

BRIEFLY...

Highlights of Report Number: 23-09-002-03-315, to the Deputy Assistant Secretary for Employment and Training.

WHY READ THE REPORT

After Hurricanes Katrina and Rita devastated the Gulf Coast in 2005, the Employment and Training Administration (ETA) found the states impacted by the hurricanes had large disparities in their level of preparedness in information technology (IT) and operational recovery of the Unemployment Insurance (UI) program.

Based on this, the Assistant Secretary requested the Office of the Inspector General (OIG) conduct an audit, as ETA was interested in knowing which states had viable plans to deal with emergencies. In September 2008, the OIG issued audit report number 23-08-004-03-315. This audit identified that while ETA required state workforce agencies (SWAs) to develop and implement IT contingency plans as a condition of their grant agreements, it did not verify that the plans were developed or tested. Specifically, the audit found three of the four SWAs reviewed may not be able to recover the UI systems necessary to maintain operational capability in a timely, orderly manner or perform essential functions during an emergency or other situation that may disrupt normal operations.

We conducted this follow-on audit to assess the IT contingency plans for the UI Tax and Benefit Systems administered by all 53 of the nation's SWAs.

WHY OIG DID THE AUDIT

The purpose of our audit was to answer the following question:

Has ETA ensured SWA partners establish and maintain required IT contingency plans vital for UI services to continue reliably in the event of a disaster or system interruption?

READ THE FULL REPORT

To view the report, including the scope, methodology, and full agency response, go to:

<http://www.oig.dol.gov/public/reports/oa/2009/23-09-002-03-315.pdf>

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Unemployment Insurance Systems' Information Technology Contingency Plans Need Improvement

WHAT OIG FOUND

While ETA encouraged SWAs to follow best practices, it did not ensure the SWAs' plans contained best practices, i.e., IT contingency plan elements. Specifically, two SWAs did not have plans and 49 out of the remaining 51 SWAs' plans did not include elements determined to be critical to ensure continued availability of the UI systems.

This situation existed because ETA did not verify SWA plan existence, nor did the SWAs provide ETA with evidentiary verification of their IT contingency plans. In addition, in some cases, the SWAs did not carry out the attestations in their respective grant agreements to maintain plans. While the SWAs annually attest to maintaining disaster preparedness plans, ETA did not conduct specific verification to ensure the validity of the SWAs' self attestations. As a result, ETA relied on inaccurate information from the SWA self-attestations.

WHAT OIG RECOMMENDED

We recommended that the Deputy Assistant Secretary for Employment and Training conduct annual verifications of SWAs' IT contingency plans for existence and reliability using risk-based approaches that consider the SWAs' contingency planning maturity and likelihood of disasters.

ETA generally agreed with OIG's recommendation that ETA's oversight of state IT contingency planning would be greatly strengthened by implementing an annual verification of the SWAs' IT Contingency Plans for existence and reliability.