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# Highlights

Highlights of [GAO-06-448T](#), a testimony before the Subcommittee on Fisheries and Coast Guard, Committee on Commerce, Science, and Transportation, U.S. Senate

## Why GAO Did This Study

The Coast Guard's fiscal year 2007 budget request totals \$8.4 billion, an increase of 4 percent (\$328 million) over the approved budget for fiscal year 2006 and a slowing of the agency's budget increases over the past 2 fiscal years.

This testimony, which is based on both current and past GAO work, synthesizes the results of these reviews as they pertain to the following:

- meeting performance goals,
- adjusting to added responsibilities,
- acquiring new assets (especially the Deepwater program—to replace or upgrade cutters and aircraft, and the Rescue 21 program—to modernize rescue communications), and
- meeting other future challenges.

[www.gao.gov/cgi-bin/getrpt?GAO-06-448T](http://www.gao.gov/cgi-bin/getrpt?GAO-06-448T).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Stephen L. Caldwell (202) 512-9610 or [caldwells@gao.gov](mailto:caldwells@gao.gov).

## COAST GUARD

### Observations on Agency Performance, Operations, and Future Challenges

#### What GAO Found

According to the Coast Guard, the agency's fiscal year 2005 performance, as self-measured by its ability to meet program goals, was the highest since the terrorist attacks in September 2001. Even with the need to sustain new homeland security duties, respond to particularly destructive hurricanes, and cope with aging assets, the Coast Guard reported meeting or exceeding performance targets for 7 of 11 mission programs, and it anticipates meeting the target for 1 more program once final results for the year are available. In particular, based on our discussions with Coast Guard and other officials, as well as our review of pertinent documents, the Coast Guard's response to Hurricane Katrina highlighted three elements key to its mission performance: a priority on training and contingency planning, a flexible organizational structure, and the agency's operational principles.

Three organizational changes appear to be helping the Coast Guard adjust to added responsibilities. First, according to agency officials, a realigned field structure will allow local commanders to manage resources more efficiently. Second, according to the Coast Guard, a new response team for maritime security is expected to provide greater counterterrorism capability. Finally, new and expanded partnerships inside and outside the federal government have the potential to improve operational effectiveness and efficiency.

While some progress in acquisition management has been made, continued attention is warranted. Within the Deepwater program, additional action is needed before certain past recommendations can be considered as fully implemented. Also, the program recently had difficulties in acquiring Fast Response Cutters to replace aging patrol boats. For the Rescue 21 program, deficiencies in management and oversight appear similar to those that plagued the Deepwater program, leading to delays and cost overruns, and demonstrating that the Coast Guard has not translated past lessons learned into improved acquisition practices. Two additional future challenges also bear close attention: deteriorating buoy tenders and icebreakers that may need additional resources to sustain or replace them, and maintaining mission balance while taking on a new homeland security mission outside the agency's traditional focus on the maritime environment.

**Coast Guard Helicopters Such as the HH-65 (left) and HH-60 (right) Shown Here Were Extensively Involved in the Rescues of Stranded Persons Following Hurricane Katrina.**



Source: Coast Guard.