

Department of Homeland Security **Office of Inspector General**

Effects of a Security Lapse on FPS' Michigan Guard Services Contract (Redacted)





OFFICE OF INSPECTOR GENERAL

Department of Homeland Security

Washington, DC 20528 / www.oig.dhs.gov

August 31, 2012

MEMORANDUM FOR: L. Eric Patterson
Director
Federal Protective Service

FROM: Deborah Outten-Mills 
Acting Assistant Inspector General for Inspections

SUBJECT: *Re-Issuance of Inspection Report OIG-12-100, Effects of a Security Lapse on FPS' Michigan Guard Services Contract*

I am writing to inform you that the Department of Homeland Security Office of Inspector General (OIG) has recalled the subject report and is now re-issuing it to modify the statement of compliance with *Quality Standards for Inspections (QSI)*. We took these actions because it recently came to our attention that a family member of a senior OIG official was employed by an entity associated with this inspection.

To ensure that this impairment to our independence in appearance did not affect our findings and conclusions, we thoroughly re-reviewed our work on this inspection, as well as the results. Through this re-review, we verified that the impairment did not affect our results; our evidence is sound and fully supports our findings and conclusions. Therefore, we are re-issuing this report and re-posting it on our website. The report is unchanged except for the statement of compliance with QSI found on page 22 in Appendix A – Purpose, Scope, and Methodology.

We remain committed to assisting the Department in improving its effectiveness and efficiency to better carry out its mission, and we appreciate your support of our work. Please do not hesitate to call me at (202) 254-4015 if you have any questions or concerns, or your staff may contact William McCarron, Chief Inspector, at (202) 254- 4206.

Attachment



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Preface

The Department of Homeland Security (DHS) Office of Inspector General (OIG) was established by the *Homeland Security Act of 2002* (Public Law 107-296) by amendment to the *Inspector General Act of 1978*. This is one of a series of audit, inspection, and special reports prepared as part of our oversight responsibilities to promote economy, efficiency, and effectiveness within the Department.

This report addresses the strengths and weaknesses of the Federal Protective Service. It is based on interviews with employees and officials of relevant agencies and institutions, direct observations, and a review of applicable documents.

The recommendations herein have been developed to the best knowledge available to our office, and have been discussed in draft with those responsible for implementation. We trust this report will result in more effective, efficient, and economical operations. We express our appreciation to all of those who contributed to the preparation of this report.

A handwritten signature in blue ink that reads "Deborah Outten-Mills".

Deborah Outten-Mills
Acting Assistant Inspector General for Inspections

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Abbreviations

COTR	contracting officer's technical representative
DHS	Department of Homeland Security
FPS	Federal Protective Service
FY	fiscal year
GSA	General Services Administration
IED	improvised explosive device
NPPD	National Protection and Programs Directorate
SOW	statement of work

OIG

*Department of Homeland Security
Office of Inspector General*

Executive Summary

On February 26, 2011, a person placed a bag containing an improvised explosive device outside the Patrick V. McNamara Federal Building in Detroit, Michigan. A guard, hired by DECO, Inc., which is under contract with the Federal Protective Service to provide security for the building, brought the bag into the facility and placed it under a screening console. The improvised explosive device inside the bag was not identified until March 18, 2011, 21 days after the bag's discovery. Representative Bennie G. Thompson asked us to review DECO's actions and determine whether it breached its contract when its guards did not properly handle the improvised explosive device and whether DECO's performance has been sufficiently remedied.

We determined that DECO breached several provisions of the contract's statement of work and one post's orders. These breaches were the result of poor judgment on the part of a guard, not systemic problems within DECO. We also determined that the Federal Protective Service bears some responsibility for the bag containing the improvised explosive device remaining in the building for 21 days.

Following the incident, DECO implemented a corrective action plan that was acceptable to the Federal Protective Service. Upon acceptance of DECO's corrective action plan and mindful of its contractual obligations, the Federal Protective Service decided to continue the contract and monitor the company's performance. The Federal Protective Service's decision to continue the contract with DECO was advantageous for the Government. The Federal Protective Service is currently extending the contract in 3 month increments and planning to solicit a new contract for guard services in Michigan.

We identified issues warranting management's attention concerning deficiencies in post inspections, guard training, and the suitability program. We are making four recommendations to help the Federal Protective Service improve its operations.

Background

The mission of the Federal Protective Service (FPS) is to render more than 9,000 Federal facilities owned or leased by the General Services Administration (GSA) safe and secure for Federal employees, officials, and visitors. FPS employs 1,225 Federal staff, including various law enforcement and support personnel, and utilizes 13,000 contract security guards. The *Homeland Security Act of 2002*, as amended, transferred FPS from GSA to the Department of Homeland Security (DHS). In October 2009, DHS moved FPS from U.S. Immigration and Customs Enforcement to its National Protection and Programs Directorate (NPPD).

Guard services are one of FPS' largest expenditures. In fiscal year (FY) 2011, FPS spent \$755.6 million to procure guard services. Guard responsibilities include Federal building access control, employee and visitor identification checks, security equipment monitoring, and roving patrols of the interior and exterior of Federal buildings.

On February 26, 2011, a person placed a bag outside the Patrick V. McNamara Federal Building in Detroit, Michigan. This bag contained a safe with an improvised explosive device (IED) inside. A guard who was informed of the bag's presence brought the bag into the facility and placed it under a security console (see figure 1). The security console is used to monitor the facility's closed-circuit television, elevators, and [REDACTED], and is the location of [REDACTED]. The IED inside the bag was not identified until March 18, 2011, 21 days after the bag's discovery.¹ Although the IED did not explode, it represented a serious risk to the safety and security of the building and its occupants.

¹ See appendix C for a timeline of events.

Figure 1: The IED was stored under the console, on a safe (not shown).



The guards at the McNamara Building work for DECO, Inc., which is under contract with FPS to provide guard services at all GSA-owned or -leased Federal facilities in Michigan. DECO provides a variety of security services through the use of armed and unarmed guards. The Michigan contract requires armed guards only. FPS' Acquisitions Division awarded the contract to DECO in June 2009. It included a base year and 4 ordering periods of a year each, for a total value of \$62.5 million. DECO employs an estimated 151 guards and supervisors to provide guard services for 77 GSA-owned or -leased buildings under the contract. DECO has seven contracts with FPS with an annual combined value of \$61.1 million. It is FPS' fourth-largest provider of guard services.

Results of Review

DECO committed multiple breaches of its contract with FPS to provide guard services at all Federal facilities in Michigan when one of its guards did not properly handle a bag containing an IED at the McNamara Building. The breaches were the result of poor judgment by the guard, not systemic problems within DECO. FPS also bears some responsibility for the bag that contained the IED remaining in the building for 21 days.

Following the incident, DECO devised a corrective action plan that FPS deemed acceptable. Taking into account DECO's overall performance and corrective actions, FPS decided to continue ordering guard services from the company. FPS' decision to continue the contract with DECO was advantageous for the Government. FPS has been extending the contract in 3 month increments, which allows it to reassess the contractor's performance every 3 months and stop ordering guard services should performance issues arise. Additionally, FPS rated

DECO's performance from July 2010 through June 2011 as [REDACTED]. FPS has announced its plans to solicit a new contract in FY 2012.

We identified issues warranting management's attention concerning deficiencies in post inspections, guard training, and the suitability program. We are making four recommendations to help FPS improve its operations.

DECO Breached Its Contract With FPS When Guards Did Not Properly Respond to a Suspicious Package

When the guard brought the bag containing the IED into the McNamara Building, DECO became liable for breaching six provisions² of the contract's statement of work (SOW) and one post's orders.³ The guard's actions were serious breaches that cannot be compared easily to other breaches by this company or other guard service companies because there is little precedent. According to FPS, typical incidents include uniform violations and a lack of knowledge of post order elements.

Poor Judgment Led a Guard To Bring the IED into the McNamara Building

According to FPS and DECO officials, the guard's poor judgment caused him to bring the IED into the McNamara Building. The guard misidentified the bag as found property and never treated it as suspicious, despite not knowing its contents. According to DECO, the guard treated the bag as found property because it resembled [REDACTED]. It is unclear whether the bag contained [REDACTED]. The guard thought a [REDACTED] accidentally left the bag unattended. There was [REDACTED] at the time the guard retrieved the bag containing the IED.

FPS and DECO officials had no reason to doubt the guard's ability to identify a suspicious item. The guard received refresher training in November 2010, months before the incident. This training covered procedures for detecting and handling suspicious items. Several DECO officials pointed out that the guard was also a sergeant in the Detroit Police Department and should have known how to respond to the bag. The guard had also received two commendations, one for identifying a suspect for arrest. One FPS official familiar with the guard asserted that he was one of the best

² See appendix D for a description of breaches.

³ Post orders are prepared by FPS for all shifts on each post in Federal facilities. Post orders define the specific duties that guards must perform. Guards must not deviate from the directions provided in the post orders except in emergencies or as directed by the contracting officer's technical representative (COTR).

guards in the McNamara Building.

The Guard's Actions Constituted Breaches of the Contract

On March 25, 2011, 7 days after the IED was discovered, FPS' Acquisition Division notified DECO via a letter of concern that the IED incident represented a breach of its contract. We compared the details of the bag's retrieval to the letter of concern, SOW, and the post's orders to determine what breaches had occurred.

When the guard brought the IED into the McNamara Building, he breached the contract because, according to the post's orders, he should have avoided contact with the bag and cordoned off the area surrounding it. Additionally, the guard breached the SOW because his assessment that the bag was found property indicates that he did not properly observe his environment.

The guard also violated the post's orders when he did not follow proper notification procedures. Post orders state that guards will immediately notify the Battle Creek MegaCenter of all offenses and incidents.⁴ The guard did not notify the Battle Creek MegaCenter. Instead, he prepared an incident report that described the bag as found property. In addition, the guard used an outdated report form. A second guard, who relieved the first, offered to complete another incident report on the correct form. He did not contact the Battle Creek MegaCenter until several hours later, and when he did, he also reported the bag as found property. According to DECO, the second guard said that he believed that the bag was found property and that he should not have assumed that the guard who retrieved the bag had followed proper procedures.

Based on its knowledge of events, FPS believes that the guard who brought the IED into the McNamara Building also violated the post's orders because he left his fixed post without being relieved. However, the guard's supervisor sat at his post while he retrieved the bag, and therefore this was not a breach. This supervisor also instructed the guard to write a report if no one claimed the bag by the end of his shift.

⁴ FPS has four MegaCenters that monitor multiple types of alarm systems and closed-circuit television, and provide wireless dispatch communications for FPS officers throughout the Nation 24 hours a day, 7 days a week. The Battle Creek MegaCenter monitors the McNamara Building, among others.

FPS and DECO Missteps Allowed the IED To Go Unidentified for 21 Days

The bag containing the IED was stored under the security console in the south lobby of the McNamara Building for 21 days. During this time, FPS and DECO personnel missed several opportunities to identify the IED. The IED was not identified quickly because screening attempts were unsuccessful, procedures for handling found property were unclear, and FPS post inspections did not identify unauthorized items at the post.

Attempts To Identify the Contents of the Bag Were Unsuccessful

Guards tried unsuccessfully to identify the contents of the bag several times while the IED was stored within the McNamara Building. These attempts included visual inspections of the bag's interior, shaking and moving the metal safe inside the bag that contained the IED, and screening the bag with an x-ray machine. During these attempts, both guards and supervisors incorrectly identified the bag's contents as a gun safe, a safe, and (in the case of the x-ray screening) [REDACTED]. Guards in the McNamara Building were using [REDACTED] that they were not trained to operate. We discuss training deficiencies later in the report.

On March 18, 2011, two guards became suspicious about the bag and screened it. When they could not identify the bag's contents, they notified an FPS Inspector. The Inspector determined that the bag possibly contained an IED and took the appropriate actions.

Found Property Procedures Were Unclear

The same day that a guard brought the bag containing the IED into the McNamara Building, another guard reported the bag as found property to FPS' Battle Creek MegaCenter. In the report, the guard described it as "a canvas husky bag containing a Sentry safe." An FPS Inspector signed the report 2 days later. However, FPS and DECO officials did not examine the bag or move it to a permanent storage location. The Inspector who signed the report said that there was no reason or procedure requiring that he or another FPS official see the bag; it was not uncommon for [REDACTED].

Several guards who observed the bag over the 21 days did not consider the bag suspicious because it was located under the

security console. Guards used the area under the console to store found property or their personal belongings. Additionally, a DECO sergeant asked a [REDACTED] to see whether [REDACTED] had lost a bag. This sergeant did not follow up on the inquiry to determine if the bag belonged to [REDACTED].

According to an FPS Inspector who is also the McNamara Building's found property custodian, guards should turn over found property to their supervisor, who should then turn over the property to an FPS official. FPS should store found items in a locker in a secure room. According to the Inspector, there was no deadline for turning over found property to FPS.

On March 22, 2011, FPS updated the post orders for the post where the IED was stored with new found property procedures. The procedures state that guards shall not receive property that cannot be readily identified and that the property shall be turned over to FPS within 24 hours. In September 2011, FPS created a policy for handling seized, forfeited, abandoned, or unclaimed personal property. The policy states that all property shall be turned over to the property custodian "without unnecessary" delay.

FPS Post Inspections Did Not Identify the IED

While the bag containing the IED was stored under the security console, an FPS Inspector conducted four inspections of the post where the IED was stored, including one inspection on March 18, 2011, the day the IED was discovered. A post inspection is a review of the elements that constitute a security post and its operational effectiveness. The FPS Inspector did not identify the IED during the inspections, noting each time that the post was "clean and orderly" and "free of unauthorized items."

FPS officials working at the McNamara Building had different opinions on whose responsibility it is to keep posts free of unauthorized items. The Inspector who conducted the post inspections did not believe that cleanliness of the post was a factor he should have considered when conducting inspections. He said that changes to post inspection procedures were vague and communicated orally by a supervisor. The Inspector's supervisor said that Inspectors are supposed to check the appearance of the area around a post as part of a post inspection. The most senior FPS official at the McNamara Building said that guards and their supervisors are responsible for ensuring that the posts are clear and

free of unauthorized items.

Notwithstanding whose responsibility it was to ensure that the security console was free of unauthorized items, the security console was routinely cluttered with guards' belongings and, as previously discussed, found property. One FPS official stationed at the McNamara Building said that two or three bags were under the security console at the same time as the bag containing the IED. This official speculated that the bag containing the IED went unnoticed because it blended in with the other bags. The results of many of the staff interviews that DECO conducted support this theory (see appendix E).

Recommendation

We recommend that the Director of the Federal Protective Service:

Recommendation 1: Provide clear guidance on whose responsibility it is and the criteria for determining whether posts are clean and orderly and free of unauthorized items.

Management Comments and OIG Analysis

Management Comments to Recommendation 1

NPPD concurred with the recommendation. In its response, NPPD stated that it is preparing supplemental guidance for contract guard service vendors that modifies and clarifies post inspection protocol and post orders. This guidance, scheduled for issuance by the end of May 2012, addresses the issues of what constitutes a clean, orderly post that is free of unauthorized items.

OIG Analysis

NPPD's preparation of supplemental guidance for contract guard service vendors that modifies and clarifies post inspection protocol and post orders is responsive to the intent of this recommendation. In its action plan, NPPD should provide us with a copy of its new guidance on what constitutes a clean, orderly post that is free of unauthorized items. This recommendation is Resolved – Open.

FPS Accepted DECO's Corrective Action Plan

On March 30, 2011, DECO provided FPS with a corrective action plan and subsequent status updates describing its progress in implementing the plan. In April 2011, FPS determined that DECO's action plan was acceptable. This plan included administering discipline, providing additional training, increasing oversight at posts, and completing internal and external reviews of its operations. Additionally, FPS deducted [REDACTED] from what it would have otherwise owed DECO, for nonperformance.

DECO Terminated the Guard Who Brought the IED Into the Building and Disciplined Others

DECO took several personnel actions as a result of this incident. The guard who brought the bag containing the IED into the building, and the guard and the supervisor who x rayed the bag and incorrectly identified its contents, were terminated. The supervisor who relieved the guard who brought the bag into the building resigned. In addition, DECO proposed personnel actions against several other employees. Proposed actions include suspension or written warnings for all the guards who had knowledge of the bag and did not screen, document, or report the bag properly. Many of these guards reported that they thought the bag was found property. DECO did not propose any personnel actions for guards who were not aware of the bag.

DECO also conducted a 30 day management review of four employees who frequently passed through the lobby but did not have direct contact with the bag—two supervisors, one administrative staff member, and the contract manager. The review included an examination of their duties, responsibilities, and accountabilities; reporting and documentation records; views of any shortcomings in DECO's methodology; recommendations on how DECO could deal with the workforce more effectively; and recommendations for modifying quality control and training plans. Some proposed personnel actions have not been taken pending the outcome of the grievance and arbitration process. Descriptions of 43 employees' actions and the status of personnel actions are listed in appendix E.

DECO used FPS' post inspection reports and the results of its own administrative inquiry of the 43 employees to determine what personnel actions to take. It also sought approval from FPS regarding the actions. FPS did not give DECO its opinion of the proposed actions. FPS informed us that DECO's proposed

personnel actions are between the company and its employees.

DECO and FPS Provided Additional Training to Guards

Shortly after the IED was discovered, FPS coordinated with DECO to modify its contract to include weapons detection refresher training for 85 guards. In April 2011, FPS' National Weapons Detection Program provided the training, which consisted of 4 hours of lecture and 4 hours of hands-on laboratory exercises working with the x-ray machine, the walk-through metal detector, and the handheld metal detector. DECO paid for its employees to attend the training. In April 2011, DECO trained approximately 60 guards on situational awareness. This course focused on maintaining constant vigilance.

DECO's Internal Review of Operations Did Not Identify Systemic Problems

DECO did not find systemic problems with its performance on the contract. It did find that several guards were negligent in their duties when the bag containing the IED was mishandled. FPS officials were nearly unanimous in their assessment that there were no systemic problems within DECO that led to the IED incident.

As part of its corrective action plan, DECO conducted an internal review of its operations and concluded that it did not have systemic issues with its overall approach or with the performance on this contract in general. However, DECO identified opportunities to improve in some areas, including the adequacy of its quality control plan, supervisory personnel, and supervision in the lobby of the McNamara Building.

According to DECO, it was meeting or exceeding the contract's original quality control requirements. However, as a result of its internal review, DECO created a new quality control position at the corporate level, standardized quality control procedures across all of its guard services contracts, enhanced its quality control inspections, expanded reporting on additional quality control metrics, and increased communications between quality control personnel.

DECO decided that it was in its best interest to change its contract manager. DECO placed the contract manager in the quality control manager position and made the former quality control manager the new contract manager. According to DECO, this

switch was made because the contract needed a “new set of eyes.” In addition, a DECO official said he felt compelled to change personnel because FPS changed its contracting officer’s technical representative (COTR) after the IED incident. DECO also interviewed supervisors and determined that some did not understand their critical duties and responsibilities. As a result, DECO reviewed supervisory functions and created new and updated job descriptions and responsibilities for these positions.

After the IED incident, DECO temporarily placed an extra supervisor in the lobby at no additional cost to the Government. DECO ceased providing the extra supervisor in April 2011. However, in an effort to maintain a leadership presence among guards stationed in the lobby, DECO created a lead guard role with extra responsibilities and pay at no additional cost to the Government. The lead guard’s responsibilities include acting as a point of contact, coordinating activities of other guards, and calling for assistance when required.

A Third-Party Review Prompted DECO To Change Its Hiring Practices

DECO also engaged outside consultants to review its operations, and it provided the results of the review to FPS. The consultants made multiple recommendations to DECO to improve its operations. With respect to hiring practices, they recommended that DECO cease hiring full-time police officers as guards and hire retired police officers or those with military experience instead. The consultants noted that full-time police officers are well trained, firearms qualified, and have passed a background check. However, police duty requires time off to rejuvenate in an environment that is less stressful and has limited obligations. In contrast, guard duty requires constant vigilance and a high level of responsibility. DECO confirmed that it no longer hires full-time police officers to work as guards.

FPS Assessed a Contract Deduction for Nonperformance

FPS deducted [REDACTED] from the contract amount because DECO did not comply with various SOW and post order provisions. FPS calculated this amount by determining the number of hours that guards did not properly perform their duties between February 26 and March 18, 2011, and multiplying the number of hours by the hourly rate for guard services. DECO did not appeal the deduction.

Continuing the Contract Was Advantageous for the Government

After considering several factors, FPS determined that continuing the contract was advantageous for the Government. In particular, FPS evaluated the circumstances that caused this incident; FPS' options and obligations under the Federal Acquisition Regulation; DECO's overall performance; the repercussions of executing an emergency procurement for a new contract; and issues related to FPS' responsibility to provide select training to DECO's cadre of guards in Michigan. We concur with FPS' decision. However, we also identified deficiencies in FPS' guard training and suitability determination programs that FPS' Acquisition Division was not aware of at the time it decided to continue the contract, but that reinforce its decision. The decision to continue the contract did not put the building or its occupants at additional risk and minimized any potential contractual liability on the part of FPS.

FPS' Acquisitions Division and Region 5 personnel disagreed initially on whether to continue the contract.⁵ Region 5 staff wanted to terminate it because they believed that DECO's actions were too egregious. However, some Region 5 officials acknowledged that they did not have enough knowledge of contracting procedures to make such an assessment. FPS' Acquisitions Division and Region 5 discussed available options before deciding that continuing the contract was in the best interest of the Government.

As discussed previously, FPS accepted DECO's corrective action plan. FPS felt confident in DECO's ability to perform under the contract. Given DECO's acceptable overall performance, it was advantageous to continue the contract.

The Government Must Provide Companies With the Opportunity To Remedy Failures Before Contract Termination

If FPS had pursued termination of the contract, it would have had to provide DECO with a cure notice identifying the unacceptable performance and give DECO an opportunity to respond and cure failures that FPS identified. DECO would then have at least 10 days to respond to the cure notice, describing how it intends to remedy those failures.⁶ Upon expiration of this period, the contracting officer may issue a notice of termination for default if it determines that DECO has not cured its failure to perform. This

⁵ FPS is organized into 11 regions. The McNamara Building is in Region 5.

⁶ Procedures for termination for default are established under 48 CFR § 49.402-3.

mandatory process may take several months. Generally, the courts view a termination for default as a drastic action, and the Government bears the burden of proving, based on sound evidence and analysis, that it was justified. FPS risks litigation if a contract is terminated improperly,⁷ because companies have the right to appeal their termination.⁷

FPS Issued a Letter of Concern Instead of a Cure Notice

It would have been premature and risky for FPS to pursue termination of the contract immediately after the IED incident because FPS did not have enough information due to a coinciding criminal investigation. DECO would have had grounds for appealing if FPS improperly terminated the contract.

Instead of pursuing termination, FPS' Acquisitions Division sent a letter of concern to DECO. This letter described contract breaches and requested that DECO identify remedies within 5 days of the date of the letter. FPS officials described the letter of concern as a "watered-down" or "borderline" cure notice. The decision to use a letter of concern instead of a cure notice had several advantages for the Government. First, the letter of concern enabled FPS to identify the contract breaches and notify DECO of them. Second, FPS was able to request a response from DECO 5 days sooner than a cure notice requires. Third, FPS can still issue a cure notice if it determines that DECO's remedies are insufficient.

DECO Received High Ratings From FPS in the Past

FPS considered DECO's level of past performance in determining whether to continue the contract. In 2010, DECO received a rating of [REDACTED]. Companies can receive exceptional, very good, satisfactory, marginal, unsatisfactory, or not applicable ratings. Guard service companies are rated in six key areas: quality of product or service, schedule, cost control, business relations, management of key personnel, and utilization of small business.

The 2010 rating included a narrative for each rated area that described DECO's performance. For example, with regard to quality of product or service, [REDACTED]

⁷ Federal contracts are subject to the *Contract Disputes Act of 1978*, as amended. A company contracting with DHS may appeal the Department's decision to the Civilian Board of Contract Appeals or to the United States Court of Federal Claims. Generally, if unsatisfied, the losing party may appeal the Board's or Court's decision to the Court of Appeals for the Federal Circuit per 41 USC §7107.

[REDACTED]. With regard to management of key personnel, the 2010 rating said DECO's guards [REDACTED].

Terminating the Contract Might Not Have Yielded a Significant Improvement in Guards' Performance in the Short Term

FPS avoided the challenge of soliciting an emergency procurement for guard services by deciding not to terminate the contract. FPS would have been obligated to ensure that all guard posts under the contract, including the McNamara Building and all other posts in Michigan, were staffed immediately by a new company, because FPS does not have enough personnel to staff those posts. FPS would have had to oversee the transition between DECO and its successor to ensure minimum disruption to vital services and Government activities. It was more advantageous for FPS to have DECO correct its performance deficiencies.

Additionally, the makeup of the guard workforce might not have changed significantly. When a company providing guard services changes, the incumbent guard workforce on an FPS guard service contract is targeted for hire by the successor company. The successor usually retains approximately 85 to 90 percent of the incumbent guard workforce. Therefore, terminating the contract might not have yielded a significant or immediate improvement in guards' performance at Michigan Federal facilities.

FPS' Training Deficiencies Made It Difficult To Hold DECO Accountable

An internal audit of Region 5's operations determined that FPS did not provide training to DECO's guards, as required by the contract. Consequently, FPS' Acquisitions Division determined that it could not hold DECO solely responsible.

The contract requires that FPS provide 16 hours of orientation and screening training to all guards before they begin working on the contract. Following the IED incident, FPS' Program Review Division conducted an internal audit of more than half of Michigan's guard files to determine whether the agency was

meeting its training requirements in Region 5. FPS learned that only 19.3 percent of these files contained documentation of FPS-provided screening training. Region 5's response to the internal audit said that until approximately 2010 no FPS personnel had been formally trained to use or teach the use of screening equipment to provide the required training on walk-through and handheld metal detectors. Region 5 officials said they had not had a training coordinator since 2005, which has contributed to this problem. Several people currently share training coordinator duties as a collateral duty.

Because none of the inspected Michigan files contained evidence that guards received FPS' orientation training, Region 5 performed a 100 percent administrative audit of its contracts and learned that files consistently needed certification documentation.⁸ We confirmed that the FPS COTR did not provide orientation training to Michigan guards. Region 5 officials said that FPS policy conflicts with the contract's SOW on meeting the Government's training requirements. They asserted that the content of the eight hours of Government-provided orientation training could be covered effectively during DECO-provided training. The COTR was under the impression that previous COTRs had already trained DECO's supervisors on predecessor contracts and that those supervisors would then independently train their subordinate guards.

An FPS official speculated that the issues identified by the internal audit likely extend beyond Michigan and Region 5. However, the scope of our review was limited to Michigan, and we did not determine whether and to what extent these issues exist outside of Michigan.

FPS Changed Its Screening Equipment but Has Not Trained Any Guards on the New Equipment

Beginning on March 26, 2010, FPS transitioned from L3 Communications' screening machines to Smith Detections' screening machines. The Smith machines operate differently than the previous machines, yet FPS' current training program has not been updated to reflect changes in the screening equipment. As a result, no guards working at buildings with the new Smith machines, including guards at the McNamara Building, have been

⁸ FPS Directive 15.9.1.3 defines an administrative audit as "a compliance review of the [company's] administrative records, including training certifications, licenses, permits, personnel files, and other business related deliverables required by the contract."

trained to use the equipment. FPS uses computer-based lessons to train guards at the few posts that still use L3 Communications' screening equipment. Although we identified this area for improvement in the training program in Michigan, we did not assess training across FPS.

The contract states that additional screening training may be required if or when equipment or technology changes. The contract also stipulates that “[n]o security guard shall be permitted to work alone on any post containing security equipment without prior training on that specific equipment.”

Region 5 has attempted to devise an updated training curriculum, but FPS headquarters has not initiated a new official training program. FPS is considering at least two methods for delivering training on Smith machines to the Michigan guard workforce. First, FPS is considering training all Michigan guards at a central location. According to a Region 5 official, providing updated training to all Michigan guards would cost FPS approximately \$660,000. The second option is to train select Inspectors and rely on them to train the remaining Inspector workforce. Inspectors would be responsible for training guards in the regions. FPS headquarters has not yet decided which training method it will use. In the meantime, screening training remains a deficiency.

Deficiencies in FPS' Suitability Program Resulted in the Guard Who Found the IED Standing Post

The guard who brought the bag containing the IED into the McNamara Building on February 26, 2011, should not have been standing post. The guard's suitability determination, which FPS adjudicated favorably on March 25, 2008, expired on March 25, 2010, almost a year before the incident. FPS did not request another suitability investigation for the guard until April 2011, approximately 2 months after he brought the IED into the building.

According to the contract, all personnel must pass a suitability determination conducted by the Government. The Office of Personnel Management defines suitability as “identifiable character traits and conduct sufficient to decide whether an individual is likely or not likely to be able to carry out the duties of a federal job with appropriate integrity, efficiency, and effectiveness.” Personnel should not be allowed to perform under the contract until appropriate suitability determinations have been made. If FPS determines that one of DECO's employees is

unsuitable to work, it shall advise DECO immediately and DECO shall remove that employee from the contract. The contract also states that it is incumbent upon companies to ensure that their employees receive formal suitability adjudications by FPS.

FPS never notified DECO that this guard's suitability determination had expired. As of March 2011, Region 5 had a backlog of approximately 1,000 suitability determinations. The status of the backlog and its causes were outside the scope of our review.

Recommendations

We recommend that the Director of the Federal Protective Service:

Recommendation 2: Create and implement a plan to provide guards working on the contract with basic training that meets the requirements of the contract's statement of work.

Recommendation 3: Create a training program that reflects the screening equipment in use and provide this training to the appropriate guards.

Recommendation 4: Create and implement a plan that will ensure that the guards working on Region 5 contracts have valid suitability determinations.

Management Comments and OIG Analysis

Management Comments to Recommendation 2

NPPD concurred with the recommendation. In its response, NPPD stated that it now delivers basic training in accordance with the contract's statement of work.

OIG Analysis

NPPD's delivery of basic training is responsive to the recommendation. In its action plan, NPPD should provide us with a description of how it is delivering basic training to new guards in Michigan. Specifically, we would like to know how often the training is provided and by whom. This recommendation is Resolved – Open.

Management Comments to Recommendation 3

NPPD concurred with the recommendation. In its response, NPPD stated that it has trained 85 guards on the equipment in use in April 2011. It is also collecting field data to identify all equipment in use and to incorporate modifications to the training program that reflects this equipment.

OIG Analysis

The 85 guards trained in April 2011, referenced in NPPD's response, worked at only one of the 77 GSA-owned or -operated buildings under the contract. The contract stipulates that "[n]o security guard shall be permitted to work alone on any post containing security equipment without prior training on that specific equipment." NPPD's action plan should explain how it is staffing posts containing security equipment with qualified personnel while it is attempting to identify all equipment in use, in addition to how it will provide the training. This recommendation is Resolved – Open.

Management Comments to Recommendation 4

NPPD concurred with the recommendation. In its response, NPPD stated that would like us to modify the recommendation as follows: "Create and implement a process that will ensure that contract guards working at Federal facilities are fully qualified."

NPPD stated that it has evaluated Region 5 and has identified areas for improvement for workflow and accountability, is finalizing guidance to ensure consistency and quality, and plans to institute a review process to ensure compliance with the new guidance.

OIG Analysis

We appreciate and encourage NPPD’s desire to improve areas in addition to the suitability determination process to ensure that guards are fully qualified. However, our recommendation as originally stated appropriately addresses a specific need we identified during fieldwork.

NPPD’s action plan should include specific information on the areas for improvement that it has identified in Region 5. It should also include a copy of any new guidance and details on its plan for ensuring compliance with the new guidance. This recommendation is Resolved – Open.

FPS Rated DECO’s Performance as [REDACTED]

[REDACTED]

[REDACTED]

⁹ All companies are allotted 30 days to submit comments, rebutting statements, or additional information on their draft rating once it has been issued by the contracting officer, per 48 CFR § 42.1503(b).

¹⁰ Agencies shall provide for review at a level above the contracting officer to consider disagreements between the parties regarding the evaluation. The ultimate conclusion on the performance evaluation is a decision of the contracting agency, per 48 CFR § 42.1503(b).

Although FPS officials acknowledged that [REDACTED]

FPS officials in Region 5 wanted to [REDACTED]

DECO did not [REDACTED]

FPS Intends To Solicit a New Contract in Fiscal Year 2012

FPS has announced its intent to solicit a new contract for guard services in Michigan during the second quarter of FY 2012. According to FPS' Acquisition Division, Region 5 requested a new contract. FPS has been ordering guard services on the contract in 3 month increments since July 1, 2011.¹¹ Placing 3 month orders has been advantageous to the Government for multiple reasons. First, it incentivizes DECO to perform satisfactorily or better in order to continue receiving orders. Second, it allows FPS to monitor the contract more closely for performance issues. Third, FPS is using the ordering periods to prepare a procurement package in anticipation of a new competition for a guard services contract for Michigan. FPS has the flexibility to allow the contract to expire within 3 months when it decides to open the contract for competition or if additional performance issues arise, without causing any interruption in guard services.

DECO will not be barred from competing for the contract again once FPS

¹¹ FPS has the ability to order for any incremental time period it prefers because the contract was awarded as a blanket purchase agreement. Blanket purchase agreements are regulated per 48 CFR § 8.405-3.

solicits a new contract. DECO officials believe that

[REDACTED]

Other price and nonprice factors are also considered when awarding a contract.

Appendix A

Purpose, Scope, and Methodology

In June 2011, Representative Bennie G. Thompson asked that we review two areas of FPS' operations: a contract option for the Risk Assessment and Management Program and the contract for guard services for Michigan Federal buildings. There is little overlap between these two contracts, which procure different services and are administered by different offices. Therefore, we issued two reports. In March 2012, we issued our report, *FPS' Exercise of a Contract Option for the Risk Assessment and Management Program*, OIG-12-67. This report contains the results of our review of the Michigan contract.

Our objectives concerning the Michigan contract were to determine whether (1) DECO, Inc., a company that provides guard services for Michigan Federal buildings, breached its contract when its guards did not properly attend to an improvised explosive device at the Patrick V. McNamara Federal Building and (2) DECO's performance has been sufficiently remedied. We did not evaluate FPS' operational response to the improvised explosive device.

We reviewed sections of the Federal Acquisition Regulation and examined files from the Michigan contract and other contracts with performance problems. We also interviewed officials from FPS and DECO.

We conducted our fieldwork from August to December 2011. This review was conducted under the authority of the *Inspector General Act of 1978*, as amended, and according to the Quality Standards for Inspections issued by the President's Council on Integrity and Efficiency, except that we identified an impairment to our independence in appearance. Following completion of our review, it came to our attention that a family member of a senior OIG official was employed by an entity associated with this inspection. We took steps to re-evaluate the evidence supporting our findings and conclusions. In our opinion, the impairment to our independence in appearance did not affect the findings and conclusions developed during this inspection.

QSI requires that we adequately plan and perform the inspection to obtain sufficient, competent, and relevant evidence to provide a reasonable basis for reaching conclusions, consistent with inspection objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based upon our inspection objectives, and that the impairment to our independence in appearance did not affect this evidence or any findings and conclusions.

Appendix B

Management Comments to the Draft Report

Office of the Under Secretary
National Protection and Programs Directorate
U.S. Department of Homeland Security
Washington, DC 20528



**Homeland
Security**

MAY 18 2012

Carlton I. Mann
Assistant Inspector General for Inspections
245 Murray Drive SW, Building 410
Washington, DC 20528

Dear Mr. Mann:

Re: OIG Report 12-119-ISP NPPD, *Effects of a Security Lapse on FPS's Michigan Guards Services Contract*

Thank you for the opportunity to review and comment on this draft report. The National Protection and Programs Directorate (NPPD)/Federal Protective Service (FPS) appreciates the Department of Homeland Security (DHS) Office of Inspector General's (OIG) work in planning and conducting its review and issuing this report. Technical and sensitivity comments on the draft report have been provided under separate cover.

NPPD/FPS is pleased to note the OIG's positive acknowledgement of NPPD/FPS's appropriate issuance of a letter of concern and the subsequent decision to continue its contract with DECO and monitor company performance as being advantageous to the government.

NPPD/FPS took action to ensure this type of security lapse will not happen again. Once the risk to occupants at the facility was mitigated, NPPD/FPS initiated corrective actions and began an in-depth review of the contract guard monitoring, training, and suitability programs. With regard to government-provided training, an NPPD/FPS Special Emphasis Audit of contract guard monitoring and training in Region 5 yielded results that were substantially similar to those noted in this report. Actions included updating post orders, to include procedures on how to handle unattended and suspicious packages at a facility (in Region 5 and nationwide), and immediately providing eight hours of training on weapons detection to 85 Protective Security Officers (PSOs) in Region 5 using the equipment utilized at the facilities.

Additionally, NPPD/FPS reviewed its related training curriculum and has developed a National Weapons Detection Training Program for implementation across NPPD/FPS. Program managers are making final adjustments to the training program before it is provided to PSOs nationwide and incorporated into future Statements of Work (SOW) and post orders. NPPD/FPS Headquarters also provided training to NPPD/FPS Program Managers and Contracting Officers Technical Representatives (COTRs) on conducting administrative audits of training and certification records to ensure standardization nationwide. Additionally, a Site Assistance Visit was conducted to assess the Region 5 suitability program. Improvements for workflow and

Appendix B

Management Comments to the Draft Report

accountability were identified and implemented in Region 5 with NPPD/FPS Personnel Security Division's procedural handbook. National level guidance is currently pending approval.

NPPD/FPS did not limit its efforts to the specific region and facility that were the subject of this report. Rather, NPPD/FPS applied a systemic approach to prevent similar issues in other regions by proactively examining program-level improvements. To ensure proper response to unattended and suspicious packages, NPPD/FPS issued standardized nationwide guidance to all staff, PSO posts, and PSO vendors. Further, NPPD/FPS required all law enforcement staff to be personally briefed by their supervisors on this guidance to ensure they were thoroughly familiar with how to respond to unattended/suspicious packages and evaluate actions of contract guards. For additional oversight and inspection, NPPD/FPS began and continues to test contract guard response at facilities nationwide. NPPD/FPS developed a comprehensive, program-wide metrics report which allows the national program manager to address issues related to backlogs. In addition, NPPD/FPS Headquarters Adjudication staff has provided assistance to Region 5 to mitigate backlog issues.

The draft report contained four recommendations, with which NPPD/FPS concurs. Specifically, OIG recommended that the Under Secretary of NPPD direct the Director of the FPS to take the following actions:

Recommendation 1: Provide clear guidance on whose responsibility it is and the criteria for determining whether posts are clean and orderly and free of unauthorized items.

Response: Concur. Shortly after the incident, NPPD/FPS reviewed its procedures for found property and determined that guidance for all contract PSO service vendors nationwide on this topic needed to be clearer to ensure this type of incident will not happen again. This review resulted in the establishment and implementation of guidelines on the proper response to unattended and suspicious packages. These guidelines mandate a law-enforcement response to the presence of such packages at PSO posts. NPPD/FPS is also preparing supplemental guidance for contract PSO service vendors that modifies and clarifies post inspection protocol and post orders. This guidance addresses the issue of what constitutes a clean, orderly post free of unauthorized items. This guidance is scheduled for issuance nationwide by the end of May 2012.

Recommendation 2: Create and implement a plan to provide guards working on the contract with basic training that meets the requirements of the contract's statement of work.

Response: Concur. NPPD/FPS now delivers PSO basic training orientation in accordance with the contract's SOW. The training uses the standard NPPD/FPS program of instruction published in August 2010 and matches the requirements in the SOW. NPPD/FPS also conducts additional training on a myriad of security processes and procedures. NPPD/FPS conducts administrative audits of training certifications each month to verify documentation of training given to the PSOs.

Recommendation 3: Create a training program that reflects the equipment in use and provide this training to the appropriate guards.

Appendix B

Management Comments to the Draft Report

Response: Concur. As the OIG report noted, in April 2011, NPPD/FPS training staff provided training to 85 PSOs on this contract on equipment in use. NPPD/FPS's Training and Professional Development staff also reached out to our Federal partners (U.S. Marshals Service, Transportation Security Administration, and the Bureau of Alcohol, Tobacco, Firearms, and Explosives) to develop a National Weapons Detection Training Program which focuses on the specific equipment in use by the contracted PSOs. This national training program not only increases the instruction given, but also increases significantly the quantity of performance-oriented, hands-on training and assessments of student performance. To help ensure it did not miss any equipment related training gaps, NPPD/FPS is collecting field data to identify all equipment in use and to incorporate modifications to the training program that reflects this equipment as appropriate.

Recommendation 4: Create and implement a plan that will ensure that the guards working on Region 5 contracts have valid suitability determinations.

Response: Concur. However, NPPD/FPS would like to request a change in the wording of the recommendation. NPPD/FPS proposes the following language: "Create and implement a process that will ensure that contract guards working at Federal facilities are fully qualified." Currently, the NPPD/FPS process conforms to the DHS Directives Instruction Handbook 121-01-007, the Office of Personnel Management Federal Investigation Service Division-Suitability Processing Handbook, and the OPM e-QIP Agency User Manual V3.00. As these directives do not specifically incorporate NPPD/FPS mission-specific standard operating procedures, NPPD/FPS has taken the following additional actions:

- With regard to contract guards, FPS deployed personnel to conduct and evaluate the Region 5 process to determine the cause and mitigation of any challenges. Improvements for workflow and accountability were identified.
- FPS is finalizing a national policy directive and handbook for dissemination to the regions. The implementation of this guidance will further ensure that the NPPD/FPS contract-guard process provides consistency and quality on a national level.
- Upon implementation of this national policy directive and handbook, NPPD/FPS plans to institute a review process to ensure that regional offices are in compliance.

Again, we thank you for the opportunity to review and provide comment on this draft report, and we look forward to working with you on future homeland security engagements.

Sincerely,



Rand Beers
Under Secretary

Appendix C Timeline of Events

Date	Event
2/26/11	A guard retrieves a bag containing an IED and brings it into the McNamara Building.
3/18/11	An FPS Inspector screens the bag and determines that it may contain an IED.
3/21/11	DECO management and FPS officials meet to discuss the IED.
3/21/11	FPS' COTR notifies the contracting officer about the IED's existence.
3/22/11–5/2/11	DECO increases supervisory staffing at the McNamara Building.
3/22/11	FPS updates post orders for security console to include found property procedures.
3/24/11	By this date DECO has suspended one employee, increased quality control inspections, and begun a review of all post orders and standard operating procedures with all of its employees in Michigan.
3/25/11	FPS' Acquisition Division issues a letter of concern to DECO, providing notice that FPS believes contractual violations occurred and requesting a response.
3/28/11–3/29/11	FPS issues 58 reports, called post inspection forms, describing the actions of DECO employees during the 21 days the IED was in the McNamara Building.
3/28/11–4/1/11	DECO interviews employees to determine their interactions with the IED during the 21 days it was in the McNamara Building.
3/30/11	DECO provides FPS with a corrective action plan in response to FPS' letter of concern.
3/31/11–4/2/11	Eighty-five guards receive 8 hours of FPS-provided weapons detection training.
4/1/11	DECO provides FPS with results of employee interviews and informs FPS of proposed personnel actions.
4/5/11–4/14/11	DECO provides FPS with additional details of its corrective action plan.
4/14/11	The contracting officer assesses a contract deduction in the amount of [REDACTED].
4/15/11	The contracting officer appoints a new FPS COTR.
4/15/11 – 8/10/11	FPS conducts an internal audit of Region 5 operations and issues its report.
4/30/11	DECO completes an internal review of its operations.
5/23/11	DECO provides FPS with the results of an audit performed by a third party regarding the IED.
6/30/11	FPS issues a 3 month order for continued guard services in Michigan.
8/10/11	DECO provides FPS with a quarterly report on its activity under the contract.
9/16/11	FPS issues procedures for handling seized, forfeited, abandoned, and unclaimed personal property.
9/22/11	FPS issues a 3 month order for continued guard services in Michigan.
11/11/11	DECO provides FPS with a quarterly report on its activity under the contract.
12/22/11	FPS issues a 3 month order for continued guard services in Michigan.
1/16/12	FPS finalizes its rating of DECO's performance from July 2010 through June 2011.

Appendix D
Breaches as Listed in FPS' Letter of Concern

	Breaches Listed in FPS' Letter of Concern	Facts
Clauses from the Contract's Statement of Work	Section 6.3 Typical Duties paragraph E – “Security guards shall be responsible for maintaining logs, reports, and files of all incidents and occurrences encountered during the patrol tour. Patrol duties will be performed in a professional manner, with the security guards responsible for observing the environment, and, when necessary, questioning those persons whose activities arouse suspicion.”	The guard breached this clause of the SOW because his assessment that the bag was found property indicates that he did not properly observe his environment.
	Section 6.3.1 Access/Egress Posts-paragraph F which states in pertinent part – “Security guards shall perform package inspections when and as directed by the post orders as directed by the COTR in the event of an emergency or an elevated security posture.”	The guard's actions were breaches because post orders state that he should have avoided contact with the bag. Instead, he conducted a physical inspection of the bag and brought it into the building.
	Section 6.3.12 Reports, Records and Testimony paragraph A – “Security guards shall prepare and maintain required reports in accordance with the post orders regarding security-related issues, such as accidents, fires, bomb threats, unusual incidents and unlawful acts and provide these reports to those officials specified by the COTR.”	
	Section 6.3.12 Reports, Records and Testimony paragraph B – “While on duty Security guards shall verbally report threatening circumstances and potentially threatening activities they observe to the FPS MegaCenter and when possible to the COTR. Whenever possible, [guards] are encouraged to report a serious problem before responding so that they may receive all necessary backup and support to lessen or eliminate the potential threat.”	The guard who brought the bag containing the IED into the building breached the SOW and post orders because he did not notify the Battle Creek MegaCenter of the suspicious package. Instead, he completed an incident report in which he described the bag as found property instead of a suspicious item.
Clauses from the Post Orders	Reporting methods/Procedures – “[The guard is] to check post order book and additional memoranda and pass down information from previous shifts for any special instructions. All offenses and incidents will be reported to the FPS Battle Creek MegaCenter immediately [REDACTED]”	

Appendix D
Breaches as Listed in FPS' Letter of Concern

<p>Clauses from the Post Orders Continued</p>	<p>Suspicious Object – “Notification procedures require immediate contact to the Battle Creek MegaCenter; keep everyone away from the object; use [REDACTED] assist FPS with evacuation as needed.”</p>	<p>The guard breached the post order because he did not contact the Battle Creek MegaCenter and did not ensure that other people did not come into close proximity with the bag.</p>
	<p>Recording Departure/End of Duty Tour – “[Guards] shall not leave their post until properly relieved. In the event that the post has no relief, the [guard] shall not depart until the end of the tour of duty as written in the post orders. If an unusual circumstance or emergency occurs which will warrant the [guard] to leave his post, the [guard] will contact the supervisor on duty and/or the FPS MegaCenter for instruction. [Guards] shall log out on the Form 139; thoroughly brief his/her relief on any pertinent information or procedural changes directed by competent authority and ensure that any written reports, completed records/forms or document to be picked up by or mailed to FPS are kept in a safe, secure area until picked up by authorize FPS personnel.”</p>	<p>The guard did not breach these post orders. We could not substantiate FPS’ claim that the guard was not relieved when he departed his fixed post to retrieve the bag that contained the IED. According to DECO, a supervisor said that she relieved the guard while he retrieved the bag from outside.</p>
	<p>“The [guard] will at no time abandon his/her post without proper relief.”</p>	

Appendix E
Discipline That Resulted From the IED Incident

Employee	Involvement With the Bag Containing the IED	Discipline
Employee 1	Looked inside the bag and brought it inside the building. This guard did not treat the bag as suspicious and determined that it was found property. This guard used the wrong incident report form to describe the bag, and he did not call the MegaCenter.	Terminated.
Employee 2	X rayed the bag, incorrectly identified the contents as [REDACTED], and returned it to the found property area.	Terminated.
Employee 3	X rayed the bag, incorrectly identified the contents as [REDACTED], and returned it to the found property area.	Terminated.
Employee 4	This sergeant relieved the guard while he brought the bag containing the IED into the building and instructed the guard to write a report if no one claimed the bag by the end of the shift.	Resigned pending termination.
Employee 5	A guard asked this sergeant about the bag and the sergeant did not know anything about it. The sergeant later asked a construction supervisor to ask others about the bag.	Proposed 10-day suspension has not been served.
Employee 6	Saw the bag in the found property area and looked inside it. Then took the black box out of the bag and “moved it around” and then put the bag back in the found property area.	Served partial suspension before becoming deceased.
Employee 7	Looked inside the bag, saw that it was a black box, and then put the bag back.	5 day suspension served. Rotated to a different building.
Employee 8	Dictaphoned the incident report to the MegaCenter because the guard who brought the bag containing the IED inside the building used the wrong form. This guard assumed the bag was found property.	Resigned for other reasons before serving a proposed 5 day suspension.
Employee 9	Took the black box out of the bag, shook it, and asked another employee and a supervisor about the bag. The supervisor told this guard that he did not know anything about the bag. Assumed it was found property.	Terminated for other reasons before serving a proposed 5 day suspension.

Appendix E
Discipline That Resulted From the IED Incident

Employee 10	Looked inside the bag, saw the black box, and told a supervisor about it. Wrote a statement that said a supervisor and another employee x rayed the bag and failed to identify the contents as suspicious. The bag was returned to the found property area.	Proposed 3 day suspension has not been served.
Employee 11	Remembers the bag and said that others left their lunches where the bag was located in the found property area. Said that FPS was at the post 30 percent of the time daily, and they did not find the bag suspicious so this guard did not think to do anything else with the bag.	1 day suspension served.
Employee 12	Remembers the bag and thought it was found property since it was with other found property in a “safe area.”	Proposed 1 day suspension not served.
Employee 13	Scanned the bag and brought the suspicious nature of it to the attention of an FPS Inspector.	Proposed 1 day suspension not served.
Employee 14	Thought the bag was found property that was with a lot of other found property.	Proposed 1 day suspension not served.
Employee 15	Noticed the bag behind the desk with other found property in a “safe area.”	Proposed 1 day suspension not served.
Employee 16	Thought the bag looked like a lunch. It was with other found property in a “safe area.”	Resigned for other reasons before serving a 1 day suspension.
Employee 17	Thought the bag was found property with the other items in a “safe area.”	1 day suspension served.
Employee 18	Noticed the bag; another employee advised this guard that an incident report was being generated.	Written warning filed. Terminated for other reasons.
Employee 19	Scanned the bag and brought the suspicious nature of it to the attention of an FPS Inspector.	Written warning filed.
Employee 20	During this guard’s first time working the post where the bag was stored, saw the bag and thought that it was located where employees put their bags. This guard attempted to put a bag in that location, but another employee told this guard not to because that area was for found property.	Written warning filed.
Employees 21–39	Did not see or have knowledge of the bag containing the IED.	No personnel action proposed.

Appendix E
Discipline That Resulted From the IED Incident

Employee 40	Did not see or have knowledge of the bag containing the IED.	30 day review of position and associated duties. Reassigned from captain to guard.
Employee 41	Did not see or have knowledge of the bag containing the IED.	30 day review of position and associated duties. New job description.
Employee 42	Did not see or have knowledge of the bag containing the IED.	30 day review of position and associated duties. New job description.
Employee 43	Did not see or have knowledge of the bag containing the IED.	30 day review of position and associated duties. Reassigned from contract manager to quality control manager.

Appendix F
Major Contributors to this Report

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Paul H. Bergstrand, Senior Inspector
Lindsay K. Clarke, Inspector
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Department of Homeland Security

Appendix G

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