



U.S. ENVIRONMENTAL PROTECTION AGENCY

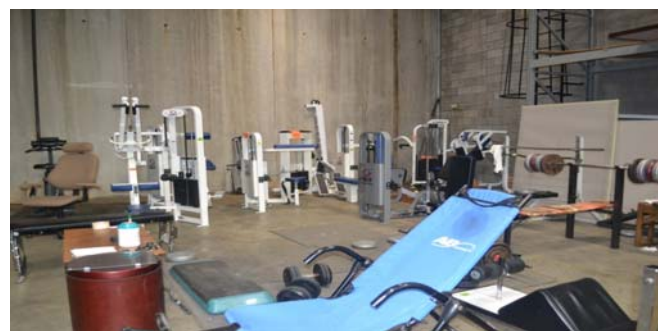
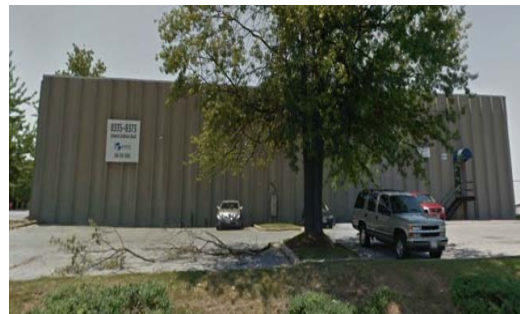
OFFICE OF INSPECTOR GENERAL



Early Warning Report: Main EPA Headquarters Warehouse in Landover, Maryland, Requires Immediate EPA Attention

Report No. 13-P-0272

May 31, 2013



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Abbreviations

EPA U.S. Environmental Protection Agency
OIG Office of Inspector General

Cover photo: Various photos at the EPA warehouse operated by a contractor in Landover, Maryland. Clockwise, from left: an outside view of the warehouse; a cubicle space at the warehouse for personal use; an exercise area at the warehouse; and passports stored at the warehouse in unprotected space. (EPA OIG photos)

Hotline

To report fraud, waste, or abuse, contact us through one of the following methods:

email: OIG_Hotline@epa.gov
phone: 1-888-546-8740
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online: <http://www.epa.gov/oig/hotline.htm>

write: EPA Inspector General Hotline
1200 Pennsylvania Avenue, NW
Mailcode 2431T
Washington, DC 20460



At a Glance

Why We Did This Review

The U.S. Environmental Protection Agency leases a warehouse in Landover, Maryland, to store inventory for its headquarters locations. The inventory ranges from sensitive items such as personally identifiable information, including passports, to computers and other electronic equipment to basic personal property such as paper and office furniture. We are conducting an audit to determine the extent to which the EPA's personal property stored in select warehouse spaces is effectively utilized, accounted for and disposed of by the EPA. As a result of our warehouse visits, we are issuing this early warning report on our concerns at the Landover warehouse because they require immediate attention.

This report addresses the following EPA Goals or Cross-Cutting Strategies:

- *Strengthening EPA's workforce and capabilities.*

For further information, contact our Office of Congressional and Public Affairs at (202) 566-2391.

The full report is at:
www.epa.gov/oig/reports/2013/20130531-13-P-0272.pdf

Early Warning Report: Main EPA Headquarters Warehouse in Landover, Maryland, Requires Immediate EPA Attention

What We Found

Our initial research at the EPA's Landover warehouse raised significant concerns with the lack of agency oversight of personal property and warehouse space at the facility. In particular:

- The warehouse recordkeeping system was incomplete and inaccurate.
- The warehouse was filled with considerable valuable amounts of unusable, inoperable and obsolete furniture and other items.
- The warehouse contained multiple unauthorized and hidden personal spaces that included such items as televisions and exercise equipment.
- Numerous potential security and safety hazards existed at the warehouse, including unsecured personally identifiable information (such as passports).
- Deplorable conditions existed at the warehouse; corrosion, vermin feces, mold and other problems were pervasive.

As a result of the conditions noted, EPA property at the warehouse was vulnerable to theft and abuse (including personally identifiable information), EPA property was not properly maintained, the EPA may not have received sufficient value for the funds it paid for the warehouse's operation, and warehouse workers were subjected to unsafe conditions for which the EPA could be held liable.

Agency Corrective Actions

Subsequent to our briefing to the agency on the conditions noted at the warehouse, the agency issued a stop work order to the contractor, ensuring there will be no further access to the site by contractor personnel and that no further costs will be incurred under the contract. Further, the agency has taken the following additional actions:

- Completed an inventory of the warehouse and is seeking an appraisal of inventoried items.
- Identified and segregated all surplus furniture.
- Reviewed background investigations on warehouse employees.
- Removed flammable materials from the warehouse.
- Performed a health and safety review.
- Reviewed security footage.

The agency also agreed to initiate action addressing personally identifiable information, completing standard operating procedures for the warehouse, developing security plans, and conducting an agencywide review of all warehouse and storage facility operations.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

THE INSPECTOR GENERAL

May 31, 2013

MEMORANDUM

SUBJECT: Early Warning Report:
Main EPA Headquarters Warehouse in Landover, Maryland,
Requires Immediate EPA Attention
Report No. 13-P-0272

FROM: Arthur A. Elkins Jr.

A handwritten signature in black ink, appearing to read "Arthur A. Elkins Jr.", is written over the printed name.

TO: Craig Hooks, Assistant Administrator
Office of Administration and Resources Management

The Office of Inspector General is conducting an audit to determine the extent to which the U.S. Environmental Protection Agency's personal property stored in select warehouse spaces is effectively utilized, accounted for and disposed of by the agency (Project No. OA-FY13-0248). This early warning report provides information obtained during our review at the Landover facility. While we continue our ongoing audit of select warehouse spaces, we believe the agency should immediately address the issues at the Landover facility discussed in this early warning report.

In accordance with EPA Manual 2750, you are required to provide a written response to this report within 60 calendar days. Your response will be posted on the OIG's public website, along with our comments on your response. Your response should be provided in an Adobe PDF file that complies with the accessibility requirements of Section 508 of the Rehabilitation Act of 1973, as amended. If your response contains data that you do not want to be released to the public, you should identify the data for redaction. You should include a corrective actions plan for agreed-upon actions, including milestone dates. We have no objections to the further release of this report to the public. This report will be available at <http://www.epa.gov/oig>.

If you have any questions, please contact Richard Eyermann, acting assistant inspector general for the Office of Audit, at (202) 566-0565 or eyermann.richard@epa.gov; or Mike Davis, director for efficiency audits, at (513) 487-2363 or davis.michaeld@epa.gov.

Introduction

The U.S. Environmental Protection Agency leases a warehouse in Landover, Maryland, to store inventory for its headquarters locations. The warehouse is owned by the U.S. General Services Administration but is operated by a contractor under a contract awarded May 3, 2007. The inventory ranges from sensitive items such as computers and other electronic equipment to basic personal property such as letterhead paper and office furniture. The facility has a lease cost of approximately \$750,000 per year. The 70,000-square-foot leased facility represents one of the agency's largest warehouses. This early warning report conveys significant, time-critical issues to the EPA management regarding the Landover warehouse found during our initial research at the facility that we believe require immediate attention.

Conclusion

Our initial research at the EPA's Landover warehouse raised significant concerns with the lack of agency oversight of personal property and warehouse space at the facility. EPA management confirmed they had not visited the warehouse before the Office of Inspector General briefed the agency over concerns with poor oversight of the storage facility. According to Office of Management and Budget Circular A-123, *Management's Responsibility for Internal Control*, internal controls should be designed to provide reasonable assurance regarding prevention and prompt detection of unauthorized use or disposition of assets. However, we noted the following issues regarding the warehouse:

- The warehouse recordkeeping system was incomplete and inaccurate.
- The warehouse was filled with considerable amounts of unusable, inoperable and obsolete furniture and other items.
- The warehouse contained multiple unauthorized and hidden personal spaces that included such items as televisions and exercise equipment.
- Numerous potential security and safety hazards existed at the warehouse, including unsecured personally identifiable information (such as passports).
- Deplorable conditions existed at the warehouse; corrosion, vermin feces, mold and other problems were pervasive.

As a result of the conditions noted, EPA property at the warehouse was vulnerable to theft and abuse (including personally identifiable information), EPA property was not properly maintained, the EPA may not have received sufficient value for the funds it paid for the warehouse's operation, and warehouse workers were subjected to unsafe conditions for which the EPA could be held liable.

The conditions described required immediate attention.

On May 16, 2013, we briefed the agency on the warehouse conditions (http://www.epa.gov/oig/reports/2013/20130531-13-P-0272_briefing.pdf).

Subsequent to our briefing, the agency took or initiated a number of corrective

actions. This included issuing a stop work order to the contractor. The agency's response is in appendix A. Details on what we found follow.

1. Inventory Record System

The warehouse recordkeeping system is incomplete and inaccurate. The system does not accurately reflect the contents, condition, location or dollar value of the new or surplus items stored in the warehouse. The OIG tested 11 items from the inventory system identified as located in the cage (the secured area for sensitive items), and found the following for six of the 11 items:

- Four items in the inventory system were not located in the cage.
- One item had an incorrect quantity.
- One item had an incorrect serial number.

We also noted many additional items stored in the cage that were not on the inventory report, such as new desktop computers purchased in 2005 and boxes of archived records. Further, we found high value items outside the cage that should have been secured, such as portable refrigeration units.



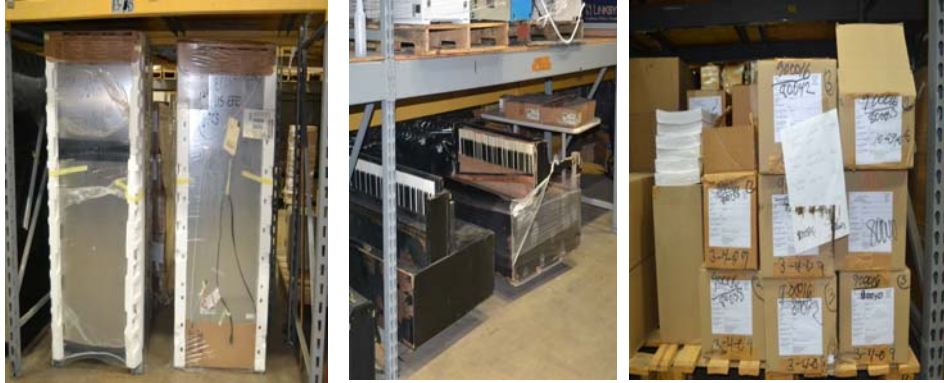
From left: a photo of the cage; items recorded with incorrect serial numbers; and high value items (portable refrigeration units) outside the cage. (EPA OIG photos)

2. Warehouse Contents

The warehouse is operating as a long-term storage facility filled with considerable amounts of unusable, inoperable and obsolete furniture and other miscellaneous items. There is not efficient rotation of paper stock, resulting in outdated, damaged and unusable paper and print shop materials. In addition, most of the warehouse space did not appear to be efficiently used. Our observations raised concerns about the efficiency of EPA's policy for obtaining and storing property. In particular, we observed:

- New appliances received in 2007 still in the original packaging that had never been opened.
- New, unused furniture received in 2008.
- Large amounts of carpet and ceiling tiles.
- Large amounts of stationery and office supplies.

Other miscellaneous items stored in the warehouse that call in to question the effectiveness of the EPA's personal property and warehouse management policies and processes include musical instruments, boxes of gold embossed EPA mugs, and archive files from the 1990s.



From left: refrigerators received in 2007; pianos; and boxes of letterhead. (EPA OIG photos)

3. Personal Use Items

The warehouse contained multiple unauthorized and hidden personal spaces created by and for the workers that included televisions, refrigerators, radios, microwaves, chairs and couches. These spaces contained personal items, including photos, pin ups, calendars, clothing, books, magazines and videos. The unauthorized personal spaces were arranged so that they were out of sight of security cameras through the use of screens, partitions and piled-up boxes.



Photos showing examples of unauthorized personal spaces. (EPA OIG photos)

The warehouse contained surplus gym equipment arranged to create exercise space for warehouse employees. The weights, machines, exercise equipment, and overall exercise area appeared to be well maintained. The exercise space was in excess of 30 by 45 feet. Carpet tiles from EPA inventory were placed on the floor in the gym area. This area has electrical power through an EPA power strip and provides music through other agency inventory items. Agency steno pads were used for recording workouts. These conditions raise questions about time charges made by warehouse employees under the contract. These conditions also present potential fire and insurance hazards if warehouse employees or others get hurt.



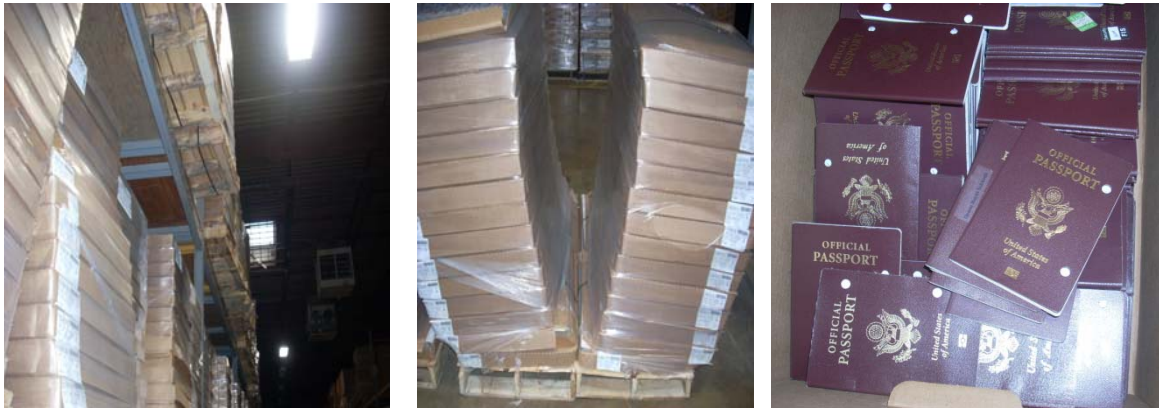
An example of a gym area in the warehouse. (EPA OIG photo)

4. Security and Safety Issues

The warehouse was not adequately maintained. Potential security and safety hazards existed in the warehouse. The current conditions left warehouse contents vulnerable to theft and abuse and can jeopardize the health and safety of workers.

There were unsecured racks (shelves) and poorly balanced inventory items that hung over the upper edges of the racks. Many items were unsecured on pallets with their bindings removed, and many boxes on pallets were open. Personal spaces were powered by multiple electrical cords that may cause overloads, resulting in potential fire hazards. Propane was stored and trucks were parked inside the building. Other vehicles containing gasoline were being stored in an enclosed area.

Surplus computers stored at the warehouse represent potential concerns with the disposal procedures for such electronic items. Limited camera coverage throughout the facility could allow employees to avoid monitoring. There was a locked office inside the facility for which we could not determine a purpose. Personally identifiable information and agency sensitive files – such as passports and legal files – were located in unsecured open boxes throughout the warehouse. Old archived files located in the warehouse dated back to 1992 and raise concerns with the EPA's processes and controls for personal property and warehouse space.



From left: safety risks posed to personnel in the warehouse include wooden pallets with boxes hanging over the edge of shelves, and unbound and opened boxes still on pallets that are beginning to collapse; security risks include improper handling of passports. (EPA OIG photos)

5. General Warehouse Conditions

Deplorable conditions existed in the warehouse. Door jambs were corroded; dirt, dust and vermin feces were pervasive; and several items were rotting and potentially hazardous. We observed refrigerators with mold, and old computer bags molding and rotting. The warehouse contained large amounts of surplus items and copy paper stored in different places throughout the warehouse.



From left: an example of corrosion; dusty and opened boxes; and moldy computer bags. (EPA OIG photos)

Agency Corrective Actions

Subsequent to our briefing to the agency on the conditions noted at the warehouse, the agency issued a stop work order to the contractor, ensuring there will be no further access to the site by contractor personnel and that no further costs will be incurred under the contract. Further, the agency has taken the following additional actions:

- Completed an inventory on the contents of the warehouse and is working on getting the inventory appraised.
- Identified and segregated all surplus furniture.
- Reviewed background investigations on warehouse employees.
- Removed flammable materials, including propane tanks, from the warehouse.
- Performed a health and safety review, and began to develop a remediation plan to eliminate security and safety issues.
- Reviewed security footage for May 17, 2013, and the 7 preceding days.

The agency has also committed to completing the following tasks:

- Identify any potential breaches of personally identifiable information located in the warehouse.
- Complete standard operating procedures in various areas of warehouse operations, including the identification or designation and safeguarding of records and personally identifiable information.
- Develop security plans on both internal and external measures.
- Conduct an agencywide review of all warehouse and storage facility operations.

We are encouraged by the speed and depth of the actions taken by the agency to address the conditions at the warehouse. We believe that the agency should evaluate their warehouse needs to determine the correct space and resource requirements. The agency should also implement procedures to ensure that the conditions are not repeated in the future. In particular, agency personnel, including senior management, should conduct periodic inspections of warehouse operations to ensure propriety.



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C. 20460

Appendix A

MAY 23 2013

OFFICE OF THE
ADMINISTRATOR

MEMORANDUM

SUBJECT: Conditions at the U.S. Environmental Protection Agency's Warehouse in Landover, Maryland

FROM: Bob Perciasepe, Acting Administrator

A handwritten signature in black ink that reads "Bob Perciasepe".

TO: Arthur A. Elkins, Jr., Inspector General

I wish to thank you and your staff for bringing to my attention the conditions at the U.S. Environmental Protection Agency's warehouse in Landover, Maryland. Given the significance of the issues raised by the Office of Inspector General in a preliminary briefing to me on May 15, 2013, and in a second briefing to Nanci Gelb, principal deputy assistant administrator for the Office of Administration and Resource Management, on May 16, 2013, the EPA has taken immediate, aggressive actions to address the situation even before receiving recommendations for action in your forthcoming early warning letter. Once the EPA receives that letter, we will quickly review any recommendations of the OIG that we have not yet addressed. We look forward to working with OIG staff on remedying the immediate concerns at the facility and determining the need for new and enhanced policies and procedures to prevent a similar situation from occurring again at the EPA.

As detailed below, since receiving these briefings, the EPA has:

- issued a stop-work order to Apex Logistics, LLC, ensuring there will be no further access to the site by Apex personnel and that no further costs will be incurred under the Apex contract;
- re-secured the facility, including rekeying all exterior doors and remediating key worker safety concerns;
- inventoried and catalogued 100 percent of the items at the warehouse, excluding one class of furniture that requires the assistance of the manufacturer for cataloguing;
- identified, marked and segregated all surplus furniture, which will enable the reuse of the furniture by the General Services Administration;
- drafted new standard operating procedures for interacting with and maintaining the warehouse, which the EPA intends to implement expeditiously;
- consulted with the U.S. Department of State and implemented immediate changes to existing procedures to ensure safe handling of expired or no longer needed government passports;
- initiated an investigation and review by the agency's Breach Evaluation Team to evaluate any potential concerns with the safeguarding of personally identifiable information and to make recommendations as to how to address any breach or potential breach of the EPA's procedures to protect such information;
- commenced a review of the EPA's records program to identify and strengthen any policies and procedures addressing the transport, storage, access and disposition of agency records, including records that contain personally identifiable information;

- began a review of EPA personnel to determine whether any agency employees failed to perform their duties and, if so, what type of remedial or disciplinary action is appropriate; and
- ordered an agencywide review of warehouses and storage facilities, including directions to EPA senior managers to evaluate the conditions at all warehouses and storage facilities by the close of business on Thursday May 23, 2013.

Chronology of Actions by the EPA to Date

Actions Taken on Friday, May 17, 2013

Upon receiving a briefing by the OIG, the EPA took immediate action to remedy this situation. On Friday, May 17, 2013, OARM Principal Deputy Assistant Administrator Nanci Gelb and senior agency officials from OARM conducted a site visit to the warehouse and developed a plan of action. At 11 a.m. on May 17, 2013, OARM officials convened a meeting of senior managers from OARM, including those from OARM's Office of Administration, Office of Acquisitions Management and Office of Grants and Debarment; the Office of General Counsel; the Office of International and Tribal Affairs; the Office of Environmental Information; and the Office of External Affairs and Environmental Education to discuss each office's role and responsibilities in that action plan. Each office or sub-office left the meeting with clear direction on immediate steps to take in response to the warehouse conditions.

By 4 p.m. on May 17, 2013, the EPA had taken critical actions to remove Apex Logistics, LLC employees from the warehouse and to secure the site. The agency issued a stop-work order to Apex, immediately preventing Apex from completing any additional work under the contract or from incurring any additional reimbursable expenses under the contract. The Office of Acquisitions Management also determined this was the only contract Apex held with the EPA. The EPA's security staff confiscated the EPA contractor badges that had been issued to Apex personnel that were onsite and escorted those personnel off the premises. Contractor employees not at the site on May 17, 2013, had their access badges terminated remotely on May 17, 2013, as well. The EPA rekeyed all perimeter doors to ensure no future access by Apex personnel. The agency evaluated the security-camera system at the facility, determined that the most recent eight days of security-camera recordings were stored on a computer hard drive at the facility and conducted an initial review of the recordings. The EPA reset the warehouse intrusion-detection system to ensure that the system could be activated and deactivated by only the EPA. The EPA also contacted the warehouse landlord to update the landlord on the situation and seek assistance in controlling the site. The agency began the process of cataloguing and indexing the contents of the warehouse. Finally, the agency secured the services of a new contractor and several staff of the EPA to assess the facility during the weekend of May 18-19, 2013. Those actions are discussed below.

In addition to the efforts to secure the facility on or before Friday May 17, 2013, the EPA took key actions within the agency to address information security issues identified by OIG. OITA contacted the Department of State to determine an interim standard operating procedure for the decommissioning of expired or no longer needed government passports for agency personnel. Beginning immediately, the EPA will send expired or unneeded government passports to the Department of State for destruction, until such time as the agency can put in place a passport decommissioning process with the appropriate safeguards. OEI determined that the presence of documents containing personally identifiable information at the warehouse, when considered in light of the other conditions at the warehouse, warranted referring the matter to the EPA's Breach Evaluation Team. The Breach Evaluation Team comprises EPA senior career employees and is tasked with evaluating any breaches or potential breaches of the EPA's procedures for safeguarding personally identifiable information and determining appropriate responses to any breach or potential breach. OARM's Office of Grants and Debarment began the process of determining whether the problems identified with Apex's performance of this

contract provide grounds for a suspension action. If suspended, Apex would be temporarily excluded from receiving future contracts from the EPA and other federal agencies.

Actions Taken by the EPA on Saturday, May 18, 2013, and Sunday, May 19, 2013

EPA personnel worked at the warehouse with new contract employees during the weekend of May 18-19, 2013, to continue to evaluate and secure the site. The EPA initiated a health and safety review of the warehouse. The agency removed all propane tanks that had been brought onsite by Apex employees and secured those tanks outside of the building. Finally, the agency reoperationalized the facility's eye wash station for the safety of the workers in the building.

The EPA also made significant progress creating a new inventory of the warehouse's contents. By the end of the weekend, the agency had numbered and labeled all aisles and shelves in the warehouse. The EPA completed an inventory of all items in the warehouse, except for stationery and a single class of furniture that must be inventoried by the manufacturer. One hundred percent of that inventory was entered into a spreadsheet to enable accurate tracking moving forward. Staff from OARM identified, marked and segregated all surplus furniture, i.e. furniture no longer needed by the EPA. By designating serviceable furniture as surplus, the EPA begins a process where that furniture will be made available to other agencies through the General Services Administration. With regard to stationery, the EPA completed an inventory of approximately 75 percent of the stationery on site. Finally, the agency evaluated all of the boxes of documents on site to assess whether the boxes contained personally identifiable information. The review confirmed that some boxes did contain personally identifiable information in a range of dates. Any boxes that contained even a single document containing personally identifiable information were moved to a gated, locked and secured section of the warehouse. All information learned about the presence of personally identifiable information has been and will continue to be conveyed to the Breach Evaluation Team for consideration.

Actions Taken by the EPA on Monday, May 20, 2013

The EPA continued its aggressive response on Monday, May 20, 2013. On that day, the agency completed its inventory of all stationery at the warehouse. With the inventory of the stationery completed, the agency finalized the spreadsheet cataloguing an inventory of all items at the site, except for one type of furniture for which assistance from the manufacturer is required. The EPA began the development of a new security plan for the facility that focuses on both internal and external security measures. This plan will include specifying locations where additional cameras will be placed, how many days of recordings will be preserved for each camera, how often the recordings will be reviewed and any other appropriate security measures. Once the new security plan is in place, the EPA will develop critical standard operating procedures to implement the plan. The EPA also neared completion of its review of the numerous examples of government form 5100, which is the form the agency uses to request action by Apex under the contract. The EPA will use these forms to help identify the source of the various documents and furniture contained at the site. Finally, the agency continued work on the finalization of interim SOPs to safeguard agency documents and resources until permanent SOPs can be established. The SOPs address operational and management procedures and specify internal controls relating to inventory, acquisition, performance reviews and management.

The EPA also continued to take actions and evaluate possible actions with regard to Apex Logistics, the contractor at the facility. While the EPA's stop-work order would prevent Apex from conducting additional work through the current end date of the contract of May 28, 2013, the agency began a legal analysis to determine whether the EPA could terminate the contract for cause before May 28, 2013. OARM's Office of Grants and Debarment and Office of Acquisitions Management continued to work with OGC and OIG to determine whether suspension or debarment of Apex from future government

contracts can be supported by the facts available. The EPA reviewed agency background investigations of Apex employees to help inform future actions. The agency took control of any computers that appeared to have been used by Apex personnel. OARM will work with OEI and OIG to recover any information relevant to the situation that is contained on those computers.

Actions Taken by the EPA on Tuesday, May 21, 2013

On Tuesday, May 21, 2013, the EPA took additional steps to address the situation. At 8 a.m. OARM's Gelb reconvened a group of senior agency officials, including OARM senior officials and those from OARM's Office of Administration, Office of Acquisitions Management and Office of Grants and Debarment as well as those from OGC, OEI and OEAE. Each office reported on their actions taken to date and key next steps. At 9 a.m. Gelb and representatives from OGC, OEI, OEAE, OITA, the Office of the Administrator and the Office of Congressional and Intergovernmental Relations briefed me on the agency's actions in response to the briefings by OIG, the current conditions of the warehouse and the plan for continued action.

At that meeting, I directed those present to evaluate the conditions at all warehouses and storage facilities used by the EPA and to take swift action to remedy any concerns identified with the conditions at any of those facilities. Later that day, OARM directed all assistant regional administrators to ensure that all organizations with warehouse or storage facilities conduct a thorough walk-through of their facilities and report the results of that walk-through to OARM by the close of business on Thursday, May 23, 2013. The assistant regional administrators were instructed that the walk-through should ensure that:

- 1) there are standard operating procedures and inventory systems in place that account for 100 percent of all equipment, vehicles, materials and supplies that are located in the facility;
- 2) any and all equipment, vehicles, materials and supplies are stored in an efficient, organized and safe manner;
- 3) there are standard operating procedures that clearly define the roles and responsibilities of all personnel – either contractor or federal employee – that are responsible for managing and operating the warehouse or storage facility;
- 4) for any contractor-run warehouse or storage facility, that there are procedures in place that ensure robust federal oversight of the contract;
- 5) all safety and health requirements for the facility are in place and that all safety and health equipment is operational;
- 6) any materials that are stored in the warehouse or storage facility that contain personally identifiable information are stored in a secure and safe location;
- 7) there are standard operating procedures in place for storage, handling and disposal of personally identifiable information; and
- 8) adequate security procedures are in place to ensure that the perimeter and interior space of the warehouse or storage facility are adequately secured and protected.

Later in the evening of May 21, 2013, Acting Principal Deputy General Counsel Kevin Minoli forwarded these instructions to the agency's regional counsels and deputy regional counsels and asked those individuals to assist the assistant regional administrators in completing this review. Within the EPA's headquarters similar instructions were provided to OIE, the Office of Research and Development, the Office of Solid Waste and Emergency Response and the Office of Air and Radiation. OARM and OGC will provide support to those offices as they examine any warehouse or storage facilities within their control.

In addition, OEI continued its effort to identify and implement improvements to the agency's management of records, including records that contain personally identifiable information. In particular, OEI intends to review and strengthen, if necessary, existing policies and procedures addressing the sensitivity level of records and the identification of such before the transport of those records to a storage or disposal facility. OEI will also ensure that safeguards for protecting personally identifiable information are a part of future records trainings for agency employees. They will work with property management and the Facilities Management Services Division in OARM to identify the established processes for safeguarding personally identifiable information in warehouses and storage facilities and improve those processes where necessary. Finally, OEI will work with the Facilities Management Services Division to revise standard operating procedures to ensure every EPA form 5100 is properly marked, whether for storage or shredding, when the form denotes that the files subject to the Form contain personally identifiable information or other sensitive information.

The EPA also continued its efforts at the warehouse facility on Tuesday May 21, 2013. The agency completed its safety and health audit of the facility to ensure that all of the worker health and safety issues identified by OIG employees or EPA employees had been addressed. Renee Page, director of OARM's Office of Administration, conducted a walk-through of the facility for Gelb and Minoli. The EPA continued work on a contract for interim logistics support until a permanent contract is awarded in June 2013. Finally, OARM began a review of the performance of employees responsible for the oversight and monitoring of the contractor's performance and will determine the appropriate response.

Conclusion

I deeply appreciate the strong relationships we have with OIG and your continued assistance to the EPA. As can be seen from the EPA's aggressive, comprehensive and coordinated response, the EPA took very seriously the conditions at the warehouse identified by OIG. During the past seven days, the EPA has taken significant steps to eliminate the conditions of concern identified by OIG in its initial briefing of agency leadership. I and agency staff will continue to update you and OIG staff on agency actions in the days ahead and will follow up with you as we receive any additional recommendations from your office.

The EPA is committed to addressing the previous conditions at the warehouse and implementing institutional protections to ensure those conditions do not recur at this facility or any other used by the agency. We look forward to working with OIG on any additional recommendations for action that you may have.

cc: Craig Hooks
Michelle DePass
Malcolm Jackson
Brenda Mallory
José Lozano
Tom Reynolds
Arvin Ganesan
Gwendolyn Keyes-Fleming
Kevin Minoli
Nanci Gelb
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