



IMPORTANT NOTICE

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Review of Forest Service Controls Over Explosives and Magazines

Audit Report 08016-0001-23

OIG reviewed FS' controls to monitor and secure explosives and munitions stored on NFS lands.

OBJECTIVE

Our objectives were to determine if FS had adequate controls over the inventory of explosives and munitions. Specifically, we were to determine whether FS maintained an accurate database of all explosives and magazines both owned by FS or housed within the National Forest System (NFS) and whether the controls were sufficient to ensure the security of the devices.

RECOMMENDS

FS needs to designate a Washington office-level official to be responsible for overall safety and security of FS explosives. That FS official should oversee the implementation of and subsequently monitor the controls over (1) accounting for magazines, (2) maintaining accurate inventories of explosives, (3) restricting access to the magazines, and (4) ensuring staff conduct required periodic inspections.

REVIEWED

We reviewed the accountability for and control of explosives magazines within NFS. We also followed up on FS' implementation of recommendations from two prior audit reports. Specifically, we reviewed the effectiveness of corrective actions FS has taken since 2003 for the 26 prior OIG audit recommendations.

WHAT OIG FOUND

We found Forest Service (FS) made improvements in its controls over military weapons and munitions but still lacked overall accountability of explosives magazines and inventories of explosives, leaving the explosives vulnerable to theft and misuse and increasing the threat of public harm.

Our review disclosed that FS did not ensure that the corrective actions proposed to address 19 of the 26 prior audit recommendations were effective at improving the controls over explosives magazines. Specifically, we found that FS officials did not maintain a centralized and secure database on the locations of both FS-owned and permittee-owned magazines. We also found that officials at 12 of the 26 magazine sites we visited did not perform required inventories or accurately record the amount of explosives. This occurred because FS had not established a Washington office level position with oversight responsibility for the agency's explosives program, or ensured FS regional officials had adequate oversight controls of local FS blasters. As a result, some issues we previously reported continued to exist, and FS officials could not account for more than [REDACTED]. We also found that FS blasters and permittees at nearly half of the 26 magazine sites did not [REDACTED] and FS did not always perform the required 7-day or annual inspections. While FS issued manuals and guidance for the explosives program, such criteria sometimes lacked specific timeframes or requirements for documentation. As a result, there is an increased risk that unauthorized persons could obtain or maintain access to explosives without detection.

FS generally agreed with our findings and we accepted management decision on all nine recommendations.



United States Department of Agriculture
Office of Inspector General
Washington, D.C. 20250



DATE: December 1, 2017

AUDIT
NUMBER: 08016-0001-23

TO: Tony Tooke
Chief
Forest Service

ATTN: Antoine Dixon
Chief Financial Officer

FROM: Gil H. Harden
Assistant Inspector General for Audit

SUBJECT: Review of Forest Service (FS) Controls Over Explosives and Magazines

This report presents the results of the subject review. Your written response to the official draft report, dated October 16, 2017, is included in its entirety at the end of the report. Excerpts from your written and supplemental responses, dated October 20, 2017, and the Office of Inspector General's position are incorporated into the relevant sections of the report. Based on your written response, we accept management decision for all nine recommendations in the report and no further response to us is necessary.

In accordance with Departmental Regulation 1720-1, please note the regulation requires final action to be taken within 1 year of each management decision to prevent being listed in the Department's annual Agency Financial Report. Please follow your internal agency procedures in forwarding final action correspondence to the Office of the Chief Financial Officer.

We appreciate the courtesies and cooperation extended to us by members of your staff during our audit fieldwork and subsequent discussions. This report contains publicly available information and will be posted in its entirety to our website (<http://www.usda.gov/oig>) in the near future.

Table of Contents

Background and Objectives	1
Section 1: Accountability and Control of Explosives Magazines within NFS .	5
Finding 1: FS Needs to Improve Oversight of its Explosives Program	5
Recommendation 1	9
Recommendation 2	10
Finding 2: FS Needs to Improve Controls over Explosives Magazine Inventories	11
Recommendation 3	14
Recommendation 4	15
Section 2: Security over Explosives Magazines.....	16
Finding 3: FS Needs to Improve Security of Magazine Access	16
Recommendation 5	20
Recommendation 6	21
Recommendation 7	21
Finding 4: FS Needs to Improve Inspection Process for Explosives Magazines	22
Recommendation 8	27
Recommendation 9	27
Scope and Methodology.....	28
Abbreviations	31
Exhibit A: Results of Prior Audit Recommendations	32
Exhibit B: Magazine Sites Visited	38
Agency's Response	39

Background and Objectives

Background

The Forest Service (FS) is responsible for sustaining the health, diversity, and productivity of the Nation’s 154 national forests for use by current and future generations. FS has a decentralized management structure to allow and encourage quicker decision-making by officials at each of the 9 regional offices and, more specifically, each of the Forest supervisors stationed at 154 national forests. The FS Washington office, located in Washington, D.C., develops broad policy and procedures for the agency. FS regional officials monitor the program activities implemented within the national forests located within their regions. Each national forest is managed by a Forest Supervisor who provides technical support to the ranger districts¹ and coordinates activities between the districts. The Forest Supervisor also signs long-term permits with persons or organizations (hereafter referred to as permittees) that conduct business, such as a private ski area, on National Forest System (NFS) lands.

The FS explosives program provides expert assistance to individual national forests to aid various agency mission areas. FS uses explosives (see Figure 1) for fire suppression, tree and rock removal, road construction and maintenance, and other construction projects. FS permittees use both explosives and munitions² for avalanche control. Throughout NFS, FS maintains a significant number of facilities called magazines³ (see Figure 2). FS permittees, such as ski resorts and State transportation authorities, maintain additional magazines.



Figure 1: Fire Line Explosives

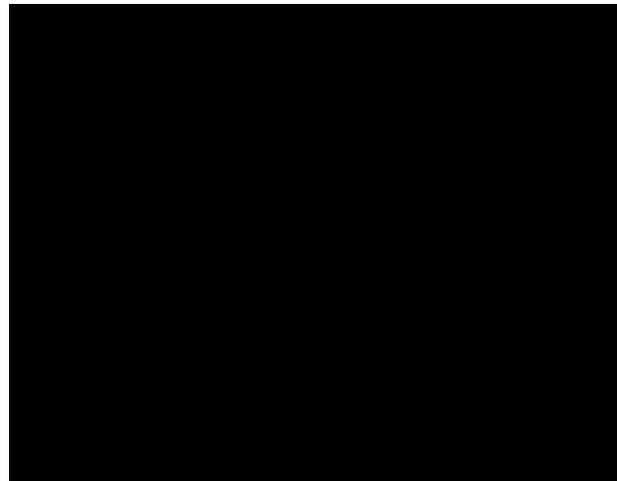


Figure 2: Explosives Magazine

FS permittees use military-grade weapons and munitions, in addition to explosives, for avalanche control. These military-grade weapons, consisting of 105 mm Howitzers (see Figure 3) and munitions (see Figure 4), belong to the Department of the Army, which provides the weapons to

¹ Each of the national forests is further divided into ranger districts; there are over 600 ranger districts nationwide.
² Munitions are military-type ammunition, such as the 105 millimeter (mm) Howitzer shells used by FS permittees.
³ Title 27, *Code of Federal Regulations (C.F.R.)*, Part 555.11 (27 C.F.R. 555.11) defines a magazine as “any building or structure other than an explosives manufacturing building used for storage of explosive materials.”

FS through a long-term interagency agreement. FS, in turn, works in partnership with its permittees to use these military weapons and munitions, and FS is ultimately responsible to the Army for appropriate use and control of the weapons.



Figure 3: Howitzer on Loan to an FS Permittee



Figure 4: Munition Used in Howitzer

For FS-owned magazines, the explosives program is managed by the FS Engineering, Technology and Geospatial Services division. FS staffs the explosives program with regional and ranger district-level personnel who already perform other duties (for example, trail design and maintenance) and volunteer to be trained as certified blasters as an additional duty. At the regional level, blaster coordinators and examiners administer and monitor the program within their respective regions. The on-the-ground activities, such as setting and detonating explosives, are typically performed at the ranger district level. The Forest Supervisor for a national forest designates a Lead Blaster who maintains the explosives magazines (and related inventories) and directs other blasters in the proper use and handling of explosives.

To become a certified blaster, an FS official needs to meet and maintain certain requirements. An FS official must be at least 21 years old, pass an appropriate background check called a Moderate Risk Public Trust Background Investigation (MBI),⁴ complete the full general blaster training course, and successfully perform a minimum of three blasts per year while under the supervision of another certified blaster. The blaster certification is valid for 3 years, at which time that FS official must be recertified by complying with each of the items mentioned above.

For permittee-owned magazines, an official with the Recreation, Heritage, and Volunteer Resources Division oversees the explosives program. At the ranger district level, FS permit administrators review and oversee operating plans. A permittee's operating plan describes the requirements the permittee agreed to follow in exchange for the FS granting the permittee's use of national forest land. For permittees who use explosives within the national forest, the operating plan must include specific FS requirements: permittee employees who handle explosives must pass background checks, and magazines must be inspected annually by qualified agency personnel. There are additional requirements for permittees who have military grade weapons and munitions. The Bureau of Alcohol, Tobacco, Firearms, and Explosives (BATFE)

⁴ MBI positions identified as high or moderate risk levels would normally be designated as public trust. Some positions include public safety and health, law enforcement, or other duties demanding a significant degree of public trust. An MBI must be renewed every 5 years.

is the primary agency that regulates⁵ the storage of explosives, including military weapons and munitions stored at both FS-owned and permittee-owned magazines. FS permittees must maintain a current BATFE permit and are subject to BATFE inspections once every 3 years. In addition, FS permittee employees who handle explosives must have a current BATFE Federal Explosives background check. If a permittee assigns a new employee to handle explosives, the permittee must notify BATFE within 30 days in order for BATFE to initiate a background investigation. A permittee's employees can handle explosives within the national forest, as long as the permittee trains the employees and their names are identified as "pending" or "cleared" on BATFE permits. While FS is exempt from having to obtain a BATFE permit or be subject to a routine inspection, the agency is still required to follow BATFE regulations.

Both FS and permittees must perform inspections of their magazines every 7 days and annually. The primary purpose of the 7-day inspection is to determine whether an unauthorized entry has occurred. The annual inspection checks the physical condition of the magazine (walls, roof, locks, etc.) and explosives. In addition, FS requires an independent inventory of FS explosives to be completed twice per year by blasters who do not perform day-to-day operations at the magazine. During the annual inspection, FS officials should examine the condition of explosives and properly dispose of deteriorated explosives. For explosives not used after 1 year, FS recommends that the explosives be transferred to another blaster to use, returned to the manufacturer, or disposed of properly. Finally, the blaster in charge of each magazine is required to maintain a complete inventory and distribution log for all magazine lock keys. FS also requires that locks and keys be changed periodically.⁶

After the devastating events of September 11, 2001, Office of Inspector General (OIG) performed several audits of different agencies' programs to assess Department of Agriculture's (USDA) vulnerability to terrorist activity. In 2003, OIG reported that FS did not have an overall management program that effectively ensured the safety and security of explosives and munitions located within NFS.⁷ OIG made 24 recommendations related to FS' security standards, inventory, recordkeeping, and security clearances of the personnel responsible for the explosives and munitions. In a 2006 follow-up audit, OIG reported that FS had not yet implemented 11 of the 24 prior audit recommendations.⁸ OIG made two additional recommendations to (1) designate a high-level official to handle the responsibility for the overall safety and security of the explosives program, and (2) reach final action on the recommendations issued during the 2003 audit. FS achieved final action on all recommendations by October 2009 for the 2003 audit, and by January 2011 for the 2006 audit.

⁵ 27 C.F.R. Part 555.

⁶ *Guide for Using, Storing, and Transporting Explosives and Blasting Materials*, Chapter 9, Subchapter 9.6 (Aug. 2008).

⁷ Audit Report 08601-30-SF, *Review of Security Over Explosives/Munitions Magazines Located Within the National Forest System*, Mar. 2003.

⁸ Audit Report 08601-45-SF, *Follow-Up Review of Forest Service Security Over Explosives/Munitions Magazines Located Within the National Forest System*, June 2006.

Objectives

Our objectives were to determine if FS had adequate controls over the inventory of explosives and munitions. Specifically, we determined whether FS maintained an accurate database of all explosives and magazines both owned by FS and housed within NFS and whether the controls were sufficient to ensure the security of the devices. We also followed up on FS' implementation of recommendations from two prior audit reports.⁹

During this audit, we noted FS has improved its oversight controls over military weapons and munitions at permittee sites.

⁹ Audit Reports 08601-30-SF, *Review of Security Over Explosives/Munitions Magazines Located Within the National Forest System*, Mar. 2003, and 08601-45-SF, *Follow-Up Review of Forest Service Security Over Explosives/Munitions Magazines Located Within the National Forest System*, June 2006.

Section 1: Accountability and Control of Explosives Magazines within NFS

Finding 1: FS Needs to Improve Oversight of its Explosives Program

We found that FS did not ensure that corrective actions proposed to address 19 of the 26 prior audit recommendations¹⁰ were effective for improving the controls over explosives magazines.¹¹ Specifically, 3 of the 19 recommendations related to FS improving its oversight and accountability of FS-owned and permittee-owned magazines containing explosives and munitions within NFS. During this audit, we found that FS initiated, but did not always complete, agreed-to corrective actions. This occurred because FS did not permanently establish a Washington office level-position with oversight responsibility of the agency's explosives program. Instead, FS relied on its regional staff to account for and control explosives magazines, and the previously identified FS control deficiencies for these 19 recommendations remain. In addition, FS' control environment lacked a current accurate and secure database of all magazines in NFS. As a result, FS' controls over its explosives program have not significantly changed since the events of September 11, 2001. This weak control environment increases the vulnerability that explosives could be stolen and used to harm the public.

In 2003, OIG made 24 recommendations for FS to improve its controls over the accountability of explosives. In a 2006 follow-up audit report, we found that FS had not followed through with corrective actions successfully, so we made two additional recommendations. All 26 recommendations focused on improving FS' internal control system over the safety and security of explosives stored and used within NFS. Once an internal control system is in place, Government Accountability Office (GAO) standards require agency management to establish and operate monitoring activities over the internal control system, evaluate the results, and take remedial actions.¹²

To address our audit objectives, we reviewed FS corrective actions for all 26 recommendations. Our audit work did not identify any stolen or misused explosives. However, we found the control system FS had in place over explosives lacked oversight and accountability. Based on our review of the corrective actions FS has taken since 2003, we found the same issues continue to exist in the following areas:

¹⁰ Audit Reports 08601-30-SF, *Forest Service Review of Security Over Explosives/Munitions Magazines Located Within the National Forest System*, March 2003, and 08601-45-SF, *Follow-Up Review of Forest Service Security Over Explosives/Munitions Magazines Located Within the National Forest System*, June 2006.

¹¹ See Exhibit A, which documents the results and effectiveness of FS' implementation of prior audit recommendations from Audit Reports 08601-30-SF, *Forest Service Review of Security Over Explosives/Munitions Magazines Located Within the National Forest System*, March 2003; and 08601-45-SF, *Follow-Up Review of Forest Service Security Over Explosives/Munitions Magazines Located Within the National Forest System*, June 2006.

¹² GAO-14-704G, GAO, *Standards for Internal Control in the Federal Government*, September 2014.

Table 1. Issues from prior audit reports that were not corrected.

Topic	Prior audit recommendations	Discussed in ...
Washington Office Oversight and Accountability of Explosives Magazines	3	Finding 1
Physical Inventories of Explosives	3	Finding 2
Background Checks and Certifications of Blasters, Magazine Locks, and Keys	8	Finding 3
Completion of 7-Day and Annual Inspections, Placement of Warning Signs	5	Finding 4
19 TOTAL RECOMMENDATIONS¹³		

Within this finding, we will discuss the three recommendations regarding Washington office oversight and accountability of explosives magazines, related corrective actions that FS officials did not effectively implement, and additional corrective actions still needed.

Recommendation 1 (Audit Report 08601-30-SF): *Update FS property records so that they accurately reflect all magazines owned and operated by the FS.*

In 2003, we reported that FS could not readily account for all magazines used to store explosives within NFS since it did not maintain a complete and accurate database. This occurred because FS did not have a centralized system to track the magazines. FS Washington office officials did not believe it was necessary to track them prior to the events of September 11, 2001. Additionally, the audit found that FS' information system used to track infrastructure assets, which should include magazines, was inaccurate. During our follow up audit in 2006, we found that this issue had not been corrected.¹⁴ To address this problem, on May 27, 2008, FS issued a letter to regional staff restating the requirement that an inventory of real property assets should be performed to confirm a real property asset exists, and the information about that property should be accurately stored in its system.

During this audit, we determined that FS property records from its information system were still not accurate. We compared the list of FS magazines provided by FS Washington office officials from FS' information system to the lists obtained from the nine FS regional offices. We found that 27 of 115 FS-owned magazines were not listed in the FS information system. We also found that FS Washington office officials relied on FS regional officials to update the information system, but neither FS Washington

¹³ See Exhibit A for a listing of the specific recommendations.

¹⁴ Audit Report 08601-45-SF, *Follow-Up Review of Forest Service Security Over Explosives/Munitions Magazines Located Within the National Forest System*, June 2006.

office officials nor regional officials implemented sufficient controls to ensure the agency's listing of magazines was accurate. *FS Manual (FSM) 6446* requires that FS maintain records of real property;¹⁵ inventory all buildings, structures, and other physical facilities every 2 years; and perform a reconciliation between property records and inventories.¹⁶ However, we found that FS officials from all three regions we visited did not update the status of their magazines, and no one at FS Washington office performed any reconciliations between the property records and inventories. Regional officials stated that recording the location of the magazines in a national information system would be less secure than keeping the records locally. We found that, although FS had designated a Washington office-level position to oversee the explosives program, that position was not always filled. As a result, FS did not assign anyone the responsibility to confirm that FS regional officials updated the information system or performed the required reconciliation.

Furthermore, FS Washington office did not make sure that access to system data was restricted to only authorized FS explosives officials. We found that FS staff nationwide—over 11,000 employees—could access the magazine information that included both latitude and longitude coordinates for some of those buildings. After we brought this issue to the attention of FS Washington office officials, they took immediate action to shield critical magazine data from being viewed by employees without authorized access.

Recommendation 3 (Audit Report 08601-30-SF): Using the information from the FS property records and the special use permits, establish a centralized and restricted database containing the name and location of all magazines located within the NFS. The database should also include the owner's name, magazine type, custodians, security features, and the risk level of the magazine based on its location and contents.

In the 2003 audit report, we recommended that FS establish a centralized and secured database for the location of all magazines owned by either FS or permittees. While FS agreed with our recommendation, its response stated that, for security purposes, the requested information would be housed with the FS Homeland Security program manager. FS established a Director of Homeland Security position located in the Washington office responsible for maintaining a listing of all explosives magazines in a secured and centralized file.

During this audit, we found that FS did not implement a centralized and restricted database for all magazines or establish a listing of FS-owned or permittee-owned magazines. In discussions with the FS Director of Homeland Security, he stated that he was not given a list of FS-owned magazines to maintain. In regard to a listing of permittee-owned magazines, the Director of Homeland Security referred us to FS'

¹⁵ Real Property generally is defined as “[a]ny interest in land, together with the improvements, structures, and fixtures, including prefabricated movable structures [...], and house trailers with or without undercarriages, and appurtenances thereto, under the control of any Federal agency.” *FSM 6440, Real Property Management*, 6440.5, *Definitions*, Dec. 22, 2016.

¹⁶ *FSM 6446, Accountability and Control*, Dec. 22, 2016.

National Winter Sports (NWS) Coordinator.¹⁷ We found that both officials were unaware it was their responsibility to maintain a listing of magazines.

The FS Handbook requires the NWS Coordinator to maintain a current listing of all permittees that maintain magazines of explosives on FS land.¹⁸ When we informed the NWS Coordinator of this requirement, he did find a compact disc containing a list of FS permittee-owned magazines. However, similar to the FS information system data, the NWS Coordinator could not guarantee these data were accurate. We found the data on that disc were at least 7 years old and incomplete. In addition, FS regional officials at two of the three regions we reviewed could not provide an accurate listing of permittee magazines, so these FS regional officials had to request locations from local FS permit administrators to identify which locations maintained magazines of explosives.

We determined that FS' inability to effectively record and reconcile all magazine locations results in the agency not being able to effectively manage security over these magazines and explosives.

Recommendation 1 (Audit Report 08601-45-SF): Designate a high-level official at the Washington office responsible for overall safety and security of the FS' explosives/munitions program.

In 2006, we reported that FS had not implemented 11 of the 24 recommendations related to the security of magazines. We recommended that FS designate a high-level official to be responsible for FS' explosives program. On June 12, 2006, FS responded that it had already taken corrective action by designating the Office of Safety and Occupational Health Director responsible for the overall safety and security of FS' explosives program.

During this audit, we found that in November 2008, FS management moved the explosives program to FS' Engineering, Technology and Geospatial Services. However, we determined that when FS implemented this change, it did not designate a high-level official in the new division to be responsible for oversight of the explosives program within FS. Although the FSM states that the Deputy Chief for Business Operations is responsible for "[...] explosives and blasting materials that affect the work environment and safety of employees,"¹⁹ the manual also assigns overall leadership for the explosives program to the national explosives safety program manager. When we requested a meeting with that program manager, Washington office officials stated FS had not filled the cited program manager position. An FS Washington office official confirmed that no one at the headquarters level has overseen the explosives program since 2008.

Washington office officials stated that FS has a decentralized management structure to allow regional and local forest officials to make timely decisions critical to maintaining and protecting

¹⁷ This position will be referred to as the NWS Coordinator for the remainder of the report. The NWS coordinator does not directly report to the FS Director of Homeland Security; but is required to provide updates to the FS Director on permittee magazine locations.

¹⁸ FS Handbook 2709.14, chapter 60, section 64.1 (3), Apr. 17, 2014.

¹⁹ FSM 6745.04b, Dec. 17, 2002.

NFS. However, they agreed that a Washington office-level official should be responsible for the overall safety and security of explosives magazines at NFS. We found that without Washington office-level oversight, FS regional officials did not always follow program guidance related to: maintaining accurate inventories of explosives (see Finding 2), verifying that blaster background checks and certifications were current (see Finding 3), and performing the required inspections (see Finding 4). In addition, Washington office-level officials could not guarantee the list of FS-owned magazines nationwide was accurate. Accordingly, an FS Washington office official requested an inventory list from each of the nine FS regional offices to ensure the list of magazines provided to OIG was accurate.

Both Washington office and regional officials stated that the regional level would have a more accurate listing than the listing the Washington office was able to produce. One FS regional official stated he did not update the FS information system with magazine locations because of security concerns. While we understand FS officials' concerns about magazine security, we concluded that all FS magazines still need to be tracked due to the sensitive nature of the contents.

FS Washington office officials also stated that staff turnover and agency reorganizations led to no one being designated to oversee and monitor FS' explosives program. A Washington office official stated that since 2012, the agency has been working on assessing the physical security needs, including magazines and explosives, across FS. She also stated that considerable efforts have been made to bring FS physical security issues to the forefront for agency leadership discussion. Overall, FS officials agreed with the need for better Washington office oversight and a better way to track explosives magazines.

Therefore, FS needs to implement the necessary oversight and accountability controls to ensure the safety and security of explosives stored and used within NFS. Specifically, FS needs to designate a Washington office-level official to be responsible for overall safety and security of FS explosives. That FS official should oversee the implementation and subsequently monitor the controls over (1) accounting for magazines, (2) maintaining accurate inventories of explosives, (3) restricting access to the magazines, and (4) ensuring staff conduct the required periodic inspections. Without a designated FS Washington office-level official responsible for the explosives program as a whole, there is little assurance that FS will identify and correct the problems we continue to report. In addition, FS needs a centralized and secure database to better identify the locations of all magazines in the event of another homeland-security incident. Without an accurate database, FS cannot promptly take actions to prevent the explosives from being stolen and used to harm the public.

Recommendation 1

Establish a permanent Washington-office-level position responsible for the Forest Service (FS) explosives program, with a position description that includes, at a minimum, duties and responsibilities to provide the necessary oversight of and guidance to regional officials to ensure explosives program requirements are followed.

Agency Response

In its October 16, 2017, response, FS officials stated that the FS concurs with this recommendation. The Position Description for the Winter Sports Program Manager under the NFS, Director of Recreation will be amended to ensure the individual in that position is responsible for the overall oversight of the avalanche and winter sports programs. The Forest Service's use of explosives outside of those program areas will be transitioned to non-Forest Service contracts and task order agreements. The Director of Engineering, Technology and Geospatial Services will oversee this transition with support from the Director of Safety and Occupational Health and the Director of Homeland Security. FS officials estimated that transition would be completed by October 30, 2018.

OIG Position

We accept FS' management decision for this recommendation.

Recommendation 2

Develop and implement a complete, accurate, and secure centralized database that tracks all magazines on FS land. In addition, FS Washington office needs to reconcile annually the property records and inventories to ensure that the database is accurate and current.

Agency Response

In its October 16, 2017, response, FS officials stated that the FS generally concurs with this recommendation. Rather than develop an in-house database specific to the FS, the FS will utilize the existing BATFE database which tracks all permittee-owned (Ski area operators and State Department of Transportation) magazines on National Forest System (NFS) lands. A Memorandum of Understanding (MOU) with BATFE will be developed in order to coordinate all permittee owned magazines on NFS lands. Property records and inventories will be reconciled in accordance with BATFE to ensure the database is accurate and current. The Forest Service's use of explosives outside of these program areas will be accomplished by non FS resources under contracts and task order agreements. Existing inventory will be removed from NFS lands and disposed of properly, and/or turned over to authorities. It is not anticipated that all inventory will be removed by the estimated completion date, and therefore, any inventory remaining will be properly categorized in a secure interim database until removed. FS officials estimated that these changes would be completed by October 30, 2018.

OIG Position

We accept FS' management decision for this recommendation.

Finding 2: FS Needs to Improve Controls over Explosives Magazine Inventories

At 12 of the 26 FS-owned and permittee-owned magazine sites we visited, we found officials did not adequately perform inventories and accurately record the results of those inventories. We also found that 2 of those 12 sites had explosives of questionable age. This occurred because FS regional officials relied on Lead Blasters for FS-owned magazine sites to perform a review of inventories during on-site visits and did not implement compensating controls to verify that those site visits were properly performed. In addition, FS permit administrators relied on non-FS officials to meet the annual inventory requirement, even though non-FS officials visited some sites only once every 3 years. As a result, [REDACTED] were not recorded, and FS officials could not account for the whereabouts of more than [REDACTED] or why the inventory contained over [REDACTED]. These lapses have increased the vulnerability of explosives to theft and misuse, as well as the risk that a theft could occur undetected.

FS guidance requires the Lead Blaster of the FS magazine to request another certified blaster to conduct an independent inventory to verify the magazine contents twice per year.²⁰ While the permittee responsible for a permittee-owned magazine shall perform an inventory annually, a permittee is not held to the same separation of duties required at FS-owned magazines. In addition, according to the same guide, when unused product has remained in the magazine for more than a year, the magazine custodian should consider either giving it to another blaster to use, returning it to the manufacturer, or disposing of it properly.

In 2003, we reported that FS and permittees did not conduct effective physical inventories of explosives. This occurred because there was no separation of duties and poor recordkeeping made reconciliations difficult to complete. We also reported that FS had not established standards to dispose of expired and deteriorating explosives stored at its magazines. During this audit, we found one or more of these issues continued to occur at 12 of the 26 magazine sites we reviewed.²¹

Inventory Discrepancies

Recommendation 4 (Audit Report 08601-30-SF): *Develop a comprehensive management plan to ensure that the appropriate resources are provided to timely perform the required inspections and physical inventories.*

In response to this prior recommendation, FS agreed to develop a plan to ensure such resources were provided, but this did not occur. The Recreation Special Uses Program manager at the time wrote, “There is no policy direction nor would it be standard practice to make such policy statement that directs the responsible official to have the appropriate

²⁰ *Guide for Using, Storing, and Transporting Explosives and Blasting Materials*, Chapter 9, Subchapter 9.6 (Aug. 2008).

²¹ Four of these 12 sites had issues with both inventory discrepancies and performing biannual inventories with a separation of duties.

resources to get the work done. Instead, if policy says you shall do the inspections, the line officer is expected to get that work done within the resources given.”

During this audit, we found that 7 of the 26 sites we visited had discrepancies between the inventory records and the actual inventories on the days of our visits.

FS magazine sites. We found inventory discrepancies at 4 of the 14 FS sites we visited. At one FS-owned magazine site, the inventory listed [REDACTED] we counted [REDACTED], a discrepancy of [REDACTED]. According to the Lead Blaster, the discrepancy occurred because he had inherited the explosives in question from another magazine and did not count the explosives or require another FS official to perform an independent inventory. At a second FS site, we found that the inventory records listed [REDACTED] that were not present at the magazine. The Lead Blaster performed his own biannual inventory, contrary to FS guidance that required an independent inventory of explosives by another certified blaster. While this requirement is clearly documented in the guidebook,²² the blaster stated that he had not thought to ask anyone for help. In total, we determined that there were [REDACTED] that were documented in inventory records at four magazine sites, but not physically present in the magazines during our site visit. FS officials responsible for these magazines stated that an outside blaster would have been helpful in noticing these discrepancies.

Permittee magazine sites. We found inventory discrepancies at 3 of the 12 permittee sites we visited. At one permittee site, we found that the inventory records included four more detonators than were actually stored in the magazine. In addition, there was approximately [REDACTED] in the magazine not recorded in the inventory records. At a second permittee site, we found that the magazine's inventory records showed [REDACTED] that were not present in the magazine. The permittee official said that he may have simply used the explosives without updating his inventory records.

FS permit administrators stated that FS relied upon non-FS officials such as BATFE to ensure permittees meet the annual inventory requirements. However, we interviewed BATFE officials and determined that BATFE only inspects these magazines once every 3 years, and often leaves no documentation of the inspection. Therefore, FS cannot rely on BATFE to ensure its permittees are meeting the annual inventory requirement.

FS previously agreed to develop a plan to ensure that appropriate resources were provided to timely perform physical inventories of explosives. While FS later changed its position, these examples show the result of not providing appropriate oversight resources to this area. Until FS provides adequate oversight to field staff (for example,

²² *Guide for Using, Storing, and Transporting Explosives and Blasting Materials*, Chapter 9, Subchapter 9.6 (Aug. 2008).

blasters and permit administrators), there is reduced assurance that FS properly protects government assets and timely identifies missing explosives.

Biannual Inventories (FS Magazine Sites)

Recommendation 8 (Audit Report 08601-30-SF): *Require FS units, ski resort operators, and other permittees to conduct physical inventories at least biannually or more often as circumstances dictate and to establish a separation of duties to ensure that the staff adding or removing inventory from the magazines is not the same staff that is updating the inventory records and conducting the physical inventories. Inventories and inspections shall be conducted by designated, approved blasters. Incorporate procedures into the Guide for Using, Storing, and Transporting Explosives and Blasting Materials addressing the conduct and documentation of physical inventories.*

In response to this recommendation, FS issued guidance²³ requiring FS blasters to request an independent inventory twice per year to verify the magazine contents at all FS magazines. However, the FS Handbook²⁴ for overseeing permittees was not updated or revised to require the permittee to perform physical inventories at least biannually or more often and with a separation of duties. FS requires permittees to perform an inventory once annually at permittee magazines.

During this audit, we found that of the 14 FS sites we visited, FS did not fully exercise controls over its biannual inventory process at 9 sites (4 of these also had inventory discrepancies, as noted above). For example, at one FS site, we found that the inventory of explosives stored in the magazine was not performed twice per year in 2015 and 2016. Instead, the magazine custodian performed only one inventory each year. An FS regional official explained that she asks that each blaster submit biannual inventories to her, but she does not verify the inventory records for completeness or accuracy. At another FS site, we found that the blaster had not regularly performed the biannual inventory. Our record review found the most recent inventories were performed on November 6, 2013, and then next on January 30, 2017, the date of our visit. The Lead Blaster stated that the biannual inventory has not occurred at the magazine because of workloads, other priorities, and distance between magazines. At a third site, we found blasters who did not perform a biannual inventory at all.

Deteriorated Explosives

Recommendation 20 (Audit Report 08601-30-SF): *Instruct FS staff, ski resort operators, and other permittees to identify during the 7-day inspections excess quantities of explosives stored at the magazines and to promptly destroy any explosives that have expired or that have deteriorated to the point they are no longer useful.*

²³ *Guide for Using, Storing, and Transporting Explosives and Blasting Materials*, Chapter 9, Subchapter 9.6 (Aug. 2008).

²⁴ FS Handbook 2709.14, Apr. 17, 2014.

In response to this recommendation, FS issued guidance requiring blasters and permittees to inspect magazines at least every 7 days. The guidance also required that blasters consider whether they will give any unused product that has remained in the magazine for more than 1 year to another blaster to use, return the unused product back to the manufacturer, or properly dispose of it. Permittees are to remove explosives from the magazine that have deteriorated to the extent that the explosives are unstable or dangerous and destroy the explosives in accordance with the manufacturer's instructions.²⁵

During this audit, we found that FS officials kept explosives beyond the 1-year requirement at two of the nine FS sites noted above. For example, at one FS site, we found [REDACTED]

[REDACTED] At a second site, we found [REDACTED] that were manufactured in July 2013. In total, we counted over [REDACTED] at the 2 FS magazines. The FS blasters stated that they had not disposed of expired or deteriorated explosives because the explosives were not unstable, just less likely to detonate.

We determined that the issues noted above continued to occur because FS regional officials relied on Lead Blasters for FS-owned magazine sites to conduct on-site inspections and did not implement compensating controls to verify that those site visits were properly performed. In addition, for the permittee-owned sites, FS permit administrators relied on non-FS officials (BATFE and State agencies) to meet the annual inventory requirement, even though those officials only visited some sites once every 3 years. FS lapses in oversight controls have increased the vulnerability of the explosives to theft and misuse.

FS Washington office and regional officials generally agreed with the issues we found relating to inventories of explosives. Those officials stated that FS needs to exercise more oversight of FS local officials and permittee officials in both tracking and performing inventory reconciliations. In addition, FS Washington office and regional officials stated that while expired explosives were not a danger, the explosives needed to be properly disposed of when found since the product's sensitivity to detonation diminishes as the product ages.

Overall, we concluded that FS officials need to improve how they monitor the blasters and permit administrators to ensure the blasters and administrators meet the requirements of the blasting program. FS needs to address these issues to reduce the vulnerability of explosives to theft and misuse and decrease the risk that a theft could occur undetected.

Recommendation 3

Require FS regional officials to visit every FS-owned magazine site on a defined periodic basis to verify the Lead Blasters have a process in place to perform an independent inventory of

²⁵ *Guide for Using, Storing, and Transporting Explosives and Blasting Materials*, Chapter 9, Subchapter 9.6 (Aug. 2008). Also, FS Handbook 2709.14, Apr. 17, 2014.

magazine contents. This process should include a review of whether unused product remained in the magazine for more than 1 year and require blasters to take appropriate corrective actions as needed.

Agency Response

In its October 16, 2017, response, FS officials stated that the FS generally concurs with this recommendation. The FS use of explosives outside of the avalanche control and winter sports program areas will be accomplished by non-FS employees under contracts and task order agreements. FS owned magazines will be removed from NFS land and blasting material brought to the project site on an as-needed basis by outside resources. It is not anticipated that all inventory will be removed by the estimated completion date, and therefore, any inventory remaining will be categorized in a secure interim database until final removal and regional officials will be responsible to visit each magazine to perform an independent inventory and take appropriate corrective action on unused product greater than 1-year old. FS officials estimated that these changes would be completed by October 30, 2018.

OIG Position

We accept FS' management decision for this recommendation.

Recommendation 4

Develop and implement a process to ensure that an authorized FS regional official reviews permittee-owned magazines and performs an annual inspection.

Agency Response

In its October 16, 2017, response, FS officials stated that the FS generally concurs with this recommendation. Permittee-owned magazines are already subject to the BATFE regulations and inspections. The FS will modify internal manuals and the Permittee's Operating Plan to be in compliance with the BATFE regulations and inspection oversight on NFS lands. A permittee who does not meet BATFE regulatory requirements or fails a BATFE inspection would be in non-compliance with the terms and conditions of the Special Use Authorization, in violation of FS policy, and in violation of BATFE regulations, and subject to appropriate actions by both agencies with jurisdiction and oversight. FS officials estimated that these changes would be completed by October 30, 2018.

OIG Position

We accept FS' management decision for this recommendation.

Section 2: Security over Explosives Magazines

Finding 3: FS Needs to Improve Security of Magazine Access

To improve FS' security over magazines, we made eight recommendations in the prior 2003 audit to ensure FS blasters had proper background checks and certifications, and FS maintained proper key and lock controls. Similarly, during this audit, we found that 25 of 93 FS blasters, in 2 of 3 regions, lacked either proper background checks or certifications. Additionally, at 13 of the 26 magazines we visited, FS and permittees did not maintain proper key and lock controls. Instead of implementing a formal process to track and oversee renewal dates for background checks and re-certifications, FS regional officials relied on the blasters to notify the regions when the background checks and re-certifications were current. FS also did not have clear requirements on the types of keys and locks blasters should use and when blasters need to replace the locks. These issues result in an increased risk that unauthorized persons could obtain or maintain access to explosives without detection.

FS regulations require that the regions maintain records of all blasters, including dates of certification and re-certification (every 3 years).²⁸ FS also requires certified blasters to pass an appropriate background check, such as the Moderate Risk, Public Trust Background Investigation (MBI),²⁹ which is more in-depth than the typical background check for Federal employees. In addition, FS maintains a comprehensive guide for FS staff to follow on the use, storage, and transportation of explosives. That guide requires that the keys used to access magazines shall be strictly controlled at all times. Specifically, the blaster responsible for a magazine shall be able to verify the location and possession of every key within a few minutes. Blasters are also required to document key controls and to change the magazine keys periodically, though FS did not precisely define "periodically."³⁰

In 2003, we made two recommendations for FS to improve standards for distributing and safeguarding keys and locks for both FS-owned and permittee-owned magazines. We made another six recommendations for FS to ensure that FS staff and permittee staff obtain and maintain the proper background checks and certifications for blasters. During this audit, we found that although FS issued criteria to help correct those problems it did not ensure adequate Washington office-level or regional oversight to ensure the criteria were followed.

²⁸ FSM 6745.11(3) (C) and 6745.1-Exhibit 01, Dec. 17, 2002.

²⁹ MBI positions identified as high or moderate risk levels would normally be designated as "Public Trust." The agency heads designate the risk levels based on the position's potential adverse impact to the efficiency or integrity of the service. Some positions designated as public trust include public safety and health, law enforcement, or other duties demanding a significant degree of public trust. Staff with an MBI clearance are required to have it renewed every 5 years.

³⁰ *Guide for Using, Storing, and Transporting Explosives and Blasting Materials*, Chapter 9, Subchapter 9.6 (Aug. 2008).

Blaster Background Checks and Certifications

In 2003, we reported that both FS and permittee staff without adequate background investigations had access to the magazines of explosives. To ensure only authorized FS staff had access to FS-owned magazines, we made the following five recommendations:

1. Recommendation 13 (Audit Report 08601-30-SF): *Ensure that the position descriptions are properly updated for all FS staff with responsibilities associated with the magazines and upgrade the position risk level for those employees who handle the explosives or munitions stored in the magazines in accordance with OPM guidelines.*
2. Recommendation 14 (Audit Report 08601-30-SF): *Conduct the required background investigations in accordance with OPM guidelines for those FS employees whose position risk level was upgraded.*
3. Recommendation 15 (Audit report 08601-30-SF): *Require that background investigations be updated in accordance with OPM guidelines for all FS employees with access to the magazines that handle explosives when renewing their blaster certifications. Incorporate background investigation requirements into the FS Manual.*
4. Recommendation 16 (Audit Report 08601-30-SF): *Restrict access to the magazine to only those FS employees with the proper security clearance or those accompanied by someone with the proper security clearance.*
5. Recommendation 21 (Audit Report 08601-30-SF): *Ensure that all staff handling explosives are properly certified in a timely manner.*

In response to these recommendations, FS updated personnel records to reflect position risk levels and performed the necessary background checks needed at that time. In addition, FS issued a comprehensive guide that required FS blasters to have proper background checks (for example, a government-issued security clearance) before being granted access to the magazines.

During this audit, we found that FS did not keep their personnel records up-to-date; we identified 23 out of 93 blasters without proper background checks. Also, FS did not identify that the certifications for two blasters had expired; therefore, FS continued to allow these blasters access to magazines.

At two of the three FS regions, we found that FS officials had neither a process to maintain accurate and complete records of each blaster, nor a process to track certification due dates. At the first region, an official stated that they did not track renewal dates for certifications or background checks; the region relied on blasters to inform the region when re-certification was required. We found that two blasters from this region—one, a Lead Blaster—had certifications that had expired and were not

identified because the previous regional official did not keep a complete record of blaster certifications. At the second region, an FS official stated that he allowed blasters to access magazines without the required background check because the background checks take such a long time. While the first region took immediate action to get the blasters certified, the second region continued to allow blasters without background checks to access the magazines.

We also previously recommended that FS require permittees to perform background checks on staff who have access to the magazines:

Recommendation 17 (Audit Report 08601-30-SF): Require ski resort operators and other permittees to perform background investigations on their staff with access to magazines that at a minimum include a national criminal history check, a check with local and State law enforcement agencies, and a credit check.

In response to this recommendation, FS implemented guidance³¹ requiring permittees to request BATFE to perform background checks on all employees authorized to handle explosives.

During this audit, we found that 2 of the 12 FS permittees we reviewed did not have an accurate record of employees who had the proper background checks. FS permittees are subject to the BATFE requirements, which require owners of explosives to maintain a current record of employees who are responsible for or handle explosives. In addition, those employees must pass a background check. For the 12 permittees reviewed, we determined that 10 employees who handled explosives at 2 permittee locations did not have current background checks.

We also found that FS permit administrators did not have a process to review or track permittees' employees who were responsible for or handled explosives. FS officials stated that they relied on BATFE to ensure the permittees were adhering to laws and regulations for handling explosives. While we understand that BATFE plays a major role in the oversight of FS permittees' storage and use of explosives, we concluded that FS needs to improve its oversight by verifying a sample of FS permittee employees to ensure background checks are completed as required.

We discussed the background check requirements with FS Washington office officials. Although FS implemented the prior recommendations, they did not include the necessary tracking and oversight needed to ensure that all blasters met background checks and current certification requirements. Those officials stated that a blaster must have a background check completed to be fully certified prior to being allowed unsupervised access to explosives magazines. However, FS Washington office officials stated that they understood the regional official's viewpoint that it did not make sense to delay blasters access to magazines since the background checks could take more than a year to complete. An FS official stated that the agency needs to do a better job at planning those reviews so there is no lapse in certifications.

³¹ FS Handbook 2709.11, Chapter 40—Special Uses Handbook (Dec. 5, 2003).

Lock and Key Security

In 2003, we reported that keys to the magazines' locks were not always adequately safeguarded to prevent unauthorized entry. Therefore, we issued the following two recommendations:

1. Recommendation 11 (Audit Report 08601-30-SF): *Establish minimum security standards for the distribution and safeguarding of the keys to the magazines. Minimum standards should require that the locks on the magazines be changed periodically, particularly when there is staff turnover or the key to the magazine is lost or stolen. Incorporate standards for the distribution and safeguarding of keys to magazines into the FS Guide for Using, Storing, and Transporting Explosives and Blasting Materials.*
2. Recommendation 12 (Audit Report 08016-30-SF): *Amend the special use permits to require that ski resort operators and other permittees meet the standards established in Recommendation No. 11.*

In response to these recommendations, FS established minimum security standards for distributing and safeguarding keys to the magazines. One of those requirements was that magazine locks be changed periodically, particularly when staff turnover takes place, or whenever a key to the magazine is lost or stolen.

During this audit, we found that blasters and permittees at 13 of the 26 magazine sites we visited did not have

FS officials and permittees

For example, we

found that for 9 of those 13 magazines,

(see Figure 5).



Figure 5: Rusty Lock Used for Explosives Magazine

We also found that FS officials and permittees [REDACTED] for 10 magazines. At one magazine, we counted [REDACTED]. We also found that one blaster did not have direct access to the magazine keys, but instead relied on two FS administrative staff members who [REDACTED]. In addition, we found another blaster who stored his magazine keys in [REDACTED].

FS Washington office officials stated that FS blasters and permittees are required to change magazine keys and locks only periodically, and FS [REDACTED]. FS regional officials stated, however, that, since Washington office-level officials [REDACTED] Washington office therefore did not [REDACTED].

We discussed the key and lock requirements with FS Washington office officials and we concluded that FS needs to develop more specific standards for securing and distributing locks and keys for the magazines. FS Washington office officials stated that they [REDACTED] in order to allow local blasters greater flexibility. However, those officials stated that the FS could work towards improving key controls and would be open to [REDACTED]. FS Washington office officials also stated that they would look into the policies to address [REDACTED].

We noted during our site visits that FS needs to strengthen its monitoring of regional officials' oversight to ensure the magazines are secure. Not resolving these issues would raise concerns about FS' ability to secure explosives if the regions cannot account for keys as well as lock integrity while securing the magazines.

Recommendation 5

Develop and implement a process to ensure regional officials maintain an accurate and complete record of certified blasters for both the background checks and certifications.

Agency Response

In its October 16, 2017, response, FS officials stated that the FS generally concurs with this recommendation. This recommendation is not applicable to the Winter Sports Program. FS use of explosives outside of the avalanche control and winter sports program areas will be accomplished by non-FS employees under contracts and task order agreements. Until this transition is complete, regional officials will be responsible to annually review the FS Human Resources Personnel Security database (eQIP) as well as the BATFE database, to ensure no individuals are performing blasting activities without a completed background check and BATFE certifications. FS officials estimated that these changes would be completed by October 30, 2018.

OIG Position

We accept FS' management decision for this recommendation.

Recommendation 6

Amend current requirements to provide minimum standards for locks and keys that include a definite timeframe for replacement.

Agency Response

In its October 16, 2017, response, FS officials stated that the FS generally concurs with this recommendation. The FS will modify manuals to be in alignment with the BATFE regulations for permittee-owned magazines. The Alcohol, Tobacco, and Firearms (ATF) Regulations are located at ATF_Pub-5400-7.pdf. The agency will ensure permittees are up to date with ATF Rulings such as Ruling 2011-3: Alternate Locks Authorized for Explosives Magazines and implement immediately. In its October 20, 2017, supplemental response, FS officials further clarified that the agency will modify policy to require a timeframe for lock and key replacement for permitted explosive magazines. FS officials estimated that these changes would be completed by October 30, 2018.

OIG Position

We accept FS' management decision for this recommendation.

Recommendation 7

Update guidance requiring blasters to accurately document, track, and secure keys used to access explosives magazines.

Agency Response

In its October 16, 2017, response, FS officials stated that the FS generally concurs with this recommendation. The FS will modify manuals to conform to the BATFE regulations for permittee-owned magazines. The FS's use of explosives outside of the Avalanche Control and Winter Sports Program areas will be accomplished by non-FS employees under contracts and task order agreements. FS owned magazines will be removed from NFS land and blasting material brought to the project site on an as-needed basis by outside resources. It is not anticipated that all inventory will be removed by the estimated completion date and therefore interim guidance in accordance with BATFE will be provided requiring blasters to accurately document, track, and secure keys used to access explosives magazines. FS officials estimated that these changes would be completed by October 30, 2018.

OIG Position

We accept FS' management decision for this recommendation.

Finding 4: FS Needs to Improve Inspection Process for Explosives Magazines

We found that FS officials and permittees did not always monitor magazines to timely identify an unauthorized entry or ensure the magazines met safety requirements. For example, FS and permittees did not always perform the required 7-day or annual physical inspections (separate from the annual inventories) at nearly half of the 26 magazine sites we visited. For FS-owned sites, we determined that Regional Blaster Examiners relied upon FS' local Lead Blasters to perform the 7-day and the annual inspections, but regional officials did not implement compensating controls to verify the completion of those inspections. For permittee-owned sites, we found that FS permit administrators were not adequately trained to monitor the permittees' compliance with the required inspections. Without adequate inspections and monitoring by FS officials, there is an increased risk of having these sensitive assets stolen or misused without being timely detected and investigated.

FS procedures³² require both annual inspections and 7-day inspections to be performed by FS officials and permittees.³³ The primary purpose of the annual inspection is to check the condition of the magazine and its contents, while the 7-day is a brief visual inspection to determine if there was an unauthorized entry. FS procedures also require FS' Regional Blast Examiner to make periodic monitoring visits to ranger districts that use explosives, and to ensure the magazines and locations for explosives and blasting materials comply with regulations, such as ensuring the area is free of debris and contains required warning signs.³⁴

Conduct of 7-Day and Annual Physical Inspections

In 2003, we reported that FS and permittees did not always perform the required 7-day or annual inspections of magazines or correct the noted deficiencies. FS and permittee officials stated that the 7-day inspections had been performed, but they did not have documentation to support those inspections. In addition, annual physical inspections were not required for permittee-owned magazines. During this audit, for 26 of the magazine sites we visited, we found that FS did not ensure that all 7-day inspections were documented at 14 sites or that the required annual inspections were performed at 12 magazine sites.³⁵

Recommendation 5 (Audit Report 08601-30-SF): Instruct FS staff, ski resort operators, and other permittees to conduct all required inspections, focusing on the deficiencies noted in our review, and to document the inspection results.

³² FS Handbook 2709.14 Chapter 61.4, part 2b and 4, dated Apr. 17, 2014; FSM 6745.04k part 7, dated Dec. 17, 2002; and *FS Guide for Using, Storing, and Transporting Explosives and Blasting Materials* (2008 Edition) Chapter 1.2.

³³ For permittees, annual inspections must be done by qualified government officials (For example, FS, BATFE, or State).

³⁴ FSM 6745.04h part 8 and part 10, dated Dec. 17, 2002.

³⁵ Recommendations 5, 6, 9, 22, and 23, from Audit Report 08601-30-SF, *Review of Security Over Explosives/Munitions Magazines Located Within the National Forest System*, Mar. 2003.

In 2003, we reported that FS officials and permittees (for example, ski resort operators) either did not document inspections or were not aware that periodic inspections of magazines were required. In response to our recommendation, FS issued a letter to the National Ski Areas Association (NSAA) to take immediate action to improve security of permittee-owned magazines. In addition, FS issued an Interim Directive that directed ski areas to conduct required inspections.³⁶ This directive was permanently added to the FS handbook in 2014.³⁷ Finally, in 2008, FS issued a guide that instructed FS blasters to conduct 7-day and annual inspections and document the results of annual inspections of FS-owned magazines.

7-day Inspections. During this audit, we found that neither FS nor permittees were regularly performing or documenting the 7-day inspections. We determined that at 14 (5 FS and 9 permittee) of the 26 sites we visited, officials did not perform or document the required 7-day inspections. We found that FS officials completed and documented 7-day inspections at a majority (9) of the FS-owned magazine sites we visited, but at 5 of the 14 FS sites, blasters could not provide documented evidence to support that all inspections were performed. We found that at 9 of the 12 permittee-owned magazine sites we visited, officials could not support that all inspections were performed, with 4 of those 9 being unable to prove that any 7-day inspections were performed.

Annual Inspections. We determined that of the 26 magazine sites we visited, 12 (5 FS-owned and 7 permittee-owned) did not have all annual inspections performed.

In discussions with FS regional officials and FS permittees, there was general awareness of the 7-day and annual inspections requirements. One FS Lead Blaster stated he was not aware and did not prepare annual inspection reports since becoming Lead Blaster in 2015. Although FS regional officials were aware of the requirements, they relied on FS Lead Blasters to perform the duties since the lack of resources prevented the regional officials from performing sufficient oversight. FS permittees stated that the completed 7-day inspections were not documented because they are at the magazines all winter long (during ski season) to obtain explosives used for avalanche control activities. FS permittees also stated that BATFE did not require them to document their 7-day inspections.

FS Monitoring of Permittee Magazine Inspections

Recommendation 6 (Audit Report 08601-30-SF): *Require ski resort operators and other permittees to conduct annual inspections of their magazines, particularly if annual inspections are not performed by the State.*

³⁶ FS Handbook, Interim Directive, 2709.11-2003-8, "Chapter 40-Special Uses Administration," Dec. 5, 2003.

³⁷ FS Handbook 2709.14, Chapter 61.4, parts 2b and 4, dated Apr. 17, 2014.

Recommendation 9 (Audit report 08601-30-SF): *Monitor the activity at those magazines owned and operated by the ski resorts and other permittees to ensure that they are conducting the required reviews and physical inventories in a timely manner and that the magazines are adequately secured. Incorporate FS responsibilities into the FS Manual that address the monitoring of permittee inspections and physical inventories.*

In 2003, we reported FS permittees, such as ski resort operators, were not required to conduct annual inspections of magazines. FS procedures³⁸ now require annual inspections of permittee magazines by a qualified government official such as FS, BATFE, or a State regulatory agency. We also previously reported that FS permit administrators were not monitoring the ski resorts to ensure that the required inspections and physical inventories were timely performed and the magazines adequately secured. In response to Recommendation 9 above, FS now requires FS permit administrators to monitor permittees' operating plans to ensure the plans include a description of monitoring activities of magazines.

During this audit, we found that 7 of the 12 FS permittees we reviewed did not have annual inspections of magazines performed by a qualified government official. We found that FS permit administrators relied on BATFE or State Regulatory officials to perform annual inspections of permittee magazines. However, a BATFE official said that they only visit permittees once every 3 years. We also found that FS permit administrators did not adequately review permittees' operating plans. For example, we found that the operating plans for 3 of the 12 permittees we reviewed did not contain all the required magazine security provisions. In addition, we found that FS permit administrators were not verifying that the permittee actually followed those provisions.

We found that while FS permit administrators conduct routine visits to the permittees, the permit administrators stated that they have not been directed to perform an annual inspection of magazines. Those permit administrators also stated they were not adequately trained to perform the functions (for example, perform an inventory of explosives) required for the annual inspection. FS regional officials agreed that permit administrators would need to be trained on what to look for during the annual inspections of the permittees' magazines.

Debris and Warning Signs Near Magazines

Recommendation 22 (Audit Report 08601-0030-SF): *Ensure during the 7-day inspections that all magazines are properly cleaned and the surrounding area is clear of dry grass, branches, or dead trees.*

Recommendation 23 (Audit Report 08601-0030-SF): *Instruct FS staff, ski resort operators, and other permittees to post the appropriate signs warning the public of explosives danger.*

³⁸ FS Handbook 2709.14, Chapter 61.4, part 2b, dated Apr. 17, 2014.

In 2003, we reported that FS did not correct deficiencies found during 7-day inspections. These deficiencies included not cleaning debris from around the magazines and not ensuring there were adequate warning signs posted. To address the debris issue, FS issued an Interim Directive that requires ski areas to ensure magazines are clear of debris within 25 feet of the magazine and all volatile materials, such as paints and solvents, are not within 50 feet of the magazine.³⁹ This requirement is also included in FS' 2008 guide as part of FS' required annual inspections of explosives magazines.⁴⁰ FS responded to the lack of warning signs by issuing a letter to remind NSAA of the sign rules. NSAA answered that it forwarded the rules to all resorts operating in NFS.

During this current audit, we found that when FS officials performed the 7-day inspections of magazines, they did not ensure the immediate area surrounding magazines was cleared of debris. For fire safety reasons, Federal Regulations require that the area surrounding the magazine be clear of rubbish, brush, dry grass, and trees.⁴¹ However, we found that three FS-owned and two permittee-owned sites had dry grass, branches, or dead trees near the magazine. The pictures below show an FS magazine with dry brush and a wood pallet next to the magazine (see Figure 6).

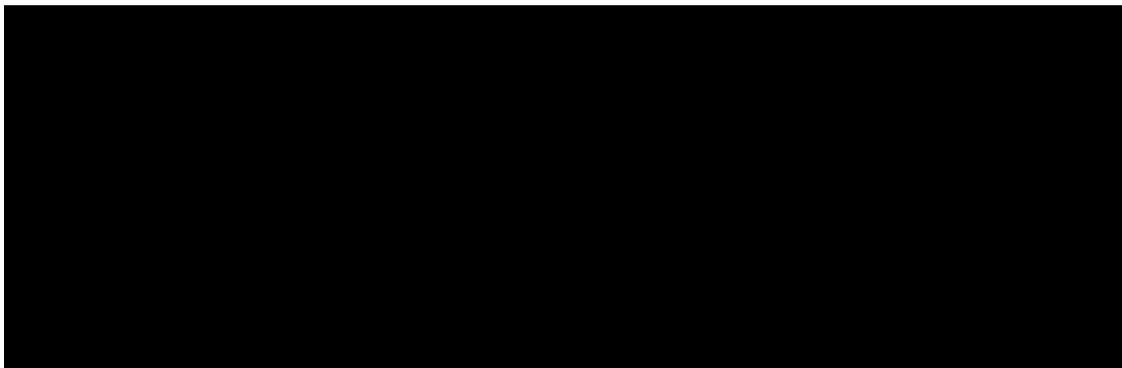


Figure 6: Debris Near Magazines

We also found that FS and BATFE have conflicting viewpoints with respect to requirements for signage. An FS Washington office official stated that FS and permittees need to be in compliance with housekeeping requirements, including keeping the magazine area clear of debris and having proper signage. However, a BATFE official stated that although the agency did not have a specific requirement against posting warning signs (see Figure 7), BATFE would prefer signs not be posted near the magazines. That same official stated that if a location does have signs posted, that is not a violation and BATFE would suggest, but not require, the permittee to take down the signs. We found that four permittee-owned magazine sites we visited did not have signs warning the public of explosives. One permittee stated that BATFE does not allow posted signage near the explosives because such signs would draw attention to the magazines. However, U.S. Department of Labor's Occupational Safety and Health

³⁹ FS Handbook, Interim Directive, 2709.11-2003-8, "Chapter 40-Special Uses Administration," Dec. 5, 2003.

⁴⁰ *Guide for Using, Storing, and Transporting Explosives and Blasting Materials*, Appendix A (Aug. 2008).

⁴¹ 27 C.F.R. part 555.215.

Administration regulations require that property upon which explosives magazines are located outside of buildings shall be posted with signs reading “Explosives–Keep Off.”⁴²



Figure 7: Explosives Warning Sign

We discussed these concerns with FS Washington office officials, who stated that, according to FS procedures, both FS and permittees need to properly monitor the security and safety of magazines. We questioned why agency procedures require annual inspections to be documented, yet there is no clear requirement to document 7-day inspections for FS permittees. FS Washington office officials stated that there is no requirement that 7-day inspections be documented—the inspections just have to be completed. Those officials also stated they were reluctant to implement additional documentation requirements if it would not add to the security of the magazine. We found that most FS-owned magazines and a few permittees completed and documented the 7-day inspection using a simple chart to record the initials of the person and date of the inspection. We concluded that documenting the 7-day inspection would not be a major burden, and it would lend some proof, assurance, and credibility that FS and permittees are properly implementing this security requirement. In regards to FS permit administrators not completing annual inspections and inventories, FS Washington office officials acknowledged OIG's concerns and said they would look into addressing them. FS regional officials suggested assigning FS staff, such as certified blasters, to perform annual inspections of permittee magazines. Regular inspections would help FS fulfill its role in ensuring permittees comply with the magazine security requirements outlined in the operating plan.

Overall, we concluded that FS had not implemented an effective system of controls to ensure the security and safety of magazines and explosives stored and used on FS lands. Basic procedures in accountability, access, and control had not been implemented or followed. These lapses have increased the vulnerability of explosives to theft and misuse that could risk the lives of employees and the public. FS needs to develop a process to verify that Lead Blasters are performing and documenting the required inspections in a timely manner. FS should also review its oversight to ensure permittees timely perform required inspections.

⁴² 29 C.F.R. part 1910.109 (c) (2) (iii) dated July 1, 2015.

Recommendation 8

Develop and implement a process to verify that 7-day and annual inspections are performed for both FS-owned and permittee-owned magazines.

Agency Response

In its October 16, 2017, response, FS officials stated that the FS generally concurs with this recommendation. The FS will modify internal manuals to conform to the BATFE regulations and inspection oversight on NFS lands. Through the proposed MOU with the BATFE the FS will develop a process to verify that inspections and 7 day checks are performed in compliance with BATFE regulations for permittee-owned non-munition magazines. A permittee who does not meet BATFE regulatory requirements or fails a BATFE inspection would be in non-compliance with the terms and conditions of the Special Use Authorization, in violation of FS policy, and in violation of BATFE regulations, and subject to appropriate actions by both agencies with jurisdiction and oversight. The FS's use of explosives outside of the Avalanche Control and Winter Sports program areas will be accomplished by non-FS employees under contracts and task order agreements. FS owned magazines will be removed from NFS land and blasting material will be brought to the project site on an as-needed basis by outside resources. It is not anticipated that all inventory will be removed by the estimated completion date, and therefore, interim guidance will be provided requiring regional officials to ensure BATFE regulations are being met during this transition. FS officials estimated that these changes would be completed by October 30, 2018.

OIG Position

We accept FS' management decision for this recommendation.

Recommendation 9

Provide training to permit administrators to ensure they can effectively monitor and verify the requirements of a permittee's operating plan, including required magazine security provisions for applicable permittees.

Agency Response

In its October 16, 2017, response, FS officials stated that the FS generally concurs with this recommendation. FS manuals will be updated and interim guidance provided to ensure Winter Sports/Ski area Administrators of avalanche control programs are effectively trained. Training will clarify the regulatory role of the BATFE under the MOU and the revisions to FS manuals. The Winter Sports Program Manager and National Avalanche Center Director will conduct an agency wide webinar and record this training and supporting policy documentation on the agency Special Uses Share-point site. FS officials estimated that these changes would be completed by October 30, 2018.

Scope and Methodology

Our audit evaluated FS controls over the location, inventory, and security of explosives and munitions for FYs 2014 through 2016. In addition, we evaluated the adequacy of FS' implementation of corrective actions taken on 26 recommendations from 2 prior audits.⁴³ We performed our audit work at the FS Washington office in Washington, D.C., and three of nine non-statistically selected regional offices: Region 1, Northern Region based in Missoula, Montana; Region 4, Intermountain Region based in Ogden, Utah; and Region 6, Pacific Northwest Region in Portland, Oregon. We performed our audit fieldwork from October 2016 through June 2017.

We selected a non-statistical sample of 26 of the approximately 78 magazine sites located within 3 regions,⁴⁴ out of a total of approximately 272 magazine sites (60 FS-owned and 212 permittee-owned⁴⁵ sites) nationwide (see Exhibit B). Our sample of the 26 sites included 14 (34 percent) of the 41 FS-owned magazine sites (typically 2 magazines per site) and 12 (32 percent) of the 37 permittee sites, such as ski resorts and Washington State Department of Transportation sites. In addition, of the 9 FS permittee locations that [REDACTED], we selected 4 to include in our sample of 12 FS permittees.⁴⁶ We selected our sample of regional and magazine sites based on FS records of [REDACTED] and at each magazine site with an additional emphasis given to sites that [REDACTED]

During the course of our audit, we did not solely rely on or verify information in any agency information systems, and we make no representation regarding the adequacy of any agency computer systems, or the information generated from them, because of an inaccuracy we identified. Specifically, the FS information system provided a listing of 88 FS-owned magazines; however, documentation provided by regional officials indicated that 115 magazines existed. Due to this inaccuracy, we did not rely on an information technology (IT) system for identifying the universe for our non-statistical sample of FS-owned and permittee-owned sites we visited. Therefore, we did not perform any additional testing to evaluate the agency's IT system used and make no representation as to the adequacy of the agency's IT systems or reports. In addition, we found that the FS Washington office did not make sure that access to system data was restricted to only authorized FS explosives officials, which we reported on in Finding 1. FS subsequently took action to restrict that data to only authorized agency officials.

⁴³ Audit Reports 08601-30-SF, *Forest Service Review of Security Over Explosives/Munitions Magazines Located Within the National Forest System*, Mar. 2003, and 08601-45-SF, *Follow-Up Review of Forest Service Security Over Explosives/Munitions Magazines Located Within the National Forest System*, June 2006.

⁴⁴ These 26 sites were located in 5 States [REDACTED]

⁴⁵ The number of permittee-owned sites was based on information provided by a FS Washington office official, which was last updated in 2009. FS did not provide any assurance on the accuracy of this data (see Finding 1).

⁴⁶ The nine permittee locations included [REDACTED]

Our sample of four locations included [REDACTED]

To accomplish our audit objectives, we:

- Interviewed FS Washington office officials on the agency’s policies, procedures, and oversight of blasting on FS lands;
- Reviewed FS Washington office regulations, manuals, policies, procedures, and oversight of the blasting program;
- Analyzed information provided by the individual magazine custodians via the regional offices to determine the total number of magazine sites;
- Reviewed FS management decisions and final actions to implement 26 prior audit recommendations⁴⁷ related to the agency’s controls and oversight of explosives and munitions;⁴⁸
- Interviewed an FS official at the FS Technology and Development Center who was the project leader for the “Guide for Using, Storing, and Transporting Explosives and Blasting Materials 2008” that offers technical advice and program expertise to blasters nationwide;
- Interviewed FS regional officials from the Northern, Intermountain, and Pacific Northwest Regions to determine their roles in overseeing the explosives programs;
- Interviewed the Regional Blaster Coordinator, the Regional Blaster Examiner, and the recreation special uses official who coordinated permittees (in other words, ski areas) to determine their oversight role over the magazine custodians and blasters;
- Interviewed the FS or permittee magazine custodian/blaster at each of the selected magazine sites;
- Observed the controls, security, and maintenance of each selected magazine and, if applicable, performed an inventory of explosives, detonators, and munitions present on the day of our visit and compared those totals to the recorded inventory;

⁴⁷ Audit Report 08601-30-SF, *Forest Service Review of Security Over Explosives/Munitions Magazines Located Within the National Forest System*, Mar. 2003; and Audit Report 08601-45-SF, *Follow-Up Review of Forest Service Security Over Explosives/Munitions Magazines Located Within the National Forest System*, June 2006.

⁴⁸ OIG conducted an initial follow-up Audit Report, 08601-45-SF, *Follow-Up Review of Forest Service Security Over Explosives/Munitions Magazines Located Within the National Forest System*, June 2006, that found that FS had not fully implemented 11 of the previous 24 audit recommendations. OIG concluded at the time that it would be neither efficient nor effective to conduct detailed fieldwork at the time. Instead, OIG issued two additional recommendations: first, to designate a high-level official at the Washington office responsible for overall safety and security of FS' explosives/munitions program; and second, to establish a realistic timeframe for implementing all remaining security recommendations.

- Reviewed documentation pertaining to each selected magazine, including 7-Day Inspection records, Annual Magazine Condition reports, and, when applicable, permits and operating plans;
- Interviewed BATFE officials to determine their roles in overseeing the storage, inventory, and security of explosives and munitions; and
- Developed a pro-forma document to ensure consistency and to document our observations and interviews related to each magazine site.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions, based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Abbreviations

ATF	Alcohol, Tobacco, and Firearms
BATFE	Bureau of Alcohol, Tobacco, Firearms, and Explosives
C.F.R.	Code of Federal Regulations
DR	Departmental Regulation
FS	Forest Service
FSM	Forest Service Manual
FY	fiscal year
GAO	Government Accountability Office
IT	information technology
MBI	Moderate Risk, Public Trust Background Investigation
MOU	Memorandum of Understanding
NFS	National Forest System
NWS	National Winter Sports
NSAA	National Ski Areas Association
OIG	Office of Inspector General
USDA	United States Department of Agriculture

Exhibit A: Results of Prior Audit Recommendations

The table below lists the results of FS' implementation of prior audit recommendations from Audit Reports 08601-30-SF and 08601-45-SF. For recommendations that we determined the corrective actions were not effective, we referenced the Finding number in this report where we discuss our results.⁴⁹

Audit Number	Recommendation Number	Prior Audit Recommendation	Final Action Granted?	Corrective Action Effective?
08601-30-SF	1	Update FS property records so that they accurately reflect all magazines owned and operated by the FS.	Yes	No (Finding 1)
08601-30-SF	2	Document in each special use permit the name and location of all magazines located within NFS that are owned and operated by the permittee. The permits should also indicate the type of magazine, quantity of explosives or munitions generally stored in the magazine, and the permittee's responsibility for safeguarding the contents of the magazine.	Yes	Yes
08601-30-SF	3	Using the information from the FS property records and the special use permits, establish a centralized and restricted database containing the name and location of all magazines located within NFS. The database should also include the owner's name, magazine type, custodians, security features, and the risk level of the magazine based on its location and contents.	Yes	No (Finding 1)

⁴⁹ Audit Report 08601-30-SF, *Forest Service Review of Security Over Explosives/Munitions Magazines Located Within the National Forest System*, Mar. 2003; and Audit Report 08601-45-SF, *Follow-Up Review of Forest Service Security Over Explosives/Munitions Magazines Located Within the National Forest System*, June 2006.

Audit Number	Recommendation Number	Prior Audit Recommendation	Final Action Granted?	Corrective Action Effective?
08601-30-SF	4	Develop a comprehensive management plan to ensure that the appropriate resources are provided to timely perform the required inspections and physical inventories.	Yes	No (Finding 2)
08601-30-SF	5	Instruct FS staff, ski resort operators, and other permittees to conduct all required inspections, focusing on the deficiencies noted in our review, and to document the inspection results.	Yes	No (Finding 4)
08601-30-SF	6	Require ski resort operators and other permittees to conduct annual inspections of their magazines, particularly if annual inspections are not performed by the State.	Yes	No (Finding 4)
08601-30-SF	7	Instruct FS staff and ski resort operators to immediately resolve inventory discrepancies identified by our review and report any missing inventory to BATFE and the appropriate local officials.	Yes	Yes
08601-30-SF	8	Require FS units, ski resort operators, and other permittees to conduct physical inventories at least biannually or more often as circumstances dictate and to establish a separation of duties to ensure that the staff adding or removing inventory from the magazines is not the same staff that is updating the inventory records and conducting the physical inventories. Inventories and inspections shall be conducted by designated, approved blasters. Incorporate procedures into	Yes	No (Finding 2)

Audit Number	Recommendation Number	Prior Audit Recommendation	Final Action Granted?	Corrective Action Effective?
		the <i>Guide for Using, Storing, and Transporting Explosives and Blasting Materials</i> addressing the conduct and documentation of physical inventories.		
08601-30-SF	9	Monitor the activity at those magazines owned and operated by the ski resorts and other permittees to ensure that they are conducting the required reviews and physical inventories in a timely manner and that the magazines are adequately secured. Incorporate FS responsibilities into the FS Manual that address the monitoring of permittee inspections and physical inventories.	Yes	No (Finding 4)
08601-30-SF	10	Amend the FS Manual, along with the special use permits, to adequately address the FS, ski resort operators, and other permittees' roles and responsibilities regarding the safeguarding of the magazines and their contents.	Yes	Yes
08601-30-SF	11	Establish minimum security standards for the distribution and safeguarding of the keys to the magazines. Minimum standards should require that the locks on the magazines be changed periodically, particularly when there is staff turnover or the key to the magazine is lost or stolen. Incorporate standards for the distribution and safeguarding of keys to magazines into the <i>FS Guide for Using, Storing, and Transporting Explosives and Blasting Materials</i> .	Yes	No (Finding 3)

Audit Number	Recommendation Number	Prior Audit Recommendation	Final Action Granted?	Corrective Action Effective?
08601-30-SF	12	Amend the special use permits to require that ski resort operators and other permittees meet the standards established in Recommendation No. 11	Yes	No (Finding 3)
08601-30-SF	13	Ensure that the position descriptions are properly updated for all FS staff with responsibilities associated with the magazines, and upgrade the position risk level for those employees who handle the explosives or munitions stored in the magazines in accordance with OPM guidelines.	Yes	No (Finding 3)
08601-30-SF	14	Conduct the required background investigations in accordance with OPM guidelines for those FS employees whose position risk level was upgraded.	Yes	No (Finding 3)
08601-30-SF	15	Require that background investigations be updated in accordance with OPM guidelines for all FS employees with access to the magazines that handle explosives when renewing their blaster certifications. Incorporate background investigation requirements into the FS Manual.	Yes	No (Finding 3)
08601-30-SF	16	Restrict access to the magazine to only those FS employees with the proper security clearance or those accompanied by someone with the proper security clearance.	Yes	No (Finding 3)

Audit Number	Recommendation Number	Prior Audit Recommendation	Final Action Granted?	Corrective Action Effective?
08601-30-SF	17	Require ski resort operators and other permittees to perform background investigations of their staff with access to magazines that at a minimum include a national criminal history check, a check with local and State law enforcement agencies, and a credit check.	Yes	No (Finding 3)
08601-30-SF	18	Identify all magazines used to stockpile munitions, determine the additional security measures needed to ensure that they are adequately secured, and implement the additional security measures as soon as possible.	Yes	Yes
08601-30-SF	19	Instruct FS staff, ski resorts, and other permittees to reassess during the annual inspections the need for each of their magazines and to promptly close down those they determine are no longer needed. For those magazines where the use is infrequent, consolidate magazines when possible.	Yes	Yes
08601-30-SF	20	Instruct FS staff, ski resort operators, and other permittees to identify during the 7-day inspections excess quantities of explosives stored at the magazines and to promptly destroy any explosives that have expired or that have deteriorated to the point they are no longer useful.	Yes	No (Finding 2)
08601-30-SF	21	Ensure that all staff handling explosives are properly certified in a timely manner.	Yes	No (Finding 3)

Audit Number	Recommendation Number	Prior Audit Recommendation	Final Action Granted?	Corrective Action Effective?
08601-30-SF	22	Ensure during the 7-day inspections that all magazines are properly cleaned and the surrounding area is clear of dry grass, branches, or dead trees.	Yes	No (Finding 4)
08601-30-SF	23	Instruct FS staff, ski resort operators, and other permittees to post the appropriate signs warning the public of explosives danger.	Yes	No (Finding 4)
08601-30-SF	24	Instruct all ski resort operators and other permittees to comply with the current regulation prohibiting the assembly of explosive components in public places.	Yes	Yes
08601-45-SF	1	Designate a high-level official at the Washington office responsible for overall safety and security of the FS' explosives/munitions program.	Yes	No (Finding 1)
08601-45-SF	2	Establish a realistic timeframe for implementing all remaining security recommendations.	Yes	Yes

Exhibit B: Magazine Sites Visited

The table below lists the FS region, States, and number of FS-owned and permittee magazine sites visited.

FS Region	States Visited	Number of FS-owned Sites	Number of Permittee Sites	Total Number of Magazine Sites
Region 1 Northern Region	[REDACTED] ⁵⁰	4	2	6
Region 4 Intermountain Region	[REDACTED]	4	2	6
Region 6 Pacific Northwest Region	[REDACTED]	6	8	14
TOTALS		14	12	26

⁵⁰ [REDACTED]

**FOREST SERVICE'S
RESPONSE TO AUDIT REPORT**



File Code: 1430
Route To:

Date: October 16, 2017

Subject: FS Response to Reach Management Decision on Office of Inspector General Report No. 08016-0001-23, "Review of Forest Service Controls over Explosives and Magazines"

To: Gil H. Harden, Assistant Inspector General for Audit, Office of Inspector General

Thank you for the opportunity to review and comment on the Office of Inspector General (OIG) Report Number 08016-0001-23. The Forest Service generally concurs with the findings. Please note our enclosed agency responses to the OIG recommendations. Please contact Antoine Dixon, Chief Financial Officer, at (202) 205-0429 or aldixon@fs.fed.us with any questions.

/s/ Tony Tooke
TONY TOOKE
Chief

Enclosure



USDA Forest Service (FS)

Office of Inspector General (OIG) Audit Report No. 08016-0001-23

Review of Forest Service Controls over Explosives and Magazines

Official Draft Issued September 20, 2017

Response to the Official Draft Report / Management Decision Request

Recommendation 1: Establish a permanent Washington-Office-level position responsible for the FS explosives program, with a position description that includes, at a minimum, duties and responsibilities to provide the necessary oversight of and guidance to regional officials to ensure explosives program requirements are followed.

FS Response (09/24/2017):

The Forest Service concurs with this recommendation.

The Position Description for the Winter Sports Program Manager under the National Forest System, Director of Recreation will be amended to ensure the individual in that position is responsible for the overall oversight of the avalanche and winter sports programs. The Forest Service's use of explosives outside of those program areas will be transitioned to non-Forest Service contracts and task order agreements. The Director of Engineering, Technology and Geospatial Services will oversee this transition with support from the Director of Safety and Occupational Health and the Director of Homeland Security.

Estimated Completion Date: October 30, 2018

Recommendation 2: Develop and implement a complete, accurate, and secure centralized database that tracks all magazines on FS land. In addition, FS Washington Office needs to reconcile annually the property records and inventories to ensure that the database is accurate and current.

FS Response (09/24/2017):

The Forest Service generally concurs with this recommendation.

Rather than develop an in-house database specific to the FS, the FS will utilize the existing Bureau of Alcohol, Tobacco, Firearms and Explosives (BATFE) database which tracks all permittee-owned (Ski area operators and State Department of Transportation) magazines on National Forest System (NFS) lands. A Memorandum of Understanding (MOU) with BATFE will be developed in order to coordinate all permittee owned magazines on NFS lands. Property

records and inventories will be reconciled in accordance with BATFE to ensure the database is accurate and current.

The Forest Service's use of explosives outside of these program areas will be accomplished by non FS resources under contracts and task order agreements. Existing inventory will be removed from NFS lands and disposed of properly, and/or turned over to authorities. It is not anticipated that all inventory will be removed by the estimated completion date and therefore, any inventory remaining will be properly categorized in a secure interim database until removed.

Estimated Completion Date: October 30, 2018

Recommendation 3: Require FS regional officials to visit every FS-owned magazine site on a defined periodic basis to verify the Lead Blasters have a process in place to perform an independent inventory of magazine contents. This process should include a review of whether unused product remained in the magazine for more than 1 year and require blasters to take appropriate corrective actions as needed.

FS Response (09/24/2017):

The Forest Service generally concurs with this recommendation.

The Forest Service's use of explosives outside of the avalanche control and winter sports program areas will be accomplished by non-Forest Service employees under contracts and task order agreements. FS owned magazines will be removed from NFS land and blasting material brought to the project site on an as-needed basis by outside resources. It is not anticipated that all inventory will be removed by the estimated completion date and therefore, any inventory remaining will be categorized in a secure interim database until final removal and regional officials will be responsible to visit each magazine to perform an independent inventory and take appropriate corrective action on unused product greater than one year old.

Estimated Completion Date: October 30, 2018

Recommendation 4: Develop and implement a process to ensure that an authorized FS regional official reviews permittee-owned magazines and performs an annual inspection.

FS Response (09/24/2017):

The Forest Service generally concurs.

Permittee-owned magazines are already subject to the BATFE regulations and inspections. The FS will modify internal manuals and the Permittee's Operating Plan to be in compliance with the BATFE regulations and inspection oversight on NFS lands.

A permittee who does not meet BATFE regulatory requirements or fails a BATFE inspection would be in non-compliance with the terms and conditions of the Special Use Authorization, in violation of FS policy, and in violation of BATFE regulations, and subject to appropriate actions by both agencies with jurisdiction and oversight.

Estimated Completion Date: October 30, 2018

Recommendation 5: Develop and implement a process to ensure regional officials maintain an accurate and complete record of certified blasters for both the background checks and certifications.

FS Response (09/24/2017):

The Forest Service generally concurs.

This recommendation is not applicable to the Winter Sports Program. The Forest Service's use of explosives outside of the avalanche control and winter sports program areas will be accomplished by non-Forest Service employees under contracts and task order agreements. Until this transition is complete, regional officials will be responsible to annually review the FS Human Resources Personnel Security database (eQIP) as well as the BATFE database, to ensure no individuals are performing blasting activities without a completed background check and BATFE certifications.

Estimated Completion Date: October 30, 2018

Recommendation 6: Amend current requirements to provide minimum standards for locks and keys that include a definite timeframe for replacement.

FS Response (09/24/2017):

The Forest Service generally concurs

The FS will modify manuals to be in alignment with the BATFE regulations for permittee-owned magazines. The ATF Regulations are located at: [ATF Pub-5400-7.pdf](#). The agency will ensure permittees are up to date with ATF Rulings such as Ruling 2011-3: Alternate Locks Authorized for Explosives Magazines and implement immediately. The agency will modify policy to require a timeframe for lock and key replacement for permitted explosive magazines.

Estimated Completion Date: October 30, 2018

Recommendation 7: Update guidance requiring blasters to accurately document, track, and secure keys used to access explosives magazines.

FS Response (09/24/2017):

The Forest Service generally concurs

The FS will modify manuals to conform to the BATFE regulations for permittee-owned magazines. The FS's use of explosives outside of the Avalanche Control and Winter Sports Program areas will be accomplished by non-FS employees under contracts and task order agreements. FS owned magazines will be removed from NFS land and blasting material brought to the project site on an as-needed basis by outside resources. It is not anticipated that all inventory will be removed by the estimated completion date and therefore interim guidance in accordance with BATFE will be provided requiring blasters to accurately document, track, and secure keys used to access explosives magazines.

Estimated Completion Date: October 30, 2018

Recommendation 8: Develop and implement a process to verify that 7-day and annual inspections are performed for both FS-owned and permittee-owned magazines.

FS Response (09/24/2017):

The Forest Service generally concurs.

The FS will modify internal manuals to conform to the BATFE regulations and inspection oversight on NFS lands. Through the proposed MOU with the BATFE the FS will develop a process to verify that inspections and 7 day checks are performed in compliance with BATFE regulations for permittee-owned non-munition magazines. A permittee who does not meet BATFE regulatory requirements or fails a BATFE inspection would be in non-compliance with the terms and conditions of the Special Use Authorization, in violation of FS policy, and in violation of BATFE regulations, and subject to appropriate actions by both agencies with jurisdiction and oversight.

The FS's use of explosives outside of the Avalanche Control and Winter Sports program areas will be accomplished by non-FS employees under contracts and task order agreements. FS owned magazines will be removed from NFS land and blasting material will be brought to the project site on an as-needed basis by outside resources. It is not anticipated that all inventory will be removed by the estimated completion date and therefore, interim guidance will be provided requiring regional officials to ensure BATFE regulations are being met during this transition.

Estimated Completion Date: October 30, 2018

Recommendation 9: Provide training to permit administrators to ensure they can effectively monitor and verify the requirements of a permittee’s operating plan, including required magazine security provisions for applicable permittees.

FS Response (09/24/2017):

The Forest Service concurs with this recommendation

FS manuals will be updated and interim guidance provided to ensure Winter Sports/Ski area Administrators of avalanche control programs are effectively trained. Training will clarify the regulatory role of the BATFE under the MOU and the revisions to FS manuals. The Winter Sports Program Manager and National Avalanche Center Director will conduct an agency wide webinar and record this training and supporting policy documentation on the agency Special Uses Share-point site.

Estimated Completion Date: October 30, 2018

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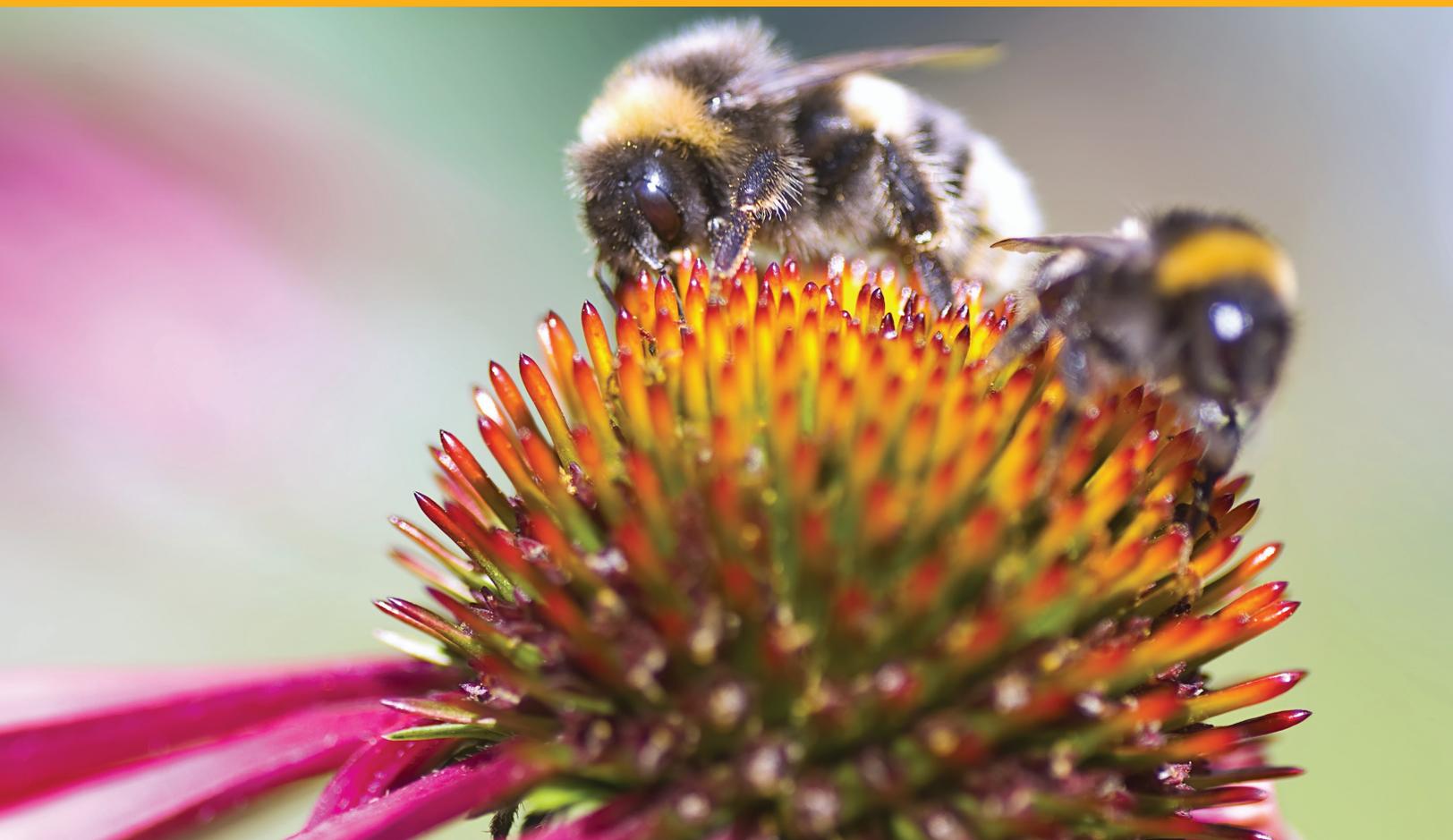
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