



U.S. Department of Agriculture



Office of Inspector General
Southeast Region

Audit Report

Controls Over Chemical and Radioactive Materials at U.S. Department of Agriculture Facilities

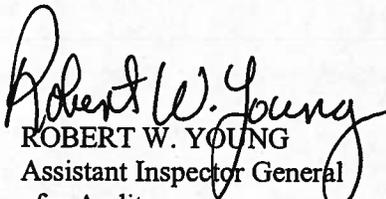
Report No. 50601-9-AT
March 2004

This report presents the results of the subject audit. The Department's March 3, 2004, response to the draft report is included as exhibit A with excerpts and the Office of Inspector General's (OIG) position incorporated into the relevant Findings and Recommendations sections of the report.

Based on your response, we have accepted management decision for Recommendation No. 4. Additional information, as specified in the OIG Position sections, is needed before we can accept management decision for Recommendations Nos. 1, 2, 3, and 5.

In accordance with Departmental Regulation 1720-1, please furnish a reply within 60 days describing the corrective actions taken or planned and the timeframes for implementation for those recommendations for which a management decision has not yet been reached. Please note that the regulation requires a management decision to be reached on all findings and recommendations within a maximum of 6 months from report issuance, and final action to be taken within 1 year of each management decision. Follow your internal agency procedures for forwarding final action correspondence to the Office of the Chief Financial Officer.

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


ROBERT W. YOUNG
Assistant Inspector General
for Audit

Executive Summary

Controls Over Chemical and Radioactive Materials at U.S. Department of Agriculture Facilities (Audit Report No. 50601-9-AT)

Results in Brief

Since the terrorist attacks of September 11, 2001, materials that could potentially threaten human health and agricultural production in the United States have been subject to increased public scrutiny. Chemical and radioactive materials used for research at U.S. Department of Agriculture (USDA) laboratories, for example, could become dangerous weapons in the hands of a terrorist. In response to such concerns, we conducted a nationwide audit of management controls and practices related to security of hazardous chemical and radioactive materials used and stored at USDA facilities.

The objectives of our audit were to determine whether (1) the Department could account for all chemical and radioactive materials at USDA facilities and could ensure that facilities complied with requirements for the handling, storing, and disposing of such materials and (2) security procedures at individual facilities were adequate to prevent unauthorized access to and removal of chemical and radioactive materials.

We found that the Department needs to strengthen controls over hazardous chemical and radioactive materials, specifically in the areas of accountability and security. USDA policies and procedures have traditionally emphasized employee safety – protecting employees from exposure to hazardous materials – and not materials security – protecting materials themselves from unauthorized use or removal. Likewise, current policies do not sufficiently address appropriate safeguards for hazardous materials at USDA facilities.

At present, USDA regulates its hazardous chemical and radioactive materials through two major documents: the Safety and Health Manual and the Radiation Safety Handbook. We concluded that, in terms of inventory controls, the Radiation Safety Handbook established by the Department's Radiation Safety Committee is a satisfactory guide for managing radioactive materials. In contrast, the Department's Safety and Health Manual provides little in-depth guidance for the control of chemicals at USDA laboratories, which house chemical substances of all hazard classes.

Specifically, the 1996 Safety and Health Manual, which is based on Occupational Safety and Health Administration standards, does not contain a list of hazardous chemicals and their corresponding safeguards, nor does it adequately address inventory requirements. Instead, each USDA agency provides its own definition of hazardous chemicals and determines how its laboratories will maintain inventory records. Our audit found that the lack of specific, departmentwide guidelines for the maintenance of chemical

inventories resulted in inventory control problems at some of the laboratories we visited.

Also of concern was the absence of a centralized, comprehensive listing of hazardous chemicals at the agency headquarters level. Without such an inventory, agency managers cannot identify and locate materials at their laboratories easily, nor can the Department ensure the rapid availability of pertinent information in the event of an intentional or accidental release of hazardous chemicals at a USDA laboratory.

The Office of Procurement and Property Management (OPPM) had been conducting site security assessments at USDA facilities upon request by various agencies since 2001; however, agencies are only required to implement agreed upon recommended corrective actions when funding becomes available.

Finally, our review disclosed that although the Department provided guidance to agencies it does not have policies and procedures specifying the minimum level of background investigation for personnel with access to hazardous materials. As a result, we are concerned that some employees may not have the appropriate background checks for the types and amounts of hazardous materials to which they have access. Our conclusions in this regard were further supported by OPPM's security assessments, which indicated that students, contractors, and visiting scientists who had access to hazardous materials located at USDA facilities did not always undergo background checks. We urge agency program management to work with the Department to develop specific personnel suitability guidelines for facilities where chemicals and radioactive materials are used and stored.

At the time of our audit, Department officials were drafting another document, "USDA Security Policies and Procedures for Laboratories and Technical Facilities," to address materials security at all non-Biosafety Level (BSL)-3 facilities.¹ The new policy, issued during our audit on April 30, 2003, includes requirements for asset accountability and chemical and radiology security plans for chemical and radioactive materials.

We also followed up on prior Office of Inspector General (OIG) audit recommendations to determine if those recommendations had been implemented. We found that the Radiation Safety Staff appropriately implemented the recommendations issued in Audit Report No. 50601-3-At, "USDA Radioactive Material and Waste Management."

¹ Each biological agent that is considered harmful to humans is assigned a BSL by the Centers for Disease Control and Prevention (CDC). BSL-3 laboratories use agents that may cause lethal infections if inhaled. On August 30, 2002, the Department issued "USDA Security Policies and Procedures for BSL Level-3 Facilities," which prescribes specific inventory control procedures for all facilities that store BSL-3 pathogens.

Recommendations In Brief

We recommend that the Department develop and implement policies and procedures, specifically directed at inventory, monitoring, and physical security, for safeguarding hazardous materials at USDA laboratories.

- We recommend that the Department require routine physical inventories of chemicals in order to provide adequate oversight and to assess risks at its many laboratories. We also recommend that the Department call for a comprehensive, secure inventory, organized by agency and readily accessible by Department managers, of hazardous chemicals stored and used at USDA laboratories.
- To further strengthen oversight of potentially dangerous materials, we recommend that the Department (1) develop a monitoring program for facilities housing chemicals that incorporates site-specific risk assessments and (2) require the agencies to improve security measures over hazardous chemicals and radioactive materials at the laboratories based on the results of site assessments.
- In addition, we recommend that the Department develop and implement policies and procedures specifying the minimum level of suitability requirements and background investigation for personnel with access to hazardous materials.

Agency Response

The Department generally agreed with the findings and recommendations in the report. However, the Department specifically addresses certain statements in the report, which needed clarification. The Department noted that the USDA Security Policy and Procedures for Laboratories and Technical Facilities addresses physical security and personnel suitability issues, regardless of the asset to be protected. Also, the risk-based approach used for security assessment applies to all facilities with chemicals and radioactive materials. In addition, agencies are required to implement agreed upon security assessments and recommended corrective actions as funding becomes available. The Department's response to the draft report is included as exhibit A of the audit report.

OIG Position

We agree with the actions taken and planned by the Department in response to the report's recommendations. We have accepted management decision on Recommendation No 4. However, to reach management decision on Recommendations Nos. 1, 2, 3, and 5, the Department needs to agree to the recommended corrective actions and provide timeframes for implementation. Actions necessary to achieve management decision are provided in the findings and recommendations section. The report was also revised to clarify the issues concerning policies and procedures for physical security over hazardous materials and security assessments.

Abbreviations Used in this Report

AMS	
Agricultural Marketing Service	1
APHIS	
Animal and Plant Health Inspection Service	1
ARS	
Agricultural Research Service	1
BSL	
Biosafety Level	6
CAS	
Chemical Abstracts Service	6
CDC	
Centers for Disease Control and Prevention	6
CFR	
Code of Federal Regulations	16
ChIM	
Chemical Inventory Management	8
CIP	
Chemical Inventory Program	6
EPCRA	
Emergency Planning and Community Right-to-Know Act	10
FS	
Forest Service	1
FSIS	
Food Safety and Inspection Service	1
GIPSA	
Grain, Inspection, Packers and Stockyards Administration	1
HSPD	
Homeland Security Presidential Directives	12
LEPC	
Local Emergency Planning Committees	10
MSDS	
Material Safety Data Sheet	10
NRC	
Nuclear Regulatory Commission	1
NRCS	
Natural Resources Conservation Service	1
OIG	
Office of Inspector General	3
OPM	
Office of Personnel Management	17
OPPM	
Office of Procurement and Property Management	11
OSHA	
Occupational Safety and Health Administration	1

RSC	
Radiation Safety Committee	2
RSS	
Radiation Safety Staff	2
RU	
Responsible Users	3
SERC	
State Emergency Response Commission.....	10
SHMD	
Safety and Health Management Division	2
USDA	
U.S. Department of Agriculture.....	1

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Background and Objectives

Background

Through its various agencies, the U.S. Department of Agriculture (USDA) performs research on animal and plant diseases at laboratory facilities throughout the United States. The Agricultural Research Service (ARS) operates the largest number of laboratories, 243 at 113 locations, and the Forest Service (FS) operates 77 laboratories at 67 locations. Other agencies have fewer laboratories. For example, the Animal and Plant Health Inspection Service (APHIS) has four laboratories at three locations, and the Food Safety and Inspection Service (FSIS) has four laboratories at three locations. Three other agencies, the Agricultural Marketing Service (AMS), Grain Inspection, Packers and Stockyards Administration (GIPSA), and Natural Resources Conservation Service (NRCS), also have laboratories nationwide.

These seven USDA agencies use chemical and radioactive materials in numerous ways. Research on animal and plant diseases and food product testing constitute the majority of chemical use. Some agencies also store pesticides and herbicides that contain chemicals. ARS, the largest user of unsealed radioactive materials within USDA², employs radioisotopes for genetic research on plants and animals, metabolic studies, and molecular research. As part of its sterile insect release program, APHIS uses radioactive materials to control screwworm, fruit fly, and pink bollworm infestations. APHIS also uses x-ray machines to inspect baggage at airports throughout the country for contraband fruits and vegetables. The National Forest System, overseen by FS, uses nuclear gauges to verify proper construction and maintenance of temporary roads.

Regulations Governing Hazardous Materials

Two bodies regulate hazardous materials at USDA facilities. The Occupational Safety and Health Administration (OSHA) oversees safety standards for chemicals, while the Nuclear Regulatory Commission (NRC) administers strict controls over radioactive materials used by the Federal Government.

The Atomic Energy Act of 1954 as amended³ designated NRC as the agency responsible for establishing, licensing, inspecting, and enforcing radioactive materials programs. USDA holds two NRC licenses for radioactive materials possession and use – one broad-scope license for research and development purposes and a second license to perform radiation studies on certain animals,

² According to the Radiation Safety Handbook, unsealed sources are radioactive materials that can be easily dispersed during routine laboratory procedures due to their liquid, powder, or granular form. In contrast, sealed sources are contained and tested to pass specific accident conditions without the release of radioactive material.

³ Amended by the Energy Reorganization Act of 1974, Public Law 93-438, dated October 11, 1974.

plants, seeds, and infectious agents using irradiators. NRC annually inspects USDA radioactive materials programs by reviewing records, materials use, management oversight, facilities, equipment, and all other functions related to radioactive materials.

OSHA regulates chemical hazards in the workplace and requires that each Federal agency establish and maintain an effective and comprehensive OSHA program. Under OSHA requirements, employers must inform employees of workplace hazards and instruct them to respond appropriately when exposed to these hazards. Additionally, OSHA conducts workplace inspections to ensure compliance with its standards.

USDA Policies Encompassing NRC and OSHA Guidelines

The Department's Safety and Health Management Division (SHMD) advises agency officials in the planning, development, and implementation of policies and programs that affect the safety and health of USDA employees. In September 1996, SHMD issued the Safety and Health Manual, which incorporates both OSHA and NRC requirements. Each USDA agency may adopt the manual as its required handbook of Safety and Health program, or it may supplement the manual to comply with specialized regulatory requirements that apply to the agency's work. In practice, agencies further delegate implementation of the manual to their field laboratories.

In general, the Safety and Health Manual establishes requirements for the development and implementation of USDA occupational safety, health, and Radiation Safety Programs. It requires that agencies maintain inventory records, follow instructions on material safety data sheets provided by chemical manufacturers, and train staff regarding potential exposures to chemicals. Agencies that operate laboratory facilities housing hazardous chemicals must publish and implement a written hazard communication program and a laboratory chemical hygiene program. Another part of the manual mandates that all facilities comply with applicable Federal, State, and local laws governing the use of radioactive material and equipment. However, the manual does not require departmental oversight or compliance reviews of individual agencies' controls over chemicals, nor does it provide specific requirements to ensure that hazardous materials are secure based on their risk level.

To supplement the Safety and Health Manual, the Radiation Safety Handbook contains departmentwide policies for the control of radioactive materials. The Department's Radiation Safety Committee (RSC) establishes the policies contained in the Radiation Safety Handbook and monitors compliance by conducting annual site reviews at selected facilities. The committee also performs routine reviews of the Radiation Safety Staff (RSS), which is responsible for the day-to-day management of the Department's

Radiation Safety Program. Under the handbook's requirements, the RSS maintains a perpetual inventory of all radioactive materials at USDA facilities to ensure proper use and storage of those materials.

In addition, RSS authorizes USDA employees to use radioactive materials through an application and permitting process, and it inspects locations to ensure compliance with the terms of the permit. Generally, the RSS inspects locations every 3 to 5 years, based on a location's radioisotope use. At the facility level, Location Radiation Protection Officers and individual permit holders take responsibility for the control, use, and disposal of radioactive material and equipment.

As of January 1, 2002, RSS reported that it issued 404 permits for possession and use of radioactive materials to USDA staff. Individual permit holders or responsible users (RU) managed material that was also used by another 1,230 associate users. RU's possessed about 1,234 unsealed sources, 373 sealed sources, 23 irradiators, and 240 pieces of x-ray equipment. This material was located at 197 USDA locations in 44 States, the District of Columbia, Virgin Islands, Mexico, and Guatemala.

1998 Audit of Radioactive Material at USDA Facilities

In March 1998, the Office of Inspector General (OIG) issued Audit Report No. 50601-3-At, "USDA Radioactive Material and Waste Management." The report stated that although the Department had significantly improved management of radioactive materials after NRC sanctioned USDA in 1993 for inadequate supervision of its Radiation Safety Program, management control systems needed additional improvement.

OIG recommended that RSS: (1) develop and implement standard inspection instruments; (2) increase the frequency and scope of facility inspections; (3) survey facilities to identify all radioactive material burial sites on USDA property and conduct required site inspections; (4) maintain complete and accurate inventories of radioactive materials, including waste; (5) develop procedures to account for all radioactive material inventories when permits are terminated; (6) establish timeliness and documentation standards for customer service actions; (7) ensure that all Local Radiation Protection Officers receive timely training; and (8) ensure that such officers (a) are properly permitted to handle radioactive material waste; (b) comply with waste handling, storage, and disposal requirements; and (c) conduct annual RU compliance inspections.

Objectives

The objectives of this audit were to determine whether (1) the Department could account for all chemical and radioactive materials at USDA facilities and could ensure that those facilities complied with requirements for the control of chemical and radioactive materials and (2) security procedures at

individual facilities were adequate to prevent unauthorized access and removal of chemical and radioactive materials, including whether personnel with access to those materials had proper clearances.

We also followed up on prior OIG audit recommendations to determine if those recommendations had been implemented. We found that RSS appropriately implemented the recommendations issued in Audit Report No. 50601-3-At, "USDA Radioactive Material and Waste Management."

Our review was performed during the period May through November 2002. We visited 33 laboratories at 21 sites across the United States. See the Scope and Methodology section at the end of this report for details.

Findings and Recommendations

Section 1. Accountability for Hazardous Materials

USDA regulates its hazardous chemicals and radioactive materials largely through two documents: the Safety and Health Manual and the Radiation Safety Handbook. We concluded that, in terms of inventory controls and monitoring of radioactive materials, the Radiation Safety Handbook established by the Department's RSC is a satisfactory guide. We found no discrepancies with radioactive materials inventory information during our site visits to laboratories that stored and used such materials, due in part to the departmentwide perpetual inventory system maintained by RSC.

In contrast, the Safety and Health Manual contains no specific, departmentwide guidelines for the control of chemicals. Although the manual requires inventories of all hazardous chemicals housed at USDA facilities, it allows for different interpretations of departmental policies, which neither define hazardous chemicals and their corresponding safeguards nor prescribe standard methods for conducting chemical inventories. Instead, each agency determines how its laboratories will maintain inventory records and includes this method in its policies and procedures. Consequently, laboratory policies disagreed about which chemicals were hazardous and required special safeguards. At some laboratories, we found inventory discrepancies and control problems that might have been prevented with stronger departmental guidance.

Furthermore, the Department does not require a centralized, consolidated inventory of chemicals organized by agency. At the time of our audit, managers could not account for the types, amounts, and locations of hazardous chemicals in their laboratories, nor could they ensure that information regarding those materials would be readily available in the event of an intentional or accidental release. Agency and Department officials need a consolidated chemical inventory in order to rapidly and accurately identify facilities at which hazardous chemicals are stored and used.

Additionally, without a centralized repository for chemical inventories taken at individual laboratories, agency and Department management cannot assess the risks associated with chemicals housed at USDA facilities or ensure that security measures are sufficient at all times. While RSC adequately monitors the Department's radioactive materials programs, departmental policies do not require facilities housing chemicals to undergo compliance reviews or site-specific risk assessments.

Finding 1**The Department Lacks Standardized Chemical Inventory Requirements and a Centralized Listing of Chemicals at Its Facilities**

All of the 33 laboratories we visited kept chemical inventories in compliance with the Safety and Health Manual, but the maintenance of those inventories and the information included in them depended on policies and procedures developed by each agency. At the time of our audit, Department officials were drafting another document, “USDA Security Policies and Procedures for Laboratories and Technical Facilities,” to address security at all non-Biosafety Level (BSL)-3 facilities.⁴ However, like the Safety and Health Manual, the draft document did not adequately address chemical inventory procedures.⁵

In the absence of specific departmental guidance, the types of chemical inventories required by the seven agencies we reviewed varied greatly, and inventories at individual laboratories were sometimes inconsistent and not always kept up to date.

Inventory Policies Vary by Agency

AMS directives require an inventory listing of hazardous chemicals maintained onsite and updated as necessary. FS policies require maintenance of a hazardous chemicals inventory, and APHIS policies specifically call for annual inventory records of hazardous materials. NRCS safety officers are required to conduct inventories of each workplace under their supervision and maintain an inventory list of identified chemicals, updated at least annually. GIPSA's policies provide even more guidance, indicating that personnel should examine stored chemicals at least annually for deterioration and container integrity. In addition, GIPSA requires personnel to conduct periodic inventories of chemicals outside the storage area and to dispose of unneeded items.

In comparison to the other agencies whose laboratories use and store hazardous chemicals, ARS and FSIS provide the most detailed inventory control procedures. ARS' policies require a master chemical agents inventory list, maintained at each ARS location and updated at least annually, that identifies all hazardous agents, including the chemical name, Chemical Abstracts Service (CAS) Registry Number,⁶ quantity, and location.

⁴ Each biological agent that is considered harmful to humans is assigned a BSL by the Centers for Disease Control and Prevention (CDC). BSL-3 laboratories use agents that may cause lethal infections if inhaled.

⁵ Issued April 30, 2003, the policy briefly mentions a departmental Chemical Inventory Program (CIP) for tracking and reporting storage and use of hazardous materials. However, the policy refers back to the Safety and Health Manual as the source of departmental guidance for CIP.

⁶ A CAS Registry Number is a unique numeric identifier that designates a specific chemical substance.

Likewise, the FSIS Laboratory Environment, Health, and Safety Handbook requires a running inventory of all hazardous materials that shows the quantities of materials acquired as well as the dates of acquisition and disposition. In addition to laboratory inventories, FSIS personnel must inventory chemical storage and use areas at least annually.

Inventory Problems Observed

Because of the lack of departmental guidance related to chemical inventories, we found inventory control problems at some USDA laboratories. At one FS laboratory, which recorded inventory using a basic spreadsheet, neither the purchasing agent nor the receiving staff documented new chemicals, and laboratory personnel did not update the inventory as they used and discarded items. In addition, the process for tracking the use of chemicals at the laboratory was not functioning. Laboratory technicians who took chemicals from the chemical storage room filled out a slip of paper to document the removal, but these slips were used to notify the purchasing agent when supplies were running low rather than to update the inventory. Records had not been updated at this facility since the last physical inventory was taken 2 years ago.

We noted similar problems at an ARS BSL-3 laboratory that had not updated its inventories annually as required by ARS policies. We found that 8 of the 15 scientists had not performed any chemical inventory updates since 2001. When questioned, the safety officer at this site indicated that it was time to update the inventories.

In addition, we found discrepancies and other problems related to inadequate chemical inventory control procedures at 14 of the 33 laboratories we visited (11 ARS, 2 FS, and 1 FSIS). We noted chemicals listed on the inventories that were not located in the laboratories, and we found chemicals in the laboratories that were not listed on the inventories. Laboratories attributed these discrepancies to employees who used or disposed of chemicals without removing them from the inventory records.

At one ARS laboratory, we selected two highly toxic chemicals from the inventory list provided, one of which (epinephrine) we could not locate. We were told that a new scientist had arrived at the facility and cleaned the former chemist's refrigerator, disposing of the chemical without recording the disposal in the inventory record. Upon our request, the laboratory updated the inventory to reflect the discarded chemical. At four other ARS laboratories, researchers attributed inventory discrepancies to transferring chemicals from one scientist to another or from one room to another without proper documentation in the inventory records.

Some laboratories implemented a computerized barcoding system to maintain better control over their inventories, but none of the seven agency policies we reviewed required this type of system. A barcode inventory system was in use at the FSIS site we visited, three ARS sites, and one AMS site. One ARS laboratory purchased a computerized system to track chemical inventories as a result of September 11, 2001. The same laboratory also purchased a separate stand-alone server to manage its restricted-access inventory system and material safety data sheets.

Another ARS laboratory had installed a computer system called ChIM (Chemical Inventory Management), which labels each container with a barcode, CAS number, and chemical tag number (a unique number assigned to each chemical container at the site). Employees use handheld scanners to update the system as items are purchased, transferred through the lab, and disposed. Although this system was one of the best observed during our audit, the laboratory still experienced inventory deficiencies because employees moved materials from location to location without recording changes in the computerized system.

Officials Recognize Need for Improved Inventory Procedures

Department officials agreed with the need to create new chemical inventory policies similar to those for radioactive materials and biological agents described in the Radiation Safety Handbook and “USDA Security Policies and Procedures for BSL-3 Facilities,” respectively.⁷

Officials stated that a departmentwide definition of hazardous chemicals should be developed and transmitted through the Safety and Health Manual or another issued document for agency implementation. Additionally, officials concurred that each agency should maintain a consolidated inventory of chemicals, enabling the Department to access information quickly and efficiently in the event of an attack, release, or other catastrophe at one of USDA’s laboratory facilities.

Also, in our meeting with USDA officials, we suggested that the Department issue guidelines for identifying chemical safety levels in laboratories modeled on the classification of biological agents. We presented officials with a document drafted by CDC researchers that provides criteria for classifying chemicals based on their hazard levels and laboratory use. The guidelines described in the CDC document could also help chemical safety programs comply with OSHA’s laboratory standards.

⁷ Dated August 30, 2002, the policy prescribes specific inventory control procedures for all facilities that store BSL-3 pathogens. “USDA Policies and Procedures for Laboratories and Technical Facilities” had not yet been issued at the time of our conversation with Department officials.

Recommendation No. 1, for the Department

Develop and implement new departmentwide policies and procedures for chemical inventories that specifically define hazardous chemicals.

Agency Response. In the March 3, 2004, response, the Homeland Security Director stated, "We concur with this recommendation, especially the need to specifically define hazardous materials. There are literally tens of thousands of chemicals present in typical chemistry labs. Requirements for inventory and monitoring of them all are impractical. The Department should focus on a list of chemicals of known security hazards."

OIG Position. We concur with the planned actions of the Department to focus on a list of chemicals of known security hazards. However, in order to reach management decision on this recommendation, the Department needs to provide a timeframe for developing policies and procedures that define chemicals of known security hazards.

Recommendation No. 2, for the Department

Develop and implement new departmentwide policies that instruct facilities to compile a secure, comprehensive inventory of hazardous chemicals (see Recommendation No. 1) that they use and store. Require that the inventory record contains the type, amount, and location of all hazardous chemicals, and that a listing of such hazardous chemicals be forwarded to managers at the Department level at least annually.

Agency Response. In the March 3, 2004, response, the Homeland Security Director stated:

Agencies should not be required to maintain a comprehensive, consolidated national chemical inventory because it would be extremely resource intensive, partially redundant, and add little or not additional value. The reason stated for requiring such an inventory is that an Agency would be able to provide information in the event of an intentional or accidental release. Federal, State and local spill response and release plans and procedures have already been established under various Environmental Protection Agency acts as follows:

The Clean Water Act and Comprehensive Environmental Response, Compensation and Liabilities Act, provide for the development of a National Contingency Plan which "provide for efficient, coordinated and effective action to minimize damage from oil and hazardous substances discharges, including containment, dispersal, and removal of oil and hazardous substances." These laws establish the National

*Response Center, the sole Federal point of contact for reporting oil and chemical spills; and, the National Response System * * * the government's mechanism for emergency response to discharges of oil and the release of chemicals into the environment, including acts of terrorism.*

The Emergency Planning and Community Right-to-Know Act (EPCRA), provides an infrastructure at the state and local levels to plan for chemical emergencies. Facilities that store or use certain chemicals are subject to various reporting requirements. EPCRA was passed in response to concerns regarding the environmental and safety hazards posed by the storage of handling of toxic chemicals.

EPCRA Section 302, the emergency planning section of the law, is designed to help communities prepare for and respond to emergencies involving hazardous substances. Every community in the United States must be part of a comprehensive plan. The Governor of each state has designated a State Emergency Response Commission (SERC). The SERCs in turn have designated about 3,500 local emergency planning districts and appointed Local Emergency Planning Committees (LEPC) for each district. Any facility that has any of the listed chemicals at or above its threshold planning quantity must notify the SERC and LEPC within 60 days after they first receive a shipment or produce the substance on site.

*Also under * * * OSHA regulations, facilities must maintain a material safety data sheet (MSDS) for any hazardous chemicals stored or used in the workplace. Approximately 500,000 products have MSDSs. EPCRA, Section 311 requires facilities that have MSDSs for chemicals held above certain quantities to submit either copies of their MSDSs or a list of MSDS chemicals to SERC, LEPC, and the local fire department. Facilities that need to report under EPCRA section 311 must also submit an annual inventory report for the same chemicals under Section 312 to the SERC, LEPC, and the local fire department.*

OIG Position. The Department's response does not address the recommended action and assumes that we are requiring agencies to maintain a comprehensive, consolidated national chemical inventory of all chemicals. The recommendation states that each facility should compile an inventory of hazardous chemicals and that only a listing of such hazardous chemicals be forwarded to managers at the Department level, at least annually. The Department's response cites several laws and regulations, which specify reporting requirements under certain conditions for chemicals. Since this is

available and complied by USDA facilities it should also be shared with agency managers at the Department level. To reach management decision for this recommendation, the Department must agree to develop and implement policies that instruct facilities to compile a secure, comprehensive inventory of hazardous chemicals and that a listing of such hazardous chemicals be forwarded to managers at the Department level, at least annually. The Department also needs to provide a timeframe for developing policies and procedures.

Finding 2**The Department Needs to Establish a Monitoring Program to Ensure Proper Handling of Hazardous Chemicals**

While we found that the routine inspections conducted by RSC and staff provided adequate oversight of radioactive materials at USDA facilities, the Department does not monitor or evaluate programs related to hazardous chemicals. Specifically, at the time of our audit, the Department did not require site-specific risk assessments at all laboratory facilities to ensure that hazardous chemicals were appropriately secured. Rather, individual agencies were responsible for developing their own laboratory inspection policies and making sure that those policies comply with all applicable laws and regulations.

All of the agency policies we reviewed, excluding those of NRCS, require some type of inspection of laboratory facilities or equipment. FSIS' policies require quarterly safety inspections and spot-checks of stored chemicals, whereas FS' policies require annual inspections. AMS' policies mandate annual inspections of low-hazard workplaces and more frequent inspections of high-hazard laboratories. APHIS, ARS, and GIPSA require regular inspections, but they do not specify how often the inspections must be performed. Although inspection standards are in place at these agencies, management could not ensure routine and consistent monitoring of chemical programs because inspections were conducted by staff members at individual laboratories instead of by agency personnel.

In October 2001, the Department's Office of Procurement and Property Management (OPPM) began conducting site security assessments at USDA laboratories whose agencies requested and funded the visits. OPPM scheduled visits to approximately 150 sites during the period October 2001 through January 2003, and completed over 70 assessments at the time of our audit. The purpose of these voluntary assessments is to ensure that inventory controls, containment methodologies, and facility security are adequate. Upon completion of an assessment, OPPM issues a report containing an overview of existing security at the facility and recommendations for remedying security weaknesses. However, the Department does not require agencies to implement the recommendations, and OPPM does not follow up to ensure that corrective actions are taken.

We reviewed the results of OPPM's site security assessments at 10 sites (22 laboratories) that were included in our audit sample. We noted that OPPM's security assessments were comprehensive and encompassed multiple disciplines, including both internal and external threats to chemical, biological, and radioactive materials as well as to information systems. OPPM identified critical problems with inventory programs, physical security, and access controls for students and contractors, along with less critical issues such as overgrown shrubbery, inadequate lighting, and outdated computer programs. None of the information presented by OPPM contradicted the issues we identified during our site visits.

While the activities of OPPM contribute to a level of departmental involvement in the security of hazardous chemicals, site assessments are performed on a voluntary basis, without the authority of a departmental requirement. Moreover, the Department does not impose a timetable on the reviews or require agencies to correct instances of noncompliance. We therefore concluded that the Department needs to develop a formal program to ensure routine and consistent monitoring of sites that house hazardous chemicals. As part of this monitoring program, the Department needs to require site-specific risk assessments at all USDA laboratory facilities to ensure that security is commensurate with the materials housed at those facilities.

Recommendation No. 3, for the Department

Develop specific departmentwide policies and procedures for routine monitoring and compliance reviews at facilities housing hazardous chemicals, including requirements for site-specific risk assessments, and ensure agency implementation.

Agency Response. In the March 3, 2004, response, the Homeland Security Director stated:

*Departmental Administration, * * * OPPM is developing an integrated physical security policy that will apply to all USDA Agencies nationwide. To further provide processes and procedures to implement the policy, a Physical Security Handbook has been developed to assist USDA Agencies in addressing security concerns within their own unique environments. The policy and Handbook have been created from such sources as: (a) like agency security requirements, (b) ISC Security Design Criteria, (c) industrial best security practices, (d) current laws and regulations, (e) Homeland Security Presidential Directives [HSPD], and (f) findings from over 200 USDA security assessments. In compliance with the recently released * * * HSPD-9, Defense of United States Agriculture and Food, OPPM will further define, in the*

Handbook, procedures for monitoring and compliance reviews required on a biennial schedule.

OIG Position. We concur with the planned actions of the Department to develop an integrated physical security policy that will apply to all USDA agencies nationwide. However, in order to reach management decision on this recommendation, the Department needs to provide a timeframe for developing the integrated physical security policy.

Section 2. Security of Hazardous Materials

Past and current USDA policies and procedures have focused on employee safety rather than materials security. We found that the lack of departmentwide security requirements resulted in deficiencies related to physical security of chemicals and/or radioactive materials at five of the 33 USDA laboratories we visited. There were also no departmentwide requirements for determining the position sensitivity level, type of clearance (if applicable), and type of investigation appropriate for personnel with access to chemical and radioactive materials. As a result, officials could not ensure that they had properly safeguarded hazardous materials against unauthorized access or removal.

On April 30, 2003, the Department issued “USDA Security Policies and Procedures for Laboratories and Technical Facilities,” which was in draft at the time of our audit. The policy applies to all non-BSL-3 facilities and it addresses physical security requirements for all USDA facilities.

Finding 3

The Department Needs to Enhance Security at Facilities Housing Hazardous Materials

While departmental regulations did not specifically prescribe appropriate levels of physical security at USDA facilities housing chemical and radioactive materials, 26 of the 33 laboratories we visited had enhanced physical security since the events of September 11. These improvements included security system upgrades and stricter requirements for employees and visitors. For example, the GIPSA laboratory and an ARS facility that housed six laboratories had both installed electronic key card systems. Similarly, an FS laboratory installed proximity card readers on all entrance doors, as well as security cameras, gates, and padlocks throughout the facility.

Five of the laboratories we visited had also developed new security procedures. Fourteen laboratories now require exterior doors and most interior laboratory doors to remain locked at all times, as opposed to past policies that allowed doors to remain unlocked during working hours. Some laboratories that did not have employee or visitor identification systems prior to September 11 now require employees and visitors to wear identification badges at all times while on the premises. The FSIS site we visited implemented even more stringent controls by requiring visitors to wear either a green or red badge—green indicating unrestricted access and red mandating an escort throughout the facility.

Although many of the laboratories we visited had addressed security concerns, we found security deficiencies at 5 of the 33 laboratories we visited. At one FS laboratory, access to the chemical storage building was

not restricted. Through discussions with laboratory personnel, we determined that 120 individuals had access to the building, including accounting technicians, secretaries, and computer specialists. At an NRCS site, every door at the facility opened with the same key, allowing unrestricted access to all buildings, including the building in which herbicides and pesticides were stored. Outer doors at another ARS laboratory remained unlocked even though the laboratory's policies required all doors to be locked each night and double-checked by a laboratory technician and a security patrol.

Subsequent to our audit, the Department issued "USDA Security Policies and Procedures for Laboratories and Technical Facilities," which calls for physical security systems based on site-specific risk assessments. At the time of our audit, USDA intended to implement the policy using a Risk Management Approach, which involves identifying actions that reduce risk and mitigate the consequences of an adverse action or security breach. The new policy addresses physical security requirements and security assessments for sites housing hazardous materials.

Recommendation No. 4, for the Department

Evaluate the results of site security assessments (see Recommendation No. 2) and instruct agencies to implement corrective measures after prioritizing the recommendations and determining the laboratories with the most critical needs.

Agency Response. In the March 3, 2004, response, the Homeland Security Director stated:

*Departmental Administration * * * OPPM utilizes a Risk Management Methodology which established a USDA standard security assessment process for reviewing all USDA facilities nationwide and their assets, to include hazardous materials. To date, physical security assessments have been completed on all identified mission critical facilities. OPPM, through the security assessment and based on the established methodology, identifies threats and risks to mission critical assets. These vulnerabilities are then examined and recommendations to mitigate the threat/risk are made to the Agency. It is then up to the Agency to accept or reject any recommendations put forward. If a recommendation is accepted and funded, it is the responsibility of the Agency to implement and monitor those approved recommendations. Follow-up of implementation is then monitored in a compliance review conducted every 2 years.*

OIG Position. We accept management decision on this recommendation.

Finding 4**The Department Needs to Strengthen Suitability Requirements for Personnel with Access to Hazardous Materials**

The current Safety and Health Manual does not provide adequate security controls to prevent unauthorized access or removal of hazardous chemicals from USDA laboratories. Specifically, the Department does not have policies and procedures specifying the minimum level of suitability requirements and background investigation for personnel with access to hazardous materials, although OPM and the Department of Defense have issued governmentwide guidance.⁸ For security of radioactive materials, the Radiation Safety Handbook (section 4.2) makes the permit holder responsible for ensuring that only authorized individuals have access to radioactive materials. In the case of theft or loss of radioactive materials, the permit holder is required to notify USDA officials, who then notify the NRC.

“USDA Security Policies and Procedures for Laboratories and Technical Facilities” sets forth suitability requirements for USDA laboratory personnel, including collaborators, cooperators, university personnel, and contractors. According to the recent policy, agencies are responsible for designating each position’s risk based on its documented duties. However, the policy does not specifically address personnel suitability guidelines for facilities where chemical and radioactive materials are used and stored.

Consequently, we are concerned about the adequacy of personnel suitability procedures for employees at USDA laboratories housing chemical and radioactive materials. We found that although the Department provided guidance to agencies, it does not have policies and procedures specifying the minimum level of suitability requirements and background investigation for personnel with access to these potentially dangerous materials.

Based on our discussions with USDA officials, we learned that all personnel who had access to chemical and radioactive materials had not received background checks. Also, the results of OPPM’s site security assessments indicated that USDA facilities did not always conduct background checks for students, contractors, or visiting scientists who had access to hazardous materials.

Some laboratories, however, had taken the initiative to address personnel suitability issues. We found that, as a result of September 11, 2001, one ARS laboratory director independently requested that each research leader perform a thorough review of all facility personnel, regardless of employment status. He specifically required research leaders to document the presence and purpose of non-Federal individuals at the facility.

⁸ Code of Federal Regulations (CFR) Title 32, Part 147-"Adjudicative Guidelines for Determining Eligibility for Access to Classified Information" and CFR Title 5, Part 731-"Suitability and Part 732-National Security Positions."

Similarly, the director of the AMS laboratory we visited kept detailed records on all temporary and contract employees. The director required background checks for temporary employees and maintained documentation such as copies of social security cards, driver's licenses, fingerprints, and birth certificates. The director required similar documentation, including a criminal record check, for individuals working under a contract janitorial service.

We concluded that the Department needs to implement consistent methods for determining the appropriate position sensitivity designations and minimum level of suitability requirements and background investigation for personnel with access to chemical or radioactive materials.

Recommendation No. 5, for the Department

Develop and implement departmentwide policies and procedures specifying the minimum level of suitability requirements and background investigation for personnel with access to hazardous chemicals or radioactive materials.

Agency Response. In the March 3, 2004, response, the Homeland Security Director stated:

The Department requires agencies to make position sensitivity designation decisions at the time a position is established and classified. The Office of Personnel Management [OPM] requires a public trust risk level determination and corresponding background investigation for all positions, therefore locations with hazardous chemicals or radioactive materials will be automatically covered. With limited resources, USDA has had to set priorities for risk level classifications of positions. Risks levels for all positions with access to Select Agents have been determined and the appropriate background investigations completed for current employees, cooperators, and contractors, and clearances for new employees are being submitted in a timely manner. Until investigations have been favorably adjudicated, full escort requirements remain in effect. Positions at the 8 remaining Priority 1 ARS locations are currently being reviewed and investigation requests are being sent to OPM. Other locations will be handled in the same priority order as the security upgrades.

Again, if agency program management would like a specific Department Regulation or statement for the Safety and Health Manual mandating the minimum level of background investigation required, PDSD will provide the draft language.

OIG Position. We concur with the Department's response. However, to reach management decision for this recommendation, the Department must agree to develop and implement specific departmental regulations mandating the minimum level of suitability requirements and background investigation for personnel with access to hazardous chemical or radioactive materials.

Scope and Methodology

The audit was conducted in accordance with generally accepted government auditing standards during the period of fiscal years 2000 through 2002. Site visits were performed from June through November 2002. This review covered the Department's and seven agencies' (ARS, APHIS, FSIS, FS, AMS, GIPSA, and NRCS) management controls and practices involving chemical and radioactive materials.

Agency facilities were judgmentally selected and visited based on the results of Headquarters-level audit coverage and evaluation of departmental and agency internal controls. Specifically, the criteria for selection included: the results of previous OIG, Department, and agency internal reviews that noted deficiencies; recommendations made by agency headquarters, RSS, and agency officials; and the number of radioactive material permits held by individuals located at facilities. We contacted officials from each agency to determine the locations of facilities housing chemicals, since no universe or inventory was kept at the departmental level.

We performed audit work at 33 laboratories located at 21 sites throughout the United States. Our total sample included 25 ARS laboratories at 13 sites; 3 FS laboratories at 3 sites; and 1 laboratory each operated by AMS, APHIS, FSIS, GIPSA, and NRCS. Thirty-two laboratories in our sample handled and stored chemicals, while 30 of the laboratories reviewed had radioactive materials. Our review did not include APHIS' Wildlife Services facilities, since these facilities were recently reviewed under another OIG audit titled, "APHIS' Wildlife Services Control Over Hazardous Materials Inventory" (Audit No. 33001-05-Hy).

As of January 1, 2002, 404 permits to possess and use radioactive material had been issued to USDA staff. Individual permit holders or RU's managed material used by another 1,230 associate users. The RU's possessed about 1,234 unsealed sources (radioactive isotopes in chemical compounds), 373 sealed sources (primarily isotopes in electron capture detectors and nuclear gauges), 23 irradiators, and 240 pieces of x-ray equipment (x-rays and electron microscopes). This material was located at 197 USDA locations or facilities in 44 States, the District of Columbia, Virgin Islands, Mexico, and Guatemala. Similar information was not available at a departmental level for determining the universe for chemicals. However, based on information provided by each agency at our request, we determined that the following numbers of facilities had chemicals: AMS-25, APHIS-21, ARS-374, FS-450, FSIS-4, GIPSA-11, and NRCS-24.

To accomplish the audit objectives, our review consisted of the following:

- Research of applicable laws and regulations, USDA policies and procedures, and respective agencies' policies and procedures;
- Review and followup on previous OIG reports;
- Review of NRC inspections of USDA;
- Review of the process and reports of the OPPM site security assessments for selected field facilities;
- Interviews with responsible departmental officials from the USDA OPPM, the SHMD of the Office of Human Resources Management, the USDA RSS and the USDA RSC;
- Review of USDA radioactive material permit holder files maintained by the RSS;
- Review of RSS inspections of permit holders;
- Review of annual audits of the RSS performed by RSC members;
- Interviews with laboratory officials responsible for storage, use, and disposal of chemical and radioactive materials;
- Reconciliations and spot-checks using chemical and radioactive material inventories provided by laboratory officials to identify discrepancies; and
- Interviews with State agency officials responsible for regulating hazardous and radioactive waste at locations corresponding to selected field facilities.

Exhibit A – Agency Response



United States Department of Agriculture

Office of the Secretary
Washington, D.C. 20250

March 3, 2004

TO: Robert W. Young
Assistant Inspector General for Audit
Office of Inspector General

FROM: Jeremy Stump *JWS*
Homeland Security Director
U.S. Department of Agriculture

SUBJECT: OIG Audit Report No. 50601-9-At; Controls over Chemical and
Radioactive Materials at USDA Facilities.

We wish to comment on items that we believe should be addressed and included as part of the final audit report.

Throughout the report, OIG attempts to treat chemical and radiological materials as assets that require unique treatment from other materials such as germplasm or pathogens. For example, Page 11, Paragraph 2 states that the Policies & Procedures (P&P) does not specifically address physical security or personnel suitability for chemicals and radiological materials. There is no reason to expect it to. The P&P addresses those issues, regardless of the asset to be protected. The Risk Based Approach used for security assessments at all Agriculture Research Service (ARS) laboratories includes chemical and radiological materials as assets; no separate security assessment is needed. Similarly, the Office of Inspector General (OIG) conclusion at the end of Page 12, Paragraph 2 is not correct; the security assessments do apply to facilities with chemicals and radioactive materials. Furthermore, it is not true as stated on Page ii, Paragraph 2, which recommended corrective actions are not required. OIG has been made aware that ARS is implementing the security upgrades as rapidly as possible as funds become available.

Although the reference on Page 12, Paragraph 4 refers to suitability requirements and background investigations, the footnotes refer to CFRs for Classified Information and National Security Positions. This could lead to confusion.

When developing security policies, procedures, reviews, suitability requirements, etc., related to hazardous chemicals, three points should be considered:

1. The majority of hazardous chemicals are commercially available to purchase. Special licenses or permits are required for radiological, Drug Enforcement Agency controlled substances, and restricted-use pesticides.

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2. Laboratories generally use only small quantities of hazardous chemicals, not quantities associated with a “major” terrorist attack.
3. The planning thresholds are already identified in the environmental regulations outlined in Recommendation #2.

Page ii, paragraph 3 states, “Finally, our review disclosed a lack of collaboration between the Department and its agencies regarding security clearances for laboratory personnel with access to hazardous materials.”

The Personnel and Document Security Division (PDSD), Office of Procurement and Property Management, Departmental Administration, has aggressively collaborated with agencies regarding security clearances for employees and contractors, to include laboratory personnel with access to hazardous materials. The agencies cited in the OIG audit report (AMS, APHIS, ARS, Forest Service, FSIS, GIPSA, NRCS) received training in position sensitivity designation and background investigation requirements.

Four training sessions—each 3 1/2 hours in length—were jointly conducted by OPM and PDSD on April 23 and May 1, 2002. All participants were provided with information on USDA’s homeland security roles, OPM’s Position Sensitivity Designation and Investigative Requirements, a listing of the types and costs of OPM background investigations, and an in-class opportunity to determine the sensitivity and minimum background investigation needed for several types of positions.

The OPM written guidance specifically addressed public safety and health duties, e.g., handling hazardous materials, as a factor in determining position sensitivity and recommended background investigation. Generally speaking, positions which include responsibility for handling hazardous materials without direct supervision by a cleared superior would be designated as Moderate Risk Public Trust or higher, depending on the degree of independence and the nature of the hazardous material. The recommended background investigation would be a Minimum Background Investigation or higher.

With respect to students and visiting scientists at laboratories, PDSD notified all USDA Human Resource (HR) Directors by memorandum dated March 7, 2002, that FBI fingerprint and name checks, as well as immigration and birth certificate verifications, could be completed on volunteers, visiting researchers, consultants, etc., quickly and with relatively little cost. The procedures for conducting these checks through OPM were provided to all HR Directors via memorandum. PDSD also provided considerable individual guidance to agencies, and coordination with OPM, to complete these checks.

By Personnel Security Bulletin 03-04, dated September 4, 2003, all USDA HR Directors were reminded again of the importance of position sensitivity designation and that in FY-04, they would be asked to certify that all positions needing security clearances had received such clearances.

In light of the above, the Department recommends that the audit report be revised to read:

Finally, our review disclosed that agencies had not fully implemented the guidance provided to them by the Department regarding position sensitivity designations and background investigations. We urge agency program management to work with the Department to develop specific personnel suitability guidelines for facilities where chemical and radioactive materials are used and stored.

Below is our response to each of the recommendations.

Recommendation No. 1

Develop and implement new Department-wide policies and procedures for chemical inventories that specifically define hazardous materials.

Response to recommendation No. 1

We concur with this recommendation, especially the need to specifically define hazardous materials. There are literally tens of thousands of chemicals present in typical chemistry labs. Requirements for inventory and monitoring of them all are impractical. The Department should focus on a list of chemicals of known security hazards.

Recommendation No. 2

Develop and implement new Department-wide policies that instruct facilities to compile a secure, comprehensive inventory of hazardous chemicals (see Recommendation No.1) that they use and store. Require that the inventory record contains the type, amount, and location of all hazardous chemicals, and that a listing of such hazardous chemical be forwarded to managers at the Department level at least annually.

Response to recommendation No. 2

Agencies should not be required to maintain a comprehensive, consolidated national chemical inventory because it would be extremely resource intensive, partially redundant, and add little or no additional value. The reason stated for requiring such an inventory is that an Agency would be able to provide information in the event of an intentional or accidental release. Federal, State and local spill response and release plans and procedures have already been established under various Environmental Protection Agency acts as follows:

The Clean Water Act and Comprehensive Environmental Response, Compensation and Liabilities Act, provide for the development of a National Contingency Plan which "provide for efficient, coordinated and effective action to minimize damage from oil and hazardous substances discharges, including containment, dispersal, and removal of oil and hazardous substances". These laws establish the National Response Center, the sole Federal point of contact for reporting oil and chemical spills; and, the National Response System (NRS), the

government's mechanism for emergency response to discharges of oil and the release of chemicals into the environment, including acts of terrorism.

The Emergency Planning and Community Right-to-Know Act (EPCRA), provides an infrastructure at the state and local levels to plan for chemical emergencies. Facilities that store or use certain chemicals are subject to various reporting requirements. EPCRA was passed in response to concerns regarding the environmental and safety hazards posed by the storage and handling of toxic chemicals.

EPCRA Section 302, the emergency planning section of the law, is designed to help communities prepare for and respond to emergencies involving hazardous substances. Every community in the United States must be part of a comprehensive plan. The Governor of each state has designated a State Emergency Response Commission (SERC). The SERCs in turn have designated about 3,500 local emergency planning districts and appointed Local Emergency Planning Committees (LEPC) for each district. Any facility that has any of the listed chemicals at or above its threshold planning quantity must notify the SERC and LEPC within 60 days after they first receive a shipment or produce the substance on site.

Also, under Occupational Safety and Health Administration (OSHA) regulations, facilities must maintain a material safety data sheet (MSDS) for any hazardous chemicals stored or used in the work place. Approximately 500,000 products have MSDSs. EPCRA, Section 311 requires facilities that have MSDSs for chemicals held above certain quantities to submit either copies of their MSDSs or a list of MSDS chemicals to SERC, LEPC, and the local fire department. Facilities that need to report under EPCRA section 311 must also submit an annual inventory report for the same chemicals under Section 312 to the SERC, LEPC and the local fire department.

Recommendation No. 3

Develop specific Department-wide policies and procedures for routine monitoring and compliance reviews at facilities housing hazardous chemicals, including requirements for site-specific risk assessments, and ensure agency implementation.

Response to recommendation No.3

Departmental Administration, Office of Procurement and Property Management (OPPM) is developing an integrated physical security policy that will apply to all USDA Agencies nationwide. To further provide processes and procedures to implement the policy, a Physical Security Handbook has been developed to assist USDA Agencies in addressing security concerns within their own unique environments. The policy and Handbook have been created from such sources as: (a) like agency security requirements, (b) ISC Security Design Criteria, (c) industrial best security practices, (d) current laws and regulations, (e) Homeland Security Presidential Directives, and (f) findings from over 200 USDA security assessments. In compliance with the recently released Homeland Security Presidential Directive/HSPD-9, Defense of United States Agriculture and Food, OPPM will further define, in the Handbook, procedures for monitoring and compliance reviews required on a biennial schedule.

Recommendation No. 4

Evaluate the results of site security assessments (see Recommendation No. 2) and instruct agencies to implement corrective measures after prioritizing the recommendations and determining the laboratories with the most critical needs.

Response to Recommendation No. 4.

Departmental Administration (DA), Office of Procurement and Property Management (OPPM) utilizes a Risk Management Methodology which establishes a USDA standard security assessment process for reviewing all USDA facilities nationwide and their assets, to include hazardous materials. To date, physical security assessments have been completed on all identified mission critical facilities. OPPM, through the security assessment and based on the established methodology, identifies threats and risks to mission critical assets. These vulnerabilities are then examined and recommendations to mitigate the threat/risk are made to the Agency. It is then up to the Agency to accept or reject any recommendations put forward. If a recommendation is accepted and funded, it is the responsibility of the Agency to implement and monitor those approved recommendations. Follow-up of implementation is then monitored in a compliance review conducted every 2 years.

Recommendation No. 5

Develop and implement Department-wide policies and procedures specifying the minimum level of suitability requirements and background investigation for personnel with access to hazardous chemical or radioactive materials.

Response to recommendation No. 5.

The Department requires agencies to make position sensitivity designation decisions at the time a position is established and classified. The Office of Personnel Management requires a public trust risk level determination and corresponding background investigation for all positions, therefore locations with hazardous chemicals or radioactive materials will be automatically covered. With limited resources, USDA has had to set priorities for risk level classifications of positions. Risks levels for all positions with access to Select Agents have been determined and the appropriate background investigations completed for current employees, cooperators, and contractors, and clearances for new employees are being submitted in a timely manner. Until investigations have been favorably adjudicated, full escort requirements remain in effect. Positions at the 8 remaining Priority 1 ARS locations are currently being reviewed and investigation request are being sent to OPM. Other locations will be handled in the same priority order as the security upgrades.

Again, if agency program management would like a specific Department Regulation or statement for the Safety and Health Manual mandating the minimum level of background investigation required, PDSO will provide draft language.