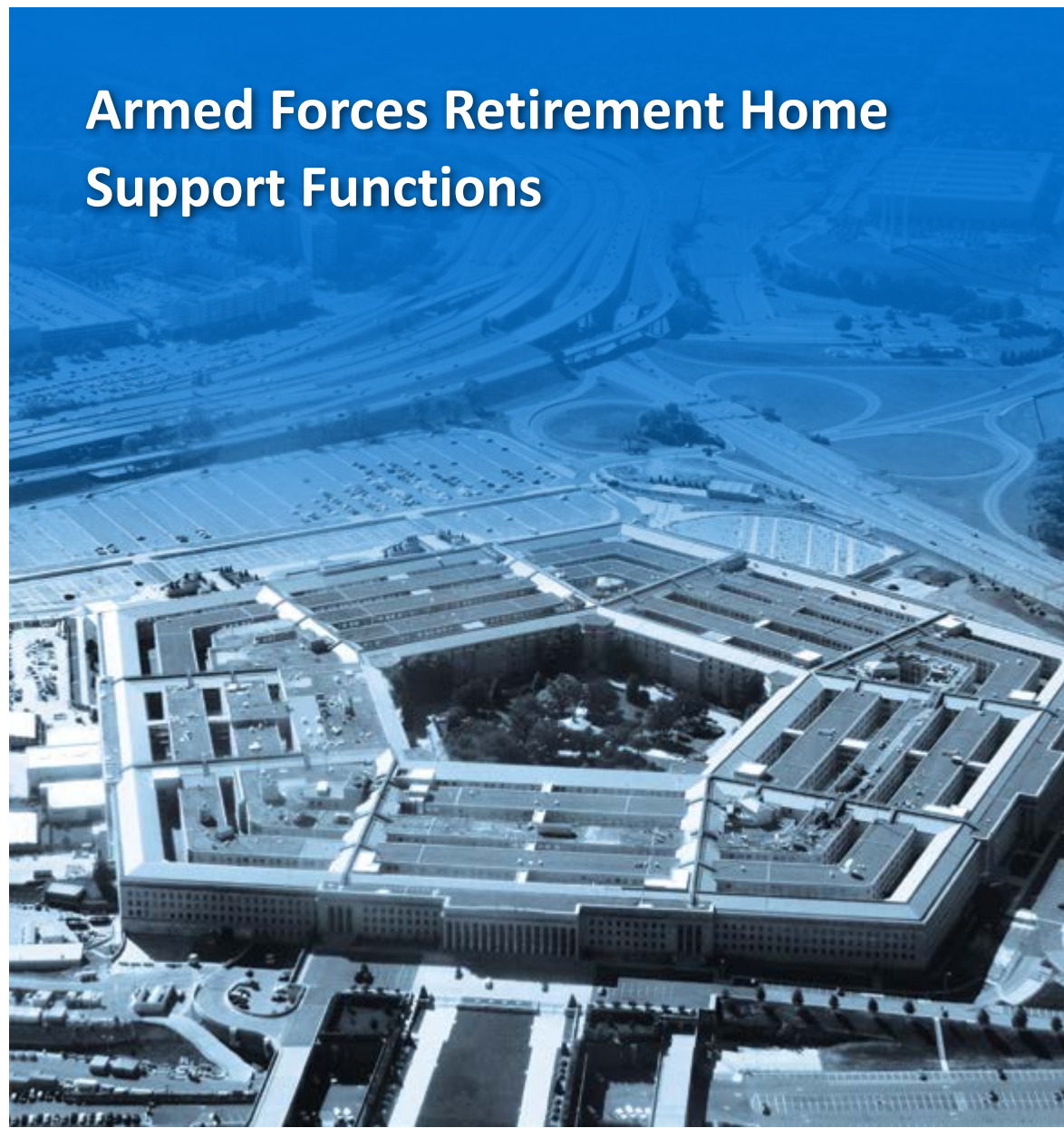




INSPECTOR GENERAL

U.S. Department of Defense

SEPTEMBER 24, 2018



Armed Forces Retirement Home Support Functions

INTEGRITY ★ INDEPENDENCE ★ EXCELLENCE





Results in Brief

Armed Forces Retirement Home Support Functions

September 24, 2018

Objective

We determined whether the Armed Forces Retirement Home support functions operated in accordance with applicable Federal standards.¹ This is the third in a series of DoD OIG reports that collectively meet the statutory requirement in section 418, title 24, United States Code, for the DoD OIG to complete a periodic comprehensive inspection of the Armed Forces Retirement Home.

Background

Section 411, title 24, United States Code, established the Armed Forces Retirement Home (AFRH) as an independent establishment in the executive branch. The AFRH consists of two facilities – Gulfport, Mississippi (AFRH-G) and Washington, D.C. (AFRH-W) – as well as the corporate headquarters, colocated at the Washington campus. Both AFRH facilities designate residential units by graduated levels of care for those residents who require additional healthcare services. These levels consist of independent living, independent living plus, assisted living, long-term care, and memory support. The head of the AFRH is the Chief Operating Officer, who is subject to the authority, direction, and control of the Secretary of Defense.

¹ In our evaluation we used applicable standards outlined in title 24, United States Code, chapter 10, Armed Forces Retirement Home; National Security Presidential Directive 51 / Homeland Security Presidential Directive 20, National Continuity Policy; National Institute of Standards and Technology; Interagency Security Committee; National Fire Protection Association; and the American Concrete Institute, as well as AFRH agency directives and AFRH Facility Standard Operating Procedures.

Findings

We found that some AFRH support functions, such as the Resident Services program, the Admissions and Eligibility program, and the Estate Matters program, operated in accordance with applicable statutes and AFRH Agency Directives that provide direction for the above named programs.

However, we found that some other AFRH support functions, such as the Facilities Management program, the Human Resources program, and the Information Security program, did not meet all applicable Federal standards, Federal guidance, or AFRH policies. Specifically, we found that the AFRH did not:

- conduct periodic monitoring of unused buildings on the AFRH-W campus to prevent damage or vandalism in accordance with AFRH directives;
- ensure safety placards in occupied buildings on both campuses contained all the required emergency and evacuation information required by National Fire Protection Association standards;
- develop a Continuity of Operations Plan which included all required elements in accordance with the National Security Presidential Directive 51 / Homeland Security Presidential Directive 20 and National Fire Protection Association standards;
- develop and document minimum physical-security requirements as required by the Interagency Security Committee (chaired by the Department of Homeland Security);
- develop a Memorandum of Understanding between AFRH-W and a local law-enforcement agency about the investigation of crimes on AFRH properties in accordance with AFRH Security Program policy;
- ensure that the safety placards in occupied buildings contained all emergency and evacuation information maps were updated and were in accordance with National Fire Protection Association standards;



Results in Brief

Armed Forces Retirement Home Support Functions

Findings (cont'd)

- meet milestones identified in the Office of Personnel Management End-to-End Hiring Initiative, which provides an 80-day roadmap for effective hiring; and
- implement all security requirements for AFRH information systems and networks or properly configure all implemented security requirements in accordance with National Institute for Standards and Technology standards.
- develop an MOU with the City of Gulfport identifying responsibilities for the repair of the drainage ditch that conveys city storm water through the campus, and
- update campus emergency-evacuation maps to align with the requirements of National Fire Protection Association standards.

Recommendations

We recommend that the Chief Operating Officer, Armed Forces Retirement Home, in coordination with appropriate component heads:

- create a Continuity of Operations Plan,
- determine the corresponding security countermeasures associated with their assessed Facility Security Level,
- develop a Memorandum of Understanding between AFRH-W and a Federal or state law- enforcement agency,
- ensure that annual security assessments are accomplished,
- develop human-resource process maps, as well as applicable directives and standard operating procedure to fully support the operation and management of the human resources program, and
- implement recommendations from previous assessments of outstanding security control deficiencies and review actions taken to ensure compliance.

We also recommend that the Chief Facilities Manager, Armed Forces Retirement Home:

- develop a plan for the unused AFRH-W facilities to prevent long-term deterioration and vandalism,

Management Comments and Our Response

The Chief Operating Officer, Armed Forces Retirement Home, provided management comments for all recommendations. The Chief Operating Officer's comments addressed all the specifics of seven of the nine recommendations.

The Chief Operating Officer comments detailed ongoing and planned corrective actions to address the recommendations.

Those seven recommendations are considered to be resolved but open. We will close them once we verify that the AFRH has implemented the stated corrective actions.

The Chief Operating Officer agreed with our recommendation to develop a plan for the unused AFRH-W facilities to prevent long-term deterioration and vandalism. However, the Chief Operating Officer also stated that most unused buildings on AFRH-W are designated for demolition or renovation and, therefore, AFRH determined it is unreasonable or uneconomical to use AFRH resources to clean or repair unused buildings given AFRH's limited resources. Further, the Chief Operating Officer stated that the level of inspection and monitoring is appropriate due to the limited resources and the determination that the unused buildings are to be demolished or renovated when leased. The Chief



Results in Brief

Armed Forces Retirement Home Support Functions

Management Comments (cont'd)

Operating Officer's comments partially addressed the specifics of our recommendation. This recommendation remains unresolved. AFRH Agency Directive 10-7 is unclear regarding the methods of inspection, the frequency of these required periodic inspections, and how the determination to not conduct an inspection is made based on resource considerations. We request additional management comments clarifying whether the AFRH intends to update AFRH Agency Directive 10-7 to define the methods of conducting inspections and the frequency of the periodic inspections of unused buildings.

The Chief Operating Officer agreed with our recommendation to develop process maps, as well as applicable directives and standard-operating procedures, to fully support the operation and management of the human-resources program. However, the Chief Operating Officer also stated that most hiring actions are not fully completed within the OPM-recommended 80-day target

by design. Certificates for vacancies are open for 6 months so that managers may continually pull from the certificates as vacancies arise. The COO further stated facility-level standard operating procedures are unnecessary. The Chief Operating Officer's comments did not meet the specifics of our recommendation and, therefore this recommendation remains unresolved. Our analysis of available data shows that AFRH-owned functions within the hiring process consistently exceeded timelines for completion. Without facility-level standard operating procedures, AFRH supervisors at each facility are dependent on the shared service provider for guidance on completing hiring actions. We request additional management comments describing the specific actions that the AFRH will take to address the extended periods of time required to fill position vacancies for critical healthcare and support positions.

Recommendations Table

| Management | Recommendations Unresolved | Recommendations Resolved | Recommendations Closed |
|--|----------------------------|---|------------------------|
| Chief Operating Officer, Armed Forces Retirement Home | D.1.a and E | D.1.b; D.1.c; D.2.a; D.2.b; D.2.c; D.2.d; and F | None |

Please provide Management Comments by October 22, 2018.

Note: The following categories are used to describe agency management’s comments to individual recommendations.

- **Unresolved** – Management has not agreed to implement the recommendation or has not proposed actions that will address the recommendation.
- **Resolved** – Management agreed to implement the recommendation or has proposed actions that will address the underlying finding that generated the recommendation.
- **Closed** – OIG verified that the agreed upon corrective actions were implemented.



**INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
4800 MARK CENTER DRIVE
ALEXANDRIA, VIRGINIA 22350-1500**

September 24, 2018

MEMORANDUM FOR CHIEF MANAGEMENT OFFICER, DEPARTMENT OF DEFENSE
CHIEF OPERATING OFFICER, ARMED FORCES RETIREMENT HOME

SUBJECT: Armed Forces Retirement Home Support Functions (Report No. DODIG-2018-153)

We are providing this report for review and comment. We conducted this evaluation in accordance with the Quality Standards for Inspection and Evaluation published by the Council of Inspectors General on Integrity and Efficiency in January 2012.

We considered management comments when preparing the final report. Comments from the Chief Operating Officer, AFRH addressed all specifics of the recommendations with the exception of two. AFRH executed support functions including security, human resources, information security, facilities and safety management, admissions and eligibility, resident and recreational services and estate matters that generally met statutory requirements and the quality-of-life needs of residents. However, AFRH did not meet the Office of Personnel Management End-to-End hiring guidelines mandated by Presidential Memorandum to improve federal hiring practices. We request that AFRH provide the DoD OIG with management comments on Recommendations D.1.a and E not later than October 22, 2018.

We appreciate the courtesies extended to the staff. Please direct questions to Mr. Christopher Roark, Project Director, Special Plans and Operations, at christopher.roark@dodig.mil or (703) 604-9609.

Stanley E. Meyer AADG
for Kenneth P. Moorefield
Deputy Inspector General
Special Plans and Operations

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Introduction

Objective

We determined whether the Armed Forces Retirement Home (AFRH) support functions operated in accordance with applicable Federal standards.² We conducted this evaluation in accordance with section 418, title 24, United States Code (24 U.S.C. § 418), which requires the Department of Defense Office of Inspector General to perform a periodic comprehensive inspection of the AFRH. During the evaluation we reviewed agency-level support functions such as the human-resources program, the information-security program, and the admissions programs. In addition, we reviewed facility-level support functions, such as the Estate Matters programs; resident-services and recreation-services programs; and facilities, safety and security programs. See Appendix A for our scope and methodology.

This is the third in a series of reports that collectively meet the statutory requirement for a periodic comprehensive inspection of the Armed Forces Retirement Home. On December 14, 2017, the DoD OIG issued the first of these reports, DODIG-2018-034, “Armed Forces Retirement Home Healthcare Services.” The DoD OIG found that AFRH medical providers did not conduct provider visits with residents in long-term-care units at the frequency required by national healthcare standards. Additionally, AFRH medical administrators did not effectively implement all facility-level controls to identify deficiencies in healthcare practices, such as documenting medication and treatment administration, documenting infection-control rounds, and recording refrigerator temperatures. AFRH Wellness Centers demonstrated adequate physical controls over controlled substances; however, the Wellness Centers did not have adequate administrative controls to demonstrate accountability of controlled substances transported, handled, and stored by Wellness Center personnel.

On February 21, 2018, the DoD OIG issued the second report, DODIG-2018-077, “Financial Management and Contract Award and Administration for the Armed Forces Retirement Home.” The DoD OIG found that DoD and AFRH officials did not conduct effective financial management of the AFRH. Specifically, DoD and AFRH officials allowed the AFRH Trust Fund to substantially decline from an ending balance of \$186.5 million in FY 2010 to \$54.7 million in FY 2016. AFRH officials did not perform adequate acquisition planning for six ongoing contracts

² In our evaluation we used applicable standards mandated in title 24, United States Code, chapter 10, Armed Forces Retirement Home; National Security Presidential Directive 51 / Homeland Security Presidential Directive 20; National Continuity Policy; National Institute of Standards and Technology; Interagency Security Committee; and standards from the National Fire Protection Association and the American Concrete Institute, as well as AFRH Agency Directives and AFRH Facility Standard Operating Procedures.

and one contract in the award process. Further, AFRH contracting officer's representatives performed sufficient surveillance of contractor performance for 21 contracts and 2 food-delivery agreements. See Appendix A for further discussion on prior coverage.

Background

The Armed Forces Retirement Home

Section 411, title 24, United States Code, designates the AFRH as an independent establishment in the executive branch, with locations in Gulfport, Mississippi (AFRH-G), and Washington, D.C. (AFRH-W). The AFRH has a corporate headquarters, located on the AFRH-W Campus. The Chief Operating Officer (COO), who is subject to the authority, direction, and control of the Secretary of Defense, heads the AFRH.

The AFRH is a continuing-care retirement community that provides five levels of care to meet the changing needs of former service members of the Armed Forces as they age.

These graduated levels of care are:

- **Independent Living:** Residents live independently and perform all the activities of daily living without help.
- **Independent Living Plus:** Residents continue to live independently while receiving some help with the activities of daily living, such as medication administration, hygiene, and housekeeping.
- **Assisted Living:** Residents receive regular help with the activities of daily living and 24-hour-per-day nursing coverage.
- **Long-Term Care:** Residents receive total-support care for their activities of daily living (due to chronic illnesses or disabilities) and receive 24-hour-per-day nursing coverage.
- **Memory Support:** Residents with cognitive deficiencies, who are unable to perform the activities of daily living, and who need a supervised environment to keep them safe. They also receive 24-hour-per-day nursing coverage.

Table 1. AFRH Resident Capacity by Level of Care

| Levels of Care | AFRH-W | AFRH-G | TOTAL |
|--|------------|------------|--------------|
| Independent Living and Independent Living Plus | 437 | 501 | 944 |
| Assisted Living | 60 | 27 | 87 |
| Long-Term Care | 36 | 24 | 60 |
| Memory Support | 24 | 24 | 48 |
| Total | 557 | 576 | 1,132 |

Source: AFRH Performance and Accountability Report (PAR) 2017.

DoD Chief Management Officer

On February 14, 2017, the Deputy Secretary of Defense transitioned the authority for the AFRH from the Under Secretary of Defense for Personnel and Readiness to the Deputy Chief Management Officer (DCMO). The DCMO created the position of the AFRH Chief Executive Officer within the Office of the DCMO, who oversees the AFRH COO. On February 1, 2018, the Secretary of Defense eliminated the DCMO and established the Chief Management Officer (CMO) and the Office of the CMO. With the establishment of the CMO, all responsibilities and authorities previously assigned to the DCMO transferred to the CMO, and the AFRH Chief Executive Officer remained in place as the direct supervisor of the AFRH COO.

The Bureau of Fiscal Service

The Bureau of Fiscal Service (BFS), within the Department of the Treasury, provides human-resource (HR) support to the AFRH through a service-support agreement. The BFS supports a majority of the AFRH's HR functions, such as hiring, disciplinary, and grievance actions. As of July 2018, the Office of the CMO is working with AFRH to transfer certain support functions, such as HR support, acquisition support, and financial support from the BFS to the Washington Headquarters Services, within the Office of the CMO.

The Interior Business Center

The Interior Business Center (IBC) of the U.S. Department of the Interior (DOI) is a shared service provider for hosting services, web services, storage administration, and system administration for a number of Federal agencies, including the AFRH. The IBC and the AFRH signed an Interconnection Security Agreement and Memorandum of Understanding (MOU), which addresses the interconnection between the networks of the AFRH and the DOI Office of the Chief Information Officer. This agreement contains available communications protocols, data-transfer capabilities, specific communications hardware, and encryption requirements to establish a secure connection to the DOI.

Review of Internal Controls

Office of Management and Budget Circular No. A-123, “Management’s Responsibility for Enterprise Risk Management and Internal Control,” July 15, 2016, requires agencies to integrate risk-management and internal-control functions. The circular also establishes an assessment process, based on the Government Accountability Office’s Standards for Internal Control in the Federal Government, which management must implement to properly assess and improve internal controls over operations, reporting, and compliance.

We found weaknesses in established AFRH internal controls during our evaluation. The facilities, safety, and security programs did not adhere to all Federal standards or to all the AFRH policies we reviewed, which poses an increased risk to the health, safety, and security of AFRH residents. Finding D discusses the AFRH Facilities Management, Safety, and Security programs as well as the applicable Federal standards and AFRH policies. Further, the AFRH did not have administrative controls in place to diagram required internal steps for completing hiring actions. Finding E discusses the AFRH Human Resources as well as the applicable Office of Personnel Management (OPM) guidance. Lastly, AFRH personnel did not implement all of the National Institute of Standards and Technology (NIST) controls necessary for security of information on their systems and networks. Finding F discusses the AFRH Information Systems program and NIST standards. We will provide a copy of the final report to the senior official responsible for internal controls in the AFRH.

Finding A

Resident and Recreation Services Programs

The Resident Services Chiefs, at AFRH-W and AFRH-G managed the resident-services and recreation-services programs in accordance with AFRH Agency Directive 8-4A, “AFRH Resident Guide,” August 2015, AFRH Agency Directive 8-7A, “AFRH Recreation Services,” November 2015, and AFRH facility-level Standard Operating Procedures.

AFRH Resident and Recreation Services Met Quality-of-Life Needs of the Residents

AFRH Agency Directive 8-4A, “AFRH Resident Guide,” August 2015, requires Facility Administrators to maintain up-to-date Resident Guides at each facility and provide copies of the Guides to both new and current AFRH residents. Further, AFRH Agency Directive 8-4 provides primary direction for all other directives and SOPs about activities, services, and programs that govern recreational activities for residents, guests, and employees, including dependents living in the facility.

The Resident Guides for AFRH-W and AFRH-G are the primary documents used by residents to obtain daily living information for their respective facility. Posted SOPs are required in all recreational areas for rules or procedures governing that particular facility or area. AFRH-W has 25 SOPs, and AFRH-G has 22 SOPs, which implement agency guidance and further direct staff and residents on operations and management of recreational services at their respective facility.

AFRH Agency Directive 8-4A requires the Resident Services Chiefs to coordinate the identification and development of policies that will enhance the quality of life for AFRH residents, implement and enforce policies contained in the facility resident guides consistently and in a timely manner, and recommend changes to their respective Facility Administrators.

The Resident Services Chiefs provide residents with services designed to meet the quality-of-life needs of the residents. Examples of these resident services, managed by the Resident Services Chiefs include:

- concession services,
- transportation services,
- notary services,
- religious services,

- security services,
- recreation services,
- reasonable accommodations, and
- Resident Advisory Committees.

We reviewed several of the resident services provided at each facility, such as transportation, security, and recreation services, to determine whether they met the quality-of-life needs of the residents.³ In addition, we met with the Resident Advisory Committees from both facilities to determine whether the committees were functioning in accordance with 24 U.S.C § 416a. We used agency-level directives as well as facility-level SOPs to obtain an understanding of the services provided.

For example, we found that the transportation services offered at both facilities offered a wide range of transportation options to support the varying needs of the residents. Specifically, transportation services at both facilities offered options for residents that required the use of walking aids, wheelchairs, or powered mobility devices.⁴ Additionally, both facilities offered transportation services for recreation trips to nearby shopping centers and special events, such as holiday celebrations in the local communities.

AFRH Agency Directive 8-7A, “AFRH Recreation Services,” November 2015, states that the AFRH recreation facilities and programs exist primarily for the welfare, morale, recreation, and therapeutic needs of the residents. Further, AFRH Agency Directive 8-7A states that the Resident Services Chiefs will provide operational oversight of the budgets, contracts, and resources for the operation of recreation services. Examples of these recreation services, managed by the Resident Services Chiefs, at the facility-level, include:

- bowling alley,
- woodworking shop,
- craft room,
- sewing room,
- fitness center,
- swimming pool,
- jogging/walking tracks, and
- theater.

³ We included our review of security services with our inspection of the facilities, safety, and security programs in Finding D.

⁴ AFRH Resident Guides define powered mobility devices as powered wheelchairs or scooters whose steering is operated by an electronic device like a joystick or tiller to control direction and turning.

We also conducted physical inspections of recreation-services areas such as the bowling alleys, libraries, woodworking shops, physical fitness areas, and arts-and-crafts rooms, which support the recreation-services program. We found that these areas were well maintained and available for use by the residents. We also found that AFRH-G Resident Services staff developed a unique way to provide a fitness alternative for residents.

AFRH-G Resident Services staff mapped out a one-mile indoor walking track for individuals who could not physically use the outdoor walking track or in the case that adverse weather prevented use of the outdoor track. Further, we observed that Resident Services staff at both facilities promoted the use of woodworking shops and arts-and-crafts rooms by displaying sculptures, paintings, and other artwork created by residents.

Section 416a, title 24, United States Code, established Resident Advisory Committees at both facilities to provide a forum for all residents to express their needs, ideas, and interests. Further, 24 U.S.C. § 416a states that Resident Advisory Committee meetings shall be conducted quarterly. We met with the chairmen and members of committees at both facilities during our series of oversight engagements, and we attended an AFRH-W Resident Advisory Committee meeting. We found that the Resident Advisory Committees at both facilities were active, and that they provided a method for residents to express their needs and ideas to AFRH leadership. In addition, we collected Resident Advisory Committee meeting minutes from January 2015 through February 2017 and found both Resident Advisory Committees were meeting at least quarterly in accordance with 24 U.S.C. § 416a.

Conclusion

The Resident Services Chiefs of AFRH-W and AFRH-G managed and executed resident and recreation services in accordance with AFRH Agency Directive 8-4A, “AFRH Resident Guide,” August 2015; AFRH Agency Directive 8-7A, “AFRH Recreation Services,” November 2015; and facility-level SOPs.



Finding B

Admissions and Eligibility Program

The AFRH Public Affairs Officer (PAO) managed the Admissions and Eligibility program in accordance with 24 U.S.C. § 412(a) and AFRH Agency Directive 8-5, “AFRH Admission Program,” February 2, 2017.

The AFRH Admission and Eligibility Program Met Statutory Requirements

Section 412, title 24, United States Code, establishes the requirements for persons eligible to be residents of the AFRH. Specifically, 24 U.S.C. § 412(a) states that persons who served as members of the Armed Forces, at least one-half of whose service was not active commissioned service (other than as a warrant officer or limited-duty officer), are eligible to become residents of the Retirement Home.

AFRH Agency Directive 8-5, “AFRH Admission Program,” February 2, 2017, states that the AFRH Public Affairs Office is responsible for pre-admission and coordinating activities of the AFRH Admission Board. The AFRH Admissions Board consists of the PAO; the Corporate Medical Director; and the Medical Officers, Resident Services Chiefs, and the Administrators of both facilities. The AFRH Admissions Board reviews all documentation in order to establish an approved or disapproved application. Further, AFRH Agency Directive 8-5 identifies the requirements for a completed admissions packet, which includes the documentation of medical exams, functional assessments, military records, and, if applicable, proof of a service-connected disability. Once applicants are approved by the AFRH Admission Board, the AFRH conducts additional reviews, such as a background check of the potential resident or a legal review.⁵

In 2017 there were 93 applications for admission to either AFRH-W or AFRH-G that were reviewed by the AFRH Admission Board. We reviewed a non-statistical sample of 10 of the approved application and admission packets from 2017. Our review concluded that all 10 packets complied with 24 U.S.C. § 412 and AFRH Agency Directive 8-5. All packets contained the required staff member reviews, applicant information, and signatures, in addition to the attachments required by

⁵ The AFRH legal team will provide legal opinions on all applications submitted under the category “Incapable of Earning a Livelihood,” including appeals or applications submitted for reconsideration. Section 412, title 24, United States Code, states that individuals are eligible to become residents of the Retirement Home if they are determined under rules prescribed by the COO to be incapable of earning a livelihood because of a service-connected disability incurred in the line of duty in the Armed Forces.

Agency Directive 8-5. In addition, the AFRH PAO maintained a master tracker, which recorded receipt of the admission packets and tracked the milestones associated with the admission process of each application.

Conclusion

The AFRH PAO managed the Admissions and Eligibility program in accordance with 24 U.S.C. § 412 and AFRH Agency Directive 8-5. The application admission packets we reviewed contained the required reviews, information, and signatures necessary to meet the requirements of AFRH Agency Directive 8-5. Further, the AFRH PAO maintained a master tracker, which monitored admission packets as they progressed through the approval process.

Finding C

Estate Matters Program

The AFRH Administrators managed the Estate Matters program in accordance with 24 U.S.C. § 420 and AFRH agency-level policy.

The AFRH Estate Matters Program Met Statutory Requirements

Section 420, title 24, United States Code, requires that AFRH Facility Administrators adhere to specific requirements in the disposition of effects of deceased residents. These requirements are detailed in the statute and are covered by applicable state laws. Additionally, 24 U.S.C. § 420 specifies the requirements that the Administrator must meet while addressing subsequent claims for a deceased resident's effects or unclaimed property of a deceased resident.

AFRH Agency Directive 8-8, "Estate Matters," November 3, 2015, directs various staff members to conduct specific actions in the execution of the program. For example, security personnel are required to secure a deceased resident's room and to ensure that a decedent resident's vehicle is locked. Security personnel also help the executor or administrator of a deceased resident's estate by opening the deceased resident's room if the need arises to retrieve the deceased resident's effects. The Campus Operations Chief also provides a secure area for storage of the decedent's unclaimed property.

The evaluation team visited AFRH-W and interviewed the Facility Administrator, the Ombudsman, and the Resident Services Chief about the Estate Matters program. The Administrator and the Resident Services Chief were well versed in the requirements of the program. However, they stated that they relied heavily on the Ombudsman to support the specific activities of the program. When interviewed about the program, the AFRH-W Ombudsman described the requirements and the process for disposing of a deceased resident's property, citing both 24 U.S.C. § 420 and the AFRH Agency Directive. In 2017 AFRH-W processed the effects of 48 deceased residents with no deficiency or complaint from family members.

The team also visited AFRH-G and interviewed the Facility Administrator at AFRH-G, the Ombudsman, and the Resident Services Chief about the Estate Matters program. The AFRH-G Administrator and the Chief, Resident Services, were also well versed in the requirements of the program, and they stated that they relied heavily on the Ombudsman to support the activities of the program. When interviewed about the

program, the AFRH-G Ombudsman described the requirements and the process for disposing of a deceased resident's property, citing both 24 U.S.C. § 420 and the AFRH Agency Directive. In 2017 AFRH-G processed the effects of 47 deceased residents with no deficiency or complaint from family members.

Conclusion

The AFRH Administrators managed and executed the Estate Matters programs in accordance with 24 U.S.C. § 420 and AFRH Agency Directive 8-8. The program provides the residents' families and representatives with the necessary help and support to allow for the proper disposition of decedent residents' effects.

Finding D

Facilities Management, Safety, and Security Programs

The AFRH officials did not ensure that the AFRH-W and AFRH-G met all Federal standards for their facilities. Specifically, the Chief, Facilities Manager (CFM), did not oversee the facilities, safety, and security programs to ensure each facility conducted comprehensive continuity planning in accordance with National Security Presidential Directive 51 / Homeland Security Presidential Directive 20, did not ensure that safety placards met National Fire Protection Association (NFPA) standards, and did not advise or direct the Campus Facilities, Safety, and Security Officers to implement all requirements of those Federal and agency-facility security standards.

This occurred because:

- the CFM did not ensure that facility maintenance and repairs were conducted to prevent damage to AFRH property;
- the Chief Facilities Safety Officers did not ensure a Continuity of Operations Plan (COOP) was developed in accordance with National Security Presidential Directive 51 / Homeland Security Presidential Directive 20, National Continuity Policy; and
- the Chief Facilities Security Officers did not ensure that a Facility Security-Level baseline was developed for each facility in accordance with Interagency Security Committee standards.

As a result, the identified deficiencies pose an increased risk to the health, safety, and security of AFRH residents and their overall quality of life.

The AFRH Facilities Management Program Did Not Meet All Agency Policies

During site visits to the campuses of both AFRH-W and AFRH-G, the evaluation team conducted physical inspections of buildings, walkways, and support structures on each campus. We used minimum facilities standards identified in Federal statutes and directives, AFRH Agency Directives, and AFRH Facility SOPs to evaluate the facilities, safety, and security programs at both AFRH facilities.⁶

⁶ Examples of Federal statutes and directives we reviewed included 29 U.S.C. § 668; title 42, Code of Federal Regulations, part 483; Executive Order 13693, "Planning for Federal Sustainability in the Next Decade," March 19, 2015; and "National Security Presidential Directive 51 / Homeland Security Presidential Directive 20, "National Continuity Policy," 1998.

We found that the AFRH facilities management program generally complied with the Federal facilities standards we reviewed. For example, at both the AFRH-W and the AFRH-G, we reviewed two years of inspection records for portable fire extinguishers. We found that both facilities complied with the requirements for conducting and documenting monthly inspections, under NFPA 10-13, “Portable Fire Extinguishers,” 2013. In addition, we reviewed the most recent quarterly reports for the emergency-power-supply systems (generators) and found that both campuses complied with maintaining, inspecting, and documenting systems in accordance with the requirements of NFPA 110, “Standard for Emergency and Standby Power Systems,” 2013. However, we found that the AFRH Facilities Management program did not meet AFRH agency-level policies for all aspects of the program we reviewed.

Unused Facilities on the AFRH-W Campus

AFRH Agency Directive 10-7, “AFRH Facilities Management Program,” November 4, 2014, establishes standards, guidance, and requirements, and it assigns duties and responsibilities for the AFRH facilities program. AFRH Agency Directive 10-7 specifically details the CFM as the “Building Code Authority,” who has the oversight of all repairs, new construction, renovations, modifications, and alterations to AFRH facilities. The CFM also has other property-related responsibilities, such as the Federal Preservation Officer, the Senior Real Property Officer, the Senior Sustainability Officer, the Master Planner, and the Lease Manager. The activities of the Facility Administrators and Campus Operations Chiefs are coordinated through the CFM.

AFRH-W has 47 buildings, with 22 of these currently not in use.⁷ The majority of the unused buildings are in the southeast area of the campus, designated as the redevelopment zone by the AFRH-W leadership.⁸ AFRH Agency Directive 10-7 states that the facility manager shall periodically conduct facility inspections and shall submit work orders on unoccupied buildings if it is reasonable, feasible, or economical.

We found that not all unused buildings on AFRH-W were monitored periodically in accordance with AFRH Agency Directive 10-7. For example, during our physical inspection of the campus, we saw rodent droppings, bottles of chemicals, old furniture, and kitchen equipment stored in two of the unused buildings we inspected.⁹ The AFRH-W security team does conduct spot checks of the fence

⁷ For the purposes of this discussion, “unused buildings” refers to buildings that were previously occupied by residents (living quarters and common areas) and staff (office space and healthcare facilities) but does not refer to structures such as fuel tanks and greenhouses.

⁸ As part of AFRH-W’s “Washington Master Plan,” the redevelopment zone consists of 77 acres of underused land, which became available to lease for private and institutional development and use to increase AFRH revenue.

⁹ The two unoccupied buildings are the LaGarde and Pipes buildings. Both those buildings stand in the AFRH-W redevelopment zone.

line while on patrol throughout the grounds, but it does not actively inspect or monitor the unoccupied buildings. Regular maintenance and inspections serve as a preventive measure against damage from adverse weather conditions or vandalism. AFRH-G does not have any unoccupied building.

Outstanding Repairs at AFRH-G

During the site visit to AFRH-G, the team identified cracked concrete and an exposed reinforcing bar (rebar) on the upper mezzanine of the front entrance to the home.

The existence of the condition presents a possible weakening in the integral strength of the concrete slab, and it may pose an increased risk of further cracking or weakening to the point of not being safe for use.¹⁰ The facility manager did not have a plan to repair the cracked concrete and the exposed rebar, even though he was aware of the condition. The team informed the AFRH-G leadership about the exposed rebar and the cracked concrete slab, and we advised them to seek a professional engineer to conduct an in-depth analysis to determine whether any immediate repair action was needed. Given the close proximity of the building to the Gulf of Mexico and salt-laden sea air, the probability of corrosion of the metal rebar, due to exposure to salty air, is higher than if covered by concrete.¹¹

We also saw that a concrete-lined drainage ditch showed signs of erosion, which creates fall hazards in the area of a walking path for residents. The AFRH-G leadership was aware of the erosion issue, but they assumed that the City of Gulfport was responsible for the repairs, because the ditch conveys city storm water through the campus.¹² The AFRH-G did not have a written agreement with the City of Gulfport that clearly identified who was responsible for maintenance and upkeep of the drainage ditch. After our site visit the AFRH-G Facility Manager made a request to the Public Works Department of the City of Gulfport. According to the AFRH-G Facility Manager, the Public Works office responded that the ditch is on Federal property, and that the City of Gulfport is not responsible for the repairs.

¹⁰ American Concrete Institute, "Control of cracking in concrete structures," ACI 224R-90, reported by ACI Committee 224, 1990.

¹¹ Ibid.

¹² The AFRH-G had previously requested the Naval Construction Battalion, located in Gulfport, Mississippi, to provide help with the ditch repair. However, that effort fell through due to the unavailability of the Seabee unit.

The AFRH Safety Program Did Not Meet All Federal Standards

We conducted on-site inspections of both facilities, and we examined and reviewed safety guidance and procedures. At the AFRH-G we found that the safety officer is proactive in working beyond campus boundaries to help improve their safety program, by attending meetings and exercises at the County Emergency Management Agency, as well as keeping track of AFRH's safety accomplishments. However, AFRH-W and AFRH-G did not meet certain Federal standards for emergency preparedness.

Compliance with Standards for Safety Placards

Section 411(g), title 24, United States Code, requires the AFRH COO to secure and maintain accreditation by a nationally recognized civilian accrediting organization for each aspect of each facility of the retirement home. Both the Commission on Accreditation of Rehabilitation Facilities and The Joint Commission accredit the AFRH for various aspects of their healthcare services.¹³ These accrediting bodies set standards based on the minimum public-health standards outlined in title 42, Code of Federal Regulations, part 483, "Requirements for States and Long Term Care Facilities" (2017). Because title 42, Code of Federal Regulations, part 483, cites National Fire Protection Association (NFPA) standards, we used NFPA standards as the basis for our evaluation for AFRH facilities to ensure that their processes meet the same standards used by their accrediting bodies.¹⁴

NFPA standards require a safety placard (emergency evacuation map) posted within a building to instruct or guide occupants in how to identify exit locations, exit access paths, stairways, elevators, elevator lobbies, areas of refuge, areas of rescue assistance, shelter areas, and exterior evacuation assembly areas.¹⁵ We found that both AFRH-W and AFRH-G did not meet NFPA standards for emergency evacuation maps in the occupied buildings we inspected. Although emergency evacuation maps did exist on both campuses, the placards did not have all the details required by the NFPA standard to provide accurate directions during an emergency. For example, the placards did not identify fire alarm pull station

¹³ The Commission on Accreditation of Rehabilitation Facilities is an independent, not-for-profit accreditor of health and human services. The Joint Commission is an independent, not-for-profit organization that accredits and certifies healthcare organizations and programs in the United States. We validated this requirement during the first report in this series, DODIG-2018-034, "Armed Forces Retirement Healthcare Services," December 14, 2017.

¹⁴ The NFPA is the nationally recognized organization that establishes codes and issues standards about fire, electrical, and related hazards to eliminate death, injury, property, and economic loss. The NFPA supports the stated purpose of the Fire Prevention Act, with the series of codes and standards covering the elements listed above.

¹⁵ NFPA 170, "Emergency Evacuation Diagrams and Plans," April 23, 2017, Chapter 11.

locations, emergency-phone locations, defibrillator locations, and fire-extinguisher locations. The placards also did not provide evacuation routes or the required assembly areas after personnel evacuated the building.

Planning for Emergencies

The National Security Presidential Directive 51 / Homeland Security Presidential Directive 20, “National Continuity Policy,” May 2007, prescribes continuity requirements for all executive departments and agencies, and it provides guidance for state, local, territorial, and tribal governments, along with private-sector organizations. This directive requires a comprehensive and integrated national continuity program that will enhance the credibility of our national security posture and enable a more rapid and effective response to, and recovery from, a national emergency. Further, NFPA 1600, “Standard on Disaster / Emergency Management and Business Continuity / Continuity of Operations,” 2016, identifies the minimum required elements of a continuity plan.

The AFRH Directive 7-2, “Emergency Management Plan,” July 2016, requires that the AFRH have a COOP in place to ensure continued performance of essential functions from alternate operating sites during any emergency or situation that may disrupt normal operations. Further, AFRH-W, “Emergency Operations Plan (EOP),” January 2016, and AFRH-G, “Emergency Operations Plan,” July 2017, list roles and responsibilities of individuals, along with procedures for activating emergency plans, and they include several contact lists to be used in the event of an emergency.

During site visits to both facilities, we found that AFRH-W and AFRH-G did not have a comprehensive COOP in accordance with Federal standards.¹⁶ While the existing EOPs contain some elements of a COOP, they do not contain all of the COOP elements listed in the NFPA 1600. For example, community partnerships and aid are listed in the EOPs, but there were no alternate worksites identified, which is an essential element of a COOP. Figure 1 provides a list of required elements of a COOP, provided by NFPA 1600. In addition, in Figure 1 green dots indicate elements of a COOP included in AFRH records, and red dots indicate elements of a COOP that were not present or were not complete.

¹⁶ National Security Presidential Directive 51 / Homeland Security Presidential Directive 20, “National Continuity Policy,” 1998.

Figure 1. COOP Elements and AFRH Compatible EOP Elements

| AFRH | COOP Elements |
|------|--|
| ● | stakeholders that need to be notified |
| ● | processes that must be maintained |
| ● | roles/responsibilities of the individuals implementing the continuity strategies |
| ● | procedures for activating the plan, including authority for plan activation |
| ● | critical and time-sensitive technology, application systems and info |
| ● | security of info |
| ● | alternate work sites |
| ● | workaround procedures |
| ● | vital records |
| ● | contact lists |
| ● | required personnel |
| ● | vendors/contractors supporting continuity |
| ● | resources for continued ops |
| ● | mutual aid or partnership agreements |
| ● | activities to return critical and time-sensitive process to original state |
| ● | continuity plans shall address supply chain disruption |

Source: NFPA 1600 and AFRH Emergency Operations Plans.

Both campus safety officers told us that they were aware that they were not meeting their Federal standards and their own SOPs for the development of a comprehensive COOP. They both said that they were awaiting guidance from AFRH leadership at the corporate level about the development and implementation of an agency-level COOP.

The AFRH Safety Program Did Not Meet All Federal Standards and Agency Policies

Developing Facility Security Level Baselines

The Interagency Security Committee (ISC) establishes minimum physical-security standards and measures for all Federally owned and leased facilities for non-military use. The Department of Homeland Security chairs the ISC, which consists of 58 Federal departments and agencies.

AFRH Agency Directive 5-2A, "AFRH Security Program," July 2012, requires that the AFRH Facility Security Offices develop and adequately document processes and procedures to employ ISC-required physical-security performance measures and recurring test analysis to validate the effectiveness of its internal-security procedures. While discussing the directive, the AFRH COO said that he was aware of these standards and measures, but that he had not developed the required Facility Security Level (FSL) baseline at the time of our visits.

Since our site visit, both AFRH-W and AFRH-G have categorized their facilities at Level II, but they have not established the countermeasures associated with their baselined FSL level, which is the next step as defined by the ISC.¹⁷ Once AFRH leaders determine their countermeasure requirements, they can determine what resources are needed in the security program, including security-officer training requirements, to ensure that their personnel can adequately address the countermeasures needed to properly execute the security mission.

Coordination with Local Law Enforcement

AFRH Agency Directive 5-2A states that AFRH shall ensure that a Memorandum of Understanding or a Memorandum of Agreement (MOA) is developed between AFRH and a Federal or state law-enforcement agency regarding the investigation of crimes occurring on AFRH properties.¹⁸ We requested the MOUs or MOAs from both AFRH facilities developed in accordance with AFRH Agency Directive 5-2A. While AFRH-G did have existing MOUs with Federal and local law-enforcement agencies about the investigation of crimes occurring on AFRH properties, AFRH-W did not.

An MOU does exist between AFRH-W and the District of Columbia Metropolitan Police Department to conduct training activities, but it does not include law-enforcement activities, such as criminal investigations. The AFRH legal counsel stated that an MOA or MOU with local law enforcement was not needed for AFRH-W because the D.C. is a Federal district, and because emergency response by the D.C. Metro Police has been deemed lawful and legitimate at the AFRH-W. The AFRH legal counsel did not provide further explanation as to what laws deemed the response of the D.C. Metro Police to be lawful and legitimate. The AFRH legal counsel did state that the AFRH met with the D.C. Metro Police in 2010, and that the commander at the time stated that the D.C. Metro Police had jurisdiction over the home for police activity and therefore would not establish an MOU.

AFRH-W did have an MOA with the Washington Field Office of the Federal Bureau of Investigation (FBI), within the Department of Justice, that met the requirements in AFRH Agency Directive 5-2A. The MOA between the AFRH-W and the FBI included responsibilities and procedures about criminal investigations conducted by the FBI on the AFRH-W campus. For example, the MOU states that the AFRH COO and staff at the AFRH-W agree to provide complaint information and requests for assistance

¹⁷ "The Risk Management Process for Federal Facilities: An Interagency Security Committee Standard," 2nd edition, November 2016, states that the responsibility for making the final FSL determination rests with the tenant(s), who must devise a risk-management strategy and, if possible, fund the appropriate security countermeasures to mitigate the risk. The FSL determination ranges from a Level I (lowest risk) to Level V (highest risk). The determination is calculated by using a graduated 4-point-scale risk factor measured in five categories: mission criticality, symbolism, facility population, facility size, and threat to tenant agencies.

¹⁸ For the purposes of our review, we accepted MOUs or MOAs with local law-enforcement agencies because AFRH-W is located within Washington, D.C., and therefore not within the jurisdiction of a state law-enforcement agency.

to the FBI as appropriate, to assist in investigation as requested by the FBI, and to comply with appropriate directives applicable to the protection and release of investigative information obtained.

AFRH-G had MOUs with both the Jackson, Mississippi, field office of the FBI and the Gulfport Police Department, which meet the requirements of AFRH Agency Directive 5-2A. The FBI MOU formalizes policy and procedures for referral of complaint information to the FBI and provision of assistance by the FBI to the AFRH. The Gulfport Police MOU formalizes policy and procedures for referral of criminal complaints. It also provides guidance for the direction of emergency operations and mutual assistance between the AFRH and the Gulfport Police Department.

Lastly, we found that both AFRH-W and AFRH-G were at least two years behind in annual security assessments, required to evaluate each facility's security operation. Agency Directive 5-2A states that an annual Security Assessment should be conducted for each facility's security operation; that the results must be documented; and that, at a minimum, the following areas should be addressed: the physical-security safeguards, the security-training program, the security-manpower use, the electronic security system, a review of existing SOPs, and a review of common identification standards for employees and contract staff. The Department of Homeland Security completed the most recent annual security assessment of the AFRH-W in 2015 and the AFRH-G in 2012. Each assessment included a Protective Measures Index and a Resilience Measures Index, which captured the fundamental aspects of protection and resilience for critical infrastructure, and which can support decision-making related to risk management.

Conclusion

AFRH-W and AFRH-G generally met the Federal standards we reviewed, and they complied with agency-level directives and facility-level SOPs for the facilities management, safety, and security programs. However, we found that AFRH-W did not periodically monitor unused buildings in accordance with AFRH Agency Directive 10-7, that AFRH-G did not have a plan to address cracked concrete on the upper mezzanine, and that AFRH-G did not have an MOU with the City of Gulfport about a repair of a deteriorating drainage ditch on AFRH-G property. Neither AFRH-W nor AFRH-G fully complied with an NFPA standard for the identification evacuation and emergency information on safety placards and neither campus had developed a comprehensive COOP in accordance with National Security Presidential Directive 51 / Homeland Security Presidential Directive 20. Neither AFRH-W nor AFRH-G met the Federal standard for determining their minimum FSL in accordance with the ISC. Finally, AFRH-W did not develop and coordinate an MOU with a local law-enforcement agency, and neither campus had conducted a recent annual security assessment in accordance with AFRH Agency Directive 5-2A.

Recommendations, Management Comments, and Our Response

Recommendation D.1

We recommend that the Chief Facilities Manager, Armed Forces Retirement Home:

- a. develop a plan for the unused facilities of the Armed Forces Retirement Home – Washington – to prevent long-term deterioration and vandalism.**

Chief Operating Officer, Armed Forces Retirement Home, Comments

The Chief Operating Officer agreed with our recommendation. The COO stated that AFRH Agency Directive 10-7 states that the facility manager shall periodically conduct facility inspections and shall submit work orders on unoccupied buildings when feasible or economical. Because most unused buildings are designated for demolition or renovation through leasing authority in 24 U.S.C. § 411(1) per the AFRH Master Plan and AFRH Management, AFRH has determined it is unreasonable and uneconomical to use AFRH resources or personnel to clean or conduct repairs in unused buildings unless a defect threatens the integrity of the structure. The AFRH also determined not to conduct in-depth inspections documenting all defects when such inspections will consume resources but produce no benefits. Two general inspections are conducted semiannually by AFRH-W Campus Operations on all buildings, including unoccupied ones. These inspections detail deficiencies that may require attention. In addition, the AFRH routinely leads group tours with potential lessees of the unused buildings. On these tours AFRH personnel look for threats to security and for the structural integrity of the buildings. AFRH leaders believe that this level of inspection and monitoring is appropriate due to the limited AFRH resources and their determination to demolish or renovate the unused buildings when leased.

Our Response

Comments from the COO partially addressed the specifics of the recommendation, therefore, this recommendation is unresolved. We acknowledge the AFRH's usage of planned semi-annual inspections and unplanned walkthroughs as a means to conduct inspections of unused facilities. However, AFRH Agency Directive 10-7 is still unclear regarding the methods of inspections, the frequency of these required periodic inspections, and how the determination to not conduct an inspection is made based on resource considerations. We request that the COO clarify whether the AFRH intends to update AFRH Agency Directive 10-7 to define the methods of conducting inspections and the frequency of the periodic inspections as stated in the management comments.

- b. develop a Memorandum of Understanding with the City of Gulfport identifying responsibilities for the repair of the drainage ditch which conveys city storm water through the campus.**

Chief Operating Officer, Armed Forces Retirement Home, Comments

The Chief Operating Officer did not agree with our recommendation. The COO stated that pursuing a Memorandum of Understanding with the City of Gulfport (to identify responsibilities for the repair of the drainage ditch that conveys city storm water through the campus) would not serve a useful purpose. AFRH-G previously engaged the city on this topic, as the report indicates. The COO stated that the city's position is clear, that they do not repair facilities or infrastructure on Federal property, where they have no jurisdiction. AFRH-G stated that Federal law and case law support the city's position, and that therefore it could cause confusion of roles or authorities already defined. The erosion around some concrete panels is not a hazard nor does any law, regulation, or industry standard require the panels. The sloped grade is gentle enough that vegetative erosion control methods are sufficient. As the panels become loose (due to age or erosion), AFRH-G plans to remove the panels, fill in the resulting voids, and stabilize the grade with vegetative erosion control. This plan will take many years, but it is prudent and sufficient, considering the nature of the problem and AFRH's limited resources.

Our Response

Comments from the COO met the intent of our recommendation. This recommendation is resolved, but will remain open. The remediation methods described meet the intent of the recommendation which was to clarify responsibilities associated with the repair of the ditch. We will close this recommendation once we verify that AFRH has incorporated this remediation plan into the written AFRH-G Facilities Management Plan.

- c. update both campus emergency-evacuation maps to align with the requirements of NFPA 170.**

Chief Operating Officer, Armed Forces Retirement Home, Comments

The Chief Operating Officer agreed with our recommendation. The COO stated that the AFRH has begun reviewing the evacuation maps at both campuses, and that it would make all necessary changes to comply with the new requirements of 2018 NFPA 170 Chapter 11.

Our Response

Comments from the COO addressed all specifics of the recommendation. This recommendation is resolved, but will remain open. We will close this recommendation once we verify that safety placards at both facilities include all the details required by NFPA 170 Chapter 11 to provide accurate directions during an emergency.

Recommendation D.2

We recommend that the Chief Operating Officer, Armed Forces Retirement Home:

- a. create a Continuity of Operations Plan.**

Chief Operating Officer, Armed Forces Retirement Home, Comments

The Chief Operating Officer agreed with our recommendation. The COO stated that AFRH's Current Emergency Operation Plan (EOP) meets only portions of the Federal COOP Standards. He further stated that AFRH will begin to process planning to implement COOP standards, train leadership and managers, draft COOP plans, and work with community partners to meet requirements for alternate worksites.

Our Response

Comments from the COO addressed all specifics of our recommendation. This recommendation is resolved but will remain open. We will close this recommendation once we verify AFRH has developed a comprehensive COOP in accordance with National Security Presidential Directive 51 / Homeland Security Presidential Directive 20.

- b. determine the corresponding security countermeasures associated with having a Facility Security Level of 2 and resources required for implementation.**

Chief Operating Officer, Armed Forces Retirement Home, Comments

The Chief Operating Officer agreed with our recommendation. The COO stated on January 31, 2018, the AFRH Security Facility Committee had determined that the AFRH's appropriate FSL is Level II. The COO stated that AFRH is researching ISC documented countermeasures. The COO stated that the AFRH-W Security Team is part of the AFRH-W's campus Performance Improvement (PI) Component, which meets monthly to discuss issues and challenges that may impact security at the campus level. During the campus-committee meetings, the Security Team shares PI goals, data (collected and analyzed for patterns or trends), and progress made toward identified benchmark measures. During these monthly meetings, the Security Team and members of the PI component rank and rate the Security measures. The COO also stated that the Security Team had initiated the implementation of the ISC Security Countermeasures, and that it will identify resources required for implementation.

Our Response

Comments from the COO met all specifics of the recommendation. This recommendation is resolved but will remain open. We will close this recommendation once we verify the AFRH Security Team has identified ISC approved countermeasures associated with a Facility Security Level II baseline and the required resources associated with these countermeasures.

- c. **develop a Memorandum of Understanding between Armed Forces Retirement Home – Washington and the District of Columbia Metropolitan Police Department regarding the investigation of crimes occurring on AFRH properties, to comply with the Armed Forces Retirement Home Security Program Directive.**

Chief Operating Officer, Armed Forces Retirement Home, Comments

The Chief Operating Officer agreed with our recommendation. The COO stated that AFRH Agency Directive 5-2A states in paragraph 6, “AFRH Agency shall ensure that a MOU or a MOA is developed between AFRH and a Federal or State law enforcement agency regarding the investigation of crimes occurring on AFRH properties.” The DoD OIG reported that AFRH-W did have an MOU with the Washington Field Office of the FBI meeting the requirements in AFRH Agency Directive 5-2A, but that we also need an MOU or MOA with the D.C. Metro Police. The COO stated that AFRH leadership has met in the past with the D.C. Metro Police to discuss an MOU or MOA, and the D.C. Metro Police reported that the AFRH is within its jurisdiction, so an MOU or MOA is not needed. Their position is supported by a 1932 D.C. law and a 1997 AFRH legal opinion. The AFRH will update AFRH Agency Directive 5-2A to reflect that an MOU or MOA with the D.C. Metro Police is not required.

Our Response

Comments from the Chief Operating Officer met all the specifics of the recommendation. This recommendation is resolved, but will remain open. We will close this recommendation once we verify that AFRH has updated AFRH Agency Directive 5-2A to reflect that a MOU or MOA is not needed between AFRH-W and the D.C. Metro Police.

- d. ensure that annual assessments take place. The annual assessment should include an evaluation of the countermeasures determined by AFRH's Facility Security Level.**

Chief Operating Officer, Armed Forces Retirement Home, Comments

The Chief Operating Officer agreed with our recommendation. The COO stated that, since 2012, the AFRH has been a partner with the Office of Infrastructure Protection (IP) of the Department of Homeland Security. IP conducts and facilitates vulnerability and consequence assessments to help critical infrastructure owners and operators to understand and address risks to critical infrastructure. In 2012, the AFRH requested that IP conduct an annual assessment of AFRH, and IP advised that it will conduct an AFRH assessment only every three years. The COO stated that the AFRH had neglected to replace the reference to annual assessment in AFRH Agency Directive 5-2A with "triennial assessment," and that the AFRH will update AFRH Agency Directive 5-2A to reflect triennial assessments. The COO further stated that IP had completed AFRH assessments in 2012 and 2015. The COO stated the next IP assessment is scheduled during this year with an estimated completion date for this effort of December 31, 2018.

Our Response

Comments from the COO met all the specifics of the recommendation. This recommendation is resolved, but will remain open. We will close this recommendation once we verify that AFRH has updated AFRH Agency Directive 5-2A to reflect that AFRH, in coordination with the Office of Infrastructure Protection, will conduct triennial assessments. In addition, we will verify that the AFRH has completed their scheduled FY 2018 assessments.



Finding E

Human Resources Program

The AFRH Chief Human Capital Officer (CHCO) did not execute the AFRH Human Resources Program in accordance with Office of Personnel Management (OPM) guidance and AFRH policy.¹⁹

This occurred because the CHCO did not develop standard operating procedures or detailed process maps of administrative controls and timelines for the hiring process.

As a result, vacant positions for critical AFRH healthcare and support personnel often remained unfilled for extended periods.

The AFRH Human Resources Program Did Not Meet Federal Guidelines for Hiring

On May 11, 2010, the President of the United States issued a presidential memorandum, entitled “Improving the Federal Recruitment and Hiring Process,” which directed two agencies, the OPM and the Office of Management and Budget, to improve the process of Federal recruitment and hiring. The memorandum required specific actions to improve the quality and speed of hiring.²⁰ The OPM “End-to-End Hiring Initiative,” 2010, provides a roadmap establishing key Government-wide measures for effective hiring. The End-to-End Roadmap breaks hiring actions into 14 separate functions to be completed within 80 days. The End-to-End Initiatives also provide performance measures that agencies can apply to their human-resource programs to track effectiveness.

AFRH Agency Directive 4-1, “Human Resources Program,” August 2011, states that the HR Program is required to:

- update and issue the responsibilities and delegations for the AFRH HR Program;
- conduct an HR Program following applicable laws, regulations, executive orders, AFRH directives, negotiated agreements, and other controlling authorities; and
- implement procedures and rules about the responsibilities and functions of the HR Program in applicable AFRH agency directives, SOPs, laws, regulations, executive orders, and negotiated agreements.

¹⁹ Office of Personnel Management, “End-to-End Hiring Initiative,” 2010, and AFRH Agency Directive 4-1, “Human Resources Program,” August 2011.

²⁰ Improving the Federal Recruitment and Hiring Process, 75 Fed Reg. 27,157 (2010).

AFRH Agency Directive 4-1 designates the position of the CHCO and identifies 27 tasks required to manage the HR Program. Among those tasks are:

- helping with overall agency planning;
- keeping the AFRH COO informed on key HR issues and developments;
- representing the AFRH in matters relating to HR with other agencies;
- coordinating reports, surveys, and requests for special authorities with the OPM and other outside agencies; and
- interpreting HR laws, regulations, executive orders, AFRH agency directives, and other authorities for the AFRH.

The CHCO also provides AFRH leaders and supervisors with advice, guidance, and help with questions about labor-management relations, including negotiated agreements, arbitrations, unfair labor practices, and other requirements.

Hiring Delays within the AFRH HR Program

At both facilities, AFRH supervisors stated that their biggest challenge with the AFRH Human Resource Program consists of filling position vacancies. In a previous report in this series, we reported high turnover rates and extended vacancies of medical providers at both AFRH-W and AFRH-G.²¹ As a result of the high turnover rates, AFRH medical administrators were required to dual-slot vacant medical-administrator and medical-provider positions. AFRH medical-staff members expressed concerns that these vacancies in medical-provider positions complicated the day-to-day operations of the medical services provided at the AFRH facilities. Specifically, medical-staff members stated that requiring medical providers to complete administrative tasks, normally completed by a medical administrator, limits their ability to conduct direct patient care.

We reviewed hiring data for FYs 2016 and 2017, provided by the Bureau of Fiscal Services (BFS), which broke down AFRH hiring actions in accordance with the 14 functions listed in the OPM End-to-End roadmap.²² In FY 2016 the AFRH completed 60 hiring actions, which took an average of 187 days to complete. Only four of the 60 hiring actions (6.6 percent) met the 80-day standard. In FY 2017 the AFRH completed 76 hiring actions, which took an average of 143 days to complete. Only 9 of the 76 hiring actions (11.8 percent) met the 80-day standard. Table 2 provides summary data on AFRH hiring actions completed in FY 2016 and FY 2017.

²¹ DODIG-2018-034, "Armed Forces Retirement Home Healthcare Services," December 14, 2017.

²² The BFS is a shared service provider within the Department of Treasury, which provides HR support to the AFRH through a service-support agreement.

Table 2. Summary Data for AFRH Average Time to Hire in FYs 2016 and 2017

| Fiscal Year | Number of Hiring Actions | Number of Hiring Actions Meeting the 80-day Standard | Average Days to Complete a Hiring Action |
|-------------|--------------------------|--|--|
| 2016 | 60 | 4 | 187 |
| 2017 | 76 | 9 | 143 |

Source: BFS.

Each of the 14 functions on the End-to-End Roadmap has an allotted number of days for completion within the 80-day standard. Some functions are combined, because they are dependent on one another and cannot be completed separately. For example, BFS cannot complete the Validate Need function until the AFRH initiates a Request for Personnel Action. Therefore, BFS combines those two as the initial function. Additionally, the “Close Job Opportunity Announcement” function does not have an associated time allotment, so it is not included in the breakdown below. As a result, the End-to-End Roadmap 80-day standard can be tracked, using a 12-step process, which is broken down as follows:

- Validate Need / Request Personnel Action (2 days) – combined separate actions;
- Review Position Description (1 day);
- Confirm Job Analysis and Assessment Strategy (5 days);
- Create/Post Job Opportunity Announcement, including Career Patterns (2 days);
- Receive Applications and Notify Applicants (10 days);
- Evaluate Applications (15 days);
- Issue Certificate / Notify Applicants (1 day);
- Selecting official: Review Applications / Conduct Interviews / Check References / Select/Return certificate (15 days);
- Tentative Job Offer / Accept (3 days);
- Initiate Security Check (10 days);
- Official Offer / Accept (2 days); and
- Enter on Duty (14 days).

We reviewed the BFS hiring data for FYs 2016 and 2017 to determine which functions did not meet the timelines established in the OPM End-to-End Roadmap. In FY 2016 the AFRH exceeded the End-to-End Roadmap standards on the Receive Applications and Notify Applicants (10-day standard) and Selecting Official actions (15-day standard) functions. On average, the AFRH took 26 and 42 days,

respectively, to complete these functions. The excess 43 days to complete these functions represent 40 percent of the 107 excess days, in which the AFRH exceeded the 80-day standard in FY 2016.

In FY 2017 the AFRH exceeded the End-to-End Roadmap standards on the Confirm Job Analysis and Assessment Strategy (5-day standard) and Selecting Official actions (15- day standard) functions. On average, the AFRH took 20 and 32 days, respectively, to complete these functions. The excess 32 days to complete these functions represent 51 percent of the 63 excess days, in which the AFRH exceeded the 80-day standard in FY 2017. Table 3 provides a detailed breakdown of the average days it took the AFRH and the BFS to complete each function in FYs 2016 and 2017.

Table 3. AFRH and BFS average time to complete each function

| Step | Function | Function Owner | End-to-End Roadmap Standard | FY16 Average days to Complete | FY17 Average days to Complete |
|------|---|----------------|-----------------------------|-------------------------------|-------------------------------|
| 1 | Validate Need / Request Personnel Action | AFRH | 2 | 0 | 1 |
| 2 | Review Position Description | AFRH | 1 | 7 | 7 |
| 3 | Confirm Job Analysis and Assessment Strategy | AFRH | 5 | 9 | 20 |
| 4 | Create / Post Job Opportunity Announcement (JOA) | BFS | 2 | 0 | 0 |
| 5 | Receive Applications and Notify Applicants | AFRH | 10 | 26 | 14 |
| 6 | Evaluate Applications | BFS | 15 | 11 | 9 |
| 7 | Issue Certificate / Notify Applicants | BFS | 1 | 0 | 1 |
| 8 | Selecting official: Review Applications / Conduct Interviews / Check References / Select/Return Certificate | AFRH | 15 | 42 | 32 |
| 9 | Tentative Job Offer / Accept | BFS | 3 | 4 | 5 |
| 10 | Initiate Security Check | AFRH | 10 | 19 | 15 |
| 11 | Official Offer / Accept | BFS | 2 | 5 | 4 |
| 12 | Enter on Duty | AFRH | 14 | 19 | 20 |

Source: BFS.

Documented Internal Processes of the AFRH HR Program

The evaluation team requested the AFRH CHCO to provide SOPs or process maps, showing how HR transactions are completed within the AFRH HR Program. The AFRH CHCO did not provide documentation providing clear guidance or direction to AFRH supervisors or staff members on how to complete an HR transaction within the AFRH HR Program. The evaluation team requested similar documentation from the BFS about HR transactions in support of the AFRH program. The BFS provided 30 commonly used job aids, which described how a specific HR transaction should be processed within the BFS, the associated timelines with each step, and the responsible parties. Although these job aids describe BFS internal processes, AFRH could use these job aids as a template for how HR transactions could be processed internally within the AFRH HR Program. Because the AFRH did not have SOPs or process maps detailing each step of their internal processes, we were unable to further evaluate the inefficiencies within the AFRH hiring process.

Impact on Hiring AFRH Healthcare Staff

As a result of the prolonged hiring process, AFRH healthcare positions are often vacant for extended periods of time. We reviewed the BFS hiring data specifically for AFRH healthcare positions and found the average days to complete hiring actions far exceeded the End-to-End Roadmap 80-day standard in both FY 2016 and 2017. In FY 2016 the average days to hire a licensed practical nurse was 282 days, and in FY 2017 the average days to hire clinical nurses, nurse specialists, and nursing assistants all exceeded 160 days. Table 4 provides a detailed breakdown of the average days it took for the AFRH to complete hiring actions for healthcare positions at both facilities in FYs 2016 and 2017.

Table 4. Average days to complete hiring actions for AFRH healthcare positions

| AFRH Healthcare Positions | FY 2016 | | FY 2017 | |
|-----------------------------|----------------|----------------------|----------------|----------------------|
| | Hiring Actions | Average days to hire | Hiring Actions | Average days to hire |
| Clinical Nurse | 2 | 142 | 5 | 160 |
| Licensed Practical Nurse | 17 | 282 | 13 | 129 |
| Medical Officer | 3 | 149 | 4 | 143 |
| Nurse Practitioner | 0 | NA | 1 | 132 |
| Nurse Specialist | 0 | NA | 2 | 192 |
| Nursing Assistant | 9 | 160 | 13 | 164 |
| Pharmacy Technician | 2 | 158 | 0 | NA |
| Supervisory Clinical Nurses | 3 | 154 | 9 | 148 |

Source: BFS.

Conclusion

We found that the AFRH CHCO did not execute the AFRH Human Resources Program in accordance with OPM guidance and AFRH policies. Specifically, the AFRH CHCO did not develop SOPs or process maps that outlined the roles and responsibilities of individuals responsible for hiring actions within the AFRH, which lead to the AFRH hiring processes not meeting OPM End-to-End Roadmap timelines. This resulted in position vacancies for critical healthcare and support positions going unfilled for extended periods of time. Additionally, HR tasks associated with the performance of duties for AFRH component supervisors are not completed or in a timely manner.

Recommendation, Management Comments, and Our Response

Recommendation E

We recommend that the Chief Operating Officer, Armed Forces Retirement Home, ensure that the Chief Human Capital Officer develops human-resource process maps, as well as applicable directives and standard operating procedures, to fully support the operation and management of the human-resource program.

Chief Operating Officer, Armed Forces Retirement Home, Comments

The Chief Operating Office agreed with our recommendation. The COO stated that HR Connect is the personnel-processing system used at AFRH through a shared service provider. Training on the system is provided for each upgrade, and links for basic tutorials are available for users. The shared service provider furnishes

process maps and job aids for all types of personnel actions on the customer access portal. Status notifications are e-mailed to supervisors and the CHCO for each step of the hiring process. These notifications also provide applicable job aid links for the particular step. Most hiring actions are not fully completed within the OPM-recommended 80-day target by design. Certificates for vacancies are open for 6 months so that managers may continually pull from the certificates as vacancies arise. This is particularly helpful to backfill vacant nursing positions. Directives are written at the agency level, and campus leaders design SOPs to implement the agency policy. Given the extensive process mapping and job aids available for each type of personnel action, the COO deemed facility-level SOPs to be unnecessary. Human-resources directives are periodically reviewed and revised as appropriate.

Our Response

Comments from the Chief Operating Office did not address the specifics of the recommendation. The recommendation is unresolved. As detailed in the report, AFRH supervisors stated that their biggest challenge with the AFRH Human Resource Program consisted of filling position vacancies. The data provided by BFS on AFRH hiring actions shows AFRH-owned functions within the hiring process consistently exceeded timelines for completion. Several of these actions occurred after applications were received from BFS, which does not support the argument that the hiring delays were the result of using open vacancies. Our review of the AFRH HR program shows that relying entirely on BFS developed job-aids to guide users through the hiring process is not resulting in process that meets the needs of the AFRH supervisors. We request the COO describe the specific actions that the AFRH will take to address the extended periods of time required to fill position vacancies for critical healthcare and support positions.



Finding F

Information Security Program

The AFRH Chief Information Officer did not implement all security requirements for AFRH information systems and networks, in accordance with NIST standards. In addition, the AFRH Chief Information Officer did not properly configure several of the implemented security requirements in accordance with NIST Standards.

This occurred because the AFRH Chief Information Officer did not ensure that the AFRH Information System program followed current NIST standards for security and privacy controls. Specifically, the AFRH did not update an internal auditing document that listed privacy and security controls when NIST standards were revised in December 2014. In addition, the AFRH Chief Information Officer did not implement recommendations from previous assessments detailing the corrective actions needed for the AFRH to comply with current NIST standards.

As a result of not fully implementing or properly configuring the minimum security requirements, the AFRH information-security program does not fully protect the confidentiality, integrity, and availability of AFRH information systems and the information processed, stored, and transmitted by those systems.

The AFRH Did Not Implement or Properly Configure All Security Controls

The Federal Information Security Modernization Act of 2014 requires each Federal agency to develop, document, and implement an agency-wide program to provide information security for the information and information systems that support the operations and assets of the agency, including those provided or managed by another agency, contractor, or other source.²³ In accordance with the Federal Information Security Modernization Act, the NIST is responsible for developing standards, guidelines, and associated methods and techniques for providing adequate information security for all agency operations and assets, excluding national-security systems.

The NIST provides guidelines for selecting and specifying security controls for organizations and information systems supporting the executive agencies of the U.S. Government. The publication supports organizations of the U.S. Government in meeting the requirements of the minimum security requirements for Federal information and information systems.

²³ Public Law 113-283, Federal Information Security Modernization Act 2014, December 18, 2014.

The evaluation team evaluated whether the AFRH implemented security and privacy controls for their information systems and network to protect the confidentiality, integrity, and availability and the information processed, stored, and transmitted by those systems. We also determined whether the AFRH assessed the selected controls that were implemented on their information systems and network to ensure that those controls were adequate.

The evaluation team used the following documents throughout the course of the evaluation:

- NIST Special Publication (SP) 800-53, revision 4, “Security and Privacy Controls for Federal Information Systems and Organizations,” April 2013; and
- NIST Special Publication (SP) 800-53A, revision 4, “Assessing Security and Privacy Controls in Federal Information Systems and Organizations,” December 2014.

We also used the following AFRH documents:

- System Security Plan, April 22, 2016;
- DOI Independent Security Assessment Report (ISAR), April 16, 2016;
- Plan of Actions and Milestones (POA&M), November 13, 2017;
- Interconnection Security Agreement (ISA) and the MOU between the AFRH and the DOI, October 2017;
- AFRH Audit Spreadsheet; and
- AFRH Security Manual 2015.

In our 2014 report we identified more than 50 high and moderate security-control weaknesses in the AFRH System Security Plan and the POA&M.²⁴ We also found that the AFRH General Support System did not comply with NIST standards.

During our site visits for this evaluation, we found that the AFRH had improved in their tracking and organization of compliance requirements with the development of an internal auditing document since our last inspection. The AFRH hired a contractor to help with the monitoring of regulatory requirements and their compliance with NIST standards. In addition, the contractor developed and managed an internal auditing document to facilitate compliance monitoring. Even though the AFRH had improved its ability to identify and track deficiencies, we found three deficiencies identified in our 2014 report that were still unaddressed

²⁴ Report No. DODIG-2014-093, “Inspection of the Armed Forces Retirement Home,” July 23, 2014.

as of May 2018. Specifically, we found that the AFRH had not implemented some of the security and privacy controls for their information system and the network as required by NIST SP 800-53, revision 4.

In March 2016 the DOI conducted an Independent Security Assessment of the AFRH General Support System, using NIST standards as the guiding document. The ISAR, issued in April 2016, identified 261 AFRH General Support System controls, of which 29 were classified as “other than satisfied,” and 22 as “not applicable.”²⁵ The ISAR stated that, of the 29 controls classified as other than satisfied, none represented a high-risk area, 2 represented moderate-risk areas, and 27 represented a low risk to system security.

During our evaluation of the AFRH Information Security Program, we saw that several deficiencies identified in the ISAR were still unresolved. Specifically, the AFRH did not:

- develop a configuration-management plan or a formal process to configure systems;
- develop contingency-planning policy, contingency plan, contingency testing or contingency training for continued operations after a disaster;²⁶
- develop a formal risk assessment of the information system;²⁷
- develop access-control standards;
- implement multifactor authentication; and
- develop policy update to the AFRH System Security Plan.

In some cases the ISAR stated that the DOI was unable to determine AFRH compliance with NIST standards because the AFRH was still undergoing updates from NIST SP 800-53, from revision 3 to revision 4. However, NIST had published NIST SP 800-53, revision 4, in December 2014, 15 months before the DOI conducted the assessment. In response to the findings described in the ISAR, the AFRH developed corrective actions in the AFRH POA&M.

In November 2017 the evaluation team reviewed the AFRH POA&M, and it determined that the corrective actions listed above were still not complete. For example, the AFRH did not have either a Continuity of Operations Plan (COOP) or a formal risk assessment of Information Systems, as required by NIST standards.

²⁵ The ISAR defines “other than satisfied” as controls that are not implemented correctly, are not operating as intended, and are not producing the desired outcome with respect to meeting the security requirements for the system.

²⁶ According to NIST guidelines, the contingency-planning security control “addresses the establishment of policy and procedures for the effective implementation of selected security controls and control enhancements in the Contingency Planning family.”

²⁷ According to NIST guidelines, the risk assessment is “part of risk management, incorporates threat and vulnerability analysis, and considers mitigations provided by security controls planned or in place. Synonymous with risk analysis.”

We also reviewed the internal auditing document developed by the AFRH contractor. We found that their internal auditing document followed the standards of NIST SP, revision 3, for the security control families and privacy controls. At the time of our review, the internal auditing document had not been updated to include the standards of NIST SP 800-53, revision 4. We used the security and privacy controls listed in the AFRH document to evaluate whether the AFRH had completely implemented the security and privacy controls. We found that the AFRH did not completely implement all security and privacy controls.

For example, the AFRH did not include security controls related to privacy or provide the justification for excluding these privacy controls. NIST SP 800-53, revision 4, requires protecting the privacy of individuals and their personally identifiable information collected, used, maintained, shared, and discarded by programs and information systems. During the team's site visit to AFRH-G, the team saw that staff members without assigned responsibilities gained access to the server room with their electronic keycards. Without the appropriate controls in place, an individual without a justified need could have accessed personally identifiable information from the server.

Conclusion

We found that the AFRH had not implemented previous recommendations from the DOI and the DoD OIG about their compliance with NIST standards. The AFRH used outdated NIST standards to form the baseline for security and privacy controls. As a result of not fully implementing or properly configuring the minimum security requirements, the AFRH information-security program does not fully protect the confidentiality, integrity, and availability of AFRH information systems or the information processed, stored, and transmitted by those systems.

Recommendation, Management Comments, and Our Response

Recommendation F

We recommend that the Chief Operating Officer, Armed Forces Retirement Home, ensure that the Chief Information Officer implements recommendations from previous assessments about outstanding security-control deficiencies and review actions necessary to ensure compliance.

Chief Operating Officer, Armed Forces Retirement Home, Comments

The Chief Operating Officer agreed with our recommendation. The COO stated that the AFRH Office of the Chief Information Officer is working with its contracted shared service provider to revise policy and documentation to fully align with NIST SP 800-53, revision 4.

Our Response

Comments from the COO met all aspects of the recommendation. This recommendation is resolved, but will remain open. Updating AFRH policy and documentation to align with NIST SP 800-53, revision 4 and implementing necessary controls will satisfy previous open recommendations. We will close this recommendation once we verify the AFRH has revised policy and documentation to fully align with NIST SP 800-53, revision 4.



Appendix A

Scope and Methodology

We conducted this evaluation from September 2017 through May 2018 in accordance with the “Quality Standards for Inspection and Evaluation,” published in January 2012 by the Council of Inspectors General on Integrity and Efficiency. Those standards require that we adequately plan the evaluation to ensure that objectives are met, and that we perform the evaluation to obtain sufficient, competent, and relevant evidence to support the findings, conclusions, and recommendations. We believe that the evidence obtained was sufficient, competent, and relevant to lead a reasonable person to sustain the findings, conclusions, and recommendations.

We performed this evaluation in accordance with the DoD OIG’s recurring oversight responsibilities under 24 U.S.C. § 418 and DoD Instruction 1000.28, “Armed Forces Retirement Home (AFRH),” February 1, 2010, enclosure 2.

We conducted site visits to the AFRH campuses in Gulfport, Mississippi, and Washington, D.C. In addition, we conducted meetings and interviews with the:

- Office of the Chief Management Officer (formerly the Office of the Deputy Chief Management Officer);
- Chief Executive Officer, AFRH;
- Bureau of Fiscal Service, Department of the Treasury;
- National Business Center, Department of the Interior; and
- senior leadership of the AFRH.

In accordance with our oversight responsibilities under 24 U.S.C. § 418, we solicited concerns, observations, and recommendations from the Resident Advisory Committee and the residents and staff of each facility.

To form the basis for our evaluation, we reviewed Federal laws and regulations as well as criteria from Federal agencies, such as the Department of Homeland Security, the Office of Management and Budget, the Center for Medicare and Medicaid Services, and the NIST. We collected and reviewed AFRH agency-level policies as well as facility-level SOPs.

Use of Computer-Processed Data

We relied on computer-processed data to perform this evaluation. We accessed, collected, and reviewed resident application records, using the AFRH’s data based systems. By comparing the database to the paper records, we determined that the database information was reliable enough to support our findings. We also

reviewed the AFRH audit spreadsheet for NIST requirements during this evaluation. We compared the spreadsheet with the list of NIST requirements, and we found that it too was reliable enough to support our findings.

Use of Technical Assistance

For this evaluation we used members of the DoD OIG Technical Assistance Division to support our site visits in the areas of information security and facilities management. Technical Assistance Division subject-matter experts evaluated AFRH's and DOI's implementation of NIST security controls on AFRH information systems and networks. A Technical Assistance Division subject-matter expert also evaluated AFRH facility management programs for compliance with Federal facility standards.

Prior Coverage

During the last 5 years the DoD OIG issued three reports evaluating the Armed Forces Retirement Home. Unrestricted DoD IG reports can be accessed at <http://www.dodig.mil/reports.html/>.

DoD OIG

Report No. DODIG-2018-077, "Audit of Armed Forces Retirement Home Revenues, Expenses, and Contract Award and Administration," February 21, 2018

The second in a series of DoD OIG reports in 2017 and 2018 that collectively meet the statutory requirement for a periodic comprehensive inspection of the Armed Forces Retirement Home in accordance with 24 U.S.C. § 418. The audit determined whether officials conducted effective financial management and contract award and administration for the AFRH. The report contained three findings and nine recommendations directly related to financial management and contract award and administration at the AFRH.

Report No. DODIG-2018-034, "Evaluation of Armed Forces Retirement Home Healthcare Services," December 14, 2017

The first in a series of DoD OIG reports in 2017 and 2018 that collectively meet the statutory requirement for a periodic comprehensive inspection of the Armed Forces Retirement Home in accordance with 24 U.S.C. § 418. The evaluation determined whether the AFRH had provided healthcare services in accordance with applicable national healthcare standards and met the related quality of life needs of the residents of the retirement homes. The report contained three findings and six recommendations directly tied to the healthcare services provided to residents at the AFRH facilities.

Report No. DODIG-2014-093, "Inspection of the Armed Forces Retirement Home," July 23, 2014

The DoD OIG conducted a comprehensive inspection of the Armed Forces Retirement Home in accordance with 24 U.S.C. § 418. The inspection included all facets of the AFRH, including healthcare services provided to residents. The report contained eight observations and 58 recommendations directly tied to the support functions at the AFRH facilities.

Appendix B

NIST Security Controls

NIST SP 800-53, revision 4, “Recommended Security Controls for Federal Information Systems and Organizations,” April 2013, defines security controls and associated assessment procedures. The controls are grouped by “families.” During our review of the AFRH Information Security Program, we evaluated these controls in the privacy family:

- access control;
- awareness and training;
- audit and accountability;
- certification, accreditation, and security assessments;
- configuration management;
- contingency planning;
- identification and authentication;
- incident response;
- maintenance;
- media protection;
- physical and environmental protection;
- planning;
- personnel security;
- risk assessment;
- systems and services acquisition;
- system and communications protection; and
- system and information integrity.

Controls in the program-management family:

- program management and
- privacy.

Management Comments

AFRH Chief Operating Officer



Armed Forces Retirement Home
3700 North Capitol Street, N.W.
Washington, DC 20011-8400



Aug 13, 2018

MEMORANDUM FOR: Deputy Inspector General, Special Plans and Operations
ATTN: Kenneth P. Moorefield.

SUBJECT: Comments on Draft Audit Report, "Armed Forces Retirement Home Support Functions" (Project No. D2017-D00SP0-0193.000)

This memorandum responds to your request for comments on the recommendations made to the Armed Forces Retirement Home (AFRH) Chief Operating Officer (COO) and Chief Management Officer (CMO) in the subject draft audit report. The attachment provides specific management comments and corrective actions both planned and underway.

I appreciate the opportunity to comment on the subject draft report. Thank you and your colleagues for the exceptional level of support since this inspection began.



James Branham
AFRH Chief Operating Officer

Attachment:
As stated

AFRH Chief Operating Officer (cont'd)

| AFRH Comments Draft Report - Armed Forces Retirement Home Support Functions Project No. D2017-0005PO-0193.000 Dated July 26, 2018 | | | |
|--|--|--|--|
| Rec. # | Recommendation | Concur, Non-Concur, Concur with Comments | Management Comments |
| D.1. That the Chief Facilities Manager, AFRH: | | | |
| D.1.a. | Develop a plan for the unused facilities of the Armed Forces Retirement Home – Washington – to prevent long-term deterioration and vandalism. | Concur with comment | As noted in the report, AFRH Agency Directive 10-7 states that the facility manager shall periodically conduct facility inspections and shall submit work orders on unoccupied buildings when feasible or economical. Because most unused buildings are designated for demolition or renovation through leasing authority in 24 U.S.C. 5411(i) per the AFRH Master Plan and AFRH Management, we have determined it is unreasonable and uneconomical to utilize AFRH resources or personnel to clean or conduct repairs in unused buildings unless a defect threatens the integrity of the structure. Similarly, we have determined not to conduct in-depth inspections documenting all defects when such inspections will consume resources but produce no benefits. Two general inspections are conducted semi-annually by AFRH-W Campus Operations on all buildings, including unoccupied. These inspections detail issues that may be necessitate remediation. Attached are the General Inspections for 2018 and 2017. In addition, we routinely lead group tours with potential lessees in the unused buildings. On these tours, AFRH personnel look for threats to security and the structural integrity of the building. There have been two such defects discovered in the past and both defects were repaired. AFRH believes this level of inspection and monitoring is appropriate due to limited AFRH resources and our determination that the unused buildings are to be demolished or renovated when leased. |
| D.1.b. | Develop a Memorandum of Understanding with the City of Gulfport identifying responsibilities for the repair of the drainage ditch which conveys city storm water through the campus. | Non-concur | AFRH does not believe pursuing a Memorandum of Understanding with the City of Gulfport to identify responsibilities for the repair of the drainage ditch which conveys city storm water through the campus would be productive. AFRH-G has engaged the City before on this topic as the report indicates. The City's position is clear that they do not repair facilities or infrastructure on Federal property where they have no jurisdiction. Federal law and case law support their position, therefore it could cause confusion of roles or authorities already defined. The erosion around some concrete panels is not a hazard nor are the panels required by any law, regulation, or industry standard. The sloped grade is gentle enough that vegetative erosion control methods are sufficient. As the panels become loose enough to remove due to age and erosion, AFRH plans to remove the panels, fill in the resulting voids, and stabilize the grade with vegetative erosion control methods. This plan will take many years, but is prudent and sufficient considering the nature of the issue and AFRH's limited resources. |
| D.1.c. | Update both campus emergency-evacuation maps to align with the requirements of NFPA 170. | Concur | We have begun reviewing our evacuation maps at both campuses. We will make all necessary changes to comply with the new requirements of 2018 NFPA 170 Chapter 11. |
| D.1. That the Chief Operating Officer, AFRH: | | | |
| D.2.a. | Create a Continuity of Operations Plan. | Concur | AFRH's Current Emergency Operation Plan (EOP) only meets portions of the Federal COOP Standards. We will begin process planning to implement COOP standards, train leadership and managers, draft COOP plans, and work with community partners to meet requirements for alternate worksites. |
| D.2.b. | Determine the corresponding security countermeasures associated with having a Facility Security Level of 2 and resources required for implementation. | Concur | On January 31, 2018, AFRH Security Facility Committee (SFC) determined that AFRH's appropriate Federal Security Level is Level II. The Interagency Security Committee (ISC) requires us to research the ISC Appendix B Countermeasures, which contain 93 security criterion and 33 undesirable events to establish or enhance AFRH's countermeasures associated with AFRH's FSL Level II. The AFRH-W Security Team is an integral part of AFRH-W's campus Performance Improvement (PI) Component, and the ISC countermeasures will be discussed as a team. The PI Component meets monthly to discuss issues and challenges that may impact security at the campus level. During the campus committee meetings, the Security Team shares PI goals, data collected and analyzed for patterns or trends, and progress made toward identified benchmark measures. During these monthly meetings the Security Team and members of the component rank and rate the security measures. The Security Team has initiated the ISC Security Countermeasures with AFRH's leadership and will identify resources required for implementation. |

AFRH Chief Operating Officer (cont'd)

| | | | |
|--------|---|---------------------|--|
| D.2.c. | Develop a Memorandum of Understanding between Armed forces Retirement Home - Washington and the District of Columbia Metropolitan Police Department regarding the investigation of crimes occurring on AFRH properties, to comply with the Armed Forces Retirement Home Security Program Directive. | Concur with Comment | AFRH Agency Directive 5-2A states in paragraph 6 "...AFRH Agency shall ensure that a MOU or a MOA is developed between AFRH and a Federal or State law enforcement agency regarding the investigation of crimes occurring on AFRH properties." The DoD IG reported that AFRH-W did have an MOU with the Washington Field Office of the Federal Bureau of Investigation (FBI) that met the requirements in Directive 5-2A, but that we also need an MOU/MOA with Washington D.C. Metropolitan Police Department (MPD). AFRH leadership have met in the past with MPD to discuss a MOU/MOA and MPD reported that AFRH is within their jurisdiction, therefore a MOU/MOA is not needed. Their position is supported by a 1932 D.C. law and a 1997 AFRH legal opinion. AFRH will update Directive 5-2A to reflect that a MOU/MOA with MPD is not required. |
| D.2.d. | Ensure that annual assessments take place. The annual assessment should include an evaluation of the countermeasures determined by AFRH's Facility Security Level. | Concur | AFRH has been a partner with the Department of Homeland Security Office of Infrastructure Protection (IP) since 2012. IP conducts and facilitates vulnerability and consequence assessments to help critical infrastructure owners and operators understand and address risks to critical infrastructure. In 2012 AFRH requested IP conduct an annual assessment of AFRH and IP advised they will only conduct an AFRH assessment every three years. AFRH neglected to replace the annual assessment reference in Directive 5-2A with "triannual assessment". We will update Directive 5-2A to reflect triennial assessments. IP completed AFRH assessments in 2012 and 2015. Our next assessment is set for this year, 2018. Completion Date – December 31, 2018 |

E. That the Chief Operating Officer, AFRH:

| | | | |
|--|---|---------------------|--|
| | Ensure that the Chief Human Capital Officer develops human-resource process maps, as well as applicable directives and standard operating procedure to fully support the operation and management of the human-resources program. | Concur with Comment | HR Connect is the personnel processing system utilized at AFRH through our shared service provider. Training on the system is provided for each upgrade and links for basic tutorials are available for users. The shared service provider furnishes process maps and job aids for all types of personnel actions on our customer access portal. Status notifications are emailed to supervisors and the CHCO for each step of the hiring process. These notifications also provide applicable job aid links for the particular step. Most hiring actions are not fully completed within the OPM-recommended 80-day target by design. Certificates for vacancies are open for 6 months so that managers may continually pull from the certificate as vacancies arise. This is particularly helpful to backfill vacant nursing positions. Directives are written at the Agency level and campus leaders design SOPs to implement the Agency policy. Given the extensive process mapping and job aids available for each type of personnel action; we deem facility-level SOPs unnecessary. Human Resources directives are periodically reviewed and revised as appropriate. |
|--|---|---------------------|--|

F. That the Chief Operating Officer, AFRH:

| | | | |
|--|---|--------|---|
| | Ensure that the Chief Information Officer implements recommendations from previous assessments about outstanding security-control deficiencies and review actions necessary to ensure compliance. | Concur | The AFRH OCIO is currently working with its contracted share service provider to revise policy and documentation to fully align with NIST 800-53 Rev 4. |
|--|---|--------|---|

Acronyms and Abbreviations

| | |
|------------------|---|
| AFRH | Armed Forces Retirement Home |
| AFRH-G | Armed Force Retirement Home–Gulfport, Mississippi |
| AFRH-W | Armed Forces Retirement Home–Washington, D.C. |
| BFS | Bureau of the Fiscal Service |
| CHCO | Chief Human Capital Officer |
| CMO | Chief Management Officer |
| COO | Chief Operating Officer |
| COOP | Continuity Operations Plan |
| DCMO | Deputy Chief Management Officer |
| DOI | Department of the Interior |
| HR | Human Resources |
| IBC | Interior Business Center |
| IP | Infrastructure Protection |
| ISC | Interagency Security Committee |
| ISAR | Independent Security Assessments Report |
| MOA | Memorandum of Agreement |
| MOU | Memorandum of Understanding |
| NIST | National Institute of Standards and Technology |
| OPM | Office of Personnel Management |
| POA&M | Plan of Action and Milestones |
| SP | Special Publication |
| U.S.C. | United States Code |

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U.S. DEPARTMENT OF DEFENSE

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