
Office of Inspector General

Audit Report

**Administration of Security Guard Contracts
Federal Aviation Administration**

**Report Number: AV-1998-120
Date Issued: April 17, 1998**





Memorandum

**U.S. Department of
Transportation**

Office of the Secretary
of Transportation

Office of Inspector General

Subject: **ACTION:** Report on Administration of Security
Guard Contracts, Federal Aviation
Administration, Report No. AV-1998-120

Date: April 17, 1998

From: 
Lawrence H. Weinrob
Assistant Inspector General for Auditing

Reply to JA-1
Attn. of:

To: Federal Aviation Administrator

I. INTRODUCTION

This report presents the results of our review of the Administration of Security Guard Contracts. Our objective was to evaluate the effectiveness of the Federal Aviation Administration's (FAA) actions to improve its administration of security guard contracts since our 1991 audit of these contracts.

Background

Each year FAA spends an average of \$6 million on contracts for 267 security guards (including 142 armed guards) to provide physical security against acts of espionage, sabotage, terrorism and theft at 35 major facilities. Guard duties include screening individuals desiring access to the facility, patrolling buildings and surrounding grounds, and preventing criminal acts that could cause partial or total loss of air safety functions at the facility.

During our 1991 audit¹, we found that FAA oversight was not adequate to ensure that security guard contractors were complying with contract requirements for guards' qualifications and provision of liability insurance coverage. We also found that FAA did not impose uniform physical fitness qualifications for contract security guards.

As a result of the prior audit, FAA issued revised guidance expanding and clarifying security guard contract requirements, including the need to obtain evidence of adequate liability insurance coverage and establishing uniform

¹ Summary Report on Audit of Contract Security Guards (R6-FA-2-015, December 20, 1991)

physical fitness requirements for all contract security guards. In addition, FAA reminded contracting officers and contracting officers technical representatives² of their responsibilities to ensure that contractors comply with contract requirements.

Our current review focused on whether FAA's oversight was adequate to ensure that guards met the minimum qualifications (which included personal suitability, firearm training and proficiency, and physical fitness) required by the contract. We reviewed 5 contracts in force as of May 1996 that provided 92 security guards (including 52 armed guards) to 6 FAA facilities. In January 1998, we updated our coverage to assess current contract administration efforts at the same six facilities we had previously visited.

Results-In-Brief

We found that actions taken by FAA since our 1991 audit have not corrected deficiencies in the administration of security guard contracts. FAA contract files at the 6 facilities we reviewed did not contain the required evidence of investigations of personal suitability for the position of security guard, certifications of firearm training and proficiency, or certifications of physical fitness on any of the 92 guards. Therefore, we reviewed the contractors' files to determine whether they had evidence that the assigned guards met the minimum requirements under the contracts. We found:

- Contractors did not conduct pre-employment suitability investigations on 80 guards and conducted only partial investigations on the 12 remaining guards. To verify an individual's personal suitability, the investigation must include the following six attributes: searches of local police files and credit files in the area of residence; inquiries of former employers, fellow employees, and references listed by the prospective guard or developed by the investigator; and schools attended.
- Contractors did not obtain written certifications for 49 of the 52 armed guards that the guards attended FAA-approved firearm training and that they demonstrated proficiency with their assigned weapon.
- Contractors did not obtain physical fitness certifications on 88 of the 92 guards. The physical fitness certification is to attest that the guard has been

² Contracting officers are primarily responsible for the award of the contract and ensuring that initial contract requirements are met. Technical representatives are responsible to the contracting officer for monitoring post-award compliance with contract terms at each facility. This includes ensuring that new personnel assigned by the contractor meet minimum requirements. Where appropriate, they are collectively referred to as "contracting personnel."

medically examined and determined physically fit for duty within the preceding 30 days. At a minimum, the results of the medical examination must verify that the individual meets specified vision and hearing parameters, is free of any communicable disease, and is in good general health without any physical defects or abnormalities that would interfere with job performance.

Further, FAA officials did not request the required Federal Bureau of Investigation (FBI) background checks or Department of Defense (DOD) security clearances on 51 of the 92 guards. In addition to the pre-employment suitability investigations required by the contract, FAA is required to request these more in-depth Government reviews for newly hired guards to ensure their integrity for the position of responsibility to which they were assigned.

These deficiencies occurred because the contracting personnel did not provide needed oversight of the contracts or were not aware of their oversight responsibilities. In addition, when FAA hired new guards, contracting personnel did not consistently advise the Civil Aviation Security Division to request FBI background checks or DOD security clearances. Due in part to FAA's failure to ensure that initiatives begun in response to our 1991 audit were effectively implemented, FAA has no assurance that security guards possess the minimum qualifications needed to protect facilities or can function as intended in an emergency.

Our January 1998 assessment of current contract administration practices at the six previously visited facilities disclosed that the same problems still existed. However, we did find that FAA had requested background checks or security clearances for a greater percentage of guards. In our previous visits, 51 of 92 guards (55 percent) did not have the required background checks or security clearances. In January 1998, 14 percent did not have background checks or security clearances.

Recommendations

We recommend that FAA direct contracting personnel to enforce contract requirements, require them to immediately obtain the needed documentation on all existing contracts, and advise the Office of Inspector General (OIG) when these actions are complete; implement controls to ensure that contracting personnel obtain evidence of guards' qualifications on existing and future contracts; and initiate termination of contractors who are unwilling or unable to comply with contract requirements.

Management Position

In its March 13, 1998, reply to the draft report, FAA agreed to take the following actions:

- Direct all contracting personnel to obtain and review documentation required to show compliance with contract requirements within 4 months, and continue obtaining required documentation on future contracts. In addition, FAA's Servicing Security element for each facility will review guard service contracts annually.
- In April 1998, advise contractors their contracts will be terminated in July 1998, if evidence of guard qualifications is not provided.
- In September 1998, initiate termination action for contractors who are unwilling or unable to provide evidence of guard qualifications.

FAA also agreed to identify a point of contact in Headquarters to oversee security guard contracts for operational facilities. The point of contract will also be responsible for assuring that contracting officers technical representatives are appropriately trained in their roles, duties, and responsibilities.

OIG Comments

FAA's planned actions are generally responsive to our recommendations. However, FAA's response is unclear as to what period of time it will give the current contractors to provide evidence of compliance with contract requirements. In its reply, FAA states contractors will be advised their contracts will be terminated in July 1998, if they do not provide evidence of guard qualifications. It also states termination action will be initiated in September 1998, if contractors cannot provide evidence they are complying with contract requirements. FAA must clarify its position and terminate contracts in July if evidence of compliance is not provided. Allowing potentially unqualified personnel to guard FAA facilities for 6 months before initiating contract termination action fails to recognize the urgency of improving security at its major facilities.

FAA also stated that contract guards had completed the required firearms training courses and that this information was made available to the OIG during its 1998 review. The table on page 10 of this report reflects the fact that FAA did indeed provide firearms training documentation to the OIG in our 1998 review. However, that documentation only applied to the Southern Region. In the Eastern Region our 1998 review disclosed initial training had been received by all guards. However, none of the guards had received the required recurrent proficiency

certificates. Therefore, we concluded that Eastern Region guards, for the two contracts reviewed, did not meet contract requirements. Clarifying information pertaining to our 1998 review has been added to the body of the report.

Scope and Methodology

Our review assessed whether FAA's administration of security guard contracts was sufficient to ensure that security guards met the minimum qualifications for the position. In addition, we reviewed whether FAA initiated the required Government background checks or security clearances.

We made the review at FAA Headquarters, Washington, DC, and three FAA Regions (Great Lakes Region, Des Plaines, Illinois; Southern Region, College Park, Georgia; and Eastern Region, Jamaica, New York). Seventeen facilities in the three Regions contracted for security guards at a total of about \$4 million (34 percent of all FAA guard contract dollars in Fiscal Years 1995 and 1996). We judgmentally selected 6 of the 17 facilities to include a representative cross section of facilities with armed and unarmed guards. These six facilities are served by four security guard contractors under five contracts. The exhibit lists the facilities and contractors. Our review covered contract administration activities on contracts in force as of May 1996 and was updated in January 1998 to reflect current contract administration practices.

To determine whether FAA's oversight of the contracts was adequate, we reviewed FAA files for certifications and other documents that contractors were to provide to support the qualifications of security guards assigned to FAA facilities. Where required documentation was not available in the FAA contract files, we examined contractors' files for evidence that the guards met the minimum qualifications for the position. We did not attempt to independently verify qualifications of security guards. We also interviewed FAA program officials and management officials of the four contractors.

Our work, performed from April through December 1996 and updated in January 1998, was in accordance with Government Auditing Standards prescribed by the Comptroller General of the United States. We included such tests of procedures and records as were considered necessary in the circumstances.

II. ANALYSIS AND RECOMMENDATIONS

Although FAA initiated actions to improve the oversight of security guard contracts following our 1991 audit, significant deficiencies still exist. Neither FAA nor the four contractors we reviewed had documents to verify security guards at FAA facilities met minimum contract requirements. Although required by the five contracts reviewed, we found little or no evidence that, before being assigned to FAA facilities, the guards had successfully passed pre-employment suitability investigations, firearm training and proficiency tests, or physical fitness requirements. Also, FAA did not request the more in-depth Government background reviews for newly hired guards. FAA needs better oversight of security guard contracts to ensure guards are qualified and capable of performing their duties and that contractors are fulfilling the terms of their contracts.

FAA Contract Files Reviewed Did Not Contain Documentation That Any of the 92 Security Guards Met Minimum Contract Requirements

FAA Order 1600.6C, “Physical Security Management Program,” requires that contractors provide FAA documentation that each security guard meets specific minimum requirements for a pre-employment suitability investigation, firearm training and proficiency (for armed guards), and physical fitness before the guard is assigned to an FAA facility. Each of the five contracts we reviewed contained appropriate requirements for the contractor to furnish FAA documentation that the guards met the minimum qualifications. Therefore, we first reviewed FAA contracting files to determine whether they contained the required documentation from the contractors.

We found that FAA contracting files did not contain the required documentation to indicate that the 92 security guards in our review met minimum qualifications. Therefore, we concluded that FAA oversight of the contracts was not adequate.

We then reviewed the contractors’ files to determine whether the contractors had evidence of the guards’ qualifications. The contractors’ files also did not contain evidence that the guards met minimum qualifications required by the contracts. In the absence of evidence of the guards’ qualifications in FAA and contractors’ files, we concluded that contractors were not in compliance with the contract. We did not independently pursue evidence of the guards’ qualifications.

Contractors Did Not Conduct Pre-employment Suitability Investigations on 80 Guards and Conducted Only Partial Investigations on 12 Guards

To ensure that the background and character of security guards are appropriate for the position, Appendix 8, Section 5, of FAA Order 1600.6C states:

The private security guard contractor shall be required to conduct or have conducted a suitability-type investigation for each individual to be assigned security guard duties at an FAA facility. The investigation shall include the following:

- (a) Search of police and credit files in the area of residence.
- (b) Inquiries of former employers, fellow employees, listed and developed references, and schools attended.

The Order also requires the contractor to:

. . . certify in writing to the FAA contracting officer that each guard has successfully passed a pre-employment suitability investigation before the guard is assigned to the FAA facility. . . . [and] provide copies of investigative reports for each contract guard to be employed by the FAA or a certified summary thereof to the FAA contracting officer prior to the individual's entrance on duty. . . .

FAA contract files did not contain documentation to indicate that the contractors had conducted a pre-employment suitability investigation for any of the 92 guards assigned to the 6 facilities we reviewed. Our reviews of the contractors' files and interviews with security firm managers confirmed that contractors did not conduct suitability investigations on 80 of the guards we reviewed. For the remaining 12 guards, a contractor had checked 1 or 2 of the 6 attributes required by the contract; however, in none of these 12 instances did the contractor investigate the suitability of assigned guards to the extent required by FAA Order 1600.6C.

In one instance, the failure to perform a suitability investigation resulted in a contractor assigning a convicted felon to guard an FAA facility. The convicted felon had unrestricted access to the facility for 3 months before an FBI background check disclosed his conviction, at which time the contractor removed the guard. The individual's conviction would have been disclosed, and his assignment to an FAA facility precluded, if the contractor had performed the required pre-employment review of local police files.

Contractors Did Not Obtain Certifications of Firearm Training and Proficiency for 49 of the 52 Armed Guards

To ensure that armed guards were properly trained and capable of handling their weapons, the contracts requiring armed guards incorporated the provisions of Appendix 8, Section 4, paragraph 9 of FAA Order 1600.6C, which states:

The contractor shall certify to the FAA contracting officer in writing that each contract guard authorized to carry a firearm at FAA facilities has successfully completed an FAA-approved firearm training course and has qualified [demonstrated a minimum level of proficiency] with the firearm to be issued prior to entrance on duty.

We reviewed FAA files for the three selected facilities staffed with armed guards (Atlanta Center, New York Center, and the New York Terminal Radar Approach Control [TRACON]). FAA files did not contain documentation that any of the 52 armed guards met the contract requirements. From the contractors' files, we were able to find documentation that 3 guards (less than 10 percent) had completed the required training course and qualified with their assigned firearms. However, even this information was not provided to FAA.

Contractors Did Not Obtain Physical Fitness Certifications for 88 of the 92 Guards

To ensure that candidates are physically fit for the position of security guard, Appendix 8, Section 3, paragraphs 5f and 6 of FAA Order 1600.6C require that:

Prior to any contract security guard assuming duties at an FAA facility, the contracting officer [or technical representative] shall require positive evidence from the security guard contractor that the individual has been medically examined by a licensed medical doctor and determined to be physically fit for duty within the preceding 30 days. The examination shall cover, as a minimum, the following:

- (1) An evaluation as to whether the individual is in good general health, without any physical defects or abnormalities which would interfere with job performance.
- (2) A determination that the individual is free of any communicable disease.
- (3) A determination that the individual possesses binocular vision correctable to 20/30 (Snellen) and is not color blind.

- (4) A test of hearing capability to determine if the individual is able to hear normal conversation at 20 feet and whispered conversation at 10 feet without the benefit of a hearing aid.

The contractor shall be required to provide written certification of the physical fitness as outlined above. The written certification shall be accompanied by a report of medical examination conducted prior to entrance on duty....

FAA files did not contain documentation that any of the 92 guards had been medically examined and certified as physically fit for duty. According to the contractors' files, only 4 of the 92 guards had received and passed the required medical examinations, but even this information was not provided to FAA.

During our review, we found medical information on one security guard that called into question her ability to perform effectively. The contractor's files contained documentation that the security guard visited a physician in 1995 after experiencing shortness of breath and weakness. According to the attending physician's report, the guard had experienced these symptoms chronically since 1987. We found no evidence that she had received the contractually required medical examination, which should have evaluated her condition and determined if she could perform her assigned duties despite her medical problems. At the time of our review, the guard was no longer employed by the contractor.

Contracting Personnel Did Not Request FBI Background Checks or DOD Security Clearances on 51 of the 92 Guards

In addition to the pre-employment suitability investigation made by the contractor, FAA Order 1600.1C, "Personnel Security Program," requires that FAA request a more in-depth Government background review at the time a new guard is hired, although the background check does not have to be completed before the guard is placed on duty. For guards at classified FAA facilities, a Department of Defense security clearance is requested; for guards at all other FAA facilities, an FBI background check is requested. When a new guard is hired, FAA Order 1600.1C requires contracting personnel to notify the Civil Aviation Security Division, which is responsible for requesting the background check or security clearance.

We found that contracting personnel did not consistently inform the Civil Aviation Security Division when new guards were hired. We reviewed FAA files and found no documentation that requests had been made to the Civil Aviation Security Division for 24 of the 56 required FBI checks and for 27 of the required 36 DOD security clearances. As indicated previously, one of these in-depth Government background reviews resulted in dismissal of a contract security guard who was found to be a convicted felon.

Contract Administration Problems Still Exist

Our assessment of current contract administration practices in January 1998 disclosed that FAA has made little improvement in ensuring compliance with three of the four attributes we reviewed. Although we found that FAA had reduced the percentage of guards that had not received FBI checks or DOD clearances from 55 to 14 percent, we also found that FAA lacked documentation that 92 percent of the guards had received pre-employment suitability investigations. Similarly, FAA lacked evidence that 79 percent of the guards met firearms training and proficiency requirements, including recurrent proficiency requirements, and 75 percent met physical fitness requirements. The following table shows the high percentage of non-compliance with FAA requirements in both 1996 and 1998. For ease of comparison, we have presented the results in percentages with the higher percentages representing an increased rate of non-compliance.

FAA Facility	Number of Guards Reviewed		Percentage of Missing or Incomplete							
			Contractor Suitability Investigations		Firearm Training		Physical Fitness Certificatio		FBI Checks or DOD Clearances	
	1996	1998	1996	1998	1996	1998	1996	1998	1996	1998
Aurora Center	10	7	100	100	N/A	N/A	100	100	10	29
Minneapolis Center	12	7	100	100	N/A	N/A	100	57	50	29
Atlanta Center	16	7	100	57	81	14	100	86	63	0
Southern Regional Office	18	8	100	88	N/A	N/A	100	0	39	0
New York Center	17	10	100	100	100	100	100	90	47	30
New York TRACON	19	12	100	100	100	100	79	100	100	0
Totals	92	51	100	92	94	79	96	75	55	14

FAA Needs Better Oversight of Security Guard Contracts

As a result of our 1991 audit, FAA issued a memorandum reminding FAA contracting personnel of their responsibilities for monitoring security guard contracts. However, we found that FAA contracting personnel still were not adequately monitoring contractor compliance to ensure that assigned guards were qualified to perform their duties.

We interviewed the four contracting officers who were responsible for the five contracts reviewed. Three contracting officers stated they were unfamiliar with their responsibilities for monitoring contractor compliance. The other contracting officer, although seemingly aware of the contract requirements, could not provide us with evidence she had followed up with the contractor to obtain the necessary documentation of guards' qualifications.

The four technical representatives involved in the five contracts we reviewed admitted they were unaware of their responsibilities for monitoring the qualifications of assigned guards. Technical representatives perform their duties on a collateral basis, and one told us she did not have time to spend administering security guard contracts.

Due in part to the failure of FAA to ensure that initiatives begun in response to our 1991 audit were effectively implemented, oversight by FAA contracting personnel is inadequate to ensure that contract requirements are being followed and that security guards meet minimum requirements before they are assigned to an FAA facility. In the absence of complete suitability investigations, firearms training and proficiency certifications, and physical fitness certifications, FAA has no assurance that a guard's background, character, and capabilities are consistent with the assigned responsibilities of safeguarding critical, and sometimes high-risk, FAA facilities.

Recommendations

We recommend FAA improve monitoring on existing and future security guard contracts by:

1. directing contracting personnel to enforce security guard contract requirements, immediately obtaining the needed documentation on all existing contracts, and advising the Office of Inspector General when these actions are complete;
2. implementing necessary controls to ensure contracting personnel obtain and review evidence of guard qualifications and to ensure required background checks or security clearances are initiated on existing as well as future contracts;
3. notifying contractors who have failed to provide evidence of guard qualifications that their contract will be terminated unless this evidence is provided by a prescribed date; and
4. initiating termination action for contractors who are unwilling or unable to comply with Recommendation 3 above.

Management Position

In its March 13, 1998, reply to the draft report, FAA agreed to take the following actions:

- By March 31, 1998, direct all contracting personnel to obtain and review documentation required to show compliance with contract requirements within 4 months, and continue obtaining required documentation on future contracts. In addition, FAA's Servicing Security element for each facility will review guard service contracts annually.
- In April 1998, advise contractors their contracts will be terminated in July 1998, if evidence of guard qualifications is not provided.
- In September 1998, initiate termination action for contractors who are unwilling or unable to provide evidence of guard qualifications.

FAA also agreed to identify a point of contact in Headquarters to oversee security guard contracts for operational facilities. The point of contact will also be responsible for assuring that contracting officers technical representatives are appropriately trained in their roles, duties, and responsibilities. FAA's response is included in its entirety as an Appendix to this report.

OIG Comments

FAA's planned actions are generally responsive to our recommendations. However, FAA's response is unclear as to what period of time it will give the current contractors to provide evidence of compliance with contract requirements. In its reply, FAA states contractors will be advised their contracts will be terminated in July 1998, if they do not provide evidence of guard qualifications. It also states termination action will be initiated in September 1998, if contractors cannot provide evidence they are complying with contract requirements. FAA must clarify its position and terminate contracts in July if evidence of compliance is not provided. Allowing potentially unqualified personnel to guard FAA facilities for 6 months before initiating contract termination action fails to recognize the urgency of improving security at its major facilities.

FAA also stated that contract guards had completed the required firearms training courses and that this information was made available to the OIG during its 1998 review. The table on page 10 of this report reflects the fact that FAA did indeed provide firearms training documentation to the OIG in our 1998 review. However, that documentation only applied to the Southern Region. In the Eastern Region our 1998 review disclosed initial training had been received by all guards.

However, none of the guards had received the required recurrent proficiency certificates. Therefore, we concluded that Eastern Region guards, for the two contracts reviewed, did not meet contract requirements. Clarifying information pertaining to our 1998 review has been added to the body of the report.

FAA also agreed to initiate corrective action by March 31, 1998, and direct contracting personnel to obtain and review documentation to demonstrate compliance with contract requirements. On April 10, 1998, FAA advised its field personnel to obtain documentation required to evidence compliance with existing guard contract requirements. FAA's April 10, 1998, letter also advised of the need to take additional actions, including contract termination, if contractors do not comply.

Action Required

Actions planned by FAA are responsive to the report's recommendations. However, we request FAA reassess the schedule for implementing the report's recommendations, and advise the OIG within 30 days of its revised implementation schedule.

We appreciate the cooperation and assistance extended by your staff during the review. If we can answer any questions or be of any further assistance, please call Alexis Stefani at (202) 366-0500 or Ronald Hoogenboom at (312) 353-0104.

Schedule of FAA Facilities, Contractors, and Guards Reviewed as of May 1996

FAA Facility, Location	Contractor, Location	Number of Unarmed Guards	Number of Armed Guards	Total Guards Reviewed
Aurora Center Aurora, IL	High Point Security, Chicago, IL	10	0	10
Minneapolis Center Farmington, MN	Bi-State Security, Davenport, IA	12	0	12
Atlanta, Center ³ Hampton, GA	DGS Contract Services, Erwin, NC	0	16	16
Southern Regional Office ³ College Park, GA	DGS Contract Services, Erwin, NC	18	0	18
New York Center ⁴ Ronkonkoma, NY	Hall's Security, Bellerose, NY	0	17	17
New York TRACON ⁴ Westbury, NY	Hall's Security, Bellerose, NY	0	19	19
Total Guards Reviewed		40	52	92

³ The same contractor provided guard services at both facilities, but under two different contracts.

⁴ One contract covered guard services at both the New York Center and TRACON.

Appendix
1-2 pages



U.S. Department
of Transportation
**Federal Aviation
Administration**

Memorandum

Subject: **INFORMATION:** Draft Audit Report on
Administration of Security Guard Contracts,
Federal Aviation Administration

Date: MAR 13 2006

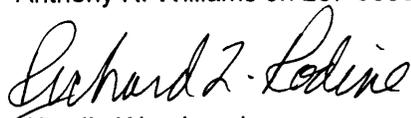
From: Acting Associate Administrator for
Administration

Reply to
Attn. of:

To: Deputy Assistant Inspector General for Aviation, JA-10

As requested in your January 29, memorandum, we have reviewed the subject report and offer the attached comments.

Should you have any questions or need additional information, please contact Anthony R. Williams on 267-9000.


Woodie Woodward
Attachment

Response to Office of Inspector General's (OIG)
Draft Audit Report on Administration of
Security Guard Contracts, Federal
Aviation Administration (FAA)

OIG Recommendation 1: Recommend FAA improve monitoring on existing and future security guard contracts by directing contracting personnel to enforce security guard contract requirements, immediately obtaining the needed documentation on all existing contracts, and advising the OIG when these actions are complete.

FAA Response: Concur. We will send out correspondence to all procurement branch managers directing that documentation on all contracts be received within four months of the request and that this continue on future contracts. This correspondence will be sent out by March 31.

OIG Recommendation 2: Recommend FAA improve monitoring on existing and future security guard contracts by implementing necessary controls to ensure contracting personnel obtain and review evidence of guard qualifications and to ensure required background checks or security clearances are initiated on existing as well as future contracts.

FAA Response: Concur. Correspondence will be sent out to all contracting personnel to ensure that contracting personnel review evidence of guard qualifications by March 31.

A review of guard service contracts by the FAA's Servicing Security elements is now required on an annual basis. The Facility Security Reporting System (FSRS) database has been upgraded to include a new module for information on the contract security guards at a given facility. The new module contains 36 questions specifically requiring Servicing Security Elements to review the guard force management in its entirety.

FAA Servicing Security Elements are now conducting training for Regional Logistics Divisions. They are focusing on requirements for contract security guards such as guard qualifications and background checks on security clearances as required in FAA Orders 1600.6C and 1600.1D.

Liaison continues on a regular basis with Regional Logistics Divisions and Contracting Officer's Technical Representatives (COTR's) at each location managing contracts for security guards. This communication keeps them informed regarding current requirements and any new requirements for guard contracts.

OIG Recommendation 3: Recommend FAA improve monitoring on existing and future security guard contracts by notifying contractors who have failed to provide evidence of guard qualifications that their contract will be terminated unless this evidence is provided by a prescribed date.

FAA Response: Concur. The FAA regions/centers will notify contractors in correspondence April 1998 that their contracts will be terminated in July 1998 if evidence of guard qualifications is not provided.

OIG Recommendation 4: Recommend FAA improve monitoring on existing and future security guard contracts by initiating termination action for contractors who are unwilling or unable to comply with recommendation 3 above.

FAA Response: Concur. Action to terminate contractors who are unable to comply with the actions specified in recommendation 3 above will be initiated in September 1998.

Other Planned Corrective Actions

In addition to corrective action stated for each recommendation, we will also identify a point of contact in headquarters to oversee all operational facilities' security guard contracts. This point of contact will be responsible for the following actions:

- Reviewing all existing security guard contracts to determine whether the contracts are written in compliance with FAA Order 1600.6C, Physical Security Management Program and FAA Order 1600.1C, Personnel Security Program.
- Developing national security guard contract requirements and specifications.
- Issuing a memorandum directing contracting personnel to enforce security guard contract requirements, obtain and review evidence of guard qualifications, and ensure background checks or security clearances are acquired per FAA Orders 1600.6c and 1600.1C.
- Developing and issuing a standard "Intent to Terminate" letter for contractors unable or unwilling to comply with provisions in the Orders which require evidence of guard qualifications, background, and security checks.
- Requiring COTR's to be appropriately trained in COTR roles, duties, and responsibilities.

Exhibit

- Developing and requiring a standard COTR checklist to be used in evaluating contract performance.

Once the point of contact for this activity has been established, a detailed action plan will be developed.

Comments Related to Specific Findings

Finding: FAA contract files reviewed did not contain documentation that any of the 92 security guards met minimum contract requirements.

Comment: Since the 1996 OIG audit was completed, regional security personnel have conducted training for Logistics Divisions, focusing on requirements for contract security guards outlined in FAA Order 1600,6C. A review of guard service contracts by regional security elements is now required and they are working with the Logistics Division and the COTR at each location that manages contracts. Contract files will continue to be reviewed to ensure that requirements are met and documented properly. Finally, a separate section has been added to the Facility Security Report specifically requiring security special agents conducting physical security inspections or surveys to review the guard force management in its entirety.

Finding: Contractors did not obtain Certification of Firearm Training and Proficiency for 49 of the 52 armed guards.

Comment: Of the two regions audited that have armed guards, both regions can produce certifications that all guards have attended an approved firearms qualification course. The necessary documentation can be found in the regional offices. In Southern Region, this documentation was made available to the OIG auditors during the 1998 review. In Eastern Region, a follow-up inspection was conducted to verify the information. Firearms training and proficiency certificates are required as part of all inspections and reviews.

Finding: Contractor did not obtain physical fitness certifications for 88 of the 92 guards.

Comment: Of the three regions audited, two are now completing reviews to ensure all certificates are obtained. Physical fitness certificates are required as part of all future inspections and reviews.