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Memorandum

LOCKHEED MARTIN

Date: February 16, 1996
POEF-150-96-0088
Lockheed Martin Utility Services, Inc.

To: Dan Hupp

From: Don Butler *Don*

Subject: Internal Investigation into Health Physics Management Practices

On Thursday, February 1, 1996, at the direction of General Manager Dale Allen, through Security Group Manager Dan Hupp, and Safety, Safeguards, and Quality Manager Lee Fink, I and Quality Assurance Specialist John Bellows, B/61173 (reporting to Lee Fink), initiated an investigation into allegations of improper conduct on the part of Health Physics supervision. On Friday, February 2, 1996, we were joined in our inquiries by Lockheed Martin Utility Services (LMUS) Ethics Officer/Internal Audit Director Ron Wetherell, B/60666.

The allegations were directed specifically at Health Physics Supervisor Mike Smith, B/60174, by Senior Health Physics Technician Monte (Chris) Kelley, B/60387 to her organization manager, Production Support Organization Manager Sandra Fout, B/58554. The allegations concerned inconsistencies in overtime assignment, misrepresentation of training records to outside auditors, time card fraud, improperly changing an employee's dosage record, and corruption in the maintenance of the DOE LAMP Thermal Luminescent Dosimeter (TLD) Database. Mike had been placed on Crisis Suspension at 1130 hours, on February 1, 1996, by Sandra Fout, pending the outcome of the investigation.

The following personnel were interviewed during the course of this investigation:

- Research Staff Member John Bowdle, B/55503
- Senior Health Physics Technician Jeff Cunningham, B/60243
- Business Analyst Sally Cunningham, B/58612
- Health Physics Supervisor Rick Dively, B/60306
- Health Physicist Clyde Dulin, B/58488
- Production Support Organization Manager Sandra Fout, B/58554
- Research and Development Associate Rich Ginther, B/60504
- Senior Health Physic Technician Chris Kelley, B/60387

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- Technical Trainer Lorrie Graham, B/60180
- Health Physics Administrative Assistant Rob Litten, B/59444
- Electrical Maintenance Group Manager Gary Medukas, B/60233
- Production Control Section Manager Lisa Parker, B/58843
- Health Physics Supervisor Linda Smith, B/58682
- Health Physics Section Manager Mike Smith, B/60174
- Radiological Protection Manager Ron Smith, B/61012
- Health Physicist Jim Thompson, B/60191

ABSTRACT

Several allegations have been made against Mike Smith, in his role as Health Physics Section Manager. They included the following:

- Improper assignment of overtime.

Allegation:

It was alleged that Jeff Cunningham received large amounts of overtime (455 hours) during calendar year 1995, while Chris Kelley, with the same title and position, received virtually zero.

Mike's Reply:

Jeff Cunningham was the subject matter expert for the NVLAP external dosimetry system for the 8800 Series TLD Reader. Bringing that system on line by October 1, 1995, was a major priority, and Jeff was far more qualified to work with the NVLAP system than was Chris.

Investigators' Conclusions:

The NVLAP system was the priority for 1995, and Jeff Cunningham was best qualified to work with it. It is a fact that Mike and Jeff were friends, and that fact may have resulted in Jeff receiving more overtime opportunities than usual. On at least one occasion, however, Chris Kelley complained to Equal Employment

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Opportunity (EEO) Representative Sally Cunningham about being forced to work overtime on weekends. This allegation thus appears to have weak support, but is neither confirmed nor denied.

• Misrepresentation of training records for the NVLAP audit of May 1995.

Allegation:

Training records indicated that, although Chris Kelley had received procedural training on the NVLAP system, she had received no "hands-on" training, and was not qualified to process dosimeters.. After speaking with Mike, however, the auditor, Jan Cussimano, prepared the following information in his report:

"All of the staff are knowledgeable and have good experience only one staff member other than the Laboratory Technical Supervisor is fully trained and qualified to process dosimeters."

In speaking with this investigative group, Mike identified the "Laboratory Technical Supervisor" as being Jeff Cunningham, and the "one staff member" as being Chris Kelley.

Mike's Reply:

Mike Smith stated that although Chris had received some training, she was "not fully qualified." He did not know what had led the auditor to conclude that she was "fully trained and qualified."

Investigators' Conclusions:

By Mike's own admission, Chris Kelley was not fully qualified to process dosimeters. It seems probable, however, that the auditor was persuaded otherwise, either by Mike or by Jeff Cunningham. The auditor could have, however, simply been shown the limited training records, and allowed to draw his own conclusions. Gary Medukas stated that he could understand why they passed the audit in regards to training, because, after all, no TLDs were yet being processed through that system, and the auditor appeared to be pleased with the planned training program.

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This allegation thus appears to have, at least, a limited amount of support, but is neither confirmed nor denied.

Time card fraud on Saturday, September 30, 1995.

Allegation:

Linda Smith stated that on the morning of Saturday, September 30, 1995, she had worked overtime with Mike and Chris Kelley. Linda said that Mike had arrived on site with her at 0200 hours, and departed from site with her at 1530 hours that afternoon, for a total of 13 1/2 hours worked (Chris arrived late, but verified that she had departed with both Linda and Mike that afternoon). In the interim, however, Mike had spent five hours attending classes at the Chillicothe Branch of Ohio University.

Linda had thought Mike had claimed 17 1/2 hours; in fact, Mike had claimed 13 1/2 hours, which would have been correct if he had spent the entire time on-site.

Mike's Reply:

Mike was unable to say exactly when he did work that day, but stated that he was "not in the habit of overcharging the company." He stated, however, that he had departed plantsite at approximately 0700 hours that morning, and was unsure when he had returned. Mike added that he did not charge the company for time spent attending college classes.

Investigators' Conclusions:

Mike was unable to say exactly what his arrival and departure times had been for that day. If Linda Smith's arrival and departure times are correct, they add up to exactly 13 1/2 hours. Unless Mike returned to work at approximately 1900 hours that evening and worked through the night to make up for the missing five hours, it does appear that the company may have been overcharged.

Rob Litten, however, stated that he had worked with Mike "all night" that night, and Rob's overtime claim for the day was 18 hours. If the two of them had worked together, the fact that Rob claimed 4.5 hours more than Mike might well indicate that Mike had deducted time from his overtime claim to make up for attending class at Ohio University. Ron Smith, although he was not personally

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aware of Mike's actual time on site that Saturday, stated that Mike typically worked more hours than he claimed.

As a result, this allegation cannot be confirmed.

- Improperly changing an employee's dosage on September 8, 1994.

Allegation:

Linda Smith stated that, on September 8, 1994, Mike had directed her to prepare a correction sheet to change three dosages in the TLD database from 26 shallow/26 deep millirem to 0 shallow/0 deep millirem. The dosages were assigned to Guard Force Officer Jeffery Walburn, B/57795, and Linda alleged that Mike wanted the exposures changed to zero, because, "It's for a court case. It's easier to explain zero than it is 26 (shallow)/26 (deep)." Mike had allegedly gone on to say that he had earlier had a meeting with Clyde Dulin and Gary Medukas regarding the situation with Jeffery, and that the three of them had jointly decided that the change was necessary.

Later, when Linda took legal action to gain a promotion, Attorney Larry Zangrelli took a deposition from Mike regarding the dosage change (we have a copy of the results of that deposition). Mike was shown the "TLD Corrections" form of September 8, 1994, and asked, "Isn't it true that you asked Linda Smith to change the exposure records with respect to Jeffery Warburn (Walburn is the individual's correct name; the attorney mistakenly termed him as Warburn)?" "I have no idea," replied Mike. "You don't remember?" pursued Larry. "No," replied Mike. To prove that she had been so instructed, Linda subsequently checked the database for Jeffery Walburn's information. Upon checking, she observed that the dosage rates had been changed back to the previous readings. The change should have come through Linda, and it never had. Linda had no idea how it might have been changed.

Mike's Reply of February 7, 1996:

Mike stated that he had "no recollection" of being in such a meeting (neither did Clyde Dulin or Gary Medukas). Mike said that he had never changed a dosage due to a court action, and he had never been directed by management to make such a change. He added that he

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submitted "thousands" of such change requests during a typical year.

After looking at the dosage figures, however, Mike said that the figures that had been changed from 26 shallow/26 deep millirem to 0 shallow/0 deep millirem, should have, in his opinion, been zeros. Mike said that the reason for this was that the previous 1990 figures, upon which the three subsequent figures had been based, had been contested figures themselves (Gary Medukas and Ron Smith dispute this opinion, stating that there was no justifiable cause for altering the figures).

There was also the fact that these figures had been subsequently changed from zeros back to the previous figures of 26 millirem. Mike stated that, having completed a dosage change, the only way that he would have directed the dosages to be changed back to the previous figures would have been if someone had complained that the manner in which the changes had been made was not consistent with Health Physics policy.

Mike's Reply of February 9, 1996:

When confronted with the TLD exposure readings prepared on September 7 - 9, 1994, Mike Smith stated that although he did not recall the incident, it could have happened. "If I changed these (figures), and it seems that I must've," Mike said, it was not an effort to falsify figures. He stated that had the report of September 7, 1994, been given to him, and he had observed the December 31, 1990 figure of 23 shallow/26 deep millirem, he would have directed the shallow figure of 23 millirem to be changed to 26 millirem, and the subsequent figures of 26 shallow/26 deep millirem that had been estimated from the 1990 figures to be reduced to 0 shallow/0 deep millirem.

Mike went on to say that he would have changed the figures if he had known it involved a court or not, in order to supply correct data. If he had said something like, "It's for a court case. Zero is easier to read," it would have probably been in the context of an off-hand, satirical remark.

Mike stated that he had no information to show why these figures had been subsequently changed back to the previous numbers. He added that he was unable to see any

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justification for returning them to their original status, as the original numbers had been in error.

Investigators' Conclusions:

It is difficult to understand why such an improper action would have been taken upon the negligible figure of 26 millirem. If true, such an action represents a act of gross impropriety on the part of Mike. The fact that the figures were subsequently changed back to the previous format further complicates the issue, as it raises the possibility of "cold feet" for the individual responsible for the change.

Although we believe the allegation to be true, we cannot definitively prove it. Our reasons for believing the allegation are as follows, and can be clarified by the following timeline:

TIMELINE

- January 31, 1994: Linda Smith launches a complaint regarding promotion opportunities denied her.
- July 26, 1994: Protective Force Officer Jeffery Walburn alleges inhalation injury in X-326 Process Building
- August 15, 1994: Self-insurance application filed regarding above allegation.
- August 17, 1994: LMUS denies claim with "no specific diagnosis."
- September 6, 1994: LMUS requests approval for USEC to hire Bob Tait as external counsel.
- September 7, 1994: A printout of Jeffery Walburn's dosage history is prepared for Legal Services.
- September 8, 1994: Mike Smith allegedly directs Linda Smith, in the presence of Chris Kelley, to change four of Jeffery's historical dosages.

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- September 9, 1994: A printout of the sheet detailing the above changes is prepared, and inserted into the information prepared for Legal Services two days earlier.
- September 16, 1994: Jeffery requests his medical occupational information from Health Services.
- September 23, 1994: USEC approves the hiring of Bob Tait.
- September 29, 1994: LMUS schedules doctor's examination for October 18, 1994 (we believe that this examination was for Jeffery Walburn).
- November 3, 1994: The information requested on September 16, 1994, is apparently delivered to Jeffery.
- November 22, 1994: Mike Smith, Clyde Dulin, and Ed Wagner give depositions regarding Linda Smith's lawsuit.
- Linda subsequently discovers the dosage figures, changed on September 8, 1994, have been returned to the previous figures.
- March, 1995: The March, 1995 database indicates the original figures to be in place.
- May 12, 1995: Chris Kelley contacts Sally Cunningham with allegations regarding Health Physics impropriety. The incident involving the dosage change is included in her allegations.
- December, 1995: Linda Smith's lawsuit is settled.
- Mike has stated that he would have been the person to have authorized such a change, and, had he been presented with those figures, he would have authorized the change, in order to present valid dosage figures. Site Legal Officer Jim Olsen

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