



U.S. Department of Agriculture

Office of Inspector General



Forest Service Contracted Labor Crews

**Audit Report 08001-2-At
March 2010**



U.S. Department of Agriculture
Office of Inspector General
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DATE: March 29, 2010

REPLY TO
ATTN OF: 08001-02-At

TO: Thomas L. Tidwell
Chief
Forest Service

ATTN: Janet M. Roder
Audit Liaison

FROM: Gil Harden */s/*
Acting Assistant Inspector General
for Audit

SUBJECT: Forest Service Contracted Labor Crews

This report presents the results of the subject audit. Your written response to the audit, dated November 12, 2009, is attached with excerpts and the Office of Inspector General's (OIG) position incorporated into the relevant Finding and Recommendation sections of the report.

We agree with your management decision on 3 of the report's 10 recommendations. However, we are unable to accept management decision on Recommendations 1, 2, 3, 4, 5, 8, and 9. Documentation and actions needed to reach management decision for these recommendations are described in the OIG Position sections of the report.

In accordance with Departmental Regulation 1720-1, please furnish a reply within 60 days, describing the corrective action taken or planned and the timeframes for implementing the recommendations for which management decision has not been reached. Please note that the regulation requires a management decision to be reached on all recommendations within 6 months from report issuance, and final action to be taken within 1 year of each management decision to prevent being listed in the Department's annual Performance and Accountability Report. Please follow your agency's internal procedures in forwarding documentation for final action to the Office of the Chief Financial Officer.

We appreciate the courtesies and cooperation extended to us by members of your staff during this audit.

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Forest Service Contracted Labor Crews

Executive Summary

The Forest Service (FS) is responsible for managing wildland fire on forests and grasslands.¹ Over the last decade FS has dealt with increasingly severe fire seasons and had to increasingly rely on contracted labor crews to supplement its firefighting resources. Fire suppression costs have more than doubled in the last decade, currently reaching over \$1 billion in fiscal year 2009; these costs are expected to continue to escalate. According to FS, 2 percent of the fires that go beyond early stages account for over 80 percent of the total fire suppression costs. A significant factor in controlling these costs is the effectiveness of labor crews in suppressing the fires in their early stages. We performed this review to evaluate the effectiveness and efficiency of FS' use of contracted labor crews for firefighting, hazardous fuel removal, and reforestation.

Our specific objectives were to evaluate the actual cost of contract labor and its efficiency and effectiveness; verify if contractors were complying with basic contract requirements (i.e., hiring and compensation practices); and evaluate whether FS has achieved the most effective balance between contract and in-house labor. We were unable to determine the actual cost of contract labor for firefighting and evaluate its efficiency and effectiveness because FS did not capture critical indirect cost information we needed to reach a conclusion regarding the efficiency and effectiveness of the labor crews. Also, FS did not have the information we needed to determine whether FS has achieved an effective balance between contract and in-house labor for firefighting. These factors limited our planned audit scope. We therefore re-focused the audit on identifying how FS can address these issues and better plan to meet its firefighting needs during severe fire seasons.

Contracting for Firefighting Activities

We found that FS does not have an annual pre-fire season process to analyze its mobilization data² from previous seasons to identify trends in how firefighting labor crews are used in conjunction with other resources (i.e., aircraft operations, fire engine crews, etc.). This inhibits FS' ability to identify whether there are more effective deployment strategies, especially during severe fire seasons. As the fire seasons have become more severe, FS' resources have been taxed in the effort to meet the agency's firefighting needs. Historically, FS has responded by adding more Type 2 contracted hand crews³ to fight fires without determining the most effective mix of resources needed to successfully suppress fires. Instead of analyzing mobilization data, FS focused on determining the number of crews that were certified rather than evaluating how many and what types of crews should be available for deployment. As a result, FS utilized contract labor crews that were not deployed regularly throughout the fire season and thus had little or no experience fighting fires, which could negatively impact FS' effectiveness and could result in significantly higher costs as fires continue to burn. An agency official told us that FS

¹ FS Strategic Plan 2007-2012.

² Mobilization data are data that identify when firefighting labor crews are dispatched to an incident and then released from it.

³ Hand crews are typically composed of 20 members which are used for tasks such as clearing brush, digging fire lines, and mopping up (performing various tasks to ensure a fire is out) burned-over areas after wildfires have been brought under control. Type 2 contracted hand crews are the least experienced of the crews used by FS, with only 40 percent of the crew assigned being required to have one season or more of experience.

Fire and Aviation Management (FAM) staff has not had the time and resources to adequately study issues related to these crews and had not identified that this problem existed, the extent of the problem, and the impact on FS fire operations. The official stated that FAM staff continuously deals with multiple management and planning issues both during and between fire seasons. According to FS, another important step in being able to perform an effective manpower analysis is the development and implementation of the Fire Program Analysis System. This system will provide managers with a common interagency process for fire management planning and budgeting.

We also found that FS does not have reliable estimates of its firefighting crew costs, which are needed to perform cost-benefit analyses for determining whether to use in-house or contracted labor crews. This occurred because FS does not capture the costs at a level of detail necessary to compare in-house crews with contracted crews. FS uses Incident-Suite (I-Suite) to report costs related to each fire.⁴ Even though I-Suite includes crew estimates, these cost estimates do not include all direct and indirect cost elements, such as workers' compensation and training of in-house crews or the costs for administering contractors. As a result, FS is hindered in its ability to ensure that it has the most effective and efficient workforce needed to suppress wildfires and ensure that taxpayer dollars are spent wisely.

Further compounding FS' ability to effectively compare a crew's overall costs to its benefits is the lack of a reliable performance evaluation process. FS' crew performance evaluation process does not provide useful information for determining each crew's effectiveness and efficiency. This has occurred because clear, objective standards have not been established for performing the evaluations. FS officials told us it was difficult to establish a more objective evaluation system since every fire is different. They also stated that variations in terrain, weather, and fire behavior mean that crew performance can change from incident to incident. However, we concluded that FS could use procedures it had already established for evaluating new firefighters during training exercises as a basis for developing evaluation checklists to objectively measure labor crews' performance. For training its new firefighters, FS' procedures include a checklist to rate specific skills—the same skills necessary for contracted labor crews to fight fires. FS could also indicate the complexity level of the work on the evaluation by identifying conditions such as high winds, steep terrain, or fire behavior. Without a reliable evaluation system, fire incident managers do not have adequate information regarding the skill level of different crews, which hinders their ability to put the right people in the right place at the right time. The division supervisors⁵ stated that without such information, task assignments take longer than necessary, crew safety is compromised, and the cost effectiveness of the firefighting effort is reduced.

We determined that contract crews are subject to duplicate inspections of their vehicles, equipment, and protective gear, which delays the start of firefighting efforts. When crews are mobilized, dispatchers inspect the crews. The crew is re-inspected by the Incident Management Team—who are ultimately responsible for the firefighting effort—when the crews arrive at the fire area. Officials at the two dispatch centers we visited told us that they inspected contract

⁴ I-Suite is an interagency computer database containing information on resources, costs, time, and other information regarding fire incidents. I-Suite is the system widely used by FS and other National Wildland Fire Coordinating Group members to report daily or final costs for each incident. We did not assess activities or internal controls of this computer-based application.

⁵ The Incident Command System position responsible for supervising equipment and personnel assigned to a division or group.

crews before dispatching them to fires because they wanted to make sure that contract requirements were met. FS officials stated they were aware of the duplicate inspections and stated that verification would be most effective at the fire incident camp. Even though FS officials, when asked, did not provide an explanation for why duplicate inspections had not been previously eliminated, one FS official told us that during a meeting regarding the 2009 fire season dispatchers were told they should eliminate their inspections and the only inspections should occur at the fire incident inspection station. Due to these multiple inspections, firefighting efforts were delayed and the cost of the incidents was increased by approximately \$1.7 million due to firefighters arriving, on average, 2 hours later to the fires.⁶

FS does not have a process in place to determine whether contractors are properly verifying that contract firefighters are legally authorized to work in the United States. FS officials told us that they did not believe they had the knowledge or authority to review employment eligibility and had not included such procedures when reviewing contract compliance. We concluded that, when performing annual reviews of contractors, FS could include procedures to determine whether employers were performing required employment eligibility verifications. Without such a process, FS was unaware that at least 49 of the 60 contract employees, for 3 contractors, we reviewed had questionable employment status.⁷ Further, by doing business with contractors whose workforce is less stable due to the potential effect of immigration enforcement actions, FS risked disruptions, delays, and increased expenses to the contract.

Contracting for Hazardous Fuel Removal and Reforestation

We found that FS had taken appropriate steps to ensure the proper balance between in-house and contract labor when assigning hazardous fuel removal and reforestation projects. The work performed to reduce hazardous fuels and reforest land is seasonal and is affected by the weather. In many parts of the country the work can only be done during the summer, which is also the peak of the fire season. FS determined that contractors were well suited to perform this work because they were able to assemble crews that could work in this relatively narrow timeframe. In-house crews were often unavailable because they were frequently called upon to fight fires in the area; they were less effective at performing hazardous fuels work, as they were often interrupted. Usually projects assigned to in-house crews have to be delayed until weather conditions are suitable again, which could be another year. In addition, contract crews had a strong incentive to complete the work as scheduled because they were paid as work was accomplished. Moreover, when contractors do not meet contract specifications FS can charge penalties.

We also found FS was following Federal contracting regulations when advertising and awarding hazardous fuel removal and reforestation contracts, and that it had taken appropriate steps to balance the opportunities afforded to local⁸ and outside contractors⁹. Contractors interested in doing business with the Federal Government have to register with the Central Contractor Registration database and/or the Small Business Administration database. This requirement

⁶ Crews' pay begins when they are dispatched.

⁷ The contractors did not determine whether their employees were legally authorized to work in the United States, and some workers indicated to us that they were in the country illegally.

⁸ Local contractors are those that provide workers from the local area in which the reforestation or hazardous fuels removal project is performed.

⁹ Outside contractors provide labor crews from outside the area in which the reforestation or hazardous fuels removal project is performed.

ensures all contractors will have the same opportunity to bid or be sourced for a Federal contract. In addition, as required under Federal contracting regulations, FS offered all contractors the opportunity to bid for competed contracts exceeding \$25,000 by soliciting in FedBizOpps, which is publicly available on the internet. FS considered all local contractors who applied for this work and hired those with bids most advantageous to the Government. Local contractors have equal access to this bidding process as long as they meet the contracting registration requirements.

Recommendation Summary

We recommend that FS:

- Develop and implement a pre-fire season process to analyze mobilization data annually and determine the most effective mix of resources needed to suppress fires. The process for analyzing the mobilization of hand crews should consider the use of other resources, such as aircraft and mechanized equipment.
- Once the most effective mix of resources has been identified, estimate the number and type of hand crews FS should have available so that all crews are mobilized frequently enough to achieve and maintain proficiency.
- Identify and capture all direct and indirect costs associated with the different types of firefighting crews to use in determining the most cost-effective mix of in-house and contract crews.
- Establish clear and objective standards for evaluating the effectiveness of firefighting crews and revise the current evaluation form to reflect these new standards.
- Direct that Incident Management Teams should perform the only inspection of dispatched contract crews at the fire incident.
- When performing annual reviews of contractors, FS should include procedures to determine if contractors have verified employment eligibility of their workers.

Agency Response

In its November 12, 2009, written response to the draft report, FS agreed with 6 of the report's 10 recommendations. FS partially agreed with two of the recommendations, and did not agree with the remaining two recommendations. We have incorporated FS' response in the findings and recommendations section of this report, along with the OIG position. FS' response to the official draft is included in its entirety at the end of this report.

OIG Position

Based on FS' response, we were able to reach management decision on 3 of the 10 recommendations. The OIG Position details the information needed to reach management decision on the remaining seven recommendations.

Background & Objectives

Background

Due largely to the increase of wildland urban interface¹⁰ areas, Forest Service (FS) has had to focus more of its resources in fire suppression activities than in active forest and rangeland management. Thus, forests have become very dense, which has made them susceptible to severe wildfires. Over the last decade, FS has been tasked with responding to fire seasons of unprecedented severity and scope. To respond, the agency must supplement its in-house firefighting crews with contractors.

Firefighting

Through the National Interagency Fire Center (NIFC), FS coordinates wildland firefighting and disaster efforts with the following organizations: the Bureau of Land Management, the National Park Service, the U.S. Fish and Wildlife Service, the Bureau of Indian Affairs, the National Association of State Foresters, the National Weather Service, the National Business Center's Aviation Management Directorate,¹¹ the military, and the U.S. Fire Administration.¹² To ensure consistent operations, these organizations follow the *National Mobilization Guide* (March 2009); *Interagency Standards for Fire and Aviation Operations*¹³ (January 2009); and the *Interagency Incident Business Management Handbook* (February 2008).

Ninety-seven percent¹⁴ of fires occurring during the season are suppressed while performing initial attack operations.¹⁵ When the agency is not able to suppress a fire during initial attack, the fire suppression efforts transition into an extended attack operation.¹⁶ For an extended attack, the incident commander develops an incident action plan,¹⁷ along with a Wildland Fire Situation Analysis,¹⁸ that will allow the Incident Management Team¹⁹ to establish protocols and tasks that will be employed until the fire is contained and/or suppressed. Resources available for extended attack operations vary based on the severity of the fire season.

¹⁰ Communities where housing and vegetation intermingle and areas of vegetation are continuous.

¹¹ The U.S. Department of the Interior, National Business Center's Aviation Management Directorate provides service offerings that include: Aviation Safety Services, Aviation Program Management Services, Aviation User Training, and Flight Scheduling and Coordination Services.

¹² As an entity of the Department of Homeland Security's Federal Emergency Management Agency, the mission of the United States Fire Administration is to foster a solid foundation in prevention, preparedness, and response by providing national leadership to local fire and emergency services.

¹³ Also known as the "Red Book."

¹⁴ Cohen, Jack, "The Wildland-Urban Interface Fire Problem: A Consequence of the Fire Exclusion Paradigm," *Forest History Today*, Fall 2008.

¹⁵ An initial attack operation is a planned response to a wildfire given the wildfire's potential fire behavior. The objective of an initial attack is to stop the fire and put it out in a manner consistent with firefighter and public safety and the assets to be protected, such as homes and land.

¹⁶ An extended attack operation is a suppression activity for a wildfire that has not been contained or controlled by initial attack or contingency forces and for which more firefighting resources are arriving, en route, or being ordered by the initial attack incident commander.

¹⁷ An incident action plan contains objectives reflecting the overall incident strategy and specific tactical actions. The plan may be oral or written. When written, the plan may have a number of attachments, including: incident objectives, organization assignment list, division assignment, incident radio communication plan, medical plan, traffic plan, safety plan, and incident map.

¹⁸ A decisionmaking process that evaluates alternative wildfire suppression strategies against selected environmental, social, political, and economic criteria, and provides a record of those decisions.

¹⁹ The incident commander and appropriate general and command staff personnel assigned to an incident.

FS assesses the severity of the fire season using a five level preparedness system (see Table 1 below):

Table 1: Table describing the preparedness levels.

Preparedness Level ²⁰	Fire Activity	Areas Affected	National Resources Engaged
I	Low Fire Danger	Local Level	Little to None
II	High/Extreme Danger	One or More Geographic Areas	Moderate
III	Wildland/Prescribed Fires	Two or More Geographic Areas	Nationally 50% Crews Committed
IV	Wildland/Prescribed Fires	Three or More Geographic Areas	Nationally 60% Crews Committed
V	Wildland/Prescribed Fires	Geographic Areas Potentially Exhausting All Resources	Nationally 80% Crews Committed

Based on the severity of the fire season, FS calls upon a number of different types of “hand” firefighting crews.²¹ These crews are composed of 20 members and they are used for tasks such as clearing brush, digging fire lines, and mopping up²² burned-over areas after wildfires have been brought under control. However, different types of crews vary in their experience and in their capability to perform these different assignments. When FS employs firefighting crews from outside the agency to supplement its firefighting resources, it uses two primary sources—Oregon Department of Forestry (ODF) agreements for Type 2 contracted crews and FS national contracts for Type 2-IA contracted crews.²³ The following table (Table 2) describes the minimum standards the crews must meet.

²⁰ NIFC Fire Information - National Preparedness Levels.

²¹ “Hand” crews are distinguished from mechanized units such as aircraft and engines. Throughout this report we refer only to hand crews.

²² Extinguishing or removing burning material near control lines, removing dead branches, and trenching logs to prevent rolling after an area has burned, to make a fire safe, or to reduce residual smoke.

²³ ODF provides contracted labor crews to various State and Federal firefighting agencies through cooperative agreements.

Table 2: Table describing the minimum standards for the different type of crews.

Minimum Standards²⁴	Type 1	Type 2 With Initial Attack Capability (Type 2-IA)	Type 2
Fire Line Capability	Initial attack can be broken up into squads, fire line construction, complex firing operations (backfire)	Initial attack can be broken up into squads, fire line construction, firing to include burnout ²⁵	Initial attack, fire line construction, firing to include burnout
Crews²⁶ Provided by:	Federal agencies and State crews	Federal agencies and State crews, national contract crews	Federal agencies and State crews and ODF Agreement Crews
Experience	80 percent of firefighters assigned to the crew have one season or more	60 percent of firefighters assigned to the crew have one season or more	40 percent of firefighters assigned to the crew have one season or more

FS has in-house crews of each type to conduct fire suppression, and it contracts with Type 2-IA and Type 2 firefighting crews to increase its current firefighting capabilities. Currently, FS employs Type 2-IA contract crews using a national firefighting contract. FS has a Memorandum of Understanding with ODF to provide a large number of Type 2 contracted crews. ODF hires and manages these crews by means of agreements, but makes them available for fighting fires nationwide.

When wildfires start, FS dispatches these crews according to a set of rules designed to ensure limited resources are utilized effectively. During the initial attack, the closest assets are dispatched first. However, dispatch centers try to always dispatch Federal and State resources before contracted crews. These dispatch rules continue to be applied during extended attacks.

Hazardous Fuels Removal and Reforestation

In January 2003, the Healthy Forests Restoration Act was passed by Congress to reduce the risks that severe wildfires pose to people, communities, and the environment by reducing the volume of hazardous fuel (brush, deadwood, etc.) in the nation’s forests and reforesting areas stripped of vegetation. Since 2001, Federal land management agencies have reduced hazardous fuels on 24 million acres of public lands.

FS employs contractors for most of its removal of hazardous fuels and reforestation, but uses in-house staff for prescribed burns.²⁷

²⁴ Minimum standards for each type of firefighter crew is established by the *National Wildfire Coordination Group Fireline Handbook Appendix A – General Operational Guides*, effective March 2004.

²⁵ Firing is human caused reintroduction of fire under the philosophy of fighting fire with fire. The most routine form of suppression firing is called “burnout.” Firefighters ignite low-intensity fires adjacent to the fireline to consume all the surface fuels, “blacken” the fireline, and thereby strengthen and secure it.

²⁶ Our review included Type 2-IA, national contract crews, and Type 2, ODF crews. The other crews listed in this chart are in-house (non-contract) crews from Federal and State agencies.

²⁷ Any fire ignited by management actions to meet specific objectives. A written, approved prescribed fire plan must exist, and the National Environmental Policy Act requirements (where applicable) must be met, prior to ignition.

Objectives

The objective of our audit was to evaluate the effectiveness and efficiency of FS' use of contract labor for firefighting, hazardous fuel removal, and reforestation. Specifically, we were to (1) determine the actual cost of contract labor and evaluate its efficiency and effectiveness; (2) determine if contractors are complying with basic contract requirements (i.e., hiring and compensation practices); and (3) evaluate whether FS has achieved the most effective balance between contract and in-house labor.

Our scope was limited because we were unable to address our first audit objective pertaining to firefighting because FS documentation did not capture critical indirect cost information necessary for us to reach a conclusion regarding the efficiency and effectiveness of the labor crews.

Section 1: Determining the Cost Effectiveness of Firefighting Resources

We found that FS does not track all direct and indirect costs necessary to determine the labor costs of its various types of firefighting crews; does not capture the costs at a level of detail needed to compare in-house crews with contracted crews; and does not adequately evaluate the effectiveness of its crews. As a result, our scope was limited and we were not able to determine the actual cost of contract labor and evaluate its efficiency and effectiveness. In addition, we were unable to obtain sufficient information to determine whether FS has achieved an effective balance between contract and in-house labor for firefighting.

Finding 1: FS Needs to Evaluate Mobilization Data to Determine the Most Effective Mix of Firefighting Resources

FS does not have an annual pre-fire season process to analyze its mobilization data²⁸ from previous seasons to identify trends in how firefighting hand crews are used in conjunction with other resources.²⁹ Such a process could help FS identify more effective deployment strategies, especially during severe fire seasons. As the fire seasons have become more severe, FS' firefighting resources have been taxed in the effort to meet the agency's firefighting needs. Historically, FS has responded by adding more Type 2³⁰ contracted hand crews³¹ to fight fires without determining the most effective mix of resources needed to successfully suppress fires. Instead of analyzing mobilization data, FS focused on determining the number of crews that were certified rather than evaluating how many and what types of crews should be available for deployment. As a result, FS utilized contract labor crews that were not deployed regularly throughout the fire season and thus had little or no experience fighting fires, which could negatively impact FS' effectiveness and could result in significantly higher costs as fires continue to burn. An agency official told us that FS Fire and Aviation Management (FAM) staff has not had the time and resources to adequately study issues related to these crews and, therefore, had not identified that this problem existed, the extent of the problem, and the impact on FS fire operations. The official stated that FAM staff continuously deals with multiple management and planning issues both during and between fire seasons.

FS is responsible for assuring that the necessary firefighting resources and personnel are available to respond to wildland fires that threaten lives and property, "at the highest efficiency possible."³² *FS Manual* 1311.1(1) "Workforce Planning," effective June 19, 1990, also states that the agency shall analyze current ways of doing business, including the composition of the workforce to meet current workload demands. In addition to hand crews, FS uses a combination of resources to suppress wildland fires, such as aircraft and mechanized engine crews. These resources are composed of agency, interagency, or contracted personnel.

²⁸ Mobilization data are data that identify when crews are dispatched to an incident and then released from it.

²⁹ Such as aircraft operations, fire engine crews, etc.

³⁰ FS uses an agreement with ODF, which in turn contracts with Type 2 firefighting crews.

³¹ Hand crews are typically composed of 20 members and are used for tasks such as clearing brush, digging fire lines, and mopping up (performing various tasks to ensure a fire is out) burned-over areas after wildfires have been brought under control. Type 2 contracted hand crews are the least experienced of the crews used by FS, with only 40 percent of the crew assigned being required to have one season or more of experience.

³² National Fire Plan overview, dated August 8, 2000.

We visited four large fires³³ during the 2007 fire season and asked incident management officials about the performance of the different types of labor crews. Two of the four Incident Management Teams complained that when the season became severe, they started receiving Type 2 contracted crews from ODF whose firefighting skills varied drastically. They stated that Type 2 contracted crews that were infrequently dispatched required more supervision and did not perform as well as Type 2 contracted crews that were deployed more often. However, they could not provide us specific examples.³⁴ To address the concerns of the Incident Management Teams, we followed up with FS headquarters officials in Washington, D.C. and at NIFC in Boise, Idaho. These officials told us that they were aware of the problems with the less experienced Type 2 contracted crews and the impact they sometimes had on firefighting efforts. However, they had not had the time or resources to analyze the problem and develop a solution. The officials also told us that adding additional, less experienced crews requires more resources to oversee the work performed by those crews. A senior FS Washington office official stated that “when you need a crew really badly, you get a really bad crew.” FS headquarters officials noted that factors affecting the quality of these Type 2 crews included experience, number of days crews are dispatched, and the number of opportunities the crew has to work together and form crew cohesion and teamwork.

Determining the Number of Crews Needed

FS has not implemented a process to evaluate data from previous years to determine the number of crews it should have available to effectively suppress fires. Furthermore, when determining the number of crews it will contract, FS has been using the number of crews the forests are willing to host³⁵ during the fire season, rather than determining the number of crews actually needed to supplement in-house resources. When the fire season becomes severe and all Type 1, Type 2-IA, and experienced Type 2 crews have been mobilized, FS is under significant public and political pressure to continue adding resources to suppress wildfires. Thus, dispatchers begin mobilizing more Type 2 contracted crews who are less experienced and need more supervision. Of the 158 Type 2 crews available for the 2007 fire season, 26 were only deployed to 1 or 2 fires, while 19 were deployed 10 or more times, gaining more experience. As pointed out by FS officials, the crews’ quality is impacted by its experience and number of days dispatched, and a lower quality crew would generally need more supervision and could potentially cost more in fire suppression costs if they did not do their work properly. For example, if an inexperienced crew did not adequately extinguish a smoldering fire while mopping up a burned area, the fire could re-ignite, costing more in firefighting resources.

At the beginning of each fire season, FS determines the number of hand crews—Type 1, Type 2-IA, and Type 2—that are available for mobilization. The frequency of dispatch for all crews is dependent on several factors which include, crew’s proximity to the incident, type of crew, crew’s experience, and the best value (hourly rate). Agency officials stated that Federal and State agency crews are always dispatched before contracted crews are sent to an incident because

³³ We visited the following fires: Irish Spring, Castle Rock, Jocko Lakes, and Black Cat fires, with total suppression costs of approximately \$13.7 million.

³⁴ In Finding 3 we discuss deficiencies regarding performance evaluation of firefighting crews.

³⁵ The hosting forest is the unit responsible for maintaining the crew and providing project work for the crew while it is meeting the mandatory availability period and there are no fire incidents.

of their availability and experience. FS determines the availability of the crews at the beginning of the year and it tracks their mobilization data in the Resource Ordering Status System.

We analyzed basic mobilization data for the 2007 fire season and found that Type 1 and Type 2-IA contracted crews were dispatched more often because they participated in both the initial and extended attack on fires. In contrast, FS has more Type 2 contracted crews it can call on during extended attacks,³⁶ so individual Type 2 crews were dispatched, on average, less often than Type 1 and Type 2-IA crews. For example, in 2007 crews were dispatched as noted in Table 3.

Table 3: Table displaying the numbers of crews available, the number of dispatches, and average dispatch per crew for the tree crew types during the 2007 fire season.

Type of Crew	Number of Crews Available	Dispatches In 2007 Per Crew Type	Average Dispatch Per Crew
Type 1	90	1348	15
Type 2-IA (national contract crews)	34	319	9
Type 2 (contracted through an agreement with ODF)	158	834	5

FS needs to annually review its mobilization data for large fires to determine the number and type of hand crews that can be effectively deployed based on deployment strategies and success in fighting previous fires. This determination of effectiveness needs to include how often it is necessary for a crew to be deployed during the fire season in order for it to achieve and maintain proficiency. FS should also take into account the performance and effectiveness of the individual firefighting crews. If FS analyzed its mobilization information to determine how frequently individual crews are dispatched compared with each crew's performance,³⁷ it would be able to better identify at what point adding more Type 2 contracted crews is no longer effective in its firefighting efforts and could determine what other tactics or strategies would be more appropriate (e.g., the addition of a bull dozer).

According to FS, another important step in being able to perform an effective manpower analysis is the development and implementation of the Fire Program Analysis System. The purpose of this system is to provide managers with a common interagency process for fire management planning and budgeting to evaluate the effectiveness of alternative fire management strategies. This system will reflect fire objectives and performance measures for the full scope of fire management activities.

³⁶ Type 2 crews are rarely used for initial attacks.

³⁷ See Finding 3 for issues regarding performance.

Attaining the Highest Efficiency Possible

In the 2007 fire season, we found that FS frequently used many Type 2 crews supplied by the ODF agreement;³⁸ whereas, it would have been more cost-effective to employ more crews under national contracts (Type 2-IA crews) since the rates would have been lower. More importantly, hiring more Type 2-IA contracted crews through the national contract would allow FS to maintain higher skilled crews to more effectively suppress fires and would likely reduce fire suppression costs by containing fires quicker. FS frequently used Type 2 crews because it was reluctant to increase the number of crews under its Type 2-IA national contracts, due to the additional in-house contracting resources it would need to oversee and manage contracts. Because FS does not track costs related to administering contracts, we could not make a direct comparison between FS contract administration costs and ODF administrative charges. As a result of FS reliance on Type 2 contracted crews, FS increased its hourly rates paid during the 2007 fire season, and could have achieved a savings of as much as \$3.4 million in direct costs using FS Type 2-IA national contract crews instead of ODF crews.

In order to maintain the highest efficiency possible, FS is required to use program funds in such a manner as to increase productivity, control costs, and mitigate any adverse aspects of agency operations.³⁹ When FS employs firefighting crews from outside the agency to supplement its firefighting resources, it uses two sources—ODF agreements for Type 2 contracted crews and FS national contracts⁴⁰ for Type 2-IA contracted crews.

Although Type 2 crews are less experienced, they charged higher rates than the more experienced and versatile Type 2-IA crews.⁴¹ We determined that during the 2007 fire season FS paid almost \$3.4 million more for the less experienced Type 2 crews for 5100 days of firefighting than it would have paid Type 2-IA crews for the same work. This is based on a daily cost savings of \$664 per crew. Table 4 shows the hourly rate and daily cost difference and the savings realized by using Type 2-IA crews.

Table 4: Table comparing the average hourly rates and daily costs of Type 2-IA and Type 2 crews for the 2007 fire season.

Type of Crew	Average Hourly Rate	Daily Cost ⁴²
Type 2-IA	\$36.72	\$8,813
Type 2	\$39.49	\$9,477
Savings	\$2.77	\$664

³⁸ An agreement establishes a list of 20-person firefighting crews for fire support activities. The agreement requires contractors to meet certain specifications with no guarantee of work.

³⁹ *Office of Management and Budget Circular A-123, Management Accountability and Control, "Policy Statement,"* Effective October 1, 2005.

⁴⁰ FS Type 2-IA contract refers to these resources as National Contract Resources for use on a nationwide basis.

⁴¹ Both types of teams perform similar tasks, but Type 2-IA crews can be broken into smaller units and require more experienced firefighters with at least 60 percent having one season or more of wildland fire experience. Type 2 teams must have at least 40 percent of their personnel with one season or more of wildland fire experience. They cannot be broken into smaller units.

⁴² The daily saving was computed for a 20-member crew working 12 hours a day.

While Type 2-IA contractors are required to have a mandatory availability period⁴³ throughout the fire season and are guaranteed a minimum payment of \$40,000 per crew, each fire season, Type 2 contractors are not guaranteed any work or payment. We determined that a 20-person Type 2-IA crew paid \$36.72 hourly, per individual, for a 12-hour workday would reach the \$40,000 minimum guarantee in less than 5 days. Thus, Type 2-IA crews on average exceed their minimum guaranteed payment in just 5 days of firefighting. However, due to the lack of guarantees, Type 2 contractors, on average, charge higher hourly rates. These contractors told us that they charge higher rates because they have to pay premium salaries to their crew members to ensure their availability and because they have to maintain similar readiness standards even though they are not guaranteed work.

Our analysis showed that 22 of the 158 Type 2 crews worked 50 days or more during the 2007 fire season or 10 times the number of days needed to reach the \$40,000 minimum guaranteed to the Type 2-IA crews. Current Type 2 crews with the required experience would be available to fill additional Type 2-IA contracts. If these 22 crews were included in the national contract as Type 2-IA crews, FS would save a total of \$870,279. FS would save an additional \$85,246 in fees paid to ODF.⁴⁴ More importantly, FS would have greater control over the utilization and quality of firefighting crews because Type 2 I-A crews must be available when called and these crews are required to have more experienced firefighters in the crew.

If FS contracted with the 147 Type 2 crews that had reached the minimum 5 days of firefighting needed to meet the guaranteed pay, rather than use ODF agreements for contract crews, it would save \$3.4 million. We do not contend that FS should move 147 crews from ODF agreements to national contracts because the need for contracted crews varies each season. However, we concluded that FS needs a process to determine how many Type 2 and Type 2-IA crews they need to effectively and efficiently fight fires.

A support crew study performed in 2006 examined various ways of providing labor crews. The purposes of the study were to determine the cost and efficiency associated with various ways of providing fire crews, determine the historic demand for 20-person crews on large fires, and use simulation modeling to examine the economic efficiency of using various crews.⁴⁵ It compared the cost of using in-house crews versus contracted crews and examined data regarding the demand for various types of crews for a 5-year period—fire seasons 2001 through 2005.⁴⁶ The study found that the demand for 20-person crews was less than expected and the cost of providing agency crews on wildfires was more expensive than anticipated, but comparable with contracted crew costs. Based on the simulation modeling performed, it provided various options for the number of in-house crews that could be used but did not recommend a definitive course of action. The study recognized that the cost and the efficiency of the crews impacted the outcome of the efficiency modeling performed during the study. It noted that that the cost and efficiency factors change over time or may not be accurately represented in the analysis. We

⁴³ The Mandatory Availability Period, as listed in the national contract, is dependent on the date of the contract award and is 45 calendar days in length.

⁴⁴ The agreement requires that FS pay ODF a fee of \$65 per crew, per day.

⁴⁵ Although the study was performed in 2006, the report was still in draft form at the time of our audit.

⁴⁶ The data regarding demand for crews during this period was taken from daily situation reports called Incident Status Summaries (ICS-209 form). We did not audit this data.

also noted that the study did not make a direct comparison between Type 2-IA—national contract crews and Type 2—ODF crews.

Overall, we concluded FS must analyze the mobilization data for hand crews, along with data available for other resources used to combat fires, such as aircraft and mechanized equipment, because it is the combination of all these resources that helps FS successfully suppress fires. Moreover, FS should analyze the success of fire suppression on extended attacks and how dispatch of contract labor crews and other resources, as well as fire behavior, impacted their success. By analyzing mobilization data and comparing the results of various fire seasons, FS will be able to identify the most effective number of resources, including labor crews, needed to successfully suppress fires when limited resources are in high demand.

Once the number and types of crews needed to effectively suppress wildland fires are determined, FS should then decide the number of crews that will be managed under the national contract and how many will be supplied by other sources. By doing these analyses, FS would ensure that Incident Management Teams are receiving crews able to cope with the demands of a severe fire season and that crews are deployed often enough to achieve and maintain proficiency, thus allowing FS to increase cost-efficiency.

When we discussed these issues with FS officials they agreed that more analyses should be done to determine the number and types of crews needed for effective fire suppression.

Recommendation 1

Develop and implement a pre-fire season process to analyze mobilization data annually and determine the most effective mix of resources needed to suppress fires. The process for analyzing the mobilization of hand crews should consider the use of other resources such as aircraft and mechanized equipment.

Agency Response

In its response, FS stated:

While the FS agrees that determining the most effective mix of resources needed to suppress fires is important, we do not entirely concur with this recommendation. We do not believe that a pre-season analysis of mobilization data on an annual basis is the best method for determining the most effective mix of firefighting resources. Analyzing mobilization data will simply reflect what was ordered in a given year. This is a very complex problem that requires robust modeling capability to analyze numerous inputs, including differences in weather and terrain and what mix of resources (hand crews, aircraft and mechanized equipment) is best in any given situation. The FS, in conjunction with its Department of Interior partners, has developed the Fire Program Analysis (FPA) system for shared wildland fire planning and budgeting. FPA is a strategic tool that the agencies will use to: (1) develop wildland fire budget requests; (2) allocate fire management funds to the field; and (3) model the effect that differing mixes and locations of firefighting assets, and differing levels of investment in reducing fuels, will have on their ability to protect communities and resources. Along with this tool, the agency will continue to use the expertise of Fire Planners to conduct

more specific pre-incident analysis at the Regional level to determine what resources are needed and use that information for mobilizing and staging those resources. We will also continue to depend on each Incident Management Team to determine the best mix of resources for a particular fire on a real-time basis ***. These real-time analyses will always be necessary as it is impossible to accurately predict all the needs for any given fire season, or any given fire, prior to its occurrence.

OIG Position

We do not fully accept FS' management decision for this recommendation. We understand that determining what resources are needed for deployment to specific fire incidents is a complex problem and a strategic tool such as FPA is needed to help in making those decisions. However, during our audit, we found that FS has been determining the number of crews to contract based on the number of crews forests are willing to host. We concluded that FS needed to be more proactive in analyzing its needs prior to each fire season to better determine the number and types of hand crews the FS should have available to fulfill the needs during the fire season. A pre-season analysis would provide FS a good basis for determining the number of crews to be contracted using the agency's national contracts. The analysis should include an evaluation of the effectiveness of the labor crew deployment strategies from prior fire seasons, not just an analysis of what types of crews were ordered in a given year. This analysis would be in addition to analyses discussed in FS' response. To reach management decision, FS needs to provide a plan for conducting a pre-season analysis to help determine the most effective mix of resources needed to suppress fires and to provide timeframes for implementing the plan.

Recommendation 2

Once the most effective mix of resources has been identified, estimate the number and type of hand crews FS should have available so that all crews are mobilized frequently enough to achieve and maintain proficiency and determine how many crews FS should hire using its national contract and how many contract crews should continue to be hired under ODF agreements.

Agency Response

In its response, FS stated:

The FS agrees with the intent of this Recommendation; however, we don't entirely concur with it because we have concerns that implementing it as written would result in spreading work around, rather than being efficient in how we use resources. We are also concerned that it would result in a reduction in the number of crews and result in a potential shortage of crews in active fire seasons. While we agree that more experience results in greater proficiency, the asymmetric nature of fire seasons makes it difficult to ensure that all crews are mobilized frequently, or even ensure that all crews that are accepted under the contract are mobilized at all. As long as a crew meets the minimum requirements of the national contract, we must consider them for deployment. We are also concerned that this Recommendation may increase costs, as the closest resources could be passed over to get to those needing more experience. In addition, the agency's ability to contract crews will

remain constrained by the agency's ability to manage the resource. This includes project inspectors, Contracting Officers Representatives and fire management specialists. Lastly, while FS can tell ODF how many crews the agency needs, it is not appropriate for FS to dictate how many crews the ODF hires under its agreements. The number of crews ODF hires is based on the understanding between fire managers in the Pacific Northwest Coordination Group (PNWCG). State, Federal, and local managers give ODF feedback and then ODF contracts for crews to serve its own needs plus those of its Federal cooperators.

FS will estimate the number of type of hand crews it needs, based on the national, regional and local analyses of resources conducted (see response to Recommendation 1) and how best to obtain them (i.e. the national contract, ODF agreements or other options). To help ensure that these contract crews achieve and maintain proficiency, FS will also investigate opportunities for all of these crews to work on FS projects that will sharpen the skills they need when firefighting (i.e. hazardous fuels reduction, etc). FS will also collect all performance evaluations and use them as one criterion to develop a Dispatch Priority List for the following year (see our response to Recommendation 5), thereby helping to ensure that crews that are dispatched have attained and maintained high levels of proficiency.

OIG Position

We do not fully accept FS' management decision for this recommendation. Although fire seasons may be asymmetric, FS must still plan for upcoming fire seasons each year and determine, to the best of its ability, the numbers of available crews it will need. Although fire seasons do vary, we consider a pre-season analysis important because it could provide a catalyst for determining the numbers and types of crews that should be contracted and available to provide sufficient resources to fight fires during the season. As for FS concerns of increased costs for this recommendation, Recommendation 3 addresses FS' need to identify all direct and indirect costs associated with the different types of crews and use those costs to determine the best mix of labor crews. In order to reach management decision, FS needs to provide a methodology for determining the numbers and types of crews, based on need, which can be used in contracting for labor crews prior to the fire season. FS also needs to provide timeframes for implementing such a methodology.

Finding 2: FS Needs to Better Estimate Firefighting Crew Costs

In order for FS to determine the most effective mix of firefighting resources as discussed in Finding1, it must first identify all the expenses it incurs directly and indirectly to maintain an in-house crew or to contract such labor. Direct expenses such as salary, payroll benefits, protective equipment, and training should be included in the analysis. Indirect expenses such as administrative overhead, workers compensation, and disability should also be included. However, FS does not have reliable estimates of its firefighting crew costs, which are needed to perform cost-benefit analyses to determine whether to use in-house or contracted labor crews. This occurred because FS does not capture the costs at a level of detail necessary to compare in-house crews with the contracted crews. FS uses Incident-Suite (I-Suite)⁴⁷ to report incident costs

⁴⁷ I-Suite is an interagency computer database containing information on resources, costs, time, and other information regarding fire incidents. I-Suite is the system widely used by FS and other National Wildland Fire Coordinating Group members to report daily or final costs for each incident.

related to each fire. Even though I-Suite includes crew estimates, these cost estimates are incomplete and do not include all direct and indirect cost elements, such as workers compensation and training of in-house crews or the costs for administering contractors. As a result, FS is hindered in its ability to ensure that it has the most effective and efficient workforce needed to suppress wildfires and ensure that taxpayer dollars are spent wisely.

FS' planning process requires that the agency analyze the composition of its work force so that it can meet current workload demands and quality standards at reasonable costs.⁴⁸

FS uses I-Suite to estimate crew costs. However, FS officials informed us that the cost for each resource included in I-Suite was an estimate and did not include all direct and indirect costs associated with the resource. For example, the I-Suite estimates for the in-house crews did not include workers compensation costs, while contracted crew estimates did not include the cost of administering the FS national contracts.

When asked about using the estimated daily cost reported on I-Suite to make contracting decisions, FS officials stated crews were contracted based on the hosting⁴⁹ forest needs and contracting emphasis was on the technical abilities of the crew. Cost was not considered as a deciding contracting factor because FS did not have good cost estimates.

We concluded that for FS to make informed management decisions regarding the number of agency and contract firefighting crews it should be using, the agency needs to include all direct and indirect costs, such as administrative overhead costs, in its cost estimates for all types of firefighting crews. The estimated costs will allow FS to determine whether it needs to add more in-house crews or increase the number of contracted crews used for fire suppression.

Recommendation 3

Identify all direct and indirect costs associated with the different types of firefighting crews to be used to estimate costs for determining the most cost-effective mix of in-house and contract crews.

Agency Response

In its response, FS stated:

The FS concurs with this recommendation. The FS will work on the methodology for doing this, but first needs to reach consensus on what costs to include. During the audit, the FS provided the Office of Inspector General (OIG) with studies done by the Pacific Northwest Research Station, comparing the cost of FS and contract crews in the Pacific Northwest and determining the optimal mix (two papers written by Geoffrey Donovan, FS [Pacific Northwest] PNW Research Station). The agency will consider applying this methodology nationwide.

⁴⁸ *FS Manual* 1311.1 (1), Workforce Planning, effective June 19, 1990.

⁴⁹ The hosting forest is the unit responsible for maintaining the crew while it is meeting the mandatory availability period and there are no fire incidents.

OIG Position

We do not accept FS' management decision for this recommendation. The Pacific Northwest Research Station studies provided by FS did not include all costs. To effectively apply these studies to a nationwide methodology, FS needs to identify and use all direct and indirect costs associated with the different types of crews when determining the most cost-effective mix of contract crews. In order to reach management decision, please provide the methodology FS will use for determining all direct and indirect costs associated with the different types of crews and the timeframes for completing the analyses and utilizing the costs for determining the most cost-effective mix of labor crews.

Finding 3: FS Needs to Better Evaluate the Effectiveness of Firefighting Crews

FS' crew performance evaluation process⁵⁰ does not provide useful information for determining each crew's effectiveness and efficiency. This occurred because clear, objective standards have not been established for performing the evaluations. FS officials told us it was difficult to establish a more objective evaluation system since every fire is different. They also stated that variations in terrain, weather, and fire behavior mean that crew performance can change from incident to incident. However, we concluded that FS could use procedures it had already established for evaluating new firefighters during training exercises as a basis for developing evaluation checklists to objectively measure labor crews' performance. For training its new firefighters, FS' procedures include a checklist to rate specific skills; the same skills necessary for fighting fires. FS could also indicate the complexity level of the work on the evaluation by identifying conditions such as high winds, steep terrain, or fire behavior. Without a reliable evaluation system, fire incident managers do not have adequate information regarding the skill level of different crews, which hinders their ability to put the right people in the right place at the right time. The division supervisors⁵¹ stated that without such information, task assignments take longer than necessary, crew safety is compromised, and the effectiveness of the firefighting effort is reduced.

Federal regulations require FS to evaluate the performance of its contractors.⁵² The National Firefighter Crew Contract (Type 2-IA) requires the Incident Management Team to complete a crew performance rating form at the incident.⁵³ The ODF agreement (Type 2) also requires the same form to be completed.⁵⁴ The performance evaluation form used for contracted crews was also being used to evaluate Federal, State, and local labor crews.

FS created an evaluation form to assess performance; however FS' standards for evaluating firefighting crews are vague and subjective and do not provide an accurate assessment of crews' performance. This has occurred because FS has not determined what a crew should be capable of doing—contingent upon variables such as terrain, weather, and the particularities of any given forest fire. Without clear and objective standards, fire Incident Management Teams were

⁵⁰ The same performance evaluation process is used for all contract and in-house crews.

⁵¹ The Incident Command System position responsible for supervising equipment and personnel assigned to a division or group.

⁵² *Federal Acquisition Regulation* 42.1502(a), dated April 27, 2004.

⁵³ 2007 National Type 2-IA Firefighting Crew Contract, section E.6.

⁵⁴ 2007 Interagency Firefighting Crew Agreement, section D.9.

evaluating crews subjectively, different crews could not be compared with one another, and the effectiveness of any given crew could not be determined.

The subjectivity built into the current system creates opportunities for conflict between evaluators and contractors who, of course, want to receive high scores. FS evaluators acknowledged rating crews with an “8,” which is an “excellent” score, even though the crew had performed poorly rather than argue with contractors about what are essentially subjective evaluations. Since incident managers had little confidence in their evaluation system, they did not provide ratings that reflected their opinions. All four operation chiefs at the incidents we visited stated that their strike team leaders and supervisors responsible for evaluations did not believe that the evaluation system worked because it was too subjective.

We believe that a better performance evaluation system could be developed by replacing some of the more subjective performance elements in the current system with elements that measure specific skills that a firefighter uses when fighting fires. The current system uses elements that are difficult to measure. Instead, FS could develop elements, based on specific tasks the firefighters must perform, that could be measured and relate more to the firefighters’ duties. Because changes in standards impact various firefighting organizations, the National Wildfire Coordinating Group (NWCG) would be responsible for developing interagency standards and guidelines for incident management.⁵⁵

FS currently uses the Crew Performance Rating Form ICS-224 to evaluate all contract and in-house labor crews on a scale from 0 to 10. Standards evaluated by FS using this scoring system include such things as physical condition, hot line construction, mop-up,⁵⁶ and use of safe practices. However, these scores are not clearly related to objective performance expectations. For example, the Crew Performance Rating Form includes a rating factor to evaluate how well a crew performs during mop-up, but this category is not defined by clear and objective standards. An “excellent” mop-up crew is defined as “knowledgeable, dependable, needing limited direction and responsive for assignments and tasks,” but these descriptors are not measurable and cannot be related to the actual performance of the task. The next level below excellent is satisfactory, which states that the crew “meets the terms and conditions of the contract.”

Each firefighter must go through training to qualify for a labor crew. The training allows the students to go through exercises designed to represent an actual fire situation, and instructors must evaluate each student’s performance. We concluded that FS could use its training material as a basis for developing evaluation checklists to be used to objectively measure labor crews’ performance. For example, the course entitled *Firefighter Training, S-130* requires instructors to evaluate students using a performance checklist. One section of the checklist is used to score a student’s mop-up skills using the following factors.

⁵⁵ NWCG is made up of the USDA Forest Service; four Department of Interior agencies (Bureau of Land Management, National Park Service, Bureau of Indian Affairs, and the Fish and Wildlife Service); and State forestry agencies through the National Association of State Foresters. The purpose of NWCG is to coordinate programs of the participating wildfire management agencies so as to avoid wasteful duplication and to provide a means of constructively working together. Its goal is to provide more effective execution of each agency’s fire management program. The group provides a formalized system to agree upon standards for training, equipment, qualifications, and other operational functions.

⁵⁶ Extinguishing or removing burning material near control lines, removing dead branches, and trenching logs to prevent rolling after an area has burned, to make a fire safe, or to reduce residual smoke.

- Started mop-up as soon as line construction and burnout was completed.
- Mopped up most threatening areas first.
- Considered potential for problems from snags, punky⁵⁷ logs, and fuel concentrations outside the control line.
- Searched for and dug out burning roots and stumps near the fireline.
- Scattered concentrations of burning fuels to reduce heat and danger of spotting.
- Trenched below, blocked, or turned heavy logs, stumps or similar material so they cannot roll.
- Used water sparingly, matched amount of water to the job.
- Scraped or stirred the fuel while applying water when mopping up deep burning fuels such as peat, duff,⁵⁸ or needles.

Factors such as those listed above would provide for a much more objective performance evaluation than factors such as responsiveness, dependability, and knowledge. The factors listed above would allow the rating supervisor to objectively measure the effectiveness of the crew.

FS should also indicate the complexity level of the work on the evaluation by identifying conditions such as high winds, steep terrain, or fire behavior such as the probability of ignition.⁵⁹ Based on the conditions identified, an experienced supervisor should indicate whether work was completed in the time expected, quicker than expected, or longer than expected; thus, measuring the efficiency of the crews. For those crews taking longer than expected, the rating factors above, as well as objective factors established by FS (e.g., physical condition or use of safe practices), could provide reasons or insight as to why the work was not completed timely. The objective factors could also help to explain why work was completed quicker than expected.

Evaluations would be most useful when dispatching crews and for use by incident command teams and for determining crews' fire assignments. However, FS was not gathering, analyzing, tracking, or using this information at subsequent fire incidents. Without a history of performance evaluations for firefighting crews, Incident Management Teams are not able to determine the skill of crews as they arrive at the incident, instead they have to wait to determine the crews' skill level before assigning crews difficult tasks. Since FS is not tracking crews' performances throughout the fire season, it relies on contractors to provide a copy of their performance evaluations to the dispatch center, as well as the contracting officer's representative. An operations division supervisor stated that they spent 2 to 3 days evaluating how the crews performed before they could assign them critical tasks, which was a waste of valuable time and resources.

According to FS headquarters officials, they had not attempted to track the results of these performance evaluations because firefighters frequently move⁶⁰ from one crew to another and this could affect the consistency of the crew's performance. In addition, FS' current database

⁵⁷ Partly decayed material, such as old wood, in which fire can smolder unless it is carefully mopped up and extinguished.

⁵⁸ Duff is the layer of decomposing organic materials lying below the litter layer of freshly fallen twigs, needles, and leaves and immediately above the mineral soil.

⁵⁹ Probability of ignition is affected by conditions such as humidity, moisture, elevation, shade, etc.

⁶⁰ Firefighters do not fight all incidents with the same crew because when the crew is dispatched the crew boss has to identify who is available to be mobilized.

was not designed to allow the tracking of evaluations. However, we concluded that linking performance evaluations to the crew boss would provide an acceptable means of tracking performance because according to all of the Incident Management Teams we spoke with, a crew's performance is directly related to the crew boss' leadership. A skilled crew boss can be assigned new crew members and their performance will generally rise based on the crew boss' leadership.

Recommendation 4

Work with the NWCG to establish clear and objective standards for evaluating the effectiveness of all firefighting crews and revise the current evaluation form to reflect these new standards.

Agency Response

In its response, FS stated:

The FS concurs with this recommendation. Additional research being completed by the San Dimas Technology and Development Center may provide additional measures to evaluate crew line construction performance. The FS will submit the proposal to the appropriate NWCG committee in a timely fashion, but the work will not be accomplished in one year due to the need to prioritize the work load that the committee must accomplish. The FS will request NWCG to direct the relevant committee to work on this recommendation by February 28, 2010.

OIG Position

Although we agree with the proposed corrective action, we cannot reach management decision for this recommendation. The actions proposed by FS will take more than 12 months to implement. However, the FS did not provide any interim corrective actions. To reach management decision, provide a plan for completing corrective actions, as well as a timetable for accomplishing the work with the NWCG committee.

Recommendation 5

Implement a plan for tracking (by crew boss) the results of these performance evaluations and for using these results as crews are deployed.

Agency Response

In its response, FS stated:

The FS does not concur with this recommendation. The agency does not have the necessary electronic systems in place to accomplish instantaneous performance rating input and access at the subsequent incident, and the costs for developing such a system outweigh the benefits. In addition, in a busy fire season, it is likely that ratings would not be submitted promptly – even in an electronic system. Instead, the FS suggests that a better option would be to follow the same process that Oregon Department of Forestry [ODF] uses for crews hired under their agreement. FS would collect all performance evaluations and use them as one criterion to

develop a Dispatch Priority List for the following year. This way, performance can be used, along with cost and other pertinent factors, to determine dispatch priority under a best value concept. Experience has shown that although crews are hard to evaluate on an incident-to-incident basis due to changing personnel, vendors that historically produce the best performing crews rise to the top when several years of past performance evaluations are considered. The FS will also continue to follow current procedures, where performance ratings are reviewed upon receipt by the [Contracting Officers Representative] COR and [Contracting Officers] CO and any corrective action necessary is then initiated. Lastly, it is incumbent upon the Incident Management Team to determine how to appropriately utilize the contract crews that are dispatched to the incident – that will not change. It is the Team's responsibility to assess the skills of the crew and utilize them appropriately. Even if a real-time performance rating process was put in place, it would be irresponsible for an Incident Management Team to depend solely on that rating tool to determine the appropriate tasks for each crew.

OIG Position

We do not fully accept FS' management decision for this recommendation. FS requires that Incident Management Teams complete crew performance ratings at the incident, and we did not identify any issues where the ratings were not being submitted promptly. We concur that a real-time performance rating process should not be used to replace the judgment of an Incident Management Team. However, such a process could provide them with valuable information on the crews' strengths and weaknesses and help them to better assess the teams' abilities. In order to reach management decision, FS needs to provide a methodology to provide Incident Management Teams with reliable and timely evaluations to assist the teams in assigning crews to critical tasks, along with timeframes for implementing the methodology.

Section 2: Duplicate Inspections

Finding 4: FS Needs to Eliminate Duplicate Inspections of Contract Firefighting Crews

Contract crews are subject to duplicate inspections that delay the start of firefighting efforts. When crews are mobilized, dispatchers inspect the crews. The crew is re-inspected by the Incident Management Team—who is ultimately responsible for the firefighting effort—when the crews arrive at the fire area. Officials at the two dispatch centers we visited told us that they inspected contract crews before dispatching them to fires because they wanted to make sure that contract requirements were met. FS officials stated they were aware of the duplicate inspections and that verification would be most effective at the fire incident camp. Even though FS officials, when asked, did not provide an explanation for why duplicate inspections had not been previously eliminated, one FS official told us that during a meeting regarding the 2009 fire season, dispatchers were told they should eliminate their inspections and the only inspections should occur at the fire incidents. We conclude that these duplicate inspections waste time and money. In the 2007 fire season, contract crews were dispatched at least 1,153 times. Since they were being paid during two inspections for each dispatch, we estimate that FS paid contract crews approximately \$1.7 million for redundant inspections.⁶¹ We further maintain that, since Incident Management Teams are responsible for the operation and safety of the incidents, their inspections should be regarded as the only inspection necessary.⁶²

Under the labor crew contracts, the Government has the right to inspect and test all services called for by the contract, to the extent practicable at all times and places during the term of the contract, as long as the inspections are conducted in a manner that will not unduly delay the work.⁶³

When contracted firefighting crews are dispatched, the dispatching officials inspect the crew, their vehicles, their personal protective gear, and their firefighting equipment. Crew members are inspected to ensure they are qualified and have identification cards;⁶⁴ vehicles are inspected to ensure that they meet readiness and safety standards; proper protective clothes and gear are inspected for the crew's safety; and firefighting equipment is inspected to ensure that the crew is ready to perform its assignment. Crew bosses, squad leaders, and crewmembers with specialized training, such as tree fallers, are also inspected for additional qualifications, training, and English language proficiency. Given the number of crew members and the amount of equipment involved, a FS official stated it often takes the dispatchers 2 hours to line up crew members, unpack equipment, inspect and repack the gear, and prepare the crew for the trip to the fire incident.

⁶¹ We estimated 2 hours for a redundant inspection of a 20-person crew for 1,153 dispatches in 2007; 319 of these dispatches were Type 2-IA crews paid at an average rate of \$36.72 per hour per crew member, while 834 were Type 2 crews paid at an average rate of \$39.49 per hour per crew member.

⁶² FS does not track crews rejected because they do not meet contract requirements.

⁶³ This clause is included in the contracts and is based on requirements in the *Federal Acquisition Regulations* section 52.246-4, dated August 1996.

⁶⁴ Crew members are required to carry a picture identification card issued and signed by the employer containing the member's name, photo, list of positions the person is current in and qualified for, seasons of experience, language abilities, and date the person passed the work capacity fitness test.

When contracted firefighting crews arrive at the incident they undergo the same inspection, performed this time by the Incident Management Team who is responsible for the operation and the safety of the crews. If the Incident Management Team finds that a contract crew reported to the incident unprepared or understaffed, the contract allows the crew 24 hours to correct its deficiencies, without pay, or be rejected.⁶⁵ Contractors are therefore motivated to ensure that any delays are minimized. In addition, if crews are missing needed equipment the contractor may obtain such equipment from the incident fire cache for a fee.

FS does not track instances where crews are rejected because they are unprepared or understaffed. We concluded that FS should use the performance evaluation process to register and track instances where crews show up without enough members or without all appropriate equipment that result in delays.

When we discussed this issue with FS headquarters officials, they stated that they were aware that duplicate inspections were occurring because staff wanted to ensure contracted crews were not understaffed or unprepared. They also agreed this duplication was unnecessary because of the provisions in the contract for addressing unprepared or understaffed crews and stated that verification would be most effective occurring at the fire incident camp.

Recommendation 6

Direct that Incident Management Teams should perform the only inspection of dispatched contract crews at the fire incident inspection station.

Agency Response

In its response, FS stated:

The FS concurs with this recommendation. Direction has already been given to this effect, but we will document this in a letter to the host units. The contract will still allow the government to inspect at any time, if necessary, and that could still happen.

OIG Position

We accept FS' management decision for this recommendation.

Recommendation 7

Use the performance evaluation process to track instances where crews are rejected because they show up at incidents understaffed or unprepared.

⁶⁵ National Type 2-IA Firefighter Crew Contract, section E.3 and 2007 Interagency Firefighting Crew Agreement D.4.1.1.

Agency Response

In its response, FS stated:

The FS does not concur with this Recommendation because we believe it is unnecessary. We already do this, using the Crew Inspection Form. On page 17 of the Official Draft Report, the OIG states, “FS does not track instances where crews are rejected because they are unprepared or understaffed.” We, in fact, do track these instances. It is possible that the OIG misunderstood this because they talked to a selection of incident personnel who did not understand that the process works through the acquisition channel. Upon arrival at the incident, the Crew Inspection Form, Exhibit G in the contract, is used to document compliance with contract requirements. We are attaching several examples of completed Crew Inspection Forms.

OIG Position

We accept FS’ management decision for this recommendation.

Section 3: Compliance with Contract Requirements

Finding 5: FS Needs to Ensure That Contractors Are Verifying Workers' Employment Eligibility

FS does not have a process in place to determine whether contractors are verifying that contract firefighters are legally authorized to work in the United States. FS officials told us that they did not believe they had the knowledge or authority to review employment eligibility and had not included such procedures when reviewing contract compliance. However, FS was not checking to see that contractors were performing required verifications. We concluded that, when performing annual reviews of contractors, FS could include procedures to determine whether employers were performing required employment eligibility verifications. Without such a process, FS was unaware that at least 49 of the 60 contract employees, for 3 contractors we reviewed, had unverified employment status.⁶⁶ Further, by doing business with contractors whose workforce is less stable due to the potential effect of immigration enforcement actions, FS risked disruptions, delays, and increased expenses to the contract.

FS and ODF require contractors to verify the employment eligibility of each worker they hire. Citizenship and Immigration Services established Form I-9, Employment Eligibility Verification Form, as the document to be used for employment eligibility verification.⁶⁷ The purpose of Form I-9 is to document that each new employee (both citizen and non-citizen) hired after November 6, 1986, is authorized to work in the United States. Both FS and ODF included in their firefighting crew contracts a clause that requires the contractor to (1) have all employees complete and sign the Form I-9 to certify that they are eligible for employment; (2) examine documents presented by the employee and ensure the documents appear to be genuine and related to the individual; (3) record information about the documents on the form and complete the certification portion of the form; and (4) retain the form for 3 years, or 1 year past the end of employment of the individual, whichever is longer. If the contractor fails to comply with these requirements and employs unauthorized workers during contract performance, FS or ODF may terminate the contract.⁶⁸ Further, FS contracting officers are required to report workplace and immigration violations to the appropriate oversight agency.⁶⁹

We found employment eligibility forms were not properly certified by three of the eight contractors we visited. Based on our review of 60 workers' employment records, we found that contractors failed to meet these requirements for 49 (82 percent) of their employees. For seven employees, contractors did not have a Form I-9. For three employees, contractors accepted the Form I-9 without the employee's signature. For 39 employees, contractors did not verify the employment eligibility status (see Table 5).⁷⁰

⁶⁶ The contractors did not determine whether the employees were legally authorized to work in the United States.

⁶⁷ 8 *Code of Federal Regulations*, part 274a.

⁶⁸ 2007 National Type 2-IA Firefighter Crew Contract, section H.3 and 2007 Interagency Firefighting Crew Agreement, Exhibit O.

⁶⁹ *FS Handbook* 6309.11.34.

⁷⁰ Form I-9; Employment Eligibility Verification Department of Homeland Security, effective June 5, 2007.

Table 5: Table provides a breakout of the employees for which three contractors did not verify employment eligibility status.

Contractor	Employees Not Meeting Requirements	Form I-9 Not in File	Employee's Section Not Completed Correctly	Employer Did Not Certify Employment Eligibility Was Verified
A	20	2	3	15
B	20	4	0	16
C	9	1	0	8
TOTAL	49	7	3	39

We also visited 4 fire incidents and interviewed 337 firefighters, 16 of whom admitted that they did not have legal documentation to work in this country. We were able to review contractors' employment records for 6 of these 16 workers, and found that 4 had not been certified by the contractor and 2 did not have a Form I-9 in their file.

When we spoke to FS officials about this problem, they stated that they were unaware of problems with the employment records of the workers hired by contractors and did not know what procedures to perform to review the contractors' records.

On June 9, 2008, the President signed an Executive Order requiring private employers who choose to contract with Federal agencies to use an electronic employment eligibility system. The 2008 national contracts and ODF agreement do not include this clause because the contracts and agreement were signed prior to the date of the Executive Order.

We concluded that FS needs to take steps to improve how contractors comply with employment eligibility requirements. Since FS already verifies other contract clauses, such as training and physical ability, as part of an annual review it performs of all contractors, it should include a review of employees' eligibility information as part of that review. Additionally, if FS determines that contractors are not complying with the law, FS should enforce appropriate corrective action as specified in the signed contract, which includes terminating the contract.

Recommendation 8

Amend the contract to require contractors to use an electronic employment eligibility verification system as required by the June 8, 2008, Executive Order.

Agency Response

In its response, FS stated:

The FS concurs with this recommendation. On September 8, 2009, the Director of Acquisition Management sent a letter to Regional Foresters and Deputy Chiefs, directing that Contracting Officers include a clause requiring contractors to use electronic employment

eligibility verification. The FS has initiated contract modifications for each of our Type 2-IA Crew contracts, and as of October 15, 2009, all but one of our contractors has acknowledged this modification. We, however, cannot make commitments on behalf of ODF.

OIG Position

Although we agree with corrective actions FS plans to take for its contracts, we cannot accept FS' management decision for this recommendation. As part of FS' agreement with ODF, FS could require ODF to include a clause in their contracts to require contractors to use electronic employment eligibility system. To reach management decision, FS needs to provide the timeframe in which FS will amend its agreement with ODF to require the use of the electronic employment verification system.

Recommendation 9

When performing annual reviews of contractors, FS should include procedures to determine if employers have verified employment eligibility of workers. The procedures should include referring the matter to U.S. Customs and Immigration Enforcement if discrepancies are noted that indicate workers are not legally in the country.

Agency Response

In its response, FS stated:

The FS concurs with this recommendation with regard to the national crew contract. As stated in Recommendation 8, the clause requiring contractors to e-verify is being included in the contract and procedures will be developed to handle reporting of discrepancies by [Acquisition Management] AQM policy staff.

OIG Position

Although we agree with corrective actions FS plans regarding its contracts, we cannot accept FS' management decision for this recommendation. Annual reviews of both FS national contracts and the agreement with ODF should include such procedures. In order to reach management decision, FS needs to provide the methodology for performing these review procedures and timeframes for incorporating the procedures in the annual reviews.

Recommendation 10

Terminate contractors from the program if they employ ineligible workers, according to the terms of the contract.

Agency Response

In its response, FS stated:

The FS concurs. Section H of the 2009 National Type 2-IA Firefighter Crew Contract includes the following special contract requirement (page 43):

“Compliance with Section 274A of the Immigration and Nationality Act (8 U.S.C.1324a) is a material condition of the contract. If the contractor employs unauthorized workers during contract performance in violation of section 274A, the Government may terminate the contract, in addition to other remedies or penalties prescribed by law.”

Accordingly, the FS will take appropriate remedial action in accordance with the contract terms and conditions, including termination.

OIG Position

We accept FS’ management decision for this recommendation.

Scope and Methodology

To accomplish our objectives, we reviewed activities related to contract labor performing work in the areas of firefighting, hazardous fuels removal, and reforestation. For firefighting, we looked at both the FS national contracts (Type 2-IA) and the contractors furnished by ODF (Type 2) under an agreement with FS. Specifically, we reviewed applicable laws, regulations, Government Accountability Office reports, prior OIG reports, and agency internal reviews including the Federal Managers' Financial Integrity Act reports.

We focused on fire incidents that occurred during the 2007 fire season and completed our fieldwork related to firefighting on May 28, 2008. We judgmentally selected four fire incidents based on location, number of contracted labor crews onsite, and impact on firefighting activities.

The audit included interviews and examination of records at FS' Washington office and the NIFC in Boise, Idaho. In addition, we conducted work at FS Pacific Northwest Regional Office in Portland, Oregon, and the ODF in Portland, Oregon. We also visited three fire dispatch centers in Boise, Idaho; Portland, Oregon; and Prineville, Oregon. Lastly, we visited four fire incidents: Irish Springs Fire Incident in Vale, Oregon; Castle Rock Fire Incident in Ketchum, Idaho; Jocko Lakes Fire Incident in Lake Seeley, Montana; and Black Cat Fire Incident in Missoula, Montana. Specifically, we:

- Interviewed staff at the NIFC, at dispatch centers, and at fire incidents to understand firefighting efforts and how firefighting crews are assigned.
- Interviewed ODF officials to discuss and understand how they manage contracted firefighting crews.
- Attended a fire safety training course which allowed us to visit fire incident camps and meet with firefighting crew members.
- Visited four active fire incidents where contract labor crews were fighting fires from August 22 through 28, 2007, to interview incident management officials and obtain a general understanding of the fire operations and the effectiveness of contract crews.
- Judgmentally selected four labor crews per incident, except at Irish Spring where we selected five crews, to survey and obtain feedback on their firefighting operations. We selected crews based on availability and minimal impact to fire line operations. At each incident, we tried to select representatives of the different crew types. A total of 337 firefighters were surveyed.
- Visited eight labor crew contractors to review their crews' employment eligibility records and to obtain feedback related to their contracts.
- Analyzed dispatch data from the Resource Ordering Status System, dated February 19, 2008, to determine how many Type 2-IA and Type 2 contractors were dispatched to incidents in the 2007 fire season. We did not assess activities or internal controls of the computer-based application, Resource Ordering Status System, and therefore did not attempt to report its condition. However, to use the data obtained we had to eliminate records from our analyses because information was not always representative of the fields in which it was located. For example, some records showed the "mobilization date" as later than the "demobilization date."

In addition, we reviewed contracting activities covering fiscal year 2006 and 2007, and completed fieldwork related to hazardous fuels removal and reforestation on May 28, 2008. We selected the three regions with the most hazardous fuel removal and reforestation contracting activity: Pacific Northwest, Pacific Southwest, and Southwest.

Audit work for the hazardous fuels removal and reforestation portion of our project was performed at FS' Washington office in Washington D.C.; and FS regional offices in Portland, Oregon; Albuquerque, New Mexico; and Vallejo, California. In addition, we visited four national forests: Gifford Pinchot National Forest in Vancouver, Washington; Mount Hood National Forest in Sandy, Oregon; Tonto National Forest in Phoenix, Arizona; and Sierra National Forest in Clovis, California. At these locations, we:

- Reviewed applicable laws, regulations, and agency directives.
- Interviewed FS officials at all levels to obtain information on hazardous fuels removal and reforestation projects and contracts.
- Reviewed 16 hazardous fuel removal and reforestation contracts to evaluate how contracts were awarded, managed, and monitored.
- Visited three ongoing hazardous fuel removal projects and one reforestation project to understand how the contracts were implemented.
- Analyzed 103 active contracts awarded since 2006 to identify FS' method of awarding contracts.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

USDA'S

FOREST SERVICE

RESPONSE TO AUDIT REPORT



Forest
Service

Washington
Office

1400 Independence Avenue, SW
Washington, DC 20250

File Code: 1430

Date: November 12, 2009

Route To:

Subject: Response to Office of the Inspector General Official Draft Report
No. 08001-2-AT, "Forest Service Contracted Labor Crews"

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

The Forest Service has reviewed the Office of the Inspector General (OIG) Audit Report No. 08001-2-AT, "Forest Service Contracted Labor Crews." The Forest Service welcomes constructive criticism of our fire and aviation programs from both internal and external sources.

The Forest Service concurs with most of the recommendations in the report and we believe these will benefit the overall fire and aviation management program. The Forest Service will work with its partners, Congress, and the Administration to improve contracted labor crew practices to the best of its abilities.

The enclosure states our proposed actions to implement the recommendations in the report. Please contact Donna Carmical, Forest Service Chief Financial Officer, at 202-205-1321, with any audit questions, or Erica Kim, Fire & Aviation OIG Audit Lead, at 202-205-0811, with any technical questions.

/s/ Hank Kashdan (for)

THOMAS L. TIDWELL
Chief

Enclosures

cc: Sandy T Coleman, Janet M Roder, Jaelith H Rivera, Erica Kim, Bridgit Downing, Neal Hitchcock, Donna M Carmical



United States Department of Agriculture
Forest Service (FS)

Office of Inspector General (OIG) Official Discussion Draft Audit Report No. 08001-2-AT
Forest Service Contracted Labor Crews
Report Received: September 30, 2009

Official Draft Recommendations

OIG Recommendation No. 1: Develop and implement a pre-fire season process to analyze mobilization data annually and determine the most effective mix of resources needed to suppress fires. The process for analyzing the mobilization of hand crews should consider the use of other resources such as aircraft and mechanized equipment.

FS Response: While the FS agrees that determining the most effective mix of resources needed to suppress fires is important, we do not entirely concur with this recommendation. We do not believe that a pre-season analysis of mobilization data on an annual basis is the best method for determining the most effective mix of firefighting resources. Analyzing mobilization data will simply reflect what was ordered in a given year. This is a very complex problem that requires robust modeling capability to analyze numerous inputs, including differences in weather and terrain and what mix of resources (hand crews, aircraft and mechanized equipment) is best in any given situation. The FS, in conjunction with its Department of Interior partners, has developed the Fire Program Analysis (FPA) system for shared wildland fire planning and budgeting. FPA is a strategic tool that the agencies will use to: (1) develop wildland fire budget requests; (2) allocate fire management funds to the field; and (3) model the effect that differing mixes and locations of firefighting assets, and differing levels of investment in reducing fuels, will have on their ability to protect communities and resources. Along with this tool, the agency will continue to use the expertise of Fire Planners to conduct more specific pre-incident analysis at the Regional level to determine what resources are needed and use that information for mobilizing and staging those resources. We will also continue to depend on each Incident Management Team to determine the best mix of resources for a particular fire on a real-time basis, based on fuels, topography, weather, land management plan considerations, and professional judgment (i.e. risk-based management). Resources will then be summoned from the agency, cooperators, or contracts to fulfill those needs, in the best way possible, given the nature of the fire season at that given time. Lastly, when multiple large fires are burning, Geographic Area Coordination Centers (GACCs) and the National Multi-Agency Coordinating Group (NMAC) will prioritize limited resources and determine where they should be allocated. These real-time analyses will always be necessary as it is impossible to accurately predict all the needs for any given fire season, or any given fire, prior to its occurrence.

Estimated Completion Date: November 30, 2010

OIG Recommendation No. 2: Once the most effective mix of resources has been identified; estimate the number and type of hand crews FS should have available so that all crews are mobilized frequently enough to achieve and maintain proficiency and determine how many crews FS should hire using its national contract and how many contract crews should continue to be hired under ODF agreements.

FS Response: The FS agrees with the intent of this Recommendation; however, we don't entirely concur with it because we have concerns that implementing it as written would result in spreading work around, rather than being efficient in how we use resources. We are also concerned that it would result in a reduction in the number of crews and result in a potential shortage of crews in active fire seasons. While we agree that more experience results in greater proficiency, the asymmetric nature of fire seasons makes it difficult to ensure that all crews are mobilized frequently, or even ensure that all crews that are accepted under the contract are mobilized at all. As long as a crew meets the minimum requirements of the national contract, we must consider them for deployment. We are also concerned that this Recommendation may increase costs, as the closest resources could be passed over to get to those needing more experience. In addition, the agency's ability to contract crews will remain constrained by the agency's ability to manage the resource. This includes project inspectors, Contracting Officers Representatives (COR) and fire management specialists. Lastly, while FS can tell ODF how many crews the agency needs, it is not appropriate for FS to dictate how many crews the ODF hires under its agreements. The number of crews ODF hires is based on the understanding between fire managers in the Pacific Northwest Coordination Group (PNWCG). State, Federal, and local managers give ODF feedback and then ODF contracts for crews to serve its own needs plus those of its Federal cooperators.

FS will estimate the number of type of hand crews it needs, based on the national, Regional and local analyses of resources conducted (see response to Recommendation 1) and how best to obtain them (i.e. the national contract, ODF agreements or other options). To help ensure that these contract crews achieve and maintain proficiency, FS will also investigate opportunities for all of these crews to work on FS projects that will sharpen the skills they need when firefighting (i.e. hazardous fuel reduction, etc). FS will also collect all performance evaluations and use them as one criterion to develop a Dispatch Priority List for the following year (see our response to Recommendation 5), thereby helping to ensure that crews that are dispatched have attained and maintained high levels of proficiency.

Estimated Completion Date: November 30, 2010

OIG Recommendation No. 3: Identify all direct and indirect costs associated with the different types of firefighting crews to be used to estimate costs for determining the most cost-effective mix of in-house and contract crews.

FS Response: The FS concurs with this recommendation. The FS will work on the methodology for doing this, but first needs to reach consensus on what costs to include.

During the audit, the FS provided OIG with studies done by the Pacific Northwest Research Station, comparing the cost of FS and contract crews in the Pacific Northwest and determining the optimal mix (two papers written by Geoffrey Donovan, FS PNW Research Station). The agency will consider applying this methodology nationwide.

Estimated Completion Date: November 30, 2010

OIG Recommendation No. 4: Work with the NWCG to establish clear and objective standards, for evaluating the effectiveness of all firefighting crews and revise the current evaluation form to reflect these new standards.

FS Response: The FS concurs with this recommendation. Additional research being completed by the San Dimas Technology and Development Center may provide additional measures to evaluate crew line construction performance. The FS will submit the proposal to the appropriate NWCG committee in a timely fashion, but the work will not be accomplished in one year due to the need to prioritize the work load that the committee must accomplish. The FS will request NWCG to direct the relevant committee to work on this recommendation by February 28, 2010.

Estimated Completion Date: February 28, 2010

OIG Recommendation No. 5: Implement a plan for tracking (by crew boss) the results of these performance evaluations and for using these results as crews are deployed.

FS Response: The FS does not concur with this recommendation. The agency does not have the necessary electronic systems in place to accomplish instantaneous performance rating input and access at the subsequent incident, and the costs for developing such a system outweigh the benefits. In addition, in a busy fire season, it is likely that ratings would not be submitted promptly – even in an electronic system. Instead, the FS suggests that a better option would be to follow the same process that the Oregon Department of Forestry uses for crews hired under their agreement. FS would collect all performance evaluations and use them as one criterion to develop a Dispatch Priority List for the following year. This way, performance can be used, along with cost and other pertinent factors, to determine dispatch priority under a best value concept. Experience has shown that although crews are hard to evaluate on an incident-to-incident basis due to changing personnel, vendors that historically produce the best performing crews rise to the top when several years of past performance evaluations are considered. The FS will also continue to follow current procedures, where performance ratings are reviewed upon receipt by the COR and CO and any corrective action necessary is then initiated. Lastly, it is incumbent upon the Incident Management Team to determine how to appropriately utilize the contract crews that are dispatched to the incident – that will not change. It is the Team’s responsibility to assess the skills of the crew and utilize them appropriately. Even if a real-time performance rating process was put in place, it would be irresponsible for an Incident

Management Team to depend solely on that rating tool to determine the appropriate tasks for each crew.

Estimated Completion Date: November 30, 2010

OIG Recommendation No. 6: Direct that incident management teams should perform the only inspection of dispatched contract crews at the fire incident.

FS Response: The FS concurs with this recommendation. Direction has already been given to this effect, but we will document this in a letter to the host units. The contract will still allow the government to inspect at any time, if necessary, and that could still happen.

Estimated Completion Date: February 28, 2010

OIG Recommendation No. 7: Use the performance evaluation process to track instances where crews are rejected because they show up at incidents understaffed or unprepared.

FS Response: The FS does not concur with this Recommendation because we believe it is unnecessary. We already do this, using the Crew Inspection Form. On page 17 of the Official Draft Report, the OIG states “FS does not track instances where crews are rejected because they are unprepared or understaffed.” We, in fact, do track these instances. It is possible that the OIG misunderstood this because they talked to a selection of incident personnel who did not understand that the process works through the acquisition channel. Upon arrival at the incident, the Crew Inspection Form, Exhibit G in the contract, is used to document compliance with contract requirements. We are attaching several examples of completed Crew Inspection Forms.

Estimated Completion Date: October 31, 2009

OIG Recommendation No. 8: Amend contract to require contractors to use an electronic employment eligibility verification system as required by the June 8, 2008, Executive Order.

FS Response: The FS concurs with this recommendation. On September 8, 2009, the Director of Acquisition Management sent a letter to Regional Foresters and Deputy Chiefs, directing that Contracting Officers include a clause requiring contractors to use electronic employment eligibility verification. The FS has initiated contract modifications for each of our Type 2-IA Crew contracts, and as of October 15, 2009, all but one of our contractors has acknowledged this modification. We, however, cannot make commitments on behalf of ODF.

Estimated Completion Date: November 30, 2009

OIG Recommendation No. 9: When performing annual reviews of contractors, FS should include procedures to determine if employers have verified employment eligibility of workers. The procedures should include referring the matter to U.S. Customs and Immigration Enforcement if discrepancies are noted that indicate workers are not legally in the country.

FS Response: The FS concurs with this recommendation with regard to the national crew contract. As stated in Recommendation 8, the clause requiring contractor to e-verify is being included in the contract and procedures will be developed to handle reporting of discrepancies by AQM policy staff.

Estimated Completion Date: November 30, 2010

OIG Recommendation No. 10: Terminate contractors from the program if they employ ineligible workers, according to the terms of the contract.

FS Response: The FS concurs. Section H of the 2009 National Type 2-IA Firefighter Crew Contract includes the following special contract requirement (page 43):

“Compliance with Section 274A of the Immigration and Nationality Act (8 U.S.C. 1324a) is a material condition of the contract. If the contractor employs unauthorized workers during contract performance in violation of section 274A, the Government may terminate the contract, in addition to other remedies or penalties prescribed by law.”

Accordingly, the FS will take appropriate remedial action in accordance with the contract terms and conditions, including termination.

Estimated Completion Date: November 30, 2009
