

APPENDIX B: AGENCY'S RESPONSE TO THE REPORT

U.S. Department of Labor

Office of the Assistant Secretary
for Administration and Management
Washington, D.C. 20210



SEP 21 2018

Mr. Elliot P. Lewis
Assistant Inspector General for Audit
U.S. Department of Labor
200 Constitution Ave. NW
Washington, DC 20210

Dear Mr. Lewis:

Thank you for the opportunity to review and comment on draft report 17-18-003-50-598, *DOL Did Not Effectively Manage Mobile Devices and Related Telecommunication Services*. We appreciate the Office of Inspector General's efforts and insights. The draft report contains nine recommendations, all of which management agrees with, and which we believe management has policies and practices in place that will resolve and enable the OIG to close the recommendations promptly. Below is our detailed response to each recommendation.

1. Develop and implement a written plan to consolidate all of DOL's minute and data requirements to one contract per carrier using a government-wide acquisition strategy.

Management Response: Management concurs with this recommendation. The Office of the Assistant Secretary for Administration and Management (OASAM) awarded enterprise-wide ordering agreements (EOA) for wireless services and equipment. The EOAs are mandatory use vehicles for all DOL wireless requirements. EOAs were initially awarded to AT&T and Verizon in June 2017, and a third EOA was awarded to T-Mobile in October of 2017. The EOAs were awarded against General Services Administration's Federal Strategic Sourcing Initiative, Best-in-Class procurement vehicles for wireless services and equipment. In accordance with Federal Acquisition Regulation (FAR) 7.105 and 10.001, market research and acquisition planning was conducted and documented. The Acquisition Plan for the EOAs illustrates DOL's plan to consolidate all of DOL's minute and data requirements to one contract per carrier, and will be made available to the Audit team.

When OASAM announced the EOA awards in July of 2017, OASAM briefed DOL Administrative Officers, issued a Contracting Officer's Notice, and posted a procurement guide on LaborNet, to assist DOL personnel in utilizing the EOAs and to inform them that the EOAs were mandatory for all wireless requirements. Contracting Officer Notice 2017-25, issued on July 17, 2017 further explained that option periods on existing awards for wireless services shall not be exercised and requirements shall instead be transitioned to an EOA. This policy was discussed at DOL's Procurement Council meetings. In addition, OASAM hosted a kiosk in the Frances Perkins Building lobby, and OASAM staff were on hand to answer questions about utilizing the EOAs. Subsequently, Contracting Officer Notice 2018-27 was issued on May 18, 2018 to remind all agencies that transitioning to an EOA was mandatory. Agencies who had not yet transitioned were required to contact OASAM's Office of Procurement Policy (OPP), and to develop and

execute a plan to transition to an EOA by September 30, 2018. OASAM granted one waiver to the Occupational Safety and Health Administration Region 10 in Alaska because the three EOA vendors could not offer acceptable coverage in that geographic location.

As a part of OASAM's validation and verification process for wireless purchases, OASAM ran reports in the Citibank government purchase card system, DOL's contract writing system (Acquisition Management System (AMS)), and the Federal Procurement Data System, Next Generation (FPDS-NG). These reports were reviewed and analyzed by OPP personnel to ensure the data acquired from the reports were for wireless purchases and to ensure that all current orders and Citibank buys were made through the EOAs. Through these efforts, OASAM identified 15 Citibank purchases and 3 orders for wireless services not placed against an EOA. OASAM is working with the responsible DOL offices to ensure that these 18 requirements are instead purchased through an EOA by September 30, 2018. Going forward, OASAM will continue to run reports on a monthly basis to ensure that all DOL offices continue to acquire wireless services through the EOAs.

Management believes that implementing these processes and demonstrating consistent and uniform adherence will resolve and enable the OIG to close this recommendation.

2. Use a consolidated approach to keep track of how much is spent on mobile telecommunication services.

Management Response: Management concurs with this recommendation. OASAM tracks all orders placed against the EOAs in AMS as well as purchases made through Citibank. In addition, OASAM also runs quarterly reports in FPDS-NG of purchases made for telecommunications. Terms and conditions in the EOAs require the vendor to submit a quarterly report of all orders and purchases made under the vendor's EOA. Lastly, OASAM also requires all contracting activities to submit a quarterly report of all orders placed against EOAs. OPP utilizes the three reporting methods to triangulate and verify the accuracy of data.

Management believes that implementing these processes and demonstrating consistent and uniform adherence will resolve and enable the OIG to close this recommendation.

3. Confirm all component agencies submit quarterly mobile data and verify the data before submission to OMB.

Management Response: Management concurs with this recommendation. OASAM has re-established its protocol for agencies submitting quarterly mobile data, to include identifying a single point of contact for each agency, in order to eliminate missing data. Going forward, OASAM will randomly sample data submitted by the agency and will compare the data submitted to data contained in the vendors' portals. Where data is found to be deficient, OASAM will conduct 100% verification of that agency's data by comparing data submitted against data contained in the vendors' portals.

Management believes that implementing these processes and demonstrating consistent and uniform adherence will resolve and enable the OIG to close this recommendation.

4. Develop and implement an inventory management system for mobile devices.

Management Response: Management concurs with this recommendation. OASAM's Business Operations Center (BOC) will leverage the DOL Enterprise ServiceNow Asset Management module to inventory and manage mobile devices. This module will replace any legacy database and enterprise-wide property management system and will be the property accountability system DOL-wide.

Management believes that deployment of the DOL Enterprise ServiceNow Asset Management module in FY 2019 will resolve and enable the OIG to close this recommendation.

5. Ensure component agencies secure their mobile devices using appropriate security software.

Management Response: Management concurs with this recommendation. Mobile devices purchased using the mandatory EOAs are automatically registered in Apple's Device Enrollment Program, which ensures the mobile devices are in compliance and enrolled in the Department's mobile device management (MDM) solution, MaaS360, right out of the box. Eighty five percent (85%) of the mobile devices deployed across the Department are currently enrolled in the MaaS360, and therefore are being monitored to ensure they are secured. The OCIO has identified the owning DOL agencies of the remaining 15% of the non-MDM managed devices. We will ensure these devices and all future mobile devices are enrolled and managed in MaaS360. OCIO anticipates the enrollment of the non-MDM managed devices into MaaS360 by Q2 FY 2019.

Management believes that implementing these processes and demonstrating consistent and uniform adherence will resolve and enable the OIG to close this recommendation.

6. Ensure component agencies have employees sign rules of behavior before issuing them mobile devices.

Management Response: Management concurs with this recommendation. The Department's mobile device policy requires each employee to sign DOL's Mobile Device Rules of Behavior before being issued a mobile device. In May 2018, OCIO began requiring as part of its quarterly FIMSA reporting process, DOL agency confirmation of signed Rules of Behavior for each employee assigned a GFE mobile phone. In July 2018, the Enterprise Service Desk implemented a process that requests a signed copy of the DOL Mobile Device Management Rules of Behavior prior to the enrollment of a mobile device. Each service request ticket created based on the mobile device request has the Rules of Behavior attached and maintained with the ticket.

Management believes that implementing these processes and demonstrating consistent and uniform adherence will resolve and enable the OIG to close this recommendation.

7. Ensure mobile device users complete their required annual security training in a timely manner.

Management Response: Management concurs with this recommendation. In FY 2017, DOL achieved 100 percent annual security training compliance, which means all employees that have a government-furnished mobile device have completed the required annual security training. Going forward, the OCIO will implement a process to verify completion of the annual Computer Security Training before the issuance of a mobile device. Further, at the beginning of each fiscal year the OCIO will verify mobile device holders have completed the annual security training.

Management believes that implementing these processes and demonstrating consistent and uniform adherence will resolve and enable the OIG to close this recommendation.

8. Ensure mobile devices are disposed of properly and timely.

Management Response: Management concurs with this recommendation. Department of Labor Manual Series 2, Chapter 100, "DOL Property Management" outlines Departmental policy and guidance on the entire lifecycle for personal property management from acquisition through retirement and disposal. The OASAM BOC Property Team conducts quarterly inventory training and provides technical assistance throughout the year with agency Property Management Officers (PMOs), Accountable Property Officers (APO) and Regional Administrative Services Officers (RASOs). Training was conducted most recently in April 2018. Additional follow-on training is scheduled for May, June and July of 2019 during the annual inventory period. The BOC will issue a memorandum to all Agency Administrative Officers and Property Management Officers reiterating the Department's disposal guidance and procedures.

Management believes that implementing these processes will resolve and enable the OIG to close this recommendation.

9. Maintain documentation related to the disposal and/or transfer of all mobile devices.

Management Response: Management concurs with this recommendation. DLMS 2 – Administration Chapter 100 – DOL Property Management outlines Departmental policy guidance on the property management lifecycle from acquisition through retirement. Each Agency, as the asset holder, has the responsibility to properly dispose of all sensitive and non-sensitive items. All mobile devices are sensitive items and require the Agency to complete the DL1-55 form for all disposals. The Agency is required to retain these forms for 3 years. The implementation of the COTS EAM Software system will require a DOL agency to upload their DL1-55 for each item disposed/transferred or recycled for documentation and tracking purposes.

Management believes that implementing these processes and demonstrating consistent and uniform adherence will resolve and enable the OIG to close this recommendation.

Should you have any questions regarding the Department's response, please have your staff contact Gundeep Ahluwalia, Chief Information Officer, at (202) 693-4200, or Carl V. Campbell, Chief Procurement Officer, at (202) 693-4570.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bryan Slater", is written over the word "Sincerely,".

Bryan Slater
Assistant Secretary for
Administration and Management