



Peace Corps

Office of Inspector General

June 3, 2010

MEMORANDUM FOR THE DIRECTOR

FROM: Kathy A. Buller, Inspector General

SUBJECT: Peace Corps Data Center Cooling Unit Failure

The purpose of this memorandum is to provide you with some historical perspective on the issues associated with the recent equipment failures in the Peace Corps data center. This condition relates to a lack of environmental controls in the data center to adequately monitor temperature and humidity for ensuring they are kept at acceptable levels. The condition was discussed in a Notice of Finding and Recommendation (NFR) issued by our external auditor in October 2008 during the audit of the agency's FY 2008 financial statements. The auditor also indicated that the data center does not have a 'Smart'-Uninterruptible Power Supply (UPS) to ensure that equipment can be properly shut down during periods of unexpected power interruptions. Audit recommendations were made at that time to acquire and install the necessary equipment to enable adequate environmental monitoring and ensure proper shut down when needed. Since the data center does not have 24/7 on site staffing coverage, adequate equipment to perform environmental monitoring and have the capability to properly shut down computer equipment is especially critical to the effective operation of the data center.

A separate study performed by BearingPoint Management & Technology Consultants in October 2008 noted the same issues at the Peace Corps data center. The purpose of the study was to perform an assessment of the center's environment to determine whether it would be more cost effective to move it out of Peace Corps Headquarters or upgrade the facility. The consultant recommended that the agency relocate the center and place its operation under contract to a provider capable of hosting Peace Corps applications.

Although the Office of the Chief Information Office (OCIO) initially concurred with the auditor's findings and recommendations, they subsequently responded that the existing environmental monitoring equipment in the data center was sufficient. Management did however concur that a Smart-UPS should be installed and indicated in their corrective action plan that they had budget approval to buy and install this equipment by the end of fiscal year 2009. During the FY 2009 audit of Peace Corps' financial statements, the external auditors followed up to determine if adequate corrective actions had been taken to remediate these issues.

The same conditions were found, and as a result, the auditor re-issued a NFR detailing the same deficiencies and identifying both the OCIO and the Office of Management as being jointly responsible for corrective actions.

OCIO and Office of Management fully concurred with the FY 2009 NFR and have indicated that although some of the necessary environmental monitoring equipment has been procured there are some additional materials that are needed before installing it. Further, management has indicated a contract was recently awarded for acquiring and installing a Smart-UPS. Estimated completion for installation of the environmental monitoring and UPS equipment is June or July 2010.

Although this condition has been known since 2008 management's completion of corrective actions were still pending at the time of the recent equipment failure. Based on the vulnerabilities disclosed by the FYs 2008 and 2009 audits and consultant's study we are concerned the agency did not place a high enough priority on ensuring timely efforts are undertaken to remediate the problems.

Please contact me if you have any questions or would like further information. My staff and I would be happy to provide a briefing regarding this matter if you desire.

cc: Chief of Staff
Associate Director for Management
Acting Chief Information Officer

Attachments (2)