

## BRIEFLY...

March 25, 2016

### THE DEPARTMENT REMAINS VULNERABLE TO PREMATURE RELEASE OF EMBARGOED ECONOMIC DATA

#### WHY OIG CONDUCTED THE REVIEW

On September 16, 2014, embargoed economic data from the Producer Price Index (PPI) report was prematurely released by a news organization during the Department of Labor's press lock-up. Lock-ups are used to allow early access to embargoed economic data for select news organizations to prepare summaries and analysis of the data, thereby improving the public's understanding of the data when it is released. Because embargoed data can impact financial markets, controls over the lock-up are critical in protecting the data from unauthorized use and disclosure. In our January 2014 report, we found news organizations could profit from their presence in the lock-up as they gained an unfair competitive advantage as a result of being granted early access to the data.

#### WHAT OIG DID

We conducted a review to determine the following:

Did the Department identify the issue(s) that caused the premature release of embargoed PPI data and implement corrective actions to prevent a reoccurrence?

#### 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/2016/17-16-001-01-001>.

#### WHAT OIG FOUND

The Department identified one of two issues that caused the premature release of embargoed data, but did not implement adequate corrective actions to prevent a reoccurrence. First, staff made changes to network equipment, which bypassed controls and provided an active internet connection to a news organization during a live lock-up. The Department identified this and took immediate action to prevent changes to network equipment during a lock-up; however, it continued to lack adequate policies and procedures to ensure network equipment was configured and operating properly when changes were made and did not ensure staff attending lock-ups were appropriately trained. Second, a news organization used data-queuing software that exploited the active internet connection and automatically transmitted data — without any human interaction — before the embargo ended. The Department did not identify this as an issue. News organizations use this software for faster data transmission when an embargo ends, but it provides no benefit to the general public or the Department and increases the likelihood of a premature data release.

We also found the Department did not have procedures to identify and respond to a premature release and did not have a designated authorizing official to ensure appropriate controls were in place over the lock-up system.

#### WHAT OIG RECOMMENDED

We previously recommended the Department either eliminate the competitive advantage for news organizations or discontinue use of the lock-up. In this report, we made five recommendations to strengthen the Department's controls over the lock-up.

Agency officials generally agreed with our recommendations.