

Department of Homeland Security **Office of Inspector General**

TSA's Management of Secure 1000SP Advanced Imaging Technology Units





OFFICE OF INSPECTOR GENERAL
Department of Homeland Security

Washington, DC 20528 / www.oig.dhs.gov

September 10, 2014

MEMORANDUM FOR: The Honorable John Pistole
Administrator
Transportation Security Administration

FROM: John Roth 
Inspector General

SUBJECT: *TSA's Management of Secure 1000SP Advanced Imaging
Technology Units*

Attached for your action is our final report, *TSA's Management of Secure 1000SP Advanced Imaging Technology Units*.

The report contains no recommendations.

Consistent with our responsibility under the *Inspector General Act*, we will provide copies of our report to appropriate congressional committees with oversight and appropriation responsibility over the Department of Homeland Security. We will post the report on our website for public dissemination.

Please call me with any questions at 202-254-4100, or your staff may contact Deborah L. Outten-Mills, Acting Assistant Inspector General, Office of Inspections, at 202-254-4015.

Attachment



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Abbreviations

AIT	advanced imaging technology
ATR	automatic targeting recognition
DHS	Department of Homeland Security
GSA	General Services Administration
OIG	Office of Inspector General
TSA	Transportation Security Administration
TSIF	Transportation Security Integration Facility



Executive Summary

The mission of the Transportation Security Administration (TSA) is to secure the nation's transportation system and ensure the freedom of movement for people and commerce. In 2007, TSA began deploying advanced imaging technology to screen airline passengers for weapons, explosives, and other concealed objects. In 2009 and 2010, TSA used *American Recovery and Reinvestment Act* funds to purchase 251 Secure 1000SP advanced imaging technology units from Rapiscan Systems. By June 2013, TSA had removed the units from service because the company could not develop enhanced software to enable the units to comply with the privacy requirements of the *FAA Modernization and Reform Act of 2012*. Rapiscan Systems assumed all costs associated with their removal and storage.

In May 2013, Representative Bennie Thompson requested that we review TSA's management of its advanced imaging technology inventory. Specifically, Mr. Thompson requested that we review the removal and potential redistribution of the noncompliant units, and related costs.

TSA purchased 251 units and technical support services for \$41,653,702. However, TSA was unable to determine the deployment cost for the units because the task orders used do not segregate individual costs. TSA complied with property transfer regulations for the 251 units. As of August 29, 2014, TSA transferred 165 units to other Federal, state, and local law enforcement agencies.

During our fieldwork, we determined that TSA and Rapiscan Systems may not have sanitized sensitive security information from one unit's computer system prior to donating it to a state agency. We promptly informed TSA program officials about the possible security concern. One week later, a TSA official traveled to the state agency's warehouse and removed the unit's hard drive.



Background

TSA's mission is to secure the nation's transportation system and ensure the freedom of movement for people and commerce. TSA conducts checkpoint screening operations at federalized airports. In 2007, TSA began deploying advanced imaging technology (AIT) to screen airline passengers for weapons, explosives, and other concealed objects, without physical contact from a Transportation Security Officer.

One AIT model TSA deployed for passenger screening was the Secure 1000SP, manufactured by Rapiscan Systems (see figure 1). These units use low-level x-ray beams to project a detailed image of a passenger's body on a monitor. This created privacy concerns among travelers and members of Congress.

Figure 1. Secure 1000SP Unit



Source: Rapiscan Systems

In August 2010, TSA ordered automatic targeting recognition (ATR) software from Rapiscan Systems for all the Secure 1000SP units. This software enhances privacy by interpreting the image of a passenger's body and displaying the results on a generic body figure. TSA began testing Rapiscan Systems' ATR software in October 2010.

The *FAA Modernization and Reform Act of 2012* privacy requirements mandated that TSA ensure AIT used for passenger screening be equipped with ATR software. However, the company's ATR software did not pass TSA's testing and evaluation process. In



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January 2013, the TSA Administrator directed the removal of all Secure 1000SP units from airports because they could not comply with the *FAA Modernization and Reform Act's* privacy requirements. Because it was unable to develop and successfully test ATR, Rapiscan Systems agreed to assume all costs associated with the removal, shipping, sanitization of sensitive information, and storage of the units.

Results of Review

Costs for Secure 1000SP Units and Support Services Totaled \$41,653,702

Title VI of the *American Recovery and Reinvestment Act* authorized procurement and installation of checked baggage explosives detection systems and checkpoint explosives detection equipment. In 2009 and 2010, TSA used funds under this authority to purchase 251 Secure 1000SP units from Rapiscan Systems for \$40,077,571. TSA also purchased technical support services totaling \$1,576,131. The support services included:

- an operator training course;
- an instructor training course;
- an AIT training simulator;
- engineering and technical support; and
- AIT installation and maintenance.

Costs To Deploy Secure 1000SP Units Could Not Be Determined

TSA uses government contractors to deploy airport security equipment. TSA entered into an indefinite delivery/indefinite quantity contract to purchase detection systems, equipment, and related deployment services. This type of contract provides for an indefinite quantity of supplies or services over a fixed period of time. TSA submitted task orders for various AIT units and services to include the Secure 1000SP units, enhanced metal detectors, explosives detection systems, and baggage screening technology.

TSA could not determine the cost to deploy Secure 1000SP units because task orders did not segregate costs, but included a total amount for various types of airport security equipment and technology deployed. In addition, the cost to deploy Secure 1000SP units included shipment to the designated airport from the TSA Logistics Center in Texas that is used to store screening equipment.



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Deployment costs also included any required modifications to existing checkpoint areas.

TSA deployed 250 of the 251 units to airports. TSA placed the remaining unit at the Transportation Security Integration Facility (TSIF) at Reagan National Airport, where TSA conducts ongoing testing and evaluation of new security screening systems.

Rapiscan Systems Paid To Remove, Sanitize, and Warehouse TSA's Secure 1000SP Inventory

After Rapiscan Systems was unable to develop and successfully test ATR software, it agreed to assume all costs associated with (1) removing the units from the airports, (2) shipping units to a Rapiscan Systems warehouse, (3) sanitizing sensitive information, and (4) storing the Secure 1000SP units until December 2017.

From February to June 2013, Rapiscan Systems relocated AIT units from airports to its storage facility located in Garner, North Carolina. One unit remained at the TSIF for use in a radiation study by the National Academy of Sciences. On August 6, 2014, Rapiscan Systems relocated this unit to its storage facility in North Carolina.

TSA Did Not Have a Sanitization Certificate for One Unit

The *TSA Information Assurance Handbook*, December 2011, and *Department of Homeland Security (DHS) Sensitive Systems Policy Directive 4300A* require TSA to sanitize information systems containing sensitive information prior to the disposal, reuse, recycling, or transfer of custody to any entity. A TSA witness must verify the sanitization of sensitive information. In addition, the TSA witness and the individual performing the sanitization must certify on TSA Form 1412, Media Sanitization Certificate, the removal of sensitive information from the equipment.

We reviewed Media Sanitization Certificates and supporting documentation for the 250 units transferred to Rapiscan Systems' storage facility. TSA did not have documentation verifying that Rapiscan Systems sanitized sensitive information from one of the Secure 1000SP units before it was donated to the State of North Carolina's Division of Surplus Property on September 5, 2013.



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On May 14, 2014, we provided TSA with the serial number of the unit for which it did not have sanitization documentation. TSA took immediate action to mitigate the security concern, and confirmed that the unit was in a warehouse in Raleigh, and that the State of North Carolina had not used the unit. On May 21, 2014, a TSA Transportation Equipment Property Administrator and a Rapiscan Systems technician went to the North Carolina Division of Surplus Property warehouse and removed the unit's hard drive for destruction. TSA provided the Media Sanitization Certificate confirming that it had sanitized the unit.

TSA Complied with Property Transfer Requirements

TSA's directives and regulations that govern the transfer of property are based on 41 CFR 101, *Federal Property Management Regulations*, and 41 CFR 102, *Federal Management Regulation*. Specifically, *TSA Management Directive 200.57* and *DHS Management Directive 0565* contain policies and procedures to process and dispose of excess personal property.¹ We found that TSA complied with federal property transfer regulations.

The General Services Administration (GSA) has discretionary authority to prescribe the necessary guidelines for Federal agencies to properly dispose of excess personal property. GSA's guidelines require that TSA dispose of excess personal property by:

- conducting an internal screening and transferring property to another component within TSA or DHS;
- transferring excess personal property to another Federal agency without GSA approval if total acquisition cost is no more than \$10,000 per line item;
- reporting excess personal property to GSA;
- conducting 21-day screening;
- offering personal property to state and local agencies and organizations;
- selling it to the public (if eligible); and
- abandoning, destroying, or recycling excess personal property.

¹ TSA defines excess personal property as property that is no longer required to accomplish its mission; TSA defines personal property as all tangible assets, with the exception of records and real property, which are owned, controlled, or held by the agency.



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On February 28, 2013, TSA posted the units on the DHS Asset Management System, giving DHS components priority and the opportunity to search and select the equipment. TSA listed the units on the Department's Asset Management System for 15 days.

On March 15, 2013, TSA reported the units as excess property to GSA through GSAXcess. GSAXcess is a website that provides agencies with a means of reporting to and procuring excess personal property from GSA electronically. Once TSA reported the units to GSA, Federal agencies other than DHS had 21 days to select any units. At the end of the 21-day period, GSA declared any unclaimed units as surplus personal property.²

GSA offered the units to state and local agencies for donation. State and local agencies had 5 days to search and allocate units as needed. Normally, if no state or local government agency expresses interest in the property after the 5-day allocation period expires, GSA offers the property for sale to other qualified recipients. For security reasons TSA chose not to offer the Secure 1000SP units for sale to the general public. Instead, TSA asked GSA to continue offering the units to state and local agencies by reposting on GSAXcess.

Since May 2013, the Secure 1000SP units have been available to state and local government agencies. TSA will continue to offer the units on GSAXcess. When TSA determines that there is no further demand, or Rapiscan Systems' obligation to store the units ends, TSA will destroy the remaining units.

TSA Donated 165 Secure 1000SP Units to Other Government Entities

As of August 29, 2014, TSA donated 165 Secure 1000SP units to other Federal agencies and state and local entities. The United States Secret Service and the National Institute of Standards and Technology each acquired one unit. The United States Mint acquired two units. State property surplus agencies and local law enforcement agencies acquired a total of 161 units (see appendix C).

TSA publicized the availability of the excess property. For example, TSA informed all Federal National Utilization Officers and the National Association for State Agencies for Surplus Property that TSA's Secure 1000SP units were available for

² Surplus personal property means excess property no longer required by Federal agencies as determined by GSA.



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donation.³ Additionally, at TSA's request, GSA posted the units on the front page of the GSAXcess system for increased visibility.

Rapiscan Systems has informed other government agencies about the available units. Rapiscan executives reported that the company utilizes its sales staff to advise state and local government customers about acquiring Secure 1000SP units through GSAXcess. Rapiscan also offers discounted maintenance packages.

Verification of TSA's Secure 1000SP Inventory

To verify TSA's current Secure 1000SP inventory, we compared lists of serial numbers provided by TSA and Rapiscan Systems for all units TSA purchased. We cross-checked these with purchase orders and shipping documents, and determined that the serial numbers were accurate. Additionally, TSA provided a list of serial numbers for 144 units that were donated to other Federal, state, and local law enforcement agencies.

On March 19, 2014, we visited the TSIF to reconcile the serial number for one unit. As noted earlier, the National Academy of Sciences was using this unit in a radiation study. On March 27, 2014, we visited a Rapiscan Systems production facility to inventory Secure 1000SP units at the location and verify their serial numbers. The facility had controlled access and 24-hour security. The units were stored in a fenced in area as shown in figure 2. The fence was installed on March 26, 2014.

³ Federal National Utilization Officers are property officers within each Federal agency who coordinate with GSA to provide user accessibility to the GSAXcess Federal disposal and screening system.



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Figure 2: Secure 1000SP units in Rapiscan Systems' storage facility



Source: OIG

We accounted for all 106 Secure 1000SP units and found no discrepancies with the serial numbers. Rapiscan Systems personnel unpacked the units so we could verify the serial numbers. Figure 3 shows the two large crates and one small crate that make up one complete unit.



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Figure 3: A Secure 1000SP unit in storage packing crates



Source: OIG

Rapiscan Systems officials said TSA must authorize the release of each unit. TSA provides Rapiscan Systems with a transfer order specifying the quantity and serial numbers of the units selected for release, as well as the name of the intended recipient.

Since our inventory of Rapiscan Systems' facility in March 2014, TSA has donated 15 units to the State of Arkansas, 3 units to the State of California, 1 unit to the State of Louisiana, 1 unit to the State of Ohio, and 1 unit to the State of Washington. In addition, Rapiscan Systems received authorization from TSA to relocate the units to a leased warehouse in Raleigh, North Carolina. As of April 26, 2014, Rapiscan Systems has moved all of the units to this new location. On August 6, 2014, Rapiscan Systems relocated the Secure 1000SP at the TSIF to this location.



Appendix A

Objectives, Scope, and Methodology

The Department of Homeland Security (DHS) Office of Inspector General (OIG) was established by the *Homeland Security Act of 2002* (Public Law 107–296) by amendment to the *Inspector General Act of 1978*. This is one of a series of audit, inspection, and special reports prepared as part of our oversight responsibilities to promote economy, efficiency, and effectiveness within the Department.

We conducted this review in response to a request from Representative Bennie G. Thompson, Ranking Member, Committee on Homeland Security. Our objectives were to determine (1) the cost to purchase, deploy, and remove the Secure 1000SP units; (2) the total storage cost for the units and any transportation costs associated with their transfer to, and removal from, airports; (3) the number of units that were removed from the airports; (4) whether the units were purchased with *American Recovery and Reinvestment Act* funding; (5) whether TSA has identified customers for the units no longer in use at airports; and (6) whether TSA complied with all regulations governing the transfer of property, by sale or donation, to other government agencies.

We reviewed applicable laws, regulations, and guidance concerning the management of TSA’s Secure 1000SP units. We reviewed acquisition, deployment, and contract documentation; as well as inventory and sanitation records for the units. In addition, we reviewed our prior reports and U.S. Government Accountability Office reports on advanced imaging technology.

We interviewed TSA headquarters staff responsible for the acquisition, deployment, removal, and disposal of the Secure 1000SP units. We interviewed officials from Rapiscan Systems concerning their role in the lifecycle of the units from the time they were purchased to their storage or donation. In addition, we interviewed GSA officials concerning their role in the disposal of the units. We visited the Transportation Security Integration Facility to verify the serial number of the unit located there. We traveled to Garner, North Carolina, to interview Rapiscan Systems officials concerning the storage of the units and to verify the quantity and serial numbers of the units warehoused there. We conducted our fieldwork from February 2014 to July 2014.

We conducted this review under the authority of the *Inspector General Act of 1978*, as amended, and according to the Quality Standards for Inspections issued by the Council of the Inspectors General on Integrity and Efficiency.



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Appendix B
Management Comments to the Draft

U.S. Department of Homeland Security
601 South 12th Street
Arlington, VA 20598

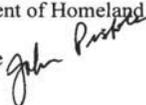


**Transportation
Security
Administration**

AUG 15 2014

INFORMATION

MEMORANDUM FOR: John Roth
Inspector General
U.S. Department of Homeland Security

FROM: John S. Pistole 
Administrator

SUBJECT: Transportation Security Administration's *Response to*
Office of Inspector General Draft Report, *TSA's*
Management of Secure 1000SP Advanced Imaging
Technology Units (OIG Project No. 14-072-ISP-TSA)

Thank you for the opportunity to review and comment on the subject draft report (OIG Project No. 14-072-ISP-TSA). The Transportation Security Administration (TSA) appreciates the U.S. Department of Homeland Security Office of Inspector General's (OIG) work in planning and conducting its review and issuing this report.

We are pleased that your inspection revealed that TSA complied with Federal property transfer regulations. Also, it was important that the OIG determined that TSA's inventory matched their inventory verifications. Throughout the inspection, TSA worked diligently to provide accurate and timely information to the OIG to facilitate their work. We also noted that the report does not have any recommendations directed to TSA.

As we move forward, TSA remains committed to working with all partners and stakeholders throughout all levels of Federal, State and local governments to continue to find authorized recipients for these security systems. Again, thank you for the opportunity to review and comment on this report. We look forward to working with you in the future to resolve any issues.



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Appendix C
Secure 1000SP Units Donated to State Property Surplus Agencies
and Local Law Enforcement Agencies

Recipient Name	Number Received
Berrien County Sheriff's Office, Michigan	1
Branch County Sheriff's Office, Michigan	1
Cass County Sheriff's Office, Michigan	1
Dooly County Sheriff's Office, Georgia	1
Grand Travers County Sheriff's Office, Michigan	1
Ingham County Sheriff's Office, Michigan	1
Iowa Federal Surplus Property	14
Jackson County Sheriff's Office, Michigan	1
Kalamazoo County Sheriff's Office, Michigan	2
Kent County Sheriff's Office, Michigan	1
Lapeer County Sheriff's Office, Michigan	1
Livingston County Sheriff's Office, Michigan	2
Livingston County Sheriff's Office, New York	5
Livonia Police Department, Michigan	2
Mackinac County Sheriff's Office, Michigan	1
Monroe County Sheriff's Office, Michigan	2
Montmorency County Sheriff's Office, Michigan	1
Muskegon County Sheriff's Office, Michigan	2
Newaygo County Sheriff's Office, Michigan	1
New Hampshire Surplus Distribution (Brentwood)	1
New Hampshire Surplus Distribution (Dover)	1
New Hampshire Surplus Distribution (Manchester)	1
Northville Township Police Department, Michigan	1
Oakland County Sheriff's Office, Michigan	2
Oceana County Sheriff's Office, Michigan	1
St. Clair County Sheriff's Office, Michigan	2
State of Arkansas	15
State of California	3
State of Kansas	1
State of Louisiana	1
State of Michigan	2
State of Mississippi (Leakman)	6
State of Mississippi (Parchman)	6



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Recipient Name	Number Received
State of Mississippi (Pearl)	5
State of North Carolina	35
State of South Carolina	17
State of Texas Federal Surplus Property Division	8
State of Virginia Surplus Property Agency	8
State of Washington Surplus Operations	1
Steuben County Sheriff's Office, New York	2
Summit County Sheriff's Office, Ohio	1
Total	161



Appendix D

Major Contributors to This Report

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Wayne A. Ekblad, Lead Inspector

Michael A. Brooks, Inspector

Nicholas P. Ketter, Inspector



Appendix E

Report Distribution

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Assistant Secretary for Office of Public Affairs
Assistant Secretary for Office of Legislative Affairs
Respective Component Head, if not the Addressee
DHS Component Liaison
Director of Local Affairs, Office of Intergovernmental Affairs
Chief Privacy Officer

Office of Management and Budget

Chief, Homeland Security Branch
DHS OIG Budget Examiner

Congress

The Honorable Bennie G. Thompson, Ranking Member, Committee on Homeland
Security
Congressional Oversight and Appropriations Committees, as appropriate

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Should you be unable to access our website, you may submit your complaint in writing to:

Department of Homeland Security
Office of Inspector General, Mail Stop 0305
Attention: Office of Investigations Hotline
245 Murray Drive, SW
Washington, DC 20528-0305

You may also call 1(800) 323-8603 or fax the complaint directly to us at (202) 254-4297.

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