop their own baseline configurations.
- 4b NARA should implement a process to monitor the WLD and WAP settings for compliance with the established baseline configurations.
- 4c NARA should document and approve any deviations from the WLC and WAP baseline configurations.
- 4d NARA should maintain older versions of the baseline configurations as necessary.
- 5a NARA should implement a process to conduct vulnerability scans that identify weaknesses related to NARA's wireless environment.
- 5b NARA should develop procedures to analyze and remediate the vulnerabilities identified.

14-11 Audit of Special Telework Arrangements at NARA

- 1 The Chief Human Capital Officer (CHCO) should develop controls and relevant control activities to ensure telework agreements are in place, reviewed, and renewed by the employee and the supervisor annually, and a copy of the approved, disapproved, or terminated telework agreement is provided to the NARA Telework Managing Officer.
- 2 The CHCO should provide clarifying guidance to supervisors as to which arrangements require executive or staff director approval.
- 3 The CHCO should establish an oversight mechanism to ensure employees' duty station assignments are reviewed and validated periodically.
- 4 The CHCO should seek reimbursement of the \$4,447 overpayment, or grant a waiver in accordance with 5 U.S.C. 5584.
- 5 The CHCO should issue additional guidance for long-distance telework arrangements to require supervisors to conduct a cost/benefit analysis of the proposed arrangement and document this analysis. For those arrangements resulting in additional costs to NARA, supervisors should be required to justify how the arrangement is in the best interest of NARA.
- 6 The CHCO should identify long-distance teleworkers not correctly reimbursed for travel expenses incurred during official travel, and inform the employees of their right to reimbursement.
- 7 The CHCO should determine whether to participate in a telework travel expense test program and, if so, request approval from the Administrator of General Services.
- 8 The CHCO should revise the Telework Agreement (form 3040) or issue additional guidance for full-time and long-distance telework to require supervisors and employees to estimate timeframe for the arrangement, while still subject to the annual renewal.
- 9 The CHCO should revise NARA 332 to include a requirement that new telework agreements be prepared and signed when a new employee/supervisory relationship is established.
- 11 The CHCO should communicate best practices for monitoring telework employees and best practices in establishing special telework arrangements across the agency.

14-12 Audit of Selected Aspects of NARA's Digitization Program

- 4 The Chief Innovation Officer should track and report progress on each of NARA's digitization strategies.
- 5 The Chief Innovation Officer should establish performance goals specific to NARA's in-house digitization efforts.

REPORTING REQUIREMENTS

- 7 The Chief Innovation Officer should coordinate with Research Services to develop a process to ensure records most requested by researchers are digitized.
- 9 The Chief Innovation Officer should develop a reporting methodology that tracks total traditional records made available through NARA's public access system.
- 10 The Chief Innovation Officer should distinguish in reporting what quantity of records is available online through NARA, and what quantity is accessible online through partnership websites.
- 11 The Chief Innovation Officer should ensure future Annual Performance Plans accurately reflect current data regarding traditional records availability.

