

June 17, 2011

MEMORANDUM TO: Stephen D. Dingbaum  
Assistant Inspector General for Audits

FROM: Darren B. Ash **/RA/**  
Deputy Executive Director  
for Corporate Management  
Office of the Executive Director for Operations

SUBJECT: MEMORANDUM REPORT: AUDIT OF NUCLEAR  
REGULATORY COMMISSION'S SHUTTLE SERVICE  
(OIG-11-A-11)

The Office of Administration (ADM) has reviewed the audit of the U.S. Nuclear Regulatory Commission's (NRC) shuttle services dated May 9, 2011. This memorandum responds to each of the five observations included for consideration in the report from the Office of the Inspector General (OIG) to enhance shuttle safety and security and improve administration of the service contract.

**Observation 1 - Re-emphasize mandatory seat belt use for staff and drivers.**

**Response**

The NRC fully supports emphasizing the use of seatbelts. The requirement for Federal employees to use seatbelts on official business was re-emphasized to NRC employees when Executive Order 13043 was promulgated via Yellow Announcement 113 on November 9, 2009.

Concurrent with the Yellow Announcement, NRC required the shuttle contractor to replace any vehicles that were not equipped with seatbelts. To further emphasize seatbelt requirements, on June 7, 2011, ADM took the following actions:

- Re-emphasized to the contractor that seatbelt use by shuttle drivers is mandatory.
- Posted signage on all shuttle buses alerting passengers of the requirement to fasten seatbelts properly.

In addition, ADM plans to issue periodic Yellow Announcements to all NRC employees informing them of this requirement and encouraging them to use seatbelts.

CONTACT: David Meyer, ADM/DAS  
(301) 415-2211

**Observation 2 - Re-emphasize mandatory display of NRC-issued picture ID badge.****Response**

ADM's internal Web page at [http://www.internal.nrc.gov/ADM/transportation/offictransport\\_udriveit.html](http://www.internal.nrc.gov/ADM/transportation/offictransport_udriveit.html) currently states that *"Employees and contractors must present their NRC-issued picture ID badge to the driver to ride the shuttle."* Given our 5 years experience with shuttle operations since this policy was instituted, we realize it does not permit NRC visitors to ride the shuttle. Therefore, ADM will be amending this policy to permit non-badged riders on NRC shuttles if sponsored by an NRC-badged individual. In addition, ADM will be amending the current policy to state that employees and contractors must conspicuously display their NRC-issued picture ID badge while riding the shuttle. Notwithstanding these policy changes, on June 7, 2011, ADM took the following actions to enhance the safety of NRC employees who ride the shuttle:

- Met with the shuttle contractor and emphasized the requirement that NRC employees must display conspicuously their NRC-issued badge.
- Posted signage on each shuttle reminding passengers that their NRC badge must be visible at all times.

**Observation 3 - Re-emphasize driver commitment to safety and security.****Response**

The ADM takes immediate corrective action with the contractor to address specific driver safety issues reported by riders. In 2009, radios were disabled or removed from all shuttle vehicles. In addition, on June 7, 2011, ADM took the following additional actions to ensure the safe operation of all shuttle vehicles:

- Posted signage in each vehicle that reflects the "Loop" identification and a phone number for passengers to call to report any unsafe operations, including the use of cell phones while driving.
- Re-inspected each vehicle to ensure all radios have been disabled or removed.
- Instructed the contractor that, to the maximum extent feasible, drivers are not to leave the shuttle vehicle while parked at interim locations. The contractor has also been instructed that drivers must always shut-off and remove the keys from their vehicle if they have to leave the vehicle unattended for any reason.

**Observation 4 - Ensure complete ridership records and apply performance deductions when appropriate.****Response**

The OIG audit revealed that for the months of September and November 2010, the records capturing ridership sometimes contained incorrect totals. For the months of November and December 2010, NRC levied a 5 percent reduction for each month because of inaccurate reports. All reports since December 2010 have been verified and the reports have been submitted within the acceptable accuracy variance, as stipulated in the contract. To ensure the accuracy of ridership records in the future, ADM took the following actions on June 1, 2011:

- Required ridership reports to be provided weekly versus monthly for easier validation.
- Reminded the contractor of the contract clause regarding the potential financial penalty due to inaccurate records.

**Observation 5 - Incorporate onsite supervisor responsibilities into the shuttle service contract.**

**Response**

ADM reviewed the shuttle services contract and determined all the items identified in the memorandum report are specifically articulated in the contract. The shuttle services contract is a performance-based contract that identifies the duties and the responsibilities of the contractor. The contract does not specifically require the contractor to provide an on-site supervisor. The decision to have an on-site supervisor was the contractor's decision to ensure work under this contract is performed at an acceptable level. Under a performance-based contract it is up to the contractor to determine the personnel skill-set required to perform the work under the contract. Since there was no requirement in the contract for an on-site supervisor and the contractor's cost proposal did not include the on-site supervisor as a line item, ADM does not consider it cost effective to modify the shuttle services contract to include the on-site supervisor responsibilities as it is out of the scope of this contract and is already inherently addressed.

If there are any questions or additional concerns regarding shuttle services, please contact David Meyer, Director, Division of Administrative Services, (301) 415-2211.

cc: Chairman Jaczko  
Commissioner Svinicki  
Commissioner Apostolakis  
Commissioner Magwood  
Commissioner Ostendorff  
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