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OFFICE of
INSPECTOR GENERAL

Date : July 30, 2012

Reply to
Attn of : Office of Inspector General (OIG)

Subject : Management Letter No. 12-18, Veteran's Records Issues

To : David S. Ferriero, Archivist of the United States (N)

The National Archives and Records Administration (NARA) Office of Inspector General (OIG) was recently alerted by personnel at the National Personnel Records Center (NPRC) in St. Louis, Missouri that U.S. military veterans' records which had been housed at NPRC were found abandoned off the grounds of the facility. The OIG initiated a criminal investigation, which is ongoing, and a joint team of OIG staff reviewing overall operations at St. Louis have identified information of such significance that I believe it warrants a Management Letter at this early stage to keep you fully and currently informed with what we have observed.

On initial review, the lack of internal controls, and ineffective internal controls which are in place, leave us with no confidence our veterans' Official Military Personnel Files (OMPF) and their content are adequately protected. The loss or misfiling of records or individual OMPFs in entirety is not an esoteric concern, but rather could cause real and tangible harm to our nation's veterans and their relatives who count on NPRC to provide them timely and full production of records upon request.

NPRC is responsible for both refiling and interfiling military personnel and medical records. Refiling consists of filing a personnel or medical folder back into the same records block from which it was originally pulled. Interfiling occurs when miscellaneous papers forwarded to NPRC by the service departments are filed into the existing folder associated with each document. Interfiling can be a very labor intensive process. First a specific box must be located out of the millions NPRC holds, then an individual file must be found out of possibly hundreds in the box, and then each record must be secured in the folder. This work is generally done by GS-3 to GS-5 level student employees, whose performance standards are directly related to how many interfiles or refiles they accomplish in a time period. Interfile documents may include such things as updates to a veteran's DD-214, "20 year" letters verifying a reservist's retirement eligibility, medical records, casualty reports and a host of other documents. Our focus to date has been on interfiles. Some of the issues identified so far include:

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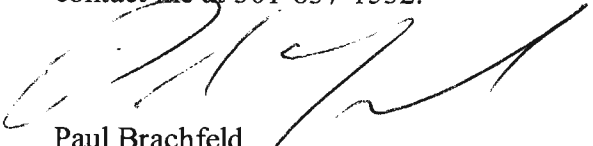
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- NPRC does not screen individuals exiting the facility for records. We were told personnel can leave the facility with anything except a box, and if someone does have a box the guards have no instruction on how to search it, or what to look for. There has been a documented instance of a NARA employee removing records from a St. Louis facility in the past, and the current investigation demonstrates it continues. We have been told NPRC plans to start exit screening, but have been given various timelines for implementation.
- In response to the current investigation NPRC stated they conducted “extensive audits to include one hundred percent audit of at least one batch of interfiles for every employee who worked on interfile task during past six months.” However, OIG staff subsequently identified employees who worked on interfile tasks within the last six months who had not been audited. One of the employees not included in the previous “one hundred percent” audit was later found to have intentionally misfiled interfile records. Thus we may not place reliance upon assurance previously offered by NPRC officials. Management acknowledged the audit was done very expeditiously with the intent to identify any other instances of misconduct, and the error was made with no intent to deceive. Management has agreed to expand their audit in order to mitigate concerns.
- OIG staff observed NPRC staff performing an audit of interfile documents for approximately one hour. NPRC staff would search for records in the box at the location where each interfile document should have been filed, and would also search boxes adjacent to the proper location if the record could not be found. During this period NPRC staff found approximately 20 interfile records incorrectly filed in the wrong boxes.
- With limited exception interfile documents filed before June of 2011 cannot be associated with the employee who filed them. Therefore, if they were removed, intentionally hidden or filed incorrectly at NPRC it would be impossible to identify which employee was responsible. The process was updated in June of 2011 to identify employees who interfile, and NPRC instituted audits to test a small percentage of interfiles. However, no documentation was maintained for interfile audits which allegedly did not identify any issues, so they cannot be verified.
- When misfiled documents are discovered in a veteran’s folder, those documents are pulled and placed into the interfile system. No notifications are made to possibly affected parties who may have been searching for the file, and no annotation is made the document was misfiled.
- As the old facility at Page Avenue is being decommissioned, various documents including original records are being recovered by NPRC personnel. These include large caches of intentionally hidden interfile documents in pillars, intentionally hidden piles of microfiched military retiree files, files stuffed between the floor and bottom shelf, and files wedged between shelving units. To date approximately 4,000 documents have been recovered by NPRC including, among other things, DD-214s, medical documents, Distinguished Service Medal orders, casualty reports, reconstructed files, records

damaged during the 1973 fire, enrollments into the Defense Eligibility Reporting System, and large amounts of internal NARA files. These original records are currently being interfiled into the veterans' service records. Many more records are expected to be found as significant amounts of stack space remain to be processed for these misplaced records. NPRC has identified this will also be an issue at the building housing civilian personnel records on Winnebago Street.

- The stacks in the new NPRC facility on Archives Drive have areas under the bottom shelves where records could be stashed in the same manner they were at the old Page Avenue facility.
- OIG staff also learned of refile records filed improperly despite NPRC's use of a Case Management and Reporting System (CMRS) which uses bar codes to track records.

The volume of work, sensitivity of mission and consequence of failure at NPRC warrant the application and aggressive monitoring of the most stringent set of internal controls and related security mechanisms. While management is attempting to address incumbent and residual systemic internal control deficiencies, the OIG believes veterans' records continue to be at risk of loss, misfiling and unauthorized disposal and destruction. Our investigative work will continue. However, given audit staffing limitations, the ability of this office to provide necessary audit coverage in this programmatic function is limited and not expected to improve in this budget environment. If you have any questions or require additional information, please contact me at 301-837-1532.



Paul Brachfeld
Inspector General