
October 19, 2006



Information Technology Management

Hurricane Katrina Disaster Recovery
Efforts Related to Army Information
Technology Resources
(D-2007-006)

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Acronyms

COOP
CTASC
GAO

Continuity of Operations
Corps Theater Automatic Data Processing Service Center
Government Accountability Office



INSPECTOR GENERAL
DEPARTMENT OF DEFENSE
400 ARMY NAVY DRIVE
ARLINGTON, VIRGINIA 22202-4704

October 19, 2006

MEMORANDUM FOR ASSISTANT SECRETARY OF DEFENSE FOR NETWORKS
AND INFORMATION INTEGRATION/CHIEF
INFORMATION OFFICER
AUDITOR GENERAL, DEPARTMENT OF THE ARMY

SUBJECT: Report on Hurricane Katrina Disaster Recovery Efforts Related to Army
Information Technology Resources (Report No. D-2007-006)

We are providing this report for information and use. We considered management comments on a draft of this report in preparing the final report.

Comments on the draft of this report conformed to the requirements of DoD Directive 7650.3 and left no unresolved issues. Therefore, no additional comments are required.

We appreciate the courtesies extended to the staff. Questions should be directed to Ms. Jacqueline Wicecarver at (703) 604-9077 (DSN 664-9077) or Ms. Therese M. Kince at (703) 604-9060 (DSN 664-9060). The team members are listed inside the back cover.

By direction of the Deputy Inspector General for Auditing:

Bruce A. Burton
Deputy Assistant Inspector General
Acquisition and Contract Management

Department of Defense Office of Inspector General

Report No. D2007-006

October 19, 2006

(Project No. D2006-D000AS-0135.000)

Hurricane Katrina Disaster Recovery Efforts Related to Army Information Technology Resources

Executive Summary

Who Should Read This Report and Why? Managers of DoD information systems should read this report because it emphasizes the importance of continuity of operations planning for critical systems that may be disrupted during disasters.

Background. On August 29, 2005, Hurricane Katrina devastated the Gulf Coast states of Louisiana, Mississippi, Alabama, and Florida with Category 3 winds and torrential rain. This audit report is the first in a planned series of audits on the effects of Hurricane Katrina on DoD information technology resources. Two Army logistics information technology systems operated by the 321st Theater Materiel Management Center Rear, located in Baton Rouge, Louisiana, experienced communications disruptions as a result of Hurricane Katrina.

The Army information technology resources affected by Hurricane Katrina in Baton Rouge were categorized as Mission Assurance Category II systems. DoD Instruction 8500.2, "Information Assurance Implementation," February 6, 2003, requires Mission Assurance Category II systems to have a disaster plan that enables mission- or business-essential functions to resume within 24 hours. DoD Directive 3020.26, "Defense Continuity Plan," September 8, 2004, requires DoD Components to develop, coordinate, and maintain continuity plans; to update and reissue plans every 2 years; and to test and exercise continuity plans at least annually, or otherwise as directed.

Results. The 321st Theater Materiel Management Center Rear lost voice and data communications as a result of Hurricane Katrina. The materiel managers of the 321st Theater Materiel Management Center Rear were unable to communicate with customers located in Southwest Asia, nor could they resume operations for one critical logistics information technology system within 24 hours. As a result, a backlog in processing requisitions caused a 4-day delay in requisitioning supplies from warehouses; the materiel managers of the 321st Theater Materiel Management Center Rear could not quantify the impact on the warfighter or theater readiness. After Hurricane Katrina, the 321st Theater Materiel Management Center Rear took the appropriate steps to correct disaster recovery planning weaknesses. According to officials at the Army Materiel Command and the 377th Theater Support Command, the two logistics information technology systems will transfer from the 321st Theater Materiel Management Center Rear to the Army Materiel Command Logistics Support Activity, Redstone Arsenal, Alabama, and Belle Chasse, Louisiana, respectively. (See the Finding section of the report for the detailed recommendations.) The 321st Theater Materiel Management Center Rear internal controls were not adequate. We identified an internal control weakness in the protection of information technology resources.

Management Comments. The U. S. Army Materiel Command Director, Internal Review and Audit Compliance Office, responding for the Command, stated that Headquarters had reviewed the draft report and agreed with the reported facts, conclusions, and concurred with the recommendations. U.S. Army Materiel Command agreed to develop a disaster recovery plan for the Corps Theater Automation Service Support Center in accordance with DoD Instruction 8500.2 and DoD Directive 3020.26 by January 1, 2007, and stated the plan will be exercised at least annually and updated semiannually.

The Commanding General of the U.S. Army 377th Theater Support Command concurred with comments. The Commanding General stated that the Command recognized and corrected the deficiencies prior to the audit. After Hurricane Katrina, the Command developed and tested a disaster recovery plan. They added redundant data communications and trained staff on this process. Additionally, the Commanding General stated the Standard Army Ammunition System-Modernized was transferred to Belle Chasse on July 12, 2006, and the Command was in the process of modifying the disaster recovery plan to include the system at that location. The plan will include disaster recovery measures that comply with Federal and DoD policy at the final locations of both the primary and back-up systems for the Standard Army Ammunition System-Modernized. Finally, the Commanding General stated that the new plan will be completed by November 30, 2006. See the Finding section of the report for a discussion of management comments and the Management Comments section of the report for the complete text of the comments.

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Background

On August 29, 2005, Hurricane Katrina devastated the Gulf Coast states of Louisiana, Mississippi, Alabama, and Florida with Category 3 winds and torrential rain. This audit report is the first in a planned series of audits on the effects of Hurricane Katrina on DoD information technology resources.

Mission. The 321st Theater Materiel Management Center is a U.S. Army Reserve unit under the 377th Theater Support Command. The 321st Theater Materiel Management Center Rear,¹ located in Baton Rouge, Louisiana, is responsible for:

- integrating joint systems analysis and supply and maintenance management in the Central Command Area of Responsibility;
- directing and synchronizing materiel management organizations and supporting the Materiel Management Center's Standard Army Management Information System;
- supervising Rear Elements and coordinating and tasking authority over Forward² Deployed Elements; and
- managing the supply system to identify the status and location of materiel into, through, and out of Central Command Area of Responsibility.

The 321st Theater Materiel Management Center Rear is an operator of the Corps Theater Automatic Data Processing Service Center (CTASC) and the Standard Army Ammunition System-Modernized, both Mission Assurance Category II systems, which are used to manage supply operations in Southwest Asia.

The Systems. The CTASC system is decentralized throughout the world at nine locations. In Baton Rouge, the CTASC manages supply transactions for several warehouses in Southwest Asia, and the Department of the Army designated it as the most critical system in the world because it manages all requisitions within Southwest Asia, including Iraq, Afghanistan, and the Horn of Africa. The CTASC provides direct support to the warfighter by processing materiel requisitions from 52 warehouses. The 321st Theater Materiel Management Center Rear also operates the Standard Army Ammunition System-Modernized to manage the ammunition supply for and within Southwest Asia. The Standard Army Ammunition System-Modernized is a portable system based on commercial software with flexible communications capabilities.

¹ The 321st Theater Materiel Management Center Rear, in Baton Rouge, Louisiana, provides direct support to Iraq, Kuwait, Afghanistan, and the Horn of Africa.

² The 321st Theater Materiel Management Center Forward, in Camp Arifjan, Kuwait, coordinates with the Rear in managing the distribution and accountability of ammunitions in the Central Command Area of Responsibility.

Criteria

All DoD organizations are required to comply with the following laws and regulations when they implement their disaster recovery controls and plans.

Information Assurance. DoD Directive 8500.1, “Information Assurance,” October 24, 2002, certified current as of November 21, 2003, states that Mission Assurance Category II systems handle information that is important to support deployed and contingency forces. The loss of a Mission Assurance Category II system is difficult to deal with and can be tolerated only for a short time. The consequences of a delay in providing important information or of a degradation of services may seriously affect the mission and operational readiness. Finally, DoD Directive 8500.1 states that Mission Assurance Category II systems require other safeguards in addition to best business practices to provide adequate assurance.

DoD Instruction 8500.2, “Information Assurance Implementation,” February 6, 2003, establishes a baseline for information assurance with a list of threshold controls to maintain the availability of Mission Assurance Category II systems. These controls should include a disaster plan that will resume mission- or business-essential functions within 24 hours of activation. The plan should include business recovery plans, system contingency plans, facility disaster recovery plans, and plan acceptance. The controls should also include a continuity of operations plan or a disaster recovery plan that is tested and exercised annually.

Disaster and Recovery Planning. DoD Directive 3020.26, “Defense Continuity Plan,” September 8, 2004, requires a comprehensive and effective program that continues DoD Components’ mission-essential functions under all circumstances and threats. Performing mission-essential functions during a threat or event must be the basis for continuity planning, preparation, and execution. DoD Directive 3020.26 requires the heads of DoD Components to develop, coordinate, and maintain continuity plans and to update and reissue plans every 2 years. Finally, the heads of DoD Components should test and exercise continuity plans at least annually, or otherwise as directed.

Objective

The overall audit objective was to determine whether adequate internal controls and plans for disaster recovery were in place to safeguard Army information technology resources. Specifically, we reviewed the Army information technology resources managed by the 321st Theater Materiel Management Center Rear, which were affected by Hurricane Katrina.

Review of Internal Controls

We identified internal control weaknesses for the 321st Theater Materiel Management Center Rear as defined by DoD Instruction 5010.40, "Managers' Internal Control (MIC) Program Procedures," January 4, 2006. The 321st Theater Materiel Management Center Rear in Baton Rouge, Louisiana, did not have procedures in place to adequately protect and safeguard information technology resources. Implementing Recommendations 1. and 2. will improve the U.S. Army Logistics Support Activity (acquiring the CTASC mission from the 321st Theater Materiel Management Center Rear) and 377th Theater Support Command planned disaster recovery measures for continuity of operations that comply with Federal and DoD policy. A copy of the final report will be provided to the senior official responsible for internal controls in the 377th Theater Support Command.

Effects of Hurricane Katrina on Army Information Technology Resources

The 321st Theater Materiel Management Center Rear lacked internal controls and a disaster recovery plan to adequately protect and safeguard information technology resources. Hurricane Katrina damaged critical communications circuits that were used by supply managers at the 321st Theater Materiel Management Center Rear to communicate with customers located in Southwest Asia, and operations were not resumed for one critical logistics information technology system within the required 24 hours. These conditions occurred because the 321st Theater Materiel Management Center Rear did not have a formal disaster recovery plan to continue operations. As a result, a backlog in processing requisitions caused a 4-day delay in requisitioning supplies from warehouses; the supply managers at the 321st Theater Materiel Management Center Rear could not determine the impact on the warfighter or on theater readiness.

Communications Outages

The 321st Theater Materiel Management Center Rear lost Defense Switched Network and commercial voice and data communications because of damage to telecommunications lines caused by Hurricane Katrina. As a result, the 321st Theater Materiel Management Center Rear was not able to communicate with the users of the CTASC system and the Standard Army Ammunition System-Modernized in Southwest Asia.

The 321st Theater Materiel Management Center Rear did not have a formal disaster recovery plan in place prior to Hurricane Katrina; however, it worked with a multiorganization crisis action team to bring operations back online using solutions developed as the situation unfolded. The 321st Theater Materiel Management Center Rear and the crisis action team were able to reestablish communications with the CTASC system customers in Southwest Asia within 56 hours of the initial outage by using satellite communications.

In an effort to maintain communication with the Standard Army Ammunition System-Modernized, the Army officer in charge, responsible for the Standard Army Ammunition System-Modernized, asked all reporting ammunition supply points to communicate by e-mail. The Standard Army Ammunition System-Modernized operations were restored within 24 hours of the initial outage by using an e-mail workaround that allowed direct movement of all munitions within the Central Command Area of Responsibility to continue.

Disaster Recovery Planning

The 321st Theater Materiel Management Center Rear command staff stated that they discussed several disaster recovery options before Hurricane Katrina, such as

obtaining dual-homed (T1) communication lines and using satellite communications during an outage. However, these options were not formally documented because the 321st Theater Materiel Management Center Rear command staff believed that they did not have the resources to develop a complete disaster recovery plan. The 321st Theater Materiel Management Center Rear had a generic continuity of operations (COOP) plan for the CTASC system only; this plan was limited in scope, was not site-specific, and was not tested annually. Although the 321st Theater Materiel Management Center Rear took preliminary steps to prepare for potential disasters prior to Hurricane Katrina, it lacked a complete disaster recovery plan for all its critical systems.

The 321st Theater Materiel Management Center Rear did not have a comprehensive and effective disaster recovery program before Hurricane Katrina as required by DoD Directive 3020.26 because it did not have a plan that would make all mission-essential functions available under all circumstances and threats. Additionally, due to the lack of a disaster recovery plan, the 321st Theater Materiel Management Center Rear was not able to resume all mission-essential functions for CTASC operations within 24 hours or exercise the generic COOP plan annually as required for Mission Assurance Category II systems by DoD Instruction 8500.2.

Impact to Theater

The communications outages caused a backlog of batch file traffic, resulting in a 4-day backlog of parts requisitions from supply support organizations. The batch file traffic backlog was slowly reduced once satellite communications were established 56 hours after Hurricane Katrina struck. Communications using T-1 telecommunications lines were reestablished within 13 days and the backlog was dramatically reduced. An after-action report and statements made by 321st Theater Materiel Management Center Rear personnel indicate that although the total impact to theater readiness is unknown, no major supply problems were evident during the outage.

Management Actions

Both the 321st Theater Materiel Management Center Rear and the 377th Theater Support Command issued after-action reports following Hurricane Katrina that documented the communications outages, the actions taken to restore communications, lessons learned from the event, and recommendations to prepare for future disasters. The 321st Theater Materiel Management Center Rear took the following steps to correct the identified weaknesses in disaster preparedness:

- developed a formal, approved disaster recovery plan that meets the requirements established in DoD Directive 3020.26 and DoD Instruction 8500.2;

-
- tested the disaster recovery plan as required by DoD Directive 3020.26 and DoD Instruction 8500.2;
 - added redundant data communications lines that were routed away from the Gulf Coast and added back-up satellite communications capabilities; and
 - implemented training and certification programs to prepare users to operate on generator power or satellite communications, or both.

Mission Transfer

According to Army Materiel Command officials, the mission for the CTASC system in Baton Rouge was transferred to the Army Materiel Command Logistics Support Activity, Redstone Arsenal, Alabama, in June 2006. Army Materiel Command officials stated that this move is the result of an Army-wide effort, initiated prior to Hurricane Katrina, that was designed to consolidate all nine CTASC systems at one site to reduce the number of systems, prepare for implementing future logistics information systems, and support the Army's transformation to a modular force structure.³

The concept plans for CTASC system consolidation, April 25, 2006, state that a COOP site will be located at the Defense Information Systems Agency facility in Oklahoma City, Oklahoma. Army Materiel Command officials stated that the COOP site will serve as a full-time back-up site to the CTASC system operations at the Logistics Support Activity. The COOP site was not yet operational as of September 2006 because the Army Materiel Command and the Defense Information Systems Agency are negotiating the fee-for-service contract. According to Army Materiel Command officials, only the CTASC system located at the 321st Theater Materiel Management Center Rear will join the three systems already located at Army Materiel Command Logistics Support Activity. The other six systems will remain at their existing locations until the COOP site is activated because AMC officials determined there are not enough spare CTASC systems available to satisfy the program's self-imposed one-for-one backup rule.

In addition to the CTASC system's relocation, officials at the 377th Theater Support Command stated during audit field work that the Standard Army Ammunition System-Modernized mission was tentatively scheduled to transfer to the 377th Theater Support Command in Kuwait around June 2006. Statements made by the Commanding General of the 377th Theater Support Command in an August 2006 response to the draft report indicated that the Standard Army Ammunition System-Modernized was transferred to Belle Chasse in July, but there was no official order for the transfer: it was part of an inactivation process and that the mission remained with the 377th Theater Support Command. The Commanding General stated that a plan to transfer

³ The Army is restructuring from a division-based to a brigade-based force, which will result in Brigade Combat Teams that are designed as self-sufficient and standardized.

the Standard Army Ammunition System-Modernized to another location is being analyzed. Further, the Commanding General stated that although the initial plan was to transfer the Standard Army Ammunition System-Modernized operations to Kuwait, the final decision was to move it to Belle Chasse, Louisiana. Regardless of the actual location of the primary and back-up system, once the move is made, the Command will need to establish disaster recovery measures.

Recommendations and Management Comments

1. We recommend that the Commander, U.S. Army Materiel Command execute the planned disaster recovery measures after consolidating Army Corps Theater Automatic Data Processing Service Center systems at the Logistics Support Activity, Redstone Arsenal, Alabama.

Management Comments. The Commander, U.S. Army Materiel Command concurred with the recommendation, stating that the U.S. Army Logistics Support Activity will develop a Corps Theater Automation Service Support Center disaster recovery plan that complies with DoD Instruction 8500.2 and DoD Directive 3020.26 by January 1, 2007. Additionally, the Commander stated that current continuity of operations planning employs a combination of CTASC hardware at the Software Engineering Center, Fort Belvoir, Virginia, and Army command CTASC in disbursed locations. The Commander also stated that U.S. Army Materiel Command is actively acquiring and locating 100 percent redundant hardware and software at the Software Engineering Center, Fort Lee, Virginia, which will be activated by January 1, 2007.

2. We recommend that the Commander, 377th Theater Support Command establish disaster recovery measures that comply with Federal and DoD policy at the final locations of both the primary and back-up Standard Army Ammunition System-Modernized systems.

Management Comments. The Commanding General of the U.S. Army 377th Theater Support Command concurred with comments to the recommendation. The Commanding General stated that the Command recognized and corrected the deficiencies prior to the audit. After Hurricane Katrina, the Command developed and tested a disaster recovery plan to ensure continuity of key operations. They added redundant data communications and trained staff on this process. Additionally, the Commanding General stated the Standard Army Ammunition System-Modernized was transferred to Belle Chasse on July 12, 2006, and the Command was in the process of modifying the disaster recovery plan to include the system at that location. The plan will include disaster recovery measures that comply with Federal and DoD policy at the final locations of both the primary and back-up Standard Army Ammunition System-Modernized systems. Finally, the Commanding General stated that the new plan will be completed on or before November 30, 2006.

Appendix A. Scope and Methodology

Scope and Methodology. We conducted this audit from February through July 2006 in accordance with generally accepted government auditing standards. DoD facilities in Louisiana, Mississippi, Alabama, and Florida were damaged by Hurricane Katrina. We determined that Army logistics information technology resources were affected in Baton Rouge, Louisiana. We reviewed the information technology resources at the 321st Theater Materiel Management Center Rear, located at the Leonard C. Saurage U.S. Army Reserve Center. The 321st Theater Materiel Management Center Rear uses the CTASC system and the Standard Army Ammunition System-Modernized to execute its mission, and both systems suffered communications disruptions. We conducted field work and interviewed personnel at the Department of the Army, Deputy Chief of Staff, G-4 (Logistics); the Office of the Army Chief Information Officer (CIO/G-6); the U.S. Army Materiel Command; 377th Theater Support Command, located at the Naval Air Station, Joint Reserve Base, New Orleans, Louisiana; and the 321st Theater Materiel Management Center Rear, Baton Rouge, Louisiana. Additionally, we reviewed and analyzed disaster recovery plans and procedures in place before and after Hurricane Katrina to determine whether they complied with Federal and DoD disaster recovery planning regulations and instructions.

Use of Computer-Processed Data. We did not use computer-processed data to perform this audit.

Government Accountability Office High-Risk Area. The Government Accountability Office (GAO) has identified several high-risk areas in DoD. This report provides coverage of the Protecting the Federal Government's Information Systems and the Nation's Critical Infrastructures high-risk areas.

Prior Coverage

During the last 5 years, GAO has issued one report on continuity planning and emergency recovery efforts. Unrestricted GAO reports can be accessed over the Internet at <http://www.gao.gov>.

GAO Report GAO-04-160, "Continuity of Operations: Improved Planning Needed to Ensure Delivery of Essential Government Services," February 27, 2004

Appendix B. Report Distribution

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Commander, 321st Theater Materiel Management Center
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House Subcommittee on Government Management, Finance, and Accountability
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U.S. Army Materiel Command Comments



REPLY TO
ATTENTION OF

DEPARTMENT OF THE ARMY
HEADQUARTERS, U.S. ARMY MATERIEL COMMAND
9301 CHAPEK ROAD
FORT BELVOIR, VA 22060-5527

AMCIR

1 August 2006

MEMORANDUM FOR Mr. David Lawson, Chief, The Army Audit Liaison Office, U.S. Army Audit Agency, 3101 Park Center Drive, Alexandria, VA 22302-1506

SUBJECT: DODIG Draft Report, Hurricane Katrina Disaster Recovery Efforts Related to Army Information Technology Resources, D2006-D000AS-0135.000, AMC D0617

1. Headquarters, U.S. Army Materiel Command (HQ AMC) has reviewed the subject draft report and agree with the reported facts, conclusions and recommendation. Specific comments are enclosed.

2. HQ AMC point of contact is Mr. Tilden Jio, 703-806-9021, email: tilden.jio@us.army.mil.

FOR THE COMMANDER:

Encl

Susan C. McCoy
SUSAN C. McCOY
Director, Internal Review and
Audit Compliance Office

CF (w/encl):
IG, DOD, 400 Army Navy Drive, Arlington, VA 22202-4704

Command Comments
DODIG Draft Report, Project Number D2006-D000AS-0135.000
Hurricane Katrina Disaster recovery Efforts Related to Army Information Technology Resources

Objective: The overall objective was to determine whether adequate internal controls and plans for disaster recovery were in place to safeguard Army information technology resources.

Conclusion: The 321st Theater Materiel Management Center in Baton Rouge experiences communication outages as a result of Hurricane Katrina that adversely affected the operations of the CTASC and Standard Army Ammunition System-Modernized Systems. The 321st Theater Materiel management Center did not adequately plan for disaster recovery prior to Hurricane Katrina and was forced to develop solutions to the communication outages as they occurred. Following Hurricane Katrina, the 321st Theater Materiel Management Center developed and implemented plans, procedures, and equipment upgrades to prepare for future disasters. During the audit field work, Army Materiel Command officials provided documents that stated the mission for the CTASC system at the 321st Theater Materiel Management Center was transferred to the Army Materiel Command in June 2006. Additionally, the 377th Theater Support Command changed the location where the Standard Army Ammunition System-Modernized would be located, but could not provide official orders directing the move.

Recommendation 1: We recommend that the Commander, U.S. Army Materiel Command execute the planned disaster recovery measures after consolidating Army Corps Theater Automatic Data Processing Service Center systems at the Logistics Support Activity, Redstone Arsenal, Alabama.

Command Comments: Concur. US Army Logistics Support Activity (LOGSA) will develop a Corps Theater Automation Service Support Center (CTASC) disaster recovery plan in accordance with DoD Instruction 8500.2 and DoD Directive 3020.26 not later than 1 Jan 07; the plan will be exercised at least annually and updated semiannually. Disaster recovery plans are phased as follows. Current Continuity of Operations planning employs a combination of CTASC hardware at Software Engineering Center Fort Belvoir, VA (SEC Belvoir) and Army Command CTASC in disbursed locations. Not later than 1 Jan 07, we will have an operational disaster recover site. We are actively acquiring and locating one hundred percent redundant hardware and software at Software Engineering Center Fort Lee, VA (SEC Lee).

Enclosure

U. S. Army 377th Theater Support Command Comments

Final Report
Reference



DEPARTMENT OF THE ARMY
HEADQUARTERS, 377TH THEATER SUSTAINMENT COMMAND
400 RUSSELL AVENUE, BLDG 492
BELLE CHASSE NAS, LOUISIANA 70143-5077

REPLY TO
ATTENTION OF:

AFRC-SBLA-IR

29 August 2006

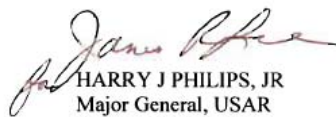
MEMORANDUM FOR Department of Defense, Office of the Inspector General,
Acquisition and Contract Management Directorate
400 Army Navy Drive
Arlington, Virginia 22202-4704

SUBJECT: Management Comments to DoDIG Draft Audit Report on Hurricane Katrina
Disaster Recovery Efforts Related to Army Information Technology Resources

1. Per discussions with the Audit Team, our management comments to the Draft Audit Report on Hurricane Katrina Disaster Recovery Efforts Related to Army Information Technology Resources, Project No. D2006-D000AS-0135.000, have been revised to include an additional statement in the Management Comments to Recommendation 2 and delete paragraph 1 in the Corrected Comments to the Draft Audit Report section. The revised comments are provided at the Enclosure 1 and the original comments are at Enclosure 2 for your convenience.

2. The point of contact for this action is Ms. Quynh Dang, (504) 552-5869, e-mail: quynh.dang@usar.army.mil.

2 Encls


HARRY J. PHILIPS, JR.
Major General, USAR
Commanding General

COL, GS
Chief of Staff

*

* Omitted Enclosure 2 because of length.

**Hurricane Katrina Disaster Recovery Efforts Related to Army Information
Technology Resources
Project No. D2006-D000AS-0135.000**

RECOMMENDATION/MANAGEMENT COMMENTS

Recommendation 2. The Commander, 377th Theater Support Command, establish disaster recovery measures that comply with Federal and Department of Defense policy at the final locations of both the primary and backup Standard Army Ammunition System-Modernized systems.

Management Comments. Concur with comments. Deficiencies stated in the report were recognized and corrected by our management prior to the audit. After hurricane Katrina, we identified the need of having a disaster recovery plan in place to ensure continuity of our key operations. A disaster recovery plan was developed and tested, redundant data communications were added, and necessary training was provided to staff. The Standard Army Ammunition System-Modernized (SAAS-MOD) was transferred to Belle Chasse on July 12 and we are in the process of modifying the disaster recovery plan to include SAAS-MOD at the new location. The new plan will be completed on or before 30 November 2006 and will include disaster recovery measures that comply with Federal and Department of Defense policy for both primary and backup SAAS-MOD systems.

**Hurricane Katrina Disaster Recovery Efforts Related to Army Information
Technology Resources
Project No. D2006-D000AS-0135.000**

CORRECTED COMMENTS TO THE AUDIT DRAFT REPORT

Incorrect Data. Paragraph "Mission Transfer" on page 6 of the report states, "... Statements made by a 377th Theater Support Command internal review evaluator in a July 2006 response to a discussion draft of this report indicated that the primary Standard Army Ammunition System-Modernized operations in Southwest Asia will be conducted at the 377th Theater Support Command Headquarters in Belle Chasse, Louisiana, instead of Kuwait. Further, the internal evaluator stated that a backup system will be located at the 321st Theater Materiel Management Center in Baton Rouge; however, the internal evaluator could not provide any official orders directing this move."

Corrected Data. There was no official order for the transfer of SAAS-MOD. The transfer was part of an inactivation process. The USAR issued Permanent Orders directing the inactivation of 321st TMMC with effective date 15 September 2006. 321st TMMC is subordinate to 377th TSC. Although the unit was being inactivated, the mission remained with 377th TSC. Therefore, a plan to transfer SAAS-MOD to another location was being analyzed. The initial plan was to transfer SAAS-MOD operations to Kuwait. However, final decision was made to move SAAS-MOD to Belle Chasse, Louisiana.

Revised
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Team Members

The Department of Defense Office of the Deputy Inspector General for Auditing, Acquisition and Contract Management prepared this report. Personnel of the Department of Defense Office of Inspector General who contributed to the report are listed below.

Richard B. Jolliffe
Bruce A. Burton
Jacqueline L. Wiccarver
Therese M. Kince
Susan R. Ryan
Matthew J. Price
Karma J. Cleveland
Jacqueline N. Pugh
Jillisa H. Milner
Meredith H. Johnson