
April 1998

CUSTOMS SERVICE

Process for Estimating and Allocating Inspectional Personnel



General Government Division

B-278218

April 30, 1998

The Honorable Dianne Feinstein
United States Senate

Dear Senator Feinstein:

You asked us to undertake a broad review of the drug enforcement operations of the U.S. Customs Service along the Southwest border of the United States. In September 1997, we provided you with information on selected aspects of Customs' drug enforcement operations.¹ In that letter, we detailed, among other things, Customs' emphasis on its drug enforcement mission and its use of drug information. Our objectives for this report were to determine (1) how Customs assesses its needs for inspectional personnel (inspectors and canine enforcement officers) and allocates such resources to commercial cargo ports of entry; (2) whether Customs received all the additional inspectional personnel its assessments indicated it needed and, if not, why it did not receive them; and (3) whether there are any known implications of Customs' not receiving all of the personnel estimated to be needed and the impact of the additional personnel that were appropriated on Customs' drug enforcement operations.

In developing the information in this report, we (1) obtained and reviewed relevant budget, workload, personnel allocation, and drug smuggling threat documents; (2) interviewed cognizant officials at Customs headquarters, the Department of the Treasury, the Office of National Drug Control Policy (ONDCP), and the Office of Management and Budget (OMB); (3) telephonically interviewed Customs officials from the Arizona Customs Management Center (CMC)² and the Nogales, Arizona, port; and (4) visited two CMCS—Southern California and South Texas—and two ports—Otay Mesa, California, and Laredo, Texas, where we interviewed cognizant Customs officials. We did not assess the validity of Customs' needs assessments. Our objectives, scope, and methodology are discussed in more detail in appendix I.

We requested comments on a draft of this report from the heads of OMB, ONDCP, and the Department of the Treasury or their designees. On April 2, April 6, and April 8, 1998, respectively, cognizant officials from these

¹See Customs Service: Information on Southwest Border Drug Enforcement Operations (GAO/GGD-97-173R, Sept. 30, 1997).

²On October 1, 1995, Customs closed its 7 regional and 42 district offices and replaced them with 20 CMCS.

agencies provided us with their oral comments. These comments are discussed near the end of this letter. We performed our work between June 1997 and February 1998 in accordance with generally accepted government auditing standards.

Results in Brief

Customs does not have an agencywide process for annually determining its need for inspectional personnel—such as inspectors and canine enforcement officers—for all of its cargo operations and for allocating these personnel to commercial ports of entry nationwide. While Customs has moved in this direction by conducting three separate assessments since 1995 to determine its need for additional inspectional personnel, these assessments (1) focused exclusively on the need for additional personnel to implement Operation Hard Line—Customs’ initiative to address border violence and drug smuggling—and similar initiatives; (2) were limited to land ports along the Southwest border and certain sea and air ports considered to be at risk from drug smuggling; (3) were conducted each year using generally different assessment factors; and (4) were conducted with varying degrees of involvement by Customs headquarters and field units.

Customs conducted the three assessments in preparation for its fiscal year 1997, 1998, and 1999 budget request submissions. To estimate the number of additional inspectors and canine enforcement officers needed for fiscal year 1997, Customs combined factors such as the need to (1) fully staff inspectional facilities and (2) balance enforcement efforts against violators with (3) the need to move legitimate cargo through the ports. For fiscal years 1998 and 1999, Customs officials stated that they used factors such as the number and location of drug seizures and the perceived threat of drug smuggling, including the use of rail cars to smuggle drugs.

To allocate to the ports the additional personnel that were funded by Congress in fiscal years 1997 and 1998 for Operation Hard Line and similar initiatives, Customs used factors such as (1) commercial cargo workloads and (2) specific aspects of the drug smuggling threat, such as attempts by private sector employees at sea and air ports to assist drug smuggling organizations in their efforts to smuggle drugs (described by Customs as “internal conspiracies”).

Focusing on only a single aspect of its operations (i.e., countering drug smuggling); not consistently including the key field components (i.e., CMCS and ports) in the personnel decisionmaking process; and using different

assessment and allocation factors from year to year could prevent Customs from accurately estimating the need for inspectional personnel and then allocating them to ports.

The President's budgets did not request all of the additional inspectional personnel Customs' assessments indicated were needed. For example, the assessment for fiscal year 1997 estimated that Customs, at a minimum, needed an additional 1,036 inspectors, canine enforcement officers, agents, and support staff for ports along the Southwest border to adequately implement Operation Hard Line. As a result of an internal review, Customs revised its estimate to 912 additional positions. Treasury further revised this estimate to 657 additional positions. The President's fiscal year 1997 budget ultimately requested 657 additional inspectional and other personnel (agents and support staff) for Customs. This represented about 63 percent of Customs' original 1,036-position estimate. Congress appropriated \$65 million for Operation Hard Line. The House Appropriations Committee report accompanying the fiscal year 1997 appropriations bill agreed with the President's request for \$65 million for Hard Line to be used for 657 additional positions and equipment (H.R. Rep. No. 104-660, at 28 (1996)).

Customs and Treasury officials cited internal and external budget constraints, drug enforcement policy considerations, and legislative requirements as the primary factors affecting the number of additional personnel that Customs could ultimately request and the manner in which it could allocate or reallocate certain personnel. For example, as discussed earlier, for fiscal year 1997, Treasury reduced Customs' revised 912-position estimate for additional inspectional personnel to 657 positions. Treasury officials cited limited budgetary resources as the reason behind this decision. Further, for fiscal year 1998, ONDCP directed Customs to reallocate some of the additional 119 inspectors it requested and was appropriated funds for to Southwest border ports in accordance with the priorities in the National Drug Control Strategy. Customs had originally planned to allocate all of these inspectors to air and sea ports considered to be at risk from drug smuggling, none of which were located along the Southwest border. Finally, Customs could not move certain existing positions to the Southwest border because Congress had directed Customs to use them for specific purposes at specific ports. Such positions included about 1,200 inspectors funded by user fees.

It is too early to definitively determine (1) whether there are any implications resulting from Customs not receiving all of the inspectional

personnel that its needs assessments identified as needed and (2) the impact of the additional inspectional personnel that were appropriated for fiscal years 1997 and 1998 on Customs' drug enforcement operations. According to Customs officials, the additional inspectors that were hired in fiscal year 1997 were still in the process of being deployed and trained on-the-job; the fiscal year 1998 inspectors are in the process of being hired and trained. According to these officials, Customs will not be able to assess the full impact of the additional inspectors on its enforcement operations until these inspectors gain experience, which may be up to 2 years from the time of their deployment. As part of its strategic plan, Customs plans to assess, among other things, the success of its drug enforcement operations by employing performance measures and conducting internal evaluations of its drug strategy's components.

To successfully implement the Government Performance and Results Act of 1993 (the Results Act), P.L. 103-62—enacted to improve the efficiency and effectiveness of federal programs—Customs has to determine its needs for inspectional personnel for all of its cargo operations and ensure that available personnel are allocated where they are needed most. Accordingly, this report is making a recommendation to the Commissioner of Customs to establish a process to accomplish these tasks.

Background

Created in 1789, Customs is one of the federal government's oldest agencies. Customs is responsible for collecting revenue from imports and enforcing customs and related laws. It also processes persons, carriers, cargo, and mail into and out of the United States. In fiscal year 1997, Customs collected about \$19 billion in revenues and processed about 18 million import entries; about 128 million vehicles; and about 446 million air, land, and sea passengers entering the country.

Customs performs its mission with a workforce of about 19,500 personnel at its headquarters in Washington, D.C., and at 20 CMCS, 20 Special Agent-in-Charge offices, and 301 ports of entry around the country. Of these 301 ports, 24 are located along the Southwest border and—through 39 crossing points (such as bridges)—handle both passengers and commercial cargo entering the United States. At the end of fiscal year 1997, Customs had deployed about 28 percent of its inspectors and about 62 percent of its canine enforcement officers at ports along the Southwest border. This compared to about 24 percent of its inspectors and about 50 percent of its canine enforcement officers being deployed at the Southwest border in fiscal year 1992, the earliest year that complete data

were available. This deployment represented an increase of about 36 percent in the number of inspectors and about 67 percent in the number of canine enforcement officers at the Southwest border over the fiscal year 1992 level.

Customs' Anti-Drug Smuggling Mission

A major goal of Customs is to prevent the smuggling of drugs into the country by attempting to create an effective drug interdiction, intelligence, and investigation capability that disrupts and dismantles smuggling organizations. The Commissioner of Customs has designated this goal to be the highest priority within Customs. Specifically, as 1 of more than 50 federal agencies involved in the national drug control effort, Customs is responsible for stopping the flow of illegal drugs through the nation's ports of entry. In addition to routine inspections to search passengers, cargo, and conveyances (these include cars, buses, trucks, aircraft, and marine vessels) for illegal drugs moving through the ports, Customs' drug interdiction efforts include investigations and the use of contraband enforcement teams³ and canine enforcement officers.

In February 1995, Customs initiated Operation Hard Line along the Southwest border to address drug smuggling, including port running (the practice of racing drug-laden conveyances through a Customs inspection point), and related border violence through increased and intensified inspections, improved facilities, and the use of technology. According to Customs officials, port running had increased in part as a result of enforcement operations conducted by the Immigration and Naturalization Service between the ports of entry along the Southwest border. Customs has expanded its anti-smuggling initiative (called Operation "Gateway") beyond the Southwest border to the southern tier of the United States to include the Caribbean and Puerto Rico.

According to Customs officials, in keeping with the need to perform a multifaceted mission, Customs does not generally allocate inspectors to ports of entry exclusively to perform drug enforcement. Accordingly, while it is the highest priority, drug enforcement is only one of many functions that inspectors are expected to perform when inspecting goods and persons. However, in an effort to enhance its drug enforcement operations, Customs has been using more specialized drug enforcement units, such as contraband enforcement teams, and assigning inspectors to such units on a rotational basis.

³Contraband enforcement teams are specialized teams of inspectors dedicated to, among other things, intensive examinations of cargo shipments to detect and interdict the movement of narcotics. Their efforts focus on identifying, selecting, and examining the highest risk shipments.

The Results Act and Strategic Planning

The Results Act was enacted to improve the efficiency and effectiveness of federal programs by establishing a system to set goals for program performance and to measure results. Under the Results Act, executive agencies were to develop, by September 1997, strategic plans in which they defined their missions, established results-oriented goals, and identified the strategies they will use to achieve those goals for the period covering at least fiscal years 1997 through 2002. These plans are to be updated at least every 3 years. Beginning in fiscal year 1999, agencies are also to develop annual performance plans. The Results Act requires that these plans (1) identify annual performance goals and measures for each of an agency's program activities, (2) discuss the strategies and resources needed to achieve the performance goals, and (3) explain the procedures the agency will use to verify and validate its performance data.

Customs' Strategic Plan for fiscal years 1997 through 2002 established a goal and a number of objectives designed to continue Customs' multipronged drug enforcement effort to increase the risk of being caught for those smuggling illegal drugs into the country. The plan also included measures, such as the number and amounts of narcotics seizures, to gauge the success of the enforcement efforts and proposed conducting internal evaluations of specific components of the strategy, such as narcotics interdiction. Customs' fiscal year 1999 Annual Performance Plan detailed performance goals and measures for each of its operational activities. The plan also discussed the strategies and proposed resources that would be utilized to achieve the goals.

No Systematic Approaches to Determine Customs' Inspectional Personnel Needs and Allocate Personnel

Customs does not have an agencywide process for annually determining its need for inspectional personnel—such as inspectors and canine enforcement officers—and for allocating these personnel to commercial cargo ports of entry nationwide. Customs officials were not aware of any such process to determine inspectional personnel needs prior to 1995. While Customs has moved in this direction by conducting three assessments to determine its need for additional inspectional personnel since 1995, these assessments (1) focused exclusively on the need for additional personnel to implement its anti-drug smuggling initiatives, such as Operation Hard Line and similar initiatives; (2) were limited to land ports along the Southwest border and certain sea and air ports at risk from drug smuggling; (3) were conducted each year using different assessment and allocation factors; and (4) were conducted with varying degrees of involvement by Customs headquarters and field units. Focusing on only a single aspect of its operations (i.e., countering drug smuggling); not

consistently including the key field components (i.e., CMCS and ports) in the decisionmaking process; and using different assessment and allocation factors from year to year could prevent Customs from accurately estimating the need for inspectional personnel and then allocating them to ports.

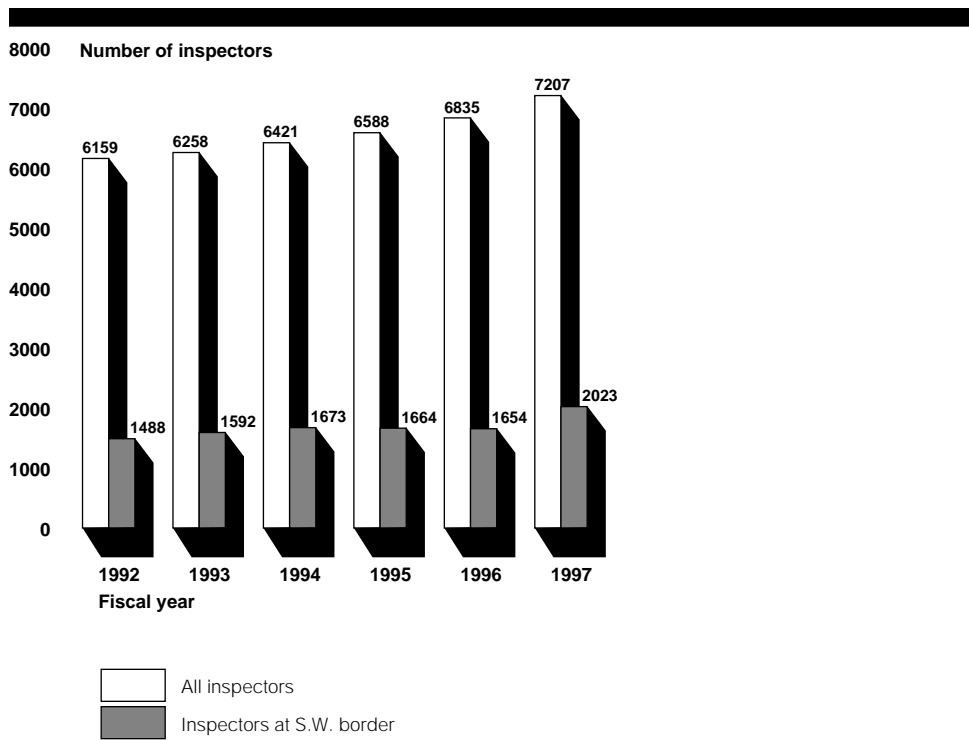
No Known Efforts Prior to 1995 to Determine Inspectional Personnel Needs

According to Customs officials, they were not aware of any agencywide efforts prior to 1995 to determine the need for additional inspectional personnel at commercial cargo ports of entry. Rather, CMCS (then called districts) requested additional personnel primarily when new ports were established. For example, when the new port at Otay Mesa, California, was established, the Southern California CMC (then called the San Diego District) requested from headquarters, and was allocated, some additional personnel to staff the port. Separately, according to Customs officials, as part of the annual budget request development process, CMCS can also submit requests for inspectional personnel to fill vacancies in existing positions created by attrition.

On a broader basis, according to officials at Customs' Anti-Smuggling Division (ASD),⁴ beginning in the late 1980s, Customs redeployed some existing inspectional personnel in response to the increasing workload and drug smuggling threat along the Southwest border. For example, as shown in figures 1 and 2 (see also app. II), prior to the Hard Line buildup, there was an increase in inspectional personnel—inspectors and canine enforcement officers—at Southwest border ports between fiscal years 1993 and 1994. According to ASD officials, this was done in preparation for the implementation of the North American Free Trade Agreement and the anticipated increase in related workload. According to these officials, Customs accomplished the pre-Hard Line buildup by reallocating positions that had become vacant through attrition from ports around the country—such as those on the border with Canada—to the Southwest border.

⁴ASD is part of Customs' Office of Field Operations (OFO). ASD, among other things, serves as the focal point for assessing the need for inspectional personnel and then allocating them to ports in support of Customs' anti-drug initiatives. OFO is the organizational element within Customs responsible for performing primary (initial) inspections of persons, cargo, and conveyances at air, land, and sea ports of entry. Nationwide, OFO has over 7,000 inspectors and 500 canine enforcement officers to perform inspections.

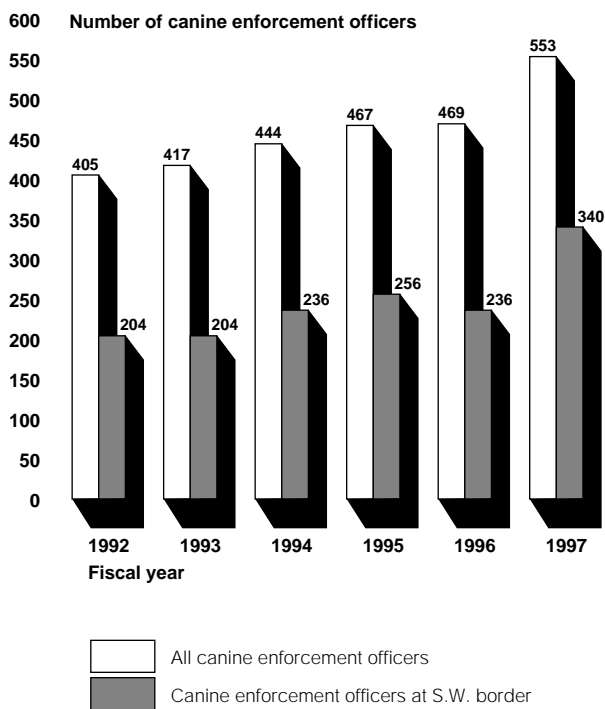
Figure 1: Customs Inspector Staffing Levels, Fiscal Years 1992 to 1997



Note: Fiscal year 1992 was the earliest year for which complete data were available.

Source: GAO analysis of Customs data.

Figure 2: Customs Canine Enforcement Officer Staffing Levels, Fiscal Years 1992 to 1997



Note: Fiscal year 1992 was the earliest year for which complete data were available.

Source: GAO analysis of Customs data.

Recent Needs Assessments Focused on Anti-Smuggling Initiatives

Customs' personnel needs assessment process for fiscal years 1997 through 1999 focused exclusively on its anti-drug smuggling initiatives, namely Operations Hard Line and Gateway. In focusing on only one aspect of its cargo and passenger operations (i.e., countering drug smuggling), Customs is not identifying the need for inspectional personnel for its overall cargo processing operations.

According to Customs and Treasury officials, the impetus for the focus of the needs assessments on the anti-smuggling initiatives, beginning with Hard Line, was provided by a June 1995 visit by the Deputy Secretary of the Treasury to ports within the Southern California CMC to observe how Hard Line was being implemented. According to these officials, the Deputy Secretary expressed concern about Hard Line's implementation, especially about the extensive use of overtime and the apparent lack of results in terms of drug seizures. According to the officials, the Deputy Secretary

concluded that the Southwest border ports did not have a sufficient number of inspectors and other personnel to adequately implement Hard Line. As a result, the Deputy Secretary asked Customs officials to review the staffing situation at the Southwest border ports and prepare a proposal for additional staffing and other measures to enhance Hard Line's implementation.

In response to the Deputy Treasury Secretary's concerns about Operation Hard Line, Customs conducted a needs assessment in 1995 for its fiscal year 1997 budget submission. Specifically, in June 1995, ASD asked the four Customs districts (now called CMCs) along the Southwest border to develop estimates of their inspectional personnel needs. The four districts were San Diego, California (now the Southern California CMC); El Paso, Texas (now the West Texas CMC); Laredo, Texas (now the South Texas CMC); and Nogales, Arizona (now the Arizona CMC). The factors used in this assessment and its results are discussed later in this report.

Recent Inspectional Personnel Needs Assessments Limited to Certain Ports

Because they focused on Customs' anti-smuggling initiatives, the inspectional personnel needs assessments that began in 1995 were accordingly limited to ports along the Southwest border and the southern tier of the United States, and to sea and air ports determined to be at risk from drug smuggling. Also, these assessments focused only on the need for additional personnel at these ports. Specifically, Customs did not conduct a review of its 301 ports to determine (1) the appropriate staffing levels at each one of these ports and (2) whether it was feasible to permanently reallocate inspectors to the Southwest border ports and other high-risk ports from other ports around the country that potentially had, at that time, higher levels of inspectors than justified by workload and other factors, before assessing the need for additional personnel.

In addition, Customs' strategic plan and the fiscal year 1999 Annual Performance Plan did not provide the detail necessary to determine the level of personnel needed and how Customs planned to align, or allocate, these personnel to meet its plans' goals and objectives. The strategic plan, however, recognized the need to assess the allocation of resources, including personnel, and their effectiveness and to address any necessary redeployments, while Customs' fiscal year 1998 Annual Plan identified the linkage of its goals with available and anticipated resources as an area that needed attention.

Customs officials said that they did not conduct broad-based assessments because the results of these assessments would likely indicate the need to move inspectional personnel. These officials stated that moving personnel would be difficult for four primary reasons. First, about 1,200 current inspectional positions are funded through revenues from user fees established by the Consolidated Omnibus Budget Reconciliation Act of 1985 as amended, codified at 19 U.S.C. 58c. These positions are funded for specific purposes at specific locations, such as processing arriving passengers at air and sea ports, in proportion to the revenues contributed by each user fee category. For example, according to Customs officials, since air passenger fees contributed about 85 percent of all user fee revenues, air ports would receive 85 percent of all inspectors funded by the fee revenues. Consequently, Customs cannot redeploy such positions to other locations for other purposes, such as inspecting cargo at commercial cargo ports.

Second, under the terms of its union contract, to permanently move inspectors from one CMC to another, Customs needed to ask for volunteers before directing the reassignment of any inspectors. However, when Customs asked for 200 volunteers—a number far short of what was ultimately estimated as being needed—to be detailed to the Southwest border to help implement Operation Hard Line, very few volunteers emerged. Consequently, Customs abandoned its call for volunteers and decided to implement Hard Line with existing personnel by relying on the use of overtime. In other instances that would require inspectors to move, according to Customs officials, if volunteers did not emerge, Customs would need to select the most junior inspectors to move. However, for operational reasons having to do primarily with inspector experience, this was not an option preferred by Customs.

Third, funding historically was not requested in the President's budgets or appropriated by Congress for permanent changes of station (i.e., permanent moves) because of the high cost involved. Customs officials estimated that it cost between \$50,000 and \$70,000 to move an inspector, thus making any substantial number of moves prohibitively expensive. However, more recently, the President's budgets have requested funding for redeploying Customs agents, and Congress has appropriated such funding. For example, in the fiscal year 1998 budget, \$4 million was requested for agent redeployments, and Congress appropriated the requested amount.

Fourth, by 1995, Customs had already reallocated positions to the Southwest border from other ports as the positions became vacant through attrition. However, according to ASD officials, Customs could no longer reallocate positions in this manner because some non-Southwest border ports were experiencing staffing shortages due to attrition and growing workloads and needed to fill their vacancies.

Customs Used Different Factors in Its Needs Assessments

Customs' three needs assessments utilized different factors from year to year to determine the need for additional inspectional personnel. However, Customs' decision not to consider factors critical to accomplishing its overall mission every year—such as the configuration of the ports that was used in the fiscal year 1997 assessment—could have prevented Customs from estimating the appropriate level of personnel at each port.

Factors Used in Fiscal Year 1997

For the fiscal year 1997 assessment, ASD provided the Southwest border districts with a number of factors to use in determining the need for additional inspectors and canine enforcement officers for their cargo and passenger operations. The factors were based primarily on the configuration of ports, which, in addition to its drug enforcement functions, is a reflection of Customs' mission critical functions. The factors were (1) the need to fully staff all primary passenger lanes, taking into account agreements with the Immigration and Naturalization Service (INS),⁵ including inspectors to conduct preprimary roving;⁶ (2) the need to fully staff cargo facilities (primary booths and examination docks), while taking into account the balance between Customs' enforcement mission and the need to facilitate the movement of legitimate conveyances and their cargo; and (3) the need for canine enforcement officers to support all cargo and passenger processing operations. The districts were also asked to (1) assume that they were going to at least maintain the examination rates being achieved at the time of the assessment, based on the national standard to examine a minimum of 20 percent of a selected conveyance's cargo, and (2) consider the overall drug smuggling threat at ports.

Factors Used in Fiscal Years 1998 and 1999

Unlike the fiscal year 1997 needs assessment process that was based on the configuration of ports, ASD officials said they used the threat of drug smuggling at commercial cargo land ports along the Southwest border and

⁵Both Customs and INS inspect incoming passengers at ports of entry.

⁶Preprimary roving is the process through which Customs inspectors target passengers for intensive inspections. Rovers are teams of inspectors who, along with canine enforcement officers, attempt to identify potential smugglers through behavioral analysis, prior intelligence, or canine alert.

at air and sea ports on the southern tier of the United States and other locations to estimate the number of additional inspectors needed in fiscal years 1998 and 1999. However, in not considering land border port configurations, Customs did not take into account changes in the configurations that could have implications for the number of inspectional personnel needed.

For fiscal year 1998, ASD officials said they focused on three aspects of the drug smuggling threat: (1) the number and location of drug seizures, since they were evidence of the threat; (2) the use of rail cars by drug smugglers to smuggle drugs; and (3) the existence of internal conspiracies by individuals, such as dock workers at ports, to smuggle drugs. According to the ASD officials, the latter two factors represented the evolving nature of the drug smuggling threat and needed to be addressed.

For fiscal year 1999, in addition to the latter two factors used in fiscal year 1998, ASD said it also considered the need to address the continued evolution of the drug smuggling threat, namely (1) an increase in drug smuggling using waterways bordering the United States and (2) an expansion in the number of drug smuggling organizations operating in U.S. cities. According to an ASD official, the factors used in fiscal years 1998 and 1999 were meant to balance Customs' continued emphasis on the drug smuggling threat along the Southwest border and the need to address new threats in other areas, such as Miami and Los Angeles.

**Fiscal Year 1997 and 1998
Inspectional Personnel
Allocations Utilized
Different Needs
Assessment Factors**

The processes to allocate the inspectional personnel funded by Congress in fiscal years 1997 and 1998 generally used different needs assessments factors.⁷ For fiscal year 1997, ASD used commercial truck volume to allocate the new cargo inspectors to the Southwest border ports.⁸ According to ASD officials, they used the workload data because they believed that the drug smuggling threat ultimately manifested itself in terms of conveyance and passenger traffic—commercial trucks, passenger vehicles, and pedestrians at land ports; aircraft and passengers at air ports; and vessels, cargo, and passengers at sea ports—and the likelihood that any one of these conveyances or passengers could carry drugs through any port at any time.

⁷As discussed later in this report, the President's fiscal year 1999 budget did not request any additional inspectional resources specifically for cargo processing. Consequently, Customs has not developed an inspectional resource allocation proposal.

⁸Customs considered INS' passenger allocation model to allocate inspectors to its passenger processing operations. Since this report focuses on cargo operations, we do not discuss the allocation of passenger inspectors.

ASD used an estimated ratio of 10 inspectors for every 100,000 laden (full) trucks and 5 inspectors for every 100,000 empty trucks to allocate the additional personnel to the Southwest border ports. An ASD official said that the ratio was based on ASD's experience with the number of inspectors and the length of time needed to inspect laden and empty trucks. In addition, according to this official, ASD used the ratio because it was relatively easy to understand and implement and was generally supported by the CMCS and ports receiving the resources, such as the Otay Mesa port.

For fiscal year 1998, ASD officials stated that they used the same aspects of the drug smuggling threat used for that year's needs assessment to allocate the inspectional personnel that were funded. Accordingly, to address the use of commercial rail cars to smuggle drugs, for example, ASD estimated that a team of between four to eight inspectors was needed to inspect a commercial cargo train, depending on the number of rail cars. Using this estimate, ASD allocated inspectors to ports with rail car inspection operations that were facing a drug smuggling threat, such as Laredo and Brownsville, Texas. However, because Customs did not consider its entire workload, it did not take into account the anticipated growth in trade volume and the potential resulting need for additional inspectional personnel to handle this growth. Further, considering that Customs has identified workload as an indicator of the drug smuggling threat, it could not respond to the escalation of the threat as represented by the growth in its entire workload. Customs officials commented that, since a limited number of additional inspectors were available for allocation to rail operations, they allocated a minimum number of inspectors to each port with such operations, without considering the workload.

In fiscal year 1997, ASD officials stated that, working with Customs' Canine Branch,⁹ they used workload and the extent of the drug smuggling threat to allocate the additional canine enforcement officers to ports. No canine enforcement officers were requested or appropriated for fiscal year 1998.

Needs Assessments and Allocations Conducted With Varying Degrees of Involvement by Customs Units

Customs' needs assessments and allocations were conducted with varying degrees of involvement by headquarters and field units. ASD had the lead role in the assessments and allocations, while other units—CMCS and ports—had more limited roles. Specifically, while Southwest border CMCS and ports conducted the fiscal year 1997 assessment, they were not involved in the subsequent allocation of the personnel that were funded. In

⁹The Canine Branch is a unit within OFO that is responsible for the training and operational oversight of Customs' canine enforcement units.

its role, ASD compiled the results of the needs assessment. Customs' Office of Investigations¹⁰ estimated the number of investigative agents and other staff needed to support the inspectors and canine enforcement officers. The Canine Branch estimated the number of canine enforcement officers needed to provide operational support to inspectors. As described earlier, ASD also allocated the inspectors and, working with the Canine Branch, the canine enforcement officers that were funded by Congress. The Office of Investigations allocated the agents and support staff.

ASD conducted the fiscal year 1998 needs assessment and allocation processes and the fiscal year 1999 needs assessment. CMCS and ports affected by ASD's proposed fiscal year 1998 allocations were asked to comment on them. Five CMCS and two ports submitted written comments. Three CMCS indicated that they were satisfied with the number of additional inspectors to be allocated to them. Two CMCS and two ports indicated that additional inspectors were needed. ASD officials said that they took these comments into consideration when finalizing the allocation.

According to ASD officials, they assumed a leading role because the needs assessments and subsequent allocations were being conducted exclusively in support of Customs' anti-drug smuggling initiatives, such as Operation Hard Line. These initiatives are conducted under ASD's oversight. In addition, an ASD official explained that ASD was fully cognizant of the threat, workload, and other factors relevant to the needs assessment and allocation processes at the CMCS and ports; thus, it was able to conduct them without the need to consult extensively with the CMCS and ports. However, because it did not fully involve the two key field components responsible for day-to-day operations (i.e., the CMCS and ports) throughout the needs assessment and allocation processes, Customs received no input from those who, by virtue of their operational roles, are in the best position to know the levels of inspectional personnel they need.

¹⁰The Office of Investigations has about 2,500 special agents and about 1,100 other personnel in its aviation, marine, and intelligence units. Among other things, special agents investigate drug seizures at ports and develop cases that implicate smuggling organizations.

Effective Implementation of the Results Act Requires the Establishment of a Link Between the Deployment of Resources and the Achievement of Performance Goals

The Results Act specifies that all agencies' strategic plans should have six critical components. Among these is the establishment of approaches or strategies to achieve general goals and objectives. In addition, the Results Act requires that, beginning in fiscal year 1999, agencies must develop annual performance plans to establish a link between their budget requests and performance planning efforts. The Act also envisioned that the strategic and annual performance planning cycles would be iterative, mutually reinforcing processes.

We have previously reported¹¹ that under strategic planning envisioned by the Results Act, as part of establishing strategies to achieve goals, strategic plans and annual performance plans need to describe, among other things, (1) the human and other resources needed and (2) how agencies propose to align these resources with their activities to support mission-related outcomes. We have accordingly pointed out that in order to effectively implement the Results Act, and as part of the annual performance planning process, agencies will need to consider how they can best deploy their resources to create a synergy that effectively and efficiently achieves performance goals.

Consequently, to effectively implement the Results Act, Customs will need to consider the relationship or link between the personnel it will have available and the results it expects these personnel to produce. However, its most recent estimates of the need for inspectional personnel and allocations of such personnel to ports were too narrowly focused on certain aspects of its operations and limited to certain ports to clearly achieve such a link for all of its operations.

As discussed earlier, in its strategic plan, Customs has already recognized the need to review the deployment of its resources, including personnel; evaluate their effectiveness; and address any necessary redeployments. In addition, in its fiscal year 1998 Annual Plan, Customs has identified the linkage of available and anticipated resources with achieving performance goals as an area that needs attention.

¹¹See Executive Guide: Effectively Implementing the Government Performance and Results Act (GAO/GGD-96-118, June 1996), Government Reform: Goal Setting and Performance (GAO/AIMD/GGD-95-130R, Mar. 27, 1995), and Agencies' Annual Performance Plans Under the Results Act: An Assessment Guide to Facilitate Congressional Decisionmaking (GAO/GGD/AIMD-10.1.18, Feb. 1998).

Not All of the Inspectional Personnel Customs Estimated It Needed Were Requested

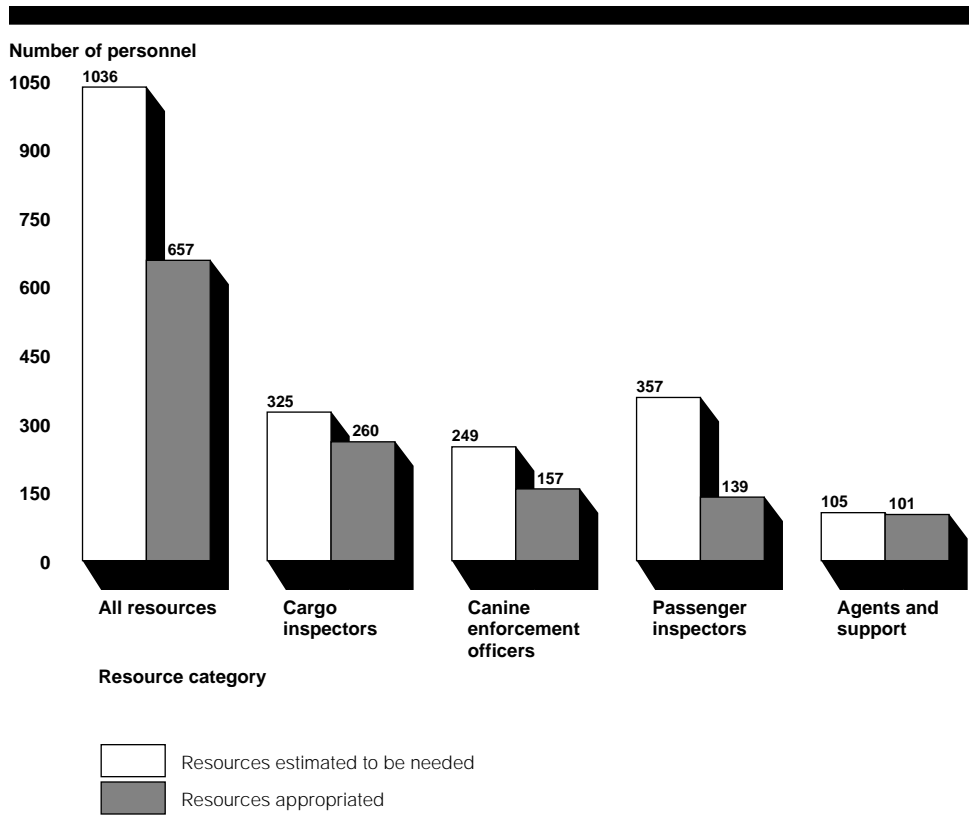
The President's budgets did not request all of the additional personnel Customs' assessments indicated it needed. According to Customs and Treasury officials, budget constraints, drug enforcement policy considerations, and legislative requirements affected the number of personnel Customs could request and how it could allocate those it received.

Fiscal Year 1997 Additional Personnel Estimates and Requests

For its fiscal year 1997 personnel needs assessment, Customs' four districts (now CMCS) along the Southwest border estimated that they needed 931 additional inspectors and canine enforcement officers to adequately implement Operation Hard Line. While reviewing this assessment, the Office of Investigations determined that an additional 75 agents and 30 support staff for the agents were needed to complement the districts' request. This raised the estimate to a total of 1,036 additional positions. According to ASD, CMC, and port officials, this estimate represented the minimum number of additional positions needed to adequately implement Hard Line.

The President's fiscal year 1997 budget ultimately requested 657—or about 63 percent of Customs' original estimate—additional inspectors, canine enforcement officers, agents, and support staff. Congress appropriated funds for the 657 positions. In terms of inspectional personnel specifically for commercial cargo, Customs received funding for about 80 percent (260 of 325) of the additional inspectors, 63 percent (157 of 249) of the additional canine enforcement officers, and about 96 percent (101 of 105) of the additional agent and support positions originally estimated as being needed. Figure 3 provides a position-by-position comparison of what Customs estimated it needed for fiscal year 1997 and what was actually requested and appropriated.

Figure 3: Comparison of Customs' Original Estimated Inspectional Personnel Needs With Its Actual Appropriation, Fiscal Year 1997.



Source: GAO analysis of Customs data.

Tables 1 and 2 show how the funded inspector and canine enforcement officer positions in fiscal year 1997 were allocated to CMCS and how these allocations compared with the original Customs estimates.

Table 1: Fiscal Year 1997 Estimates and Allocations of Additional Inspectors

Location	Original Customs estimate	Allocation	Allocation as percentage of original estimate
Overall	325	260	80%
Southern California CMC	83	53	64%
Arizona CMC	30	24	80%
West Texas CMC	131	47	36%
South Texas CMC	81	128	158%
South Florida CMC	0	8	N/A

Source: GAO analysis of Customs data.

Table 2: Fiscal Year 1997 Estimates and Allocations of Additional Canine Enforcement Officers

Location	Original Customs estimate	Allocation	Allocation as percentage of original estimate
Overall	249	157	63%
Southern California CMC	37	37	100%
Arizona CMC	32	32	100%
West Texas CMC	33	32	97%
South Texas CMC	147	55	37%
South Florida CMC	0	1	N/A

Source: GAO analysis of Customs data.

Fiscal Year 1998 Additional Personnel Estimates and Requests

Fewer inspectional positions were requested for Customs than it originally determined were needed in fiscal year 1998. For that year, Customs initially estimated that it needed 200 additional cargo inspectional positions. However, the President's fiscal year 1998 budget requested 119—or about 60 percent of Customs' original estimate—additional cargo inspectional positions. Congress appropriated funding for the 119 positions. Table 3 shows how funded inspector positions were allocated and how these allocations compared with the original Customs estimates.

Table 3: Fiscal Year 1998 Estimates and Allocations of Additional Inspectors

Location	Original Customs estimate	Allocations	Allocation as percentage of original estimate
Overall	200	119	60%
High-risk air and sea ports	200	72	36%
Southwest border ports	0	47	N/A

Source: GAO analysis of Customs data.

Fiscal Year 1999 Additional Personnel Estimates

For fiscal year 1999, Customs estimated that it needed an additional 479 inspectors, 85 canine enforcement officers, 211 agents, 33 intelligence analysts, and 68 marine enforcement officers, for a total of 876 additional positions. However, the President’s fiscal year 1999 budget requested 27 agents as part of a separate initiative called the “Narcotics and Drug Smuggling Initiative” to counter drug smuggling. This request represented 3 percent of Customs’ total estimate and about 13 percent of the estimate for agents.

Budget Constraints, Policy Considerations, and Legislative Requirements Cited as Reasons Affecting Personnel Request and Allocation Decisions

Customs and Treasury officials cited internal and external budget constraints, drug enforcement policy considerations, and legislative requirements as the primary factors affecting the number of additional personnel that Customs requested and the manner in which it allocated appropriated personnel or reallocated existing personnel.

Budget Constraints Affected Personnel Requests

Budget constraints affected the number of additional inspectional personnel that Customs requested for fiscal years 1997, 1998, and 1999. Specifically, according to Customs officials, internal budget constraints resulted in their reducing the original fiscal year 1997 1,036-position request to 912 positions. Customs subsequently submitted its request for 912 additional positions to Treasury. Treasury officials, also citing budget constraints, including their decision to maintain budget requests within OMB’s overall targets for Treasury, further reduced Customs’ request to 657 additional positions.

Customs’ fiscal year 1997 request was transmitted by Treasury as part of its departmental request to OMB for an initial review. According to Customs

and Treasury officials, upon review, OMB denied the request.¹² Instead, OMB recommended that Customs move 240 existing inspectional positions to the Southwest border to help implement Operation Hard Line. OMB's decision was appealed by Treasury and ONDCP, which had already certified Customs' request for 657 additional positions as adequate to meet the National Drug Control Strategy's goals.¹³ In its appeal, Treasury cited the detrimental effect OMB's denial would have on Customs' drug enforcement operations, including its inability to increase the number of cargo examinations. In its own appeal, ONDCP identified the level of personnel for Customs as a critical issue and argued that the requested inspectional personnel were needed to strengthen the Southwest border against drug smuggling.

According to Customs officials, through subsequent negotiations following Treasury's appeal involving, among others, the Treasury Secretary and the OMB Director, OMB approved the 657-position request. The 657 positions—and \$65 million to fund them—were ultimately funded when Treasury received an additional \$500 million from Congress as part of its budget appropriation, according to Treasury officials.

As discussed earlier, for fiscal year 1998, Customs originally estimated that 200 additional cargo inspectors were needed for air and sea ports determined to be at risk from drug smuggling. None of the ports were located along the Southwest border. Treasury initially denied Customs' request for 200 positions and later approved for submission to OMB a request for 119 additional positions. Customs and Treasury officials again cited budget constraints as the reason for the reduction. As part of its role (see footnote 12), ONDCP certified the submission as adequate. According to Customs budget documents, the 119 positions were funded for 1 year with appropriations from the Violent Crime Reduction Trust Fund.¹⁴ For fiscal year 1999, the President's budget is proposing that these positions be funded from Customs' Salaries and Expenses account.

¹²OMB officials would not discuss the details of their decisionmaking process or provide relevant documents related to Customs' request for inspectional personnel. The OMB officials stated that they could neither provide nor discuss such information because it involved internal administration budget deliberations.

¹³By law (21 U.S.C. 1502(c)), all departments, bureaus, and independent agencies with responsibilities under the National Drug Control Strategy are required to submit their drug budget requests to ONDCP. ONDCP is to review the drug budgets to determine if they are adequate to implement the goals of the strategy. ONDCP then is to send a letter to the cognizant entity advising it either that its budget is adequate or that changes are needed prior to its submission to OMB.

¹⁴The Violent Crime Reduction Trust Fund was established by the Violent Crime Control and Law Enforcement Act of 1994 (P.L. 103-322). Among other things, the Trust Fund provides funding for drug-related programs.

For fiscal year 1999, Customs estimated that it needed an additional 876 inspectional and related positions for its anti-drug smuggling initiatives at the Southwest border and at air and sea ports believed to be at risk from drug smuggling. According to an ASD official, Treasury supported and ONDCP certified this estimate, which was then transmitted to OMB for review. OMB denied the request. Instead, the President's fiscal year 1999 budget included a separate 27-agent anti-narcotics initiative.

Personnel Allocation Affected
by Policy Considerations and
Legislative Requirements

The resource allocation process was affected by policy considerations related to the drug smuggling threat. Specifically, for fiscal year 1997, ASD changed its initial allocation of inspectional personnel to include a port not located at the Southwest border. ASD had originally planned to allocate all of the additional inspectional and canine enforcement officers exclusively to Southwest border ports. According to an ASD official, ASD modified the allocation because the South Florida CMC appealed to the Commissioner of Customs for additional inspectional personnel, citing a significant drug smuggling threat as indicated by the number of cocaine seizures—totaling about 10,000 pounds—at Port Everglades port. The Commissioner agreed with the appeal. Consequently, ASD adjusted its allocation to provide nine inspectors and canine enforcement officers to this port.

For fiscal year 1998, during the course of its review of Customs' request for the additional resources and its plans to allocate them, ONDCP directed Customs to change its allocation to include cargo ports along the Southwest border. According to Customs and ONDCP officials, this was done to maintain the National Drug Control Strategy's emphasis on the Southwest border. Subsequently, Customs reallocated 47 of the 119 positions to Southwest border ports.

According to Customs officials, the potential reallocation of existing inspectional personnel has also been affected by legislative requirements. As discussed earlier, positions funded with the user fees established in the Consolidated Omnibus Budget Reconciliation Act of 1985 as amended, cannot be redeployed because these positions are funded for specific purposes at specific ports. In addition, according to the officials, the positions funded in the fiscal year 1997 appropriation for Operation Hard Line were to be used exclusively at Southwest border ports.

Too Early to Determine Personnel Assessment and Allocation Implications

It is too early to definitively determine (1) any implications of Customs not receiving all of the inspectional personnel it originally estimated to be needed and (2) the effect of the additional personnel that were appropriated on Customs' drug enforcement operations. According to Customs officials, the new inspectors need to gain experience before they are fully effective. Further, while many of the fiscal year 1998 inspectors have been hired, few, if any, have finished basic training. Customs plans to assess the effectiveness of drug enforcement operations by establishing performance measures and conducting internal evaluations.

New Inspectors Need to Gain Experience

One reason that it is too early to determine the impact of the additional inspectional personnel on Customs' drug enforcement operations is that new inspectors need to gain experience. For example, according to a Southern California CMC official, the CMC's policy is to provide extensive on-the-job training lasting up to 1 year to new inspectors at its passenger processing port before deploying them to cargo processing. New inspectors are effective in interdicting drugs in the passenger processing environment, but must receive commercial operations training to be proficient at drug interdiction in the truck and rail environments on the Southwest border. As a result, according to this official, it may take up to 2 years to fully train new inspectors in the skills needed in all areas of this CMC's operations. Also, the South Texas CMC Director said that, once the new inspectors were hired and trained, they were sent to this CMC for an additional 10 weeks of specialized training, of which 2 weeks were for cargo inspections. The Director estimated that it then takes about 6 months before new inspectors are fully productive on their own.

Additional Inspectors Funded in Fiscal Year 1998 Have Not Been Deployed

A second reason why it is too soon to determine the full impact of the additional resources is that, while many of the 119 inspector positions funded for fiscal year 1998 have been filled, few, if any of these inspectors have completed basic training. An ASD official said that, as of early April 1998, about 60 percent of the inspectors had been hired and were in basic training, and thus had not been deployed in the field.

Customs Plans to Evaluate Effectiveness of Enforcement Initiatives

Customs plans to evaluate the effectiveness of its anti-drug smuggling initiatives. To this end, in its fiscal year 1997 to 2002 Strategic Plan, Customs established seven measures or improvement targets, including the number and amount of drug seizures and the ratio of seizures to the number of cargo examinations conducted. Three other measures or

targets—including the number of internal conspiracies disrupted—were being reviewed at the time of the Strategic Plan’s introduction by Customs management for possible permanent inclusion in the Plan. Customs also proposed to conduct internal evaluations of its strategies, including the narcotics strategy. For example, it plans to evaluate the interdiction component of that strategy in fiscal year 1999.

We have previously reported¹⁵ that, while Customs’ goals and objectives appear to be results-oriented and measurable, it still faces challenges in evaluating its drug interdiction mission. For example, according to several Customs officials, it is unclear whether an increase in drug seizures indicates that Customs has become more effective or that the extent of drug smuggling has increased significantly.

Conclusions

Customs does not have an agencywide process for annually determining its need for inspectional personnel—such as inspectors and canine enforcement officers—for all of its cargo operations and for allocating these personnel to commercial ports of entry. Customs has moved in this direction since 1995 by conducting three assessments to determine its need for additional inspectional personnel. However, these assessments (1) focused exclusively on the need for additional resources to implement Operation Hard Line and other anti-smuggling initiatives, (2) were limited to land ports along the Southwest border and certain sea and air ports at risk from drug smuggling, (3) were conducted each year using different assessment factors, and (4) were conducted with varying degrees of involvement from Customs units.

Focusing on only a single aspect of its operations (i.e., countering drug smuggling), not consistently including the key field components (i.e., CMCS and ports) in the decisionmaking process, and using different assessment and allocation factors from year to year could prevent Customs from accurately estimating the need for inspectional personnel and then allocating them to ports.

In conducting its strategic planning under the Results Act, Customs will need an annual approach that considers all of its commercial ports, its mission-related functions, and the impact of technology and related equipment so that it can determine the inspectional personnel it would need to achieve the desired mission outcomes it details in its strategic and

¹⁵See *Customs Service: Drug Interdiction Efforts* (GAO/GGD-96-189BR, Sept. 26, 1996) and *Customs Service: Comments on Strategic Plan and Resource Allocation Process* (GAO/T-GGD-98-15, Oct. 16, 1997).

annual performance plans. Customs, in its strategic planning documents, has already recognized the need to review its personnel deployments, evaluate their effectiveness, and address any necessary changes and to address the link between performance goals and existing and anticipated resources, including personnel.

We recognize that Customs' requests for inspectional personnel will continue to be influenced by budget, policy, and legislative constraints. However, we believe that by developing a process that, in addition to considering drug enforcement activities, also considers mission-critical functions related to processing cargo at commercial ports, Customs would be able to provide Treasury, OMB, ONDCP, and Congress with more systematically developed personnel needs estimates and rationales for these estimates.

Recommendation

We recommend that, as a sound strategic planning practice, and taking into account budget and other constraints, the Commissioner of Customs establish a systematic process to ensure, to the extent possible, that Customs' inspectional personnel are properly aligned with its goals, objectives, and strategies, including those for drug enforcement. Such a process should include conducting annual assessments to determine the appropriate staffing levels for its operational activities related to processing cargo at commercial ports.

Agency Comments and Our Evaluation

We requested comments on a draft of this report from the Director of OMB, the Director of ONDCP, and the Secretary of the Treasury, or their designees. On April 2, April 6, and April 8, 1998, respectively, the Chief of OMB's Treasury Branch; the Director of ONDCP's Office of Programs, Budget, Research, and Evaluation; and the Assistant Commissioner of Customs' Office of Field Operations provided us with their agencies' oral comments on the draft. These officials generally agreed with our conclusions and recommendation. The officials also provided technical comments and clarifications, which we have incorporated in this report where appropriate. The Assistant Commissioner indicated that Customs had already undertaken steps to begin implementing the recommendation.

We are sending copies of this report to the Secretary of the Treasury, the Commissioner of Customs, and to the Chairmen and Ranking Minority Members of the congressional committees that have responsibilities

related to these issues. Copies also will be made available to others upon request.

The major contributors to this report are listed in appendix III. If you or your staff have any questions about the information in this report, please contact me on (202) 512-8777 or Darryl Dutton, Assistant Director, on (213) 830-1000.

Sincerely yours,

A handwritten signature in black ink that reads "Norman Rabkin". The signature is written in a cursive style with a large initial 'N' and a long, sweeping tail on the 'k'.

Norman J. Rabkin
Director, Administration
of Justice Issues

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Contents

Abbreviations

ASD	Anti-Smuggling Division
CMC	Customs Management Center
OFO	Office of Field Operations
OMB	Office of Management and Budget
ONDCP	Office of National Drug Control Policy

Objectives, Scope, and Methodology

Our objectives in this review were to determine (1) how Customs assesses its needs for inspectional personnel and allocates these personnel to commercial ports of entry, (2) whether Customs received all the inspectional personnel its assessments indicated it needed, and (3) whether there are any known implications of Customs' not receiving all of the personnel estimated to be needed and the impact of the additional personnel that were appropriated on Customs' drug enforcement operations.

To determine how Customs assesses its needs for inspectional personnel and allocates these personnel to commercial ports of entry, we obtained and reviewed relevant documentation. The documentation included (1) a headquarters directive to the then districts—now Customs Management Centers (CMC)—and ports initiating an assessment of the needs for inspectional personnel, (2) CMCS' detailed responses to this directive, (3) budget proposals and requests, and (4) matrices developed by Customs headquarters that are used to allocate the inspectional personnel appropriated by Congress to ports of entry. The documentation also included summaries of current and historical workloads and staffing levels and assessments of the drug smuggling threat. We discussed these documents and related issues with cognizant officials from Customs' Anti-Smuggling Division within the Office of Field Operations, the Budget Division within the Office of Finance, and the CMCS and ports we visited or contacted.

We also held discussions with officials from the Department of the Treasury's Office of Finance and Administration and Office of Budget, the Office of Management and Budget's (OMB) Treasury Branch, and the Office of National Drug Control Policy (ONDCP).

To determine whether Customs received all the inspectional personnel it estimated were needed, we obtained and reviewed relevant budget documents, such as internal Customs and Treasury memorandums, reports, and budget request reviews, and congressional appropriations legislation. We compared the appropriated levels with those that were estimated as needed and discussed discrepancies with cognizant Customs, Treasury, and OMB officials.

To determine the known implications, if any, of Customs' not receiving all of the personnel it estimated were needed, we obtained and reviewed relevant documents, such as summaries of Operation Hard Line and Customs' Strategic Plan. We also interviewed cognizant Customs officials

at headquarters and at CMCS and ports of entry. During these interviews, we focused on the effect, if any, of Customs' not receiving the level of personnel it originally estimated were needed on its enforcement activities at ports of entry. We also used this information to determine if the potential contributions of the additional personnel that were provided to Customs could be identified.

We visited the Southern California and South Texas CMCS and contacted the Arizona CMC by telephone because they represented three of the four CMCS along the Southwest border of the United States. We visited the Otay Mesa, California, and Laredo, Texas, ports of entry and contacted the Nogales, Arizona, port of entry by telephone because they each were among the busiest ports within their respective CMCS in terms of the number of vehicles and commodities entering the United States each day. The ports also processed a diverse mix of imports, including produce, television sets, and liquor.

Laredo consists of two separate cargo facilities: the downtown Laredo facility and the Colombia Bridge facility; combined, they form the busiest commercial cargo port along the Southwest border. For the purposes of this review, we focused only on the operations of the Laredo facility, the busier of the two facilities. During fiscal year 1996, the Laredo facility handled about 732,000 vehicles, which was an average of 2,007 vehicles per day.¹ The Laredo facility had 13 dock spaces to examine trucks and cargo and, as of July 1997, had a staff of 49 inspectors, canine enforcement officers, and supervisors. The Laredo facility is located 154 miles south of San Antonio, Texas.

Otay Mesa was the third busiest commercial cargo port on the Southwest border. In fiscal year 1996, Otay Mesa handled over 516,000 vehicles, which was an average of 1,422 vehicles per day. The port had over 100 dock spaces available for inspections and, as of July 1997, had 110 inspectors, canine enforcement officers, and supervisors. Otay Mesa is located about 15 miles south of San Diego.

Nogales, Arizona, was the fifth busiest commercial cargo port on the Southwest border, handling about 208,000 vehicles during fiscal year 1996, which was an average of 572 vehicles per day. Nogales had 92 dock spaces dedicated to Customs inspections and, as of April 1997, had a staff of 27

¹The average number of vehicles per day reflects the traffic average over a 1-year period, which includes both weekdays, when the traffic volume is much higher, and weekends, when the traffic volume is much lower.

inspectors, canine enforcement officers, and supervisors. The port is located 67 miles south of Tucson, Arizona.

Since it was not material for the purposes of this review, we did not independently verify the accuracy and validity of Customs' workload and personnel data. However, to obtain some indication about the overall quality of the data and Customs' own confidence in their accuracy and validity, we held discussions with a cognizant Customs official. According to this official, the personnel data resided in Customs' Office of Human Resources database. The workload data resided in its Port Tracking System database. The Customs official expressed general confidence in the accuracy and validity of the data. He said his confidence was based on the fact that the data were compiled using standardized definitions and entry formats.

Customs' Inspectional Personnel Levels

The number of Customs inspectional personnel—inspectors and canine enforcement officers—increased overall between fiscal year 1992, the earliest year for which complete data were available, and fiscal year 1997. During the same period, the number and percentage of inspectional personnel deployed at the Southwest border, while increasing overall, fluctuated from year to year.

According to Customs officials, year-to-year fluctuations in personnel levels could be attributed in part to the effects of attrition. For example, while additional positions may have been funded for a particular year or purpose (for example, in fiscal year 1997, for Operation Hard Line), others may have become vacant through retirement.

In addition, according to Customs and Treasury officials, other positions could be lost because of the effects of reductions in Customs' baseline funding. For example, in fiscal year 1997, Customs had to absorb a reduction of \$38 million in its baseline funding to address unfunded mandates. As a result, 733 positions were removed through a comparability adjustment by OMB because they could not be funded. According to OMB officials, a comparability adjustment brings an agency's authorized staffing levels more into line with actual funded levels. The loss of the 733 positions more than offset the 657 additional positions appropriated for Operation Hard Line, according to Customs officials.

The Customs officials also cautioned that end-of-year data represented only a point-in-time snapshot of personnel levels. Accordingly, funded personnel levels throughout a particular year could have been lower or higher than the end-of-year number.

Customs' Inspector Personnel Levels (Fiscal Years 1992 Through 1997)

Table II.1 shows that the number of Customs inspectors overall grew by about 17 percent between fiscal years 1992 and 1997. During the same period, while fluctuating from year to year, the number of inspectors deployed at the Southwest border grew by about 36 percent. The number of inspectors deployed at the Southwest border as a percentage of all Customs inspectors also fluctuated from year to year, but grew from about 24 percent of the total in fiscal year 1992 to about 28 percent in fiscal year 1997.

Appendix II
Customs' Inspectional Personnel Levels

Table II.1: Number of Customs Inspectors Deployed Overall and at the Southwest Border, Fiscal Years 1992 to 1997

Fiscal year	Overall	Southwest border	Percentage deployed at Southwest border
1992	6,159	1,488	24.2%
1993	6,258	1,592	25.4
1994	6,421	1,673	26.1
1995	6,588	1,664	25.3
1996	6,835	1,654	24.2
1997	7,207	2,023	28.1
Percentage change, fiscal years 1992-1997	17.0%	35.9%	

Note 1: Fiscal year 1992 was the earliest year that complete data were available.

Note 2: Inspector numbers could not be separated by passenger and cargo processing functions. According to Customs, ports shift inspectors between functions, depending on workload.

Source: GAO analysis of Customs data.

Customs' Canine Enforcement Officer Personnel Levels (Fiscal Years 1992 Through 1997)

Table II.2 shows that the number of Customs canine enforcement officers overall increased between fiscal years 1992 and 1997 by about 37 percent. The number of canine enforcement officers deployed at the Southwest border fluctuated during the same period, while growing by about 67 percent. The number of canine enforcement officers deployed at the Southwest border as a percentage of the total, while also fluctuating from year to year, increased from about 50 percent in fiscal year 1992 to about 62 percent in fiscal year 1997.

**Appendix II
Customs' Inspectional Personnel Levels**

Table II.2: Number of Customs Canine Enforcement Officers Deployed Overall and at the Southwest Border, Fiscal Years 1992 to 1997

Fiscal year	Overall	Southwest border	Percentage deployed at Southwest border
1992	405	204	50.4%
1993	417	204	48.9
1994	444	236	53.1
1995	467	256	54.8
1996	469	236	50.3
1997	553	340	61.5
Percentage change, fiscal years 1992-1997	36.5%	66.7%	

Note 1: Fiscal year 1992 was the earliest year that complete data were available.

Note 2: Canine enforcement officer numbers could not be separated by passenger and cargo processing functions. According to Customs, ports shift canine enforcement officers between functions, depending on workload.

Source: GAO analysis of Customs data.

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