

A03 DC 010



memorandum

DATE: October 3, 2003

Audit Report Number: OAS-L-04-01

REPLY TO
ATTN OF: IG-35 (A03DC010)

SUBJECT: Audit of "Audit of Resolution of Safety Deficiencies"

TO: Assistant Secretary for Environmental Management
Assistant Secretary for Environment, Safety and Health
Director, Policy and Internal Controls Management
Director, Office of Nuclear Energy, Science and Technology
Director, Office of Science

INTRODUCTION AND OBJECTIVE

The Department of Energy (Department) is responsible for ensuring the safety and health of people who work at and live near its facilities. A primary means of carrying out this responsibility is through the conduct of both internal and independent evaluations to identify safety deficiencies. Many systems, both at the contractor and Department sites, have been established to track identified deficiencies and ensure implementation of corrective actions.

At least five corporate systems have been established at the Headquarters level to track safety information. The Safety Issues Management System (SIMS) tracks safety deficiencies identified by the Defense Nuclear Facilities Safety Board (DNFSB), an independent review group. Similarly, the Corrective Action Tracking System (CATS) primarily tracks corrective actions for the deficiencies identified by the Office of Independent Oversight and Performance Assurance. In contrast, the Occurrence Reporting and Processing System (ORPS) is a self-reporting system which tracks safety events that could adversely affect the public, worker health and safety, the environment, national security, and the functioning of Department facilities. Also a self-reporting system, the Non-Compliance Tracking System (NTS) tracks contractor-identified safety deficiencies. Finally, the Computerized Accident/Incident Reporting System (CAIRS) contains data from the Department and its contractor on reports of injury/illness, property damage, and vehicle accident events. Specific guidance and reporting criteria have been established for each system.

The objective of our audit was to determine whether identified safety deficiencies have been corrected. Specifically, the survey focused on whether planned corrective actions had been implemented as scheduled. It did not determine whether those actions corrected the problems identified.

CONCLUSIONS AND OBSERVATIONS

The survey disclosed that some corrective actions had not been implemented as scheduled. We sampled 89 open actions¹ contained in SIMS, CATS, and NTS² and found that 36 were overdue to varying degrees. While the planned completion date for the remaining 53 actions had not passed, some milestones had been missed. Except for those delays related to the safety deficiencies reported in SIMS, Department officials were generally satisfied with the contractor's progress in completing most corrective actions. They believed that the reasons for delays were justified; and that in the recent past, the Department had made progress on many overdue actions.

Nevertheless, some officials were concerned about the Department's performance in meeting commitments to the DNFSB. Because of these concerns, in March 2003, the Deputy Secretary issued a memorandum outlining actions to enhance the Department's performance and ensure the effectiveness of actions taken in response to DNFSB commitments. Based on the survey results, and the actions already in progress, we concluded that this issue did not warrant additional effort. However, we suggest that the Department continue in its efforts to effectively address and resolve safety issues, especially with regard to the DNFSB commitments.

The survey further disclosed that the Department's safety tracking systems are not integrated. Currently, the five corporate systems and some other systems are independent and stove-piped and, therefore, do not provide management with comprehensive, collective data to monitor the status of Department-wide safety information. Three high level Department officials---the DNFSB representative; the Deputy Director, Office of Independent Oversight and Performance Assurance; and the Deputy Assistant Secretary for the Office of Corporate Performance Assessment---believed that NTS, SIMS, CATS, and other similar systems should be integrated or merged. This would enable line management to see across all systems for common issues and trends. Additionally, they believed it would be fiscally more economical to merge these systems.

An independent review, commissioned by the Under Secretary of Energy in 2001 to identify opportunities for the Department to improve safety management and gain work efficiencies, recommended that the Department make a concerted effort to consolidate some of its reporting systems. The team's findings were presented in a November 2001 report. Since that time, the Office of Environment, Safety and Health (EH) has prepared the Departmental Order that combines the reporting requirements for ORPS and CAIRS, two corporate tracking systems. According to EH officials, this is a first step to aligning these systems. However, much more needs to be done.

Therefore, we suggest that EH and the Departmental Representative to the DNFSB, in concert with the Chief Information Officer, identify all safety tracking systems and

¹ These open actions address safety deficiencies across the Department, including such sites as Los Alamos, Lawrence Livermore, and Oak Ridge National Laboratories and Savannah River Site.

² Our survey was limited to open actions contained in SIMS, NTS, and CATS.

conduct a study to determine the feasibility of merging or integrating these systems. If deemed feasible, a plan should be developed, that includes target dates, to merge or integrate those systems. Program Secretarial Offices should also conduct a study at their respective field sites to identify field systems that can be merged or integrated.

The implementation of these suggestions would assist the Department in meeting the goals of the Clinger-Cohen Act of 1996, which requires that the Department develop, maintain, and facilitate the implementation of a sound and integrated Information Technology Architecture. The vision of this architecture, among other things, is to make common, reliable data available for sharing Department-wide and minimize redundant and duplicative systems.

SCOPE AND METHODOLOGY


The audit was performed from April 2003 to September 2003 at Department Headquarters in Washington, DC, and included the Offices of Environmental Management, Environment, Safety and Health, Independent Oversight and Performance Assurance, and the Departmental Representative for the Defense Nuclear Facilities Safety Board.

To accomplish the audit objective, we:

- Reviewed Federal and Departmental requirements related to safety deficiencies and tracking systems;
- Reviewed prior external and internal reports regarding safety deficiencies and tracking systems;
- Determined the number of open and overdue deficiencies and corrective actions for the SIMS, CATS, and NTS systems;
- Examined budgetary information related to EH corporate systems;
- Reviewed a sample of reports and corrective actions from SIMS, CATS, and NTS;
- Discussed safety deficiencies and corrective actions with cognizant officials in EH and the Departmental Representative to the DNFSB;
- Reviewed existing corporate safety tracking systems for integration or linkage;
- Interviewed personnel from the Office of the Chief Information Officer regarding the Department's Information Technology Architecture; and,
- Reviewed relevant performance measures.

The audit was performed in accordance with generally accepted Government auditing standards for performance audits, and included tests of internal controls and compliance with laws and regulations to the extent necessary to satisfy the audit objective. Accordingly, we assessed the significant internal controls related to the nuclear facilities. Because our review was limited, it would not necessarily have identified all internal control deficiencies that may have existed. Additionally, we did not rely extensively on computer-processed data.

Since no recommendations are being made in this Letter Report, a formal response is not required. We appreciate the cooperation of your staff during the audit.


Lawrence R. Ackerly, Division Director
National Nuclear Security Administration
Audits Division
Office of Inspector General

cc: Departmental Representative to the Defense Nuclear Facilities Safety Board
Director, Office of Independent Oversight and Performance Assurance
Director, Office of Price-Anderson Enforcement
Team Leader, Audit Liaison Team, ME-1

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United States Government

memorandum

DATE: October 3, 2003

REPLY TO
ATTN OF: IG-35 (A03DC010)

SUBJECT: Final Report Package for "Audit of Resolution of Safety Deficiencies"

TO: Director for Performance Audits and Administration

Attached is the required final report package on the subject audit. The pertinent details are:

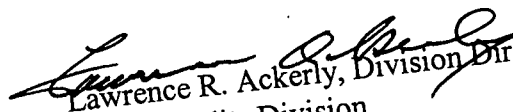
1. Actual Staff days: 161

Actual Elapsed days: 176

2. Names of OIG audit staff:

Assistant Director: David Sedillo
Team Leader: Lynda Crowder
Auditor-in-Charge: Della Bobian
Audit Staff: John Wall

3. Coordination with Investigations and Inspections: April 2003, August 2003, and September 2003.


Lawrence R. Ackerly, Division Director
NNSA Audits Division
Office of Inspector General

Attachments:

1. Final Report (2)
2. Monetary Impact Statement
3. Audit Project Summary Report
4. Audit Database Information Sheet

MONETARY IMPACT OF REPORT NO.: OAS-L-04-01

1. Title of Audit: Audit of Resolution of Safety Deficiencies

2. Division: NNSA Audits Division/Washington Audit Group

3. Project No.: A03DC010

4. Type of Audit:

Financial: _____ Performance: X
 Financial Statement _____ Economy and Efficiency X
 Financial Related _____ Program Results _____
 Other (specify type): _____

5.

FINDING		BETTER USED		QUESTIONED COSTS			MGT. POSITION	POTENTIAL BUDGET IMPACT
(A)	(B) Title	(C) One Time	Recurring	(E) Questioned Portion	(F) Unsupported Portion	(G) Total	(H) C=Concur N=Noncon U=Undec	(I) Y=Yes N=No
			(D) Amount Per Year					
	Audit of Resolution of Safety Deficiencies					N/A		
TOTALS--ALL FINDINGS								

6. Remarks: None

7. Contractor: None

10. Approvals:

8. Contract No.: None

Division Director & Date: [Signature] 10/16/03

9. Task Order No.: None

Technical Advisor & Date: [Signature]

AUDIT DATABASE INFORMATION SHEET

1. Project No.: A03DC010
2. Title of Audit: Audit of Resolution of Safety Deficiencies
3. Report No./Date: OAS-L-04-01, October 3, 2003
4. Management Challenge Area: Safety and Health
5. Presidential Mgmt Initiative: N/A
6. Secretary Priority/Initiative: N/A
7. Program Code:
8. Location/Sites: Headquarters
9. Finding Summary: N/A
10. Keywords:
 - Safety
 - Safety and Health
 - Safety Deficiencies
 - Corporate database
 - Enterprise Architecture
 - Information Technology Architecture
 - SIMS
 - CATS
 - NTS
 - ORPS