



U.S. RAILROAD RETIREMENT BOARD

**OFFICE OF INSPECTOR GENERAL**

# Audit of the Railroad Retirement Board's Records and Information Management Program

Report No. 23-06

September 27, 2023



## What RMA Found

RMA Associates, LLC (RMA) determined that the Railroad Retirement Board's (RRB) records and information management program were compliant with some federal regulations and determined that the RRB was taking steps to ensure compliance with meeting the June 30, 2024 deadline of transitioning to electronic records. However, RMA determined that the RRB: 1) did not fully ensure that agency records were maintained and preserved per federal statutes and regulations, 2) had not fully implemented its records and information management program process improvements as identified in its fiscal year 2021 Federal Manager's Financial Integrity Act report, and 3) had not fully implemented audit recommendations from 2017. Additionally, RMA determined that some of the RRB's internal controls were not implemented or operating effectively as required by RRB's policies and procedures.

These issues primarily occurred due to understaffing, workload, and other priorities. As of April 2023, the RRB increased its records and information program staffing by five full-time employees.

As a result of these issues, the RRB did not achieve full compliance with federal records management requirements and faced an increased risk of its records being unlawfully or accidentally removed, defaced, altered, or destroyed. The RRB may also struggle with inefficient and untimely reduction in the number of its records, potentially increasing data storage costs.

## What RMA Recommended

To address weaknesses identified in this audit, RMA made seven recommendations concerning failure to implement prior audit recommendations, lack of effective internal controls, and noncompliance with federal regulations. RRB management concurred with all seven recommendations.

## What We Did

RRB Office of Inspector General (OIG) engaged RMA to conduct an audit of the RRB's records and information management program. The last audit over this subject matter was conducted in 2017.

RMA conducted this audit in accordance with generally accepted government auditing standards. RMA is responsible for the audit report and the conclusions expressed therein. RRB OIG does not express any assurance on the conclusions presented in RMA's audit report.

The overall audit objectives were to determine whether the RRB had sufficient internal controls over its records and information management program and had taken action to address previous audit recommendations. For details on the seven audit objectives, see the Objectives section in RMA's audit report.

The scope of the audit was the RRB's records and information management program and activities from fiscal years 2018 through 2022.

Railroad Retirement Board (RRB)  
Office of Inspector General (OIG)

Audit of the Railroad Retirement Board's Records and  
Information Management Program

**Final Performance Audit Report**

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Railroad Retirement Board  
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September 27, 2023

RMA Associates, LLC (RMA) conducted a performance audit of the Railroad Retirement Board's (RRB) records and information management program from fiscal years (FY) 2018 through 2022.

Our audit objectives were to 1) determine if the RRB's records and information management program ensured that agency records were maintained and preserved per federal statutes and regulations; 2) determine if the RRB's records and information management program provided the oversight to identify, classify, maintain, preserve, or destroy agency records throughout the record lifecycle; 3) determine if the RRB complied with the Office of Management and Budget (OMB) and National Archives and Records Administration (NARA) concerning government records and information management; 4) obtain, review, and assess the agency's plans and implementation of OMB M-19-21, *Transition to Electronic Records*;<sup>1</sup> 5) assess and evaluate the RRB's documented internal controls to determine if they meet Government Accountability Office (GAO) *Standards for Internal Controls in the Federal Government*;<sup>2</sup> 6) assess and evaluate the RRB's eight program process improvements reported in FY 2021 Federal Manager's Financial Integrity Act (FMFIA) report,<sup>3</sup> including timeliness and associated action plans; and 7) determine if the RRB has taken action to address the RRB Office of Inspector General (OIG) Report 17-08<sup>4</sup> recommendations, and if actions were taken, assess compliance with applicable laws, regulations, and guidance. If no actions were taken, determine if the RRB developed a corrective action plan, including timelines for completion.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

As a result of our audit, we found the following for each objective.

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<sup>1</sup> OMB M-19-21, *Transition to Electronic Records*, June 28, 2019.

<sup>2</sup> GAO Standards, GAO-14-704G, September 10, 2014.

<sup>3</sup> FY 2021 Federal Manager's Financial Integrity Act Report, March 2022.

<sup>4</sup> *Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives*, Railroad Retirement Board's Office of Inspector General (RRB OIG) Report No. 17-08, September 28, 2017.

Objective	RMA Assessment
<p>1. Determine if the RRB’s records and information management program ensured that agency records were maintained and preserved per federal statutes and regulations.</p>	<p>RMA concluded that RRB’s Bureau of Information Services (BIS) generally designed the RRB’s Records Disposition Schedule<sup>5</sup> to comply with the NARA Records Schedule.<sup>6</sup> RMA determined that BIS did not fully ensure that RRB’s records were maintained and preserved per federal statutes and regulations in its records and information management program.</p> <p>The RRB OIG performed an audit in 2017 titled <i>Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives</i> (Report Number 17-08).<sup>7</sup> In this report, the OIG recommended that BIS “implement policies and procedures for the management and preservation of records created or received using electronic messaging systems” and recommended that BIS “review and update Administrative Circular Information Resources Management (IRM)-4,<sup>8</sup> which represents RRB’s primary policy and procedure for records management and had not been updated since November 2007.” BIS concurred with these prior recommendations.</p> <p>RMA determined that BIS had not taken corrective actions to address these recommendations as BIS neither established policies or procedures for the management of electronic messaging systems nor updated IRM-4.<sup>9</sup></p>

<sup>5</sup> RRB Records Disposition Handbook, October 18, 2022.

<sup>6</sup> NARA Records Schedule, October 19, 2021.

<sup>7</sup> *Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives*, RRB OIG Report No. 17-08, September 28, 2017.

<sup>8</sup> RRB Administrative Circular IRM-4, *Records Disposition*, November 16, 2007.

<sup>9</sup> Ibid.

Objective	RMA Assessment
<p>2. Determine if the RRB’s records and information management program provided the oversight to identify, classify, maintain, preserve, or destroy agency records throughout the record lifecycle.</p>	<p>RMA concluded that BIS did not establish adequate controls for the identification, classification, maintenance, preservation, or destruction of the RRB’s records throughout their lifecycle. Thus, BIS did not have adequate procedures in place to ensure compliance with providing the necessary oversight to achieve this requirement.</p> <p>In RRB OIG Report 17-08,<sup>10</sup> the OIG recommended that BIS “implement policies and procedures for the management and preservation of records created or received using electronic messaging systems.” BIS concurred with this prior recommendation.</p> <p>RMA determined that BIS had not taken corrective actions to address this recommendation as BIS did not establish any policies or procedures for the management of electronic messaging systems.</p>
<p>3. Determine if the RRB complied with OMB and NARA concerning government records and information management.</p>	<p>RMA determined that BIS did not comply with OMB and NARA regarding government records and information management. In reviewing BIS’ controls for NARA and OMB requirements, RMA determined that BIS did not have adequate procedures in place to ensure compliance with NARA 36 Code of Federal Regulations (CFR) Part 1236,<sup>11</sup> or OMB Circular A-130<sup>12</sup> requirements for records management.</p> <p>In RRB OIG Report 17-08,<sup>13</sup> OIG recommended that BIS “allocate sufficient resources to develop or complete the required updates of comprehensive records management policies and procedures that incorporate applicable OMB and NARA guidance” and recommended that BIS “develop and implement policies and procedures for metadata, enterprise rights management, and encryption considerations when transferring electronic records to NARA.” BIS concurred with these prior recommendations.</p> <p>RMA determined that BIS had not taken corrective actions to address these recommendations as BIS did not allocate sufficient resources to ensure its policies and procedures remained consistent with all NARA and OMB guidance.</p>

<sup>10</sup> *Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives*, RRB OIG Report No. 17-08, September 28, 2017.

<sup>11</sup> NARA 36 CFR Part 1236, *Electronic Records Management*, October 2, 2009.

<sup>12</sup> OMB Circular A-130, *Records Management*, July 2016.

<sup>13</sup> *Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives*, RRB OIG Report No. 17-08, September 28, 2017.

Objective	RMA Assessment
4. Obtain, review, and assess the agency’s plans and implementation of OMB M-19-21, <i>Transition to Electronic Records</i> . <sup>14</sup>	RMA reviewed OMB M-19-21 and determined it was superseded by OMB M-23-07 on December 23, 2022. Therefore, RMA reviewed BIS’ plans and actions in relation to transitioning to electronic records by June 30, 2024, <sup>15</sup> and determined that BIS was taking the proper steps and had the proper procedures in place to ensure compliance with providing the necessary oversight to achieve this requirement.
5. Assess and evaluate the RRB’s documented internal controls to determine if they meet GAO Standards for <i>Internal Controls in the Federal Government</i> . <sup>16</sup>	In reviewing BIS’ internal controls for the records and information management program, RMA determined that BIS did not develop adequate internal controls that met the principles outlined in the GAO Standards for <i>Internal Controls in the Federal Government</i> . <sup>17</sup> Through conducting interviews with RRB Bureau Heads and department staff members, RMA found that RRB’s BIS did not effectively implement the internal controls outlined in Administrative Circular IRM-4 <sup>18</sup> and the Records and Information Management Assessable Unit’s Chart of Controls. We determined that three out of the 20 internal controls from the Chart of Controls were not operating effectively.
6. Assess and evaluate the RRB’s eight program process improvements reported in the FY 2021 FMFIA <sup>19</sup> report, including timeliness and associated action plans.	RRB issued program process improvements for the BIS in the FMFIA report for FY 2021. <sup>20</sup> Program process improvement 7 required that BIS “update RRB Records Schedule Disposition Handbook.” Program process improvement 8 required that BIS “incorporate new NARA Digital Preservation Guidance <sup>21</sup> in RRB records management policy.”  These program process improvements were still open and had not been fully addressed by BIS due to understaffing and workload.

<sup>14</sup> OMB M-19-21, *Transition to Electronic Records*, June 28, 2019.

<sup>15</sup> OMB M-23-07, *Update to Transition to Electronic Records*, December 23, 2022.

<sup>16</sup> GAO Standards, GAO-14-704G, September 10, 2014.

<sup>17</sup> Ibid.

<sup>18</sup> RRB Administrative Circular IRM-4, *Records Disposition*, November 16, 2007.

<sup>19</sup> FY 2021 Federal Manager’s Financial Integrity Act Report, March 2022.

<sup>20</sup> Ibid.

<sup>21</sup> NARA Digital Preservation Guidance, *Electronic Records Management and Transfer Guidance and Digital Preservation*, <https://www.archives.gov/preservation/digital-preservation/guidance>, last reviewed on September 7, 2023.

Objective	RMA Assessment
<p>7. Determine if the RRB has taken action to address the RRB OIG Report 17-08<sup>22</sup> recommendations, and if actions were taken, assess compliance with applicable laws, regulations, and guidance. If no actions were taken, determine if the RRB developed a corrective action plan, including timelines for completion.</p>	<p>The RRB OIG issued 15 recommendations in RRB OIG Report 17-08<sup>23</sup> to RRB’s BIS regarding the records management program. During the scope of the audit, BIS successfully completed and implemented recommendations 14 and 15, and as such these recommendations were closed by RRB OIG. RMA determined that BIS also successfully completed and implemented recommendation 11, and thus recommends that the RRB submit a closure request to the OIG through the formal audit follow-up process.</p> <p>From FY 2018 through FY 2022, RMA determined that BIS had taken action to address, but had not fully implemented, the following recommendations from RRB OIG Report 17-08:<sup>24</sup></p> <ul style="list-style-type: none"> <li>• Recommendation 1;</li> <li>• Recommendation 2;</li> <li>• Recommendation 3;</li> <li>• Recommendation 4;</li> <li>• Recommendation 5;</li> <li>• Recommendation 7;</li> <li>• Recommendation 8;</li> <li>• Recommendation 9; and</li> <li>• Recommendation 10.</li> </ul> <p>RRB’s BIS had not developed corrective action plans, to include timelines for completion, for the following recommendations:</p> <ul style="list-style-type: none"> <li>• Recommendation 6;</li> <li>• Recommendation 12; and</li> <li>• Recommendation 13.</li> </ul> <p>During our fieldwork, but outside the scope of this audit, BIS worked with RRB OIG to close recommendations 1 and 8 on May 30 and June 13, 2023, respectively.</p>

<sup>22</sup> *Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives*, RRB OIG Report No. 17-08, September 28, 2017.

<sup>23</sup> Ibid.

<sup>24</sup> *Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives*, RRB OIG Report No. 17-08, September 28, 2017.



Information on our findings and recommendations is included in the accompanying report.

Respectfully,

*RMA Associates*

RMA Associates, LLC

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## Introduction

This report presents the results of RMA Associates, LLC's (RMA) performance audit of the Railroad Retirement Board's (RRB) records management and information program.

## Objectives, Scope, and Methodology

### Objectives

The objectives of this audit were to:

1. Determine if the RRB's records and information management program ensured that agency records were maintained and preserved per federal statutes and regulations.
2. Determine if the RRB's records and information management program provided the oversight to identify, classify, maintain, preserve, or destroy agency records throughout the record lifecycle.
3. Determine if the RRB complied with the Office of Management and Budget (OMB) and National Archives and Records Administration (NARA) concerning government records and information management.
4. Obtain, review, and assess the agency's plans and implementation of OMB M-19-21, *Transition to Electronic Records*.<sup>25</sup>
5. Assess and evaluate the RRB's documented internal controls to determine if they meet Government Accountability Office (GAO) *Standards for Internal Controls in the Federal Government*.<sup>26</sup>
6. Assess and evaluate the RRB's eight program process improvements reported in the fiscal year (FY) 2021 Federal Manager's Financial Integrity Act (FMFIA) report,<sup>27</sup> including timeliness and associated action plans.
7. Determine if the RRB has taken action to address the RRB Office of Inspector General (OIG) Report 17-08<sup>28</sup> recommendations, and if actions were taken, assess compliance with applicable laws, regulations, and guidance. If no actions were taken, determine if the RRB developed a corrective action plan, including timelines for completion.

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<sup>25</sup> OMB M-19-21, *Transition to Electronic Records*, June 28, 2019.

<sup>26</sup> GAO Standards, GAO-14-704G, September 10, 2014.

<sup>27</sup> FY 2021 Federal Manager's Financial Integrity Act Report, March 2022.

<sup>28</sup> *Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives*, RRB OIG Report No. 17-08, September 28, 2017.

## Scope

The scope of the audit for RRB's records management and information activities was from FYs 2018 through 2022.

## Methodology

To address and accomplish the audit objectives, we used the following evidence-gathering and evidence-analysis techniques:

- Performed audit procedures to address the audit objectives in accordance with Generally Accepted Government Auditing Standards (GAGAS);<sup>29</sup>
- Identified criteria from applicable laws, regulations, policies, and procedures, including GAGAS<sup>30</sup> and the GAO Green Book;<sup>31</sup>
- Reviewed the prior OIG audit findings (*Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives*);<sup>32</sup>
- Reviewed agency documentation to address the audit objectives;
- Tested RRB's compliance with key federal regulations;
- Identified, reviewed, and gained an understanding of applicable NARA resources available to federal agencies;
- Identified, reviewed, and gained an understanding of OMB memorandums and requirements related to the subject audit;
- Reviewed and gained an understanding of OMB M-19-21 *Transition to Electronic Records*;<sup>33</sup>
- Identified criteria from other guidance, as applicable and relevant to records and information management programs;
- Reviewed prior OIG and other agency reports relevant to records and information management;
- Interviewed applicable management, staff, and key personnel to determine records and information management program policies, processes, and practices;
- Reviewed and assessed RRB internal controls as related to RRB's records and information management program in conduct of current business;

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<sup>29</sup> Generally Accepted Government Auditing Standards, GAO-21-368G, July 17, 2018.

<sup>30</sup> Ibid.

<sup>31</sup> GAO Standards, GAO-14-704G, September 10, 2014.

<sup>32</sup> *Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives*, RRB OIG Report No. 17-08, September 28, 2017.

<sup>33</sup> OMB M-19-21, *Transition to Electronic Records*, June 28, 2019.

- Reviewed the Records and Information Management Assessable Unit’s Chart of Controls and IRM-4, and conducted interviews with RRB employees to determine the operating effectiveness of internal controls;
- Identified, reviewed, and gained an understanding of training requirements for those tasked with records and information management responsibilities;
- Reviewed and gained an understanding of RRB records and information management policies and procedures;
- Gained an understanding of the RRB’s communication with NARA’s Archivist in applying standards, procedures, and techniques designed to improve the management of records, promote the maintenance and security of records deemed appropriate for preservation, and facilitate the segregation and disposal of records of temporary value;
- Reviewed other agency documentation, as needed to address the audit objectives;
- Performed data reliability assessments as applicable and as required per GAO’s *Assessing Data Reliability*,<sup>34</sup> and
- Identified, reviewed, and gained an understanding of applicable sections of Title 44 – Public Printing and Documents, including sections 2101-2117, 2501-2507, 2901-2909, and 3101-3107.

The overall strategy and methodology of our audit considered the following criteria.

Time Period	Criteria
December 23, 2022	OMB Memorandum M-23-07 <sup>35</sup> directs federal agencies to transition recordkeeping to a fully electronic environment that complies with all records management laws and regulations by June 30, 2024.
July 2016	OMB Circular A-130, <sup>36</sup> <i>Managing Information as a Strategic Resource</i> , establishes the general policy for managing federal information resources including the management and preservation of federal government records.
September 15, 2015	NARA Bulletin 2015-04, <i>Metadata Guidance for the Transfer of Permanent Electronic Records</i> , <sup>37</sup> which provides the requirements and guidance for the transfer of permanent electronic records to NARA.
July 29, 2015	NARA Bulletin 2015-02, <i>Guidance on Managing Electronic Messages</i> , <sup>38</sup> provides guidance regarding managing and preserving agency records created or received using electronic messaging systems such as text messaging, chat/instant messaging, social media, and voice messaging.

<sup>34</sup> GAO, *Assessing Data Reliability*, GAO-20-283G (Washington, D.C.: December 2019).

<sup>35</sup> OMB M-23-07, *Update to Transition to Electronic Records*, December 23, 2022.

<sup>36</sup> OMB Circular A-130, *Managing Information as a Strategic Resource*, July 2016.

<sup>37</sup> NARA Bulletin 2015-04, *Metadata Guidance for the Transfer of Permanent Electronic Records*, September 15, 2015.

<sup>38</sup> NARA Bulletin 2015-02, *Guidance on Managing Electronic Messages*, July 29, 2015.

Time Period	Criteria
September 10, 2014	The GAO <i>Standards for Internal Control in the Federal Government</i> (Green Book) <sup>39</sup> sets the standards for an effective internal control system for federal agencies and provides the overall framework for an effective internal control system. The standards in the Green Book <sup>40</sup> are organized by five components of internal control.
October 2, 2009	CFR § 1222 <i>Creation and Maintenance of Federal Records</i> , Subpart B – Agency Recordkeeping Requirements, <sup>41</sup> lists the general recordkeeping requirements for the proper documentation of federal agency programs].
November 16, 2007	RRB’s Administrative Circular IRM-4 <sup>42</sup> lists the requirements for proper identification, retention, shipment, retrieval, and disposal of agency records.
April 30, 2007	NARA Bulletin 2007-02, <i>Guidance concerning the use of Enterprise Rights Management (ERM) and other encryption-related software on Federal records</i> , <sup>43</sup> provides guidance to federal agencies regarding the effect of ERM and other encryption-related software on records management.
July 15, 2016	OMB Circular A-123, <i>Management’s Responsibility for Enterprise Risk Management and Internal Control</i> , <sup>44</sup> provides updated internal control standards and requirements for federal agencies to improve the effectiveness of federal programs.
October 19, 1984	44 United States Code (U.S.C) Chapter 21, <i>National Archives and Records Administration</i> , <sup>45</sup> establishes that there shall be an independent establishment in the executive branch of the Government to be known as the National Archives and Records Administration.
September 29, 1982	OMB Circular A-50, <i>Audit Followup</i> , <sup>46</sup> establishes the policies and procedures for use by executive agencies in following up on audit reports issued by the Inspectors General, other executive branch audit organizations, GAO, and non-federal auditors.

<sup>39</sup> GAO Standards, GAO-14-704G, September 10, 2014.

<sup>40</sup> Ibid.

<sup>41</sup> 36 CFR § 1222 *Creation and Maintenance of Federal Records*, Subpart B, October 2, 2009.

<sup>42</sup> RRB Administrative Circular IRM-4, *Records Disposition*, November 16, 2007.

<sup>43</sup> NARA Bulletin 2007-02, *Guidance concerning the use of Enterprise Rights Management (ERM) and other encryption-related software on Federal records*, April 30, 2007.

<sup>44</sup> OMB Circular A-123, *Management’s Responsibility for Enterprise Risk Management and Internal Control*, July 15, 2016.

<sup>45</sup> 44 U.S. Code Chapter 21, *National Archives and Records Administration*, October 19, 1984.

<sup>46</sup> OMB Circular A-50, *Audit Followup*, September 29, 1982.

Time Period	Criteria
October 21, 1976	44 U.S.C. Chapter 31, <i>Records Management by Federal Agencies</i> , <sup>47</sup> specifies that the head of every federal agency shall make and preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the agency and designed to furnish the information necessary to protect the legal and financial rights of the Government and of persons directly affected by the agency’s activities.
October 20, 1968	44 U.S.C. Chapter 29, <i>Records Management by the Archivist of the United States</i> , <sup>48</sup> establishes that the purpose of the Archivist of the United States is to require the establishment of standards and procedures to assure efficient and effective records management. It details the duties and responsibilities of the Archivist of the United States for the improvement of records management practices.
October 2, 1968	44 U.S.C. Chapter 33, <i>Disposal of Records</i> , <sup>49</sup> details the regulations covering lists of records for disposal, procedures for the disposal of records authorized for disposal, and standards for reproduction of records.

We assessed the reliability of RRB’s records and information management data relevant to the audit by 1) reviewing existing information about the data and 2) interviewing agency officials knowledgeable about the data. RRB’s records and information management program did not use any data processing systems apart from Microsoft Azure Government Environment, Microsoft O365 Government Cloud Environment, and SharePoint, which were Federal Risk and Authorization Management Program (FedRAMP) compliant. We determined that the data was sufficiently reliable for the purposes of this report.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence provides a reasonable basis for our findings and conclusions based on our audit objectives.

We conducted our fieldwork at RMA headquarters in Arlington, Virginia from September 2022 through August 2023.

## Background

RRB is an independent agency in the Executive Branch of the Federal Government, created in the 1930s, that provides insurance benefit programs to railroad workers and their families under the

<sup>47</sup> 44 U.S.C. Chapter 31, *Records Management by Federal Agencies*, October 21, 1976.

<sup>48</sup> 44 U.S.C. Chapter 29, *Records Management by the Archivist of the United States*, October 20, 1968.

<sup>49</sup> 44 U.S.C. Chapter 33, *Disposal of Records*, October 2, 1968.

Railroad Retirement Act of 1974 (RRA)<sup>50</sup> and the Railroad Unemployment Insurance Act (RUIA).<sup>51</sup> During the 1930s, railroad workers young and old were faced with increasing uncertainty about their job security and pension plans. RRB served to administer benefits and income protection provided under the two acts, such as unemployment insurance and sickness insurance in case of death or disability.

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

BIS' Policy and Compliance Records Management Group has the overall responsibility for implementing RRB's records and information management program. The BIS Records Officer coordinates with the Office of Administration and other RRB officials to identify, retain, ship, retrieve, and dispose of agency records.

The RRB Records Officer is a staff member of the BIS Information Resources Management Center and is responsible for overseeing the agency's records management program. This includes preparing and maintaining the agency records schedule and obtaining approval for each agency records schedule. In addition, the Records Officer is responsible for acting as the agency liaison for records management-related matters and approves the transfer of records to the National Archives and the Federal Records Center (FRC).

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

The RRB Records Officer communicates with the NARA archivist regarding improving record management strategies and the development of record schedules. The NARA archivist provides authority for the transfer of permanent records and the disposal of records deemed appropriate for preservation. In addition, the NARA archivist gives RRB the authority to destroy records of temporary value.

## Results of Audit

While RMA identified issues within the records and information management program at RRB, certain processes within the program were compliant with federal regulations (see [Appendix 2: Crosswalks to Applicable Federal Regulations and Policies](#)). RMA determined that BIS was taking

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<sup>50</sup> RRA, October 16, 1974.

<sup>51</sup> RUIA, June 25, 1938.



the proper steps and had the proper procedures in place to ensure compliance with meeting the June 30, 2024, deadline of transitioning to electronic records. RMA determined that BIS did not fully ensure that agency records were maintained and preserved per federal statutes and regulations in its records and information management program. BIS did not:

1. Establish policies or procedures for the management of electronic messaging systems or update their administrative circular for records disposition, Information Resources Management (IRM) 4;<sup>52</sup>
2. Establish adequate controls for the identification, classification, maintenance, preservation, or disposal of agency records throughout their lifecycle, as BIS did not have procedures in place to provide the necessary oversight; and
3. Allocate sufficient resources to ensure its policies and procedures were compliant with NARA 36 CFR Part 1236<sup>53</sup> and OMB Circular A-130<sup>54</sup> requirements for records management.

In reviewing RRB's progress towards implementation of the eight recommendations from the FY 2021 FMFIA report,<sup>55</sup> RMA found that BIS successfully completed and implemented policies and procedures for recommendations 1 through 6, but not recommendations 7 and 8.

In examining RRB OIG Report 17-08,<sup>56</sup> RMA found that RRB's BIS had taken action to address, but not fully implemented recommendations 1, 2, 3, 4, 5, 7, 8, 9, and 10<sup>57</sup> due to understaffing and workload. Also, RMA found that no actions were taken, or any corrective action plans developed, to address recommendations 6, 12, and 13 due to understaffing and workload.

To evaluate the operating effectiveness of BIS' internal controls, RMA reviewed the Assessable Unit's Chart of Controls and interviewed different RRB Bureau Heads and staff members. RMA determined that internal control numbers 3-1, 3-6, and 5-2 out of the 20 internal controls from the Chart of Controls were not operating effectively as BIS failed to effectively implement all requirements listed in RRB's Administrative Circular IRM-4<sup>58</sup> due to understaffing and workload. Additionally, the RRB Bureau Heads failed to:

- Name a records liaison to coordinate all bureau/office records matters;
- Review their records schedules annually and update them when necessary;
- Ensure that their records were maintained in an orderly, efficient manner that would allow for the prompt disposition of those records; and

<sup>52</sup> RRB Administrative Circular IRM-4, *Records Disposition*, November 16, 2007.

<sup>53</sup> NARA 36 CFR Part 1236, *Electronic Records Management*, October 2, 2009.

<sup>54</sup> OMB Circular A-130, *Records Management*, July 2016.

<sup>55</sup> FY 2021 Federal Manager's Financial Integrity Act Report, March 2022.

<sup>56</sup> *Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives*, RRB OIG Report No. 17-08, September 28, 2017.

<sup>57</sup> Recommendations 1 and 8 from RRB OIG Report 17-08 were closed by OIG after the scope of this audit.

<sup>58</sup> RRB Administrative Circular IRM-4, *Records Disposition*, November 16, 2007.

- Certify triennially:
  - i. that their records schedules were up-to-date and include all electronic records systems/master files (including all related data source names (DSN)) for which their organization had primary responsibility/ownership;
  - ii. that all eligible bureau/office records had either been disposed of or transferred to the FRC in accordance with the approved schedule; and
  - iii. that only the minimum amount of records required for efficient operations was stored on site.

During interviews with RRB staff, RMA found that one out of the six staff members interviewed were unaware of their records disposition schedule or RRB's guidance on managing federal records. The same individual did not know how to identify when unauthorized destruction of federal records occurred or how to reach their Records Officer with questions. Lastly, three out of the six staff members did not know their Records Liaison. Though issues were identified, RMA determined that the annual records management training sufficiently covered roles and responsibilities as most responses to the interview questions were affirmed. Please see **Failure to Implement Internal Controls in Administrative Circular IRM-** for additional details.

RMA's findings regarding RRB's records and information management program were:

- Failure to Implement RRB OIG Report 17-08 Recommendations;<sup>59</sup>
- Failure to Implement FY 2021 FMFIA Report Program Process Improvements;<sup>60</sup>
- Incomplete and Outdated Policies and Procedures Continue to Exist;
- Noncompliance with OMB and NARA Concerning Government Records and Information Management Continues to Exist; and
- Failure to Implement Internal Controls in Administrative Circular IRM-4.<sup>61</sup>

We provide additional details on these five findings in the following sections and recommendations to assist RRB in remediating them. RRB management's full response to the report is in **Appendix 1**.

### **Failure to Implement RRB OIG Report 17-08 Recommendations**

The RRB OIG performed an audit of records management, retention, and storage at RRB in 2017 and issued the report, *Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives* (Report Number 17-08).<sup>62</sup> During this audit, the OIG discussed weaknesses in the RRB's records management program, the viability of the program in

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<sup>59</sup> *Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives*, RRB OIG Report No. 17-08, September 28, 2017.

<sup>60</sup> FY 2021 Federal Manager's Financial Integrity Act Report, March 2022.

<sup>61</sup> RRB Administrative Circular IRM-4, *Records Disposition*, November 16, 2007.

<sup>62</sup> *Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives*, RRB OIG Report No. 17-08, September 28, 2017.

ensuring that records were properly preserved and maintained, and RRB's compliance with OMB and NARA guidance concerning government records. BIS agreed with all 15 issued recommendations. BIS successfully completed and implemented recommendations 14 and 15, and as such, these recommendations were closed by RRB OIG. RMA determined that BIS also successfully completed and implemented recommendation 11, and thus recommended that RRB request closure of this recommendation through the formally established audit follow-up process.

As of April 2023, RMA determined that RRB's BIS took action to address, but had not fully implemented, the following recommendations from RRB OIG Report 17-08.<sup>63</sup>

- Recommendation 1 – Allocate sufficient resources to develop or complete the required updates of comprehensive records management policies and procedures that incorporate applicable Office of Management and Budget (OMB) and National Archives and Records Administration (NARA) guidance.
- Recommendation 2 – Develop and implement policies and procedures requiring records management training for new and existing employees and contractors, as well as employees with specialized record and management roles and responsibilities. Ensure training for existing employees and contractors is administered annually.
- Recommendation 3 – Develop and implement records management policies and procedures required for separating employees, including the detailed roles and responsibilities of the separating employee and other RRB officials. Work with the Office of Administration in implementing the policies and procedures agencywide.
- Recommendation 4 – Update existing policies and procedures to include explicit notification of criminal penalties that may be charged to employees for unlawful removal or destruction of agency records.
- Recommendation 5 – Develop and implement policies and procedures for managing and preserving records created or received using electronic messaging systems.
- Recommendation 7 – Develop supplemental records management training materials that are specific to RRB's vision, including RRB specific requirements and initiatives, and ensure the RRB records management training curriculum includes this additional content.
- Recommendation 8 – Work with the Office of Administration to ensure that all newly hired contractors are required to complete the full records management training course within 30 days of their hire date.
- Recommendation 9 – Develop and implement role-based training for senior officials (as defined by NARA) to ensure full understanding of their responsibilities under the RRB's records management program. This training should also include content on actions to be taken when the senior official separates from RRB employment.

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<sup>63</sup> Ibid.

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

RRB’s BIS did not develop corrective action plans, to include timelines for completion, for the following recommendations from RRB OIG Report 17-08:<sup>64</sup>

- Recommendation 6 – Develop and implement policies and procedures for metadata, enterprise rights management, and encryption considerations when transferring electronic records to NARA.
- Recommendation 12 – Ensure a comprehensive inventory of nonelectronic records, including paper and other forms of media, is performed and used to prepare or update RRB records disposition schedules. Resulting records schedules should be approved by NARA in accordance with OMB Circular A-130.<sup>65</sup>
- Recommendation 13 – Perform a comprehensive review and update of Administrative Circular IRM-4 to ensure the roles and responsibilities of agency employees involved in records management are complete and include accurate timeframes for performing their respective duties.

OMB Circular A-50,<sup>66</sup> page 2, requires, “Each agency shall establish systems to assure the prompt and proper resolution and implementation of audit recommendations. These systems shall provide for a complete record of action taken on both monetary and non-monetary findings and recommendations.”

In addition, OMB Circular A-123,<sup>67</sup> Management’s Responsibility for Enterprise Risk Management and Internal Control, Section V. Correcting Internal Control Deficiencies, requires:

#### Corrective Action Plan Requirements

Management must maintain more thoroughly detailed corrective action plans internally, which must be made available for OMB and audit review. Management’s process for resolution and corrective action of identified internal control deficiencies must:

- Communicate corrective actions to the appropriate level of the Agency and delegate authority for completing corrective actions to appropriate personnel.

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<sup>64</sup> *Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives*, RRB OIG Report No. 17-08, September 28, 2017.

<sup>65</sup> OMB Circular A-130, *Records Management*, July 2016.

<sup>66</sup> OMB Circular A-50, *Audit Followup*, September 29, 1982.

<sup>67</sup> OMB Circular A-123, *Management’s Responsibility for Enterprise Risk Management and Internal Control*, July 15, 2016.

- Determine the resources required to correct a control deficiency. The corrective action plan must indicate the types of resources needed (e.g., additional personnel, contract support, training, etc.), including non-financial resources, such as Senior Leadership support for correcting the control deficiency.
- Include critical path milestones that affect the overall schedule and performance of the corrective actions needed to resolve the control deficiency. Critical path milestones must lead to a date certain of the correction of the control deficiency.
- Require prompt resolution and internal control testing to validate the correction of the control deficiency.
- Ensure that accurate records of the status of the identified control deficiency are maintained and updated throughout the entire process.
- Ensure that the corrective action plans are consistent with laws, regulations, and Agency policy.
- Ensure that performance appraisals of appropriate officials reflect effectiveness in resolving or implementing corrective action for identified material weaknesses.
- Fully disclose uncorrected internal control weaknesses and highlight those that are material.

#### Audit Follow-up and Cooperative Audit Resolution and Oversight Initiatives

“Management has a responsibility to complete action, in a timely manner, on audit recommendations on which agreement with the OIG has been reached. Management must make a decision regarding OIG audit recommendations within a six-month period after issuance of the audit report and implement management's decision within one year to the extent practicable.”

According to the Green Book Principle 17 – Evaluate Issues and Remediate Deficiencies, Corrective Actions,<sup>68</sup> “17.06 Management completes and documents corrective actions to remediate internal control deficiencies on a timely basis. These corrective actions include resolution of audit findings.”

According to BIS Policy and Compliance Records Management Group, the records management staff did not implement these recommendations due to understaffing and workload. In FY 2022, the records and information management program was supported by four full-time employees (FTEs), and each FTE worked exclusively on a certain aspect of records management (i.e., forms, Paperwork Reduction Act, records management). As of April 2023, the records and information management program hired a records and information management specialist, increasing the size of their program to five FTEs.

Additionally, records management staff stated they did not request additional funding for the records and information management program since BIS did not have a separate line item for the program in the FY 2022 Budget Request as the budget request was not broken down below the bureau/office level. Records management staff indicated that they do not anticipate hiring additional FTEs as they

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<sup>68</sup> GAO Standards, GAO-14-704G, Principle 17, September 10, 2014.

believed the program was now adequately supported to ensure that the required policies and procedures pertaining to records management were updated timely.

During the course of this audit, BIS provided us with its plan to close the remaining OIG audit recommendations on August 1, 2023. In addition, OIG closed recommendation 1 on May 30, 2023, and recommendation 8 on June 13, 2023. **Appendix 3** outlines the actions that BIS plans to take to address the remaining open OIG recommendations.

BIS was unable to demonstrate that they were fully compliant with all OMB and NARA records management requirements or ensure that agency records were appropriately maintained and preserved in accordance with the relevant federal regulations. BIS' failure to address the recommendations from RRB OIG Report 17-08<sup>69</sup> more than five years later, which is four years more than the required implementation of management's decision regarding OIG audit recommendations per OMB Circular A-123, led to delays in implementing comprehensive policies and procedures, prevented full compliance with federal records management requirements, and increased the risk of RRB records being unlawfully or accidentally removed, defaced, altered, or destroyed. Additionally, incomplete and outdated policies and procedures may contribute to an inefficient and untimely reduction in the number of records, increasing data storage costs. Lastly, without updated policies and procedures in place, the continuity of operations for BIS' Policy and Compliance Records Management Group was at high risk for failure.

## Recommendations

RMA recommends that the Railroad Retirement Board's Bureau of Information Services:

1. Fully implement the corrective actions developed in response to Railroad Retirement Board's Office of Inspector General Report Number 17-08 recommendations 2, 3, 4, 5, 7, 9, and 10 by the completion timeline.
2. Develop corrective action plans, to include timelines for completion, for Railroad Retirement Board's Office of Inspector General Report Number 17-08 recommendations 6, 12, and 13.
3. Establish a process to maintain detailed corrective action plans for all records and information management internal control deficiencies.

## Management's Comments

RRB's Bureau of Information Services concurred with recommendations 1 and 2 and provided the corresponding corrective action plans and estimated completion dates for each of the remaining open recommendations from the prior OIG report. RRB's Bureau of Information Services also concurred with recommendation 3 and provided an estimated completion date of January 2024.

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<sup>69</sup> *Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives*, RRB OIG Report No. 17-08, September 28, 2017.

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## RMA's Evaluation of Management's Comments

RMA appreciates the concurrence with recommendations 1, 2, and 3 and management's participation in addressing the recommendations by the estimated completion dates.

### **Failure to Implement FY 2021 FMFIA Report Program Process Improvements**

RRB's BIS did not implement two of eight program process improvements identified in the RRB's FY 2021 FMFIA report.<sup>70</sup>

In reviewing the status of implementation of the records and information management improvements in the RRB's FY 2021 FMFIA Report,<sup>71</sup> RMA determined that BIS was unable to close program process improvements 7 and 8:

- Program Process Improvement 7: Update RRB Records Schedule Disposition Handbook;<sup>72</sup> and
- Program Process Improvement 8: Incorporate new NARA Digital Preservation Guidance<sup>73</sup> in RRB Records Management Policy in FY 2021.

OMB Circular A-123<sup>74</sup> requires federal agencies to submit an FMFIA report annually. The report contains the federal agency's review of its internal control systems. In addition, RRB is required to incorporate new NARA Digital Preservation Guidance<sup>75</sup> in the records management policies and procedures by June 30, 2024, according to OMB M-23-07.<sup>76</sup>

Principle 17.01 of the Green Book<sup>77</sup> requires that "Management should remediate identified internal control deficiencies on a timely basis." Thus, RRB management has a responsibility to create corrective action plans and address program process improvements in a timely manner.

According to BIS Policy and Compliance Records Management Group, the records management staff had only made incremental updates to the Records Schedule Disposition Handbook<sup>78</sup> and had not been able to complete a comprehensive update because of understaffing and workload. Records management staff had also not incorporated all new NARA digitization guidance into their policies and procedures due to understaffing and workload. In FY 2022, the records and information

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<sup>70</sup> FY 2021 Federal Manager's Financial Integrity Act Report, March 2022.

<sup>71</sup> Ibid.

<sup>72</sup> RRB Records Disposition Handbook, October 18, 2022.

<sup>73</sup> NARA Digital Preservation Guidance, *Electronic Records Management and Transfer Guidance and Digital Preservation*, <https://www.archives.gov/preservation/digital-preservation/guidance>, last reviewed on September 7, 2023.

<sup>74</sup> OMB Circular A-123, *Management's Responsibility for Enterprise Risk Management and Internal Control*, July 15, 2016.

<sup>75</sup> NARA Digital Preservation Guidance, *Electronic Records Management and Transfer Guidance and Digital Preservation*, <https://www.archives.gov/preservation/digital-preservation/guidance>, last reviewed on September 7, 2023.

<sup>76</sup> OMB M-23-07, *Update to Transition to Electronic Records*, December 23, 2022.

<sup>77</sup> GAO Standards, GAO-14-704G, Principle 17, September 10, 2014.

<sup>78</sup> RRB Records Disposition Handbook, October 18, 2022.

management program was supported by four FTEs, and each FTE worked exclusively on a certain aspect of records management (i.e., forms, Paperwork Reduction Act, records management). As of April 2023, the records and information management program hired a Records and Information Management Specialist, increasing the size of their program to five FTEs. Additionally, records management staff stated they did not request additional funding for the records and information management program since BIS did not have a separate line item for the program in the FY 2022 Budget Request, as the budget request was not broken down below the bureau/office level.

During the course of this audit, BIS provided us with its plan to implement FMFIA report program process improvements on August 1, 2023. **Appendix 3** outlines the actions that BIS plans to take to address the remaining open OIG recommendations.

BIS was unable to demonstrate that they implemented all FY 2021 FMFIA Report<sup>79</sup> program process improvements or ensure that agency records were appropriately maintained and preserved in accordance with relevant federal regulations. Failure to address the program process improvements from the FY 2021 FMFIA Report<sup>80</sup> prevented full compliance with the various statutes, regulations, and requirements regarding the collection, use, and disposition of information. Additionally, incomplete and outdated policies and procedures may contribute to an inefficient and untimely reduction in records, resulting in increased data storage costs. This exposed RRB to unnecessary risks that records may be improperly maintained, and unlawfully or accidentally removed, defaced, altered, or destroyed.

## Recommendation

4. RMA recommends that the Railroad Retirement Board's Bureau of Information Services develop action plans, with timelines for estimated completion, for the following fiscal year 2021 Federal Manager's Financial Integrity Act Report program process improvements:
  - Program Process Improvement 7: Complete a comprehensive update of the Railroad Retirement Board's Records Schedule Disposition Handbook; and
  - Program Process Improvement 8: Incorporate all new National Archives and Records Administration Digital Preservation Guidance into Railroad Retirement Board's Records Management policies and procedures by June 30, 2024.

## Management's Comments

RRB's Bureau of Information Services concurred with recommendation 4 and provided estimated completion dates for program process improvements 7 and 8 of June 30, 2024, and December 31, 2023, respectively.

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<sup>79</sup> FY 2021 Federal Manager's Financial Integrity Act Report, March 2022.

<sup>80</sup> Ibid.



## RMA's Evaluation of Management's Comments

RMA appreciates the concurrence with recommendation 4 and management's participation in addressing the recommendation by the estimated completion dates.

### **Incomplete and Outdated Policies and Procedures Continue to Exist**

RRB did not have policies and procedures for the maintenance and preservation of agency records created or received using electronic messaging systems in accordance with federal statutes and regulations. Furthermore, Administrative Circular IRM-4,<sup>81</sup> which is RRB's primary policy and procedure for records management and for providing oversight to identify, classify, maintain, preserve, or destroy agency records throughout the record lifecycle, is outdated.

These issues were first identified in RRB OIG Report 17-08<sup>82</sup> and continued to exist during the scope of the current audit. Therefore, the conditions remain.

In addition to Green Book Principle 17.06,<sup>83</sup> CFR § 1222 *Creation and Maintenance of Federal Records*,<sup>84</sup> Subpart B – Agency Recordkeeping Requirements, lists the general recordkeeping requirements for the proper documentation of federal agency programs. Further, OMB Circular A-130,<sup>85</sup> page 19, lists requirements for the proper maintenance, management, classification, preservation, and disposition of federal government records throughout their life cycle.

NARA Bulletin 2015-02, *Guidance on Managing Electronic Messages*,<sup>86</sup> provides guidance regarding managing and preserving agency records created or received using electronic messaging systems such as text messaging, chat/instant messaging, social media, and voice messaging.

According to BIS Policy and Compliance Records Management Group, the records management staff had not developed nor updated records management policies and procedures due to understaffing and workload. In FY 2022, the records and information management program was supported by four FTEs, and each FTE worked exclusively on a certain aspect of records management (i.e., forms, Paperwork Reduction Act, records management). As of April 2023, the records and information management program hired a Records and Information Management Specialist, increasing the size of their program to five FTEs. Additionally, records management staff stated they did not request additional funding for the records and information management program since BIS did not have a separate line item for the program in the FY 2022 Budget Request, as the budget request was not broken down below the bureau/office level.

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<sup>81</sup> RRB Administrative Circular IRM-4, *Records Disposition*, November 16, 2007.

<sup>82</sup> *Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives*, RRB OIG Report No. 17-08, September 28, 2017.

<sup>83</sup> GAO Standards, GAO-14-704G, Principle 17, September 10, 2014.

<sup>84</sup> 36 CFR § 1222 *Creation and Maintenance of Federal Records*, Subpart B, October 2, 2009.

<sup>85</sup> OMB Circular A-130, *Managing Information as a Strategic Resource*, July 2016.

<sup>86</sup> NARA Bulletin 2015-02, *Guidance on Managing Electronic Messages*, July 29, 2015.

As of August 2023, BIS was unable to demonstrate that they were fully compliant with all OMB and NARA records management requirements or ensure that agency records were appropriately maintained and preserved in accordance with the relevant federal regulations. Incomplete and outdated policies and procedures led to delays in implementing comprehensive policies and procedures, prevented full compliance with federal records management requirements, and increased the risk of RRB records being unlawfully or accidentally removed, defaced, altered, or destroyed. Additionally, incomplete and outdated policies and procedures may contribute to an inefficient and untimely reduction in the number of records, increasing data storage costs. Lastly, without updated policies and procedures in place, the continuity of operations for BIS' Policy and Compliance Records Management Group was at high risk for failure.

In RRB OIG Report No. 17-08,<sup>87</sup> recommendation 5, RRB OIG recommended BIS to develop and implement policies and procedures for managing and preserving records created or received using electronic messaging systems. In recommendation 13, RRB OIG recommended BIS to perform a comprehensive review and update of Administrative Circular IRM-4.<sup>88</sup>

Because RRB has not taken corrective actions for these recommendations and the same recommendations are applicable for this finding, RMA is not making any new recommendations.

#### Management's Comments

RRB's Bureau of Information Services did not concur with this finding with the following statement:

*"The RRB non-concurs as it is already an open OIG finding. RMA states as such in their recommendation: "Since Recommendations 5 and 13 from RRB OIG Report 17-08 are still open and have not yet been fully addressed, RMA is not making any new recommendations."*

#### RMA's Evaluation of Management's Comments

RMA assessed RRB's compliance with federal statutes and regulations pertaining to records management. RMA found that although these issues were first identified in RRB OIG Report 17-08,<sup>89</sup> these issues continued to exist during the scope of this audit. As such, we did not modify the audit report.

### **Noncompliance with OMB and NARA Concerning Government Records and Information Management Continues to Exist**

RRB was not fully compliant with OMB and NARA concerning government records and information management. Specifically, RRB's records management policies and procedures did not

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<sup>87</sup> *Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives*, RRB OIG Report No. 17-08, September 28, 2017.

<sup>88</sup> RRB Administrative Circular IRM-4, *Records Disposition*, November 16, 2007.

<sup>89</sup> *Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives*, RRB OIG Report No. 17-08, September 28, 2017.

incorporate applicable OMB and NARA guidance, such as NARA 36 CFR Part 1236,<sup>90</sup> OMB and NARA Memorandum 19-21,<sup>91</sup> and OMB Circular A-130,<sup>92</sup> and RRB did not have policies and procedures for metadata, enterprise rights management, and encryption considerations when transferring electronic records to NARA.

These issues were first identified in RRB OIG Report 17-08<sup>93</sup> and continued to exist during the scope of the current audit. Therefore, the conditions remain.

In addition to Green Book Principle 17.06,<sup>94</sup> NARA Bulletin 2015-04, *Metadata Guidance for the Transfer of Permanent Electronic Records*, provides “the minimum set of metadata elements that must accompany transfers of permanent electronic records to the National Archives.” Further, NARA Bulletin 2007-02, *Guidance concerning the use of Enterprise Rights Management (ERM) and other encryption-related software on Federal records*, provides “guidance to federal agencies on records management implications of their use of enterprise rights management (ERM) and other software employing encryption technologies.”

According to BIS Policy and Compliance Records Management Group, the records management staff had not fully complied with OMB and NARA guidance due to understaffing and workload. In FY 2022, the records and information management program was supported by four FTEs, and each FTE worked exclusively on a certain aspect of records management (i.e., forms, Paperwork Reduction Act, records management). As of April 2023, the records and information management program hired a Records and Information Management Specialist, increasing the size of their program to five FTEs. Additionally, records management staff stated they did not request additional funding for the records and information management program since BIS did not have a separate line item for the program in the FY 2022 Budget Request, as the budget request was not broken down below the bureau/office level.

The RRB was neither able to demonstrate that they were fully compliant with all OMB and NARA records management requirements nor ensure that agency records were appropriately maintained and preserved in accordance with the relevant federal regulations. Noncompliance with OMB and NARA guidance led to delays in implementing comprehensive policies and procedures, prevented full compliance with federal records management requirements, and increased the risk of RRB records being unlawfully or accidentally removed, defaced, altered, or destroyed. Additionally, noncompliance with OMB and NARA guidance may contribute to an inefficient and untimely reduction in the number of records, increasing data storage costs. Lastly, without fully complying with OMB and NARA guidance, the continuity of operations for BIS’ Policy and Compliance Records Management Group was at high risk for failure.

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<sup>90</sup> NARA 36 CFR Part 1236, *Electronic Records Management*, October 2, 2009.

<sup>91</sup> OMB M-19-21, *Transition to Electronic Records*, June 28, 2019.

<sup>92</sup> OMB Circular A-130, *Records Management*, July 2016.

<sup>93</sup> *Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives*, RRB OIG Report No. 17-08, September 28, 2017.

<sup>94</sup> GAO Standards, GAO-14-704G, Principle 17, September 10, 2014.

In RRB OIG Report No. 17-08,<sup>95</sup> recommendation 1, RRB OIG recommended BIS to allocate sufficient resources to develop or complete the required updates of comprehensive records management policies and procedures that incorporate applicable OMB and NARA guidance. In recommendation 6, RRB OIG recommended BIS to develop and implement policies and procedures for metadata, enterprise rights management, and encryption considerations when transferring electronic records to NARA.

Because RRB has not taken corrective actions for these recommendations and the same recommendations are applicable to this finding, RMA is not making any new recommendations.

### Management's Comments

RRB's Bureau of Information Services did not concur with this finding with the following statement:

*"The RRB non-concurs as it is already an open OIG finding. RMA states as such in their recommendation: "Since Recommendations 1 and 6 from RRB OIG Report 17-08 is still open and have not yet been fully addressed, RMA is not making any new recommendations."*

### RMA's Evaluation of Management's Comments

RMA assessed RRB's compliance with OMB and NARA guidance for proper maintenance and preservation of federal records. RMA found that although these issues were first identified in RRB OIG Report 17-08,<sup>96</sup> these issues continued to exist during the scope of this audit. As such, we did not modify the audit report.

### **Failure to Implement Internal Controls in Administrative Circular IRM-4**

The RRB's Administrative Circular IRM-4<sup>97</sup> lists the requirements for proper identification, retention, shipment, retrieval, and disposal of agency records. In assessing the effectiveness of BIS' internal controls, RMA determined that the RRB management had taken action to address, but had not effectively implemented, the internal controls in Administrative Circular IRM-4.<sup>98</sup>

To evaluate the operating effectiveness of BIS' internal controls, RMA reviewed the Assessable Unit's Chart of Controls and interviewed different RRB Bureau Heads and staff members. RMA determined that three out of the 20<sup>99</sup> internal controls from the Chart of Controls were not operating

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<sup>95</sup> *Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives*, RRB OIG Report No. 17-08, September 28, 2017.

<sup>96</sup> *Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives*, RRB OIG Report No. 17-08, September 28, 2017.

<sup>97</sup> RRB Administrative Circular IRM-4, *Records Disposition*, November 16, 2007.

<sup>98</sup> *Ibid.*

<sup>99</sup> Internal control numbers 3-1, 3-6, and 5-2 out of the 20 Records Management Chart of Controls.

effectively as BIS failed to effectively implement all requirements listed in RRB's Administrative Circular IRM-4<sup>100</sup> due to understaffing and workload.

RMA found that RRB's Bureau of Field Service (BFS) failed to:

- Name a records liaison to coordinate all bureau/office records matters.

In addition, RRB's Bureau of Fiscal Operations (BFO) failed to:

- Review their records schedules annually and update them when necessary; and
- Ensure that their records were maintained in an orderly, efficient manner that would allow for the prompt disposition of those records.

Lastly, RRB's Office of General Counsel (OGC), BFS, and BFO failed to certify triennially:

- That their records schedules were up-to-date and included all electronic records systems/master files (including all related DSNs) for which their organization had primary responsibility/ownership;
- That all eligible bureau/office records had either been disposed of or transferred to the FRC in accordance with the approved schedule; and
- That only the minimum amount of records required for efficient operations were stored on site.

RRB's Administrative Circular IRM-4<sup>101</sup> listed the following requirements:

- Bureau/office heads will:
  - Name a records liaison to coordinate all bureau/office records matters;
  - Review their records schedules annually and updated them when necessary;
  - Ensure that their records are maintained in an orderly, efficient manner that will allow for the prompt disposition of those records; and
  - Certify triennially:
    - that their records schedules are up-to-date and include all electronic records systems/master files (including all related DSNs) for which their organization has primary responsibility/ownership,
    - that all eligible bureau/office records have either been disposed of or transferred to the FRC in accordance with the approved schedule, and

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<sup>100</sup> RRB Administrative Circular IRM-4, *Records Disposition*, November 16, 2007.

<sup>101</sup> *Ibid.*

- that only the minimum amount of records required for efficient operations is stored on site.

According to the BIS Policy and Compliance Records Management Group, the records management staff did not effectively monitor the implementation of requirements outlined in Administrative Circular IRM-4<sup>102</sup> due to understaffing and workload. In FY 2022, the records and information management program was supported by four FTEs, and each FTE worked exclusively on a certain aspect of records management (i.e., forms, Paperwork Reduction Act, records management). As of April 2023, the records and information management program hired a Records and Information Management Specialist, increasing the size of their program to five FTEs.

Additionally, records management staff stated they did not request additional funding for the records and information management program since BIS did not have a separate line item in the FY 2022 Budget Request, as the budget request was not broken down below the bureau/office level.

In addition, one Bureau Head stated they were not fully aware of their records management responsibilities outlined in Administrative Circular IRM-4.

**Other matters that arose during the interviews:** RMA interviewed six department staff members from RRB's BFS and Office of Administration. During interviews with RRB staff, RMA found that one out of the six staff members interviewed were unaware of their records disposition schedule or RRB's guidance on managing federal records. This same staff member did not know how to identify when unauthorized destruction of federal records occurred or how to reach their Records Officer with questions. Lastly, three out of the six staff members did not know their Records Liaison. Though issues were identified, RMA determined that the annual records management training sufficiently covered these concepts as five out of the six staff interviewed were aware of their records management responsibilities.

Without effective implementation of internal controls or the ability to demonstrate compliance with internal policies and procedures, RRB's bureaus and offices were at risk of not being fully compliant with OMB and NARA requirements and increased the risk of RRB records being unlawfully or accidentally removed, defaced, altered, or destroyed. Additionally, ineffective internal controls may contribute to an inefficient and untimely reduction in the number of records, increasing data storage costs.

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<sup>102</sup> Ibid.

## Recommendations

RMA recommends that the Railroad Retirement Board's Bureau of Information Services:

5. Create a corrective action plan to ensure requirements identified in Administrative Circular Information Resources Management 4 have been implemented.
6. Update Administrative Circular Information Resources Management 4 to include procedures that the Bureau of Information Services staff must implement in the absence of a records liaison.
7. Develop a checklist to enable Bureau Heads to be made fully aware of their responsibilities and verify that their bureau or office complies with each requirement in Administrative Circular Information Resources Management 4.

## Management's Comments

RRB's Bureau of Information Services concurred with recommendations 5, 6, and 7 and provided their plan to update IRM-4<sup>103</sup> and appoint Record Liaisons for each bureau or office. RRB's Bureau of Information Services also provided an estimated completion date of January 31, 2024 for recommendation 5 and an estimated completion date of December 31, 2023 for recommendations 6 and 7.

## RMA's Evaluation of Management's Comments

RMA appreciates the concurrence with recommendations 5, 6, and 7 and management's participation to address the recommendations by the estimated completion dates.

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<sup>103</sup> RRB Administrative Circular IRM-4, *Records Disposition*, November 16, 2007.

## Appendix 1: Management's Comments



UNITED STATES GOVERNMENT  
MEMORANDUM

FORM G-115f (01-92)  
RAILROAD RETIREMENT BOARD  
CHICAGO, IL

September 26, 2023

**TO :** Shanon E. Holman  
Deputy Assistant Inspector General for Audit

**FROM :** Terryne F. Murphy  
Chief Information Officer

**SUBJECT :** Response to the Office of Inspector General's Draft Report of the Audit of the Railroad Retirement Board's Records and Information Management Program

TERRYNE MURPHY

Digitally signed by TERRYNE MURPHY  
Date: 2023.09.26 15:46:44 -04'00'

The following is management's response to your findings and recommendations:

**Finding #1: Failure to Implement RRB OIG Report 17-08 Recommendations**

The RRB concurs with RMA's recommendation to the Bureau of Information Services as it details recommendations in RRB OIG Report 17-08 as follows:

**Recommendation No. 1:** "Fully implement the corrective actions developed in response to Railroad Retirement Board's Office of Inspector General Report Number 17-08 recommendations 2, 3, 4, 5, 7, 9, and 10 by the completion timeline."

**Management Response No. 1:** Our plan is to close the following open audit recommendations:

- **Recommendation 2:** We worked with the Office of Administration Human Resources Training and Development to develop and implement mandatory and annual records management training to new and existing employees and contractors on RRB University.

We plan to develop specialized role-based record management training, as needed, for new and existing RRB employees and update records management policies and procedures to reflect requirement for training for existing employees and contractors with estimated completion date is December 31, 2023.

Afterwards, we will work with the Office of Administration Human Resources Training and Development to implement the role-base records management training on RRB University with estimated completion date is March 2024.

- **Recommendation 3:** Worked with the Office of Administration to update HR-25, Employee Clearance Record to add "Part IV. Action of Records Management" to brief departing staff on records management responsibilities. We plan to update policies and procedures to develop guidance for roles and responsibilities to include guidance for separating employees and submit to the Board for approval by December 31, 2023.

Upon approval, we will work with Human Resources to implement the HR-25 policies and procedures agency-wide with an estimated completion date is January 31, 2024.

- **Recommendation 4:** We plan to update policies and procedures to include explicit



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notification of criminal penalties that may be charged to employees for unlawful removal or destruction of RRB records and submit to the Board for approval by December 31, 2023.

Upon approval, our estimated completion date is January 2024.

- **Recommendation 5:** We plan to update policies and procedures on managing and preserving records created or received using electronic messaging systems, including personal electronic messaging systems accounts and submit to the Board for approval by December 31, 2023.

Upon approval, our estimated completion date is January 2024.

- **Recommendation 7:** We plan to review existing records management training to ensure it contains information specific to the RRB's vision, requirements and initiatives and develop supplemental materials that support updated policies and procedures by December 31, 2023.

Afterwards, we will work with the Office of Administration Human Resources Training and Development to implement the records management training on RRB University with a target date of completion in March 2024. When finalized, our target date to submit a request to the OIG to close the recommendation is March 2024.

- **Recommendation 9:** We plan to develop role-based record management training for RRB senior officials to ensure they fully understand their responsibilities to include when they separate from the RRB that is in updated policies and procedures by December 31, 2023.

Afterwards, we will work with the Office of Administration Human Resources Training and Development to implement the role-base records management training on RRB University or pursue an alternate dissemination/tracking method with a target date of completion in March 2024. When finalized, our target date to submit a request to the OIG to close the recommendation is March 2024.

- **Recommendation 10:** We plan to develop role-based record management training to records liaisons or bureau offices designated representatives on their responsibilities under the Capstone program for managing RRB email records that is in updated policies and procedures by December 31, 2023.

Afterwards, we will work with the Office of Administration Human Resources Training and Development to implement the records management training on RRB University, and our estimated completion date is March 2024.

**Recommendation No. 2:** "Develop corrective action plans, to include timelines for completion, for Railroad Retirement Board's Office of Inspector General Report Number 17-08 recommendations 6, 12, and 13."

**Management Response No. 2:**

- **Recommendation 6:** We plan to update policies and procedures on metadata, enterprise rights management and encryption considerations when transferring electronic records to the National Archives and submit to the Board for approval by December 31, 2023.

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Upon approval, we will work with Human Resources to implement the HR-25 policies and procedures agency-wide by January 31, 2024, and our estimated completion date is February 2024.

- **Recommendation 11:** We attempted to close the open item in 2018 but was unable to do so because of workload and staffing shortages.

We plan to review significant OMB and NARA requirements, revise the draft performance goals and performance measures for significant OMB and NARA records management requirements. Our estimated completion date is November 30, 2023.

- **Recommendation 12:** We are developing a plan to identify all tasks that need to be performed to complete a comprehensive update of all records schedules in the RRB Records Disposition Handbook to include performing an inventory of all records to include nonelectronic records, paper and other forms of media and meeting with office staff.

Since comprehensive inventory also relates to OMB M-23-7, *Update to Transition to Electronic Records* (reinforces the electronic records requirements established in M-19-21), we also plan to use the information to identify all paper records in the agency that can be disposed of, transferred to NARA, scheduled for current or future digitization project, paper records that may apply for an exception to policy to be digitized, or transferred to NARA that are no longer needed to conduct agency business, to the fullest extent possible, to comply with M-23-7.

Our estimated completion date is June 30, 2024.

- **Recommendation 13:** We plan to perform a comprehensive review and update to Administrative Circular IRM-4 to identify roles, responsibilities, and accurate timeframes to ensure every employee assigned to a records management role understand their records management responsibility and will submit to the Board for approval by December 31, 2023.

Upon approval, our estimated completion date is January 2024.

**Recommendation No. 3:** “Establish a process to maintain detailed corrective action plans for all records and information management internal control deficiencies.”

**Management Response No. 3:** We plan to update policies and procedures to incorporate a process to maintain and track corrective action plans to manage internal control deficiencies.

Upon approval of revised policies and procedures, our estimated completion date is January 2024.

**Finding #2: Failure to Implement FY 2021 FMFIA Report Program Process Improvements**

The RRB concurs with RMA’s recommendation to recommendation to the Bureau of Information Services as follows:

**Recommendation No. 4:** “RMA recommends that the Railroad Retirement Board’s Bureau of Information Services develop action plans, with timelines for estimated completion, for the

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following fiscal year 2021 Federal Manager's Financial Integrity Act Report program process improvements:

- Process Improvement 7: Complete a comprehensive update of the Railroad Retirement Board's Records Schedule Disposition Handbook; and
- Process Improvement 8: Incorporate all new National Archives and Records Administration Digital Preservation Guidance into Railroad Retirement Board's Records Management policies and procedures by June 30, 2024."

*Management Response No. 4:* Our plan to implement FMFIA Report Program Process Improvements:

- Process Improvement 7: Our estimated completion date is June 30, 2024.
- Process Improvement 8: Our estimated completion date is December 31, 2023.

**Finding #3: Incomplete and Outdated Policies and Procedures Continue to Exist**

*Recommendation No. (Non-Applicable):* RMA does not make any new recommendations to the Bureau of Information Services as the finding restates recommendations in the RRB OIG Report No. 17-08.

*Management Response:* The RRB non-concurs as it is already an open OIG finding. RMA states as such in their recommendation: "Since Recommendations 5 and 13 from RRB OIG Report 17-08 are still open and have not yet been fully addressed, RMA is not making any new recommendations."

**Finding #4: Noncompliance with OMB and NARA Concerning Government Records and Information Management Continues to Exist**

*Recommendation No. (Non-Applicable):* RMA does not make any new recommendations to the Bureau of Information Services as the finding restates recommendations in the RRB OIG Report No. 17-08.

*Management Response:* The RRB non-concurs as it is already an open OIG finding. RMA states as such in their recommendation: "Since Recommendations 1 and 6 from RRB OIG Report 17-08 is still open and have not yet been fully addressed, RMA is not making any new recommendations."

**Finding #5: Failure to Implement Internal Controls in Administrative Circular IRM-4**

RMA recommends that the Bureau of Information Services:

*Recommendation No. 5:* "Create a corrective action plan to ensure requirements identified in Administrative Circular Information Resources Management IRM-4 have been implemented."

*Management Response No. 5:* The RRB concurs with RMA's recommendation. Our plan is to perform a comprehensive review and update Administrative Circular IRM-4 to develop and incorporate requirements and develop corrective action plan.

Estimated completion date is January 31, 2024.

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**Recommendation No. 6:** “Update Administrative Circular Information Resources Management 4 to include procedures that the Bureau of Information Services staff must implement in the absence of a records liaison.”

**Management Response No. 6:** The RRB concurs with RMA’s recommendation. Our plan is to perform a comprehensive review and update Administrative Circular IRM-4 to provide guidance in the responsibility section.

Estimated completion date is December 31, 2023.

**Recommendation No. 7:** “Develop a checklist to enable Bureau Heads to be made fully aware of their responsibilities and verify that their bureau or office complies with each requirement in Administrative Circular Information Resources Management 4.”

**Management Response No. 7:** The RRB concurs with RMA’s recommendation. Our plan is to perform a comprehensive review and update Administrative Circular IRM-4 to provide guidance in the responsibility section and incorporate a Records Liaison Checklist. The RRB has already started coordinating with management to appoint a Records Liaison for each bureau office to address this recommendation.

Estimated completion date is December 31, 2023.

cc: Chief Financial Officer and Chair of the Executive Committee

## Appendix 2: Crosswalks to Applicable Federal Regulations and Policies

RMA performed a policy assessment on BIS’ policies and procedures to determine whether BIS complied with applicable federal regulation requirements concerning records management. Specifically, RMA identified relevant requirements pertaining to records management in NARA and OMB policies and then determined whether these requirements were documented in BIS’ policies and procedures. In addition, RMA reviewed the status of implementation of the records and information management program process improvements from the FY 2021 FMFIA Report.<sup>104</sup>

### Appendix 2a: 44 U.S.C. Chapter 29 § 2911<sup>105</sup> and NARA Bulletin 2014-06<sup>106</sup> Requirements for the Management of RRB Emails

RMA examined the RRB’s NARA-approved Email Policy,<sup>107</sup> Administrative Circular IRM-4<sup>108</sup> and RRB Records Disposition Handbook<sup>109</sup> to determine if BIS included policies that required agency records to be maintained and preserved per 44 U.S.C. Chapter 29 § 2911<sup>110</sup> and NARA Bulletin 2014-06.<sup>111</sup>

44 U.S.C Chapter 29 § 2911 and NARA Bulletin 2014-06 Requirements	Was the Requirement Identified in RRB Policy?
Did the RRB have policies that required emails sent on personal email accounts pertaining to agency business and meeting the definition of federal records in an agency recordkeeping system were filed with the RRB?	Yes
Did the RRB have policies in place to identify emails that are federal records and did these policies include that emails identified as federal records are filed in agency recordkeeping systems?	Yes
Did the RRB include policies that specify that emails must be kept for specific periods of time as mandated in the records disposition schedule?	Yes
Did the RRB include policies for the creation of adequate electronic records backup policies and practices, including what backups are needed and how long to maintain the backup?	Yes
Did the RRB’s policies require that when the RRB became aware of an incident of unauthorized destruction that it must be reported to the Office of the Chief Records Officer for the U.S. Government?	Yes

<sup>104</sup> FY 2021 Federal Manager’s Financial Integrity Act Report, March 2022.

<sup>105</sup> 44 U.S.C. Chapter 29 § 2911, *Disclosure requirement for official business conducted using non-official electronic messaging accounts*, November 26, 2014.

<sup>106</sup> NARA Bulletin 2014-06, *Guidance on Managing Email*, September 15, 2014.

<sup>107</sup> RRB’s Official Email Policy, August 30, 2017.

<sup>108</sup> RRB Administrative Circular IRM-4, *Records Disposition*, November 16, 2007.

<sup>109</sup> RRB Records Disposition Handbook, October 18, 2022.

<sup>110</sup> 44 U.S.C. Chapter 29 § 2911, *Disclosure requirement for official business conducted using non-official electronic messaging accounts*, November 26, 2014.

<sup>111</sup> NARA Bulletin 2014-06, *Guidance on Managing Email*, September 15, 2014.

44 U.S.C Chapter 29 § 2911 and NARA Bulletin 2014-06 Requirements	Was the Requirement Identified in RRB Policy?
Did the RRB create policies that prevent RRB employees from creating or sending a record using a non-official electronic messaging account unless the employee created an official electronic messaging account of the officer or employee in the original creation or transmission of the record? In addition, did the RRB create policies that prevent RRB employees from forwarding a complete copy of the record to an official electronic messaging account of the officer or employee not later than 20 days after the original creation or transmission of the record?	Yes

**Appendix 2b: OMB Circular A-130<sup>112</sup> Requirements**

RMA reviewed Administrative Circular IRM-4<sup>113</sup> and the RRB Records Disposition Handbook<sup>114</sup> to determine whether BIS complied with OMB Circular A-130<sup>115</sup> requirements pertaining to records management.

OMB Circular A-130 Requirement(s)	Was the Requirement Identified in RRB Policy?
1. Did the RRB’s policies require the RRB to designate a senior agency official for records management (SAORM) who has overall agencywide responsibility for records management?	Yes
2. Did the RRB’s policies require the establishment of a records management programs that provided documentation of agency activities?	Yes
3. Did the RRB’s policies require the RRB manage electronic records in accordance with governmentwide requirements, including: a) Managing all permanent electronic records electronically to the fullest extent possible for eventual transfer and accessioning by NARA in an electronic format; and b) Managing all email records electronically and retaining them in an appropriate electronic system that supports records management and litigation requirements, including the capability to identify, retrieve, and retain the records for as long as they are needed.	No
4. Did the RRB include policies that allow for the ability to access, retrieve, and manage records throughout their life cycle regardless of form or medium?	Yes
5. Did the RRB create policies that require agency records managed by the SAORM to be treated as information resources and follow the requirements in OMB Circular A-130?	Yes
6. Did the RRB’s policies require the RRB to establish and obtain the approval of the Archivist of the United States for retention schedules for federal records in a timely fashion?	Yes

<sup>112</sup> OMB Circular A-130, *Records Management*, July 2016.

<sup>113</sup> RRB Administrative Circular IRM-4, *Records Disposition*, November 16, 2007.

<sup>114</sup> RRB Records Disposition Handbook, October 18, 2022.

<sup>115</sup> OMB Circular A-130, *Records Management*, July 2016.

OMB Circular A-130 Requirement(s)	Was the Requirement Identified in RRB Policy?
7. Did the RRB include policies for the proper and timely disposition of federal records in accordance with a retention schedule approved by the Archivist of the United States?	Yes
8. Did the RRB's policies require the RRB to provide training and guidance, as appropriate, to all agency employees and contractors regarding their federal records management responsibilities?	Yes

**Appendix 2c: NARA 36 CFR Part 1236<sup>116</sup> Requirements**

RMA reviewed Administrative Circular IRM-4<sup>117</sup> to determine whether BIS complied with NARA 36 CFR Part 1236<sup>118</sup> requirements for records management.

NARA Requirement	Was the Requirement Identified in RRB Policy?
Did the RRB's policies require the RRB identify agency responsibilities for electronic records management in IRM-4 as required by § 1236.6?	Yes
Did the RRB's policies require the RRB establish records management controls for records in electronic information systems as required by § 1236.10?	Yes
Did the RRB's policies require the RRB incorporate other records management and preservation considerations into the design, development, and implementation of electronic information systems when needed as required by § 1236.12?	Yes
Did the RRB's policies require the RRB document its process to protect records against technological obsolescence in IRM-4 as required by § 1236.14?	Yes
Did the RRB's policies require the RRB establish appropriate recordkeeping systems for electronic records in IRM-4 as required by § 1236.20?	Yes
Did the RRB's policies require the RRB specify the additional requirements for managing electronic mail records in IRM-4 as required by § 1236.22?	No
Did the RRB's policies require the RRB specify the additional requirements for managing unstructured electronic records in IRM-4 as required by § 1236.24?	Yes
Did the RRB's policies require the RRB to specify how to maintain electronic information systems as required by § 1236.26 in IRM-4?	Yes
Did the RRB's policies require the RRB establish the additional requirements that apply to the selection and maintenance of electronic records storage media for permanent records in IRM-4 as required by § 1236.28?	Yes
Did the RRB's policies require the RRB specify the requirements for digitizing temporary records in IRM-4 as required by § 1236.30?	Yes
Did the RRB's policies require the RRB specify its records digitization standards in IRM-4 as required by § 1236.32?	Yes

<sup>116</sup> NARA 36 CFR Part 1236, *Electronic Records Management*, October 2, 2009.

<sup>117</sup> RRB Administrative Circular IRM-4, *Records Disposition*, November 16, 2007.

<sup>118</sup> NARA 36 CFR Part 1236, *Electronic Records Management*, October 2, 2009.

NARA Requirement	Was the Requirement Identified in RRB Policy?
Did the RRB’s policies require the RRB establish its standards for the validation of record digitization in IRM-4 as required by § 1236.34?	Yes
Did the RRB’s policies require the RRB establish its standards for the disposal of original source records in IRM-4 as required by § 1236.36?	Yes

**Appendix 2d: OMB M-19-21<sup>119</sup> Requirements**

RMA reviewed RRB’s NARA-approved Email Policy<sup>120</sup> and Administrative Circular IRM-4<sup>121</sup> to determine RRB’s progress towards transitioning to electronic records by December 31, 2022, as required by OMB M-19-21.<sup>122</sup>

OMB Requirement	Was the Requirement Identified in RRB Policy?
1.1 Did the RRB’s policies require the RRB to manage all permanent electronic records in an electronic format by 2019?	Yes
1.2 Did the RRB’s policies require the RRB to manage all permanent records in an electronic format and with appropriate metadata by 2022?	No However, NARA extended the OMB M-19-21 deadline to June 30, 2024, per OMB M-23-07, <i>Update to Transition to Electronic Records.</i>
1.3 Did the RRB’s policies require the RRB to manage all temporary records in an electronic format or store them in commercial records storage facilities by 2022?	No However, NARA extended the OMB M-19-21 deadline to June 30, 2024, per OMB M-23-07, <i>Update to Transition to Electronic Records.</i>
1.4 Did the RRB’s policies require the RRB maintain robust records management programs that complied with the Federal Records Act and its regulations?	Yes

<sup>119</sup> OMB M-19-21, *Transition to Electronic Records*, June 28, 2019.

<sup>120</sup> RRB’s Official Email Policy, August 30, 2017.

<sup>121</sup> RRB Administrative Circular IRM-4, *Records Disposition*, November 16, 2007.

<sup>122</sup> OMB M-19-21, *Transition to Electronic Records*, June 28, 2019.



OMB Requirement	Was the Requirement Identified in RRB Policy?
2.4 Did the RRB include policies that require all other legal transfers of permanent records to be in electronic format, to the fullest extent possible, regardless of whether the records were originally created in electronic formats, by January 1, 2023? In addition, did the RRB create policies that require the digitization and transfer to be made in accordance with NARA regulations and transfer guidance, including metadata requirements?	No  However, NARA extended the OMB M-19-21 deadline to June 30, 2024, per OMB M-23-07, <i>Update to Transition to Electronic Records.</i>

**Appendix 2e: NARA 44 U.S.C. Chapter 33<sup>123</sup> Requirements**

RMA reviewed the Administrative Circular IRM-4<sup>124</sup> to determine whether NARA 44 U.S.C. Chapter 33<sup>125</sup> requirements for the proper disposal of records were included in RRB policy.

NARA/OMB Requirement	Was the Requirement Identified in RRB Policy?
§ 3303. Did the RRB’s policies require the RRB maintain lists and schedules of records to be submitted to the Archivist by head of each Government agency?	Yes
§ 3310. Did the RRB include policies that require records constituting a menace to health, life, or property to be disposed of according to § 3310?	No
§ 3311. Did the RRB create policies that require records to be destroyed according to § 3311 during a state of war between the United States and another nation, or when hostile action seems imminent? In addition, did the RRB’s policies require the RRB official who directed the disposal submit a written report to the Archivist within six months after their disposal?	N/A <sup>126</sup>
§ 3312. Did the RRB include policies that require photographs, microphotographs of records, or digitized records considered as originals to be made in compliance with § 3312? In addition, did RRB include policies that require certified reproductions of the photographs, microphotographs, or digitized records to be admitted in evidence equally with the original photographs, microphotographs, or digitized records?	Yes
§ 3313. Did the RRB include policies that require money derived from the sale of records that were disposed of to be paid to the Treasury of the United States unless otherwise required by law?	No

<sup>123</sup> NARA 44 U.S.C, Chapter 33, *Disposal of Records*, October 19, 1984.

<sup>124</sup> RRB Administrative Circular IRM-4, *Records Disposition*, November 16, 2007.

<sup>125</sup> NARA 44 U.S.C, Chapter 33, *Disposal of Records*, October 19, 1984.

<sup>126</sup> According to the NARA Records Appraisal Archivist, this requirement is not applicable to RRB, as it is an unusual instance for the disposal of records.

NARA/OMB Requirement	Was the Requirement Identified in RRB Policy?
§ 3101. Did the RRB’s policies require the RRB make and preserve records containing adequate and proper documentation of the organization, functions, policies, decisions, procedures, and essential transactions of the agency?	Yes

**Appendix 2f: FY 2021 FMFIA<sup>127</sup> Report Program Process Improvements**

RMA identified the eight program process improvements published in the FY 2021 FMFIA Report<sup>128</sup> applicable to the records and information management program and assessed the status of implementation of each program process improvement.

Recommendation	Was the Program Process Improvement Implemented?
Did the RRB implement the program process improvement for Capstone Approach?	Yes
Did the RRB implement the program process improvement for the identification and transfer of paper permanent records?	Yes
Did the RRB implement the program process improvement for the RRB Email Policy?	Yes
Did the RRB implement the program process improvement for the disposition authority for board imaging and board docket systems?	Yes
Did the RRB implement the program process improvement for the scheduling of RRB IT systems?	Yes
Did the RRB implement the program process improvement regarding updating the RRB Records Schedule Disposition Handbook? <sup>129</sup>	No
Did the RRB implement the program process improvement for incorporating new NARA digitization guidance in RRB records management policy?	No

Through this policy assessment, RMA found that BIS adhered to most NARA and OMB requirements in their policies and procedures. As such, RRB’s BIS was substantially compliant with these requirements. In addition, RMA determined that RRB successfully completed and implemented policies and procedures for program process improvements 1 through 6 from the FY 2021 FMFIA Report,<sup>130</sup> but not program process improvements 7 and 8.

<sup>127</sup> FY 2021 Federal Manager’s Financial Integrity Act Report, March 2022.

<sup>128</sup> Ibid.

<sup>129</sup> RRB Records Disposition Handbook, October 18, 2022.

<sup>130</sup> FY 2021 Federal Manager’s Financial Integrity Act Report, March 2022.

## Appendix 3: BIS’ Plan to Close Open RRB OIG Report 17-08 Recommendations and Incomplete FY 2021 FMFIA Program Process Improvements

During the course of this audit, BIS provided us with its plan to close the remaining OIG audit recommendations from RRB OIG Audit Report 17-08<sup>131</sup> and the incomplete program process improvements from the FY 2021 FMFIA Report.<sup>132</sup> RMA has listed BIS’ action plans in the tables below.

### Appendix 3a: Open RRB OIG Audit Report 17-08<sup>133</sup> Recommendations

#	RRB Audit 17-08 <sup>134</sup> Recommendation	Action Plan as of September 26, 2023
2	Develop and implement policies and procedures requiring records management training for new and existing employees and contractors, as well as employees with specialized records management roles and responsibilities. Ensure training for existing employees and contractors is administered annually.	<p>BIS worked with the Office of Administration Human Resources Training and Development to develop and implement mandatory and annual records management training to new and existing employees and contractors on RRB University.</p> <p>BIS plans to develop specialized role-based record management training, as needed, for new and existing RRB employees and update records management policies and procedures to reflect requirement for training for existing employees and contractors with estimated completion date is December 31, 2023.</p> <p>Afterwards, BIS will work with the Office of Administration Human Resources Training and Development to implement the role-base records management training on RRB University with estimated completion date is March 2024.</p>
3	Develop and implement records management policies and procedures required for separating employees, including the detailed roles and responsibilities of the separating employee and other RRB officials. Work with the Office of Administration in implementing the policies and procedures agencywide.	<p>BIS worked with the Office of Administration to update HR-25, Employee Clearance Record to add “Part IV. Action of Records Management” to brief departing staff on records management responsibilities.</p> <p>BIS plans to update policies and procedures to develop guidance for roles and responsibilities to include guidance for separating employees and submit to the Board for approval by December 31, 2023.</p> <p>Upon approval, BIS will work with Human Resources to implement the HR-25 policies and procedures agencywide with an estimated completion date is January 31, 2024.</p>

<sup>131</sup> *Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives*, RRB OIG Report No. 17-08, September 28, 2017.

<sup>132</sup> FY 2021 Federal Manager’s Financial Integrity Act Report, March 2022.

<sup>133</sup> *Railroad Retirement Board Must Take Further Action to be Compliant with Federal Records Management Directives*, RRB OIG Report No. 17-08, September 28, 2017.

<sup>134</sup> *Ibid.*

#	RRB Audit 17-08 <sup>134</sup> Recommendation	Action Plan as of September 26, 2023
4	Update existing policies and procedures to include explicit notification of criminal penalties that may be charged to employees for unlawful removal or destruction of agency records.	BIS plans to update policies and procedures to include explicit notification of criminal penalties that may be charged to employees for unlawful removal or destruction of RRB records and submit to the Board for approval by December 31, 2023. Upon approval, BIS' estimated completion date is January 2024.
5	Develop and implement policies and procedures for managing and preserving records created or received using electronic messaging systems.	BIS plans to update policies and procedures on managing and preserving records created or received using electronic messaging systems, including personal electronic messaging systems accounts and submit to the Board for approval by December 31, 2023. Upon approval, BIS' estimated completion date is January 2024.
6	Develop and implement policies and procedures for metadata, enterprise rights management, and encryption considerations when transferring electronic records to NARA.	BIS plans to update policies and procedures on metadata, enterprise rights management and encryption considerations when transferring electronic records to the National Archives and submit to the Board for approval by December 31, 2023. Upon approval, BIS will work with Human Resources to implement the HR-25 policies and procedures agencywide by January 31, 2024, and BIS' estimated completion date is February 2024.
7	Develop supplemental records management training materials that are specific to RRB's vision, including RRB specific requirements and initiatives, and ensure the RRB records management training curriculum includes this additional content.	BIS plans to review existing records management training to ensure it contains information specific to the RRB's vision, requirements and initiatives and develop supplemental materials that support updated policies and procedures by December 31, 2023.  Afterwards, BIS will work with the Office of Administration Human Resources Training and Development to implement the records management training on RRB University with a target date of completion in March 2024. When finalized, BIS' target date to submit a request to the OIG to close the recommendation is March 2024.

#	RRB Audit 17-08 <sup>134</sup> Recommendation	Action Plan as of September 26, 2023
9	Develop and implement role-based training for senior officials (as defined by NARA) to ensure full understanding of their responsibilities under the RRB’s records management program. This training should also include content on actions to be taken when the senior official separates from RRB employment.	<p>BIS plans to develop role-based record management training for RRB senior officials to ensure they fully understand their responsibilities to include when they separate from the RRB that is in updated policies and procedures by December 31, 2023.</p> <p>Afterwards, BIS will work with the Office of Administration Human Resources Training and Development to implement the role-base records management training on RRB University or pursue an alternate dissemination/tracking method with a target date of completion in March 2024. When finalized, BIS’ target date to submit a request to the OIG to close the recommendation is March 2024.</p>
10	Prepare and disseminate additional training content to records liaisons on their responsibilities under the Capstone program. The training content should include practical examples of what actions the records liaisons should take to fulfill their responsibilities.	<p>BIS plans to develop role-based record management training to records liaisons or bureau offices designated representatives on their responsibilities under the Capstone program for managing RRB email records that is in updated policies and procedures by December 31, 2023.</p> <p>Afterwards, BIS will work with the Office of Administration Human Resources Training and Development to implement the records management training on RRB University. BIS’ estimated completion date is March 2024.</p>
11	Develop specific records management performance goals with target completion dates and performance measures for significant OMB and NARA requirements.	<p>BIS attempted to close the open item in 2018 but was unable to do so because of workload and staffing shortages.</p> <p>BIS plans to review significant OMB and NARA requirements, revise the draft performance goals and performance measures for significant OMB and NARA records management requirements. BIS’ estimated completion date is November 30, 2023.</p>

#	RRB Audit 17-08 <sup>134</sup> Recommendation	Action Plan as of September 26, 2023
12	Ensure a comprehensive inventory of nonelectronic records, including paper and other forms of media, is performed and used to prepare or update RRB records disposition schedules. Resulting records schedules should be approved by NARA in accordance with OMB Circular A-130. <sup>135</sup>	BIS is developing a plan to identify all tasks that need to be performed to complete a comprehensive update of all records schedules in the RRB Records Disposition Handbook to include performing an inventory of all records to include nonelectronic records, paper and other forms of media and meeting with office staff.  Since comprehensive inventory also relates to OMB M-23-7, <i>Update to Transition to Electronic Records</i> (reinforces the electronic records requirements established in OMB M-19-21), BIS also plans to use the information to identify all paper records in the agency that can be disposed of, transferred to NARA, scheduled for current or future digitization project, paper records that may apply for an exception to policy to be digitized, or transferred to NARA that are no longer needed to conduct agency business, to the fullest extent possible, to comply with OMB M-23-7. BIS' target date to complete a comprehensive inventory and update to the RRB Records Disposition Handbook and to submit a request to the OIG to close the recommendation is June 30, 2024.
13	Perform a comprehensive review and update of Administrative Circular IRM-4 <sup>136</sup> to ensure the roles and responsibilities of agency employees involved in records management are complete and include accurate timeframes for performing their respective duties.	BIS plans to perform a comprehensive review and update to Administrative Circular IRM-4 to identify roles, responsibilities, and accurate timeframes to ensure every employee assigned to a records management role understand their records management responsibility and will submit to the Board for approval by December 31, 2023. Upon approval, BIS' estimated completion date is January 2024.

**Appendix 3b: Incomplete FY 2021 FMFIA<sup>137</sup> Program Process Improvements**

Program Process Improvement	Action Plan as of September 26, 2023
7. Updating RRB Records Schedule Disposition Handbook <sup>138</sup>	BIS' target date to complete a comprehensive inventory and update to the RRB Records Disposition Handbook and to submit a request to the OIG to close the recommendation is June 30, 2024.
8. Incorporate new NARA Digitization Guidance <sup>139</sup> in RRB Records Management Policy	BIS' target date to perform a comprehensive review and update of Administrative Circular IRM-4 to incorporate NARA Digital Preservation Guidance and submit a request to the OIG to close the recommendation is December 31, 2023.

<sup>135</sup> OMB Circular A-130, *Records Management*, July 2016.

<sup>136</sup> RRB Administrative Circular IRM-4, *Records Disposition*, November 16, 2007.

<sup>137</sup> FY 2021 Federal Manager's Financial Integrity Act Report, March 2022.

<sup>138</sup> RRB Records Disposition Handbook, October 18, 2022.

<sup>139</sup> NARA Digital Preservation Guidance, *Electronic Records Management and Transfer Guidance and Digital Preservation*, <https://www.archives.gov/preservation/digital-preservation/guidance>, last reviewed on September 7, 2023.

## Appendix 4: Glossary of Acronyms

Acronym	Full Name
BFO	Bureau of Fiscal Operations
BFS	Bureau of Field Service
BIS	Bureau of Information Services
DSN	Data Source Name
FedRAMP	Federal Risk and Authorization Management Program
FMFIA	Federal Manager's Financial Integrity Act of 1982
FRC	Federal Records Center
FTE	Full-Time Employee
FY	Fiscal Year
GAGAS	Generally Accepted Government Auditing Standards
GAO	Government Accountability Office
IRM	Information Resources Management
NARA	National Archives and Records Administration
OGC	Office of General Counsel
OIG	Office of Inspector General
OMB	Office of Management and Budget
RMA	RMA Associates, LLC
RRA	Railroad Retirement Act
RRB	Railroad Retirement Board
RUIA	Railroad Unemployment Insurance Act
SAORM	Senior Agency Official for Records Management