July 19, 2000

MEMORANDUM FOR THE DEPUTY SECRETARY
THE UNDER SECRETARY FOR NUCLEAR SECURITY

FROM: Gregory H. Friedman
Inspector General

SUBJECT: Polling by Lawrence Livermore National Laboratory
(HQ-L-00-02)

This is a follow up to my discussion with the Deputy Secretary yesterday concerning the above subject.

It had come to our attention that Lawrence Livermore National Laboratory (Livermore) recently retained Charlton Research of Walnut Creek, California, to poll 600 people in five cities in the Bay Area. The poll apparently sought to gauge public awareness and impressions of Livermore with respect to:

- The cost overruns associated with the National Ignition Facility;
- Allegations of discrimination against Asian Americans; and
- Security and espionage concerns.

On July 14, 2000, Livermore issued a press release, a copy of which is attached, summarizing the results of the poll. According to the press release, Livermore was "pleased about the favorable view of the Lab." Apparently, a majority of the persons contacted were either unaware of the above issues or felt that they did not diminish their view of the value of Livermore to the community. According to the press release, Livermore "has conducted a community survey on four occasions in the past ten years to gauge public opinion and help guide the communications efforts of the lab."

We are troubled by the statements of Livermore's spokesperson regarding the poll results, as quoted in the press:

"While we have been living with crisis de jour here at the lab, a lot of other people are worried about their everyday things....We are somewhat myopic about our problems. Most people don't feel it is that significant." (Source: Contra Costa Times, July 15, 2000).
While the statement may be open to some interpretation, it is not, in our view, unreasonable to conclude that the statement suggests that Livermore may be insensitive to the concerns that have been expressed by the Secretary and members of Congress on these issues. Further, it is difficult to discern how the poll and the resulting press release facilitate contract performance, which is apparently one of the factors in determining the allowability of these costs.

We contacted Livermore and were provided information which indicates that the University of California charged the $24,000 associated with the polling to its contract with the Department. In our view, the use of taxpayer dollars for this kind of exercise is questionable, as to its utility and appropriateness. Under the circumstances, we believe that the Department and the National Nuclear Security Administration should determine if the costs involved are, in fact, allowable.

Because we have expedited the process of reporting this matter, management has not been previously advised of our concerns through a draft report and likewise, has not had an opportunity to provide comments.

Recommendation

We recommend that the Department and the National Nuclear Security Administration review all facilities management contracts, identify the extent to which this type of activity is being repeated elsewhere, and evaluate whether it is in the best interests of the Government.

Attachment
Community Survey Cites Strong LLNL Support

LIVERMORE, CA - The Department of Energy’s Lawrence Livermore National Laboratory is seen as an important economic resource to the immediate community one that is safe, well managed, protects its national secrets, and is largely supported by its surrounding communities, according to a recent survey.

The survey was conducted in January 2000 by Charlton Research Company in Walnut Creek. Approximately 600 residents of Livermore, Pleasanton, Tracy, Manteca and San Jose participated. The survey excluded people who work at LLNL, Sandia, the Department of Energy and University of California, or their close relatives. The margin of error was 4 percent.

LLNL has conducted a community survey on four occasions in the past ten years to gauge public opinion and help guide the communications efforts of the lab. Each time, the survey has been conducted by Charlton Research. The latest survey results show that lab is well regarded by local residents.

"The Lab is seen as a good neighbor and the community holds the Laboratory in high regard," said Natasha Stein from Charlton Research Company. Stein said the Lab’s affiliation with the University of California contributes to that good standing, making the Lab "known best for its scientific research and the revenue its employees put into the community, rather than what headlines portray."

When asked for a general opinion of the Lab, more than 61 percent felt positive, compared to 48 percent in 1998.

"We’re very pleased about the favorable view of the Lab," said Executive Officer Ron Cochran. "But we are always looking for ways we can improve our standing in the community."

The survey results also indicate that the Laboratory is perceived as a safe facility and one that protects the national secrets. The survey also found that 80 percent of those questioned believe the Lab is an important resource for the country, 76 percent believe it is a vital economic resource to the community, and 51 percent believe the Lab is well managed.

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