Department of Energy

Bonneville Power Administration
P.O. Box 3621
Portland, Oregon 97208-3621

FREEDOM OF INFORMATION ACT/PRIVACY PROGRAM

July 14, 2015

In reply refer to: BPA-2015-01184-F

Ben Tansey
Engery Newsdata Publications
3400 25th Ave W. #401
Seattle, WA 98199

Dear Mr. Tansey,

This is a final response to your request for Bonneville Power Administration (BPA) records under the Freedom of Information Act (FOIA), 5 U.S.C. § 552. Your request was received in our office on April 24, 2015, which we acknowledged on April 27, 2015.

From BPA you requested:
"A copy of the timeline, the organizational and programmatic analysis and each of the Why analyses" mentioned in BPA's March 23, 2015 "(Level 1) Root Cause Analysis."

Response:

We conducted a search of the paper and electronic records of the Enterprise Risk Management office. We have located 10 pages of material responsive to your request. We are releasing 8 pages in full and releasing 2 pages with redactions under Exemption 5 and 6.

The Freedom of Information Act generally requires the release of all government records upon request. However, FOIA permits withholding certain, limited information that falls under one or more of nine statutory exemptions (5 U.S.C. §§ 552(b)(1-9)).

Exemption 5
Exemption 5 protects "inter-agency or intra-agency memorandums or letters which would not be available by law to a party other than an agency in litigation with the agency." In plain language, the exemption protects privileged documents.

The deliberative process privilege protects the decision-making processes of government agencies. Records protected under this privilege must be (1) pre-decisional – created before the adoption of an agency policy or course of action, and (2) deliberative – making recommendations or expressing opinions on a legal or policy matter. In this case, we assert Exemption 5 to protect draft memos, messages and documents, as well as internal discussion

about certain events and issues.

Exemption 5 also protects records that qualify as privileged under attorney-client privilege. This privilege protects confidential communications between an attorney and his client relating to a legal matter for which the client has sought professional advice. The privilege encompasses facts provided by the client and opinions provided by the attorney. In this case, we assert Exemption 5 to protect a limited amount of advice provided by BPA attorneys on legal matters related to hiring and investigations.

Exemption 6:

Exemption 6 protects information in "personnel and medical files and similar files" when the disclosure of such information "would constitute a clearly unwarranted invasion of personal privacy" (5 U.S.C. § 552(b)(6)). Exemption 6 requires balancing the public interest in the information against the individual privacy interest at issue. Here, we assert this exemption to redact the following items:

(1) Personal, non-government e-mail addresses and contact information,

(2) The names of employees who have or may have acted as whistleblowers,

(3) The names of employees who have or may have filed Equal Employment Opportunity cases,

(4) The names of applicants for BPA jobs,

(5) The names of lower-level employees who are involved in matters under audit or investigation, facing discipline, and/or requiring re-certification,

(6) Details that would permit identification of the above employees, including supervisor names and assignment specifics.

For item 1, we find no public interest in this information. For items 2-6, we find that the limited public interest does not outweigh the privacy concerns of the individuals at issue. Information that falls under Exemption 6 cannot be discretionarily released; the right of privacy belongs to the individual, not to the agency. Therefore, we did not analyze this information under the discretionary release guidelines in Attorney General Holder's March 19, 2009, FOIA Memorandum.

There are no fees associated with this request.

Appeal:

Pursuant to Department of Energy FOIA regulations at 10 C.F.R. § 1004.8, you may administratively appeal this response in writing within 30 calendar days. If you choose to appeal, please include the following:

(1) The nature of your appeal - denial of records, partial denial of records, adequacy of search, or denial of fee waiver;

(2) Any legal authorities relied upon to support the appeal; and

(3) A copy of the determination letter.

Clearly mark both your letter and envelope with the words "FOIA Appeal," and direct it to the following address:

Director, Office of Hearings and Appeals
Department of Energy
1000 Independence Avenue SW
Washington DC 20585-1615

Pursuant to 10 C.F.R. Part 1004.7(b)(2), I am the individual responsible for the determination withhold the information described above under Exemption 6. I appreciate the opportunity to assist you. If you have any questions about this letter, please contact E. Thanh Knudson (Case Coordinator, DEA Onsite) at 503-230-5221, or via email at etknudson@bpa.gov.

Sincerely,

C. M. Frost
Freedom of Information Act Officer

Enclosure: Responsive Documents from FOIA request

Overview: Generic timeline to conveys linear representation of actions and conditions prior to event
Use: Help to scope and define RCA analysis boundaries (orange lines); identify where significant changes / inappropriate actions occurred
Inputs: Interview data, audit reports, Hotline records
Process: 1) Key timeline events imported from all data sources 2) with agreement from project team, analysis scoping boundaries were identified (orange lines) 3) inappropriate actions *(does not meet standards or led to undesirable consequences) identified for* further 'deep dive' analysis (red circles)

Updated as of 7/11/14

HCM Program Activity

June 2005: Final draft of KEMA HR EPIP

HCM Pilot Hiring process created

2009 HCM Job Re-compete; (12 replaced)

February 2010 External Oak Ridge review of pilot process

May 2010 Presidential Memo re: CR use

Jun 2010 HCM review of pilot process

Aug: DOE memo: use CR by Nov 2011

Oct: In-house OPM training on CR

Nov: NHQ adopts CR SOP (dev. by NHI)

Uncertainty re: HCMAP Reporting to DOE

May: Anonymous email to HCM staff + all HCM meeting response

Late 2011: HCM audit function Moves from NHO to NHI

May 7: RSA contacts NHI how to adjust BQ

May 23 2012: NHQ stops process of moving cutoff scores

6/18/2012 1st IG CONTACT

7/9/2012 IG report submitted

7/18/2012 OSC complaint filed

Sep 2012 Avue goes live

Agency Personnel Activity

Previous HRD's (short term):
-Roy Smithy
-Mary Zeiher
-Veronica Williams

1/15/2006 Kim Acting CHCO

November 2006 Kim starts as IBS EVP

October 2007 Anita starts as COO

April 2007 Cleve HRD

Mar 2008 Roy Acting CHCO

March 2008 Cleve resigns

September 2008 Roy Permnt CHCO

7/25/2009 Shaut acting TA Mgr.

May 2009 Burns acting Deputy Admstr. (Hickock ret) — **March 2010 Burns back to Bulk Mktng.**

7/7/2009 Paula J ends TA Mgr. role

2009: Laura J-G. starts as NHI Mgr.

10/1/2010 Susan starts as TA Mgr

February 2010 Armstrong acting Deputy Admstr. — **7/1/2011 Armstrong retires**

10/27/2011 Drummond Starts As Deputy Admstr. — **2/26/2013 SW retires; Bill To Admstr.**

June 2012: Laura J-G. leaves BPA

8/20/2012 AD to WAPA; KL Acting — **4/18/2013 AD returns from WAPA**

7/18/2013 (b) (6) [redacted]

February 2013 Launie TA Mgr.

9/18/2013 Robin starts TA Mgr.

7/3/2013 Roy last day

7/8/2013 Jodi Acting CHCO

April 2013 KL acting VP in TS

12/1/2013 Brian HRD

1/1/2006 | 1/1/2007 | 1/1/2008 | 1/1/2009 | 1/1/2010 | 1/1/2011 | 1/1/2012 | 1/1/2013 | 12/30/2013

Audit / Regulatory Activity

9/7/2007 **2007 HCMAP Report**

5/25/2011 **2010 HCMAP Report**

Oct 4 2011 DOE memo *(to BPA Administrator/cc: CHCO)* warns of loss of authority

2/27/2012 Internal Audit memo

11/3/2012 BART: 2010 HCMAP actions complete

8/8/2012 DOE HC case file request

8/21/2012 BPA provides case files

4/15/2013 IG on-site in HCM

4/22/2013 OPM, DOE-HC on-site

5/23/2013 OPM decert BPA staff

6/21/2013 DOE suspends merit/class. auth.

8/13/2013 **2013 HCMAP report**

10/30/2012 HCM FY12 audit summary

6/27/2013 DOE: cancel all DE/MP actions

Other / Agency Activity

(b) (5) [redacted]

OFFICIAL USE ONLY
May be exempt from public release under the Freedom of Information Act (5 U.S.C. 552), exemption number and category: _____
_____.
BPA review required before public release
Name/Org:_____ Date:_____

Mar 2010 Hotline launch

★ = *hiring related call*

10/8/2009 ERMC vote: keep Insufficient Talent as top risk

2010-1012 timeframe: *Work Place Environment Reports (joint trend reports from EEO, Ombudsman, EAP, ER, Ethics) reveal NH org as a primary agency originator of employee complaints (reports not widely circulated).*

6/25/2012 ERMC update: TMS is Mitigation for this risk

7/10/12: BPA notified of IG complaint

Jul 2012: IG report to Legal; AD notified

9/18/12 AICC: 2010 HCMAP response downgraded to yellow in BART

12/13/12 AICC: HCMAP still Yellow / no updates in BART

Sept: fatality

3/19/13 AICC: BART:CHCO certifies work complete

10/24/13 HCM reports to DOE

DRAFT
HCM Root Cause Analysis

Purpose: Why analysis explores actions or inactions that created unwanted conditions or that deviated from a standard set of rules. The purpose of the why analysis is to a) identify and eliminate contributing factors, and b) develop root cause statements
Inputs: Actions/inactions that require further analysis were identified on the timeline document; the scope of this RCA and the possible causes identified (fishbone) also informed the selection of these inappropriate actions to further evaluate; other supporting data sources include interview data and audit reports
Key Outputs: delineation of contributing factors vs. root causes

Action/Inaction Identified: 2009 HCM Forced Job Re-Complete

WHO: HCM Leadership / CHCO

DID WHAT: In 2009 required the HCM management team to re-compete (re-apply) for their positions (10 of 12 managers and Strategic Business Partners (SBP's) replaced as a result)

WHAT REQUIREMENTS: It has been asserted that this management action did not conform to existing Merit System Principle requirements

Requirements Discussion: Three reviews of the HCM pilot process have been conducted to determine if this management action violated existing Merit System Principles:

1. Oak Ridge HRD Review
WHO: *BPA EEO Manager*
DID WHAT: *in 2009, in response to an EEO complaint, arranged for the DOE Oak Ridge HRD to perform a high level review of the HCM pilot hiring process.*
FINDINGS: *Relative to compliance with Title 5 requirements, the output of this review were not definitive; it was recommended that BPA should conduct another independent assessment of this issue.*

2. HCMLT Pilot Process Review
WHO: *BPA CHCO*
DID WHAT: *In 2010 directed HCM staff to conduct an evaluation of the pilot hiring process, scoped in terms of Merit System Principle requirements (work was performed by 1 BPA FTE and 2 CFTE).*
FINDINGS: *"1) process design is supported by regulations and OPM guidelines 2) Some aspects of process administration do not conform to key Merit System Requirements as outlined in the Code of Federal Regulations, Part 300 and OPM's Delegated Examining Operations Handbook 3) Appointments made were legal and Veteran's Preference was properly observed 4) No conclusion about adverse impact on underrepresented groups can be made because of insufficient race and national origin data on the applicant pools"*

3. 2010 HCMAP Audit
WHO: *DOE OCHCO*
DID WHAT: *As part of the 2010 HCMAP audit, provided the following opinion: "The HCMAP team strongly advises BPA to eliminate the use of the personnel assessment tool, Staffing Pilot. While the use of this assessment tool is not prohibited, it does appear to be contradictory to the Hiring Reform as outlined in President Obama's Memorandum on Improving the Federal Recruitment and Hiring Process dated May 11, 2010" (2010 HCMAP Audit report, p 7).*

- 10 of 12 HCM managers and SBP's were replaced through a forced job re-compete
  - HCM leadership was attempting to transform the HCM organization to be more effective and efficient
    - Executive feedback to HCM: not delivering a qualified workforce necessary to meet the evolving needs of the agency
      - Agency business lines experienced long staff hiring times (CF)
      - HCM, l ke the rest of the agency, was experiencing attrition of experienced federal HR staff (CF)
      - Lack of automation and heavy reliance on paper-based processes (CF)
      - Lack of HCM leadership continuity; long period of HRD turnover (CF)
      - Unable to compete with peer organizations in recruiting talent (CF)
      - HCM leadership perceived resistance to change within HCM
        - Inadequate / lack of change management planning (CF)
        - Pockets of resistance among HCM staff following the selection and placement of CHCO with no federal HR background (CF)
        - KEMA recommendations had been provided in 2005; by 2009 implementation of those recommendations was not being adequately realized
          - Lack of HCM leadership continuity; long period of HRD turnover (CF)
    - HCM leadership decision making, relative to enhancing HCM capabilities, was heavily informed by guidance and recommendations provided by KEMA consulting
      - In 2005, by request of the Administrator, KEMA Consulting had provided recommendations on how to enhance agency capabilities; HR was a focus area of that engagement (CF)
    - HCM, like other business lines, was facing budget reduction pressure
      - Historical (Executive Board) targets established reductions of up to 25% within IBS (CF)
      - EPIP findings and research indicated that the HCM organization was double the size of HR organizations (CF)
  - A mechanism and process was created within HCM to enable this change
    - Internal HCM teams identified options for what organizational structure and staff competencies were necessary to meet HCM objectives
      - CHCO was attempting to organize the next level of people/process/ capabilities necessary to implement and deliver on HCM objectives (CF)

Possible causes identified during April 2014 project team brainstorm (fishbone)

CF = Contributing Factor: *made outcome worse or more likely but didn't cause the event by itself*

Root Cause: *the most basic reason, which if eliminated, would prevent recurrence in this or similar conditions*

Test: This action/inaction would not have occurred--and will not occur in this or similar areas--had this root cause not been present

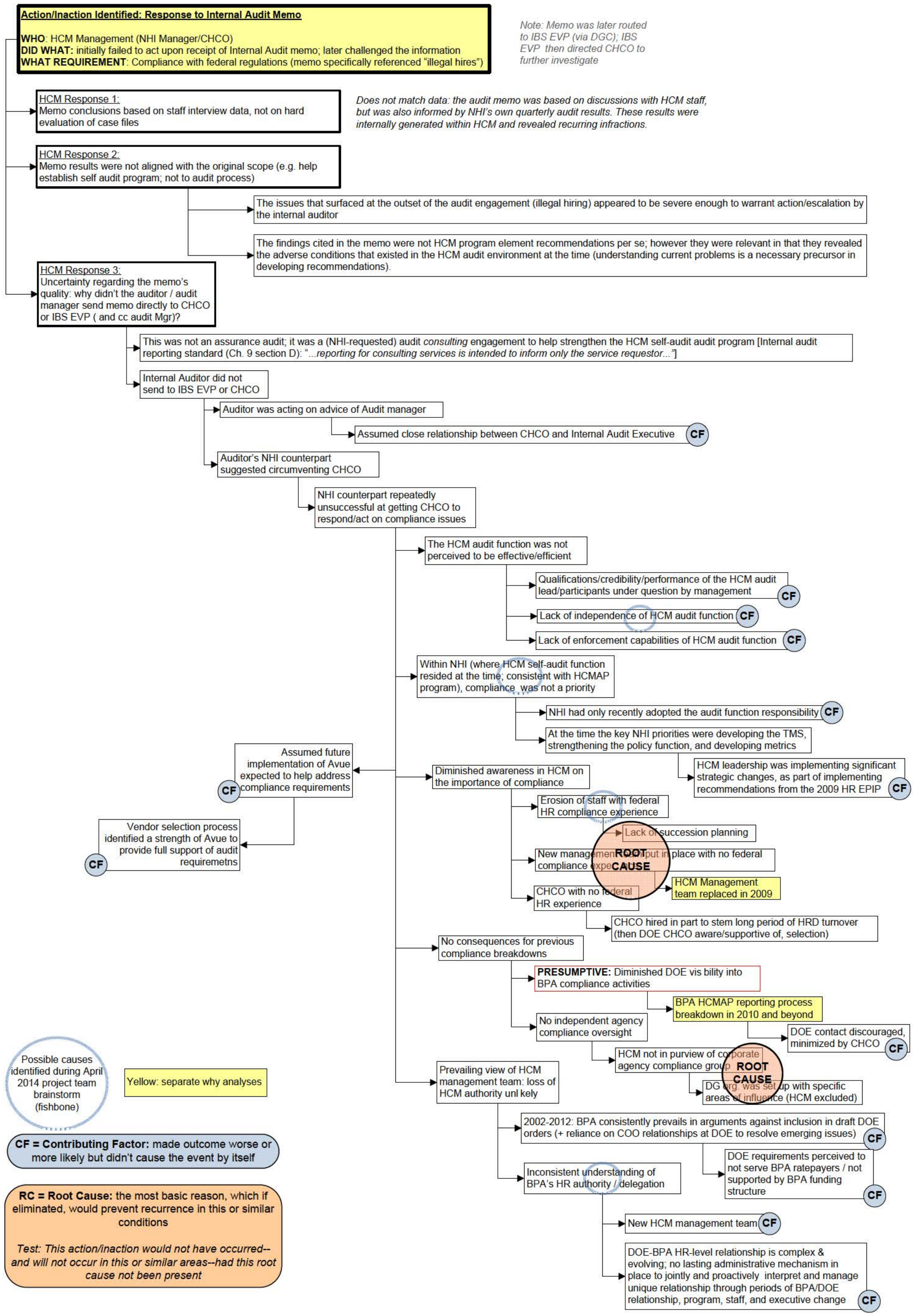
ROOT CAUSE

No root cause was identified in this why analysis.

Data collected during this analysis reveals that the decision to replace the HCM management team did result in some undesirable conditions.

However, based on data collected during this analysis, a conclusive determination has not yet been made as to whether Merit System Principles were violated (the internal HCM review concluded that some aspects of the process administration do not conform to Merit System requirements, and the DOE HCMAP opinion indicates that the process appears to be contradictory to hiring reform).

Purpose: Why analysis explores actions or inactions that created unwanted conditions or that deviated from a standard set of rules. The purpose of the why analysis is to a) identify and eliminate contributing factors, and b) develop root cause statements
Inputs: Actions/inactions that require further analysis were identified on the timeline; the scope of this RCA and the possible causes identified (fishbone) also informed the selection of these inappropriate actions to further evaluate; other supporting data sources include interview data and audit reports
Key Outputs: delineation of contributing factors vs. root causes



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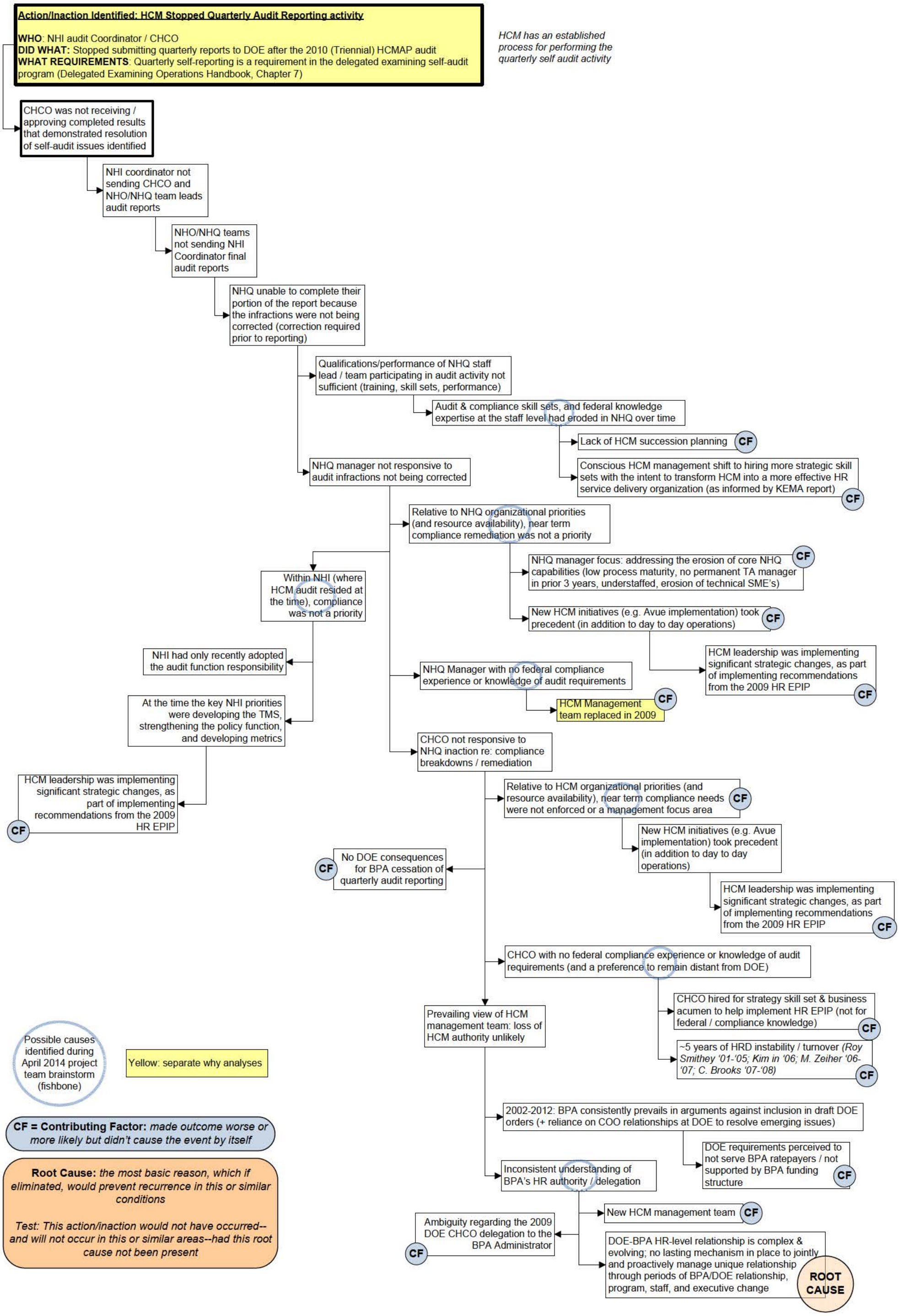

Overview: Organizational and programmatic analysis is intended to capture a range of organizational and programmatic factors that created negative conditions, prevented detection of problems, or what contributed to not identifying or addressing event precursors.

Use: This analysis is intended to capture broader organizational and programmatic factors which are relevant to, but might not be captured in, other analysis tools utilized during this engagement.

Inputs: Interview data, audit reports, Hotline records

Process: 1) A series of key questions, organized into categories, frame the analysis structure 2) Relevant information is imported from the data collected to help provide responses 3) Implications on BPA leadership decision making is summarized *(Note: the term "event" in this document refers to the HCM suspension of authority. Specific period of analysis is 2009-2012)*

I. Organizational Factors: *Were any organizational factors in place that:*

A. Created negative conditions *in the course of adverse actions (2009-2012)*?	
Organizational Factor	***Negative Condition(s) Created***
Beginning in 2011, an intense period of agency executive leadership turnover.	1. Significant disruption to the agency's leadership structure at a time of increasing intensity (and subsequent demands on the agency) of DOE and OPM investigation and audit activity in HCM. • *VP Bulk Marketing becomes Acting Deputy Administrator May 2009* • *Acting Deputy Administrator resumes VP Bulk Marketing role March 2010* • *CFO assumes Acting Deputy Administrator Feb 2010* • *Acting Deputy Administrator retires July 2011* • *New Deputy Admin. starts Oct 2011* • *COO to WAPA Aug 2012* • *IBS EVP is COO Aug 2012* • *IT VP is IBS EVP Aug 2012* • *Deputy becomes Admin. Jan 2013* • *Administrator retires Feb 2013* • *IBS EVP stops acting COO, goes to Transmission March 2013* • *COO back from WAPA April 2013* • *CHCO retires July 2013* • (b) (6) 2. Leadership changes warranted a series of handoffs between executives, some of which were abrupt and unstructured. 3. Prevented a consistent 'big picture view' of what event precursors were occurring during this timeframe
Most of the HCM management team was new/replaced via the pilot hiring process (intent was to enable strategic HR change)	1. This action was disruptive to an organization that had already experienced years of HRD turnover (IBS EVP at the time had difficulty finding a qualified HRD) : a. *Roy Smithey: 2001 – 2005* b. *Mary Zeiher and Susan Custard: Apr. 2005 – Jan 2006* c. *Kim Leathley: Jan. 2006 - Nov 2006* d. *Mary Zeiher: Dec. 2006 - Apr. 2007* e. *Cleve Brooks April 2007 - Mar 2008* f. *Roy Fox: July 2008 - July 2013 (DOE CHCO aware of Roy's selection)* 2. This activity, perceived as controversial by some, triggered the departure of some of the

	previous tenured management team. 3. For those who lost their leadership positions as a result of this action, it created an environment of distrust and animosity in HCM. 4. Most of the new management team did not have federal hiring compliance experience

Implications on BPA leadership decision making relative to HCM activities:

At Time of IG Contact (June 2012):

- Beginning in 2009, there was a significant amount of strategic and operational change occurring in HCM. This change began occurring following a period of HRD turnover, in an environment that was becoming increasingly operationally distant from DOE, and with a newly-replaced HCM leadership team tasked with implementing many new initiatives.
- In this environment, HCM organizational capabilities were likely not sufficient to accommodate the series of approaching technical audits and investigations, the drivers of which originated prior to the placement of the new management team.
- In an agency environment already experiencing shifts in the front office and executive leadership positions, agency leadership had been supportive of the development and implementation of the Talent Management Strategy as part of the intended transformation of HCM:
    - *There was an inconsistent awareness, across shifting agency leadership, of the weakened program and compliance level operational capabilities in HCM.*
    - *Agency leadership visibility into near term HCM operational capability was eclipsed by the conscious and deliberate transition to a longer term strategic approach to transforming HCM.*

Today:

- **Succession Planning:** These organizational factors highlight the significance and importance of robust succession planning capabilities, especially given what is known about the agency (staff and management) retirement profile:
    - *From a succession planning perspective, how is today's (HCM or agency) succession planning environment different than it was in June of 2012?*
    - *What mechanisms are in place to enable agency leadership to both understand, and manage, succession risks?*
    - *What assurance does agency leadership have that these mechanisms are performing adequately?*
- **Organizational Capabilities:** These organizational factors highlight the need to ensure that core business line organizational capabilities are sufficiently resilient to accommodate operational or leadership disruption (capabilities defined as resources and knowledge: capital, time, people, processes, systems, technologies).
    - *What systemic tools are in place to periodically assess (HCM or agency business unit) capabilities relative to the demands put on those organizations?*
    - *What assurance does agency leadership have that these assessment tools are performing adequately?*
    - *What systemic "early warning indicator" mechanisms are in place to signal to executive leadership any potential decline in operational business unit capabilities?*
        - *What assurance does executive leadership have that those mechanisms are performing adequately?*

B. Prevented detection of problems?	
Organizational Factor	***How it Prevented Detection***
Newly established BPA Hotline mechanism *(The purpose of the employee Hotline mechanism is to give employees and contractors a way to report code of conduct violations)*	• In November of 2011 a HCM contractor contacted the Hotline to report a conflict of interest relative to the how HCM management was managing audit case files (after the discovery of misapplying category ratings). • The manager of the Hotline process did escalate the issue to the CHCO and the front office. • Modifications have since been made to the Hotline process to avoid the possibility of conflict of interest • Although in this instance detection of a possible problem was raised, a management conflict of interest may have prevented appropriate investigation of, or resolution of, the issue.
Ombudsman function reporting to CHCO *(Purpose of the Ombudsman: to provide employees with a neutral, independent resource to discuss workplace issues in a confidential environment, so that those issues can be addressed in a proactive manner)*	• In 2010 the Ombudsman function was reporting to the CHCO. • Shortly after the 2009 replacement of the HCM team, the current Ombudsman received a series of employee reports emerging from HCM on a variety of issues; the perception among callers was that despite employee attempts at escalating issues, nothing ever changed. • Although the Ombudsman function may have been detecting problems in the HCM organization, the level of subsequent level of response to those escalations may have prevented further investigation into conditions occurring in HCM.
BPA's increasingly distant relationship from DOE HCM	• There has been ambiguity regarding a 2009 DOE CHCO delegation of HCM authority to the BPA Administrator; BPA's legal, compliance, and DC office do not have record of this delegation. • Delegated examining self-audit program requirements direct HCM to submit quarterly/annual reports to DOE; this mechanism is in place to ensure that BPA delegated examining activities are in compliance with Federal law and merit system principles. • 2012 data collected during this analysis reveals internal HCM process breakdowns regarding required (delegated examining) reporting to DOE; there is uncertainty regarding what information, if any, was sent to DOE and when. This uncertainty prevents the assessment of the effectiveness of this detective/assurance mechanism. • In October 2011 BPA received a formal communication from DOE warning of the loss of delegated examining authority if BPA's 2010 HCMAP report response was not made sufficient. • **PRESUMPTIVE:** Due to the lack of reporting data, DOE had less visibility into BPA's HCM program assurance activities, and was unable to detect and/or act on program-level deficiencies. As of the date this document was drafted, there are no records that DOE escalated this issue to BPA executive management.
Lack of independent agency view into HCM assurance activity	• The agency Governance and Compliance group does not have purview over HCM activities; the DG organization was established with specific areas of focus. • Relative to HCM assurance activity, agency leadership had some visibility into how HCM was treating the 2010 HCMAP findings (AICC, BART reporting). • The level of discipline/rigor that managers apply when addressing audit issues is highly variable. This makes it difficult for Internal Audit to determine what action management has taken (and its quality). • The level of agency visibility into HCM program level assurance activity (following the 2010 HCMAP audit) was limited to the quality of information being provided by HCM.

Implications on BPA leadership decision making relative to HCM activities:

At Time of IG Contact (June 2012):

- By the time IG contact was made in June 2012, multiple detective mechanisms had been triggered in an attempt to signal operational vulnerabilities and concerns in HCM.
- The triggering of these mechanisms occurred over a long time horizon (2010-2012) in an environment of shifting executives across the agency; this would have had some impact on how trends or pockets of employee issues were understood and managed.
- Some subset of HCM (and agency) employees, working to support an HCM organization experiencing significant operational, leadership, and strategic change, had experienced a period of attempted issue escalation--but were not observing what seemed (to them) like appropriate management and executive response.
- To this set of HCM (and agency) employees at the time, escalation of concerns outside BPA's available systems was deemed necessary and appropriate.

Today:

- **Assurance / Detection Capabilities:** These organizational factors highlight the significance and importance of effective detection capabilities:
  - *Looking forward (beyond the execution period of the Get Well Plan), what is the appropriate level of agency oversight over HCM program activities?*
  - *What agency assurance / detection mechanisms are in place today, and what assurance does agency leadership have that mechanisms are performing effectively?*
  - *Do those assurance / detection capabilities enable a holistic view of information as it emerges from a variety of agency and DOE reporting and escalation processes?*
  - *Will those mechanisms continue to effectively provide assurance during future periods of agency staff and leadership turnover?*
- **Managing the BPA-DOE HCM (and agency) Relationship:**
  - *Looking forward, what is the structured mechanism by which the evolving BPA-DOE relationship is understood, communicated, and effectively managed?*
    - *Can this mechanism withstand the disruptive impact of BPA's own retirement/attrition profile and changes of political administrations in DC?*

II. Event Precursors: *What event precursors were in place (prior to IG contact), and were they sufficiently managed?*

Precursor Description	Precursor Evaluated for Risk / Sufficiently Addressed?
(Jan 2010) Oak Ridge HRD's Review of the 2009 HCM pilot hiring process *(BPA EEO office invited the HRD of the DOE Oak Ridge office on-site to perform a review of the pilot process used to hire the new HCM management team. This was done in response to an EEO complaint)*	• The review of this HCM process was not coordinated with HCM; no advance notification was given • In reviewing the results of this review (Jan 2010), the IBS EVP expressed concerns to the COO and Deputy Administrator regarding the quality of the review and suggested that an Internal Audit engagement would provide more thorough results (in the absence of audit group engagement on this topic, the IBS EVP subsequently asked the CHCO to conduct a review of issues raised in this memo—see June 2010 review of Pilot Hiring Process) • Based on information gathered to date for this pilot process review, it is not possible to determine if this precursor was sufficiently evaluated for risk or if the originating issue was sufficiently addressed.
(May 2011) 'Anonymous' HCM Email *(An anonymous email was sent to the IBS EVP, COO, Administrator, and HCM staff from a Gmail account. The email, from 'the anonymous HCM,' alleged a hostile, degrading, and intimidating work environment in HCM and indicated a need for outside intervention)*	• The email was quarantined from the email system because it was considered by the IBS EVP to be unprofessional. • The IBS EVP organized an all-HCM employee staff meeting directly following the receipt of the email to attempt to address the personnel issues raised. • Based on information gathered to date for this analysis, it is not possible to determine if this precursor was sufficiently evaluated for risk or if the originating issue was sufficiently addressed.
(May 2011 Release) 2010 HCMAP Report *(release of the triennial audit)*	• Prior to this audit, BPA was performing the standard 10% testing of personnel actions; after the audit DOE requested 100% testing due to the number of errors. • BPA's required implementation plan to the audit findings were not deemed to be sufficient by DOE; the October 2011 memo from DOE to the BPA Administrator (cc: CHCO) specifically stated *"Failure to comply with these requirements will result in loss of Delegated Examining authority."*
(Nov 2011) BPA Ethics Hotline Submission *(a Hotline call was received regarding possible improprieties in the hiring process)*	• At the time of this Hotline submission, Hotline procedures had not been updated to address possible conflict of interest concerns; it was not unusual for the issue to be re-routed back to the manager of the organization in which the issue originated for resolution. • In 2011, the Hotline was the responsibility of the CHCO. • Hotline records indicate that the issue was closed; it is not possible to determine if this precursor was sufficiently evaluated for risk or if the originating issue was sufficiently addressed.
(2010 – 2011) Workplace Environment Reports *(these management reports, created by the Ombudsman, were a collection of information from EEO, EAP, Employee Relations, and Ethics)*	• In the annual FY2011 annual Workplace Environment report, the NH organization was specifically called out as a top originator of complaints. • For a period of approximately 2 years, these joint reports were generated; however, data records collected during this analysis do not provide any specificity regarding who received these reports (or when). The reports were not widely circulated above the CHCO level. • Based on information gathered to date for this review, it is not possible to determine if these reports sufficiently evaluated risks or if the trends identified were sufficiently addressed.

(Feb 2012) Internal Audit Memo to HCM *(Following a consulting engagement with NHI, audit released a memo to the NHI manager indicating repeat infractions—including illegal hiring)*	• Based on analysis conducted during this root cause, this precursor was not initially evaluated for risk or sufficiently addressed within HCM. • A wide range of conditions were in place at the time that prevented the issues raised in this memo from being addressed (see why analysis / Audit memo).

Implications on BPA leadership decision making relative to HCM activities:

At Time of IG Contact (June 2012):

- By the time IG contact was made in June 2012, multiple precursors had revealed themselves that signaled a challenging operational environment within HCM; some subset of HCM (and agency) employees had attempted to escalate a distributed set of operational, procedural, and conflict concerns.
- These precursors were distributed over the 2010-2012 time frame and originated from various sources--but were not necessarily seen "in total" across the agency (executive leadership turnover).
- Based on the historical information collected during this analysis it is not possible to determine if these precursors were sufficiently evaluated for risk, or if the precursors, as they individually occurred, were sufficiently addressed.
- Eleven months prior to the June IG contact, an anonymous set of HCM employees had already threatened outside escalation—but there is uncertainty who received the email (May 2011 anonymous email was sent to all of HCM, the COO, and Administrator) because it was removed from the email system.
- Eight months prior to the June IG contact, DOE had threatened to revoke delegated examining authority if specific HCM requirements were not met (October 2011 DOE memo to Steve Wright cc: Roy Fox).

Today:

- **Assurance / Detection Capabilities:** These precursors highlight the significance and importance of effective assurance and detection capabilities:
    - *What agency assurance / detection mechanisms are in place today, and what assurance does agency leadership have that that mechanisms are performing effectively?*
    - *Do those assurance / detection capabilities enable a holistic view of information as it emerges from a variety of agency and DOE reporting / escalation processes and activities?*
    - *Will those mechanisms continue to effectively provide assurance during future periods of agency leadership turnover?*
- **Business-Line Risk Management Capabilities**:
    - *Do executives have sufficient visibility into current operational (near term) business line risks and strategic (long term) business line risks?*
        - *The scope of risk management activity surrounding the Talent Management Strategy was oriented towards longer term agency risk impacts, not near term operational risks in HCM*