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CONTINUITY OF OPERATIONS

Agencies Could Improve Planning for Telework during Disruptions

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Highlights of [GAO-06-740T](#), a testimony before the Committee on Government Reform, House of Representatives

Why GAO Did This Study

To ensure that essential government services are available in emergencies, federal agencies are required to develop continuity of operations (COOP) plans. The Federal Emergency Management Agency (FEMA), within the Department of Homeland Security (DHS), is responsible for providing guidance to agencies on developing such plans. Its guidance states that in their continuity planning, agencies should consider the use of telework—that is, work performed at an employee's home or at a work location other than a traditional office. The Office of Personnel Management (OPM) recently reported that 43 agencies have identified staff eligible to telework, and that more than 140,000 federal employees used telework in 2004.

OPM also reported that many government operations can be carried out in emergencies using telework. For example, telework appears to be an effective strategy for responding to a pandemic—a global outbreak of disease that spreads easily from person to person and causes serious illness and death worldwide. In previous work, GAO identified steps that agencies should take to effectively use telework during an emergency.

GAO was asked to testify on how agencies are addressing the use of telework in their continuity planning, which is among the topics discussed in a report being released today ([GAO-06-713](#)).

www.gao.gov/cgi-bin/getrpt?GAO-06-740T.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Linda D. Koontz at (202) 512-6240 or koontzl@gao.gov.

CONTINUITY OF OPERATIONS

Agencies Could Improve Planning for Telework during Disruptions

What GAO Found

Although agencies are not required to use telework in continuity planning, 9 of the 23 agencies surveyed reported plans for essential team members to telework during a COOP event, compared to 3 in GAO's previous survey. However, few documented that they made the necessary preparations to effectively use telework during such an event. For example, only 1 agency documented that it had communicated this expectation to its emergency team members. One reason for the low levels of preparations reported is that FEMA has not provided specific guidance on preparations needed to use telework during emergencies.

Recently, FEMA disseminated guidance to agencies on incorporating pandemic influenza considerations into COOP planning. Although this guidance suggests the use of telework during such an event, it does not address the steps agencies should take when preparing to use telework during an emergency. Without specific guidance, agencies are unlikely to adequately prepare their telework capabilities for use during a COOP event. In addition, inadequate preparations could limit the ability of nonessential employees to contribute to agency missions during extended emergencies, including pandemic influenza.

In its report released today, GAO recommends, among other things, that FEMA establish a time line for developing, in consultation with the OPM, guidance on preparations needed for using telework during a COOP event. In commenting on a draft of the report, DHS partially agreed with GAO's recommendation and stated that FEMA will coordinate with OPM in developing a time line for further telework guidance. DHS also stated that both FEMA and OPM have provided telework guidance. However, as GAO's report stated, present guidance does not address the preparations federal agencies should make for using telework during emergencies.

On May 3 the White House announced the release of an Implementation Plan in support of the National Strategy for Pandemic Influenza. This plan calls on OPM to work with DHS and other agencies to revise existing telework guidance and issue new guidance on human capital planning and COOP. The plan establishes an expectation that these actions will be completed within 3 months. If the forthcoming guidance does not require agencies to make necessary preparations for telework, agencies are unlikely to take all the steps necessary to ensure that employees will be able to effectively use telework to perform essential functions in extended emergencies, such as a pandemic influenza.

Mr. Chairman and Members of the Committee:

I appreciate the opportunity to participate in the Committee's hearing on pandemic influenza and continuity of operations (COOP) planning. As you know, essential government services can be interrupted by a range of events, including terrorist attacks, severe weather, building-level emergencies, and public health emergencies, such as pandemic influenza. The federal government requires agencies to develop plans for ensuring the continuity of essential services during such emergencies. To assist agencies, the Federal Emergency Management Agency (FEMA), within the Department of Homeland Security (DHS), which is responsible for managing federal response and recovery efforts following any national incident, has issued guidance that defines the elements of a viable COOP capability.

A potentially useful option for continuity planning is telework (in which work is performed at an employee's home or at a work location other than a traditional office); this alternative has gained widespread attention over the past decade in both the public and private sectors as a human capital flexibility that offers a variety of potential benefits to employers, employees, and society. In a December 2005 report to Congress, the Office of Personnel Management (OPM) indicated that 43 of the 82 federal agencies it surveyed had employees eligible to telework during 2004, and more than 140,000 federal employees used telework that year.¹

OPM also reported that there is a symbiotic relationship between COOP and telework because many government functions that must be carried out in emergencies can be accomplished using telework. Similarly, we reported in April 2004 that telework is an important and viable option for federal agencies in continuity planning and implementation efforts, especially as the duration of an emergency event is extended.² This option appears particularly appropriate in

¹ OPM, *The Status of Telework in the Federal Government 2005* (Washington, D.C.: Dec. 2005)

² GAO, *Human Capital: Opportunities to Improve Federal Continuity Planning Guidance*, [GAO-04-384](#) (Washington, D.C.: Apr. 20, 2004).

the case of pandemic influenza, which occurs when an influenza virus causes an outbreak of disease that spreads easily from person to person and results in serious illness worldwide. Experts believe that the effects of a pandemic could come in waves that last for weeks or even months, in which time absentee rates could reach 40 percent during peak periods due to illness, the need to care for family members, and fear of infection. Recent executive branch guidance states that social distancing measures, such as telework, may be appropriate public health interventions for infection control and containment during a pandemic outbreak.

GAO recognizes the importance of telework and continuity planning and is striving to lead by example on these issues. For example, during certain emergencies, our current telework policy allows me to approve telework for all employees in an affected area to promote continuity of operations. We are also completing a supplement to our COOP plan that addresses preparations specific to a pandemic, and are coordinating our continuity planning efforts with those of other legislative branch agencies.

As you requested, I will discuss how agencies are addressing the use of telework in their continuity planning, based on work described in a report that we are issuing today.³ In earlier work, we identified steps agencies that should take to effectively use telework during an emergency, and we surveyed agency officials responsible for continuity planning at 23 major agencies.⁴ For this report, we repeated this survey to obtain updated information on the extent to which key telework practices were used in making continuity preparations. We reviewed documentation submitted by agency officials to support their survey responses and compared these responses to those from our earlier work; we briefed your staff on the results of our work on April 13, 2006. This work was conducted

³ GAO, *Continuity of Operations: Selected Agencies Could Improve Planning for Use of Alternate Facilities and Telework during Disruptions*, [GAO-06-713](#) (Washington, D.C.: May 11, 2006).

⁴ GAO, *Continuity of Operations: Agency Plans Have Improved, but Better Oversight Could Assist Agencies in Preparing for Emergencies*, [GAO-05-577](#) (Washington, D.C.: Apr. 28, 2005).

in accordance with generally accepted government auditing standards.

Results in Brief

More agencies reported plans for essential team members to telework during a COOP event than in our previous survey, but few documented that they made the necessary preparations to effectively use telework during an emergency:

- Nine of the 23 agencies reported that some of their essential team members are expected to telework during a COOP event. However, only one agency documented that it had notified its team members of the expectation that they would telework during such an event.
- None of the 23 agencies demonstrated that it could ensure adequate technological capacity to allow designated personnel to telework during an emergency.
- Only 3 of the 23 agencies documented testing the ability of staff to telework during an emergency.

FEMA's guidance on COOP planning does not include specific information on preparations to use telework during emergencies; the absence of such specific guidance contributed to the low levels of preparations that agencies reported. Recently, FEMA disseminated additional guidance to agencies regarding the incorporation of pandemic influenza considerations into COOP planning. Although this guidance suggests the use of telework during such an event, it does not address the steps agencies should take when preparing to use telework during an emergency. If agencies do not make adequate preparations, they may not be able to use telework effectively to ensure the continuity of their essential functions in emergencies, including pandemic influenza events.

In our report, we recommended, among other things, that FEMA establish a time line for developing, in consultation with OPM, guidance on preparations needed for using telework during a COOP event. In commenting on a draft of this report, DHS partially agreed

with our recommendation and stated that FEMA will coordinate with OPM in the development of a time line for telework guidance.

Background

Federal operations and facilities have been disrupted by a range of events, including the terrorist attacks on September 11, 2001; the Oklahoma City bombing; localized shutdowns due to severe weather conditions, such as hurricanes Katrina, Rita, and Wilma in 2005; and building-level events, such as asbestos contamination at the Department of the Interior's headquarters. In addition, federal operations could be significantly disrupted by people-only events, such as an outbreak of severe acute respiratory illness (SARS). Such disruptions, particularly if prolonged, can lead to interruptions in essential government services. Prudent management, therefore, requires that federal agencies develop plans for dealing with emergency situations, including maintaining services, ensuring proper authority for government actions, and protecting vital assets.

Until relatively recently, continuity planning was generally the responsibility of individual agencies. In October 1998, Presidential Decision Directive (PDD) 67 identified FEMA—which is responsible for leading the effort to prepare the nation for all hazards and managing federal response and recovery efforts following any national incident—as the lead agent for federal COOP planning across the federal executive branch. FEMA's responsibilities include

- formulating guidance for agencies to use in developing viable plans;
- coordinating interagency exercises and facilitating interagency coordination, as appropriate; and
- overseeing and assessing the status of COOP capabilities across the executive branch.

In July 1999, FEMA issued the first version of Federal Preparedness Circular (FPC) 65, its guidance to the federal executive branch on developing viable and executable contingency plans that facilitate the performance of essential functions during any emergency. FPC 65 applies to all federal executive branch departments and agencies

at all levels, including locations outside Washington, D.C. FEMA released an updated version of FPC 65 in June 2004, providing additional guidance to agencies on each of the topics covered in the original guidance.

In partial response to a recommendation we made in April 2004, the 2004 version of FPC 65 also included new guidance on human capital considerations for COOP events.⁵ For example, the guidance instructed agencies to consider telework—also referred to as telecommuting or flexiplace—as an option in their continuity planning.

Telework has gained widespread attention over the past decade in both the public and private sectors as a human capital flexibility that offers a variety of potential benefits to employers, employees, and society. In a 2003 report to Congress on the status of telework in the federal government, the Director of OPM described telework as “an invaluable management tool which not only allows employees greater flexibility to balance their personal and professional duties, but also allows both management and employees to cope with the uncertainties of potential disruptions in the workplace, including terrorist threats.”⁶ A 2005 OPM report on telework notes the importance of telework in responding flexibly to emergency situations, as demonstrated in the wake of the devastation caused by Hurricane Katrina, when telework served as a tool to help alleviate the issues caused by steeply rising fuel prices nationwide.⁷

In 2004, we surveyed major federal agencies at your request to determine how they planned to use telework during COOP events.⁸

⁵ GAO, *Human Capital: Opportunities to Improve Federal Continuity Planning Guidance*, [GAO-04-384](#) (Washington, D.C.: Apr. 20, 2004).

⁶ OPM, *Report to the Congress: The Status of Telework in the Federal Government* (Washington, D.C.: Jan. 2003).

⁷ OPM, *Report to the Congress: The Status of Telework in the Federal Government* (Washington, D.C.: Dec. 2005).

⁸ The plans that we reviewed in 2004 were created before the issuance of FEMA’s revised FPC 65, which instructs agencies to consider the use of telework in their continuity planning.

We reported that, although agencies were not required to use telework in their COOP plans, 1 of the 21 agency continuity plans in place on May 1, 2004, documented plans to address some essential functions through telework. In addition, 10 agencies reported that they intended to use telework following a COOP event, even though those intentions were not documented in their continuity plans.

The focus on using telework in continuity planning has been heightened in response to the threat of pandemic influenza. In November 2005, the White House issued a national strategy to address this threat, which states that social distancing measures, such as telework, may be appropriate public health interventions for infection control and containment during a pandemic outbreak. The strategy requires federal departments and agencies to develop and exercise preparedness and response plans that take into account the potential impact of a pandemic on the federal workforce. It also tasks DHS—the parent department of FEMA—with developing plans to implement the strategy in regard to domestic incident management and federal coordination. In May 2006, the White House issued an implementation plan in support of the pandemic strategy. This plan outlines the responsibilities of various agencies and establishes time lines for future actions.

Few Agencies Demonstrated That They Had Adequately Prepared to Use Telework in a COOP Event

Although more agencies reported plans for essential team members to telework during a COOP event than in our 2004 survey, few documented that they had made the necessary preparations to effectively use telework during an emergency. While FPC 65 does not require agencies to use telework during a COOP event, it does state that they should consider the use of telework in their continuity plans and procedures. All of the 23 agencies that we surveyed indicated that they considered telework as an option during COOP planning, and 15 addressed telework in their COOP plans (see table 1). For agencies that did not plan to use telework during a COOP event, reasons cited by agency officials for this decision included (1) the need to access classified information—

which is not permitted outside of secured areas—in order to perform agency essential functions and (2) a lack of funding for the necessary equipment acquisition and network modifications.

Table 1: Agency Responses to Selected Questions on Telework in COOP Plans

Question	Year	Yes	Yes (no doc ^a)	No
Does the agency's COOP plan specifically address telework?	2005	12	3	8
	2004 ^b	2	1	19
Are any of the agency's essential team members expected to telework in a COOP event?	2005	3	6	14
	2004	1	2	19
Were staff informed of their responsibility to telework during a COOP event?	2005	1	10	12
	2004	1	3	18
Has the agency ensured that it has adequate technological capacity for staff to telework during a COOP event?	2005	0	14	9
	2004	0	5	17
Will the agency provide technological assistance to staff during a COOP event?	2005	3	11	9
	2004	0	5	17
Has the agency tested the ability of staff to telework during a COOP event?	2005	3	7	13
	2004	0	2	20

Source: Analysis of agency responses to GAO questions.

^a Agencies provided a positive response but did not provide adequate documentation to support their response.

^b In 2004, one agency did not respond, resulting in a total of 22 responses.

The agencies that did plan to use telework in emergencies did not consistently demonstrate that they were prepared to do so. We previously identified steps agencies should take to effectively use telework during an emergency. These include preparations to ensure that staff has adequate technological capacity, assistance, and training.⁹ Table 1 provides examples of gaps in agencies' preparations, such as the following:

- Nine of the 23 agencies reported that some of their COOP essential team members are expected to telework during a COOP event. However, only one agency documented that it had notified its team members that they were expected to telework during such an event.

⁹ GAO, *Continuity of Operations: Agency Plans Have Improved, but Better Oversight Could Assist Agencies in Preparing for Emergencies*, [GAO-05-577](#) (Washington, D.C.: Apr. 28, 2005).

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- None of the 23 agencies demonstrated that it could ensure adequate technological capacity to allow designated personnel to telework during a COOP event.

No guidance addresses the steps that agencies should take to ensure that they are fully prepared to use telework during a COOP event. When we reported the results of our 2004 survey, we recommended that the Secretary of Homeland Security direct the Under Secretary for Emergency Preparedness and Response to develop, in consultation with OPM, guidance on the steps that agencies should take to adequately prepare for the use of telework during a COOP event. However, to date, no such guidance has been created.

In March 2006, FEMA disseminated guidance to agencies regarding the incorporation of pandemic influenza considerations into COOP planning. The guidance states that the dynamic nature of a pandemic influenza requires that the federal government take a nontraditional approach to continuity planning and readiness. It suggests the use of telework during such an event. According to the guidance, agencies should consider which essential functions and services can be conducted from a remote location (e.g., home) using telework. However, the guidance does not address the steps agencies should take when preparing to use telework during an emergency. For example, although the guidance states that agencies should consider testing, training, and exercising of social distancing techniques, including telework, it does not address other necessary preparations, such as informing designated staff of the expectation to telework or providing them with adequate technical resources and support.

Earlier this month, after we briefed your staff, the White House released an Implementation Plan in support of the National Strategy for Pandemic Influenza. This plan calls on OPM to work with DHS and other agencies to revise existing telework guidance and issue new guidance on human capital planning and COOP. The plan establishes an expectation that these actions will be completed within 3 months.

If the forthcoming guidance from DHS and other responsible agencies does not require agencies to make the necessary

preparations for telework, agencies are unlikely to take all the steps necessary to ensure that employees will be able to effectively use telework to perform essential functions during any COOP event. In addition, inadequate preparations could limit the ability of nonessential employees to contribute to agency missions during extended emergencies, including a pandemic influenza scenario.

In summary, Mr. Chairman, although more agencies reported plans for essential team members to telework during a COOP event than in our previous survey, few documented that they had made the necessary preparations to effectively use telework during an emergency. In addition, agencies lack guidance on what these necessary preparations are. Although FEMA's recent telework guidance does not address the steps agencies should take to prepare to use telework during an emergency event, new guidance on telework and COOP is expected to be released later this year. If the new guidance does not specify the steps agencies need to take to adequately prepare their telework capabilities for use during an emergency situation, it will be difficult for agencies to make adequate preparations to ensure that their teleworking staff will be able to perform essential functions during a COOP event.

In our report, we made recommendations aimed at helping to ensure that agencies are adequately prepared to perform essential functions following an emergency. Among other things, we recommended that the Secretary of Homeland Security direct the FEMA Director to establish a time line for developing, in consultation with OPM, guidance on the steps that agencies should take to adequately prepare for the use of telework during a COOP event.

In commenting on a draft of the report, the Director of DHS's Liaison Office partially agreed with this recommendation and stated that FEMA will coordinate with OPM in the development of a time line for further telework guidance. In addition, he stated that both FEMA and OPM have provided guidance on the use of telework. However, as stated in our report, present guidance does not address the preparations agencies should make for using telework during emergencies.

With the release of the White House's Implementation Plan regarding pandemic influenza, a time line has now been established for the issuance of revised guidance on telework; however, unless the forthcoming guidance addresses the necessary preparations, agencies may not be able to use telework effectively to ensure the continuity of their essential functions.

Mr. Chairman, this concludes my statement. I would be pleased to respond to any questions that you or other members of the Committee may have at this time.

Contacts and Acknowledgements

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