



Highlights of [GAO-05-577](#), a report to the Chairman, 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 plans. According to guidance from the Federal Emergency Management Agency (FEMA), which is responsible for providing guidance for and assessing agency continuity plan, a key element of a viable capability is the proper identification of essential functions. GAO previously reported on agency continuity plan compliance, and determined that a number of agencies and their components did not have continuity plans in place on October 1, 2002, and those that were in place did not generally comply with FEMA's guidance.

GAO was asked to determine, among other things, to what extent (1) major federal agencies used sound practices to identify and validate their essential functions and (2) agencies had made progress since 2002 in improving compliance with FEMA guidance.

What GAO Recommends

To help ensure that agencies are adequately prepared to continue performing essential functions following an emergency, GAO is making recommendations aimed at improving the assessment and oversight of agency continuity plans. In commenting, FEMA agreed that there has been improvement in COOP plans and that additional oversight is needed.

www.gao.gov/cgi-bin/getrpt?GAO-05-577.

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

CONTINUITY OF OPERATIONS

Agency Plans Have Improved, but Better Oversight Could Assist Agencies in Preparing for Emergencies

What GAO Found

Many of the 23 agencies that GAO reviewed reported using sound practices for identifying and validating essential functions (see table), but few provided documentation sufficient for GAO to confirm their responses. This indicates that agencies—although aware of the practices—may not have followed them thoroughly or effectively. Further, the essential functions identified by agencies varied widely: the number of functions identified in each plan ranged from 3 to 538 and included ones that appeared to be of secondary importance. A major factor contributing to these shortcomings was that FEMA's guidance did not provide specific criteria for identifying essential functions. Subsequent guidance from FEMA and the White House significantly addresses the sound practices GAO identified. In addition, the White House plans further actions to improve continuity planning. If this guidance and these follow-up actions are implemented effectively, they could lead to improved identification of essential functions in the executive branch.

As of May 1, 2004, agencies had made progress in improving compliance with FEMA guidance, but significant weaknesses remained. Agencies that had plans in place in both years showed significant improvement in the area of tests, training, and exercises. However, although some improvement occurred for other planning areas, important weaknesses remained: for example, 31 of 45 plans did not fully identify mission-critical systems and data necessary to conduct essential functions. Inadequate oversight by FEMA contributed to the level of weaknesses in agency continuity plans. FEMA plans to improve oversight using an online readiness reporting system, which it plans to have fully operational later this year, and it has already taken other steps to help agencies improve their plans, such as conducting an interagency exercise. However, FEMA does not plan to verify the readiness information that agencies will report in the system.

Sound Practices Identified by GAO for Determining Essential Functions

Practices

Establish a structured continuity project work group/committee that includes representatives of all agency components, legal advisers, and continuity experts and either includes a member of the agency's executive management or reports to a member of the agency's executive management. Such a committee should be involved in the initial selection of essential functions.

Determine the resources necessary to perform each function.

Determine the dependencies necessary to perform each function.

Develop a schedule or project plan for critical stages in the continuity program effort.

Identify and rank plausible threats, vulnerabilities, liabilities, and/or exposures through a risk assessment.

Perform a risk and impact analysis for each essential function—including prioritization of essential functions and determination of minimum acceptance level of output and recovery time objective for each function.

Develop and implement a strategy for validating the plan and underlying essential functions.

Change agency's essential functions as the result of the validation process.

Source: GAO.