



Reply to Attn of: W/9900

November 30, 1995

TO: 0100/Director

FROM: 0160/OIG Center Director, LeRC

SUBJECT: Airport Courier Service
Management Letter M-LE-96-001

Having received allegations of possible misuse of the LeRC airport courier service, the Office of the Inspector General (OIG) made some inquiries and reported its concerns in a memorandum dated May 30, 1995. That memorandum was intended as a "heads up" to management and is provided as Attachment 1. I am convinced that LeRC management needs to reevaluate the courier service in terms of its compliance with existing NASA regulations and its impact on the LeRC security guard force--especially the third shift.

In the past few months, LeRC management has done little to address our concerns. During this same time period, additional information was gathered by and provided to this office. In an October 4 meeting with center officials on this subject, management requested a written product on the OIG's observations to assist its analysis of the existing courier service. The work on which our opinions are based was *not* performed in accordance with generally accepted government auditing standards.

Background

Due to LeRC's proximity to the airport (5 miles round trip), the Center provides a transportation service to and from the Cleveland Hopkins Airport. This service has been provided to civil servants, resident personnel, and contractors on official government travel for many years.

Currently, Cortez III Corporation provides the courier service under an \$8.2 million, cost plus award fee contract with LeRC, due to expire in June 1996. Cortez provides courier service 24-hours a day, 7 days a week. Under LeRC's Logistics Branch, Cortez provides an airport courier from 6 a.m. until 5 p.m. on weekdays. Under LeRC's Security Office, Cortez provides security personnel through a subcontract with the Rhodes Service Company (hereon referred to as security). The Rhodes security guards provide airport courier services at the times when the Cortez daytime courier is off duty. The daytime courier uses an NASA-marked van as airport

transportation, whereas security uses patrol cars operated by armed and uniformed security guards.

In 1994, LeRC formed an Airport Courier Service Study Team to explore the most cost-effective way to transport LeRC travelers to and from the airport for purposes of official business. The Team's report, issued February 9, 1995, identified several events necessitating a thorough review of the service, including whether it should be continued. These events included significant budget cuts involving security guards, and a concern over security's degraded response time to emergency situations. According to the chairperson, a lack of sufficient and valid data made it impossible for the Team to concretely recommend continuing or eliminating the service. Instead, the Team presented its analysis of the available information and left it to center management to decide whether (1) security's efforts should be limited to security matters or (2) the courier service was a worthwhile function to be continued. Center management decided in favor of the latter -- a decision which has not been well received by some security personnel.

As a result of our inquiries, we have four concerns:

- (1) NASA's Financial Management Manual (FMM) policy is not being followed.
- (2) Adequate internal controls do not exist to ensure that the courier service is properly used.
- (3) Security functions are not always being completed due to the amount of time needed to make airport runs.
- (4) Current practices may be adversely affecting the Center's image with the public.

FMM Policy

FMM 9735-1 on incidental transportation states:

when going to and from the airport terminal, NASA employees should utilize (to the maximum extent possible) available courtesy or government transportation for all or part of the distance involved for travel, prior to using a taxi or privately-owned vehicle (POV).

When we mentioned this requirement at the October meeting, those in attendance were unaware of the FMM provision.

According to three of four travel examiners interviewed, the majority of LeRC employees are parking their POV at the airport instead of using LeRC's airport courier service. As a result, LeRC's

(1) *airport courier service is under-utilized and*

(2) *travel costs are higher because of parking charges.*

Although the FMM does not address contractor personnel, LeRC offers the courier service to contractor employees and others on government business. Because the majority of LeRC contracts are cost-plus type contracts, contractors' airport parking costs are probably being charged to the government. Inefficiencies exist because LeRC is paying for the courier service *plus* parking costs.

We suggest that management consider:

1. Requiring all NASA employees to use the courier service per the FMM and to justify any nonuse. In implementing this, the Travel Branch could scrutinize travel vouchers to ensure that the same people are not repetitively claiming reimbursement for airport parking in lieu of using the courier service.
2. Formally requesting that all contractors and subcontractors use the courier service to the maximum extent possible, and monitoring this effort.

Current Courier Controls

Center management is required to implement an adequate internal control system to ensure that the courier service is used for legitimate purposes and by legitimate travelers, and to follow laws. The following chart describes LeRC's current transportation policies and the OIG's views of them.

<i>CURRENT POLICY</i>	<i>OIG'S VIEW</i>
Transport only employees on official business.	Internal controls are lacking to enforce or monitor this policy.
The logistics or security courier is supposed to check a traveler's badge prior to boarding the vehicle.	This control is not consistently enforced; therefore, the courier cannot assure the traveler is an NASA employee or contractor.
Dispatchers are to ask travelers, upon booking, if they are on official business travel.	This control is not sufficient to assure that a traveler is on official government business. Additionally, this policy is neither formalized nor consistently implemented.
The driver and passengers are to wear seat belts at all times.	Seat belts are not always used by the couriers or passengers during airport runs.

LeRC's policy of viewing badges and asking if on official business is a weak internal control and does not adequately assess whether a person is on official business. Based on OIG use of the courier service this year, the couriers do not consistently ask to see an NASA badge prior to boarding the courier vehicle *when on the lab or at the airport*. Also, travelers were not consistently asked whether their travel is for official business when booking the service.

Security staff have informed us that it appears some people using the courier service are not on official business travel even though travelers state they are. In these instances, couriers have no recourse but to transport the traveler. We attempted to quantify this occurrence, but no information was available. Although Center management assured me that it is unlikely that the courier service would ever be used for anything other than official business purposes, we found information to the contrary. While interviewing the daytime courier, the OIG participated in a random airport pickup -- the courier followed LeRC policies, but the traveler did not. Most importantly, we confirmed that the traveler being transported was *not* on official government business.

Even if current policies were enforced, they would not provide the control needed to assure that the service is used properly. We had previously suggested in Attachment 1 that the courier could view travel orders as an effective way of ensuring that the service is used only for official business. LeRC management thought such a control was too rigid and unnecessary. At the October meeting, a Center official suggested having couriers take down all traveler's names before transporting them. Afterwards, on a random basis, the traveler's name and travel date would be compared against the LeRC On-line Travel System (LOTS). If the traveler was not on official business, their supervisor would be notified to take the appropriate action. In our view, this proposal is ineffective and uneconomical because it:

- only monitors civil servants, and
- would increase employee and contractor work efforts, thereby defeating NASA's current downsizing and efficiency philosophy.

Without clearly communicated policies enforced by adequate controls, it is unclear how LeRC can ensure that travelers are using the courier service for legitimate business purposes and in the best interest of the government.

With regard to the seat belt issue, LeRC is not complying with its own safety policy or the Ohio law. According to LeRC's safety manual, the Ohio Traffic Laws must be (1) abided by all personnel working at LeRC and (2) enforced by LeRC. Ohio law states that safety/seat belts are required to be worn by drivers and all passengers. Airport couriers are not requiring passengers to use safety/seat belts when providing the courier service.

We suggest management consider:

1. Implementing internal controls to ensure that only authorized employees on official business use the courier service, and that safety/seat belts are worn.
2. Formally notifying all LeRC employees and contractors of LeRC's policy on airport transportation, including, but not limited to:
 - (a) the airport courier service being the required method of transportation for civil servants and the preferred method for contractors,
 - (b) the consequences for noncompliance, and
 - (c) the requirement to wear safety belts.

Security's Involvement

Rhodes has three shifts operating 24-hours a day, 7 days a week. The first shift works from 12 - 8 a.m. and has six staff, including two patrols. The second shift works from 8 a.m. - 4 p.m. and has 13.5 security guards, including three patrols plus four entrance control clerks. Finally, the third shift works from 4 - 12 p.m. and has nine staff, including two patrols.

The Airport Courier Service Study Team report did not address the impact of the courier service on security functions. We obtained the following information which suggests that providing a courier service is both time consuming and a drain on already limited personnel.

- LeRC's 1995 records through September showed that the Logistics Branch made 2,241 trips carrying 3,833 people, and the Security Office made 1,912 trips carrying 3,159 people.
- The Logistic Branch is transporting travelers 32.8 percent of the time within a 55-hour week, whereas the Security Office is transporting 67.2 percent within a 113-hour period. Based on an OIG random sample of Security's 1995 daily logs, we found that the third shift has the most airport runs on weekdays, averaging six runs per day, totaling 1.5 hours of travel time per day or 7.5 hours a week. The second and third shifts were the busiest on weekends. The three shifts average nine runs on Saturday and Sunday, totaling 2 hours and 15 minutes of travel time. *These figures show that much of security's time is spent traveling to and from the airport, thereby reducing the time that the staff is available to perform other security functions.*

Security has an important role at NASA, and one which has taken on increased emphasis since the Oklahoma City bombing incident. According to the Cortez/Rhodes contract and NASA policy statements, security should be performing activities such as patrolling the Center's

perimeter, hazardous material storage areas, controlled access rooms, and National Resource Protection Plan areas; locking certain buildings; and performing investigations. We were told by Cortez and Rhodes security officials that buildings cannot be inspected because of the reduced security levels (only two patrol staff) and number of airport runs. They also added that two patrol staff should respond to a call or emergency (a National Resource Protection Plan requirement) to ensure the safety of the patrol staff. If one patrol person is on an airport run, then the call/emergency has to (1) be attended by one security person or (2) wait until the other patrol returns to the center. Additionally, travelers sometimes have been inconvenienced by having to wait substantial periods for an airport picked up because security guards were attending to other priority matters.

Based on the above information, we discussed LeRC's use of Cortez and Rhodes personnel at the October 4 meeting. It was suggested that to save money, the Cortez staff could work more hours thus allowing security's third shift to concentrate on security-related work. This is an option, but it may not be a cost savings because the daytime courier makes about \$13.78 per hour compared to the security guards who make \$12.26 per hour with an additional 49 cents for the shift differential (these wages are governed by the respective unions).

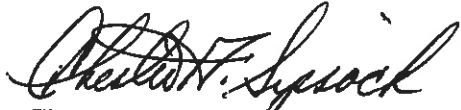
We suggest that management reassess security's role in providing courier service and the impact that providing such a service is having on the accomplishments of security's primary mission. Since the third shift (primarily from 4 to 11 p.m.) appears to be overburdened during the weekdays, we suggest that this time period be given priority attention.

Public Image

Fully uniformed security guards transport employees to and from the airport in a patrol car. Our concern is that the general public (i.e., taxpayers) is perceiving a negative image of LeRC's security service. Taxpayers have voiced concerns over government's excess spending habits and poor performance while the President is attempting to improve the government processes. Therefore, LeRC management needs to be sensitive to the perception the public gets when seeing armed security guards picking up travelers in a patrol car and assisting with baggage. This can lead to a poor public image for NASA.

Your written comments concerning this matter should be furnished to this office by January 8, 1996. Your comments should indicate the specific action(s) initiated or contemplated and a planned completion date. If no action is to be taken, indicate the reason(s) and, if applicable, any planned alternatives.

We appreciate the cooperation by LeRC and contractor employees during our recent inquiries. Should you have any questions regarding this matter, please contact me at 433-5412.



Chester A. Sipsock

Enclosure

cc:

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Reply to Attn of: 0160

May 30, 1995

TO: 0100/Director

FROM: 0160/OIG Center Director, LeRC

SUBJECT: Airport Courier Service

This office was in part responsible for suggesting that employees be required to show their travel orders when being picked up at the airport by LeRC airport couriers. I know of no other way for the couriers to ensure that they are transporting only those personnel on official duty travel. Mr. Earls' May 23 memorandum on the subject does away with this control and would require that employees only produce a badge.

I fail to see how a badge will help an airport courier determine whether an outgoing or incoming "fare" is legitimate. Clearly, someone has to determine if a violation has occurred so that the managers/supervisors could take appropriate disciplinary action. It appears that your current procedure leaves it for the courier to make a judgment call for suspicious occasions. If that is the case, this office finds the new process lacking.

If LeRC is going to rely on one specific piece of ID to verify official duty travel, it would seem more logical to use the travel orders. In fact, I cannot understand why management is reluctant to use this approach. Each traveler is required to carry such orders on their person and could produce such in addition to a badge. Absent the travel orders, the only recourse left is for the couriers either to (1) challenge "suspicious" travelers, which is likely to produce a great deal of resentment and animosity between couriers and the traveler, or (2) maintain a system of logs noting suspicious circumstances which would then need to be investigated by someone.

In discussions with several couriers, it has been reported to me that past violations probably have been more widespread than management has been led to believe. Such statistics, however, are not maintained. I have been told that couriers believe some "fares" are arriving back from downtown events, such as Cleveland Browns or Indians games, and that others are on personal travel with their family members and who use the free parking provided by NASA.

We are currently going through our annual assessment of internal controls at LeRC and will be making recommendations to NASA Headquarters concerning internal control weaknesses and whether they are significant or material. I suggest we meet on the subject of the courier service before this office makes its recommendations for LeRC.

I also was recently provided a February 9, 1995, internal study team report of the LeRC airport courier service. The report contains three recommendations which I understand have yet to be implemented. The cost analysis of the alternatives presented in the report, in my opinion, is inconclusive and suspect. It appears that a fundamental issue underpinning the study team's conclusions is the Center's perception of the role of the LeRC security force. I understand that Center management continues to believe a proper role for the security guard force is to provide courier service as necessary. According to the study team report, the guard force provides a significant portion of the overall transportation service being provided today.

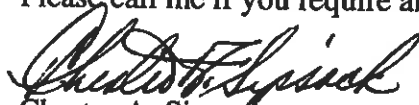
This office has a problem with Center management using trained security guards to courier LeRC personnel to and from the airport (and other destinations) in marked Government security vehicles, fully armed, and in full uniform. In this day and age, especially considering the anti-government attitudes being expressed by many taxpayers, I do not believe this Center needs to blatantly advertise the courier service to the public. In fact, if the security personnel have nothing better to do on their scheduled shifts, then it would seem that management is being afforded an excellent opportunity to reduce the present size of its guard force.

On the other hand, with the heightened concern over the recent events in Oklahoma City as well as certain other concerns, including the role that security personnel have in supporting IG work, it would seem that security issues should be a high priority, and that security personnel have more important functions to perform than providing what appears to be a personal service to LeRC travelers.

Based on all the above, I am considering initiating an audit of the airport courier service. An independent examination of this service would provide the basis for either continuing, eliminating, or consolidating this activity.

In summary, I am asking for a meeting as soon as possible concerning how LeRC will ensure that couriers only transport personnel traveling on official business. This is an internal control issue which could end up in the IG's report to the NASA Administrator. In addition, I would like to discuss the merits of having this office perform an audit of the airport courier service.

Please call me if you require anything prior to us getting together on the above issues.


Chester A. Sipsoek

cc:

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