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

JUL 16 2012

MEMORANDUM

SUBJECT: Response to OIG Final Report No. 12-P-0417 "Weaknesses in EPA's Management of the Radiation Network System Demand Attention"

FROM: Gina McCarthy
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TO: Arthur Elkins
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This memorandum is in response to the Office of Inspector General's (OIG's) final report dated April 19, 2012: *Weaknesses in EPA's management of the Radiation Network System Demand Attention.*

The Office of Air and Radiation (OAR) and the Office of Administration and Resources Management (OARM) transmit the Agency's consolidated response to this report as an attachment to this memorandum.

Please feel free contact us, or your staff may contact Mike Flynn at 202-343-9356, if you have any questions, comments, or concerns.

Attachment

cc: Michael D. Davis, OIG

RESPONSE TO OIG REPORT (Report No. 12-P-0417, April 19, 2012)

This response is organized into two main sections. The first section provides responses to all of the recommendations made in the final report. The second section provides additional comments on the final report that EPA considers important to clarify, particularly statements concerning "relaxed quality controls" since the EPA continues to contend that this is inaccurate, as described in the EPA response to the draft report.

Responses to OIG Recommendations

Recommendation 1a: *Establish and enforce written expectations for RadNet operational readiness commensurate with its role in and importance to EPA's mission. Include, at a minimum: Percentage of stationary monitors expected to be operational.*

> **Response**: The RadNet mission and objectives provide a broad framework for providing data and information; therefore, the network does not lend itself to defining one number as indicating "operational readiness." However, EPA keeps as many monitors operating as possible and has established a goal of having at least 80% of the monitors operating at all times.

Recommendation 1b: *Establish and enforce written expectations for RadNet operational readiness commensurate with its role in and importance to EPA's mission. Include, at a minimum: Maximum length of time stationary monitors are permitted to be nonoperational.*

> **Response**: EPA concurs and has established procedures for reporting to ORIA and OAR management when RadNet fixed monitors are nonoperational for certain periods of time. Monitors that are nonoperational for more than 14 days are reported to ORIA in the weekly report (see response to recommendation 2b). Monitors that remain nonoperational for more than 30 days are reported to OAR management in the monthly report (see response to recommendation 2b). These new procedures became effective April 1, 2012.

Recommendation 1c: *Establish and enforce written expectations for RadNet operational readiness commensurate with its role in and importance to EPA's mission. Include, at a minimum: Plan for temporarily backing up broken stationary monitors when operational status is lower than required.*

> **Response**: EPA concurs with the importance of maintaining the operational status of the RadNet system and has evaluated various options for addressing broken stationary monitors. After an evaluation in March of 2012, EPA determined that the best way to maintain monitor readiness is to have an adequate stock of proprietary spare parts available (which is the current status). This approach provides a faster way to make monitors operational because parts are quicker and easier to ship than a complete

monitor, and repair takes less time than installation of a new monitor. In the event that repairs cannot be made in a timely manner, EPA will temporarily back up the broken stationary monitor with a deployable monitor if the number of monitors falls below our 80% operational goal.

Recommendation 1d: *Establish and enforce written expectations for RadNet operational readiness commensurate with its role in and importance to EPA's mission. Include, at a minimum: Availability of monitor operators.*

Response: EPA concurs with the importance of monitor operator availability. On March 30, 2012, EPA finalized documentation of ongoing measures for maximizing operator availability. EPA uses volunteers as monitor operators, without compensation for their time and effort. Therefore, EPA cannot assign volunteers or enforce expectations upon them. However, EPA performs a number of activities, which are summarized in the following, to maximize operator availability. RadNet personnel work closely with their partners, particularly the EPA regions, to do their best in recruiting volunteer operators. When a suitable volunteer operator is identified, EPA also requests a backup volunteer who works with the primary operator to maximize operator availability. Once EPA finds an operator, the RadNet coordinator provides information to them routinely and is in frequent contact by phone. EPA also provides recognition, such as letters of appreciation to their supervisors, for their service in an effort to maintain a good relationship with the volunteers. The response to recommendation 2d contains provisions for reporting to senior EPA management when operators are unavailable for an extended period of time.

Recommendation 2a: *Implement metrics for RadNet operational readiness to be reviewed daily by NAREL, and periodically by OAR (at least monthly) and by the Deputy Administrator (as needed), to include, at a minimum: Percentage of monitors operational.*

Response: EPA concurs with the importance of maintaining operational readiness metrics. NAREL continues to monitor measure and review RadNet operational readiness every business day. The percentage of operating monitors has been included in written reports beginning the first week in April 2012. The reports are usually provided the first business day of the week following the period the report covers, which is weekly for ORIA and monthly for OAR management. OAR management will advise the Deputy Administrator when deemed appropriate.

Recommendation 2b: *Implement metrics for RadNet operational readiness to be reviewed daily by NAREL, and periodically by OAR (at least monthly) and by the Deputy Administrator (as needed), to include, at a minimum: Length of time in nonoperational status.*

Response: EPA concurs with the importance of maintaining operational readiness. The reports described in response to recommendation 2a include a list of the monitors which have been nonoperational for a period of time exceeding the times noted in the response

to recommendation 1b. The reports are provided the first business day following the period the report covers, which is weekly for ORIA and monthly for OAR management. The reporting process began the first week in April 2012.

Recommendation 2c: *Implement metrics for RadNet operational readiness to be reviewed daily by NAREL, and periodically by OAR (at least monthly) and by the Deputy Administrator (as needed), to include, at a minimum: Need for backup monitors when operational status is too low.*

Response: EPA concurs with the importance of maintaining operational readiness. This expectation is being met primarily through the repair of out-of-service monitors but when needed, EPA will use deployable monitors. The reports described in response to recommendation 2a note when repair of a monitor is required, as described in response to recommendation 1c. This reporting process began the first week in April 2012.

Recommendation 2d: *Implement metrics for RadNet operational readiness to be reviewed daily by NAREL, and periodically by OAR (at least monthly) and by the Deputy Administrator (as needed), to include, at a minimum: Operator availability.*

Response: EPA concurs with the importance of maintaining operational readiness. The reports described in response to recommendation 2a note operator availability issues if they arise. This reporting process began the first week in April 2012.

Recommendation 3a: *Direct that NAREL improve planning and management for RadNet to include, at a minimum: Provide for in-stock spare parts to assure operational status established under recommendation 1.*

Response: EPA concurs and has an inventory of spare parts along with a process to obtain additional parts. EPA has received multiple shipments of spare parts, and currently has a surplus inventory. Funding for spare parts for current and future years is also included in NAREL's projected long-term RadNet budget. This budget is based upon repair rates to date coupled with aging of the monitors. Additionally, NAREL is pursuing the required funding to have the repair contractor investigate lower cost/higher availability spare parts.

Recommendation 3b: *Direct that NAREL improve planning and management for RadNet to include, at a minimum: Implement measures to assure that operators are available.*

Response: EPA concurs with the importance of maximizing operator availability. On March 30, 2012, EPA finalized documentation of ongoing measures for maximizing operator availability and includes information concerning operator non-availability in reports described in response to recommendation 2a. EPA uses volunteers as monitor operators, without compensation for their time and effort. Therefore, EPA cannot assign

volunteers or enforce expectations upon them. However, EPA performs a number of activities, which are summarized in the following, to maximize operator availability. RadNet personnel work closely with their partners, particularly the EPA regions, to do their best in recruiting volunteer operators. When a suitable volunteer operator is identified, EPA also requests a backup volunteer who works with the primary operator to maximize operator availability. Most locations have a backup operator identified and fully trained in all aspects of monitor operations. Once EPA finds an operator, the RadNet volunteer coordinator provides information to them routinely and is in frequent contact by phone. EPA also provides recognition, such as letters of appreciation to their supervisors, for their service in an effort to maintain a good relationship with our volunteers. The response to recommendation 2d contains provisions for reporting to senior EPA management when operators are unavailable for an extended period of time.

Recommendation 3c: *Direct that NAREL improve planning and management for RadNet to include, at a minimum: How often filter changes are needed to provide consistency in throughput at NAREL's analytical laboratory and implement a metric for these filter changes.*

Response: EPA concurs with the importance of planning sample throughput at NAREL's analytical laboratory. For throughput purposes, NAREL plans on receiving approximately 4000 filter samples annually for analysis. The frequency that filters need to be changed varies widely, depending on many variables including site-specific conditions such as the amount of particles in the air. NAREL stays in regular contact with the RadNet operators, and on average, filters from operating monitors are changed at least every two weeks. NAREL uses the total estimated number of air filters (4000) it receives each year to plan and manage its annual sample throughput needs.

Recommendation 4: *Modify existing and require follow-on RadNet contracts to include incentives/disincentives and a requirement for* Monthly Performance Reviews *(MPRs).*

Response: EPA concurs with the draft report findings pertaining to **EP-W-07-076** for Fixed Air Monitoring Stations. As this contract ends on March 31, 2012 (Delivery Order 3), there is no meaningful performance period remaining against which to apply the recommendation under the existing contract.

EPA also concurs with the draft report findings pertaining to **EP-D-08-068** for repair and maintenance services. However this contract has expired, and follow-on contract **EP-D-12-003,** awarded on December 12, 2011, for RadNet Air Maintenance, includes detailed performance metrics and provides for a deduction in the invoiced amount for failure to meet those targets. Contract **EP-D-12-003** also contains detailed invoice reporting requirements which duplicate the information included in an MPR, thereby satisfying the recommendation.

With respect to contract **EP-D-10-085,** again EPA concurs with the report findings. The acquisition process is underway to replace **EP-D-10-085** for RadNet monitor spare parts,

and the resultant contract will include performance metrics and associated incentives, quality control requirements, and a requirement for Monthly Progress Reports (MPRs). This contract is scheduled for award prior to the end of FY 2012.

Recommendation 5: *Require the CO and COR to formally evaluate RadNet contractors' performance on an annual basis and enter information into PPIRS through CPARS.*

Response: EPA continues to track and report timely completion of contractor performance evaluations under a Balanced Scorecard Internal Business Performance Measure, which require 100% of contracts eligible to be entered into CPARS during the fiscal year, and a target of not less than 90% of past performance evaluations to be accomplished in CPARS within timeframes required in the Federal Acquisition Regulations (FAR). As part of this process, new and/or ongoing contracts will receive priority for completing past performance reporting over expired contracts, although contractor performance evaluations will be brought up to date as applicable.

Recommendation 6: *Determine whether domestic contract options are available for crucial repair parts that are identified as only being available from a foreign subcontractor.*

Response: In accordance with FAR Part 10, market research conducted by EPA, in coordination with NAREL, has facilitated the reduction of foreign-sourced line items under contract **EP-D-10-085** from thirty-seven to eleven in the new RadNet spare parts acquisition. Those twenty-six parts identified through the market research process are anticipated to be sourced domestically. This contract is anticipated to be awarded prior to the end of FY 2012.

Recommendation 7: *Review the information in MATS for OIG Report No. 09-P-0087 and ensure it is accurate and current.*

Response: OIG Report No. 09-P-0087 contained findings and recommendations on several OAM contracts/orders. Following is the status on those past performance reporting requirements identified in MATS, as well as the RadNet delivery schedule.

- Past performance evaluations for EP-W-05-012 were finalized in the system on 1/30/2009.
- Past performance evaluations for 2008 and 2009 for Delivery Order 2 under EP-W-07-076 were finalized in the system on 1/30/2009.
- The 2010 past performance evaluation for Delivery Order 2 under EP-W-07-076 was finalized on 2/3/2012.
- The past performance evaluation for Delivery Order 3 under EP-W-07-076 was initiated in May 2012.
- The expected completion date of installation or receipt of monitors is October 2012.

Recommendation 8: *Track the installation of the RadNet monitors against the revised schedule and use the contract requirements in recommendations 4 and 5 to hold the contractor accountable.*

> **Response:** EPA concurs with recommendation 8. Monitor deliveries are still pending and the CO is currently in negotiations with the contractor for consideration for late deliveries.

Comments on Text of Report other than the Recommendations

The discussion below notes EPA's primary concerns regarding conclusions stated in this report. EPA continues to have concern over the inaccurate assertion that "relaxed quality controls" were in place. Specifically, EPA disagrees with the assertions that operators have been required to change filters twice a week and that "out-of-service monitors and unchanged filters may reduce the quality and availability of critical data." These statements are presented throughout the report, including the "At a Glance" section.

The report states that "unchanged filters" may reduce the "quality and availability of critical data." However, as noted in our response to the draft report, variation in the time between filter changes does not adversely affect data quality or availability. The filters from the RadNet real-time monitors measure radiation emitted from the filters themselves and the monitors report the results continuously. Thus, the frequency of the filter changes for the RadNet real-time monitor does not affect the quality of the results from either the real-time data (from the filters) or the laboratory analysis of the filters.

The report also states that the EPA 2010 QAPP required operators to change filters twice per week. The only times twice weekly filter changes were cited in any documentation for the RadNet fixed, real-time air monitoring network were either for laboratory throughput estimation, estimation of burden to operators for the Office of Management and Budget (OMB), and in a section title "Time Line for RadNet Fixed Monitor Installations" that does not contain information that directs or requires specific operations or procedures. None of these citations are operator requirements (nor are these associated with data quality).