May 9, 2007

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VICE PRESIDENT, PACIFIC AREA OPERATIONS

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INSPECTOR IN CHARGE, SAN FRANCISCO DIVISION

SUBJECT: Audit Report – Postal Service Security Controls and Processes for the
          Pacific Area (Report Number SA-AR-07-003)

This report presents the results of our self-initiated audit of the U.S. Postal Service's
security controls and processes for the Pacific Area (Project Number 06YG034SA001).
Our objective was to determine whether the Postal Service and Postal Inspection
Service had sufficient controls and processes in place to efficiently and effectively
protect employees, customers, the mail, and critical assets of the Postal Service. We
plan to issue subsequent reports on our review of Postal Inspection Service security
operations, including security assessment tools used by the Postal Service and the
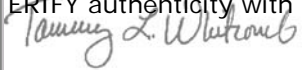Postal Inspection Service.

The Postal Service and the Postal Inspection Service have opportunities to improve
security controls and processes to effectively and efficiently protect employees,
customers, the mail, and critical assets. For example, responsible security personnel
did not always conduct Facility Security Surveys (FSS) accurately or annually as
required. We made two recommendations to Postal Service management to improve
security controls and processes to enhance employee awareness, accountability, and
overall collaboration.

Management generally agreed with recommendations 1 and 2. Management's
comments and planned corrective actions for recommendation 1 are partially
responsive. We agree the recent consolidation of all security matters under the Postal
Inspection Service and management's plans to establish training requirements should
help to ensure FSSs are completed accurately. However, we believe management

should also implement additional internal controls, such as an internal review and approval process, to ensure security personnel complete the FSSs timely. We do not plan to pursue this recommendation through the formal audit resolution process. However, we plan to conduct a follow-up review after organizational changes within the security program are completed. Management's comments and planned corrective actions for recommendation 2 are responsive to the recommendation, and should correct the issue identified in the finding. Management's comments and our evaluation of these comments are included in the report.

The U.S. Postal Service Office of Inspector General (OIG) considers both recommendations significant, and therefore requires OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. These recommendations should not be closed in the follow-up tracking system until the OIG provides written confirmation the recommendations can be closed.

We appreciate the cooperation and courtesies provided by your staff during the audit. If you have any questions or need additional information, please contact Andrea L. Deadwyler, Director, Inspection Service and Facilities, or me at (703) 248-2100.

E-Signed by Tammy Whitcomb
ERIFY authenticity with Approve
Tammy L. Whitcomb

Tammy L. Whitcomb
Deputy Assistant Inspector General
 for Support Operations

Attachments

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EXECUTIVE SUMMARY

Introduction	This report presents the results of our self-initiated audit of the Postal Service's security controls and processes. Our objective was to determine whether the Postal Service and Postal Inspection Service had sufficient controls and processes in place to efficiently and effectively protect employees, customers, the mail, and critical assets of the Postal Service. This report addresses our audit results in the Pacific Area. We also plan to review Postal Inspection Service security operations, including security assessment tools used by the Postal Service and Postal Inspection Service.[1]
Results in Brief	Pacific Area and Postal Inspection Service management have opportunities to improve security controls and processes to effectively and efficiently protect employees, customers, the mail, and critical assets. Specifically, management could strengthen controls over the Facility Security Survey (FSS) process to enhance employee awareness, accountability, and overall collaboration. During our audit we determined the responsible security personnel did not always complete FSSs accurately or annually[2] and did not take sufficient corrective actions to resolve deficiencies. This occurred because management did not establish sufficient internal controls and processes to assist security personnel with conducting the surveys. As a result, Pacific Area and Postal Inspection Service management did not effectively and efficiently identify and mitigate security risks and assess their security operations, exposing Postal Service employees, customers, the mail, and other critical assets to increased risk.

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[1] We plan to review the Facility Security Survey, Facility Risk Rating Model, Observation of Mail Conditions, and the Area Security Assessment Program.
[2] The Postal Service's *Administrative Support Manual 13* (dated July 1999 and updated with *Postal Bulletin* revisions through December 22, 2005) requires security control officers or designees to conduct annual FSSs.

| **Summary of Recommendations** | We recommended the Vice President, Pacific Area Operations, in consultation with the Inspector in Charge, Los Angeles Division, and Inspector in Charge, San Francisco Division: |

1. Require area- and district-level personnel to establish and implement appropriate internal controls, such as an internal review and approval process, to ensure that security personnel complete facility security surveys accurately and in a timely manner.

2. Develop appropriate performance measures for physical security to assess the achievement of security goals and incorporate them into performance plans for area-, district-, and field-level security personnel.

| **Summary of Management's Comments** | Management generally agreed with recommendation 1 and 2, stating that recent changes in the Postal Inspection Service's increased role and subsequent transition of physical security, emergency management, and aviation security will provide the necessary leadership to implement the recommendations. |

Management also stated FSSs were not correct for a variety of reasons and that interpretation of requirements and lack of training were partially responsible. Currently, security teams from the Los Angeles and San Francisco Divisions have plans to provide FSS and Facility Security Database training to security personnel. Additionally, management stated the National Performance Assessment Core Goal program, a national level program, used combined Area Security Assessment Program (ASAP) scores to assess area performance. Including ASAP reviews in discussions, provides the opportunity to give security performance feedback, focus on improvement needs, and highlight cluster success.

In follow-up correspondence, Postal Inspection Service officials stated they would establish requirements for annual training and update applicable policies by September 30, 2007. Management also stated they would establish performance measures for security personnel in fiscal year

2008. Management's comments, in their entirety, are included in Appendix C of this report.

Overall Evaluation of Management's Comments	Management's comments and planned corrective actions for recommendation 1 are partially responsive. We agree the recent consolidation of all security matters under the Postal Inspection Service as announced by the Chief Postal Inspector[3] and management's plans to establish training requirements should help to ensure FSSs are completed accurately. However, we believe management should also implement additional internal controls, such as an internal review and approval process, to ensure security personnel complete the FSSs timely. We do not plan to pursue this recommendation through the formal audit resolution process. However, we plan to conduct a follow-up review after organizational changes within the security program are completed. Management's comments and planned corrective actions for recommendation 2 are responsive to the recommendation, and should correct the issue identified in the finding.

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[3] Chief Postal Inspector memorandum titled "Consolidation of U.S. Postal Service Homeland Security Responsibilities," dated March 16, 2007.

INTRODUCTION

Background	<u>Postal Service.</u> The U.S. Postal Service, an independent establishment of the executive branch of the U.S. government, operates like a business and generates $70 billion in revenue annually.[4] Under the Postal Reorganization Act of 1970, the Postal Service is required to provide prompt, reliable, and efficient service to patrons in all areas and to render postal services to all communities. In fiscal year (FY) 2005, the Postal Service processed and delivered over 200 billion pieces of mail.

The Postal Service faces a variety of security challenges that require aggressive investigative and preventive responses. Its ability to protect employees, customers, and the mail is fundamental to ensuring high-quality, reliable service. In addition, all Postal Service employees are responsible for preventing unauthorized individuals from entering restricted areas.

<u>Postal Inspection Service.</u> The Chief Postal Inspector is the chief security officer for the Postal Service. The Postal Inspection Service is the security arm of the Postal Service and is responsible for protecting an estimated 800,000 Postal Service employees and approximately 38,000 facilities nationwide. The Postal Inspection Service also protects the mail, Postal Service assets, and millions of Postal Service customers; and provides training and guidance to responsible Postal Service security personnel.

The Postal Inspection Service uses various tools and processes to assess the physical security of Postal Service employees and assets. The tools and processes include the Facility Security Survey (FSS), the Facility Risk Rating Model (FRRM), and Observation of Mail Condition (OMC). Our audit focused on the FSS.[5]

<u>Facility Security Survey</u>. The objectives of the FSSs are to determine, through an on-site inspection and evaluation, current facility status and to recommend actions to improve security. The FSS, which security personnel must complete

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[4] *United States Postal Service Annual Report 2005.*
[5] We plan to review the FRRM and the OMC program in a separate report on Postal Inspection Service security operations and assessment tools.

annually, is an in-depth checklist of 273 yes or no questions covering physical security areas, such as ███████████, ████████████████, ███████████, ████████████████. Responsible security officials in the Postal Inspection Service and the Postal Service, including postal inspectors and security control officers (SCO), complete the FSSs.[6]

Security Personnel. To help manage physical security concerns, each area has an area security coordinator (ASC), each district has a district security control officer (DSCO), and each Postal Service facility has a SCO.

- The ASC in the Pacific Area (a full-time position) manages the establishment of the area and district security committees and oversees security programs and committees to ensure effectiveness and compliance with regulations. The ASC also manages the SCO program, provides guidance, and serves as the liaison between the area, district, and plants regarding SCO-related matters.

- DSCOs in the Pacific Area[7] manage the overall district security program; serve as the liaison with the Postal Inspection Service; manage compliance with security policies and procedures, including FSSs; and provide security guidance to management. The DSCO is a designated full-time position.

- Facility SCOs serve as the focal point for addressing security concerns, help implement security policies, and coordinate with the Postal Inspection Service on security matters. The SCO is a collateral position and is usually the installation head or a designated manager or supervisor. If the installation head designates the SCO, the officer must acknowledge, in writing, an understanding of their collateral duties. The SCO is required to conduct an FSS annually.

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[6] The FSS is a Postal Inspection Service tool. However, FSSs are conducted primarily by Postal Service SCOs.
[7] During the review, the DSCO position was vacant at the Bay Valley and Hawaii districts. The San Francisco DSCO was scheduled to be announced.

Objective, Scope, and Methodology

Our objective was to determine whether the Postal Service and Postal Inspection Service had sufficient controls and processes to efficiently and effectively protect Postal Service employees, customers, the mail, and critical assets of the Postal Service.

To accomplish our objective, we interviewed Postal Service and Postal Inspection Service officials (including officials from the Office of Emergency Preparedness), the ASC for the Pacific Area, DSCOs, SCOs, and installation heads. We also interviewed inspectors-in-charge, team leaders, inspectors, and program managers. Additionally, we reviewed applicable policies and procedures related to Postal Service and Postal Inspection Service physical security, including *Homeland Security Presidential Directives 7* and *12*.

We judgmentally sampled Postal Service facilities in the Pacific Area to conduct audit fieldwork. ████████████ ███████████████████████ 8 ███████████████ ██ ██ ██, ██ ████████████. We also conducted fieldwork at Postal Inspection Service Headquarters, the National Law Enforcement Command Center, and the Los Angeles and San Francisco Divisions.

We analyzed FSSs conducted at selected facilities for calendar years 2005 and 2006 to determine whether personnel completed them as required and whether management appropriately addressed the deficiencies identified. We also reviewed training records from the National Training Database (NTD) to determine whether key security personnel received sufficient physical security training and guidance to efficiently and effectively protect employees, customers, and Postal Service assets.

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We tested and validated computer-generated data from the Facility Security Database (FSD) and the NTD system by comparing data obtained from these databases with other source documents, observing facility conditions, and discussing the data with the appropriate Postal Service officials. As a result, we consider the data sufficiently reliable to support the opinions and conclusions in this report.

We conducted this audit from September 2006 through May 2007 in accordance with generally accepted government auditing standards and included such tests of internal controls as we considered necessary under the circumstances. We discussed our observations and conclusions with management officials during the audit and included their comments where appropriate.

Prior Audit Coverage

The Postal Service Office of Inspector General's audit report, *Audit of Postal Service Security Controls and Processes for the Capital Metro Area* (Report Number SA-AR-07-002, dated March 30, 2007) concluded the Postal Service and the Postal Inspection Service have opportunities to improve security controls and processes to effectively and efficiently protect Postal Service employees, customers, the mail, and critical assets. Specifically, Postal Service and Postal Inspection Service management could strengthen controls to enhance employee awareness, accountability, and overall collaboration. We made five recommendations to improve security controls and processes.

Management agreed with recommendations one through four; however, they partially agreed with recommendation five, to establish performance measures for security personnel. Management stated they recognize the need for performance evaluation, and have established standards to address performance. However, their current pay for performance system does not permit security performance measures for all security personnel. Management's comments were responsive to recommendations one through four. We thought management's comments regarding recommendation five were not responsive; however, based on changes the Postal Inspection Service is making to security operations, we did not pursue this

recommendation through the formal resolution process.

The Government Accountability Office (GAO) report, *U.S. Postal Service: Physical Security Measures Have Increased at Some Core Facilities, But Security Problems Continue* (Report Number GAO-05-48, dated November 2004) concluded the Postal Service had established the physical security requirements — such as ███████████ and exterior lighting — necessary for core facilities to address the threats of robberies, burglaries, theft, and vandalism.

Additionally, implementation of security measures had increased at some facilities, although security problems still existed at some core facilities. However, incomplete and inaccurate data precluded GAO from assessing changes in the implementation of security measures at core facilities. Specifically, the Postal Service's FSD had a number of problems, such as missing and incomplete data, duplicate responses, and miscoded facilities. Further, GAO's visits to 13 core facilities revealed a number of security problems, including unaccounted for facility keys, unlocked doors, deactivated alarms, and employees not wearing identification badges.

GAO recommended and management agreed to develop a plan, with objectives, timeframes, and resources needed to correct and update the Postal Service's FSD so they can accurately assess the status of physical security at core facilities, identify needed improvements, and assess the progress made at facilities.

AUDIT RESULTS

Opportunities Exist to Improve Security Controls and Processes	Pacific Area and Postal Inspection Service management have opportunities to improve security controls and processes to effectively and efficiently protect employees, customers, the mail, and critical assets. Specifically, management could strengthen controls over the FSS process to enhance employee awareness, accountability, and overall collaboration. During our audit we determined responsible security personnel did not always complete FSSs accurately or annually[9] and did not take sufficient corrective actions to address deficiencies. This occurred because management did not establish sufficient internal controls and processes to assist security personnel with conducting FSSs. As a result, Pacific Area and Postal Inspection Service management did not effectively and efficiently assess their security operations and identify and mitigate security risks, exposing Postal Service employees, customers, the mail, and other critical assets to increased risk.
Facility Security Surveys	Responsible security personnel did not always conduct FSSs accurately or annually as required. This occurred because management did not have internal controls and processes to ensure responsible security personnel performed their duties as required. Specifically, management did not:

- Implement an appropriate internal review and approval process to ensure responsible security personnel complete FSSs accurately and timely.

- Establish consolidated standard operating procedures and guidance to assist the ASCs, DSCOs, and SCOs in performing their duties and responsibilities.

- Establish requirements for mandatory physical security training for security personnel. For example, 66 percent (47 of 71)[10] of responsible security personnel we interviewed did not complete any SCO-related training within the last 2 years and 57 percent (29 of

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[9] The Postal Service's *Administrative Support Manual 13* (dated July 1999 and updated with *Postal Bulletin* revisions through December 22, 2005) requires SCOs or designees to conduct annual FSSs.
[10] This figure represents the district security control officers, security control officers, and facility/plant managers interviewed.

51) of the SCOs and DSCOs interviewed stated they needed additional training to effectively perform their duties.

- Develop appropriate performance measures to assess the achievement of security goals. For example, 85 percent (60 of 71)[11] of the security personnel interviewed did not have any security-related performance measures.

Accuracy of FSSs. Responsible security personnel at 31 percent (15 of 49) of the facilities reviewed did not complete FSSs accurately, as required by the Administrative Support Manual (ASM). For example:

- A facility SCO incorrectly answered "yes" to a question regarding perimeter fencing when there was no perimeter fencing around the facility.

- A facility SCO did not respond to questions pertaining to the ███████████████████████████████ because he did not know the appropriate answers and he did not consult with the appropriate personnel.

- A facility SCO incorrectly answered "yes" to a question regarding ██████████ currently under a maintenance contract. According to the Pacific Area ASC, ████ systems in the Pacific Area are not under a maintenance contract because the contract costs outweigh the benefits.

We also noted that SCOs did not always respond to each question, which resulted in erroneous reporting of deficiencies.

Timeliness of FSSs. At 47 percent (23 of 49) of the facilities reviewed, FSSs were not completed annually as required by the ASM. (See Appendix B for the status of FSSs at facilities reviewed). SCOs complete the FSSs and enter the results

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[11] This figure represents the facility security controls officers, district security control officers, and facility/plant managers interviewed.

into the FSD. SCOs and Postal Service facility managers use FSS results to assess the security environment at Postal Service facilities.

When FSSs are not conducted accurately and at least annually, as required, Postal Service employees, customers, the mail, and other critical assets are exposed to increased risk. Additionally, the Postal Service did not take advantage of the opportunity to mitigate risks that accurate and timely FSSs would identify.

According to internal control standards set by GAO,[12] internal control activities such as approvals, authorizations, and verifications help ensure that management's directives are carried out and actions are taken to address risk. In addition, comprehensive standard operating procedures and guidance provide reasonable assurance that agency objectives are met.

GAO standards also indicate that control activities, such as training, should be aimed at developing and retaining employees' skill levels to meet organizational needs; and establishing appropriate performance measures and indicators help ensure that employees accomplish management's directives and organizational objectives.

In a prior audit of the Postal Service's Security Controls and Processes for the Capital Metro Area, we provided the Chief Postal Inspector with the following two recommendations to address inaccurate and untimely FSSs:

- Establish and provide consolidated standard operating procedures and guidance to the Area Security Coordinator, District Security Control Officers, and Facility Security Control Officers to assist them in performing their duties and responsibilities consistently and in a timely manner.

- Establish requirements for mandatory security training, including periodic refresher training for responsible security personnel at the area, district and facility level.

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[12] *Standards for Internal Control in the Federal Government* (GAO/AIMD-00-21.3.1, dated November 1999).

The Postal Inspection Service should implement these recommendations nationwide; therefore, we are not making any recommendations regarding standard operating procedures and mandatory training for security personnel in this report.

Recommendation	We recommend the Vice President, Pacific Area Operations, in consultation with the Inspector in Charge, Los Angeles Division, and Inspector in Charge, San Francisco Division: 1. Require area- and district-level personnel to establish and implement appropriate internal controls, such as an internal review and approval process, to ensure that security personnel complete facility security surveys accurately and in a timely manner.
Management's Comments	Management generally agreed with the recommendation, stating that recent changes in the Postal Inspection Service's increased role and subsequent transition of physical security, emergency management, and aviation security will provide the necessary leadership to implement the recommendation. Management further stated FSSs were not correct for a variety of reasons and that interpretation of requirements and lack of training were partially responsible. Currently, security teams from the Los Angeles and San Francisco Divisions have plans to provide FSS and FSD training to security personnel. In follow-up correspondence, Postal Inspection Service officials stated they would establish annual training requirements for SCOs, inspectors, and area and district security personnel and update applicable policies by September 30, 2007.
Evaluation of Management's Comments	Management's comment and planned corrective actions are partially responsive. We agree the recent consolidation of all security matters under the Postal Inspection Service, and management's plans to establish training requirements should help to ensure FSSs are completed accurately. However, we believe management should also implement additional internal controls, such as, an internal review and approval process to ensure security personnel complete the FSSs timely. We do not plan to pursue this recommendation through the formal audit resolution process. However, we plan to conduct a follow-up review after organizational changes within the security program are completed.

Recommendation	2. Develop appropriate performance measures for physical security to assess the achievement of security goals and incorporate them into performance plans for area-, district-, and field-level security personnel.
Management's Comments	Management agreed with the recommendation and stated the National Performance Assessment Core Goal program, a national level program, used combined Area Security Assessment Program (ASAP) scores to assess area performance. Management further stated including ASAP reviews in discussions provides the opportunity to give security performance feedback, focus on improvement needs, and highlight cluster success. In follow-up correspondence, Postal Inspection Service officials agreed to establish performance measures for district and field-level security personnel in FY 2008. They further stated that although headquarters would establish national goals, field and district sites may have unique areas that could dictate additional measures to compliment the national security goals.
Evaluation of Management's Comments	Management's comments and planned corrective actions are responsive to the recommendation and should correct the issue identified in the finding.
Corrective Action on Security Deficiencies and Follow-up Reviews	Management did not always take sufficient corrective action to resolve deficiencies identified in FSSs. This occurred because management did not establish formal, written procedures, including timeframes and follow-up reviews, to address deficiencies. Specifically, we reviewed FSSs at 49 facilities in the Pacific Area and determined SCOs at 37 percent (18 of 49) of the facilities reviewed, did not take sufficient corrective actions to resolve deficiencies. As a result, Postal Service employees and assets were exposed to increased risk. For example, at one facility, the FSS noted that management did not ▮▮▮▮▮▮▮▮▮▮▮▮▮▮▮▮▮▮▮▮▮▮▮▮▮▮▮. According to the SCO, management has not addressed this deficiency. At another facility, the SCO did not appropriately address windows that did not have bars or metal screening because he and the facility head stated the bars could create a fire safety hazard.

However, they did not follow-up with appropriate officials to determine whether the bars would actually create a safety issue or if there were alternative measures they could take.

According to GAO internal control standards, the monitoring of internal controls should include policies and procedures to ensure management resolves findings from reviews. Managers are to promptly evaluate findings and deficiencies; determine the proper actions; and complete, within established timeframes, all actions needed to correct the matters brought to their attention. The resolution process begins when the results of reviews are reported to management, and is complete only after management has corrected the deficiencies, made improvements, or demonstrated that the findings and recommendations do not warrant management action.

After FSSs are completed, facility managers and SCOs should take corrective actions within an established timeframe. Additionally, formal follow-up should be required to ensure management addresses deficiencies.

In our audit of the Postal Service Security Controls and Processes for the Capital Metro Area, we recommended the Chief Postal Inspector establish and implement a formal process for conducting FSSs, including timeframes for addressing deficiencies and conducting follow-up reviews. The Postal Inspection Service should implement this recommendation nationwide; therefore, we are not making any recommendations regarding a formal process for conducting FSSs in this report.

APPENDIX A. PACIFIC AREA FACILITIES

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APPENDIX B. STATUS OF FACILITY SECURITY SURVEYS

	District	Facility Name	FSS Completed Annually
1	Bay Valley	█████████████	No
2	Bay Valley	████████	Yes
3	Bay Valley	██████████	No
4	Bay Valley	██████████	No
5	Bay Valley	████████	Yes
6	Bay Valley	██████	Yes
7	Los Angeles	██████████████	Yes
8	Los Angeles	███████████████	No
9	Los Angeles	█████████████████	Yes
10	Los Angeles	██████████	Yes
11	Los Angeles	█████████	No
12	Sacramento	█████████	No
13	Sacramento	████████████	No
14	Sacramento	█████████████	No
15	Sacramento	███████	Yes
16	Sacramento	████████	Yes
17	Sacramento	████████████	No
18	Sacramento	███████████	No
19	Sacramento	████████	No
20	Sacramento	███████████	Yes
21	San Diego	████████████	No
22	San Diego	██████████	No
23	San Diego	████████████	Yes
24	San Diego	███████████████	No
25	San Francisco	████████████	Yes
26	San Francisco	███████████	Yes
27	San Francisco	████████████	No
28	San Francisco	██████	Yes
29	San Francisco	█████████████	Yes
30	San Francisco	██████████████	Yes
31	San Francisco	█████████████	Yes
32	San Francisco	██████████████	Yes
33	San Francisco	████████	Yes
34	San Francisco	█████████████████	Yes
35	San Francisco	████████████████	Yes
36	Santa Ana	█████████████	Yes
37	Santa Ana	█████████	Yes
38	Santa Ana	████████	No
39	Santa Ana	████████	No
40	Santa Ana	████████	Yes
41	Santa Ana	████████████	No

	District	Facility Name	FSS Completed Annually
42	Santa Ana	███████████	No
43	Santa Ana	███████████████	No
44	Van Nuys	██████████████	Yes
45	Van Nuys	███████████████	No
46	Van Nuys	███████████	No
47	Van Nuys	█████████	Yes
48	Van Nuys	████████████	Yes
49	Van Nuys	█████████████	No

Legend

P&DC Processing and Distribution Center
P&DF Processing and Distribution Facility
ISC   International Service Center
VMF   Vehicle Maintenance Facility

APPENDIX C. MANAGEMENT'S COMMENTS

MICHAEL J. DALEY
VICE PRESIDENT, PACIFIC AREA OPERATIONS

**UNITED STATES
POSTAL SERVICE**

April 12, 2007

KIM H. STROUD
DIRECTOR AUDIT REPORTING
OFFICE OF INSPECTOR GENERAL

SUBJECT: Audit Response, Security Controls and Processes for the Pacific Area
(Report Number SA-AR-07-DRAFT)

This correspondence is provided In response to the OIG Pacific Area Security Program audit. I
appreciate the comments and recommendations in the audit, and anticipate improvement to the
Pacific Area Security program. Recent changes in the Postal Inspection Service's increased role
and subsequent transition of Physical Security, Emergency Management and Aviation Security will
provide the necessary leadership to facilitate some of the recommendations the audit proposes.

Specifically audit recommendations emphasized the need for "area- and district-level personnel to
establish and implement appropriate internal controls, such as an internal review and approval
process; to ensure that security personnel complete facility surveys accurately and in a timely
manner." And, "develop appropriate performance measures for physical security to assess the
achievement of security goals and incorporate them into performance plans for area-, district-,
and field-level security personnel." In general I agree with both of those statements and provide
the following comments:

The Facility Security Survey (FSS) is located on the Facility Security Database (FSD) an
inspection service software application. This application was developed in the early 2000's and
became a useful tool after the 9/11 events. Data in application on selected facilities is not correct
for a variety of reasons.   District Security Control Officers (DSCO), District Emergency
Preparedness Managers (EPM) assisted facilities with original data input. Interpretation of
requirements and lack of training were partially responsible. To mitigate some of the improper
input Inspection Service Security Team members randomly verified the accuracy of data. As you
may know, the Inspection Service is required to input CIO/CIS camera profiles on the appropriate
pages, current survey data can not be authorized until this is completed, a cursory review was
normally conducted then.

Currently, the Security Teams from both the Los Angeles Division and the San Francisco Division
have planned to conduct FSS / FSD training. The plan is to include Security Control Officers
(SCO) at the Installation Level and appropriate field managers. Training will assure surveys are
conducted efficiently and effectively. DSCO's are responsible for ensuring all field units conduct
an FSS and the ASC is responsible to the Area Manager Operations Support for cluster
compliance. Security Team Leaders at the Inspection Service Divisions are responsible for
comprehensive reviews on "business critical installations" and randomly selecting additional
facilities for review.

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The second audit recommendation was relative to a performance measurement for physical security. The National Performance Assessment core goal program is a National Level program; however, a part of the "Area" Assessment" portion is related to each cluster's combined Area Security Assessment Program (ASAP) score. The Cluster composite score represents ASAP reviews conducted by the Pacific Area Security Coordinator and/or by the LA or SF Security Team at the Inspection Service Level. Including the ASAP review in discussions provides the opportunity to give security performance feedback and focus on improvement needs as well as highlight cluster successes. Compliance with FSS/FSD input is also computed in the Area performance discussion.

Currently the Inspection Service transition is underway for Physical Security, Aviation Security and Emergency Preparedness positions. The Inspection Service responsible for these functions will assume the position oversight. I look forward to this joint effort, in fact, the Pacific Area has enjoyed a very good relationship with both the San Francisco and Los Angeles Divisions. Both Inspectors in Charge and their staffs have been helpful and maintain a high level of communications with me and my staff.

Again, thank you for your comments. If you require additional information please contact Michael Sisson, Pacific Area Security Coordinator at (858) 674-3143.

Michael J. Daley

cc: Drew Aliperto, Manager Operations Support
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