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General Government Division

B-277710

March 13, 1998

The Honorable Charles E. Grassley  
Chairman, Caucus on International  
Narcotics Control  
United States Senate

Dear Mr. Chairman:

Subject: Retirement Eligibility of Customs and INS Employees on the Southwest Border

On June 19, 1997, you asked us to undertake a broad review of the U.S. Customs Service's and the Immigration and Naturalization Service's (INS) efforts to address potential employee corruption on the Southwest Border. As part of that review, you asked us to provide information on the number of certain types of Customs and INS employees assigned to anti-drug smuggling activities on the Southwest Border who were eligible or who should become eligible to retire as of January 1, 1998; January 1, 1999; and January 1, 2000. In addition, you asked that we determine what plans Customs and INS have to replace their retirees.

As agreed with your office, we focused our work on Customs and INS offices on the Southwest Border.<sup>1</sup> We also focused on the following occupations whose responsibilities include anti-drug smuggling activities: customs inspectors, canine enforcement officers, Customs and INS criminal investigators, Border Patrol agents, and immigration inspectors. These occupations comprise about 84 percent of the Customs employees and about 75 percent of the INS employees on the Southwest Border.

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<sup>1</sup>We collected information on four Customs Management Centers: Arizona, South Texas, Southern California, and West Texas-New Mexico and four Special Agent-in-Charge Offices in El Paso, San Antonio, San Diego and Tucson. Within INS, we collected information on nine Border Patrol sectors (Del Rio, El Centro, El Paso, Laredo, Marfa, McAllen, Tucson, San Diego and Yuma) and five districts (El Paso, Harlingen, Phoenix, San Antonio and San Diego). These Customs and INS locations cover the entire Southwest Border.

RESULTS IN BRIEF

As of September 30, 1997, Customs had 2,933 employees on the Southwest Border whose duties included anti-drug smuggling activities. Between January 1, 1998, and January 1, 2000, 279 (about 10 percent) of these employees were eligible or should become eligible to retire. Also as of September 30, 1997, INS had 7,983 employees assigned to the Southwest Border whose duties included anti-drug smuggling activities. Between January 1, 1998, and January 1, 2000, 399 (about 5 percent) of these employees were eligible or should become eligible to retire. Customs and INS officials noted that not all employees will retire when they are eligible. These officials stated that past experience has shown that about one-third of the Customs employees and about one-half of the INS employees who become eligible will retire during a particular fiscal year. On the basis of at least 2 years of retirement data, Customs and INS officials do not expect a significant increase in the number of retirements during fiscal years 1998, 1999, and 2000.

In Customs and INS, retirement eligibility rates vary among occupations. Of the occupations we examined, criminal investigators have significantly higher retirement eligibility rates than other occupations. Canine enforcement officers have the lowest retirement eligibility rates. Since many canine enforcement officers have been hired during the past several years, few are eligible to retire.

Customs and INS have developed planning processes to replace their retiring employees. Using retirement data from previous years and data on the number of individuals who should become eligible to retire, Customs and INS develop projections, by occupation, of the number of employees who are expected to retire. Customs and INS then develop their hiring plans on the basis of their projections. According to Customs and INS officials, in the past, they generally have been able to meet their hiring goals.

BACKGROUND

Customs and INS are the principal agencies providing inspection and clearance at U.S. border crossings, with Customs being primarily responsible for the entry of goods and merchandise and INS having the basic mission of handling the entry of persons. Since the late 1970s, both agencies have "cross designated" each other's inspectors to conduct primary inspections at land border ports of entry. Border inspections have long been an integral component of U.S. efforts to stem the influx of illicit drugs into this country and both Customs and INS perform important deterrent and interdiction roles.

Customs inspectors enforce U.S. laws and Customs regulations and attempt to apprehend drug smugglers. Canine enforcement officers use trained dogs to enforce U.S. laws and Customs regulations. Customs criminal investigators' duties include the investigation of suspected violations of drug smuggling laws.

INS Border Patrol agents seek to prevent, detect, and apprehend illegal entrants and smugglers of aliens, drugs, and other contraband between ports of entry on U.S. land borders. Immigration inspectors determine the admissibility of all persons seeking entry into the United States at land, sea, and air ports-of-entry. INS criminal investigators enforce immigration laws within the interior of the United States and conduct criminal investigations.

CUSTOMS AND INS RETIREMENT ELIGIBILITY RATES ARE NOT EXPECTED TO INCREASE SIGNIFICANTLY

As shown in table 1, Customs had 2,933 employees on the Southwest Border as of September 30, 1997. On January 1, 1998, 153 (about 5 percent) of the 2,933 employees were eligible to retire. With an additional 73 employees scheduled to become eligible to retire as of January 1, 1999, a total of 226 (about 8 percent) of the 2,933 employees are projected to be eligible to retire. By January 1, 2000, 279 (about 10 percent) of the 2,933 employees are projected to be eligible to retire. Similarly, by January 1, 2000, 399 (about 5 percent) of INS' 7,983 employees are projected to be eligible to retire.

Table 1: Customs and INS Retirement Eligibility Rates for Selected Employees on the Southwest Border

Agency	Number of staff as of Sept. 30, 1997	Retirement eligibility for selected employees					
		Jan. 1, 1998		Jan. 1, 1999		Jan. 1, 2000	
		Number	Percent	Number	Percent	Number	Percent
Customs	2,933	153	5	226	8	279	10
INS	7,983	207	3	315	4	399	5

Note 1: This table summarizes retirement eligibility for customs inspectors, canine enforcement officers, criminal investigators, Border Patrol agents, and immigration inspectors at four Customs Management Centers, four Customs Special Agent-in-Charge Offices, five INS districts, and nine INS Border Patrol sectors.

Note 2: Percentages are rounded to the nearest whole number.

Note 3: Retirement eligibility numbers and percentages are based on the September 30, 1997, staffing levels.

Sources: Customs and INS.

Customs and INS officials noted that not all employees will retire when they are eligible. These officials stated that past experience has shown that about one-third of the Customs employees and about one-half of the INS employees who become eligible will retire during a particular fiscal year. According to Customs and INS officials, the retirement eligibility rates shown in table 1 do not vary significantly from the retirement eligibility rates of at least the past 2 years. Customs and INS officials do not expect a significant increase in the number of retirements for selected employees on the Southwest Border during 1998, 1999, and 2000.

CUSTOMS' RETIREMENT ELIGIBILITY RATES FOR  
SELECTED TYPES OF EMPLOYEES VARY BY OCCUPATION

Customs employees' retirement eligibility rates vary among the occupations we examined. As shown in table 2, customs inspectors accounted for 2,026 of Customs' 2,933 employees on the Southwest Border. By January 1, 2000, 168 (about 8 percent) of the 2,026 customs inspectors should be eligible to retire. In comparison, 107 (about 20 percent) of the criminal investigators should be eligible to retire on January 1, 2000. Canine enforcement officers have the lowest retirement eligibility rate—four employees (about 1 percent). Since many canine enforcement officers have been hired during the past several years, few are eligible to retire.

Table 2: Customs' Retirement Eligibility Rates for Selected Employees on the Southwest Border, by Occupation

Occupation	Number of staff as of Sept. 30, 1997	Retirement eligibility for selected employees					
		Jan. 1, 1998		Jan. 1, 1999		Jan. 1, 2000	
		Number	Percent	Number	Percent	Number	Percent
Customs inspector	2,026	95	5	134	7	168	8
Canine enforcement officer	376	1	0	3	1	4	1
Criminal investigator	531	57	11	89	17	107	20
Total	2,933	153	5	226	8	279	10

(Table notes on next page)

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Note 1: This table summarizes retirement eligibility for selected employees on the Southwest Border at the four Customs Management Centers and four Special Agent-in-Charge Offices.

Note 2: Percentages are rounded to the nearest whole number.

Note 3: Retirement eligibility numbers and percentages are based on the September 30, 1997, staffing levels.

Source: Customs.

INS' RETIREMENT ELIGIBILITY RATES FOR  
SELECTED TYPES OF EMPLOYEES VARY BY OCCUPATION

INS' retirement eligibility rates for selected types of employees at the Southwest Border vary by occupation. As shown in table 3, Border Patrol agents accounted for 6,261 of the 7,983 employees on the Southwest Border as of September 30, 1997. A total of 262 (about 4 percent) of the 6,261 Border Patrol agents should be eligible to retire on January 1, 2000. In comparison, 88 (about 23 percent) of the 378 criminal investigators should be eligible to retire on January 1, 2000. According to an INS official, INS' hiring program, which has been adding approximately 1,000 new Border Patrol agents to its ranks annually since fiscal year 1995, has resulted in a low retirement eligibility rate for Border Patrol agents.

Table 3: INS' Retirement Eligibility Rates for Selected Employees on the Southwest Border, by Occupation

Occupation	Number of staff as of Sept. 30, 1997	Retirement eligibility for selected employees					
		Jan. 1, 1998		Jan. 1, 1999		Jan. 1, 2000	
		Number	Percent	Number	Percent	Number	Percent
Border Patrol agent	6,261	133	2	206	3	262	4
Criminal investigator	378	44	12	70	19	88	23
Immigration inspector	1,344	30	2	39	3	49	4
Total	7,983	207	3	315	4	399	5

(Table notes on next page)

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Note 1: This table summarizes retirement eligibility for selected INS occupations on the Southwest Border, which encompasses five districts and nine Border Patrol sectors.

Note 2: Percentages are rounded to the nearest whole number.

Note 3: Retirement eligibility numbers and percentages are based on the September 30, 1997, staffing levels.

Source: INS.

### CUSTOMS' PLANS TO REPLACE RETIRING EMPLOYEES

Customs projects the number of potentially retiring employees by occupation, thus allowing the agency to plan for the replacement of retirees. Customs headquarters officials identify potential retirements and work with field offices to develop projected retirement rates for the upcoming fiscal year. These retirement projections are based on historical data as well as on a review of the upcoming year's retirement eligibility data.

According to Customs officials, they maintain a list of individuals who have received tentative job offers (selectees) for the customs inspector, canine enforcement officer, and criminal investigator occupations. They maintain the list of selectees to ensure that a sufficient number of new employees are available to enter on duty when they are needed. This list of selectees has been established because these occupations (1) represent the major hiring activity for the field offices and (2) require a long lead time to clear preemployment screening, which includes a background investigation, medical examination, and drug test.

According to a Customs official, headquarters regularly monitors the number of available selectees, along with retirement rates, and reports the overall status to the Customs Management Centers. Furthermore, if the number of selectees for a specific occupation is insufficient to meet Customs' established hiring goals, Customs plans to make additional selections. As of January 17, 1998, there were 439 customs inspector selectees, 203 criminal investigator selectees, and 46 canine enforcement officer selectees.

### INS' PLANS TO REPLACE RETIRING EMPLOYEES

INS has recently developed a system to project future staffing losses, including an estimate of the number of employees who potentially will retire. At the beginning of fiscal year 1998, INS implemented a model that projects retirement rates by occupation. An INS official said that during the first quarter of fiscal year 1998, their projections were within 3 to 5 percent of the number of actual retirements. INS officials use their projections to identify hiring and training needs for the upcoming 5 years.

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To replace retirees, INS overhires for available positions. For example, INS overhires Border Patrol agents by approximately 15 percent because experience has shown that about 15 percent of the individuals hired do not complete the training process. Throughout the year, INS adjusts its recruiting efforts on the basis of the actual number of retirements.

#### SCOPE AND METHODOLOGY

To identify Customs and INS locations on the Southwest Border, we used agency maps that depicted Customs' four Management Centers and four Special Agent-in-Charge Offices and INS' five districts and nine Border Patrol sectors. Customs and INS officials verified that the offices we identified represented their offices on the Southwest Border. We analyzed data for selected employees who have responsibilities for anti-drug smuggling activities. We requested that Customs and INS provide employment data for the selected employees in the Southwest Border offices as of September 30, 1997, and retirement eligibility data as of January 1, 1998, 1999, and 2000. We reviewed the data for consistency, but we did not validate the data because of time limitations.

To determine Customs' and INS' plans for replacing employees in the selected occupations, we discussed the planning process for replacing retirees and projection methods for estimating losses, including retirements, with Customs and INS headquarters officials responsible for personnel issues.

We performed our work in Washington, D.C., between July 1997 and March 1998 using generally accepted government auditing standards.

#### AGENCY COMMENTS

We requested oral comments on a draft of this letter from the Attorney General and the Secretary of the Treasury or their designees. On March 9, 1998, Customs' Director, Evaluation Oversight Staff, reported that both Treasury and Customs had no official comments on this letter. On March 10, 1998, we met with INS officials, including the Chief, Headquarters Human Resources Office, who noted that expected increases in hiring should decrease the percentage of employees who are eligible to retire.

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As arranged with your office, unless you publicly announce the contents of this letter, we plan no further distribution until 15 days after its issue date. At that time, we will send copies to the Co-Chairman of the Caucus, the Acting Commissioner of the U.S. Customs Service, and the Commissioner of the Immigration and Naturalization Service. We will also make copies available to others on request.

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Major contributors to this letter were Weldon McPhail, Assistant Director; Jay Jennings, Evaluator-in-Charge; and Mark Tremba, Evaluator; General Government Division. If you have any questions, please contact me at (202) 512-8777.

Sincerely yours,



Richard M. Stana  
Associate Director  
Administration of Justice Issues

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