



U.S. ENVIRONMENTAL PROTECTION AGENCY

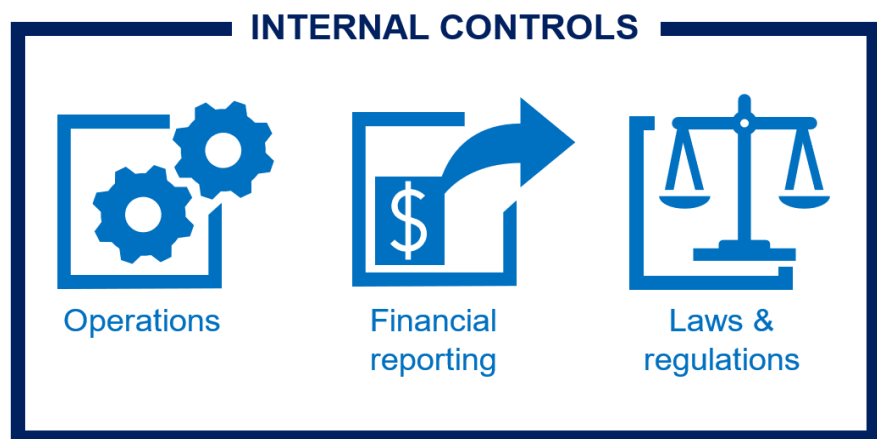
OFFICE OF INSPECTOR GENERAL

***Hotline Report:  
Operating efficiently and effectively***

**Management Alert:  
EPA Region 5 Needs  
to Implement Effective Internal  
Controls to Strengthen Its  
Records Management Program**

Report No. 20-E-0295

August 31, 2020



## Report Contributors:

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## Abbreviations

C.F.R.	Code of Federal Regulations
EPA	U.S. Environmental Protection Agency
NARA	U.S. National Archives and Records Administration
OIG	Office of Inspector General
RLO	Records Liaison Officer
U.S.C.	United States Code

**Cover Image:** Management is responsible for establishing and implementing internal controls.  
(EPA OIG image)

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# At a Glance

## Why We Did This Project

The U.S. Environmental Protection Agency's Office of Inspector General conducted this evaluation to determine whether EPA Region 5 lost federal records during its data migration initiative and followed its processes to investigate the suspected loss of potential records. We initiated this evaluation based on an OIG Hotline complaint submitted in May 2019. The complainant alleged that thousands of electronic files were lost during an attempt to migrate—that is, move—files to the cloud file storage system.

As specified in 44 U.S.C. § 3301(a), records provide evidence of the activities of an agency. EPA employees should maintain records in the Agency's approved record-keeping system and in accordance with records retention schedules. Employees must also preserve documents subject to litigation holds, which must be maintained regardless of records retention schedules.

### This report addresses the following:

- *Operating efficiently and effectively.*

### This report addresses a top EPA management challenge:

- *Complying with internal control (policies and procedures).*

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## **Management Alert: EPA Region 5 Needs to Implement Effective Internal Controls to Strengthen Its Records Management Program**

### What We Found

Region 5 does not know whether electronic files that contained records or information subject to litigation holds were included in the files lost when the complainant migrated those files to the Agency's cloud file storage system.

Additionally, Region 5 did not communicate the suspected loss of potential records to the agency records officer until February 2020, 11 months after the complainant learned that the files could not be recovered. The suspected loss of these electronic files and the lack of communication about this suspected loss occurred because Region 5 did not:

**Federal law requires agency heads to establish and maintain a records program that includes safeguards against the removal or loss of agency records.**

- Have effective internal controls to verify that employees were using the Agency's official record-keeping system, preserving records, or appropriately storing and preserving electronic files subject to litigation holds.
- Make it mandatory for employees to use the file storage system.
- Make it mandatory for employees to take training on how to use the cloud file storage system and on the tools that would facilitate successful migration of their data.
- Have internal controls to report and investigate a suspected loss of records.

As a result, Region 5 cannot verify that personnel are preserving all electronic files needed to fulfill their federal record-keeping responsibilities. Region 5 also cannot verify that an actual or suspected loss of records is communicated to the agency records officer, who would then report any loss to the U.S. National Archives and Records Administration in accordance with federal law and regulations.

### Recommendations and Planned Agency Corrective Actions

We recommend that the regional administrator for Region 5 develop internal controls to verify that records are maintained in the Agency's official record-keeping system and that suspected losses of records are reported, as required; establish policy on use of portable hard drives and the Agency's cloud file storage system; and track training on new technology systems. We also recommend that the assistant administrator for Mission Support update Agency records management policy, procedures, and guidance, as well as notify staff regarding the requirement to report the loss or destruction of records to the agency records officer. The EPA agreed with our six recommendations; completed corrective actions for three of them; and provided acceptable planned corrective actions and estimated milestone dates for the remaining three, which we consider resolved with corrective action pending.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

THE INSPECTOR GENERAL

August 31, 2020

**MEMORANDUM**

**SUBJECT:** Management Alert: EPA Region 5 Needs to Implement Effective Internal Controls to Strengthen Its Records Management Program  
Report No. 20-E-0295

**FROM:** Sean W. O'Donnell

A handwritten signature in blue ink that reads "Sean W O'Donnell".

**TO:** Kurt Thiede, Regional Administrator  
Region 5

Donna Vizian, Principal Deputy Assistant Administrator  
Office of Mission Support

This is our report on the subject evaluation conducted by the Office of Inspector General of the U.S. Environmental Protection Agency. The project number for this evaluation was OA&E-FY20-0032. This report contains findings that describe the problems the OIG has identified and corrective actions the OIG recommends. Final determinations on matters in this report will be made by EPA managers in accordance with established audit resolution procedures.

The Mission Support Division within Region 5 and the EPA's Office of Mission Support are responsible for the recommendations presented in this report.

In accordance with EPA Manual 2750, Region 5 and the Office of Mission Support provided acceptable corrective actions and estimated milestone dates in response to OIG recommendations. All recommendations are resolved, and no final response to this report is required. However, if you submit a response, it will be posted on the OIG's website, along with our memorandum commenting on your response. Your response should be provided as an Adobe PDF file that complies with the accessibility requirements of Section 508 of the Rehabilitation Act of 1973, as amended. The final response should not contain data that you do not want to be released to the public; if your response contains such data, you should identify the data for redaction or removal along with corresponding justification.

We will post this report to our website at [www.epa.gov/oig](http://www.epa.gov/oig).

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## Purpose

In May 2019, the U.S. Environmental Protection Agency’s Office of Inspector General received a hotline complaint regarding an information technology incident that may have resulted in the loss of records. We conducted this evaluation to determine whether EPA Region 5:

- Lost federal records when transferring electronic files to the Agency’s cloud file storage system during its data migration process.
- Followed its processes to investigate the potential loss of records.

### Top Management Challenge

This evaluation addresses the following top management challenge for the Agency, as identified in [OIG Report No. 20-N-0231](#), *EPA’s FYs 2020–2021 Top Management Challenges*, issued July 21, 2020:

- Complying with internal control (policies and procedures).

## Background

The OIG received a hotline complaint in May 2019 relating to an information technology incident in Region 5 that allegedly resulted in the loss of electronic files that were potential EPA records or subject to litigation holds. The incident occurred while the Region 5 employee who submitted the hotline complaint—hereafter referred to as the *complainant*—was moving electronic files in

December 2018 from an EPA-issued computer to the Agency’s cloud file storage system. The complainant migrated—that is, moved—these files as part of a Region 5 initiative to reduce the amount of data stored on its legacy network file storage system.

### Key Definitions

A **record** “includes all recorded information ... made or received by a Federal agency under Federal law or in connection with the transaction of public business and preserved or appropriate for preservation by that agency ... as evidence of the organization, functions, policies, decisions, procedures, operations, or other activities of the United States Government or because of the informational value of data in them.” 44 U.S.C. § 3301(a).

A **litigation hold** is a suspension of the routine destruction of a document reasonably anticipated to be relevant to a lawsuit.

The EPA’s **cloud file storage system** is an online storage tool that employees can use to upload, store, and share electronic files. These files can be accessed remotely.

The **data transfer tool** is a commercial software product used by the EPA to facilitate the complete, uninterrupted transfer of files when migrating data to the cloud file storage system.

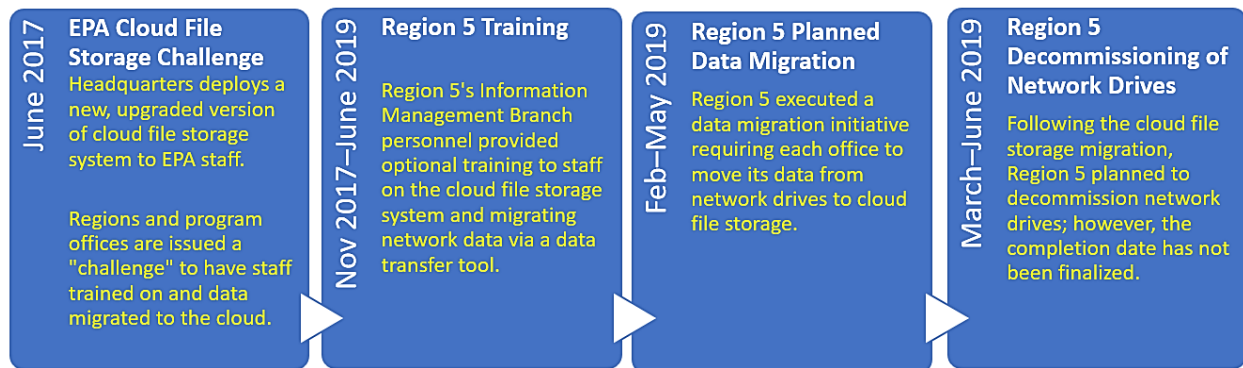
### ***Federal Laws and Regulations Governing Records***

Employees are required to maintain federal records per 44 U.S.C. § 3101 et seq. Section 3102 requires every federal agency to establish and maintain a records management program, including records retention schedules that specify how long records should be kept and when they should be either destroyed or transferred to alternate storage facilities. Additionally, Section 3105 requires agencies to establish safeguards against the loss of records, and Section 3106 requires agencies to notify the U.S. National Archives and Records Administration of any unlawful removal or destruction of records. NARA regulations also require agency heads to report any unauthorized removal, defacement, alteration, or destruction of records, per 36 C.F.R. § 1230.10.

## Timeline of Relevant Events

In 2017, the EPA initiated a cloud storage “challenge” that tasked regions and program offices to migrate data off the Agency’s legacy network file storage systems into the cloud (Figure 1). In November 2017, the Information Management Branch of the Region 5 Resources Management Division began training regional staff on the Agency’s cloud file storage system. This optional training provided, among other information, guidance on how to properly migrate data using the cloud file storage system’s *data transfer tool*. Region 5 planned to migrate its data over a four-month period, from February through May 2019. Each Region 5 office was allotted time to move its data to the Agency’s cloud file storage system by the May 2019 deadline.

Figure 1: Region 5 data migration

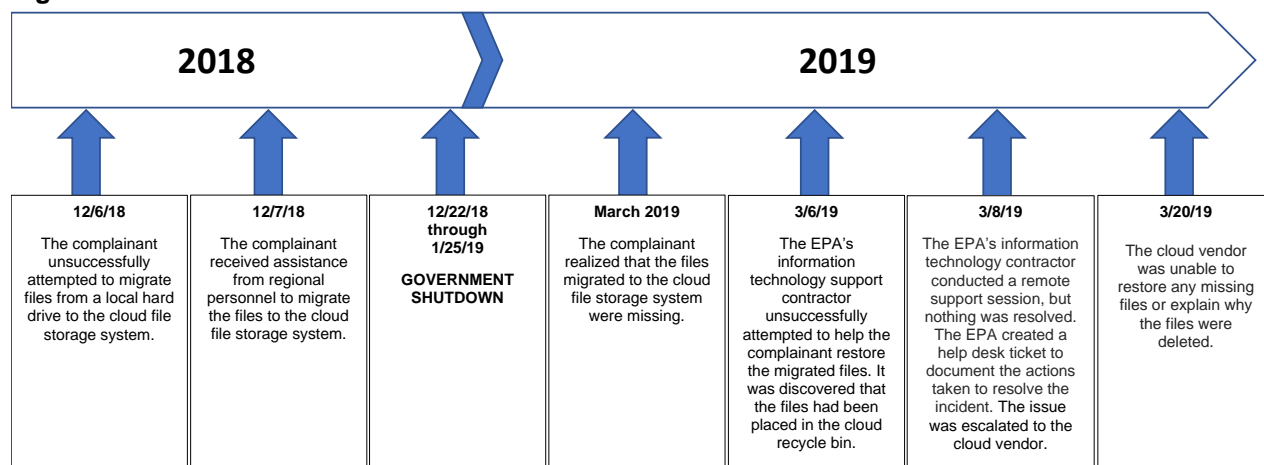


Source: OIG analysis of EPA data. (EPA OIG image)

The complainant’s office began migrating its data in early December 2018, ahead of the Region’s planned migration schedule. As a result, on December 6 and 7, the complainant migrated electronic files—which the complainant estimated to number in the thousands—from an EPA-issued computer hard drive to the cloud file storage system. Due to technical difficulties the complainant experienced during the migration process, these files inadvertently, and without the complainant’s knowledge, ended up in the cloud file storage system’s recycle bin.

In early March 2019, the complainant realized that electronic files were missing and sought help to restore them. According to the complainant, EPA information technology personnel said that the cloud file storage system automatically deletes files in its recycle bin after 90 days. The complainant subsequently learned that the cloud file storage system had permanently deleted the files, and there was no way to recover them. In March 2019, the EPA created a help desk ticket to document the actions taken to resolve the incident. Figure 2 summarizes the timeline of events leading up to the loss of the electronic files and the discovery that the data could not be recovered.

**Figure 2: Timeline of electronic file loss**

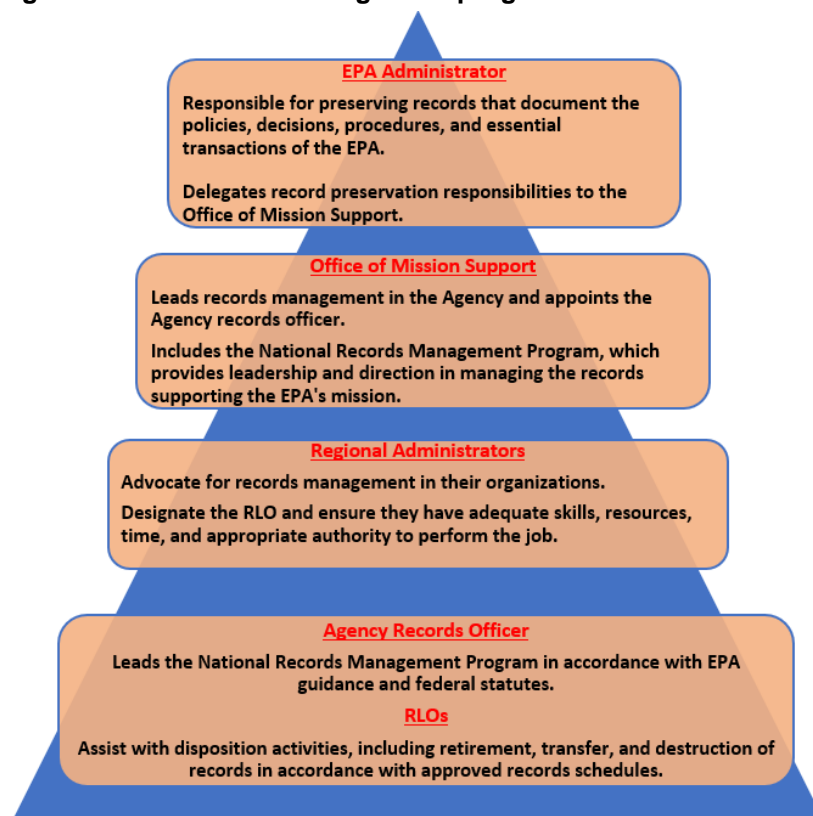


Source: OIG analysis of hotline complaint data. (EPA OIG image)

## Responsible Offices

The National Records Management Program, within the EPA's Office of Mission Support, provides direction for managing the records that support the Agency's mission. The agency records officer leads the Program in accordance with EPA

**Figure 3: EPA records management program structure**



policy and guidance, as well as federal statutes and regulations. In addition to developing records management policies, procedures, and training materials, the Program coordinates with the EPA's records liaison officers in each program and regional office. In Region 5, the RLO is part of the Information Management Branch within the Mission Support Division. The RLO is responsible for the Region's records management activities, including records handling and protection. Figure 3 illustrates how the EPA delegates the Agency's records management responsibilities.

Source: OIG analysis of CIO 2155.4, *Interim Records Management Policy*. (EPA OIG image)



## Scope and Methodology

We performed this evaluation from January through July 2020 in accordance with the Council of the Inspectors General on Integrity and Efficiency's *Quality Standards for Inspection and Evaluation*, dated January 2012. Those standards require that we use due professional judgment to adequately plan and perform the evaluation to obtain sufficient, competent, and relevant evidence that provides a reasonable basis for reaching conclusions.

We performed the following activities:

- Reviewed the hotline complaint and interviewed the complainant to obtain a comprehensive understanding of the incident and documentation to support the claims.
- Interviewed personnel responsible for Region 5's records management program, including the RLO, to understand their duties for preserving federal records and reporting the loss of federal records.
- Obtained a list of EPA employees maintaining electronic files subject to litigation holds and selected a judgmental sample of six of these employees from Region 5. Interviewed these six employees to identify the Region's methods to preserve Agency electronic records and electronic files subject to litigation holds.
- Interviewed information technology personnel responsible for performing, tracking, and troubleshooting the Region's data migration process.
- Accessed the Agency's help desk ticketing system to obtain tickets related to Region 5 incidents, including the help desk ticket that tracked handling of the specific hotline complaint being evaluated.
- Reviewed Agency records management policies and procedures, federal regulations, and NARA guidance to identify requirements for reporting the suspected loss of potential records.

## Results

Region 5 lacks effective internal controls to help achieve its record-keeping responsibilities. Office of Management and Budget Circular A-123, *Management's Responsibility for Enterprise Risk Management and Internal Control*, states that management is "responsible for establishing and maintaining internal controls to achieve specific internal control objectives related to operations, reporting, and compliance." In this regard, management is responsible for establishing controls to protect against the loss of electronic records that are necessary to substantiate Agency activities during data migration, as well as for

investigating and reporting the loss of Agency records. Management is also responsible for preserving electronic files subject to litigation holds.

We found that electronic files were lost when the complainant transferred data to the cloud file storage system because the complainant neither attended training on the cloud file storage system migration nor used the data transfer tool. Region 5 does not know whether Agency records subject to litigation holds were among the electronic files lost. Additionally, the Region's RLO did not, in a timely manner, document the circumstances of the suspected loss of potential records or consider whether the incident should be reported to the agency records officer. These conditions occurred because Region 5:

- Lacked effective internal controls to verify that Region 5 personnel maintain records in the EPA's official record-keeping system. The Region also did not have standard operating procedures in place regarding the storage of electronic files subject to litigation holds.
- Initiated a project to implement the agencywide cloud file storage system without mandating that personnel take training on the system or the tools needed to successfully migrate data. The Region also did not require employees to use the cloud file storage system.
- Did not have internal controls in place for reporting or investigating a suspected loss of records.

As a result, Region 5 cannot verify that it is saving all electronic records, which are necessary to substantiate EPA activities, or protecting electronic files subject to litigation holds. The Region's inconsistent use of the EPA's official record-keeping system makes the Region susceptible to future loss of records. A lack of preserved electronic files could also affect the Agency's ability to fulfill Freedom of Information Act requests. Furthermore, Region 5 did not communicate the suspected loss of potential records to the agency records officer until 11 months after the complainant learned the electronic files could not be recovered.

The **Freedom of Information Act** provides the public with the right to request access to records from any federal agency. Agencies are required to disclose any information requested unless it falls under one of nine exemptions that protect interests such as personal privacy, national security, and law enforcement.

### ***Region 5 Did Not Consistently Use EPA's Official Record-Keeping System or Verify That Records Were Being Protected***

Region 5 personnel did not consistently use the Agency's official record-keeping system to identify and store Agency records. Three of the six personnel we interviewed said that they did not use the Agency's official record-keeping

system. As such, we identified that the Agency did not have effective internal controls in place to verify that personnel use the official record-keeping system.

During our fieldwork, we also discovered that Region 5's Office of Regional Counsel annually backed up its electronic files on portable hard drives purchased by the office. The office did not protect these backup files, however. For example, some employees took these portable hard drives to their residences and stored the data off-site. EPA CIO 2155.4, *Interim Records Management Policy*, approved August 22, 2018, states that "nontransitory records should be stored in approved records management systems with records management capabilities or registered information management systems associated with an approved records schedule." The Region did not know whether the files on the portable hard drives had the security controls in place, as mandated by federal regulation, to prevent data from being accidentally modified, deleted, or viewed while stored off-site.

The Region's *Electronic Records Management and Recordkeeping Policy and Digitization Requirements* provides a proposed digitization process that preserves all media and outlines how to store non-email records. This document does not, however, address the off-site storage of records on portable hard drives and the protections around those drives. Since employees did not consistently use the Agency's official record-keeping or cloud file storage system, the portable drives stored off-site could be the only means for Region 5 to recover electronic records or files subject to litigation holds or Freedom of Information Act requests if employees experienced office computer failures.

### ***Region 5 Implemented Cloud File Storage System Without Mandating Training for Employees or Requiring Its Use***

Region 5 initiated a project to implement the agencywide cloud file storage system but did not mandate that employees be trained on the system. The Region also did not require employees to be trained on the data transfer tool used to migrate data to the cloud file storage system. In addition, the Region did not require employees to use the new system.

Personnel responsible for the implementation of the migration project provided us data showing that the transition to the Agency's cloud file storage system successfully reduced the use of the Region's legacy network file storage system. However:

- Training on the Agency's cloud file storage system was not mandatory, nor were participants tracked to verify that all regional staff received training. The complainant did not attend the cloud file storage system training or use the data transfer tool. Based on interviews with the complainant and five additional Region 5 employees who maintain electronic records or files subject to litigation holds, two said that they were never trained on how to use the Agency's cloud file storage system.

Five of the six could not recall receiving training on the data transfer tool used by the system.

- The use of the Agency's cloud file storage system to store electronic files was not mandated. As a result, not all staff used the system. Based on our interviews of six Region 5 employees, four said that they used the Agency's cloud file storage system to store their electronic files.

### ***Region 5 Did Not Have Internal Controls in Place for Reporting or Investigating Suspected Loss of Records***

The Region 5 RLO did not communicate the suspected loss of potential records to the agency records officer until February 2020, 11 months after the complainant learned they could not recover their electronic files. When the incident occurred, Region 5 did not have a permanently assigned RLO; rather, four regional personnel took turns serving as acting RLO every three months until the Region permanently filled the position in October 2019. Both the acting RLO at the time of the incident and the subsequent permanent RLO for Region 5 said that they were not aware that they needed to report potential records losses to the agency records officer.

There is no Region 5 or agencywide policy that requires offices to investigate and report the suspected loss of Agency records. Furthermore, the EPA's *Interim Records Management Policy* does not identify procedures for investigating the suspected or actual loss of records. The Agency has issued a flyer titled *How to Prevent Unauthorized Destruction of EPA Records*, but that document is limited to destroyed records and does not inform employees what to do when a record is potentially lost. For records that are accidentally destroyed, the document advises staff to work with their RLO to provide a report to the agency records officer, who should then forward that report to NARA.

## **Conclusions**

Region 5 needs strengthened internal controls to facilitate the effective transfer, storage, and preservation of electronic files. The Region also needs effective internal controls to monitor personnel compliance with Agency records requirements. Without these internal controls, Region 5 cannot verify that it appropriately preserves records to substantiate EPA activities, and its ability to locate, identify, and provide documents responsive to Freedom of Information Act requests or litigation holds is also compromised.

The Agency also needs to establish internal controls to investigate potentially lost records and verify that a loss of records is reported in accordance with NARA requirements.

## Recommendations

We recommend that the regional administrator for Region 5:

1. Implement internal controls to verify that Region 5 personnel are maintaining federal records in the Agency's official record-keeping system.
2. Establish Region 5 policy on use of the following technologies:
  - a. EPA cloud file storage system. The policy should specify whether Region 5 personnel are required to use the cloud file storage system.
  - b. Portable hard drives. The policy should specify whether Region 5 personnel can use and store portable hard drives off-site at their residence. If such use is allowed, the policy must require that employees must implement the required security controls to prevent data from being accidentally modified, deleted, or viewed while stored off-site at their residences.
3. Implement a process to track Region 5 employees' completion of training on new technology systems for future information technology projects.
4. Develop a procedure that provides guidance on actions to take if the loss or accidental destruction of data, files, or records is suspected, and notify Region 5 staff about this procedure.

We recommend that the assistant administrator for Mission Support:

5. Update the Agency records management policy, procedures, and guidance to include requirements for the program and regional offices to report to the agency records officer the actual, suspected, and accidental loss or destruction of records.
6. Immediately notify records liaison officers about the requirement to report the loss or destruction of records to the agency records officer.

## Agency Response and OIG Assessment

Our draft report included seven total recommendations: five addressed to the Region 5 regional administrator and two addressed to the assistant administrator for Mission Support.

Region 5 did not concur with the findings and five recommendations issued in the draft report. In general, the Region 5 response to our draft report stated:

[T]hat guidance, training and assistance efforts in place during the migration were not acknowledged, creating the impression that Region 5 made no effort to preserve files during this technology migration, which is certainly not the case. Also, findings and recommendations for this report appear to be predicated on an assumption that OneDrive is a record keeping system, whereas Region 5 and all Agency employees are trained and instructed to use sanctioned Agency records keeping systems for records preservation.

While the EPA has policies and procedures in place for many of the issues addressed in this report, we found that Region 5 lacked consistent and effective internal controls in place to monitor and enforce compliance with Agency policy and procedures. We met with EPA and Region 5 representatives to discuss the draft report. Where appropriate, we updated the report language and modified the recommendations based on our discussion. Region 5 concurred with our final report recommendations and provided acceptable corrective action plans. Region 5's initial response to the draft report and subsequent response to our revised recommendations are in Appendix A and Appendix B, respectively.

Specifically, Region 5 originally disagreed with:

- Recommendation 1. The Region stated that personnel are trained on record-keeping responsibilities. However, it is incumbent upon management to ensure that employees comply with federal and EPA policies, procedures, and directives. We discussed with Region 5 possible actions it could take to monitor employee compliance. The Region agreed that it could take additional steps to ensure that employees are using the official agency record-keeping system. Region 5 subsequently agreed with the recommendation and provided an acceptable planned corrective action and estimated completion date. We consider Recommendation 1 resolved with corrective action pending.
- Draft report Recommendations 2 and 4. The Region indicated that we incorrectly based our findings and draft report Recommendation 2, which recommended that the Region establish a policy on the use of the Agency's cloud file storage system, on the assumption that the cloud file storage system is the official system of record. As we noted in our report, Region 5 encourages employees to use the cloud file storage system but does not mandate its use. This approach led to inconsistency where employees keep and safeguard electronic files that are official Agency records or subject to litigation holds. In response to draft report Recommendation 4, which recommended that the Region establish a policy on the use of portable hard drives, the Region incorrectly indicated that it has such a policy. We believe both draft report recommendations are valid, as it is incumbent

upon management to establish policies regarding its expectations of employee use of these technologies. As a result of our discussions with Region 5, however, we combined these two draft recommendations into the final report Recommendation 2. Region 5 concurred with the modified recommendation and provided acceptable planned corrective actions and estimated completion date. We consider final report Recommendation 2 resolved with corrective action pending.

- Recommendation 3. The Region stated that training on the new cloud file storage system was not relevant to records management. The Region agreed that it should track employee training attendance, however. We modified this recommendation to focus on tracking personnel attendance of training for newly implemented information technology systems. Region 5 concurred with the revised recommendation and provided acceptable planned corrective actions, which they completed on August 14, 2020. We consider Recommendation 3 completed.
- Draft report Recommendation 5. The Region stated that the EPA is updating its records management policy to address the reporting of actual, suspected, and accidental loss or destruction of records to the agency records officer. We noted that it is regional management's responsibility to establish a control process for taking actions if the loss or accidental destruction of data, files, or records is suspected and to notify Region 5 staff about procedures. We modified the recommendation to better explain the corrective actions needed and renumbered it as Recommendation 4 for the final report. Region 5 concurred with the revised recommendation and provided acceptable planned corrective actions, which they completed on August 7, 2020. We consider Recommendation 4 completed.

The EPA's Office of Mission Support agreed with the two recommendations issued to that office in the draft report, formerly Recommendations 6 and 7. We renumbered these recommendations as Recommendations 5 and 6 for the final report. The Office of Mission Support:

- Provided acceptable planned corrective actions and estimated completion date for Recommendation 5. We consider Recommendation 5 resolved with corrective actions pending.
- Completed corrective actions to address Recommendation 6 on July 31, 2020. We consider Recommendation 6 completed.

The Office of Mission Support's response to the draft report is in Appendix C.

# **Status of Recommendations and Potential Monetary Benefits**

## RECOMMENDATIONS

Rec. No.	Page No.	Subject	Status <sup>1</sup>	Action Official	Planned Completion Date	Potential Monetary Benefits (in \$000s)
1	8	Implement internal controls to verify that Region 5 personnel are maintaining federal records in the Agency's official record-keeping system.	R	Regional Administrator, Region 5	12/31/21	
2	8	Establish Region 5 policy on use of the following technologies: a. EPA cloud file storage system. The policy should specify whether Region 5 personnel are required to use the cloud file storage system. b. Portable hard drives. The policy should specify whether Region 5 personnel can use and store portable hard drives off-site at their residence. If such use is allowed, the policy must require that employees must implement the required security controls to prevent data from being accidentally modified, deleted, or viewed while stored off-site at their residences.	R	Regional Administrator, Region 5	3/31/21	
3	8	Implement a process to track Region 5 employees' completion of training on new technology systems for future information technology projects.	C	Regional Administrator, Region 5	8/14/20	
4	8	Develop a procedure that provides guidance on actions to take if the loss or accidental destruction of data, files, or records is suspected, and notify Region 5 staff about this procedure.	C	Regional Administrator, Region 5	8/7/20	
5	8	Update the Agency records management policy, procedures, and guidance to include requirements for the program and regional offices to report to the agency records officer the actual, suspected, and accidental loss or destruction of records.	R	Assistant Administrator for Mission Support	6/30/21	
6	8	Immediately notify records liaison officers about the requirement to report the loss or destruction of records to the agency records officer.	C	Assistant Administrator for Mission Support	7/31/20	

<sup>1</sup> C = Corrective action completed.  
R = Recommendation resolved with corrective action pending.  
U = Recommendation unresolved with resolution efforts in progress



## Region 5 Response to Draft Report



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5  
77 WEST JACKSON BOULEVARD  
CHICAGO, IL 60604-3590

REPLY TO THE ATTENTION OF:  
R-19J

### MEMORANDUM

SUBJECT: Response to Management Alert: *EPA Region 5 Needs to Implement Internal Controls to Strengthen Its Records Management Program*  
Project No. OA&E-FY20-0032

FROM: Kurt Thiede  
Regional Administrator  
Region 5

KURT  
THIEDE

Digitally signed by KURT  
THIEDE  
Date: 2020.07.16  
15:22:08 -05'00'

TO: Rudolph M. Brevard, Director  
Information Resources Management Directorate  
Office of Audit and Evaluation

Thank you for the opportunity to respond to the recommendations in the audit evaluation titled, “*EPA Region 5 Needs to Implement Internal Controls to Strengthen Its Records Management Program.*” As requested in the July 2, 2020, transmission from OIG, Region 5 is providing the response, which summarizes the Region’s position on each of the five report recommendations.

### REGION 5’S OVERALL POSITION

Region 5 shares a commitment to sound records management. However, the *Management Alert: EPA Region 5 Needs to Implement Internal Controls to Strengthen Its Records Management Program* includes some overly generalized findings and recommendations. Region 5 believes that guidance, training and assistance efforts in place during the migration were not acknowledged, creating the impression that Region 5 made no effort to preserve files during this technology migration, which is certainly not the case. Also, findings and recommendations for this report appear to be predicated on an assumption that OneDrive is a record keeping system, whereas Region 5 and all Agency employees are trained and instructed to use sanctioned Agency records keeping systems for records preservation.

A significant oversight in this report is that during the Region 5 file migration program, five million, seven hundred sixty-seven thousand, six hundred twenty-two (5,767,622) files of both records and non-records were successfully transferred from the Region 5 Local Area Network (LAN) F:/ and G:/ drives to employee Microsoft OneDrive accounts with preserved metadata. The OIG evaluation was based on one complainant's hotline report that files were lost, and this is the only instance of files loss reported in Region 5. Over 1,000 of these migrations were performed by Region 5 employees, so this is a less than one in one thousand failure rate. Given the complainant did not know the exact number of files lost, stated *potential* number of files (no indication that all were Agency records) lost could number in the thousands. Assuming 5,000 files lost, which is a high number, this would calculate to a failure rate of 0.09 percent (nine one-hundredths of one percent) for files migrated, which by any measure is a successful project. We have not identified evidence that the files lost are Agency Records.

Region 5 employees were provided training opportunities and written directions to perform the file migrations themselves. Even among those that did not take the training, only one Region 5 employee reported an issue with the file migration.

Accuracy issues:

1. Page 2, the organizational structure as stated in the report is incorrect. In November 2017, our structure was the Information Management Branch of the Resources Management Division, and not the Mission Support Division of the Region 5 Information Management Branch.
2. Page 2, the SafeMove is not a cloud file storage system's data transfer tool. It is not a component of OneDrive. SafeMove was rolled out years before when the Agency transitioned to Windows 10 and staff have been provided numerous trainings, emails and guidance on how to use SafeMove.
3. Page 3, the organizational structure is incorrect. In Region 5, the Record Liaison Officer is part of the Information Management Branch within the Mission Support Division.
4. Page 4, a sample of six people is less than one percent of the Region 5 personnel subject to litigation holds. Also, staff have been regularly trained in both records and IT to use the tools available to preserve Agency records.
5. Page 5, second bullet: Region 5 has promoted the use of the EPA's official record keeping system. Region 5 has had more usage, more records stored, in the Agency's record keeping system than any other Region. Again, it is an oversimplification to say the system was not consistently being used when use is totally at the discretion of individual users. Also, there is a section of every litigation hold notice that details preservation methods for electronic documents subject to litigation holds. See attached document.
6. Page 5, third bullet: Region 5 used the incident ticketing system to record and track the status of the file loss incident. The ticketing system was used to report the incident locally and trigger an investigation to recover the data. Initially, we treated the incident as an IT issue. Since it was not recognized as a records issue, it was not reported to the Agency Records Office at that time, however the *potential* loss of records was reported to the Agency Record Officer once recognized as a potential records issue. records staff will be trained on this requirement during their first year.

7. Page 6, fourth bullet: This “Result” is outside of the scope of this evaluation. Employees are trained annually and coached throughout their careers to maintain records, both hard copy and electronically. To require them to correctly organize their records prior to performing the file migration in effect would have caused the project to never complete. Employees who had organized their documents prior to the OneDrive migration had organized documents after the migration. Those that did not have organized documents, did not after the migration.

We do not concur on the following:

1. At a Glance Page, first bullet: This is an incorrect statement – “Migrated data without considering how to preserve electronic files.” Region 5 planned the migration, preceded it with training and published guidance and conducted it as a joint project with records managers and the IT staff, who provided assistance when requested. Use of the “Safe Move” tool was required to ensure metadata associated with all files was preserved.
2. At a Glance Page, second bullet under “As a result, Region 5 cannot:”: The statement, “(cannot) Fulfill its federal record-keeping responsibilities.” is an oversimplified and inaccurate statement, essentially based on one incident of human error. Region 5 runs a respected records program within EPA and has previously met all records program requirements.
3. Page 4 Results: Region 5 has developed its own interim ERecords Policy on how to preserve electronic records.
4. Page 4-5, Results: It is not clear how human error on the part of one in over one thousand migrations demonstrates that Region 5 lacks an internal control environment to help achieve its record-keeping responsibilities. Training, guidance and assistance were in place for the file migrations. That one employee failed to execute the migration and then failed to note that the files were missing in a timely manner so they could be recovered does not demonstrate a lack of internal controls. Additionally, the complainant did not use the data transfer tool, as instructed. It is still unclear if any Agency records were lost. **We have no evidence at this time Agency Records have been lost and the employee cannot confirm records were lost.**
5. Page 6, first bullet: Did the Region 5 Microsoft OneDrive accounts in the EPA cloud host reflect a lack of equivalent file storage after the migration? This “Result” is merely speculation. All Agency employees were encouraged to synchronize their C:/ drive files on their computer’s local hard drive with OneDrive to assure backup and remote availability of the files.
6. Page 6, second bullet: Requiring employees to take training who do not currently need it provides them no value-added information. Also, staff were trained and received emails on how to use SafeMove to transfer data.
7. Page 6, third bullet: This “Result” is not relevant. Some employees will always distrust technology or have trouble learning to use it. User trust in technology has been a fundamental challenge since its beginning.
8. Page 6, fourth bullet: This “Result” is outside of the scope of this evaluation. Employees are being trained annually and coached throughout their careers to maintain

records, both hard copy and electronically. To require them to correctly organize their records prior to performing the file migration in effect would have caused the project to never complete. Employees who had organized their records prior to the migration had organized records after the migration. Those that did not have organized records, did not after the migration.

REGION 5'S RESPONSE TO SPECIFIC REPORT RECOMMENDATIONS

Number	Recommendation	Intended Corrective Action(s)	Estimated Completion & Contacts
1	Develop and implement internal controls to verify that federal records are maintained in the Agency's official record-keeping system.	Do not concur. An Agency Interim Records Management Policy (CIO 2155.4) is in place which we believe addresses this recommendation. Additionally, Region 5 highlights the Agency policy during its Records 101 training.	
2	Establish a policy on the use of the Agency's cloud file storage system that: a. Identifies which types of files should be placed within the cloud file storage system. b. Determines which Agency file storage systems—including network file storage systems, local hard drives, and portable drives—should no longer be used in lieu of the cloud file storage system. c. Defines how to use the cloud file storage system in regard to Agency records, documents subject to litigation holds, and	a -c: Do not concur with this recommendation. As stated above, this recommendation appears to be predicated on an assumption that OneDrive is a record keeping system, whereas Region 5 and all Agency employees are trained and instructed to use sanctioned Agency records keeping systems for records preservation. In addition, the Agency has established and made available training on proper use of OneDrive for file storage.	

	Freedom of Information Act requests.		
3	Require personnel to take training on the Agency's cloud file storage system and the data transfer tool and monitor their attendance.	Do not concur that cloud file storage is relevant to records training. The Agency provides annual mandatory records training for which compliance is monitored. Again, cloud file storage systems/procedures are not intended to address proper records keeping procedures. We concur that attendance should be monitored at all future Region 5 records training.	Will be implemented: attendance monitoring of regional Records training sessions starting July 2020.
4	Develop and implement a policy on the use of portable hard drives that outlines requirements for off-site storage of regional data, including records, documents subject to litigation holds, and Freedom of Information Act requests.	We do not concur. The Region 5 ERecords Policy identifies proper storage of Agency documents.	
5	Develop and implement records management standard operating procedures that include how to investigate the suspected loss of records and documents subject to litigation holds.	We do not concur. The Interim Records Management Policy is in the process of being updated and OMS will add specific information and guidance on how to report the actual, suspected, and accidental loss or destruction of records to the Agency Records Officer. Additionally, Region 5 does not concur with the portion of the recommendation requiring the Region to develop standard operating	Q3 FY21

		procedures for how to investigate the suspected loss of records subject to a litigation hold. Such an investigation should be governed by the agency counsel and Department of Justice counsel according to the needs of the specific case, and is separate from and unrelated to the requirements of the Federal Records Act.	
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We appreciate the efforts of the audit team and look forward to the team’s responsiveness to our comments on the initial draft of this report. If you have any questions regarding this response, please contact Ken Tindall, Chief, Information Management Branch at (312) 886-9895 or [tindall.kenneth@epa.gov](mailto:tindall.kenneth@epa.gov), or Dale Meyer, Region 5 Interim Audit Coordinator at (312) 886-7561 or [meyer.dale@epa.gov](mailto:meyer.dale@epa.gov).

## ***Region 5 Response to Final Report Recommendations***

### MEMORANDUM

SUBJECT: Response to Management Alert: *EPA Region 5 Needs to Implement Internal Controls to Strengthen Its Records Management Program*  
Project No. OA&E-FY20-0032

FROM: Kurt Thiede  
Regional Administrator  
Region 5

**KURT  
THIEDE** Digitally signed by  
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Date: 2020.07.30  
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TO: Rudolph M. Brevard, Director  
Information Resources Management Directorate  
Office of Audit and Evaluation

Thank you for the opportunity to review the revised recommendations proposed in the audit evaluation titled, “*EPA Region 5 Needs to Implement Internal Controls to Strengthen Its Records Management Program.*” Your revisions, based on our discussions and comments, have improved the accuracy of the draft Management Alert and are appreciated. We believe that these revised actions and findings are constructive and accurate, and we appreciate the corrections you made to your initial findings. Region 5 accepts the revised recommendations, as shown below, and proposes corrective actions and timeframes to address the recommendations. Please note that for Recommendations 3 and 4, Region 5 intends to implement the corrective actions in the next two weeks and will verify completion of the actions in **early August 2020**.

### REVISED REPORT RECOMMENDATIONS WITH PROPOSED CORRECTIVE

ACTIONS AND SCHEDULES

Number	Recommendation	Intended Corrective Action(s)	Estimated Milestone Dates
1	Implement internal controls to verify Region 5 personnel are maintaining federal records in the Agency’s official record-keeping system.	The Region 5 Records Liaison Officer (RLO) will establish a procedure to regularly monitor the Enterprise Content Management System (ECMS) dashboard to measure progress on ECMS use in R5 and develop additional guidance and/or training to achieve improvement in use of the Agency records keeping system.	Q1, 2021
2	<p>Establish Region 5 policy on use of the following technologies:</p> <ul style="list-style-type: none"> <li>a. <b>EPA cloud file storage system:</b> Specifies whether it is mandatory that Region 5 personnel use the cloud file storage system.</li> <li>b. <b>Portable hard drives:</b> Specifies that Region 5 personnel: 1. can use and store portable hard drives off-site at their residence and 2. If allowed, must implement the required security controls to prevent data from being accidentally modified, deleted, or viewed while stored off-site at their residence.</li> </ul>	Region 5 will develop and issue local policy and guidance, consistent with the EPA Enterprise Information Management Policy (EIMP), Directive No: CIO 2135; the EPA Interim Records Management Policy, Directive No.: CIO 2155.4; and the EPA Preservation of Separated Personnel’s Electronically Stored Information Subject to Litigation Holds, EPA Classification No.: CIO 2156.0, on the correct use of EPA cloud file storage systems and portable hard drives for records. The Region 5 policy will be issued by the Region 5 Senior Information Official (SIO).	Q2, 2021



3	Implement a process to track the attendance and completion of Region 5 employees' training on new technology systems for future IT projects.	Region 5 will require employees to sign a sign-in sheet when attending live, locally held training on new technology systems and will preserve the sign-in lists. Attendance for on-line training hosted by either Region 5 or Headquarters will be monitored to the extent practical through the system employees use to sign up for the applicable training.	August, 2020
4	Implement internal controls to verify whether Region 5 employees are reporting suspected loss of records to the Region 5 Records Liaison Officer and the required information is reported to the Agency Records Officer.	Region 5 will resend the Agency notification on establishment of a Data Protection Program (DPP) to Region 5 staff with additional guidance on steps to take if an employee suspects records have been lost.	August, 2020

If you have any questions regarding this response, please contact Ken Tindall, Chief, Information Management Branch at (312) 886-9895 or [tindall.kenneth@epa.gov](mailto:tindall.kenneth@epa.gov), or Dale Meyer, Region 5 Interim Audit Coordinator at (312) 886-7561 or [meyer.dale@epa.gov](mailto:meyer.dale@epa.gov).

## Office of Mission Support Response to Draft Report



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C. 20460

July 16, 2020

OFFICE OF MISSION SUPPORT

### MEMORANDUM

**SUBJECT:** Response to Office of Inspector General Draft Report Project No. OA&E-FY20-0032  
EPA Region 5 Needs to Implement Internal Controls to Strengthen Its Records  
Management Program dated July 2, 2020

**FROM:** Vaughn Noga, Chief Information Officer  
and Deputy Assistant Administrator for Environmental Information

**TO:** Rudy Brevard  
Director, Information Resources Management Directorate  
Office of Inspector General

VAUGHN  
NOGA

Digitally signed by  
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Thank you for the opportunity to respond to the issues and recommendations in the subject audit report. The following is a summary of the Office of Mission Support's (OMS) position for recommendations 6 and 7 of the report.

### AGENCY'S OVERALL POSITION

We agree with recommendations 6 and 7 and have provided high-level intended corrective actions and estimated completion dates. OMS will make necessary adjustments to the Interim Records Management Policy to reflect recommendation 6. The updates to the policy will be finalized by June 30, 2021. Additionally, EPA will send a reminder communication to the EPA Records Liaison Officers that they are required to notify the Agency Records Officer (ARO) of the loss or unauthorized destruction of records.

OMS RESPONSE TO REPORT RECOMMENDATIONS 6 AND 7

No.	Recommendation	High-Level Intended Corrective Action(s)	Estimated Completion Date
6	Update the Agency records management policy, procedures, and guidance to include requirements for the program and regional offices to report to the Agency records officer both actual, suspected, and accidental loss or destruction of records.	<p>According to 36 CFR § 1230.14 Federal Agencies must report unlawful or accidental removal, defacing, alteration, or destruction of records to NARA.</p> <p>The Interim Records Management Policy is in the process of being updated and OMS will add specific information and guidance on how to report the actual, suspected, and accidental loss or destruction of records to the Agency Records Officer.</p>	June 30, 2021
7	Immediately notify records liaison officers about the requirement to report to the Agency records officer the loss or destruction of records.	OMS will send a reminder communication to EPA Records Liaison Officers and Records Contacts about the requirement to report to the Agency Records Officer the loss or unauthorized destruction of records.	July 31, 2020

If you have any questions regarding this response, please contact Mitch Hauser, Audit Follow-up Coordinator, of the Office of Resources and Business Operations, (202) 564-7636.

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