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INS

Update of Management
Problems and Program Issues

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INS: UPDATE OF MANAGEMENT PROBLEMS AND PROGRAM ISSUES

SUMMARY OF STATEMENT BY
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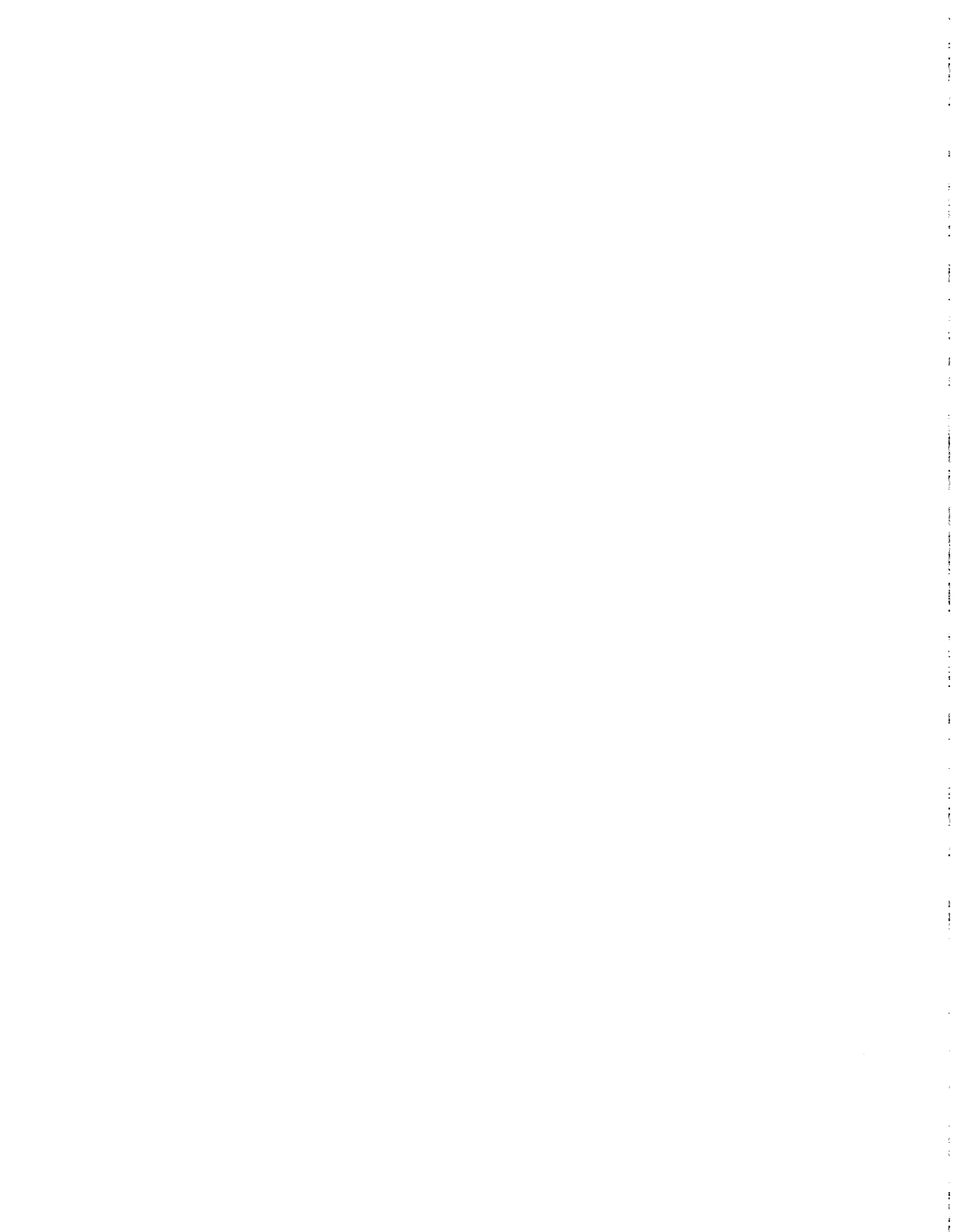
The Immigration and Naturalization Service's (INS) management problems have been widely noted by GAO and others. GAO's management report in 1991 and its previous testimony before this Subcommittee said that urgent attention should be given to the major management problems that plagued INS. GAO pointed out that INS management needed to develop a vision about how the agency should operate and correct significant weaknesses in its delivery of services, budget development, financial management, program-related information management, and organizational structure.

More specifically, GAO said that

- INS' vision should (1) establish a strategic management process that identifies priorities and aids planning, (2) improve communications and policy setting, and (3) establish accountability systems;
- INS' action to address service delivery problems had been insufficient;
- INS' budget development process had evolved with weak controls over expenditures and revenues, and its process suffered from the lack of agencywide priorities;
- INS' managers and field offices did not have adequate, reliable, and timely information regarding aliens to effectively carry out their mission; and
- INS' leadership had allowed the organizational structure to become decentralized without adequate controls.

INS' efforts to address management problems must proceed while it continues to deal with substantial demands for services and enforcement. These services and enforcement issues include (1) stemming the flow of illegal aliens across the border, (2) deciding which aliens to detain, (3) identifying and removing illegal and criminal aliens, (4) enforcing the employment of only authorized workers, and (5) processing aliens' requests for asylum.

INS appears to be making progress toward addressing management problems and program issues. INS is initiating actions to address some of the problems GAO identified and is developing plans to address others. However, these plans will require a sustained commitment and monitoring to ensure that the management problems are corrected. Continued congressional oversight would also be useful in ensuring that INS is making timely and measurable progress.



Mr. Chairman and Members of the Subcommittee:

I am pleased to be here today to discuss the management and program-related problems that confronted the Commissioner of the Immigration and Naturalization Service (INS) when she took office in November 1993. Many of these problems persist; however, INS seems to be aware of them and appears to be making some progress toward addressing them. My testimony, which is based on our prior reports,¹ many of which were done for this Subcommittee, and recent information obtained from INS, is an update of our October 1994 testimony before this Subcommittee.²

INS' efforts to address management problems must proceed while the agency deals with substantial demands for services and enforcement. The backlog of aliens requesting asylum is large and growing. The demand for naturalization and other benefits is such that INS cannot meet its own processing time goal in some districts. In fiscal year 1993, almost 500 million people were processed for entry into the United States. The identification and removal of criminal and illegal aliens is an enormous problem. The flow of aliens across the Southwest border continues, and violations of the conditions of legal entry are commonplace. Crisis situations that the INS must respond to, such as last year's influx of Haitians and Cubans, add to its workload.

The management problems at INS did not develop overnight, and they will not be solved overnight. Progress will require a sustained commitment from both INS and the Department of Justice. Further, continuous congressional oversight will be needed to ensure that INS is making timely and measurable progress.

BACKGROUND

Two main components of INS are intended to fulfill its responsibilities--enforcement and service. The enforcement component's responsibilities include preventing unlawful entry, employment, and receipt of benefits (e.g., asylum or naturalization) by those not entitled to them. Enforcement is also responsible for apprehending, detaining, and/or removing those aliens who enter or remain illegally in the United States. The service component's responsibilities include facilitating the entry of persons legally admissible as visitors or as immigrants to the

¹Immigration Management: Strong Leadership and Management Reforms Needed to Address Serious Problems (GAO/GGD-91-28, Jan. 23, 1991); Financial Management: INS Lacks Accountability and Controls Over Its Resources (GAO/AFMD-91-20, Jan. 24, 1991); and Information Management: Immigration and Naturalization Service Lacks Ready Access to Essential Data (GAO/IMTEC-90-75, Sept. 27, 1990).

²INS: Management Problems and Program Issues (GAO/T-GGD-95-11, Oct. 5, 1994).

United States. The service component is also responsible for providing assistance to those seeking asylum or naturalization.

INS' budget has grown substantially since the passage of the Immigration Reform and Control Act of 1986.³ In fiscal year 1986, INS' budget was about \$575 million. The fiscal year 1995 budget request, excluding user fees, was about \$1.4 billion.⁴ In addition, its user fee accounts are expected to provide about \$680 million in 1995. The fee revenues are used to cover such costs as processing aliens' requests for benefits (e.g., asylum). The user fees were established by two acts--the 1987 and 1989 Department of Justice Appropriation Acts.⁵

MANAGEMENT PROBLEMS

INS management problems have been cited by us and others. In our 1991 management report, we said that the major management problems that had plagued INS needed immediate attention. We pointed out that INS needed to develop a vision and a strategic plan that would guide the agency's operations. We also said that INS management needed to remedy significant weaknesses in its budget development, financial management, program-related information management, and organizational structure. We will discuss the problems in relation to each of these areas in turn and summarize INS' actions or plans to address these management problems.

Vision

In 1991, we recommended that INS articulate a vision of how it is to operate to effectively carry out its role. The vision should (1) establish a strategic management process that identifies priorities and aids planning, (2) improve communications and policy setting, and (3) establish accountability systems.

In November 1994, INS issued its vision statement, as part of its strategic plan--Toward INS 2000 Accepting the Challenge. INS' vision and strategic plan is responsive to our 1991 recommendation. Its vision statement "calls for an agency whose effectiveness helps defuse the tensions that inherently surround immigration processes." It recognized that international migration pressures will intensify and are becoming issues of significant global concern. It said that generous immigration policies can persist

³INS is responsible for enforcing the act's requirement that employers only hire workers who are authorized to work.

⁴The request includes \$264.2 million from the Crime Control Fund. The budget figures are not adjusted for inflation.

⁵P.L. 99-591, 100 Stat. 3341, 3341-53 (1986) and P.L. 100-459, 102 Stat. 2186, 2203 (1988).

only if the public has confidence in the Government's ability to admit people according to rules that are fair but firm. Therefore, INS' performance and capabilities are to play a central role in building and maintaining that public confidence.

Its strategic plan articulates INS' mission and responsibilities, and provides strategic direction for guiding decision and policy making within INS. The plan lists eight program goals, related objectives, and actions INS plans to take to meet the objectives and thereby help to accomplish the goals. INS managers are to be held accountable for achievement in relation to the agency's goals.

Delivery of Services

In 1991, we said that INS had not taken sufficient action to address service delivery problems. We pointed out that INS had a chronic problem with not processing applications for immigration benefits (e.g., aliens requesting naturalization) within its 4-month time frame.

In our 1994 report on INS user fees,⁶ our analysis of INS' workload in its four largest districts showed that it did not allocate its staff in proportion to its estimated workload. We said that about 80 percent of the applicants could expect to wait 4 months or less for their applications to be processed. However, the expected waiting times for two of the four districts included in our review exceeded 4 months; in New York and San Francisco the waiting times for naturalization applications took 7 and 10 months, respectively. According to an INS official, the conversion to service center processing caused temporary distortions in district staffing levels. Further, in fiscal year 1994, INS could not hire staff and expand its automation because its revenue projections did not materialize. As a result, INS was not able to fully resolve the district staffing problem.

We recently issued a report related to INS' processing of aliens' applications for permanent residency and naturalization. As part of the process, aliens are required to submit completed fingerprint cards with their applications so a criminal records can be obtained. A criminal conviction can result in denial of the application. In February 1994, the Department of Justice Office of

⁶INS User Fees: INS Working to Improve Management of User Fee Accounts (GAO/GGD-94-101, Apr. 12, 1994). Our review was of INS' two major fee accounts--the Immigration Examinations Fee Account and the Immigration User Fee Account. These two accounts represent about 99 percent of INS' total user fee account revenue.

Inspector General (OIG) reported⁷ that INS did not verify that fingerprints submitted by applicants actually belonged to those who submitted them. Our report focused on the actions INS was taking in response to the OIG report to ensure the authenticity of aliens' fingerprints.⁸ We concluded that INS was planning a responsible approach to ensure fingerprint authenticity, but the process will not be operational until the fall of 1995.

Budget Development and Financial Controls

In 1991, we said that INS' budget development process was chaotic. It had evolved with weak controls over expenditures and revenues, which significantly impeded INS management's ability to address program weaknesses. Its budget process suffered from the lack of agencywide priorities and as a result had degenerated into an annual competition among narrow parochial program interests. In addition, we reported that INS did not have fiscal accountability over its resources. Its outmoded accounting systems, weak internal controls, and lack of management emphasis on financial management had contributed to this situation.

According to INS officials, INS changed its budget process and strengthened its financial controls over its resources in fiscal year 1992. They said that, beginning in January 1993, the Commissioner established an open and participatory process at the executive level. With respect to budget formulation, the Commissioner is to identify agencywide priorities (e.g., strengthen border control) and use teams of program managers to identify integrated program approaches and associated costs. After group discussions and analytical briefings, senior INS executives are to make recommendations to the Commissioner on priorities for budget formulation, allocations for budget execution, and other resource issues that have an agencywide effect.

Concerning INS' budget execution, INS officials said that each unit (e.g., district) and program (e.g., detention and deportation) is informed of its specific budget and is held accountable for managing within its budget. Each budget is to include operating and personnel costs and to enable managers to project the impact of anticipated events on their budget for the year. According to the officials, this process establishes controls over resources and provides accountability. We have not done any recent audit work in this area, so we do not know how well the new budget process is working.

⁷U.S. Department of Justice Office of Inspector General, Alien Fingerprint Requirements in the Immigration and Naturalization Service (Feb. 16, 1994).

⁸INS Fingerprinting of Aliens: Efforts to Ensure Authenticity of Aliens' Fingerprints (GAO/GGD-95-40, Dec. 22, 1994).

Concerning financial controls, INS officials said that, since fiscal year 1992, quarterly financial reports have been prepared for INS nationwide, encompassing every program and field office. The reports were designed to allow INS managers to monitor receipts from the INS fee accounts. Further, these reports are to provide managers with the information necessary to detect and address potential problems in a timely manner by comparing budget allocations with obligations and projected spending. In addition, INS has appointed the Executive Associate Commissioner for Management as its Chief Financial Officer.

Alien-Related Program Information

In 1990, we reported that INS' managers and field offices did not have adequate, reliable, and timely information on aliens to effectively carry out their mission. INS' information management problems included program and management data being kept in a loose collection of automated information systems as well as a number of ad hoc, labor-intensive manual systems. These information systems contained incomplete and inaccurate data that could not be effectively accessed or shared.

According to INS, its information systems had

- allowed fraud against the United States;
- required INS agents to spend excessive time on administration;
- hindered its investigative efforts;
- hampered INS in obtaining timely, reliable information;
- allowed inadmissible aliens entry to the country; and
- created cases of mistaken identity.

According to INS officials, even with these problems, INS continues to need the information systems, including computers, to assist its personnel in their efforts in dealing with aliens. They added that INS' effectiveness could be increased by (1) automating its paper files, (2) building computer networks to expediently disseminate immigration information, and (3) developing automated case tracking systems. INS has initiatives under way, such as developing an enforcement tracking system and automated fingerprint system, building computer networks with other agencies such as the Customs Service and the Department of State, installing new computer equipment with the capability of storing more information and transferring files faster, identifying and tracking criminal aliens by linking INS systems with other Justice systems, and expanding the system employers can use to verify work eligibility. In addition, INS has awarded two contracts for more than \$400 million

to develop software and support services for INS' entire operations and to obtain computer hardware.

Decentralized Organization Structure

In 1991, we said that historically INS leadership had allowed the organizational structure to become decentralized without adequate controls. Its regional structure created geographical separation among INS programs and hampered resource allocation and consistent program implementation. The field structure to carry out INS' enforcement activities was bifurcated between districts and Border Patrol Sectors, resulting in uncoordinated, overlapping programs. We identified several instances where coordination among INS' various enforcement units created problems in specific cases. For example:

- In February 1990, antismuggling agents from the Border Patrol office nearly arrested suspects who were the subjects of Investigation's surveillance.
- In June 1990, Border Patrol agents were involved in a fraud case that was directly related to an Investigation case.

In the above examples, the separate INS enforcement units were not aware of each other's cases.

In 1990, the then Commissioner began to centralize some of the budget and personnel functions and proposed a revised organizational structure. The proposed changes were not fully implemented. In 1994, the newly appointed Commissioner proposed a different organizational structure to restore authority to the field level and remove it from program managers (e.g., investigations) in headquarters. The reorganization was completed on October 1, 1994. It (1) reestablished the position of Deputy Commissioner with the traditional role of chief operating officer for the Service; (2) established four positions under the Deputy--the Executive Associate Commissioners for Management, Field Operations, Programs, and Policy and Planning; and (3) reduced the four regions to three with the regional directors having operational authority over the field offices in their areas. The reorganization centralizes authority over field operations under the Executive Associate Commissioner for Field Operations.

We cannot determine the extent to which the 1994 reorganization will address the problems that we identified. It does not, however, address the dual enforcement structure coupled with the unclear division of enforcement responsibilities between Investigations and the Border Patrol. As we have said previously, we continue to believe that INS could benefit by consolidating all field enforcement functions under a revised field structure that would centralize all enforcement functions under a single official within each geographic area.

Others Identified INS Problems

When our 1991 report was being finalized, the Department of Justice asked the National Academy of Public Administration (NAPA) to provide advice on a management improvement strategy for INS. In its report, NAPA made a number of recommendations relating to INS' organization, executive leadership, human resources, financial management, and information technology.⁹ NAPA generally agreed with the message of our report, and its recommendations were built on our report. Recently, the National Performance Review (NPR) also recognized the need for INS to improve its management. In our report on NPR, we concurred with its recommendation that INS improve its management.¹⁰

PROGRAM-RELATED ISSUES AFFECTING INS

In addition to the management problems that have been identified, program issues continue to demand INS' attention. These problems include (1) stemming the flow of illegal aliens across the border, (2) deciding which aliens to detain, (3) identifying and removing illegal and criminal aliens, (4) enforcing the employment of only authorized workers, and (5) processing aliens' requests for asylum.

Illegal Alien Entry

As we pointed out in our 1993 testimony,¹¹ INS is confronted with the problem of preventing millions of aliens from entering the country illegally. Our prior work had shown that INS had difficulty in removing illegal aliens once they entered the country and had limited space to detain aliens it apprehended. Therefore, we concluded that the key to controlling the illegal alien population is to prevent their initial entry. In July 1994, INS announced a phased, multiyear plan to control the U.S. borders, starting with the Southwest border. The Border Patrol plans to increase the number of agents and the use of technology (e.g., electronic detection equipment). The plan directs intense enforcement efforts in areas of greatest illegal activity to gain maximum control over the border and shifts INS' emphasis from detection of illegal alien entry to prevention of illegal entry.

⁹Managerial Options for the Immigration and Naturalization Service, NAPA, Feb. 1991.

¹⁰Management Reform: Implementation of the National Performance Review's Recommendations (GAO/OCG-95-1, Dec. 5, 1994).

¹¹Immigration Enforcement: Problems in Controlling the Flow of Illegal Aliens (GAO/T-GGD-93-39, June 30, 1993).

In our December 1994 report,¹² we concluded that the new national border control strategy shows promise for reducing illegal entry since the strategy (1) builds on the reported success the San Diego and El Paso sectors have had in reducing illegal immigration, (2) is consistent with recommendations made in previous comprehensive studies conducted by border control and physical security experts, and (3) has widespread public and government support. However, since it will take several years to implement the strategy, it is too early to tell what impact it will eventually have on drug smuggling and illegal immigration along the southwest border.

In an effort to control the flow of illegal aliens crossing the Southwest Border, the Congress is considering providing 3,000 additional Border Patrol agents above its 1995 fiscal year level of 6,233. The proposed Border Patrol increase is part of an expansion from its fiscal year 1988 level of almost 4,000 agents.

INS Detention

In June 1992, we pointed out that INS apprehended hundreds of thousands of aliens but could detain very few of them.¹³ As a result, INS released some criminal aliens and did not pursue illegal aliens who were not known to be felons because it did not have the detention space to hold them. In addition, we found that INS did not treat aliens consistently; some were released within a few days, while others remained in detention for extended periods. Given the current projected availability of beds for detention (about 8,600 by 1996) and the large number of illegal aliens who INS could detain (about 500,000), problems related to detention are unlikely to abate. This further supports the need to stop illegal entry of aliens.

Deporting Aliens

In our October 1989 report on deporting aliens from the country, we pointed out that INS had not been effective in deporting aliens.¹⁴ This continues to be a problem. In June 1994, the Commissioner said that over half of the illegal alien population initially entered the United States legally but then overstayed their period of admission. She added that no effective means exist to locate and arrest these aliens. With respect to criminal aliens, INS did not know how many prisoners in state and local prisons were

¹²Border Control: Revised Strategy Is Showing Some Positive Results (GAO/GGD-95-30, Dec. 29, 1994).

¹³Immigration Control: Immigration Policies Affect INS Detention Efforts (GAO/GGD-92-85, June 25, 1992).

¹⁴Immigration Control: Deporting and Excluding Aliens From the United States (GAO/GGD-90-18, Oct. 26, 1989).

deportable criminal aliens. Currently, INS is trying to identify criminal aliens who are serving their sentences and complete their deportation hearings so that when they finish their sentences they can be deported immediately.¹⁵ According to INS, by 1997 it will be able to identify and determine the number of criminal aliens in the five states with the highest concentration of criminal aliens.¹⁶ In our November 1994 report, we estimated that 16,162 illegal alien inmates were in California alone. The estimated incarceration cost for these inmates was \$360 million.¹⁷

Employer Sanctions

According to the Commissioner, employer sanctions remain INS' key enforcement strategy against noncriminal aliens who are illegally in the United States. However, in our September 1994 testimony before this Subcommittee, we pointed out that INS' employer sanctions enforcement efforts had declined from fiscal year 1989 through 1993.¹⁸ INS told us that they plan to (1) institute a national sanctions program that will target industries historically reliant on illegal alien labor, (2) conduct follow-up investigations of previously sanctioned employers to identify repeat offenders, and (3) follow up on about 36,000 potential employer sanctions violations that have been previously identified by others.

Asylum

Aliens who are here legally or illegally can apply for asylum. By February 1995, the backlog of asylum cases is expected to reach 600,000. INS' new regulations designed to streamline the asylum review process were effective January 4, 1995. While the new regulations may help INS stay current with incoming applications, it does not address reducing the enormous backlog. INS hopes to reduce the backlog by increasing resources and application processing productivity.

¹⁵Under the institutional hearing program, immigration judges hold deportation hearings for criminal aliens while they are still incarcerated.

¹⁶These states are California, Florida, Illinois, New York, and Texas.

¹⁷Illegal Aliens: Assessing Estimates of Financial Burden on California (GAO/HEHS-95-22, Nov. 28, 1994).

¹⁸Employer Sanctions: Comments on H.R. 3362--Employer Sanctions Improvement Act (GAO/T-GGD-94-189, Sept. 21, 1994).

CONCLUSIONS

INS has many efforts under way that could bring about management improvement. These include the formulation of a vision and associated strategic plans, a new budget formulation process and enhanced financial controls, and new information management systems and hardware. INS is also adopting some program changes, such as a prevention strategy at the border, a more streamlined asylum processing system, and enhancing the institutional hearing program in five states, that could improve program performance. Careful monitoring will be needed to ensure that these efforts bring about measurable progress toward management improvement, and to identify any other needed improvements. We will be happy to work with this Subcommittee on the many management and program related issues that are on your agenda for this session of Congress.

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Mr. Chairman, this concludes my prepared statement. I would be pleased to answer any questions.

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