



U.S. Department of Energy
Office of Inspector General
Office of Audits and Inspections

Inspection Report

Continuity of Operations Planning and Intelligence Readiness

INS-L-13-03

November 2012



Department of Energy
Washington, DC 20585

November 16, 2012

MEMORANDUM FOR THE DIRECTOR, OFFICE OF INTELLIGENCE
AND COUNTERINTELLIGENCE

Sandra D. Bruce

FROM: Sandra D. Bruce
Assistant Inspector General
for Inspections
Office of Inspector General

SUBJECT: INFORMATION: Inspection Report on "Continuity of Operations
Planning and Intelligence Readiness"

BACKGROUND

National Security Presidential Directive-20, *National Continuity Policy*, establishes continuity requirements for all executive departments and agencies. The Department of Energy developed Department Order 150.1, *Continuity Programs*, which establishes requirements to assist the Department with effectively responding to a wide range of events that may disrupt normal operations.

The Office of Intelligence and Counterintelligence (IN), a critical partner within the Department and the Intelligence Community, is responsible for providing timely intelligence to the Secretary of Energy and other executive branch agencies on threats to energy and nuclear information. IN also provides support to the Director of National Intelligence and serves as liaison to the National Joint Terrorism Task Force.

In our report on *Improvements Needed in the Department's Emergency Preparedness and Continuity of Operations Planning* (DOE/IG-0845, January 2011), we identified significant weaknesses in the Department's emergency preparedness and Continuity of Operations Planning (COOP) programs. Because of the importance of carrying out the Department's key intelligence functions during a continuity event, we initiated this inspection to assess IN's COOP and intelligence readiness.

CONCLUSIONS AND OBSERVATIONS

Our inspection revealed that although IN has made various changes to its COOP Implementation Plans to facilitate intelligence readiness, additional actions could be taken to enhance its capabilities during a continuity event. Our review also identified certain issues with continuity communications (classified and unclassified), the results of which are included in a separate classified annex. However, because IN issued its final 2012 Plan during our inspection, we could not fully assess the effectiveness of IN's plans for Test, Training and Exercises, Reconstitution or the Continuity Readiness Assurance Program.

We found that IN generally identified key COOP planning elements in its *Draft 2012 COOP Implementation Plan* (2012 Plan), including personnel and logistics. Specifically, IN generally:

- Delineated responsibilities to provide support to the Secretary and its Intelligence Community partners;
- Identified Mission Essential Functions (MEFs) to support the Secretary; and
- Identified the Alternate Operating Facility (AOF) and Devolution sites.

However, the 2012 Plan excluded detailed information regarding essential supporting activities and vital records. Therefore, more needs to be done to ensure that IN staff is clear on its responsibilities under COOP; equipment is ready; COOP plans, policies and procedures are valid; and improvements are made to the COOP program, as required.

Essential Supporting Activities

We determined that IN's 2012 Plan excluded detailed information on the Essential Supporting Activities (ESAs), which are basic critical activities necessary to accomplish the Department's Primary Mission Essential Functions (PMEFs). ESAs are essential to ensure that the right personnel have sufficient resources and guidance to accomplish specific tasks during an event. Without ESAs, the Department may not be able to complete its MEFs and PMEFs. The 2012 Plan also excluded the internal procedures necessary to accomplish the ESAs. Department Order 150.1 requires each Departmental element identify ESAs that it supports and include internal procedures necessary to ensure those ESAs are accomplished. Specifically, ESAs should include areas such as: (1) ensuring leadership and accountability; (2) providing for health, safety, security and accountability of human capital; and (3) ensuring the availability of information technology (classified and unclassified). ESAs should also include information on the description of the critical activity, implication if not supported, responsible personnel, and the associated MEFs.

The absence of specific ESAs and internal procedures may cause responsible IN officials to be unclear on the critical activities necessary to support the Department's and the Nation's essential functions during a continuity event. During our inspection, a senior IN official indicated that excluding the ESAs from the 2012 Plan was an oversight and that IN would address this matter in the next iteration of IN's COOP Implementation Plan.

Vital Records

We determined that IN has generally taken steps to ensure that vital records are identified and maintained at the AOF and Devolution sites. Department Order 150.1 requires that IN establish a vital records program that accounts for the identification and protection of vital records, systems, software and equipment necessary to perform essential functions during a continuity event. We found that the 2012 Plan identified vital records including orders of succession, contact lists, responsibilities and delegations of authority. However, during our inspection, an IN senior official stated that due to the nature of IN's work, all of IN's information used during its

day-to-day operations may be considered vital and necessary during a continuity event. The senior official also stated that the type of vital records may depend on the nature of the emergency. Specifically, records considered vital for operations during a biological event may be different than records considered vital for operations during a nuclear event. Because IN would not be able to predict the type of continuity event in advance, it would be prudent to include all day-to-day records as vital records.

The senior official stated that IN will continue to identify vital information that will be placed on shared networks (classified and unclassified) and on portable media, such as compact discs and removable hard drives. The official also stated that the vital information will be available at the AOF and Devolution sites as required. Finally, the official stated that both the AOF and Devolution sites have generators to provide backup electrical supplies that would support computer functions in the event of power failures in a continuity event.

We did not assess the records or the progress made in storing vital records at the specific sites because IN had not yet fully implemented its procedures for vital records. As such, we could not fully assess IN's proposed actions; however, we believe the planned actions when fully implemented, should enhance IN's ability to perform its critical functions during a continuity event that may disrupt normal operations.

SUGGESTED ACTIONS

We believe that IN has made great strides in developing its COOP Implementation Plan; however, additional actions could be taken to strengthen its processes for supporting the Department and other agencies during continuity events. As such, we suggest that IN:

1. Identify ESAs, develop internal procedures required to accomplish ESAs and incorporate the information in the next revision to the 2012 Plan; and,
2. Update the vital records necessary to ensure that essential functions and activities can be performed and reconstituted to normal operations after a continuity event.

As IN has recognized the need to improve its COOP program and has actively demonstrated remediating actions, we are not making any recommendations and a formal response is not required. We appreciate your staff's cooperation during our inspection.

Attachment

cc: Deputy Secretary
Associate Deputy Secretary
Under Secretary for Nuclear Security
Chief of Staff

OBJECTIVE, SCOPE AND METHODOLOGY

OBJECTIVE

We initiated this inspection to assess the Office of Intelligence and Counterintelligence's (IN) Continuity of Operations Planning (COOP) and intelligence readiness.

SCOPE

The field work was conducted from February 2011 through November 2012 at Department of Energy (Department) Headquarters, the Alternative Operating Facility (AOF) and the Devolution Site.

METHODOLOGY

To accomplish the inspection objective, we:

- Interviewed Department and contractor personnel, White House staff and Department of Homeland Security staff;
- Reviewed and analyzed Federal, Department and IN documents and criteria; and,
- Conducted physical observations of the Headquarters and AOF locations.

This inspection was conducted in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*. Those standards require that we plan and perform the inspection to obtain sufficient, appropriate evidence to provide a reasonable basis for our conclusions and observations based on our inspection objectives. We believe the evidence obtained provides a reasonable basis for our conclusions and observations based on our inspection objective. The inspection included tests and controls and compliance with laws and regulations to the extent necessary to satisfy the internal control deficiencies that may have existed at the time of our inspection. Because our inspection was limited, it would not necessarily have disclosed all internal control deficiencies that may have existed at the time of our inspection. Also, we assess IN's compliance with the *Government Performance and Results Act of 1993* and found that performance measures had, in general, been established relating to continuity planning. Finally, we relied on computer-processed data, to some extent, to satisfy our objective related to continuity planning. We confirmed the validity of such data, when appropriate, by reviewing source documents and conducting physical observations.

An exit conference was held with the Office of Intelligence and Counterintelligence and National Nuclear Security Administration officials on November 6, 2012.

PRIOR REPORTS

There were no Government Accountability Office (GAO) reports specifically related to continuity operations within the Department of Energy's (Department) Intelligence and Counterintelligence. However, there were several Government-wide reports (that included the Department) related to Continuity of Operations Planning (COOP), with general governmental findings:

- [*Continuity of Operations: Selected Agencies Tested Various Capabilities during 2006 Government-wide Exercise, GAO-08-185, November 2007.*](#) This report described the extent to which agencies tested continuity plans and procedures, personnel, and resources during a June 2006 Government-wide continuity exercise. To do this, GAO selected eight civilian agencies with significant responsibilities during national disasters, analyzed agency exercise documentation, and interviewed officials to determine which test and exercise activities each agency included in its participation. The Department was one of those selected; however, though it did cite the Department's exercise actions, and the extent of its reporting thereof, no findings were directed to the Department.
- [*Continuity of Operations: Selected Agencies Could Improve Planning for Use of Alternate Facilities and Telework during Disruptions, GAO-06-713, May 2006.*](#) This report reviewed, among other things, the extent 6 selected agencies prepared alternate facilities, and 23 major agencies made preparations necessary to effectively use telework in emergency situations. The Department was one of those selected; however, no findings were directed to the Department.

Prior OIG reports related to Continuity of the Department's Intelligence and Counterintelligence:

- [*Improvements Needed in the Department's Emergency Preparedness and Continuity of Operations Planning, DOE/IG-0845, January 2011.*](#) This report is a follow-up to the August 2004 audit, likewise disclosed significant weaknesses in the DOE's Emergency Preparedness and Continuity of Operations programs. The audit results revealed that 55 percent of Department elements had not submitted individual, updated plans in accordance with Department Order 150.1, *Continuity Programs*. Further, with regard to the reviewed plans a number had not included full consideration of all planning requirements. As a consequence, significant requirements under the directive that were designed to address known program weaknesses, such as pandemic planning and demonstrating the ability to respond to a COOP event through training, testing, and exercising had yet to be implemented. These weaknesses occurred, in part, because Program COOP coordinators and field element managers did not provide adequate oversight or ensure contractor compliance with key program requirements. The Department's ability to meet its primary national security mission-essential functions after a catastrophic event or disruption could be diminished if COOP planning is ineffective. A number of recommendations intended to promote effective and comprehensive COOP programs throughout the Department was made.

CUSTOMER RESPONSE FORM

The Office of Inspector General has a continuing interest in improving the usefulness of its products. We wish to make our reports as responsive as possible to our customers' requirements, and, therefore, ask that you consider sharing your thoughts with us. On the back of this form, you may suggest improvements to enhance the effectiveness of future reports. Please include answers to the following questions if applicable to you:

1. What additional background information about the selection, scheduling, scope, or procedures of the audit or inspection would have been helpful to the reader in understanding this report?
2. What additional information related to findings and recommendations could have been included in the report to assist management in implementing corrective actions?
3. What format, stylistic, or organizational changes might have made this report's overall message more clear to the reader?
4. What additional actions could the Office of Inspector General have taken on the issues discussed in this report that would have been helpful?
5. Please include your name and telephone number so that we may contact you should we have any questions about your comments.

Name _____ Date _____

Telephone _____ Organization _____

When you have completed this form, you may telefax it to the Office of Inspector General at (202) 586-0948, or you may mail it to:

Office of Inspector General (IG-1)
Department of Energy
Washington, DC 20585
ATTN: Customer Relations

If you wish to discuss this report or your comments with a staff member of the Office of Inspector General, please contact our office at (202) 253-2162

This page intentionally left blank.

The Office of Inspector General wants to make the distribution of its reports as customer friendly and cost effective as possible. Therefore, this report will be available electronically through the Internet at the following address:

U.S. Department of Energy Office of Inspector General Home Page
<http://energy.gov/ig>

Your comments would be appreciated and can be provided on the Customer Response Form attached to the report.