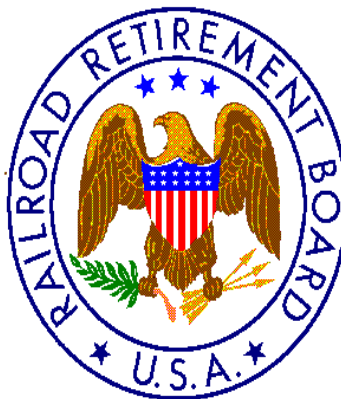


OFFICE OF INSPECTOR GENERAL

Audit Report

**Railroad Retirement Board Must Take Further Action to be
Compliant with Federal Records Management Directives**

**Report No. 17-08
September 28, 2017**



RAILROAD RETIREMENT BOARD

EXECUTIVE SUMMARY

The Office of Inspector General (OIG) for the Railroad Retirement Board (RRB) conducted an audit of records management, retention, and storage at the RRB.

Objectives

The objectives of our audit were to:

- describe RRB's practices associated with the use of personal email accounts, unsecured modems, and portable universal serial bus (USB) flash drive devices;
- determine if the RRB has established a viable records management program that ensures agency records are appropriately maintained and preserved in accordance with federal statutes and regulations, and that the program provides oversight to identify, classify, maintain, preserve, or destroy agency records throughout the record life cycle; and
- determine if the RRB complied with Office of Management and Budget (OMB) guidance and National Archives and Records Administration (NARA) bulletins concerning government records.

Results of Audit

Our audit determined that RRB's senior agency officials used personal email accounts, unsecured modems, and portable USB flash drive devices to avoid agency information technology systems while conducting official business and storing agency records. These practices resulted in the potential for numerous federal records to be lost and allowed for the potential unlawful removal or destruction of federal records.

In addition, the audit determined that the RRB is not fully compliant with OMB and NARA records management guidance and, although the RRB has established a records management program, improvements are necessary to ensure agency records are appropriately maintained and preserved in accordance with federal statutes and regulations.

Recommendations

We made 15 detailed recommendations to RRB management related to:

- Allocating sufficient resources for developing and implementing policies and procedures, including those for training; separating employees; notifications of criminal penalties; managing and preserving records using electronic messaging systems; and metadata, enterprise rights management, and encryption.

- Developing supplemental records management training material that are specific to the RRB.
- Ensuring all newly hired contractors are provided records management training within 30 days of their hire or start date.
- Developing and implementing roles-based training for senior officials, including actions to take when the official separates from the RRB.
- Providing additional Capstone related training content for records liaisons.
- Developing specific records management performance goals with target completion dates and performance measures.
- Ensuring a comprehensive inventory of nonelectronic records is prepared and associated records disposition schedules are prepared and approved by NARA.
- Performing a comprehensive review and update of Administrative Circular Information Resources Management (IRM)-4, *Records Disposition*.
- Including an errata page or table of changes in the RRB's Records Disposition Handbook.
- Implementing a control to ensure changes to the RRB's Records Disposition Handbook is reviewed for accuracy prior to publication.

Management's Response

Agency management has agreed to take corrective action for all recommendations and commented on the report section describing the RRB's practices associated with the use of personal email accounts, unsecured modems, and portable USB flash drive devices. The full text of management's response is included in the report in Appendix I.

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INTRODUCTION

This report presents the results of the Office of Inspector General's (OIG) audit of records management, retention, and storage at the Railroad Retirement Board (RRB).

Background

The RRB is an independent agency in the executive branch of the federal government. The agency administers the retirement/survivor and unemployment/sickness insurance benefit programs for railroad workers and their families under the Railroad Retirement Act and Railroad Unemployment Insurance Act. These programs provide income during retirement and in the event of disability, death, temporary unemployment, or sickness. During fiscal year 2016, railroad retirement and survivor benefit payments totaled \$12.5 billion and railroad unemployment and sickness insurance benefit payments totaled \$132.3 million, net of recoveries.

The RRB is headed by three presidentially appointed Board Members: the Chairman, the Management Member, and the Labor Member.¹ Each Board Member has his own office and staff located at RRB headquarters in Chicago, Illinois.

The Policy and Compliance Records Management section in the Bureau of Information Services (BIS) has overall responsibility for implementing the RRB's records management program. BIS Records Management coordinates with the Office of Administration and other RRB officials to identify, retain, ship, retrieve, and dispose agency records.

Records management includes the planning, controlling, directing, organizing, training, promoting, and other managerial activities involved in records creation or receipt, maintenance, use, and disposition. Every federal agency is legally required to manage its records in accordance with federal directives. Records are the evidence of agency actions and include documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the agency. Records furnish the information necessary to protect the legal and financial rights of the government and of persons directly affected by the agency's activities. Records also enable and support an agency's work to fulfill its mission.

Records are classified as either permanent or temporary depending upon whether they have sufficient historical or other value to warrant continued preservation by the National Archives and Records Administration (NARA), or if they can be approved by NARA for destruction after a specified retention period, respectively. Examples of permanent records include organization charts; formal minutes to meetings; legal opinions; formal directives and operating manuals, such as policies and procedures; and correspondence, including certain business related email records.

¹ The Railroad Retirement Board's (RRB) Chairman was sworn into office on July 1, 2003, and retired on August 31, 2015. This position remains vacant.

On November 28, 2011, President Obama released *Presidential Memorandum -- Managing Government Records*, which added new requirements for the management of government records and required the Office of Management and Budget (OMB) and NARA to release further guidance on the management of government records. OMB has issued guidance on managing government information and records. OMB Circular A-130, *Managing Information as a Strategic Resource*, establishes general policy for managing federal information including the management and preservation of federal government records. OMB Memorandum 12-18, *Managing Government Records Directive*, requires agencies to take specific actions to reform records management policies and practices and to develop a framework for managing government records. OMB Memorandum 14-16, *Guidance on Managing Email*, reaffirmed the importance of recordkeeping by specifically recognizing the need for managing email records in conjunction with NARA's Capstone guidance and the attached NARA Bulletin 2014-06, *Guidance on Managing Email*.

RRB is in the process of implementing NARA's Capstone approach for managing email. NARA has issued *General Records Schedule 6.1: Email Managed under a Capstone Approach*, which includes the identification of permanent or temporary email records and allows for appropriate retention and disposal of those records. Agencies that implement the NARA Capstone approach are expected to apply documented selection criteria to cull the email of Capstone officials prior to transferring it to NARA. RRB has generally defined Capstone officials as senior agency officials such as Board Members, Executive Committee Members, and executive and deputy staff. Culling identifies and prevents a Capstone official's nonrecord emails, including emails of a personal nature, from being transferred to NARA. RRB is currently working to implement the Capstone approach developed by NARA.

NARA guidance issued in September 2013 includes a position that agency employees should not generally use personal email accounts to conduct official agency business, but there may be times when agencies authorize the use of personal email accounts, such as in emergency situations when federal accounts are not accessible or when an employee is initially contacted through a personal account.² In these situations, agency employees must ensure that all federal records sent or received on personal email systems are captured and managed in accordance with agency recordkeeping practices. Agency policies and procedures must also ensure compliance with other statutes and obligations, such as Freedom of Information Act (FOIA), litigation, and electronic discovery.

NARA Bulletin 2014-06, *Guidance on Managing Email*, issued on September 15, 2014, recognizes that agency officials may create federal records if they conduct agency business on their personal email accounts. Email sent on personal email accounts pertaining to agency business and meeting the definition of federal records must be filed in an agency recordkeeping system.

² National Archives and Records Administration (NARA), *Guidance for Agency Employees on the Management of Federal Records, Including Email Accounts, and the Protection of Federal Records from Unauthorized Removal*, NARA Bulletin 2013-03 (Washington, D.C.: September 9, 2013).

On November 26, 2014, Congress passed Public Law 113-187, *Presidential and Federal Records Act Amendments of 2014*, which included a disclosure requirement for “official business conducted using non-official electronic messaging accounts.”³ It defined electronic messaging accounts as “any account that sends electronic messages” and electronic messages as “electronic mail and other electronic messaging systems that are used for purposes of communicating between individuals.” In accordance with this Act,

[a]n officer or employee of an executive agency may not create or send a record using a non-official electronic messaging account unless such officer or employee—

(1) copies an official electronic messaging account of the officer or employee in the original creation or transmission of the records; or

(2) forwards a complete copy of the record to an official electronic messaging account of the officer or employee not later than 20 days after the original creation or transmission of the record.

The *Presidential and Federal Records Act Amendments of 2014* also amended 44 U.S.C. § 3106, which deals with the unlawful removal and destruction of records, to include additional notification requirements by the head of the agency to the NARA Archivist when records are corrupted, deleted, or erased.

Recent news reports and other agency OIG audit reports have identified weaknesses in federal records management programs including government emails saved on private email servers; government employees who used personal email accounts, bypassing government records requirements; unauthorized destruction of government records; and high level government employees who used more than one email address to conduct official business.

Objectives

The objectives of our audit were to:

- describe RRB’s practices associated with the use of personal email accounts, unsecured modems, and portable universal serial bus (USB) flash drive devices;
- determine if the RRB has established a viable records management program that ensures agency records are appropriately maintained and preserved in accordance with federal statutes and regulations, and that the program provides oversight to identify, classify, maintain, preserve, or destroy agency records throughout the record life cycle; and

³ 44 U.S.C. § 2911.

- determine if the RRB complied with Office of Management and Budget (OMB) guidance and National Archives and Records Administration (NARA) bulletins concerning government records.

Scope

The scope of our audit includes agency records management activities from fiscal year 2013 through April 2017.

Methodology

To accomplish the audit objectives, we:

- reviewed pertinent laws and guidance;
- evaluated RRB policies, procedures, and practices related to records management to ensure compliance with laws and guidance, including Information Resources Management (IRM) Administrative Circulars;
- assessed internal controls related to our audit objectives;
- interviewed RRB personnel with records management duties;
- surveyed senior level employees and employees with significant records management duties to determine their level of understanding of RRB records management policies, procedures, and practices;
- reviewed correspondence between RRB, the NARA Archivist, and Congressional Committee Members concerning the potential destruction of records;
- reviewed RRB status reports of records management activities performed throughout fieldwork period;
- examined RRB contract documents associated with the records management program, including deliverables prepared by a contractor hired to evaluate the agency's records management program and to develop policies and procedures for that program;
- examined other RRB contract documents associated with the records management program;
- analyzed RRB's records disposition schedules and examined modifications made to the Records Disposition Handbook (Handbook) to determine whether the modifications were in conformance with NARA General Records Schedules (GRS);
- inspected documentation prepared by the RRB in response to annual reporting requirements from NARA and OMB, and reviewed the RRB's status updates for selected items;
- analyzed RRB's documentation supporting paper and electronic records transfers to NARA occurring during fiscal years 2013 through 2016;

- identified senior level employees who separated from the RRB between March 2015 and August 2016 and assessed actions taken by the RRB regarding agency records retention after these employees ceased RRB employment;
- analyzed records management training content provided to employees, including existing employees, newly hired employees, and employees assigned special records liaison duties;
- inspected completion records for employees receiving basic records management training;
- obtained documentation to support special NARA certification training provided to employees with records management officer duties;
- determined status of RRB's efforts in conducting an inventory of records, and the establishment of a contract for NARA assistance in compiling such inventory; and
- determined status of RRB's efforts to implement an appropriate records management program for agency email records, otherwise known as the Capstone Implementation Project.

The primary criteria for this audit included OMB Circular A-130, OMB Memoranda 14-16 and 12-18; selective NARA Bulletins; NARA GRS Transmittals, and the Code of Federal Regulations (CFR).

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. Field work for this report was conducted at RRB headquarters in Chicago, Illinois, from February 2016 through April 2017.

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RESULTS OF AUDIT

RRB's senior level officials used personal email accounts, unsecured modems, and portable USB flash drive devices to avoid agency information technology systems while conducting official business and storing agency records. These practices resulted in the potential for numerous federal records to be lost and allowed for the potential unlawful removal or destruction of federal records.

Our audit determined that RRB is not fully compliant with OMB and NARA records management guidance and, although the RRB has established a records management program, improvements are necessary to ensure agency records are appropriately maintained and preserved in accordance with federal statutes and regulations. We determined that the RRB should:

- implement new or updated policies and procedures related to records management;
- provide additional training to RRB employees and contractors;
- establish specific performance measures and goals for records management;
- prepare comprehensive inventories of RRB records; and
- continue to update the Handbook and ensure its accuracy.

The RRB's record management program includes adoption of the Capstone approach developed by NARA for managing email records. This approach includes the identification of permanent or temporary email records, and allows for appropriate retention and disposal of those records. The RRB has begun to develop their Capstone program by identifying Capstone officials for NARA approval, configuring their email archive system to allow for the eventual separation of permanent email records of Capstone officials and temporary email records of non-Capstone officials, developing the initial culling criteria to be used in separating the permanent and temporary emails from the overall universe of emails.

As of the end of April 2017, the RRB was continuing to work with NARA to refine the selection of Capstone officials. It was also continuing to identify and define the culling criteria to be used in separating permanent and temporary emails, and was working to resolve legal issues associated with the email retention and deletion process. Full implementation of the RRB's Capstone program is not expected until sometime in calendar year 2018.

The details of our findings and recommendations for corrective action follow. Agency management has agreed to take corrective action for all recommendations and commented on the report section describing the RRB's practices associated with the use of personal email accounts, unsecured modems, and portable USB flash drive devices. The full text of management's response is included in the report in Appendix I.

RRB Use of Personal Email Accounts, Unsecured Modems, and IronKey Devices

Review of RRB practices found that RRB officials knowingly used personal email accounts, unsecured modems, and IronKey devices (a portable USB flash drive device) to avoid agency information technology systems and allow senior agency officials to communicate confidentially with each other and external entities.⁴ These practices posed not only information security risks, but also federal records implications because there should be no expectation of confidentiality for permanent records such as a senior agency official's correspondence, including email communications. Additionally, there was no electronic filing plan or electronic structure established to ensure the email records were being maintained appropriately for FOIA, litigation, and records management compliance. The following is a historical overview of these practices at the RRB.

Use of Personal Emails

The use of personal email in conducting government business is a long-standing practice in some RRB offices. Specifically, RRB personnel responsible for records retention have questioned the Labor Member Office's (LMO) management of emails since at least 2009. In response to an inquiry related to LMO personal emails in June 2009, the RRB's Office of General Counsel provided the RRB's Records Officer with an opinion stating "private e-mail accounts used by agency staff to conduct government/agency business would be considered "records" under the Federal Records Act and NARA regulations which would require permanent retention."

In November 2009, BIS issued a records management report describing its evaluation of the LMO's records. In its report, BIS stated that NARA considers RRB Board Members and their assistants to be high-level government officials and the administrative policy, correspondence, and subject files of the Board Members require permanent retention. As such, the permanent email records created by the LMO must be preserved and would eventually be made public. The report also found: 1) some LMO staff emails leave the RRB vulnerable from a FOIA, litigation/E-discovery, and federal records management compliance standpoint; 2) the LMO policy of using personal email accounts to communicate with each other and external entities due to confidentiality concerns complicates the management of electronic records; and 3) the LMO has no electronic filing plan or electronic structure established for these records. Therefore, BIS could not determine if all emails and related content are being maintained in compliance with federal requirements.

BIS provided two options to rectify the findings presented above. The first option was for LMO staff to print and file all emails that meet the definition of federal records. The second option was for LMO to develop a process for the electronic management of LMO emails.

⁴ Personal email accounts are outside the rrb.gov domain. For example, email accounts issued under yahoo.com, gmail.com, or hotmail.com are personal email accounts.

Despite this 2009 report, no meaningful action was taken related to the management of emails sent or received using personal email accounts by either the LMO or any other RRB employee until 2015.

On February 4, 2015, the RRB Inspector General issued a memorandum to the RRB's three Board Members questioning the use of personal email accounts to conduct agency business. The memo expressed concern that this practice undercut the RRB's ability to uphold their *Open Government Initiative*, which calls for transparency among other objectives. In this memorandum, the Inspector General requested that the use of personal emails cease immediately. He also asked each of the three Board Members' offices to provide: 1) copies of any and all emails received or transmitted outside of the RRB's customary email system; 2) the original IronKey devices and associated passwords and usernames to access the devices; 3) the email addresses for all nongovernmental email accounts and the timeframe in which those accounts had been used; and 4) access to computers and electronic data storage devices used to store emails processed through an IronKey or through the nongovernmental email accounts.

In response to the February 4, 2015 Inspector General memorandum, each of the three Board Members responded with the following information.

Office of the Chairman

On March 6, 2015, the Counsel to the Chairman issued a memorandum to the Deputy Inspector General advising that the former Chairman had used his personal email to communicate with his assistants to conduct RRB business. Most, if not all, of these emails would be in the RRB's network because the assistants would have received the email through their RRB accounts. We were also advised that the Chairman and his assistants were no longer using personal email accounts to conduct RRB business. The response allowed for the possibility that random and isolated communications may have occurred that are not in the RRB network.

A search of the RRB's email archive was conducted by BIS in June 2016 to identify the number of messages sent and received using personal emails by Board Members and their staff. Email counts reflected in this search would not include emails where none of the parties used an rrb.gov email address and the email was not subsequently forwarded to an rrb.gov email address. A determination as to whether the emails in the archive constituted official records or whether all instances of official business using personal email accounts were included in the archive was outside the scope of this audit. The search shows that the Chairman self-identified 1,519 RRB related emails sent through his personal account, and 5,835 RRB related emails received through his personal account.

Office of the Management Member

On February 19, 2015, the Management Member issued a memorandum to the Inspector General stating that he and members of his staff have used personal email accounts to conduct official business. Additionally, his staff identified 24 emails

where two staff members both used their personal email accounts while discussing RRB business. Printed copies of these 24 emails, along with attachments, were provided to the RRB's Chief Information Officer (CIO) for inclusion in a permanent record file, and to the OIG.

A search of the RRB's email archive was conducted by BIS in June 2016 to identify the number of messages sent and received using personal emails by Board Members and their staff. Email counts reflected in this search would not include emails where none of the parties used an rrb.gov email address and the email was not subsequently forwarded to an rrb.gov email address. A determination as to whether the emails in the archive constituted official records or whether all instances of official business using personal email accounts were included in the archive was outside the scope of this audit. The search shows that:

- the current Management Member self-identified 181 RRB related emails sent through his personal account, and 539 RRB related emails received through his personal email account;
- the previous Management Member self-identified 479 RRB related emails sent through his personal account, and 666 RRB related emails received through his personal email account; and⁵
- the same two staff members previously discussed also self-identified 502 RRB related emails sent through their personal accounts, and 1,805 RRB related emails received through their personal email accounts.

Office of the Labor Member

On February 20, 2015, the Labor Member issued a memorandum to the Inspector General stating he has used a personal email account that was provided as part of his railroad union membership to conduct RRB business. He advised this occurred when he was contacted through the personal email account or if he could not access his RRB email account. He also stated that to the best of his recollection, all emails sent by him through the personal account included an rrb.gov addressee or was copied to his own RRB email account.

A search of the RRB's email archive was conducted by BIS in June 2016 to identify the number of messages sent and received using personal emails by Board Members and their staff. Email counts reflected in this search would not include emails where none of the parties used an rrb.gov email address and the email was not subsequently forwarded to an rrb.gov email address. A determination as to whether the emails in the archive constituted official records or whether all instances

⁵ The current Management Member was sworn into office on May 8, 2014. The previous Management Member was sworn into office on August 17, 1992 and served in that office until May 7, 2014.

of official business using personal email accounts were included in the archive was outside the scope of this audit. The search shows that:

- the current Labor Member self-identified 1,281 RRB related emails sent through his personal account, and 5,657 RRB related emails received through his personal email account;
- the previous Labor Member self-identified 708 RRB related emails sent through his personal account, and 6,268 RRB related emails received through his personal email account; and⁶
- six staff members self-identified 1,291 RRB related emails sent through their personal email accounts, and 9,987 RRB related emails received through their personal email accounts.

We also determined that the previous Labor Member established the personal email accounts for his six staff members, which were paid for by the RRB and were used to communicate with the previous Labor Member. When the current Labor Member took office in 2011, he stated he advised his staff that he did not see a need to continue the practice of using those personal email accounts and directed his staff to use their rrb.gov email accounts when communicating with him. Despite this instruction, RRB continued to pay for one of these personal email accounts through January 2015, and four others into 2013. From December 2008 through February 2015, RRB paid over \$5,000 for the personal email accounts established for the six LMO staff members. Based on the documentation available, the RRB was unable to determine if payments were made prior to December 2008.

On March 19, 2015, RRB issued an email policy to all RRB employees. The email policy does not strictly forbid the use of personal email accounts to conduct business of the RRB, but it does provide actions that must be taken if personal email accounts are used to conduct RRB business. The officer or employee of the RRB using a personal email account must transmit the email to an RRB email account or forward a complete copy to an RRB account within 20 days of the original transmission. The policy also states that all emails sent through a personal email account after November 26, 2014, must be forwarded, with attachments, to an RRB account.

Use of Modems and IronKeys

In addition to using personal emails for communication, one RRB office also insisted on using modems, and then later used IronKeys in place of the modems. Initially modems, and then IronKeys, were used to access the personal email accounts used by the LMO staff, as previously discussed.

⁶ The current Labor Member was sworn into office on October 7, 2011. The previous Labor Member was sworn into office on August 19, 1992 and served in that office until September 30, 2011.

On September 30, 2008, the OIG issued its report *Fiscal Year 2008 Evaluation of Information Security at the Railroad Retirement Board*.⁷ In that report, the OIG noted several issues related to the use of modems at the RRB. Of concern was the use of unsecured modems by some employees, including those in the Board Members' offices, which posed security threats to the agency's network. The RRB's CIO stated the modems were provided to some employees to allow them direct access to the internet and because the employees involved believed that if they accessed their personal email accounts through the RRB local area network, other RRB employees would be able to read their email. BIS employees attempting to resolve the issue of personal email account usage referred to it as an "extremely sensitive issue."

On August 21, 2009, the RRB's CIO suggested the use of a USB flash drive device from a company called IronKey. This IronKey device would provide a secure, separate, and segregated access to the internet that could be used in place of the unsecured modems. The IronKey devices are no longer in use at the RRB.⁸

It was the adoption of the IronKey devices that resulted in the RRB's potential unlawful removal or destruction of federal records. On May 29, 2015, the former Chairman of the RRB notified the Archivist of the United States of the potentially unlawful removal or destruction of federal records. The notice to the Archivist was related to possible federal records contained on IronKey devices issued to two former assistants to a Board Member. In the notification, the former Chairman noted he had been advised by the RRB's General Counsel that:

- The data on the device of a former assistant, who retired in June 2013, was destroyed by operation of the internal IronKey security software program.
- Another former assistant, who retired in March 2015, had been using an IronKey device since 2009 to conduct agency business. This device was accessed and had its memory deleted in February 2015.

NARA sent a letter to the RRB's General Counsel on July 14, 2015, which asked for more information about the records that may have been lost or destroyed. The General Counsel provided the following requested information in a letter dated August 21, 2015:

- In regards to the former assistant who retired in June 2013, the General Counsel stated that he believes no agency records may be considered to have been destroyed because the assistant retired over a year prior to the enactment of the 2014 Records Act Amendments. The General Counsel also stated the agency

⁷ RRB-Office of Inspector General (OIG), *Fiscal Year 2008 Evaluation of Information Security at the Railroad Retirement Board*, Report No. 08-05 (Chicago, IL: September 30, 2008).

⁸ As of June 4, 2015, the RRB's IronKey inventory included a total of 27 devices. The RRB continues to have 17 devices in their possession, of which 3 are held by the Chief Security Officer and 14 are held by the RRB's Customer Support Services Supervisor. Both the Chief Security Officer and the Customer Support Services Supervisor have stated that the devices in their possession are no longer being used. The RRB has also reported one device as lost, one device as destroyed, and has turned over eight devices to the OIG.

policy regarding electronic records had not been established at the time of the assistant's retirement. Based on the above, the General Counsel stated that no retrieval will be attempted.

- In regards to the former assistant who retired in March 2015, the General Counsel stated that the following actions had been taken to retrieve or reconstruct the records. The OIG obtained a forensic image of the IronKey and provided a copy to the General Counsel. The General Counsel then forwarded that copy to the RRB CIO and requested that the CIO perform an analysis that may lead to the reconstruction or retrieval of the files.

After additional correspondence between RRB and NARA, RRB hired a contractor to retrieve the deleted information from the IronKey. On March 17, 2016, the General Counsel reported to NARA that approximately 15.5GB of files were retrieved from the IronKey that had its memory deleted. However, RRB could not determine how much information was on the IronKey prior to deletion. RRB plans to transfer the retrieved documents to RRB's data storage center.

On April 14, 2016, NARA responded that they are "satisfied with the efforts at data retrieval from the IronKey device, and the agency's effort to mitigate any future loss of records by placing them in the RRB data center. As a result, this case is now closed."

Records Management Policies and Procedures Are Incomplete and Outdated

Policies and procedures published by RRB require updating to incorporate recent guidance including OMB Memorandum 12-18, OMB Circular A-130, and NARA bulletins. RRB's Administrative Circular IRM-4 on records disposition has not been updated since November 2007, and represents RRB's primary policy and procedure for records management. However, neither this document nor other RRB policies and procedures include adequate guidance for the following aspects required in federal records management programs:⁹

- Training program for new and existing employees and contractors, as well as employees with specialized records management roles and responsibilities. (OMB Circular A-130)
- Managing and preserving records of separating employees, and protecting the records from unauthorized removal. (NARA Bulletin 2013-03)
- Criminal penalties for unlawful removal or destruction of agency records. (NARA Bulletin 2013-03)

⁹ RRB has also issued related records management policies and procedures, including Administrative Circular IRM-5, *Media Sanitization*, May 17, 2010; Interim Email Policy, May 23, 2016; and Email Management Disposition Policy – Capstone Approach, May 25, 2016.

- Managing and preserving records created or received using electronic messaging systems such as text messaging, chat/instant messaging, social media, and voice messaging. (NARA Bulletin 2015-02)
- Metadata, enterprise rights management, and encryption considerations when transferring permanent electronic records. (NARA Bulletins 2015-04 and 2007-02)

The CFR requires agencies to ensure “adequate and proper documentation of agency programs” and to “develop recordkeeping requirements that identify: ... (e) [p]olicies, procedures, and strategies for ensuring that records are retained long enough to meet programmatic, administrative, fiscal, legal, and historical needs as authorized in a NARA-approved disposition schedule.”¹⁰

RRB has not allocated sufficient resources to the records management program to ensure its policies and procedures remain viable with new or changing requirements established by OMB or NARA. Also, RRB has not effectively acted upon the resources that were provided when its contractor developed policies and procedures.

RRB acknowledged the need for an electronic records management system as early as 2004, but no resources were funded until 2014. The approved resource request was for a records management assessment of RRB’s existing records management processes with a focus on identification of areas where improvement was necessary, including a tactical action plan to meet the various requirements of OMB Memorandum 12-18. In September 2014, RRB awarded a contract for a review of the records management program with an optional task for drafting a records management policy and procedure that provides guidance in all records management areas.

The RRB’s contractor reported that the RRB did “not have a complete, up-to-date set of RM [records management] policies and procedures for an effective RM program. Lack of updated procedures will impact the ability to execute an effective RMP [records management program].”¹¹ RRB exercised the optional task for the development of policies and procedures, and the contractor provided RRB with draft documents in May 2015. RRB has not developed these documents into an approved RRB policy or procedure.

The RRB’s Records Officer has advised that his staff is drafting a policy for managing instant messages. RRB is currently piloting an instant messaging system among a select group of employees, and formalized policies will consider feedback from that pilot program. The Records Officer’s staff is also in the process of reviewing existing RRB policies and the proposed documents provided by the RRB’s contractor, but no firm target dates for issuing the updated policies and procedures have been established.

¹⁰ 36 Code of Federal Regulations (CFR) § 1222.26, *Creation and Maintenance of Federal Records*, Subpart B – Agency Recordkeeping Requirements.

¹¹ Booz Allen Hamilton Inc., *Railroad Retirement Board Records Management Program Final Assessment Report* (Chicago, IL: May 15, 2015).

Delays in implementing comprehensive policies and procedures expose the RRB to unnecessary risk that records may be unlawfully or accidentally removed, defaced, altered, or destroyed.

Recommendations

We recommend that the Bureau of Information Services:

1. Allocate sufficient resources to develop or complete the required updates of comprehensive records management policies and procedures that incorporate applicable OMB and NARA guidance.
2. Develop and implement policies and procedures requiring records management training for new and existing employees and contractors, as well as employees with specialized records management roles and responsibilities. Ensure training for existing employees and contractors is administered annually.
3. Develop and implement records management policies and procedures required for separating employees, including the detailed roles and responsibilities of the separating employee and other RRB officials. Work with the Office of Administration in implementing the policies and procedures agencywide.
4. Update existing policies and procedures to include explicit notification of criminal penalties that may be charged to employees for unlawful removal or destruction of agency records.
5. Develop and implement policies and procedures for managing and preserving records created or received using electronic messaging systems.
6. Develop and implement policies and procedures for metadata, enterprise rights management, and encryption considerations when transferring electronic records to NARA.

Management Response

The Bureau of Information Services concurred with recommendations 1 through 6.

Records Management Training Needs Improvement

RRB's records management training program can be improved if supplemented by training content specific to RRB's records management program. In August 2015, RRB began providing employees and contractors an annual NARA approved training course; but that course is very general in nature and has little to no RRB-specific content.¹² The

¹² In fiscal year 2016, the RRB modified the training content to include an annual review and certification of the RRB's Interim Email Policy. The training course is currently provided through RRB University, an online training platform used by the RRB.

RRB began providing the training course to newly hired employees in February 2017, and those employees are also required to read the RRB's email policy and certify they understand the requirements within 30 days of their hire date. However, newly hired contractors are not required to take the records management training course until it is assigned in the next annual training cycle. Additionally, senior employees were not provided roles-based training on the importance of appropriately managing records under their immediate control.¹³

In fiscal year 2016, the RRB provided records liaisons with some RRB specific roles-based training, including an overview of the Capstone approach to email management. However, since RRB has not yet completed action to fully implement its Capstone program, additional training or guidance on related record liaison responsibilities and the culling of documents may be necessary. Comments received from one records liaison who attended the training indicated that more practical hands-on training would be beneficial.

According to 36 CFR § 1220.34, agencies must provide guidance and training to all agency personnel on their records management responsibilities, including identification of federal records in all formats and media.¹⁴

NARA has defined formal records management training as:

the communication of standardized information that improves the records management knowledge, skills, and/or awareness of agency employees. Training can be either in a classroom setting or distance-based (e.g., web-based training), but it *must*:

- be regular (occurring more than just once);
- be repeatable and formal (all instructors must provide the same message, not in an ad hoc way); and
- communicate the agency's vision of records management.¹⁵

Current RRB training covers basic information about records management, but fails to identify how records inventories relate to the disposition schedules. It also did not communicate RRB's vision of records management, nor mention any RRB records management initiatives or changes. Responses to our survey of questions sent to RRB senior officials and records liaisons showed that additional training and understanding of

¹³ NARA defines senior officials as "the heads of departments and independent agencies; their deputies and assistants; the heads of program offices and staff offices including assistant secretaries, administrators, and commissioners; directors of offices, bureaus or equivalent; principal regional officials; staff assistants to those aforementioned officials, such as special assistants, confidential assistants, and administrative assistants; and career Federal employees, political appointees, and officers of the Armed Forces serving in equivalent or comparable positions." NARA 2016 Records Management Self-Assessment Survey.

¹⁴ 36 CFR § 1220.34, Federal Records, Subpart B – Agency Records Management Responsibilities.

¹⁵ NARA 2016 Records Management Self-Assessment Survey.

federal records management, and how it relates to the RRB's program, is needed. For example, some responses suggested additional training on the various types of records at the RRB and their related disposition requirements is necessary.

The training course used by the RRB was a generic, NARA sponsored, course that was not customized or supplemented for any RRB specific requirements. A more effective training program would include identifying RRB directives, policies, and procedures that the trainee can refer to for additional information or guidance. An employee's full understanding of federal records management requirements and their importance, as well as easy availability of RRB specific requirements, can reduce the overall risk incurred by the RRB.

The RRB does not have a requirement to provide newly hired contractors the records management training course. As a result, depending on the official start date of the contractor's service, the contractor may not be aware of the specific RRB records management requirements expected of them for as much as a year, or never be advised of those requirements should the contract expire or close before the next annual training course is assigned. The RRB is working to develop a contractor training module in RRB University, but has not yet determined when the training module will be implemented.

These situations increase the risk that RRB records will be unlawfully or accidentally removed, defaced, altered, or destroyed.

Recommendations

We recommend that the Bureau of Information Services:

7. Develop supplemental records management training materials that are specific to RRB's vision, including RRB specific requirements and initiatives, and ensure the RRB records management training curriculum includes this additional content.
8. Work with the Office of Administration to ensure that all newly hired contractors are required to complete the full records management training course within 30 days of their hire date.
9. Develop and implement roles-based training for senior officials (as defined by NARA) to ensure full understanding of their responsibilities under the RRB's records management program. This training should also include content on actions to be taken when the senior official separates from RRB employment.
10. Prepare and disseminate additional training content to records liaisons on their responsibilities under the Capstone program. The training content should include practical examples of what actions the records liaisons should take to fulfill their responsibilities.

Management Response

The Bureau of Information Services concurred with recommendations 7 through 10.

RRB Lacks Specific Performance Measures and Goals for Records Management

In its self-assessment questionnaire provided to NARA, the RRB identified several multiyear strategic information resource management initiatives, or information technology projects, as records management performance goals. However, the performance goal timeframes cited for each initiative or project are the estimated target completion dates, and no specific records management performance goals were identified. Additionally, the RRB has not developed any performance measures for meeting either the established performance goals or any other indicators of records management performance.

The *Government Performance and Results Modernization Act of 2010* defines performance goal as a “target level of performance expressed as a tangible, measurable objective, against which actual achievement can be compared, including a goal expressed as a quantitative standard, value, or rate.”¹⁶ Performance measures are the indicators or metrics that are used to gauge program performance.

OMB Memorandum 12-18 established requirements and two central goals for managing records.¹⁷ OMB also established a deadline for completing each requirement. Other records management requirements have also been established in OMB Circular A-130 and in assorted NARA Bulletins.¹⁸ These requirements present a baseline for establishing specific records management performance goals and measures. NARA has also provided examples of specific records management performance goals and measures in its annual self-assessment questionnaires that correspond to these requirements.

See Table 1 for NARA examples of a performance goal and assorted measures for several OMB requirements.

¹⁶ Public Law 111-352, *Government Performance and Results Modernization Act of 2010*.

¹⁷ Office of Management and Budget (OMB), *Management Government Records Directive*, OMB Memorandum 12-18 (Washington, D.C.: August 24, 2012).

¹⁸ OMB, *Managing Information as a Strategic Resource*, OMB Circular A-130 (Washington, D.C.: July 28, 2016).

Table 1: Examples of Performance Goal and Measures for Records Management Requirements

Requirements	Performance Goal	Performance Measures
Identify unscheduled records.	Identify and schedule all paper and nonelectronic records by the end of fiscal year 2017.	Percentage of records scheduled.
Ensure all existing paper and nonelectronic records have been scheduled.		Percentage of eligible permanent records transferred to NARA in a year.
Ensure proper and timely disposition of records in accordance with retention schedules.		A reduction in the volume of inactive records stored in office space.

Source: Railroad Retirement Board (RRB) Office of Inspector General (OIG) analysis of requirements from OMB Memorandum 12-18, *Managing Government Records Directive*, August 14, 2012; and OMB Circular A-130, *Managing Information as a Strategic Resource*, July 28, 2016; and of performance goal and measures from *National Archives and Records Administration (NARA) 2016 Records Management Self-Assessment* questionnaire.

Although the RRB has established long term goals for records management in the form of multiyear strategic information resource management initiatives, or information technology projects, they have not provided the necessary resources to establish specific records management performance goals and measures for meeting individual OMB and NARA requirements. When management only establishes long term goals without interim goals and measures, they become ill-equipped to adequately gauge the performance of their program.

Recommendation

We recommend that the Bureau of Information Services:

11. Develop specific records management performance goals with target completion dates and performance measures for significant OMB and NARA requirements.

Management Response

The Bureau of Information Services concurred with recommendation 11.

Inventory of RRB Records Is Needed

In 2013 and 2015, the RRB performed some preliminary assessments of hardcopy paper documents to identify potential permanent records that may be over 30 years old, unscheduled records, or nonrecords that may be disposed. However no comprehensive inventory of all RRB records was performed, and the last comprehensive review of RRB record schedules that considers an inventory of records occurred sometime prior to 2008.

As a result, bureau/office head certifications concerning up-to-date record schedules and other records-related activities have not been obtained.

According to 36 CFR § 1220.34, agencies must develop record schedules for all records created and received by the agency. OMB Memorandum 12-18 requires agencies to ensure record schedules have been submitted to NARA for all existing paper and other nonelectronic records, and OMB Circular A-130 requires agencies to establish and obtain NARA approval for retention schedules. Therefore, OMB expects all records, in any form, to be included in agency retention schedules.

RRB's Administrative Circular IRM-4 places the responsibility for preparing and maintaining a comprehensive agency records schedule with BIS, but states the bureau/office heads are responsible for reviewing their records schedule annually and updating it when necessary.¹⁹ Additionally, Administrative Circular IRM-4 requires bureau/office heads to certify their records schedule triennially, but also requires bureau/office records liaisons to assist the bureau/office head in preparing the annual certification. As a result, RRB's Administrative Circular IRM-4 is unclear with regard to the roles and responsibilities of agency employees involved in records management and when their respective duties should be performed.

In September 2016, the RRB entered into an Interagency Agreement with NARA for Records Management Consulting Services assistance. The agreement consists of a review of RRB's electronic systems inventory and the preparation and/or update of records disposition schedules for unscheduled electronic record systems identified during the inventory review. The project consists only of electronic records, and does not include records on paper or other forms of media such as microfiche.

When RRB officials discussed the preliminary assessment of hardcopy paper documents performed in 2013 with us, they stated that a lack of staffing resources at that time prevented further action.²⁰ RRB officials also stated that evaluating RRB paper records would be "an excellent project for our newly established and trained ... records liaisons and our ... records management specialists to gain some hands on experience" but that other resource constraints such as implementing the Capstone approach for email management would delay starting such a project. Since that time and in response to updates required in the RRB's Handbook, RRB's records management personnel have started evaluating paper records. RRB officials have stated that final completion of a full inventory of nonelectronic records may be impacted by the resource constraints mentioned above.

Delays in identifying and scheduling nonelectronic records prevent full compliance with federal records management requirements and increases the risk that RRB records may be unlawfully or accidentally removed, defaced, altered, or destroyed.

¹⁹ RRB, *Records Disposition*, Administrative Circular IRM-4 (Chicago, IL: November 16, 2007).

²⁰ The RRB has since hired two records management specialists in fiscal year 2016.

Recommendations

We recommend that the Bureau of Information Services:

12. Ensure a comprehensive inventory of nonelectronic records, including paper and other forms of media, is performed and used to prepare or update RRB records disposition schedules. Resulting records schedules should be approved by NARA in accordance with OMB Circular A-130.
13. Perform a comprehensive review and update of Administrative Circular IRM-4 to ensure the roles and responsibilities of agency employees involved in records management are complete and include accurate timeframes for performing their respective duties.

Management Response

The Bureau of Information Services concurred with recommendations 12 and 13.

Updates to the Records Disposition Handbook Can Be Improved

RRB's Handbook has been updated on four occasions since NARA released new GRS in 2015, and additional updates are expected to take place over the coming years. RRB's Handbook contains comprehensive listings of RRB unique and NARA GRS disposition authorities, as well as mandatory disposition instructions regarding how long to retain records or when to dispose a record when it is no longer needed for business use.

In October 2012, NARA announced its intent to restructure and update the GRS. According to 36 CFR § 1226.12(a), agencies are required to issue disposition authorities through their internal directives system within six months of approval of the GRS to ensure proper distribution and application of the schedule. Additionally, the directive must cite the legal authority (GRS and item number) for each schedule item covering records.

The RRB's Handbook is its internal directive system listing the disposition authorities. RRB updated that document in December 2015, April 2016, November 2016, and February 2017 in response to new GRS released by NARA since 2015.²¹ However, we observed that the RRB's Handbook does not include an errata page or other table of changes indicating what revisions were made in the document. This type of information is beneficial to users in easily identifying guidance changes that may be significant to their operations.

²¹ NARA released four Transmittals of approved General Records Schedule updates since August 2015, and announced its intent to release at least two additional Transmittals during 2017. Some updates issued by NARA in 2015 have since been superseded by updates issued in 2016 and 2017.

Our audit included reviews of the RRB's Handbook to determine whether the changes made by the RRB were consistent with the NARA guidance. We reviewed changes made in the April 2016 Handbook and identified as many as 87 instances of inaccurate disposition authorities. We also reviewed the changes made in the November 2016 Handbook and found that some, but not all, of the previously identified errors had been corrected. In January 2017 we notified the RRB of the outstanding errors, and the RRB issued its latest Handbook revision in February 2017. All previously identified errors were corrected in that Handbook version.

However, in light of the anticipated GRS revisions by NARA expected in 2017, and the Interagency Agreement with NARA for Records Management Consulting Services assistance to compile an inventory of electronic systems, additional updates to the RRB's Handbook will be needed. Each new version of the Handbook should be reviewed for accuracy prior to publication to ensure full compliance with NARA GRS and appropriate RRB unique disposition requirements.

Recommendations

We recommend that the Bureau of Information Services:

14. Include an errata page or other table of changes in their Records Disposition Handbook.
15. Implement a control to ensure changes to the Records Disposition Handbook are reviewed for accuracy prior to publication.

Management Response

The Bureau of Information Services concurred with recommendations 14 and 15.

RRB Compliance with OMB and NARA Records Management Guidance

In recent years, new guidance and criteria has been issued to govern federal agency records. We assessed RRB's compliance with several significant OMB records management requirements and with NARA bulletins related to records retention. Specifically, we assessed compliance with OMB Memorandum 12-18, *Managing Government Records Directive*; OMB Memorandum 14-16, *Guidance on Managing Email*; OMB Circular A-130, *Managing Information as a Strategic Resource*; and selected NARA bulletins issued between 2007 and 2015.

We found that the RRB is not fully compliant with all aspects of selected OMB requirements and NARA bulletins. Most notably:

RRB has not completed action to:

- identify all records, whether electronic, hardcopy paper, or other format;

- effectively manage all permanent electronic records electronically (including email and records sent through instant messaging systems);
- ensure all records are properly scheduled and transported to NARA in accordance with approved retention schedules; and
- provide sufficient training to selected groups of employees.

RRB has taken action to:

- initiate a project to identify electronic records and ensure proper scheduling;
- adopt NARA’s Capstone approach and begin developing a process for effective managing of email records;
- identify some records that are over 30 years old and require transfer to NARA;
- provide general records management training to employees and contractors; and
- revise the Handbook for recent changes initiated by NARA.

Table 2 provides detail of our assessment of the RRB’s compliance with OMB Memorandum 12-18, *Managing Government Records Directive*. Our assessment of 12 requirements presented in this memorandum showed that the RRB is compliant with 5, partially compliant with 2, not compliant with 4, and 1 remains undetermined because the required date of completion is in the future so compliance could not be assessed.

Table 2: Compliance with OMB Memorandum 12-18, *Managing Government Records Directive*, August 24, 2012

Requirement	RRB Compliance
Name a Senior Agency Official to oversee Records Management Program, who must be at Assistant Secretary Level or equivalent by November 15, 2012.	Compliant.
Annually reaffirm Senior Agency Official.	Compliant.
Report email management status annually.	Compliant.

Requirement	RRB Compliance
<p>Report update on cloud initiatives annually.</p>	<p>Partially compliant.</p> <p>While the RRB has reported on cloud initiatives or systems annually in their records management self-assessments, they have not always reported accurately or consistently when compared with other agency reports on cloud systems. For example, in the RRB's records management self-assessment provided to NARA the RRB reported as many as 10 cloud systems in fiscal year 2014 and as few as 0 cloud systems in fiscal year 2016. In the RRB's fiscal year 2016 Federal Information Security Modernization Act CyberScope report provided to the Department of Homeland Security and OMB, the RRB reported only one cloud system.</p>
<p>Manage all permanent electronic records in electronic format by December 31, 2019.</p>	<p>Future date; compliance not assessed.</p> <p>RRB has taken steps to compile an inventory of electronic systems and their records during fiscal year 2017, through an agreement with NARA.</p> <p>RRB also contracted for an assessment of the records management program, which included suggested solutions for managing all RRB records.</p>
<p>Develop plans to electronically manage all permanent electronic records by December 31, 2013.</p>	<p>Not compliant.</p> <p>This was not accomplished by December 31, 2013. However, since that time the RRB has taken steps to convert the agency's hardcopy Legal Opinions into a searchable digital format and to have NARA assist in performing an inventory of electronic systems and records. While no formal plans had been developed by December 31, 2013, both of these initiatives were included in informal plans developed by the RRB.</p>

Requirement	RRB Compliance
<p>Identify for transport and report to NARA permanent records over 30 years old by December 31, 2013.</p>	<p>Partially compliant.</p> <p>RRB took action to identify, for eventual transfer to NARA, the RRB's Legal Opinions that are permanent records over 30 years old.</p> <p>RRB is also currently working to update records schedules/inventories, and has arranged for NARA to assist in compiling an inventory of electronic systems and records. However, since the RRB had not yet completed their action to compile a comprehensive inventory of agency records, the potential for other unidentified permanent records over 30 years old exist.</p>
<p>Identify all unscheduled records by December 31, 2013.</p>	<p>Not compliant.</p> <p>This was not accomplished by December 31, 2013. However, during fiscal year 2017 RRB arranged for NARA to identify the RRB's unscheduled electronic records while they perform the inventory of electronic systems and records. This will not include potentially unscheduled hardcopy paper or microfiche records, which are currently being evaluated by RRB's records management personnel as they update the RRB's records schedules.</p>
<p>Records Officers must hold NARA training certificate within one year of assuming the position by December 31, 2014.</p>	<p>Compliant.</p>
<p>Develop records management training for all appropriate staff and method to inform all employees of their records management responsibilities in law and policy by December 31, 2014.</p>	<p>Not compliant.</p> <p>This was not accomplished by December 31, 2014. In August 2015, the RRB assigned a NARA approved training course to existing employees, but not every employee completed that training. The training course was again assigned in fiscal year 2016, and is expected to be assigned annually.</p> <p>In February 2017, the RRB took action to ensure all newly hired employees are provided records management training within 30 days of their hire date.</p>

Requirement	RRB Compliance
Manage all email records in accessible electronic format by December 31, 2016.	Compliant. While RRB continues to work with NARA to fully implement a Capstone program, all email records are accessible in electronic format with the capability to identify, retrieve, and retain them for records management and litigation purposes.
Ensure records schedules have been submitted to NARA for all existing paper and other nonelectronic records by December 31, 2016.	Not compliant. This was not accomplished by December 31, 2016. While RRB is taking action to have NARA assist in compiling an inventory and scheduling electronic systems and records, that work does not extend to existing paper and other nonelectronic records. RRB's records management personnel are currently working to update records schedules/inventories, which includes the nonelectronic records.

Source: RRB OIG analysis of requirements from OMB Memorandum 12-18, *Managing Government Records Directive*, August 14, 2012.

Table 3 provides detail of our assessment of the RRB's compliance with OMB Memorandum 14-16, *Guidance on Managing Email*. Our assessment of three requirements presented in this memorandum showed that the RRB is compliant with all three.

Table 3: Compliance with OMB Memorandum 14-16, *Guidance on Managing Email*, September 15, 2014

Requirement	RRB Compliance
All employees must review NARA Bulletin 2014-06 regarding email records.	Compliant. RRB substantially met this requirement when they issued their email policy to all employees in March 2015.
This email guidance should be used in conjunction with NARA's August 2013 Capstone guidance.	Compliant. RRB continues to work with NARA to fully implement a Capstone program.

Requirement	RRB Compliance
Agencies are encouraged to establish annual records management training requirements and explore options for online, user-friendly training.	Compliant. RRB assigned its first annual records management training in August 2015 using NARA approved online training content.

Source: RRB OIG analysis of requirements from OMB Memorandum 14-16, *Guidance on Managing Email*, September 15, 2014.

Table 4 provides detail of our assessment of the RRB’s compliance with OMB Circular A-130, *Managing Information as a Strategic Resource*. Our assessment of nine requirements presented in this circular showed that the RRB is compliant with two, partially compliant with six, and not compliant with one.

Table 4: Compliance with OMB Circular A-130, *Managing Information as a Strategic Resource*, July 28, 2016

Requirement	RRB Compliance
Designate a Senior Agency Official with agencywide records management responsibility.	Compliant.
<p>Institute records management program that documents agency activities.</p> <p>(According to 36 CFR § 1222.22, <i>Subpart B, Agency Recordkeeping Requirements</i>, agencies meet their obligation for adequate and proper documentation by prescribing the creation and maintenance of records that:</p> <ul style="list-style-type: none"> (a) document the persons, places, things, or matters dealt with by the agency; (b) facilitate action by agency officials and their successors in office; (c) make possible a proper scrutiny by the Congress or other duly authorized agencies of the government; (d) protect the financial, legal, and other rights of the government and of persons directly affected by the government’s actions; (e) document the formulation and execution of basic policies and decisions and the taking of necessary actions, including all substantive decisions and commitments reached orally or electronically; and (f) document important board, committee, or staff meetings). 	<p>Partially compliant.</p> <p>RRB has instituted a records management program, but did not sufficiently document agency activities. While the Handbook has been updated annually, it remains at risk of being incomplete because the RRB does not have a comprehensive inventory of agency records.</p> <p>Also, records management policies and procedures are either outdated or need to be developed. Those policies and procedures should address the agency recordkeeping requirements specified in the CFR.</p>

Requirement	RRB Compliance
<p>Electronically manage all permanent electronic records for transfer and accessions by NARA.</p>	<p>Not compliant.</p> <p>Although RRB has taken steps to have NARA compile an inventory of electronic systems and their records during fiscal year 2017, that work is not yet complete. Completion of this work will allow the RRB to fully identify all permanent electronic records, the first step in managing the records for transfer and accessions by NARA.</p>
<p>Electronically manage email records and retain in electronic system with capability to identify, retrieve, and retain as long as they are needed.</p>	<p>Compliant.</p> <p>Although RRB continues to work with NARA to fully implement a Capstone program, all email records are accessible in electronic format with the capability to identify, retrieve, and retain them for records management and litigation purposes by the required deadline.</p>
<p>Ensure ability to access, retrieve, and manage records throughout their life cycle regardless of form or medium.</p>	<p>Partially compliant.</p> <p>While RRB has met some aspects of this requirement for some types of records, RRB has not sufficiently met this requirement for all types of records throughout their life cycle, regardless of form or medium.</p>

Requirement	RRB Compliance
<p>Ensure agency records are treated as information resources.</p> <p><i>(Information resources are the information and related resources, such as personnel, equipment, funds, and information technology. Information resource management consists of the process of managing the information resources to accomplish agency missions, and the information resource management strategy demonstrates how information resources management decisions are integrated with organizational planning, budget, procurement, financial management human resource management, and program decisions. Furthermore, records management functions and retention and disposition requirements must be fully incorporated into information life cycle processes and stages, including the design, development, implementation, and decommissioning of information systems, particularly Internet resources to include storage solutions and cloud-based services).</i></p>	<p>Partially compliant.</p> <p>While RRB has met some aspects of this requirement, RRB has not sufficiently met this requirement for all types of records.</p> <p>RRB is in the process of having NARA complete an inventory of electronic systems and records. RRB's records management personnel are also in the process of evaluating and updating the RRB's records schedules/inventory. The inventory of electronic and nonelectronic records will need to be completed before RRB can ensure all agency records are treated as information resources.</p>
<p>Establish and obtain approval of Archivist for retention schedules.</p>	<p>Partially compliant.</p> <p>In fiscal year 2015, RRB received approval by the Archivist for updates to organizational retention schedules.</p> <p>RRB is also in the process of having NARA complete an inventory of electronic systems and records, along with any needed updates to the related retention schedules. RRB's records management personnel are also in the process of evaluating and updating the RRB's records schedules/inventory. The resulting inventory of electronic and nonelectronic records and subsequent updates of the related retention schedules will also need to be provided to the Archivist for approval.</p>

Requirement	RRB Compliance
<p>Ensure proper and timely disposition of records in accordance with approved retention schedules.</p>	<p>Partially compliant.</p> <p>While the RRB has previously transferred records to the Archivist in accordance with approved retention schedules, the need for updates to the RRB’s Handbook and potential revisions to the records schedules pursuant to a comprehensive inventory of agency records prevents full compliance with this requirement.</p>
<p>Provide training and guidance for all employees and contractors regarding their records management responsibilities.</p>	<p>Partially compliant.</p> <p>In August 2015, the RRB provided employees and contractors a NARA approved training course, but that course was very general in nature and did not include any RRB specific content. Also, all employees and contractors did not complete the training. The training course was again assigned in fiscal year 2016, and a special roles-based training course was provided to Records Liaisons in fiscal year 2016 on basic records operations and on Capstone. The roles-based training course was also NARA approved, with some RRB specific content added by the instructor.</p> <p>In February 2017, RRB took action to ensure all newly hired employees were provided records management training.</p> <p>However, RRB has not completed action to fully implement the Capstone approach for managing emails, and additional training or guidance on the roles and responsibilities of the records liaisons for the culling of documents and other Capstone activities may be needed.</p> <p>RRB needs to develop policies and procedures to address the requirements of its records management training program.</p>

Source: RRB OIG analysis of requirements from OMB Circular A-130, *Managing Information as a Strategic Resource*, July 28, 2016.

Table 5 provides detail of our assessment of the RRB’s compliance with selected NARA bulletins. Our assessment of 12 bulletins showed that the RRB is partially compliant with 7, not compliant with 1, and 4 were not reviewed in full but some action taken by the RRB was noted.

Table 5: Compliance with Selected NARA Bulletins

NARA Bulletin	Comments
<p>NARA Bulletin 2015-04, <i>Metadata Guidance for the Transfer of Permanent Electronic Records</i>, September 15, 2015.</p>	<p>Not specifically reviewed.</p> <p>RRB has answered that they “do not know” in their annual self-assessment reviews required by NARA.</p> <p>RRB has not previously transferred any permanent electronic records to NARA, but compliance with this guidance will be necessary before such records are transferred. Permanent electronic records include Capstone emails and may include records that are identified by NARA in their inventory review.</p> <p>RRB policies and procedures regarding records disposition do not address metadata.</p>
<p>NARA Bulletin 2015-02, <i>Guidance on Managing Electronic Messages</i>, July 29, 2015.</p>	<p>Partially compliant.</p> <p>RRB’s release of email policy, updates to the records disposition schedule for email, and the report of an unauthorized destruction incident partially addresses requirements in this guidance.</p> <p>RRB has prepared a draft revision of the email policy, expanding that policy to address electronic messages in any format. The draft policy is currently under review by the RRB’s Office of General Counsel.</p> <p>RRB needs to implement policies and procedures to address the consideration of electronic messages specified in this guidance (text messaging, chat/instant messaging, social media, voice messaging, and similar forms of electronic messaging systems). Subsequent updates to the records disposition schedule will also be required.</p>

NARA Bulletin	Comments
<p>NARA Bulletin 2015-01, <i>Scheduling Guidance on the Appropriate Age for Legal Transfer of Permanent Records to the National Archives of the United States</i>, June 17, 2015.</p>	<p>Partially compliant.</p> <p>RRB has transferred permanent records to NARA and has updated records disposition schedules to generally comply with NARA GRS. Through the current work performed by NARA for an inventory of electronic systems and records, RRB continues to make updates to retention schedules to match NARA guidance and to identify all permanent electronic records.</p> <p>RRB will need to identify nonelectronic records, and determine if additional schedule updates are needed. RRB records management personnel are currently evaluating the records schedules accordingly.</p>
<p>NARA Bulletin 2014-06, <i>Guidance on Managing Email</i>, September 15, 2014.</p>	<p>Partially compliant.</p> <p>RRB's release of email policy addresses requirements for retaining emails created or received in personal accounts and compliance with other statutes and obligations. RRB has also reported an incident of unauthorized destruction in accordance with this guidance.</p> <p>RRB has not implemented a fully automated means to manage email, but is able to apply rules-based segregation of permanent and nonpermanent email per the adopted Capstone approach. Full implementation of this hybrid solution will allow for compliance with this requirement.</p>
<p>NARA Bulletin 2014-04, <i>Revised Format Guidance for the Transfer of Permanent Electronic Records</i>, January 31, 2014.</p>	<p>Not specifically reviewed.</p> <p>RRB has transferred permanent records to NARA, but not in electronic format. RRB has documentation to support a log of each submission and the NARA approval for acceptance of the permanent records transferred through nonelectronic means.</p> <p>RRB will need to ensure the correct formats are used when permanent electronic records identified through the inventory work performed by NARA are transferred.</p>

NARA Bulletin	Comments
<p>NARA Bulletin 2013-03, <i>Guidance for Agency Employees on the Management of Federal Records, Including Email Accounts and the Protection of Federal Records from Unauthorized Removal</i>, September 9, 2013.</p>	<p>Partially compliant.</p> <p>RRB has provided general records management training and email policy to all employees that satisfy several of the requirements in this guidance, including identification, management retention, disposition, legal exemptions, and handling of personal emails. RRB has not issued multiple email accounts.</p> <p>RRB does not have adequate notification to employees of criminal penalties; the email policy only states “disciplinary action” and procedures do not cover this topic. RRB had an incident of unlawful removal or destruction by a senior official.</p> <p>RRB does not have specific procedures for departing or separating employees but has performed some records management tasks for a separating senior official. The senior official for whom these records management tasks was performed separated from the RRB after the incident of unlawful removal or destruction occurred.</p>
<p>NARA Bulletin 2013-02, <i>Guidance on a New Approach to Managing Email Records</i>, August 29, 2013.</p>	<p>Partially compliant.</p> <p>RRB has adopted the Capstone approach to managing email records and is continuing to work with NARA and RRB officials to fully implement this approach.</p>
<p>NARA Bulletin 2012-02, <i>Guidance on Managing Content on Shared Drives</i>, December 6, 2011.</p>	<p>Not specifically reviewed.</p> <p>RRB has records on shared drives and has contracted with NARA for an inventory of electronic systems and records. NARA will also update retention schedules for the electronic systems and records they identify.</p>

NARA Bulletin	Comments
<p>NARA Bulletin 2011-04, <i>Guidance on Managing Mixed Media Files</i>, July 18, 2011.</p>	<p>Partially compliant.</p> <p>RRB has records on mixed media files and the records disposition schedule includes some of these file types.</p> <p>RRB has contracted with NARA for an inventory of electronic systems and records. NARA will also update retention schedules for the electronic systems and records they identify. This work will not cover records on paper or in media such as microfiche. RRB will also need to identify nonelectronic records or records on other media not identified by NARA, and determine if additional updates to retention schedules are needed.</p> <p>RRB's procedures cover sanitization of media and places responsibility for proper record disposition on bureau/office heads and supervisors.</p>
<p>NARA Bulletin 2011-03, <i>Guidance Concerning the Use of Email Archiving Applications to Store Email</i>, December 22, 2010.</p>	<p>Partially compliant.</p> <p>RRB has adopted the Capstone approach to managing email records and is continuing to work with NARA and RRB officials to fully implement this approach. Associated with this process is the use of an email archiving application to store email and allow for retrieval using specific criteria.</p> <p>RRB may need to apply additional functionality or methodologies to ensure full compliance with this guidance.</p>

NARA Bulletin	Comments
<p>NARA Bulletin 2010-05, <i>Guidance on Managing Records in Cloud Computing Environments</i>, September 8, 2010.</p>	<p>Not compliant.</p> <p>RRB has records in cloud computing environments, but has reported inaccurately and inconsistently to NARA and other agencies concerning the existence of cloud systems. For example, in RRB's records management self-assessment provided to NARA, the RRB reported as many as 10 cloud systems in fiscal year 2014 and as few as 0 cloud systems in fiscal year 2016. In RRB's fiscal year 2016 Federal Information Security Modernization Act CyberScope report provided to DHS and OMB, RRB reported only one cloud system.</p>
<p>NARA Bulletin 2007-02, <i>Guidance Concerning the Use of Enterprise Rights Management and Other Encryption-Related Software on Federal Records</i>, April 30, 2007.</p>	<p>Not specifically reviewed.</p> <p>RRB uses Active Directory to control access to records. RRB is also in the process of implementing personal identity verification card multi-factor authentication, which allows for digital certificates.</p> <p>Permanent records transferred to NARA were not in electronic format so encryption was not applicable. However, RRB policies and procedures do not address how enterprise rights management and other encryption technology should be handled.</p> <p>RRB has contracted with NARA for an inventory of electronic systems and records. NARA will also update associated retention schedules.</p> <p>RRB will need to consider this guidance when transfers of electronic records are made to NARA.</p>

Source: RRB OIG analysis of requirements from Selected NARA Bulletins.

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United States Government
Memorandum

FORM G-115f (1-92)
Railroad Retirement
Board

September 26, 2017

TO: Heather Dunahoo
Assistant Inspector General for Audit

FROM: Ram Murthy
Chief Information Officer

**RAM
MURTHY**

Digitally signed by RAM MURTHY
DN: c=US, o=U.S. Government,
ou=Railroad Retirement Board,
cn=RAM MURTHY,
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Date: 2017.09.27 08:42:55 -0500

SUBJECT: Restricted Distribution Draft Report – Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives

This is a response to the 15 recommendations attached to the draft transmittal memorandum dated September 13, 2017, as follow:

1. Allocate sufficient resources to develop or complete the required updates of comprehensive records management policies and procedures that incorporate applicable OMB and NARA guidance.

Concur. We allocated resources to review and incorporate the required OMB and NARA requirements in records management policies and procedures to provide employees adequate guidance and improve the Records Management Program.

Target date of completion: May 31, 2018

2. Develop and implement policies and procedures requiring records management training for new and existing employees and contractors, as well as employees with specialized records management roles and responsibilities. Ensure training for existing employees and contractors is administered annually.

Concur. We will implement policies and procedures to ensure new employees and contractors receive mandatory records management training within 30 days of their hire or start date; existing employees and contractors receive records training annually, and appropriate employees receive role-based training annually.

Target date of completion: May 31, 2018

3. Develop and implement records management policies and procedures required for separating employees, including the detailed roles and responsibilities of the separating employee and other RRB officials. Work with the Office of Administration in implementing the policies and procedures agency-wide.

Concur. We will work with the Office of Administration to identify senior and/or Capstone officials who are departing the agency and develop and implement records management policies and procedures to provide guidance on how to handle records and non-records prior to their departure from the RRB. We will also include policies and procedures for all other employees that are separating from the agency.

Target date of completion: June 30, 2018

4. Update existing policies and procedures to include explicit notification of criminal penalties that may be charged to employees for unlawful removal or destruction of agency records.

Concur. We will implement records management policies and procedures to ensure employees understand their responsibilities for managing RRB records as an information resource and criminal penalties for the unlawful removal, loss, or destruction of records.

Target date of completion: May 31, 2018

5. Develop and implement policies and procedures for managing and preserving records created or received using electronic messaging systems.

Concur. We will implement records management policies and procedures to inform employees of their responsibilities for managing and preserving records created or received when using non-official electronic messaging accounts to conduct official business to ensure records are accessible in a RRB electronic system.

Target date of completion: May 31, 2018

6. Develop and implement policies and procedures for metadata, enterprise rights management, and encryption considerations when transferring electronic records to NARA.

Concur. We will implement records management policies and procedures for metadata, enterprise rights management, and encryption considerations when transferring records to NARA electronically.

Target date of completion: May 31, 2018

7. Develop supplemental records management training materials that are specific to RRB's vision, including RRB specific requirements and initiatives, and ensure the RRB records management training curriculum includes this additional content.

Concur. We will develop and implement supplemental records management training materials specific to the RRB's vision, requirements, and initiatives as well as incorporate the supplemental materials into the records management training curriculum.

Target date of completion: June 30, 2018

8. Work with the Office of Administration to ensure that all newly hired employees and contractors are required to complete the full records management training course within 30 days of their hire or start date.

Concur. We have already worked with the Office of Administration to implement the recommended controls. We will submit documentation to your office requesting closure of this audit recommendation when the contractor portion is placed into production.

9. Develop and implement roles based training for senior officials (as defined by NARA) to ensure full understanding of their responsibilities under the RRB's records management program. This training should also include content on actions to be taken when the senior official separates from RRB employment.

Concur. We will develop and implement role-based training consistent with policies and procedures to ensure senior officials understand their records management responsibilities on what to do with records and non-records prior to their departure from the RRB.

Target date of completion: August 31, 2018

10. Prepare and disseminate additional training content to records liaisons on their responsibilities under the Capstone program. The training content should include practical examples of what actions the records liaisons should take to fulfill their responsibilities.

Concur. We will develop policies and procedures as well as disseminate additional training materials to Records Liaisons and bureau/office designees regarding their roles and responsibilities. We will also develop and disseminate practical guidance for managing records under the Capstone approach to email management.

Target date of completion: August 31, 2018

11. Develop specific records management performance goals with target completion dates and performance measures for significant OMB and NARA requirements.

Concur. We will review OMB, NARA, and RRB requirements and develop performance goals with target dates and performance measures to ensure the Records Management Program complies with Federal laws, regulations, and policies.

Target date of completion: December 29, 2017

12. Ensure a comprehensive inventory of non-electronic records, including paper and other forms of media, is performed and used to prepare or update RRB records disposition schedules. Resulting records schedules should be approved by NARA in accordance with OMB Circular A-130.

Concur. We are currently conducting a comprehensive inventory of non-electronic records in conjunction with electronic systems inventory with NARA. We will submit draft schedules to NARA for approval and update applicable schedules in the RRB Records Disposition Handbook to identify unscheduled records. After NARA's approval we will update the records schedules disposition guidance and authorities.

Target date of completion: January 1, 2019

13. Perform a comprehensive review and update of Administrative Circular IRM-4 to ensure the roles and responsibilities of agency employees involved in records management are complete and include accurate timeframes for performing their respective duties.

Concur. We will review and update Administrative Circular IRM-4 to ensure employees involved with records management understand their responsibilities and the timeframes for reviewing and certifying records schedules. We will also incorporate IRM-4 into a new comprehensive circular on records management policy and procedures.

Target date of completion: May 31, 2018

14. Include an Errata page or other table of changes in their Records Disposition Handbook.

Concur. To document changes we will implement a table of changes in the RRB Records Disposition Handbook, which will include a revision number designation, revision date, summary of changes, office(s), and the staff who reviewed the change prior to publication.

Target date of completion: December 29, 2017

15. Implement a control to ensure changes to the Records Disposition Handbook is reviewed for accuracy prior to publication.

Concur. We will implement a control in the table of changes to ensure updated records schedules are reviewed for accuracy prior to publication.

Target date of completion: December 29, 2017

In response to the audit results describing the RRB's practices associated with the use of personal email accounts, unsecured modems, and Ironkey devices at extreme length on pages 6-12, the draft report does not have any recommendations for the Board or Executive Committee. It simply elaborates on an issue that occurred several years back and was fully rectified. In fact, as your draft report states, NARA was "satisfied" with the agency's efforts and concluded that the case is now closed.

We are confident the agency has addressed the issues raised; however, please advise if there is something you believe needs to be addressed regarding the RRB's practices associated with the use of personal email accounts, unsecured modems, and Ironkey devices.

cc: Associate Chief Information Officer for Policy and Compliance
Director of Administration
Director of Audit Affairs and Compliance
Supervisory Auditor
Records Officer