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CUSTOMS SERVICE

Inspectional Personnel and Workloads

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Customs Service: Inspectional Personnel and Workloads

The U.S. Customs Service is responsible for collecting revenue from imports and enforcing customs and related laws. Customs 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, among other things, about 18 million import entries and 442 million air, land, and sea passengers entering the country. At the end of fiscal year 1997, Customs had deployed 7,207 inspectors at ports of entry around the country.

The Chairmen of the Subcommittee on Government Management, Information, and Technology, House Committee on Government Reform and Oversight and the Subcommittee on Trade, House Committee on Ways and Means, respectively, requested that we analyze the (1) relationships between actual cargo and passenger inspectional personnel levels at selected airports and seaports and those determined by Customs to be appropriate for these ports (assessed levels) and (2) cargo and passenger processing workload-to-inspector ratios at the selected ports. We focused our work at Los Angeles International Airport, New York City's John F. Kennedy International Airport, the seaport in Long Beach, CA, the air and sea ports in Newark, NJ, and the air and sea ports each in Houston, TX and Detroit, MI.

Over the past 3 years, Customs has assessed the need for additional inspectors to combat drug smuggling through ports along the Southwest border. Customs also uses a quantitative model to estimate the need for inspectional personnel at airports, but not to establish the appropriate personnel levels, according to Customs officials. However, Customs does not have a systematic, agencywide process for assessing the need for inspectional personnel and allocating such personnel to process commercial cargo or land and sea passengers at all of its 301 ports. Therefore, we were not able to identify the implications of differences between assessed and actual inspectional personnel levels.

We were also not able to perform the workload-to-inspector ratio analyses because we did not have a sufficient level of confidence in the quality of the workload data. We identified a few significant discrepancies in the workload data we obtained from Customs headquarters and the ports we contacted, and we did not identify any systematic controls over the quality of the data. In addition, workload is only one of several factors Customs has considered in the few assessments completed since 1995; Customs also considers factors such as the smuggling threat at each port and legislative constraints on the movement of certain inspectional positions.

Customs Service: Inspectional Personnel and Workloads

Mr. Chairman and Members of the Subcommittee:

Today we are releasing a report that you and the Chairman of the Subcommittee on Trade, House Committee on Ways and Means requested on certain aspects of the U.S. Customs Service's inspectional personnel and its commercial cargo and passenger workloads.¹ I am pleased to be here to summarize the information we presented in that report.

You asked us to analyze (1) the implications of any differences between the cargo and passenger inspectional personnel levels at selected airports and seaports around the United States and those determined by Customs to be appropriate for these ports (assessed levels) and (2) any differences among the cargo and passenger processing workload-to-inspector ratios at the selected ports and the rationales for any significant differences in these ratios. We were unable to complete those analyses basically because Customs does not have a systematic method for determining the number of inspectors it needs at its ports, and we did not have confidence in the workload data Customs had reported.

To try to answer your questions, we obtained and reviewed relevant staffing, budget, and workload documents at headquarters and nine ports; interviewed cognizant Customs officials at those locations; and visited four ports—the international airports in Los Angeles and New York and the seaports in Long Beach and Newark—where we observed cargo and passenger processing operations. Although we did not perform a complete quality assessment of Customs' inspectional personnel data, we compared workload data we obtained for each port from various sources and attempted to reconcile any differences. Our objectives, scope, and methodology are discussed in more detail in appendix I of the report. We shared our findings and conclusions with Customs officials; they generally agreed with the information we developed.

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. Customs 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 trucks; about 706,000 commercial aircraft; about 214,000 vessels; and about 442 million air, land, and sea passengers entering the country.

¹See Customs Service: Inspectional Personnel and Workloads (GAO/GGD-98-170, Aug. 14, 1998).

Customs performs its mission with a workforce of about 19,500 personnel at its headquarters in Washington, D.C., and at 20 Customs Management Centers (CMC),² 20 Special Agent-in-Charge offices, and 301 ports of entry around the country. At the end of fiscal year 1997, Customs had deployed 7,207 inspectors at these ports. This represented an increase of 17 percent over the level deployed in fiscal year 1992, the earliest year for which complete data were available.

The nine ports we visited or contacted—Los Angeles International Airport (LAX); Los Angeles/Long Beach Seaport; New York City's John F. Kennedy International Airport (JFK); New York/Newark Seaport; Newark International Airport; and the Houston and Detroit air and sea ports—were among the busiest of their kind in the United States in fiscal year 1997. According to Customs workload data, these ports accounted for about 31 percent of all air and sea passengers and about 19 percent of all cargo entries processed by Customs in fiscal year 1997. The ports also accounted for about 21 percent of all inspectors deployed by Customs at the end of fiscal year 1997.

Implications of Differences Between Assessed and Actual Inspectional Personnel Levels Could Not Be Determined

We were not able to perform the requested analyses to identify the implications of differences between assessed and actual inspectional personnel levels because, as we reported in April 1998,³ Customs does not have a systematic, agencywide process for assessing the need for inspectional personnel or allocating them to its commercial cargo ports. We have since learned that Customs does not have these processes for its sea or land ports. While Customs uses a quantitative model to determine the need for additional inspectional personnel to process air passengers, the model is not intended to establish the level at which airports should be staffed, according to Customs officials.

Customs is in the early stages of responding to our April 1998 recommendation that it establish an inspectional personnel needs assessment and allocation process. Customs has awarded a contract for the development of a resource allocation model. Customs officials have told us that, upon delivery of the model, they will customize a process for using it to meet changing personnel needs and new initiatives.

²On October 1, 1995, Customs closed its 7 regional and 42 district offices and replaced them with 20 CMCs. The CMCs have oversight responsibilities over Customs' ports of entry.

³See Customs Service: Process for Estimating and Allocating Inspectional Personnel (GAO/GGD-98-107, Apr. 30, 1998).

Customs officials at the ports we visited told us that the current personnel levels, coupled with the use of overtime, have enabled these ports to meet Customs' performance standards for trade and passenger processing, such as completing the inspection of passengers within 5 minutes of their retrieving checked baggage. Customs also had performance standards for cargo examination—in fiscal year 1997, Customs expected its ports to examine 3.1 percent of all arriving cargo. Customs reported that, overall, it inspected only 2.6 percent of arriving cargo in fiscal year 1997; the ports we visited or contacted reported that they examined an average of 2.2 percent of incoming cargo in fiscal year 1997. Customs has dropped this indicator from its current performance plan for fiscal year 1999 as part of its ongoing effort to refine performance measures.

Workload-To-Inspector Ratios and Rationales for Differences Could Not Be Determined

We were also not able to perform the analyses to identify workload-to-inspector ratios and rationales for any differences in these ratios because we did not have a sufficient level of confidence in the quality of the workload data. We identified significant discrepancies in the workload data we obtained from Customs headquarters, two CMCs, and three ports. For example, for fiscal year 1997, data from Customs headquarters indicated that the JFK and Newark airports processed a total of about 1.4 million cargo entries (shipments) of all types, including those with a value of less than \$1,250 (informal entries) and those with a value of over \$1,250 (formal entries). However, data from the New York CMC indicated that these airports processed about 1.5 million formal entries alone, almost 100,000 entries more than headquarters' number for all entries at these airports. We could not obtain specific explanations for these discrepancies without Customs having to conduct extensive additional work. We also did not identify any systematic controls over the quality of the data.⁴

However, workload was only one of several factors considered by Customs in the few assessments—which focused on its drug smuggling-initiatives—completed since 1995 to determine its needs for additional inspectional personnel and allocate such personnel to ports. Customs also considered factors such as the threat of drug smuggling, budgetary constraints, and legislative limitations.

⁴In conjunction with the development of the resource allocation model discussed earlier, Customs indicated that it was undertaking an initiative to assess and improve the quality of the data to be used in the model. Details of this initiative are discussed in our report.

**Statement
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and Workloads**

Mr. Chairman, this concludes my prepared statement. In closing, I would like to acknowledge the cooperation of Customs personnel during the course of our review. I will be pleased to answer any questions.

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