



SEP 24 2007

MEMORANDUM FOR: PATRICK PIZZELLA
Assistant Secretary
for Administration and Management

FROM: 
ELLIOT P. LEWIS
Assistant Inspector General
for Audit

SUBJECT: Department of Labor Records Management Program
Management Letter No. 03-07-004-07-001

This Management Letter discusses an issue needing immediate attention that was identified during the design phase of an audit. Normally, a Management Letter is provided to be read in conjunction with an accompanying audit report. However, we determined that there is a potential risk that needs to be addressed immediately because it affects implementation of your December 1, 2006, memorandum on the "Department-wide Uniform E-mail and Electronic Document Back-up Retention Policy." The potential risk is that many U.S. Department of Labor (DOL) employees are not aware of the requirements to print and file electronic records, such as e-mail and electronic documents that are Federal records, into their agency's recordkeeping system before being deleted. This issue was discussed at a meeting with you and your staff on June 21, 2007, resulting in your June 27, 2007, memorandum to DOL Agency Heads stating that the Department-wide policy on e-mail and electronic document back-up and storage, which would have been effective July 1, 2007, has been postponed.

By way of background, the DOL Records Management program is implemented through the policy and guidelines established by the Department of Labor Manual Series (DLMS) 1 Chapter 400 and the DOL Records Management Handbook. The DOL Records Management Handbook contains a July 8, 2004, memorandum from the DOL Solicitor to all Agency Heads. The memorandum states that it is each employee's responsibility to treat e-mail like any paper record that has been sent or received, and ensure that, if the e-mail is determined to be a Federal record, it is printed along with any attachments, and then appropriately filed. DOL policy requires that an employee can only delete a Federal record from the e-mail system after he or she prints and files this information.

Title 36, Code of Federal Regulations, part 1222.20 (b) (5), requires that each Federal agency ensure that it provides adequate training to all agency personnel on policies, responsibilities, and techniques for the implementation of recordkeeping requirements, and the distinction between records and non-record materials, regardless of media, including those materials created by individuals using computers to send or receive e-mail.

During the design phase of our audit, we identified a risk that DOL employees are not aware of their responsibility to determine if e-mail and electronic documents are Federal records and if so, treat them like any paper Federal record and ensure they are printed and appropriately filed in their agency's recordkeeping system before deletion. We determined that one of the key internal controls necessary to mitigate this risk is that all DOL employees are trained on their record management responsibilities.

We found no evidence on DOL's intranet website, LaborNet, for the Records Management program that the Office of the Assistant Secretary for Administration and Management (OASAM) provides such training. We also discussed the lack of DOL-wide Records Management training with you and your staff at a meeting on June 21, 2007. You agreed this was a weakness that should be addressed before implementing the policy contained in your December 1, 2006, memorandum to recycle or dispose of back-up media after 6 months. Recycling or disposing of back-up media could result in the unintentional loss of Federal records deleted by DOL employees because they were not aware of their record management responsibilities.

For this reason, we recommend that OASAM develop and implement a standard process for annual training of all DOL managers and employees in records management. The training will ensure the creation, maintenance, use, and disposition of Federal records, including records created electronically, to achieve adequate and proper documentation of the policies and transactions of the Department's public business.

Agency Response

In response to the draft Management Letter, the Deputy Assistant Secretary for Operations stated the recommendation for DOL-wide training is premature. Instead, the Deputy Assistant Secretary requested OIG to conduct its on-going audit promptly so that it will form a fact-based assessment upon which to determine the next appropriate steps. Subsequent to the response, the Deputy Assistant Secretary provided a complete compendium of the guidance, policies and training the Department has provided to employees.

The Agency response is included in its entirety as an attachment to this memorandum.

OIG Conclusion

Based on our review of the compendium of DOL guidance, policies, and training on records management, we acknowledge the amount of effort DOL has taken to address records management issues. However, our review of the compendium information revealed that the training was directed to high level DOL officials, agency records officers, and supervisors. OASAM did add to the annual computer based Computer Security Awareness Training, required for all DOL employees, some limited records management training, such as defining records management, federal records, and electronic Federal records. OASAM also incorporated records management in the DOL New Employee orientation which is posted on LaborNet. We believe that OASAM should not wait until the completion of the audit to develop comprehensive records management training for all DOL managers and employees. Until the training is developed and implemented, DOL remains at risk that its employees are not aware of the requirements to print and file electronic Federal records into their agency's recordkeeping system before deletion.

This final Management Letter is submitted for appropriate action. We request a response within 60 days describing actions taken in response to the recommendation. If you have any questions regarding this Management Letter, please contact Michael Hill, Audit Director, in Philadelphia at (215) 446-3710.

cc: Edward Hugler
Audit Liaison, OASAM

U.S. Department of Labor

Office of the Assistant Secretary
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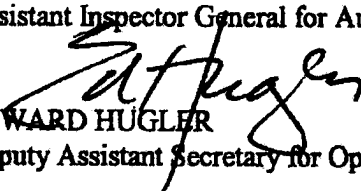


AUG 17 2007

MEMORANDUM FOR ELLIOT LEWIS

Assistant Inspector General for Audit

FROM:


EDWARD HUGLER

Deputy Assistant Secretary for Operations

SUBJECT:

Department of Labor Records Management Program;
Draft Management Letter No. 03-07-004-07-001

This responds to the Office of the Inspector General's (OIG) August 8, 2007, Draft Management Letter concerning the Department's records management program. According to the Draft Management Letter, the OIG has determined that there is a potential risk that DOL employees are not aware of the requirements to properly preserve electronic records that are Federal records, including e-mail and electronic documents. The Draft Management Letter recommends that OASAM develop and implement a standard process for annual training of all DOL managers and employees in records management. The recommended training is to "... ensure the creation, maintenance, use and disposition of Federal records, including records created electronically, to achieve adequate and proper documentation of the policies and transactions of the Department's public business."

Concurrently, by memorandum of July 30, 2007, the OIG initiated an audit of the Department's records management program. The entrance conference for the audit was completed August 7, 2007, and the audit is now underway. As explained in the entrance conference, the audit will have two phases—first interviewing DOL agency records managers, and then selected DOL employees within a chosen agency's records management program to evaluate compliance.

The initial schedule for the draft audit report was estimated by OIG staff to be approximately four months. As you know, we have asked the OIG to accelerate this timeline, recognizing that, to accommodate the OIG, the Department has suspended its Department-wide Uniform E-mail and Electronic Document Back-up Retention Policy. That policy was issued December 1, 2006, and was scheduled to go into effect July 1, 2007. I believe it is fair to say the OIG acknowledges the value in the purpose of this policy, which is to stop the unnecessary expense and related problems created by storing back-up media for deleted e-mail and electronic documents for an extended time, in some cases indefinitely.

Inasmuch as the issuance of the Uniform E-mail and Electronic Document Back-up Retention Policy precipitated the OIG's concern for the adequacy of the Department's records management program—and the policy is currently suspended—we believe the Draft Management recommendation for DOL-wide training is premature. Instead, we ask that the OIG's audit be

conducted promptly so that it is completed no later than the end of the calendar year. The report will form a fact-based assessment upon which to determine the next appropriate steps.

To facilitate the OIG's audit, in the next several business days we will provide you and the audit team a complete compendium of the guidance, policies and training the Department has provided employees.

cc: Patrick Pizzella, ASAM, CIO
Tom Wiesner, OASAM, Deputy CIO
Al Stewart, OASAM, BOC