



Office of Inspector General

Board of Governors of the Federal Reserve System
Bureau of Consumer Financial Protection

MEMORANDUM

DATE: September 7, 2022

TO: Patrick J. McClanahan
Chief Operating Officer
Board of Governors of the Federal Reserve System

Winona H. Varnon
Director, Division of Management
Board of Governors of the Federal Reserve System

FROM: Michael VanHuysen 
Associate Inspector General for Audits and Evaluations

SUBJECT: OIG Report 2022-MO-B-010: *The Board Implemented Safety Measures in a Manner Consistent With Its Return-to-Office Plan*

Executive Summary

We initiated a limited-scope evaluation in February 2022 to assess select vaccination, building access, and other return-to-office (RTO) workplace safety measures put in place by the Board of Governors of the Federal Reserve System to ensure that the measures were implemented in a manner consistent with the agency’s RTO plan. To understand the Board’s RTO efforts, we reviewed the Board’s RTO plan, including external guidance referenced in the plan; we also reviewed Board communications and interviewed responsible Board officials and staff.

For the select workforce safety measures we assessed, we found that the Board’s actions aligned with its RTO plan and the external guidance referenced in the RTO plan. The Board implemented enhanced cleaning and air filtration practices and social distancing measures in its owned facilities and oversaw the implementation of these measures in its leased facilities. The Board also implemented building access controls, including a requirement that only vaccinated individuals be permitted to access Board facilities and a process to monitor the number of employees in its facilities. Our report does not contain any recommendations, but we have included a matter for management consideration related to the Board’s planned lessons-learned review. Specifically, we suggest that the Board memorialize the key stakeholders who contributed to the Board’s decisionmaking processes during its COVID-19 response and the implementation of its RTO plan.

In response to our draft memorandum, the Board states that it is pleased that our review found that workplace safety measures aligned with the Board's RTO plan. As part of our regular outreach with the Board, we will informally monitor the status of the planned lessons-learned review.



Office of Inspector General

Board of Governors of the Federal Reserve System
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Recommendations, 2022-MO-B-010, September 7, 2022

The Board Implemented Safety Measures in a Manner Consistent With Its Return-to-Office Plan

Finding: The Board Implemented Safety Measures in a Manner Consistent With Its RTO Plan

Number	Recommendation	Responsible office
No recommendations.		

Objective, Scope, and Methodology

We initiated a limited-scope evaluation in February 2022 to assess select vaccination, building access, and other return-to-office (RTO) workplace safety measures put in place by the Board of Governors of the Federal Reserve System to ensure that the measures were implemented in a manner consistent with the agency's RTO plan. To understand the Board's RTO efforts, we reviewed the agency's RTO plan and associated guidance and communications, and we interviewed responsible Board officials and staff. To assess the Board's RTO processes, we reviewed building access controls, the data dashboard used to monitor the number of individuals accessing Board facilities, social distancing practices, and related contract modifications. We also reviewed samples of janitorial reports to evidence the Board's process to verify enhanced cleaning, and we reviewed documentation related to enhanced air filtration practices in Board-owned and Board-leased facilities. We conducted our fieldwork from March 2022 through August 2022. We performed this evaluation in accordance with *Quality Standards for Inspection and Evaluation* issued by the Council of the Inspectors General on Integrity and Efficiency.

Background

The Board's COVID-19 Response

In response to the COVID-19 pandemic, the Board established a core group of senior leaders, which included the chief operating officer (COO) and the Division of Management director, to monitor COVID-19 pandemic developments.¹ The Board's initial actions in response to COVID-19 included transitioning to a full-time telework posture, updating its *Communicable Disease Plan*, and hiring a public health expert.

- In March 2020, the Board transitioned employees who could perform their work offsite to full-time telework and launched an internal COVID-19 website to communicate up-to-date information and guidance to its employees. The Board also updated its *Communicable Disease Plan*, which provides Board members, senior management, and employees with guidance and response actions in the event of a communicable disease outbreak. The plan outlines the decisionmaking process; specifies the primary decisionmakers; and encourages the Board to consider national, state, and local health conditions when making decisions because pandemics can progress at different rates across the United States.
- In May 2020, the Board retained a public health expert to support its pandemic response. The core group of senior leaders met with the public health expert to discuss pandemic-related workplace issues, including developing the Board's RTO plan. The core group also met with the Executive Committee, the Senior Officer Committee, the Board chair, and the administrative governor to obtain input for the RTO plan.

On June 28, 2021, the Board communicated its RTO plan to employees. The plan outlines a four-stage approach—stages 0 through 3 (table 1). The plan communicated that the decision to move from one

¹ The core group also includes the Board's chief financial officer, the chief information officer, the director of the Division of Reserve Bank Operations and Payment Systems, the assistant to the Board, the associate general counsel, the associate director of integrated resiliency and intelligence programs, the associate deputy director of internal communications, and a representative from the Division of Supervision and Regulation.

stage to the next would be based on local public health conditions, the decisions of local school systems, and the availability of public transportation. Additionally, the plan included information on the cleaning, air filtration, and social distancing practices that had been implemented in the Board’s owned and leased facilities.

On November 1, 2021, the Board moved to stage 1 of its RTO plan and instituted a requirement that only fully vaccinated individuals could enter Board facilities. During the first half of 2022, the Board continued to transition through the remainder of its RTO stages using the decision factors as outlined in the RTO plan.

On June 3, 2022, the Board completed the final stage of its RTO plan and then transitioned to a hybrid work schedule.² The Board communicated that it will continue to monitor public health conditions closely and review Centers for Disease Control and Prevention (CDC) guidance, local public health data, and the status of public schools and transportation systems and to consult with the Federal Reserve Banks and other federal agencies.

Table 1. The Board’s Staged RTO Plan

Stage	Building capacity limit	Dates
0	Essential personnel only ^a	March 17, 2020—October 31, 2021
1	10%	November 1, 2021—February 21, 2022
2	25%	February 22, 2022—April 3, 2022
3	None	April 4, 2022—June 3, 2022

Source: OIG analysis of Board documents and interviews.

^a The Board required that anyone not deemed essential receive their supervisor’s approval to enter its facilities.

Finding: The Board Implemented Safety Measures in a Manner Consistent With Its RTO Plan

In response to the COVID-19 pandemic, the Board implemented several building safety enhancements to support its RTO plan in its owned facilities and oversaw the safety measures implemented by the lessors in its leased facilities. Specifically, the Board implemented enhanced cleaning and air filtration practices and social distancing measures in its owned facilities and oversaw the implementation of these measures in its leased facilities. Further, the Board implemented building access controls and created a building access dashboard to monitor building capacity. For the select workforce safety measures we assessed, we found that the Board’s safety measures aligned with its RTO plan.

² *Hybrid work* incorporates a mix of employees working in the office and working from other locations.

Table 2. The Board's RTO Plan Safety Measures and the Actions Taken to Implement Them

RTO safety measures	Board actions
Cleaning	
<p>The Board communicated to staff that it increased the cleaning frequency of all areas, including sanitizing high-touch surfaces, in all Board facilities in accordance with CDC guidance. Similarly, the Board communicated that its lessors were taking similar actions in leased facilities.</p>	<p>In Board-owned facilities, we found that the Board added additional cleaning staff and awarded a new cleaning contract that included language that facilities must be maintained to minimize the spread of infectious diseases and viruses. We also found that Board Facilities staff are responsible for ensuring that enhanced cleaning is performed through visual inspections and quality assurance checks. We reviewed janitorial reports as well as email communications between the Board's building managers and the cleaning contractor and determined that the Board has a process to verify that enhanced cleaning was performed in its owned space.</p> <p>In Board-leased facilities, we found that Board Facilities staff are responsible for ensuring that enhanced cleaning is performed through daily visual inspections. We interviewed the Board building manager responsible for performing the visual inspections and reviewed Facilities staff's monthly meetings with the lessors and determined that the Board has a process to verify that enhanced cleaning was performed in its leased space.</p>
Air filtration	
<p>The Board communicated to staff that it was using higher-rated air filters and increasing fresh air exchanges in Board-owned facilities to meet or exceed American Society of Heating, Refrigerating and Air-Conditioning Engineers' (ASHRAE) COVID-19 recommendations. The Board communicated that its lessors were taking similar actions in its leased facilities.</p>	<p>In Board-owned facilities, we found that the Board installed MERV-13 filters and increased the amount of fresh air brought into these facilities. We reviewed documentation related to the purchase of MERV-13 filters and the completion of work orders to install the filters. We also reviewed communications that detailed the steps taken to increase fresh air in Board-owned facilities.</p> <p>In Board-leased facilities, we found that lessors communicated to the Board that they installed MERV-13 filters and increased the amount of fresh air brought into the facilities. We reviewed communications that detailed the steps taken.</p> <p>Additionally, we found that the Board had an independent contractor perform indoor air quality assessments in its owned and leased facilities. The testing found that the air quality was either at or better than the acceptable limits of the measured air quality parameters.</p>
Social distancing	
<p>The Board communicated to staff that it installed social distancing measures and signage in Board facilities.</p>	<p>We found that the Board installed social distancing signage and physical barriers in its facilities that remained in place until March 2022.^a The Board also installed these measures in shuttles, elevators, and common spaces to ensure employee safety. We reviewed documentation that evidenced that these safety measures were implemented.</p>

RTO safety measures	Board actions
Building access and monitoring	
As of November 1, 2021, the Board updated its building access restrictions to require that all individuals entering Board facilities, including employees, contractors, and visitors, be fully vaccinated.	We found that the Board implemented processes to prevent unvaccinated individuals from accessing its facilities without preapproval, as well as safeguards for situations in which an unvaccinated employee requires access. ^b We verified that the Board deactivated the building access cards of unvaccinated employees and required visitors to provide proof of vaccination to Board law enforcement upon entry. For contractors, the Board revised the security provisions in existing contracts and modified contract award templates to reflect vaccination as a requirement for building entry.
The Board communicated to staff the capacity limits for Board facilities, which incrementally increased during each of the four RTO stages.	We found that the Division of Management created a dashboard to monitor the number of employees accessing Board facilities. The COO and the director of the Division of Management monitored the capacity data weekly. We reviewed dashboard data from November 2021 to March 2022 and found that the Board remained consistently under its RTO capacity limits.

Source: OIG review of Board documentation and interviews with Board officials and staff.

^a In March 2022, the Board began removing social distancing measures. We were informed by Board officials that the Board continued to monitor local health conditions and was prepared to revert to previous stages, if necessary.

^b On March 18, 2022, the Board developed a process to grant building access to unvaccinated employees with an approved legal exception. Specifically, unvaccinated employees can access Board facilities with a supervisor-approved business need and proof of a negative COVID-19 test result that is dated within 3 days of the planned entry date.

Matter for Management Consideration

The COVID-19 pandemic required the Board to make important decisions related to employee safety and the eventual return to the office. The COO and the director of the Division of Management informed us that the input of various stakeholders was considered when making decisions related to the Board’s COVID-19 response and RTO plan, including a public health expert, the Board chair, the Board’s Executive Committee, and the Board’s Senior Officer Committee. We reviewed the decisionmaking inputs described in the *Communicable Disease Plan* and noted that the plan does not include all of the Board’s COVID-19 decisionmaking stakeholders as part of the decisionmaking process.

The *Communicable Disease Plan* states that Board staff and operating units that had a significant role in responding to the event will conduct a lessons-learned review of the sequence of events and the actions taken in response to the event. We were informed by Board officials that they plan to conduct this review.

We believe that the Board’s decisions related to its COVID-19 response and RTO plan benefited from the input of key stakeholders. Given the unprecedented nature of the pandemic, we suggest that when conducting its planned lessons-learned review, the Board memorialize the key stakeholders who contributed to the decisionmaking process during its COVID-19 response and implementation of its RTO plan. We believe that memorializing the decisionmaking process will assist the Board in strengthening its resiliency and its ability to respond to any similar future events.

Management Response

In response to our draft memorandum, the director of the Division of Management stated that the Division of Management and the Division of Financial Management are pleased that our review found that workplace safety measures aligned with the Board's RTO plan. As part of our regular outreach with the Board, we will informally monitor the status of the planned lessons-learned review.

Closing

The select Board workforce safety measures we assessed aligned with the Board's RTO plan. Our report does not contain recommendations; however, we have included a matter for management consideration related to memorializing the decisionmaking process when the Board conducts its planned lessons-learned review, which may help the Board respond to any similar future events.

We provided you with a draft of our memorandum report for review and comment, and your response is included as an attachment. We appreciate the cooperation we received from the Board during the evaluation. Please contact me if you would like to discuss this memorandum report or any related issues.

Attachment

cc: Ricardo A. Aguilera
Donna Butler
Tameika Pope
Curtis Eldridge
Ann Buckingham
Kendra Gastright

Management Response



BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM
WASHINGTON, D. C. 20551

WINONA H. VARNON
DIRECTOR
DIVISION OF MANAGEMENT

August 25, 2022

Mr. Michael VanHuysen
Assistant Inspector General for Audits and Evaluations
Office of Inspector General
Board of Governors of the Federal Reserve System
20th Street and Constitution Avenue, NW
Washington, DC 20551

Dear Mr. VanHuysen:

Thank you for the opportunity to review and comment on the Office of Inspector General's draft report, titled *The Board Implemented Safety Measures in a Manner Consistent with Its Return-to-Office Plan*. We appreciate the OIG's partnership with the Divisions of Management and Financial Management during the course of the evaluation.

We are pleased your review found that the Board's workplace safety measures put in place in response to the coronavirus pandemic aligned with the Board's Return-to-Office Plan and external guidance referenced in the plan. We are extremely proud of the Board's response to COVID-19 and the collaborative manner in which our guidance evolved. As we transition to returning to work in our new hybrid environment, we will continue to be guided by our principles, keeping the health and safety of our employees at the forefront.

Thank you for your review.

Sincerely,

**WINONA
VARNON**
Winona H. Varnon
Director, Division of Management

Digitally signed by WINONA
VARNON
Date: 2022.08.25 17:24:26 -0400

cc: Pat McClanahan
Ricardo Aguilera