



U.S. Department of Agriculture



Office of Inspector General
Western Region

Audit Report

Follow-Up Review of Forest Service Security Over Explosives/Munitions Magazines Located Within the National Forest System

Report No. 08601-45-SF
June 2006



UNITED STATES DEPARTMENT OF AGRICULTURE

OFFICE OF INSPECTOR GENERAL

Washington D.C. 20250



JUL 13 2006

TO: Dale Bosworth
Chief
Forest Service

FROM: Robert W. Young /s/
Assistant Inspector General
for Audit

ATTN: Sandy Coleman
Audit Liaison

SUBJECT: Follow-Up Review of Forest Service Security Over Explosives/Munitions
Magazines Located Within the National Forest System

As part of our ongoing review of Departmental vulnerability to terrorism, we conducted an audit to follow up on recommendations from the Office of Inspector General's (OIG) prior audit entitled, "Forest Service Review of Security Over Explosives/Munitions Magazines Located Within the National Forest System," issued March 2003.¹ Our audit objectives were to determine whether (1) Forest Service (FS) has completed corrective actions proposed in response to our prior audit's recommendations, and (2) FS has adequately secured weapons and explosives on its lands. We concluded that 3 years after our prior audit, FS has not fully implemented 11 of the 24 audit recommendations (see attachment A). Although FS agreed to implement all audit recommendations by December 2003, we determined that a significant number of critical security recommendations still remain open. As a result, we concluded it would neither be efficient nor effective for OIG to conduct detailed fieldwork at this time. We attributed FS' inaction to the changes in key personnel and lack of accountability at the national level. Accordingly, we recommend that FS designate a national official to be responsible for providing overall leadership over the agency's explosives/munitions program and for ensuring that all critical security measures are implemented.

In its official response to the draft report dated June 12, 2006 (see attachment B), FS concurred with all of our recommendations. FS stated that it had already designated the Office of Safety and Occupational Health Director responsible for the overall safety and security of FS' explosives and munitions programs and would complete all remaining open recommendations from our prior audit by October 31, 2006. FS also stated its belief that the corrective actions

¹ OIG Audit Report No. 08601-30-SF

taken to implement the recommendations in this report would benefit the overall explosives/munitions program. Based on the written response, we have accepted FS' management decision for all the report's recommendations.

BACKGROUND

FS maintains explosives and munitions in facilities called magazines located throughout the Nation's forests. Currently, these magazines total 335. FS' national explosives safety program manager used to have overall responsibility for the agency's explosives program. However, at the time of our audit these duties were not part of any manager's assigned responsibilities. FS' regional blaster coordinators and examiners administer the program within their respective regions. FS' two technology and development centers along with its national avalanche center provide technical advice and support at the national and regional levels on acquiring, transporting, using, and storing explosives.

Of the 335 magazines, FS owns 166 and uses the explosives stored in the magazines to build roads and fire lines, to remove trees and rocks, and for other construction projects within the Nation's forests. Private ski resorts own 153 magazines operated under FS permits. The magazines store howitzers, recoilless rifles, and munitions, which the resorts use primarily to control avalanches (i.e., to set off avalanches when there is the least risk of harming anyone). While FS issues these military grade weapons and munitions to the resort operators, FS is ultimately responsible for their use and control. Similarly, FS is responsible for the remaining 16 magazines, which are owned by governmental and nongovernmental entities such as private mining companies.

Our audit, issued in March 2003, identified key internal controls pertaining to the security of these magazines and determined areas that would warrant future review. Although that audit concluded the magazines generally met requirements for construction and physical security, we identified a number of significant issues relating to both accountability and security over the magazines and their contents. Accordingly, we made 24 recommendations to improve FS' security over and accountability for the magazines. At that time, FS agreed to implement all of our recommendations and we accepted FS management decision.

OBJECTIVES

The objectives of this review were to determine if FS implemented the corrective actions recommended in our prior audit, and to assess whether weapons and explosives on FS lands are currently adequately secured.

SCOPE AND METHODOLOGY

To accomplish our objectives, we performed the following steps and procedures.

- We contacted the Office of the Chief Financial Officer to determine the status of the prior audit's recommendations.

- We sent a letter to FS' Chief in October 2005, which requested that the agency provide us the following information for those recommendations that had not been fully implemented: (1) specific line officer(s) responsible for implementing the corrective action(s), (2) efforts performed to date, (3) reasons for not implementing the corrective action(s) within established timeframes, and (4) estimated completion dates.
- We interviewed FS officials at the Washington office including the deputy chief for business operations and the directors for the Office of Safety and Occupational Health and the National Avalanche Center to determine their roles and responsibilities relating to the explosives program and why the recommendations had not been fully implemented.
- We attended FS' National Explosives and Blasters Meeting in Portland, Oregon, conducted by FS' National Explosives and Blasting Technical Advisory Group.

The fieldwork was performed between September 2005 and February 2006. We conducted this review in accordance with generally accepted government auditing standards.

AUDIT RESULTS

Our audit determined that FS had not fully implemented 11 of the 24 critical security recommendations made in our prior audit. These recommendations primarily deal with explosive/munitions security standards, explosive/munitions inventory and recordkeeping controls and security clearances of explosive/munitions personnel. We believe that implementation of these recommendations is important to prevent potential theft or misuse of explosives/munitions under FS stewardship. The FS was not able to apprise us of the status of the open recommendations although it had been 3 years since it agreed to implement them (March 2003). We attributed this inaction to a lack of accountability at the national level for the security over the agency's munitions/explosives program.

FS' manual makes the deputy chief for business operations responsible for resolving national issues, concerns, and policies related to explosives and blasting materials that affect the work environment and safety of employees.² The manual further requires the national explosives safety program manager (under the deputy chief for business operations) to provide overall leadership and safety oversight for the National Explosives Safety Program.³

After confirming from the Office of the Chief Financial Officer that FS had not completed corrective action on 11 of our prior audit's recommendations, we sent a letter to FS' Chief in October 2005, requesting the status of each open recommendation. We determined that although FS designated an official to coordinate and track implementation of recommendations affecting private ski resorts, no official was similarly responsible for recommendations affecting FS' magazines.

The FS official who would have been accountable for our recommendations—according to the FS' manual—resigned in January 2003. That official had served both as a safety and

² FS Manual 6745.04b (December 17, 2002)

³ FS Manual 6745.04d (December 17, 2002)

occupational health manager for FS and as its national explosives program manager. His role as explosives program manager, however, had not been incorporated into his job description. After the Director for the Office of Safety and Occupational Health was hired in March 2003, he hired a replacement for the departed safety manager in January 2004 but only made him responsible for safety issues and not the security issues identified in our prior audit. The director indicated that he was not aware that the previous safety manager had also been responsible for the security of FS' explosives program. Consequently, for over 3 years, the FS did not have a national leader responsible for the security of its explosives program or for ensuring all security measures recommended in our prior audit were implemented.

The importance of enacting our security recommendations was demonstrated by a recent theft of explosives from an FS magazine. Since that particular FS forest had implemented our recommendation to maintain an accurate inventory of its explosives, it was able to quickly determine what was stolen, which in turn helped Federal law enforcement authorities recover the explosives.

Recommendation 1:

Designate a high level official at the Washington office responsible for overall safety and security of the FS' explosives/munitions program.

FS Response: In its written response to the draft report, dated June 12, 2006, FS stated that it had already taken corrective action by designating the Office of Safety and Occupational Health Director responsible for the overall safety and security of the FS' explosives/munitions program.

OIG Position: We accept FS' management decision on this recommendation. For final action, FS needs to provide documentation to the Office of the Chief Financial Officer that the agreed upon action has been taken.

Recommendation 2:

Establish a realistic timeframe for implementing all remaining security recommendations (see attachment A).

FS Response: In its written response to the draft report, dated June 12, 2006, FS stated that all open recommendations from the prior OIG audit have been reviewed and an action plan developed. Except for Recommendations 1 and 3, FS stated that the required tasks for the open recommendations have been substantially completed and will close with the publishing of the policies and procedures in the *Guide for Using, Storing, and Transporting Explosives and Blasting Materials*, which is currently being reviewed for final comments. For Recommendation 1, FS is taking action to identify and confirm that the currently existing FS owned magazines are in Infra or PROP. For Recommendation 3, the database has been established, and populated with the required attributes for all magazines managed and operated by non-Forest Service ski or other winter sports permittees. Once the FS owned magazines are confirmed, they will be added into the existing database. FS' estimated completion date for these actions is October 31, 2006.

OIG Position: We accept FS' management decision on this recommendation. For final action, FS needs to provide documentation to the Office of the Chief Financial Officer that the agreed upon actions have been taken.

For both recommendations, please follow your agency's internal procedures in forwarding final action correspondence to the Office of the Chief Financial Officer. Final action on management decisions should be completed within 1 year of the date of management decisions to preclude being listed in the Department's annual Performance and Accountability Report.

We appreciate the courtesies and cooperation extended to our staff during this review.

ATTACHMENT A– SUMMARY OF OPEN RECOMMENDATIONS

NUMBER	RECOMMENDATION	AGENCY’S RESPONSE
1	Update FS property records so that they accurately reflect all magazines owned and operated by the FS.	Accept. The estimated completion date is September 30, 2003.
3	Using the information from the FS property records and the special use permits, establish a centralized and restricted database containing the name and location of all magazines within the NFS. The database should also include the owner’s name, magazine type, custodians, security features, and the risk level of the magazine based on its location and contents.	Accept. For security purposes, the requested information will be housed with the FS Homeland Security program manager. The estimated completion date is September 30, 2003.
8	Require FS units, ski resort operators, and other permittees to conduct physical inventories at least biannually or more often as circumstances dictate and to establish a separation of duties to ensure that the staff adding or removing inventory from the magazines is not the same staff that is updating the inventory records and conducting the physical inventories. Inventories and inspections shall be conducted by designated, approved blasters. Incorporate procedures into the <i>Guide for Using, Storing, and Transporting Explosives and Blasting Materials</i> addressing the conduct and documentation of physical inventories.	Accept. Direction to ski resort operators will be combined with Recommendations 9 and 10 and placed in the appropriate location for maximum effect. The estimated completion date is September 30, 2003.
9	Monitor the activity at those magazines owned and operated by the ski resorts and other permittees to ensure that they are conducting the required reviews and physical inventories in a timely manner and that the magazines are adequately secured. Incorporate FS responsibilities into the FS Manual that address the monitoring of permittee inspections and physical inventories.	Accept. The estimated completion date is December 31, 2003.
11	Establish minimum security standards for the distribution and safeguarding of the keys to the magazines. Minimum standards should require that the locks on the magazines be changed periodically, particularly when there is staff turnover or the key to the magazine is lost or stolen. Incorporate standards for the distribution and safeguarding of keys to magazines into the FS <i>Guide for Using, Storing, and Transporting Explosives and Blasting Materials</i> .	Accept. The FS will work with National Ski Areas Association to establish standards for ski areas that meet the intent of the recommendation. The estimated completion date is September 30, 2003.

12	Amend the special use permits to require that ski resort operators and other permittees meet the standards established in Recommendation 11.	Accept. The estimated completion date is September 30, 2003.
13	Ensure that the position descriptions are properly updated for all FS staff with responsibilities associated with the magazines, and upgrade the position risk level for those employees who handle the explosives or munitions stored in the magazines in accordance with OPM guidelines.	Concur. The Human Resources Management Staff will work with the regions to ensure that all position descriptions for FS staff with responsibilities associated with the magazines will be properly updated, and the position risk level for employees handling the explosives or munitions will be corrected in accordance with OPM guidelines. The estimated completion date is September 30, 2003.
14	Conduct the required background investigations in accordance with OPM guidelines for those FS employees whose position risk level was upgraded.	Concur. The Human Resources Management Staff will request background investigations for those FS employees whose position risk level was upgraded. The estimated completion date is December 31, 2003.
15	Require that background investigations be updated in accordance with OPM guidelines for all FS employees with access to the magazines that handle explosives when renewing their blaster certifications. Incorporate background investigation requirements in the FS Manual.	Concur. The Human Resources Management Staff will require that all background investigations be updated in accordance with OPM guidelines when employees renew their blaster certifications and will incorporate these background investigations requirements into the FS Manual. The estimated completion date is September 30, 2003.
16	Restrict access to the magazine to only those FS employees with the proper security clearance or those accompanied by someone with the proper security clearance.	Accept. The estimated completion date is September 30, 2003.
21	Ensure that all staff handling explosives are properly certified in a timely manner.	Accept. The estimated completion date is September 30, 2003.

ATTACHMENT B-- FS Response To Draft Report



United States
Department of
Agriculture

Forest
Service

Washington
Office

1400 Independence Avenue, SW
Washington, DC 20250

File Code: 1430.
Route To:

Date: JUN 12 2006

Subject: Response to Official Draft Office of Inspector General (OIG) Audit Report No. 08601-45-SF, "Follow-Up Review of Forest Service Security Over Explosives/Munitions Magazines Located Within the National Forest System"

To: Robert W. Young, Assistant Inspector General for Audit
Office of the Inspector General

Thank you for the opportunity to review and comment on the official draft OIG Audit Report No. 08601-45-SF, "Follow-Up Review of Forest Service Security over Explosives/Munitions Magazines Located within the National Forest System." The Forest Service concurs with the recommendations in the report and believes the corrective actions to implement the recommendations will benefit the overall explosives/munitions programs. See the enclosed regarding the proposed actions to implement the recommendations.

If you have any technical questions, please contact Gary Helmer at 202-401-4471. If you have any other questions, please contact Sandy Coleman, Assistant Director for GAO/OIG Audit Liaison Staff, at 703-605-4699, or Art Seggerson, OIG Audit Liaison, at 703-605-4983.

JESSE L. KING
Chief Financial Officer

Enclosures

cc: Art Seggerson, Gary W Helmer, Ken Karkula



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United States Department of Agriculture
Forest Service (FS)
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Office of Inspector General (OIG) Audit Report No. 08601-45-SF
Follow-up on FS Security over Explosives
Issued May 2006

Response to Draft Audit / Management Decision

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OIG Recommendation No. 1: Designate a high level official at the Washington office responsible for overall safety and security of the FS' explosives/munitions program.

FS Response to Recommendation No. 1: The FS concurs with this recommendation. At the exit conference, the Forest Service announced that Dick King, Director, Office of Safety and Occupational Health, is responsible for the overall safety and security of the FS' explosives and munitions programs. This selection effectively closes this recommendation, subject to the approval of the OCFO.

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OIG Recommendation No. 2: Establish a realistic timeframe for implementing all remaining security recommendations (from the original OIG Audit 8601-30-SF, Review of Security over Explosives/Munitions Magazines Located within the National Forest System.)

FS Response to Recommendation No. 2: The FS concurs with this audit recommendation. All open recommendations for OIG Audit 08601-30-SF have been reviewed and an action plan has been developed; see the attached action plan. Except for Recommendation Numbers 1 and 3, the required tasks for the open recommendations have been substantially completed and will close with the publishing of the policies and procedures in the *Guide for Using, Storing, and Transporting Explosives and Blasting Materials*. This draft Guide is currently being reviewed for final comments.

For Recommendation Number 1, the agency is taking action to identify and confirm that the currently existing FS owned magazines are in Infra or PROP. For Recommendation Number 3, the database has been established, and populated with the required attributes for all magazines managed and operated by Non-Forest Service ski or other winter sports permittees. Once the FS owned magazines are confirmed, they will be added into the existing database at which time the recommendation will be closed.

Estimated Completion Date: October 31, 2006

**Action Plan – Explosives Management
June 5, 2006**

Recommendation 1: Update FS property records so that they accurately reflect all magazines owned and operated by the FS.

Specific Action(s)	Responsible Person(s)/Staff(s)	Resources	Estimated Completion Date	Expected Outcome(s)
Standardize and Complete INFRA Data Input	TBD	N/A	October 31, 2006	Populated INFRA database with complete information. Screen prints.

Recommendation 3: Using the information from the FS property records and the special use permits, establish a centralized and restricted database containing the name and location of all magazines located within the NFS. The database should also include the owner's name, magazine type, custodians, security features, and the risk level of the magazine based on its location and contents.

Specific Action(s)	Responsible Person(s)/Staff(s)	Resources	Estimated Completion Date	Expected Outcome(s)
Request Magazine Data	FS Homeland Security Manager Contracting Officer's Representative	ID 2709.11-2005-1 FSM 6745.04h10 ID 2709.11-2005-1 FSH 2709.11, 41.61d 27CFR55	October 31, 2006	Accurately populated database with complete name and location of all magazines located within the National Forest System; to include owner's name, custodians, security features, and risk level.

Recommendation 8: Require FS units, ski resort operators, and other permittees to: (a) conduct physical inventories at least biannually or more often as circumstances dictate; (b) to establish a separation of duties to ensure that the staff adding or removing inventory from the magazines is not the same staff that is updating the inventory records and conducting the physical inventories; (c) inventories and inspections shall be conducted by designated, approved blasters; and (d) incorporate procedures into the *Guide for Using, Storing, and Transporting Explosives and Blasting Materials* addressing the conduct and documentation of physical.

Specific Action(s)	Responsible Person(s)/Staff(s)	Resources	Estimated Completion Date	Expected Outcome(s)
	Contracting Officer's Representative National Explosives and Blasting Technical Advisory Group	ID 2709.11-2005-1 FSM 6745.04c FSM 6745.04j FSM 6745.2	September 29, 2006	Guide for Using, Storing, and Transporting Explosives and Blasting Materials (2006 Edition)

**Action Plan – Explosives Management
June 5, 2006**

Recommendation 9: (a) Monitor the activity at those magazines owned and operated by the ski resorts and other permittees to ensure that they are conducting the required reviews and physical inventories in a timely manner; (b) that the magazines are adequately secured; and (c) Incorporate FS responsibilities into the FS Manual that address the monitoring of permittee inspections and physical inventories.

Specific Action(s)	Responsible Person(s)/Staff(s)	Resources	Estimated Completion Date	Expected Outcome(s)
	Contracting Officer's Representative	FSM 6745.04c	September 29, 2006	Guide for Using, Storing, and Transporting Explosives and Blasting Materials (2006 Edition)
	National Explosives and Blasting Technical Advisory Group	FSM 6745.04j		
		FSM 6745.2		

Recommendation 11: (a) Establish minimum security standards for the distribution and safeguarding of the keys to the magazines. Minimum standards should require that the locks on the magazines be changed periodically, particularly when there is staff turnover or the key to the magazine is lost or stolen; and (b) Incorporate standards for the distribution and safeguarding of keys to magazines into the *FS Guide for Using, Storing, and Transporting Explosives and Blasting Materials*.

Specific Action(s)	Responsible Person(s)/Staff(s)	Resources	Estimated Completion Date	Expected Outcome(s)
	Contracting Officer's Representative	FSM 6745.04c	September 29, 2006	Guide for Using, Storing, and Transporting Explosives and Blasting Materials (2006 Edition)
	National Explosives and Blasting Technical Advisory Group	FSM 6745.04j		
		FSM 6745.2		

Recommendation 12: Amend the special use permits to require that ski resort operators and other permittees meet the standards established in Recommendation 11.

Specific Action(s)	Responsible Person(s)/Staff(s)	Resources	Estimated Completion Date	Expected Outcome(s)
	Contracting Officer's Representative	FSM 6745.04c	September 29, 2006	Guide for Using, Storing, and Transporting Explosives and Blasting Materials (2006 Edition)
		FSM 6745.04j		
		FSM 6745.2		

Recommendation 13: (a) Ensure that the position descriptions are properly updated for all FS staffs with responsibilities associated with the magazines; and (b) Upgrade the position risk level for those employees who handle the explosives or munitions stored in the magazines in accordance with OPM guidelines.

Specific Action(s)	Responsible Person(s)/Staff(s)	Resources	Estimated Completion Date	Expected Outcome(s)
	Human Resources/Capital Staff		September 29, 2006	Guide for Using, Storing, and Transporting Explosives and Blasting Materials (2006 Edition)

**Action Plan – Explosives Management
June 5, 2006**

Recommendation 14: Conduct the required background investigations in accordance with OPM guidelines for those FS employees whose position risk level was upgraded.				
Specific Action(s)	Responsible Person(s)/Staff(s)	Resources	Estimated Completion Date	Expected Outcome(s)
	Human Resources/Capital Staff		September 29, 2006	Guide for Using, Storing, and Transporting Explosives and Blasting Materials (2006 Edition)
Recommendation 15: (a) Require that background investigations be updated in accordance with OPM guidelines for all FS employees with access to the magazines that handle explosives when renewing their blaster certifications; and (b) Incorporate background investigations requirements into the FS Manual.				
Specific Action(s)	Responsible Person(s)/Staff(s)	Resources	Completion Date	Expected Outcome(s)
	Human Resources/Capital Staff		September 29, 2006	Guide for Using, Storing, and Transporting Explosives and Blasting Materials (2006 Edition)
Recommendation 16: Restrict access to the magazines to only those FS employees with the proper security clearance or those accompanied by someone with the proper security clearance.				
Specific Action(s)	Responsible Person(s)/Staff(s)	Resources	Completion Date	Expected Outcome(s)
	Regional Foresters	FSM 6745.04f	September 29, 2006	Guide for Using, Storing, and Transporting Explosives and Blasting Materials (2006 Edition)
Recommendation 21: Ensure that all staffs handling explosives are properly certified in a timely manner.				
Specific Action(s)	Responsible Person(s)/Staff(s)	Resources	Completion Date	Expected Outcome(s)
	Regional Foresters	FSM 6745.04f FSM 6745.1 – Exhibit 01 FSM 6745.11 FSM 6745.12 FSM 6745.12 – Exhibit 01	September 29, 2006	Guide for Using, Storing, and Transporting Explosives and Blasting Materials (2006 Edition)

Informational copies of this report have been distributed to:

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