



Department of Energy
Office of Science
Brookhaven Site Office
Upton, New York 11973

July 14, 2026

Vanessa Chavez
Chief Procurement Officer
Brookhaven Science Associates, LLC
Brookhaven National Laboratory
Upton, New York 11973

Dear Ms. Chavez:

SUBJECT: APPROVAL OF THE PERSONAL PROPERTY MANAGEMENT SYSTEM FOR BROOKHAVEN NATIONAL LABORATORY, OPERATED AND MANAGED BY BROOKHAVEN SCIENCE ASSOCIATES, LLC. UNDER CONTRACT DE-SC0012704

Reference:

1. Email from P. Pierson, BSA to R. Gordon, SC-BHSO, Subject: "Conditional Approval of Brookhaven Science Associates, LLC Property Management System, BSAs Corrective Action Plan (CAP), dated December 6, 2024
2. Letter from R. Gordon, SC-BHSO to P. Pierson, BSA, Subject: Conditional Approval of Personal Property Management System, dated November 7, 2024
3. Letter from A. Ferreira, BSA to R. Howard-McKellar, SC-BHSO, Subject: Brookhaven Science Associates LLC. Property Management System Corrective Action Plan Closure Report, dated July 8, 2026

The Department of Energy (DOE), Brookhaven Site Office (BHSO) hereby approves Brookhaven Science Associates (BSA), LLC Personal Property Management System under DOE Contract Number DE-SC0012704 (Prime Contract), effective July 13, 2026. This approval removes the conditional approval from November 7, 2024, Personal Property Management System approval.

In accordance with Prime Contract Clause I.162(j)(1)(i), BSA's Personal Property Management System "shall be maintained and administered in accordance with sound business practice, applicable Federal Property Management Regulations and Department of Energy Property Management Regulations, and such directives or instructions which the Contracting Officer may from time to time prescribe." BSA must comply with Title 41 of the Code of Federal Regulations Chapter 109, Department of Energy Personal Property Regulation, and the provisions contained therein.

Ms. V. Chavez

July 14, 2026

If you have any questions, regarding this letter, please contact me, at 631.344.3842 or by email romayne.howard-mckellar@science.doe.gov.

Sincerely,
ROMAYNE
HOWARD-
MCKELLAR



Digitally signed by ROMAYNE
HOWARD-MCKELLAR
Date: 2026.07.14 08:00:31
-04'00'

Romayne Howard-McKellar
Contracting Office /Business Division

Attachment: Property Assessment CAP – Rev. 1

cc: M. Barger, SC-BHSO
G. Olson, SC-BHSO
S. Alexander, SC-BHSO
J. Meadows, SC-BHSO
R. Ahlberg, SC-CSC
L. Kane, SC-CSC

S. Geib-Ingram, SC-CSC
S. McKeon, BSA
J. Mehlinger, BSA
S. Martinez, BSA
A. Ferreira, BSA

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			Corrective Action	Action Taken
		IAW with BNL Standards-Based Management System (SBMS) Subject Area for Event/Issues Management, the following actions will be performed as part of BNL's response to the Technical Assessment of the Brookhaven National Laboratory Personal Property Management System:	Enter the assessment results in the Assessments Module within the Integrated Operational Performance System (IOPS).	Within 15 days of acceptance of this plan by DOE. Completed 3/15/2025
			For all Level 2 Findings perform a Causal Analysis and update Corrective Action Plan (CAP) in accordance with the Risk Level Table for Events/Injuries and Issues.	Completed 2/28/2025
			Upon completion of the Causal Analysis, each issue will be entered into the Assessment Module within IOPS	Completed 3/15/2025
<u>L2-FIND-1: Personal Property Management Program for Designated Contractors/Policy requirements. BNL written procedures require revisions. (Title 41 CFR 109-1.5201).</u> There are three procedures that are still in the revision process and five outstanding areas that need to be included in the existing procedures.	L2.1.1	SOP 380.2 – Disposal of Excess Property.	Draft update of this SOP has been completed to include the recommendations prescribed by the OPMO. At the completion of the causal analysis, procedure will be socialized internally and validated among stakeholders to ensure buy-in of proposed updates and identification of impacts. Upon receipt of comments/recommendations, SOP will be updated as necessary and final document sent to OPMO for approval. Validation of completion will be performed to ensure adequacy of corrective action.	SOP 380.2 Disposal of Excess Property has been reviewed and revised where necessary to reflect the requirements as outlined in CFR 109-28.000-51 Storage Guidelines and 41 CFR 109-1.5201 <i>Personal Property Management Program for Designated Contractors/Policy requirements</i> . SOP 380.2 attached. Completed.
	L2.1.2	SOP 380.6, Control of Scrap Materials – procedure has not been approved due to issues with High-Risk review content.	Upon completion of casual analysis, BNL will assemble and convene a working group to determine extent of condition,	SOP 380.6 Control of Scrap Materials, has been reviewed and revised where necessary to reflect the requirements as outlined in CFR 109-28.000-51 Storage Guidelines and 41 CFR 109-1.5201 <i>Personal Property Management Program for Designated Contractors/Policy requirements</i> . SOP 380.6 attached.

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			evaluate cost/operation impact and recommend a path forward to address the nature of this finding. Once a feasible correction has been identified, SOP 380.6 will be updated to rectify this finding.	Completed.
	L2.1.3	SOP 380.9, High-Risk Property – requires additional comments and incorporation of the Export Compliance and Assistance Program (ECAP) staff comments.	Upon completion of casual analysis, PPM will coordinate with Export Control, SMEs and BNIs Office of Institutional Improvement (OII) to map current processes, identify areas of impact, and identify key process points to implement proposed process changes IAW with 41 CFR 109 requirements. SOP 380.9 will be updated upon identification of a feasible correction	SOP 380.9 High-Risk Property has been reviewed and revised where necessary to reflect the requirements as outlined in CFR 109-28.000-51 Storage Guidelines and 41 CFR 109-1.5201 <i>Personal Property Management Program Designated Contractors/Policy requirements</i> . SOP 380.9 attached. Completed.
	L2.1.4	Storage guidelines to implement laydown areas (§109-28.000-51).	Draft of SOP 340.7 has been updated to include the requirement for laydown areas to be managed in accordance with 109-28.000-51. At the completion of the causal analysis, procedure will be socialized internally and validated among stakeholders to ensure buy-in of proposed updates and identification of impacts. Upon receipt of comments/recommendations, SOP will be updated as necessary and final document sent to OPMO for approval. Validation of completion will be performed to ensure adequacy of corrective action.	The Working Group and PPM have conducted a thorough assessment of current processes and practices in accordance with CFR 109-28.000-51 Storage Guidelines, as cited in the Finding, specifically: 109-28.000-51 Storage guidelines. (a) Indoor storage areas should be arranged to obtain proper stock protection and maximum utilization of space within established floor load capacities. (b) Storage yards for items not requiring covered protection shall be protected by locked fenced enclosures to the extent necessary to protect the Government's interest. (c) Storage areas shall be prominently posted to clearly indicate that the property stored therein is U.S. Government property, with entrance to such areas restricted to authorized personnel only. (d) Property in storage must be protected from fire, theft, deterioration, or destruction. In addition, certain items require protection from dampness, heat, freezing, or extreme temperature changes.

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				Other items must be stored away from light and odors, protected from vermin infestation, or stored separately because of their hazardous characteristics. (e) Hazardous or contaminated property, including property having a history of use in an area where exposure to contaminated property may have occurred, shall not be commingled with non-contaminated property, but stored separately in accordance with instructions from the environmental, safety, and health officials. (f) Unless inappropriate or impractical until declared excess, nuclear-related and proliferation-sensitive property shall be identified as such by use of a certification tag signed by an authorized program official (designated in writing with signature cards on file in the personal property management office). Such personal property shall not be commingled with other personal property but stored separately in accordance with instructions from the cognizant program office. PPM has determined that BNL is in full compliance with the requirements as stated in CFR 109-28.000-51. Further a full review was conducted of the CFR and no requirement regarding the management of scrap bins was found. This was verified with Jason Remien, BNL Environmental Protection Division. However, in keeping with the concern noted in the finding, namely, the security or contamination of property in process of being excessed or recycled, BNL notes the following: - BNL's recycling program is contracted through a third-party vendor. Scrap bins are the property of the vendor and are not owned by the government. - Inspection, itemization and review of contents is performed on a regular basis - Weight slips that state the commodity contained in the containers, (mixed metal, steel, etc.) are provided and the records are maintained by Property Management
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				- Each container that leaves the site goes through the radiation monitor and a clear scan is required. This is recorded with the weight ticket. This process is reviewed and assessed as part of Property Management and Environmental Protection's self-assessment/continuous improvement process and reflected in the Performance Monitoring and Assessment Plan (PMAP) for each group. The SOPs that detail these activities, namely SOPs 380.2 Disposal of Excess Property, 380.6 Control of Scrap Materials and 380.9 High Risk Property have been reviewed and are reflective of this process. No further updates are required. Completed. Referenced SOPs 380.2, 380.6, 340.2, and 340.7 are attached.
	L2.1.5	Management of scrap metal containers to include labeling, high-risk reviews, locked lids or fences as required by §109-28.000-51, specifically (b), (c), (d), and (f).	This corrective action coincides with the finding in L2.1.2 and will	See above. Completed.
	L2.1.6	Segregation of property – SPP property has been addressed but more clarification is needed.	BNL has validated that SPP property is currently being separately identified in the Asset Management system and SPP tags have been obtained for SPP property to identify and segregate it from DOE assets.	Documentation supporting appropriate segregation of property has been updated/developed in SOP 380.3 – Strategic Partnership Project (SPP) or Other Laboratory (OLAB) Property (attached). Completed.

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	L2.1.7	Incoming gifts/in-kind contributions to DOE - SPP projects are onsite and need a process for these types of actions.	SOP 380.3 has been drafted for SPP property and will be finalized by the working group addressing this area (to include validation by BNL Legal and RPTT). At the completion of the causal analysis, procedures will be socialized internally and validated among stakeholders to ensure buy-in of proposed updates and identification of impacts. Upon receipt of comments/recommendations, SOP will be updated as necessary and final document sent to OPMO for approval. Validation of completion will be performed to ensure adequacy of corrective action.	Documentation supporting appropriate segregation of property has been updated/developed in SOP 380.3 – Strategic Partnership Project (SPP) or Other Laboratory (OLAB) Property (attached). Completed.
	L2.1.8	Sales of government property to designated contractors or DOE employees - should include the requirements in §109-45.302-50.	Upon completion of casual analysis, BNL will assemble and convene a working group to determine extent of condition, evaluate cost/operation impact, and recommend a path forward to address the nature of this finding. Once a feasible correction has been identified, SOP(s) will be updated to ensure compliance with §109-45.302-50.	Inclusion of the CFR 109-45.302-50 requirements is completed and is reflected in SOP 380.2 Disposal of Excess Property. SOP 380.2 attached. Completed.

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<u>L2-FIND-2: Personal property records requirements.</u> BNL personal property records contain errors and omissions of required data (Title 41 CFR 109-1.5108). BNL has some inconsistencies in their personal property inventory categorization for sensitive and high-risk items, as well as some minor errors in their data records (i.e., serial numbers, model numbers, etc.). There were also some minor errors noted in the motor vehicle inventory data (i.e., vehicle description was inaccurate on the inventory and utilization report for a bucket truck that was labeled as a fire truck), and the number of trailers (fleet) are not accurately provided. There are also at least ten trailers needing updates in several of the required vehicle systems.	L2.2.1	Address Personal property inventory categorization inconsistencies for sensitive and high-risk items: • During the review of the BNL 100-item inventory validation some minor errors and omissions noted during the validation of the inventory photos provided. • A review of the full 18,544-item inventory listing revealed additional omissions of acquisition documents (905 in total), custodians (865 in total), as well as more than 1,500 sensitive items that are incorrectly identified as non-sensitive, and inconsistencies of high-risk designations. There were also real property items identified on the personal property inventory listing. Detailed information with these comments was provided to BNL and BHSO by email on July 26, 2024. These issues will need to be corrected to ensure the effectiveness and efficiency of the BNL personal property inventory records.	The discrepancies for the 100 items selected for the inventory verification have been corrected in the Asset Management System. Sensitive items and noted corrections have been addressed, but a full review of the database will be conducted to address high risk and other applicable changes that need to be made.	The changes recommended by the OPMO have been made to the Asset Management system. Any fields that could not be populated received an N/A to show the field was reviewed. The Property Records Database was updated to reflect changes. Completed.
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	L2.2.2	During the review of the motor vehicles/other motor equipment, the following results were noted: Out of 24 vehicles reviewed, one asset was incorrectly identified. The inventory record and utilization report indicated E35346 as a fire truck, but it is a bucket truck.	Upon review of this finding, the causal team determined that the inventory and utilization reports used to support the assessment were not accurate due to a carryover legacy issue associated with the purpose of the vehicle. This was corrected after it was observed on the FY24 utilization report by the Fleet Supervisor. It is believed that the information used by the assessors was sourced from a report containing inaccuracies. In January 2024, the Fleet Supervisor implemented a new Fleet Management Program, Fleetio, a cloud-based system, to manage fleet transactions. As a result, the GSA system has not been used since December 2023. It is important to note that Fleet Management is not required to use the GSA system but must provide accurate and complete data. Completed.
		Trailers (fleet) are not properly accounted for and have not been for years, so we do not have an accurate account of the trailers onsite. At least 10 trailers need updated information in the required systems: Vehicle Identification Number, Year, Color, and Gross Vehicle Weight Rating.	To resolve the trailer inventory accuracy issues, the following multi-pronged approach was taken: 1) Lab-wide Accountability- a data call was directed to the DCOOs to identify all trailers within their respective organizations with the required identifying information. 2) Procurement Notification-SBMS (SBMS Section 3. Acquiring, Replacing, or Disposing of a Government Vehicle or Low-Speed Vehicle, attached) and related processes were strengthened to require notification to the Fleet Supervisor whenever new trailers are procured mirroring the current process for vehicles. 3) Backlog Reduction – Fleet launched a trailer plating prioritization initiative to ensure all trailers awaiting plating receive priority. Legacy inventory was given the highest priority and completed. All pending trailer plate issues have been resolved. Completed.
L2-FIND-3: Loss, damage, or destruction of personal property in possession of designated contractors. Damages and destructions of motor vehicles are not being reported as required (Title 41 CFR 109-1.5113); and §101-39.401, Reporting of Accidents. BNL is not reporting motor vehicle damage as required. Notable damage was identified during the onsite assessment. The regulations require that any personal property damage or destruction, other than normal wear	L2.3.1	During the onsite assessment of the motor vehicles at BNL, there was notable damage identified. The regulations require that any personal property damage or destruction, other than normal wear and tear, be reported as soon as it becomes known. The results of damage noted are as follows: Out of 24 GSA-leased vehicles, damage was noted on 9 vehicles.	The BNL Fleet Supervisor initiated quarterly meetings of the Vehicle Usage Fleet Forum to address relevant topics, share updates, and communicate important issues to vehicle users. This was initiated at the Fleet Forum meeting on 1/31/25 with all vehicle custodians attending. Agenda includes reviewing accident reporting, basic rules of vehicle custodianship, trailer plates, unreported damage, and cleaning vehicles. Completed. All vehicle damage identified during annual audits and preventative maintenance inspections is tracked through the Fleet Management system with a documented audit trail. Each entry includes: vehicle identification, date of inspection, damage description, photographic evidence, severity classification, date reported to supervisors, and corrective action assigned. This creates a complete record that can be retrieved by vehicle, by date range, or by damage category for compliance verification. The Division Manager, Fleet Supervisor, and Motor Pool Supervisor will meet quarterly to review audit reports, assess trends in damage identification and corrective actions, verify compliance

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and tear, be reported as soon as it becomes known.		Out of the 2 DOE-owned vehicles, damage was noted on both vehicles, but no damage has been reported.	with maintenance protocols, and discuss any systemic issues requiring process improvement. These meetings ensure accountability, identify patterns, and confirm that identified damages are being addressed appropriately and in a timely manner.
	L2.3.2	Employees using Government vehicles must follow the requirement to report accidents immediately when they occur (§101-39.401, §102-34.290, §109-1.5113, GSA Customer leasing guide, and CSC Accident Reporting procedures). The following results were noted concerning these issues: - During FY 2022, no accidents were reported to the CSC, as required. - Improvements were noted in FY 2023, but accidents are still not being reported in a timely manner and closed out. - Out of 15 reported accidents, 3 remain open. - Out of the 23 accidents reported, 7 have not been closed out.	Fleet Services Group worked with a Process Improvement Specialist from the Quality Management Office and developed procedures and process maps for the following: -Reporting On-Site Vehicle Accidents/Incidents -Reporting Off-Site Vehicle Accidents/Incidents -Reporting Found Damage -Repairing Vehicle Damage The procedures include steps for identifying reportable damage, submission requirements, and timelines. In addition, the team created a checklist (Excel) to help track key reporting dates to ensure compliance. The above referenced procedures and checklist are attached (SBMS Government Vehicle Subject Areas, Section 1 Accident Procedures, and SBMS Section 3. Acquiring, Replacing, or Disposing of a Government Vehicle or Low-Speed Vehicle). Training was provided to relevant personnel to ensure a clear understanding of DOE reporting requirements, including the need to report non-accident-related damage beyond normal wear and tear. In addition, a pilot Job Performance Measure (JPM) program was initiated on 4/8/2025 for government vehicle drivers under 10,001 lbs. This program was initially piloted with the Production Division and currently in process with the Collider-Accelerator Department. Following a successful pilot, this program will be rolled out site-wide in FY2026. A copy of the pilot JPM guideline/checklist is attached for reference. Completed.

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		Out of the 23 accidents reported during FY 2024, 20 involved a backing incident or misjudgment by the vehicle operator striking something with the vehicle. To date, \$32,500 in damage has occurred. This does not include the 7 awaiting a repair estimate or invoice.	
<u>L2-FIND-4: Management of High-Risk Personal Property. The management of high-risk property does not fully meet the regulatory requirements (Title 41 CFR 109-1.5303 (b) (4) and (6) and §109-43.307.52).</u> BNL is not fully compliant with the regulatory requirements for conducting high-risk reviews and providing Export Restriction Notices. High-risk reviews and Export Restriction Notices are not being conducted and included with equipment sent for calibrations and repairs. The Export Restriction Notice included in disposal packages should be the latest approved equivalent notice. BNL is not consistently using the updated version.	L2.4.1	High-risk reviews are not being conducted for personal property being sent offsite for calibrations and repairs. Any property leaving the site is required to have a high-risk review and an approved Export Restriction Notice included in the disposition paperwork in accordance with §109-1.5303 (b) (4) and (6). An Export Restriction Notice is currently not included in these shipments.	Upon completion of casual analysis, BNL will assemble and convene a working group to determine extent of condition (population of items being sent offsite for calibration and repair), Map current processes to understand key process touch points and stakeholder, perform a gap analysis to identify shortfalls in current procedures, and identify necessary changes to procedures to correct the condition. BNL property procedures/SOPs will be updated and forwarded to the OPMO for approval. The working group (including PPM, Export Control and Shipping and Receiving) revised the process to add an Export Restriction Notice document (attached) to all shipments of government property (including calibrations and repairs) leaving the site. ITD added a flag based on answering yes to question #7 on Shipping Memo to prompt the Shipping Specialists to add an ERN to these shipments. High-Risk/Export Control Reviews according to CFR 109-1.5303 requirements, “should be assessed and evaluated as high-risk property as early in its life cycle as practical...” Accordingly, BNL has inserted questions in the Proposal Management and Web Requisition systems that drive identification and review of high-risk property early in the project and acquisition cycle. Once high-risk property is received, it is tagged/marked, recorded and appropriate controls are implemented. These controls and records are monitored and maintained in accordance with the Lab’s Export Control and PPM SBMS Subject Areas and SOPs 310.1 Receipt, Inspection and Delivery of Tagged Property, 320.2 Identification of U.S. Government Property, 340.6 Retirement of Controlled Property, 380.2 Disposal of Excess Property, 380.9 Disposal of High-Risk Property. Completed.

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	L2.4.2	Export Control staff, who conduct all high-risk reviews, do not have signature cards on file in the property office in accordance with §109-43.307-52.	PPM Division Director will issue a signed delegation memo to EC staff declaring BNL staff who have been trained (property & EC) and are qualified to take actions for EC designation and disposition which will be filed and updated serving as the 'signature cards'.	Export Control Office personnel who conduct high risk reviews now have signature cards on file in the Property Office in accordance with 41 CFR 109-43.307-52. Completed.
	L2.4.3	An outdated Export Restriction Notice was noted in the recent CERN disposition package (which was the only FY 2024 disposition package provided during the review). The latest approved equivalent was issued by ECAP and distributed to the sites by our office in January 2022; however, it is not being utilized consistently.	BNL will ensure that past versions of the Export Restriction Notice are fully retired and replaced with the current version in all relevant procedures.	All previous export restriction notices have been removed from the files and only the one prescribed by the OPMO remains for use. Completed.
<u>L2-FIND-5: Management of Precious Metals.</u> Precious Metals management and controls are not all meeting the regulatory requirements (Title 41 CFR 109-27.51). During the onsite assessment there was a category missing from the control records (i.e., purpose of use), lack of utilization logs, custodians without utilization logs, and one custodian with an inadequate scale. There is also a requirement for the Precious Metals Control Officer (PMCO) to maintain a record of all receipts, issues, returns, and disposals in the stockroom. There was no record noted during the	L2.5.1	Purpose of use is not provided on the precious metals logs maintained by the Precious Metals Control Officer (PMCO) and custodians [§109-27.5104-6 (b)].	The PMCO has confirmed that all Precious Metals Custodians have Purpose of Use on their logs. Validation of completion will be performed at the completion of the causal analysis to ensure adequacy of corrective action.	During the FY25 precious metals inventory, the "Purpose of Use" column (attached), on the precious metals logs was verified by the PMCO. Completed.

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onsite assessment.				
	L2.5.2	Two of the custodians selected for the spot check did not have their own logs. They indicated that they relied on the PMCO's logs. [§109-27.5104-6 (b)].	The PMCO has observed the logs for both Precious Metals Custodians which are now in place and being utilized. Validation of completion will be performed at the completion of the causal analysis to ensure adequacy of corrective action.	During the FY25 precious metals inventory, the PMCO viewed and verified each Precious Metals Custodian's Use Log. There were no repeat offenders. Completed.
	L2.5.3	One Custodian in Building 901A, who was selected for an inventory spot check, did not have an acceptable scale to weigh inventory. Part of the inventory consisted of gold that was too heavy for the scale being used to weigh the inventory, so the inventory could not be weighed by the custodian during the spot check. This would also mean that an accurate account for usage of this metal would not be possible by the custodian who is required to account for each use of the metal. To date the metal had not been used, but an appropriate scale would be needed prior to use. [§109-27.5104-4 (b)/§109-27.5104-6 (b)].	The PMCO has confirmed that the Precious Metals Custodian has obtained the applicable scale to weigh his metals. Validation of completion will be performed at the completion of the causal analysis to ensure adequacy of corrective action.	The scale has been replaced to provide the weight limit required. The correct scale was verified during the Precious Metals inventory (photo attached), and the PMCO confirmed that it is suitable for use in weighing metals. Completed.

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	L2.5.4	The PMCO does not maintain a copy of the precious metals log in the precious metals stockroom as required to indicate authorized users and metals to record all receipts, issues, returns, and disposals [§109-27.5104-5 (c)].	A paper copy of the log, listing of custodians and metals is retained in the repository as required. Validation of completion will be performed at the completion of the causal analysis to ensure adequacy of corrective action.	Validation of completion (attached), was performed by the PMCO during the Precious Metals inventory. Completed.
<u>L2-FIND-6: Use and Care of GSA Interagency Fleet Management System Vehicles</u> [Title 41 CFR 101-39.3 (d)], and <u>Instructions to DOE passenger carrier operators</u> [§109-6.400-50 (h)]. During the onsite spot checks of the motor vehicles, the following issues were noted:	L2.6.1	Evidence of tobacco use was noted in one government-owned vehicle, which is strictly prohibited.	The F&O Directorate investigated the incident (to assign appropriate disciplinary action to the driver responsible for the vehicle where tobacco was found). It was determined that the previous user of this vehicle was a smoker. The previous user had retired. The current user does not use any type of tobacco products and follows the BNL user agreement for government vehicle use. Since this issue arose, the Production Division Manager has instructed all Supervisors to perform vehicle inspections and also give craft workers time to do vehicle cleanouts. The vehicle involved in the tobacco incident was thoroughly detailed on 2/7/25 to restore it to proper condition. Completed.	
	L2.6.2	Worn front tires were noted on one vehicle, which is a safety concern.	The vehicle was taken to the BSA Motor Pool facility for inspection. The tire tread was measured at 5/32" According to NYSI and GSA guidelines: "tires are not required to be replaced unless the tread is at or below 2/32", the tread wear bar indicates replacement, or the tires are deemed unsafe or unusable". Therefore, the tires were not replaced at that time. The observation was made during the July 2024 assessment and when the vehicle underwent its next annual inspection in October 2024, the tire tread measured 2/32" and the tires were replaced. Completed.	
<u>L3-FIND-1: Management of Subcontractor-Held Property.</u> BNL guidance provided to subcontractors does not include all records requirements or current definitions for sensitive and high-risk personal property (Title 41 CFR 109-1.5203; §109-1.5108; and §109-1.100-51). BNL guidance provided to the subcontractors has some minor issues that need to be addressed concerning the definitions of	L3.1.1	Designated contractors are required to ensure that subcontractors with government property establish and maintain a property management system. During the review of the BNL subcontractor guidance documentation, it was noted that the definitions for sensitive and high-risk personal property were not compliant with the regulations (§109-1.100-51).	Property and Procurement staff within PPM will review current subcontractor guidance documentation, perform a gap analysis between current guidance and 41 CFR 109 requirements (to include definitions for sensitive/high-risk personal property and records requirements provided to the subcontractor) and update as necessary to	The Subcontractor Guide (attached) was updated to include definitions for sensitive/high risk personal property and subcontractor records requirements. Completed.

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sensitive and high-risk property and nine missing data fields in their personal property records.			ensure compliance with Title 41 CFR 109-1.5203; §109-1.5108; and §109-1.100-51 .	
	L3.1.2	There were also missing records requirements provided to the subcontractor (page 5 of the guidance document) with 9 of the 13 requirements missing. The records for contractors and subcontractors must include all the regulatory requirements (§109-1.5108).	Included in corrective action for finding L3.1.1.	The Subcontractor Guide was updated to include definitions for sensitive/high risk personal property and subcontractor records requirements. Completed.
<u>L3-FIND-2: Storage guidelines.</u> BNL is not fully following the required storage guidelines (Title 41 CFR 109-28.000-51). BNL has unprotected dumpsters for scrap located throughout the site [§109-28.00051 (b)]. Also, the Equipment Held for Future Projects (EHFFP) warehouse and scrap laydown yard were not posted with the required signage to indicate	L3.2.1	EHFFP was not posted with the required “U.S. Government Property/Authorized Personnel Only.” The scrap/laydown yard had a paper sign attached to the gate. This posting should be a permanent posting, not a paper sign [§109- 28.000-51 (c)].	Signs have been made and attached to the laydown area as required. Signs will also be made and affixed for the (EHFFP) warehouse. Validation of completion will be performed at the completion of the causal analysis to ensure adequacy of corrective action.	The paper sign posting on the scrap laydown yard has been replaced with permanent signage with the required verbiage “U.S. Government Property/Authorized Personnel Only.” Photo of the signage attached. Completed.

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restricted access and ownership of the property as U.S. Government/DOE [§109-28.000-51 (c)].	L3.2.2	Scrap Bins located at buildings 452, 912, 905, and 479 were not secured by a locked lid or fence in accordance with §109-28.00-51 (b).	Included in corrective action for finding L2.1.2.	The Working Group and PPM have conducted a thorough assessment of current processes and practices in accordance with CFR 109-28.000-51 Storage Guidelines, as cited in the Finding, specifically: 109-28.000-51 Storage guidelines. (a) Indoor storage areas should be arranged to obtain proper stock protection and maximum utilization of space within established floor load capacities. (b) Storage yards for items not requiring covered protection shall be protected by locked fenced enclosures to the extent necessary to protect the Government's interest. (c) Storage areas shall be prominently posted to clearly indicate that the property stored therein is U.S. Government property, with entrance to such areas restricted to authorized personnel only. (d) Property in storage must be protected from fire, theft, deterioration, or destruction. In addition, certain items require protection from dampness, heat, freezing, or extreme temperature changes. Other items must be stored away from light and odors, protected from vermin infestation, or stored separately because of their hazardous characteristics. (e) Hazardous or contaminated property, including property having a history of use in an area where exposure to contaminated property may have occurred, shall not be commingled with non-contaminated property, but stored separately in accordance with instructions from the environmental, safety, and health officials. (f) Unless inappropriate or impractical until declared excess, nuclear-related and proliferation-sensitive property shall be identified as such by use of a certification tag signed by an authorized program official (designated in writing with signature cards on file in the personal property management office). Such personal property shall not be commingled with other personal property but stored separately in accordance with instructions from the cognizant program office. PPM has determined that BNL is in full compliance with the requirements as stated in CFR 109-28.000-51. Further a full review was conducted of the CFR and no requirement regarding the management of scrap bins was found. This was verified with Jason Remien, BNL Environmental Protection Division However, in keeping with the concern noted in the finding, namely, the security or contamination of property in process of
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Attachment 1 – BNL Personal Property Management System CAP

				being excessed or recycled, BNL notes the following: - BNL's recycling program is contracted through a third- party vendor. Scrap bins are the property of the vendor and are not owned by the government. - Inspection, itemization and review of contents in performed on a regular basis - Weight slips that identify the commodity contained in the containers, (mixed metal, steel, etc.) are provided and the records are maintained by Property Management - Each container that leaves the site goes through the radiation monitor and a clear scan is required. This is recorded with the weight ticket. This process is reviewed and assessed as part of Property Management and Environmental Protection's self-assessment/continuous improvement process and reflected in the Performance Monitoring and Assessment Plan (PMAP) for each group. The SOPs that detail these activities, namely SOPs 380.2 Disposal of Excess Property, 380.6 Control of Scrap Materials and 380.9 High Risk Property have been reviewed and are reflective of this process. Above referenced SOPs are attached. Completed.
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