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BEFORE THE

SUBCOMMITTEE ON HORTICULTURE AND ORGANIC AGRICULTURE

COMMITTEE ON AGRICULTURE

U.S. HOUSE OF REPRESENTATIVES

To Examine the Joint Performance of the Animal and Plant Health Inspection Service, U.S. Department of Agriculture and Customs and Border Protection, U.S. Department of Homeland Security in Protecting U.S. Agriculture From Foreign Pests and Disease

October 3, 2007



Good morning, Mr. Chairman and Members of the Subcommittee:

We appreciate the opportunity to discuss our audit report on United States Customs and Border Protection's (CBP's) agriculture inspection activities at the border¹ and other work we performed in post-harvest areas. Our statement today focuses on these results. I am pleased to have with me here today Kathleen Tighe, Deputy Inspector General of the U.S. Department of Agriculture, Office of Inspector General (USDA-OIG). The report we will be discussing was a collaborative effort between the Department of Homeland Security-Office of Inspector General (DHS-OIG) and USDA-OIG.

Background

On March 1, 2003, functions of several border agencies, including the former U.S. Customs Service, the Immigration and Naturalization Service (INS), and U.S. Department of Agriculture's Animal and Plant Health Inspection Service (USDA-APHIS), were transferred to CBP upon creation of DHS. CBP assumed responsibility for inspection of agricultural goods arriving in the United States at ports of entry. USDA-APHIS retained responsibility for setting policies and procedures in areas such as agricultural inspections, data collection, and risk assessments.

In February 2005, with the DHS-OIG serving as the lead, DHS-OIG and the USDA-OIG began a joint audit of the agriculture inspection activities transferred from USDA-Animal and Plant Health Inspection Service (APHIS) to CBP. This audit assessed how well CBP communicated and cooperated with USDA on issues relating to agriculture inspection policies and procedures; complied with established procedures for agriculture inspections of passengers and cargo; and tracked agriculture inspection activities. It also assessed the effectiveness of USDA-APHIS in providing CBP with the necessary policy and procedural guidance to perform agriculture inspection activities.

Our audit was a broad-based effort that generally covered agricultural inspection activities from March 2003 to February 2005. We reviewed policies, procedures, and pertinent laws and regulations; interviewed CBP personnel; and reviewed documents and records. We tested procedures and controls, and observed inspection activities in areas such as Agricultural Quarantine Inspection Monitoring (AQIM) and the Work Accomplishment Data System (WADS). To accomplish the audit objectives, we conducted fieldwork at CBP headquarters in Washington, DC, and at ports located in Chicago, Illinois; Detroit, Michigan; Laredo, Texas; and Miami, Florida. Areas of concern we identified included:

- **Agricultural Quarantine Inspection Monitoring** – CBP's Agricultural Quarantine Inspection Monitoring (AQIM) sampling did not meet sampling requirements for 13 of 18 pathway activities at the four ports we reviewed. Further, CBP supervisors did not sufficiently monitor AQIM sampling requirements at the port level to ensure sampling was performed as required and

¹ *Review of Customs and Border Protection Agriculture Inspection Activities* (OIG-07-32, February 2007).

sampling results reported correctly. AQIM inspection results help USDA predict potential future risks to agriculture from pests and diseases.

- **Work Accomplishment Data System** – We identified issues with accuracy of CBP’s Work Accomplishment Data System (WADS) used to track ports’ agriculture inspection activities. All four ports we reviewed had WADS inspection activity errors. The errors included both under- and over-reporting of data needed to identify potential agriculture risks.
- **Staffing** – During our audit we found that CBP had not updated the USDA agriculture specialist staffing model to ensure staffing was sufficient and allocated in the most effective manner. As such, CBP had no assurance that the model addressed staffing needs and had the capability of adjusting to changes in workload, processing time, complexity, and threat levels.
- **Performance Measures** – CBP had not developed comprehensive performance measures to monitor the effectiveness of all its agriculture inspection activities. CBP used two performance measures for agriculture inspection activities—one for international air passengers and another for border vehicle passengers. However, agricultural inspections related to air, truck, mail, pedestrian, and maritime pathways did not have performance measures.

Agricultural Quarantine Inspection Monitoring

We identified issues of accuracy with AQIM at CBP. AQIM helps USDA predict potential future risks to agriculture from pests and diseases. AQIM is a USDA-APHIS risk-assessment system that evaluates the effectiveness of inspection activities in both traditional and nontraditional pathways into the United States. AQIM assesses the risk posed by agricultural pests approaching ports, and measures the effectiveness of the inspection program at mitigating that risk. AQIM at the ports of entry consists of daily or weekly random sampling and inspection of passenger baggage, vehicles, mail or cargo. The information obtained from this sampling provides USDA-APHIS with information on the potential future risks to the agriculture industry from pests and diseases. Based on the AQIM inspection results, USDA-APHIS develops an interception rate for the particular pathway, such as air passenger, air cargo, and mail; the higher the interception rate, the greater the risk.

AQIM is a statistically based system. CBP must provide USDA-APHIS with a sufficient number of results from inspections at each port to allow reliable risk assessments or to perform analyses that are beneficial to the ports in allocating their staffing resources. CBP’s ability to better target its staffing resources to higher risk pathways may be limited if the required number of AQIM inspections is not performed and reported in a timely manner.

CBP’s AQIM sampling (October – December 2004) did not meet sampling requirements for 13 of 18 pathway activities at four ports. For example, Chicago did not meet its

AQIM sampling requirements for mail, air passengers, and air cargo. Laredo did not perform AQIM sampling for pedestrians for the three months (October – December 2004) reviewed. Detroit did not have supporting documentation to verify the air passengers sampling and did not take the required samples for truck cargo and border vehicles. Miami under-reported mail for one month and did not meet its sampling requirements for maritime-perishables, maritime tiles, and solid wood packing. USDA-OIG had similar issues with AQIM when it was with USDA-APHIS.²

Further, CBP supervisors did not sufficiently monitor AQIM sampling requirements at the port level to ensure samples were performed and reported correctly. During the course of our audit, CBP's Agriculture Programs and Liaison (APL) started follow-up action on AQIM and other data beginning the first quarter of FY 2005 to ensure the accuracy of statistical data. Prior to conducting our audit, in FY 2004, ports provided adequate results on only 53 of 153 AQIM activities. After APL started its follow-up actions, ports showed some improvement by reporting adequate results on 100 out of 153 AQIM activities.

In addition to taking an insufficient number of AQIM samples, there were also problems with the methodology used in sampling. For example, the AQIM plans developed in Chicago did not provide sufficient detailed instructions on how to select the samples. Moreover, for air cargo, the sample selection plan did not include the entire universe of perishable products, as defined in the current USDA-APHIS requirements. Instead, the sampling plan was limited to sampling vegetables from the Netherlands. Perishables that are not sampled as required increase the risk that the extent of pests and diseases in these perishables may not be detected or known.

Prior to our audit fieldwork, USDA-APHIS had broadened its coverage in certain nonagricultural items, such as solid wood packing materials and Italian tiles, which are known to carry pests. However, samples for other pathways, such as maritime freight containers and cargo-carrying vehicles, were generally limited to incoming cargoes already known to contain items of agricultural interest. Since other cargoes and vehicles were not sampled, the AQIM process was unlikely to identify pests entering through these alternate pathways. As noted in a USDA-OIG 2003 audit report, even a limited number of AQIM inspections performed on nonagricultural cargoes could identify previously unknown pathways that should be monitored as part of CBP's agricultural inspection process. CBP and USDA-APHIS are currently working to address this issue by further broadening the scope of AQIM coverage to pathways that previously were not sampled.

In addition, USDA-APHIS had not developed an AQIM process for incoming rail cargo. USDA-OIG identified this as an issue in a previous report. Our 2007 audit report noted a previous USDA-OIG recommendation that USDA-APHIS develop and provide to CBP a system of risk assessment for rail cargo so that the degree of risk associated with this

² Recommendation 4, page 14, USDA Report: *Animal and Plant Health Inspection Service Safeguards to Prevent Entry of Prohibited Pests and Diseases into the United States* (Report No. 33601-3-Ch, February 2003); USDA Report: *Assessment of APHIS*.

pathway can be determined. Although USDA-APHIS officials had agreed with the need for a risk assessment process, they cited operational difficulties, such as the inability to obtain cargo manifests on a timely basis, as a barrier to the development of a workable AQIM system.

In our 2007 report, we recommended that CBP provide adequate supervision and instructions to CBP personnel to ensure AQIM data samples are complete, properly taken, and accurately recorded. CBP concurred with our recommendation and reported that it issued a memorandum on December 1, 2006, to Directors of Field Operations (DFOs) reemphasizing the importance of AQIM guidelines to ensure daily AQIM samples are collected and all forms are completed. The DFOs also received a list of the AQIM required activities for fiscal year 2007.

USDA-APHIS officials reported that a pest risk assessment is being developed for rail shipments, and its completion is anticipated by June 30, 2008. APHIS officials also have provided plans to expand AQIM reviews to pathways that had previously not been covered.

Work Accomplishment Data System

We identified issues of accuracy with CBP's Work Accomplishment Data System (WADS) used to track ports' agriculture inspection activities. The WADS database includes a daily record of agriculture inspection and interception activity, broken down by pathway (e.g., maritime, airport, land border). WADS identifies and tracks inspections and interceptions at the ports using different program categories, as well as numerous codes to denote specific activities under each program category. For example, activity codes for one port included aircraft arrivals, air passengers, and crew subject to inspection, air baggage interceptions, air cargo inspections, and air cargo interceptions. Each port is required to collect, report, and transmit this data to USDA-APHIS. USDA-APHIS uses WADS data for setting risk management priorities and for staffing recommendations.

CBP and USDA-APHIS cannot fully rely on the WADS data, which can impair the agencies' ability to manage the agricultural inspection programs and assess the results of those operations. At the ports, 107 of 148 WADS activity codes examined were reported incorrectly or lacked supporting documentation to allow verification. CBP had inadequate second-party reviews of data input, a lack of sufficiently trained personnel, and port personnel misinterpreting USDA-APHIS instructions. USDA-OIG identified similar issues with WADS when it reviewed USDA-APHIS.³

All four ports we reviewed had WADS inspection activity errors. The reporting errors included both under- and over-reporting of data. For example, one port over-reported the number of agriculture inspections for passengers in buses by 39,869 or

³ Recommendation 24, page 53, USDA Report: *Animal and Plant Health Inspection Service Safeguards to Prevent Entry of Prohibited Pests and Diseases into the United States* (Report No. 33601-3-Ch, February 2003); USDA Report: *Assessment of APHIS*.

63 percent. The same port reported 102,600 inspections for bus passengers while the source documents showed only 62,731 passengers were inspected. Another port's rail pathway inspection and pest interception data were partially double-counted, causing overstatements of 98 percent for both activities (9,661 reported versus 4,877 actual for rail pathway and 172 reported versus 87 actual for pest interceptions).

Three ports also lacked documentation needed to verify 14 WADS inspection activity codes. For example, one port did not keep complete and accurate source records for the codes. Records were not always available for review purposes since some ports retained documents while others did not.

WADS data was inaccurate for several reasons. CBP personnel cited a lack of staff adequately trained in WADS input procedures. Also, the WADS User's Guide did not specify the type or extent of secondary reviews that were to be performed. These reviews were not always adequate to ensure the accuracy of WADS data. In some instances, CBP port personnel did not report certain items in accordance with procedures outlined in USDA-APHIS WADS manuals. For example, at one port, reportable and non-reportable pests for certain pathways were recorded as a single line item rather than separate items as required. Without accurate data, USDA-APHIS would not be able to set risk management priorities and make staffing recommendations effectively.

As with AQIM, during the course of conducting our fieldwork, CBP's Agriculture Programs and Liaison (APL) started follow-up action on WADS and other data beginning the first quarter of fiscal year 2005 to ensure the accuracy of statistical data. APL followed up with all four field offices of the ports we visited and identified as having provided inadequate results.

We recommended in our 2007 report that CBP provide adequate instructions, resources, training, and supervision to CBP personnel to ensure WADS data are accurately compiled and entered in the computer system, and related records are properly retained. When needed, CBP should obtain the assistance of USDA-APHIS for training and guidance on WADS data.

CBP concurred with our recommendation and, in a subsequent response to the report, outlined steps they have taken to address this issue. For example, CBP reported that its CBP-USDA Data Analysis Team for Evaluating Risk meets quarterly to review and address issues with data quality concerning WADS, PPQ-280, and AQIM data. CBP's Office of Field Operations, Field and Resource Management, is developing routines in the Operations Management Report Data Warehouse to address data quality and integrity issues.

Further, training materials, user guides, and instructions for WADS and PPQ-280 will be available for field personnel. Field and Resource Management's Strategic Planning Division has established a Data Integrity Working Group composed of Headquarters and

field representatives who have responsibility to ensure quality controls are developed and implemented in the field and port offices.

Staffing

During our audit we found that CBP had not updated the agriculture specialist staffing model to ensure staffing was sufficient and allocated in the most effective manner. USDA-OIG had identified this as an issue with USDA-APHIS. CBP headquarters personnel determined the number of agriculture inspectional positions nationwide and the number to be allocated to each field manager. The field managers determine staffing placement within the ports. CBP staffing levels and patterns were based on the agriculture inspection staffing that existed at the time of transition and were not based on an up-to-date, comprehensive, nationwide plan, or assessment of risk.

At the time of our audit, the agriculture inspection staffing patterns were based on the existing USDA-APHIS staffing model. This model used WADS data to determine the staffing required for each inspection activity. Before the transition, USDA-APHIS officials agreed with USDA-OIG that the existing USDA-APHIS staffing models were not well suited to determining staffing needs for cargo inspections. Although CBP Headquarters officials indicated that they planned to create a new staffing model, they had not established a timeframe for completion.

At the time of our audit, CBP agriculture specialist staffing had decreased since the transition. The CBP's agriculture inspectional type positions totaled 2,417 (including vacancies) with 2,071 on board as of June 2003. As of February 2005, agriculture staffing had decreased to 1,721 total on board, a 17 percent reduction. As of September 1, 2007, the total number of Agriculture Specialists was 2,142.

We recommended in our 2007 report that CBP develop a staffing model and a comprehensive nationwide plan for agriculture specialist staffing. In response, CBP's Office of Field Operations reported that it has developed an optimal staffing allocation model for CBP Officers (CBPOs) and CBP Agriculture Specialists (CBPAS) at ports of entry. The first phase of the model, focusing on CBPO-Air Passenger Processing, has been completed and approved by CBP Management. The second phase, to include the remaining components in air, land and sea, as well as the CBPAS component, also has been completed and is awaiting CBP Management approval. This model will be used as a decision support tool and national guide for future allocation of resources. The model addresses staffing needs and has the capability of adjusting to changes in workload, processing time, complexity and threat levels.

Performance Measures

CBP had not developed comprehensive performance measures to monitor the effectiveness of all its agriculture inspection activities. CBP used two performance measures for agriculture inspection activities—one for international air passengers and another for border vehicle passengers. These current performance measures are the same

ones USDA previously used. A number of CBP agriculture inspection activities, such as those for air and truck cargo, mail, pedestrians, and maritime pathways, did not have performance measures. USDA-OIG had identified this as an issue with USDA-APHIS.

We recommended in our 2007 report that CBP ensure that a comprehensive set of performance measures is developed to monitor the efficiency and effectiveness of all agriculture inspection activities. CBP concurred with our recommendation and reported that it initiated two new performance measures for measuring the agriculture mission: 1) number of pest interceptions at ports of entry, and 2) number of quarantine material interceptions seized at ports of entry. These measures were shared with USDA prior to implementation. The new measures facilitate USDA's ability to conduct and provide pest risk assessments. This represents a good first step and CBP needs to continue to examine its performance measures to ensure all agriculture inspection activities are represented.

I have highlighted our office's work in the area of CBP agriculture inspection activities. Previously, USDA-OIG issued two reports⁴ on agriculture inspection activities, prior to the transfer of the inspection activity to DHS, which had numerous recommendations that addressed agriculture activities, and which are now a part of CBP. Our review was to determine if problems that existed when agriculture inspection activities were in USDA-APHIS still existed after their transfer to CBP. Further, we coordinated with the Government Accountability Office (GAO) during the planning stages of this audit and it was decided that audit work in the areas of (1) Training of Agricultural Inspectors, and (2) use of APHIS User Fees would be performed solely by GAO, the results of which I believe they will be discussing here today.

Other DHS-OIG Inspections and Reviews

In addition to the work above, DHS-OIG conducted other inspections and reviews in the post-harvest area. We examined DHS activities relating to post-harvest food, and focused on prevention, protection, preparedness, and detection efforts.⁵ The federal government is charged with defending the food supply from intentional attacks and natural hazards. While DHS is not the designated lead for a number of key activities in this area, the Congress and the President have assigned DHS many important food defense and critical infrastructure protection responsibilities. Our report examined DHS activities relating to post-harvest food, and focuses on prevention, protection, preparedness, and detection efforts.

⁴ USDA Report: *Animal and Plant Health Inspection Service Safeguards to Prevent Entry of Prohibited Pests and Diseases into the United States* (Report No. 33601-3-Ch, February 2003);

USDA Report: *Assessment of APHIS and FSIS Inspection Activities to Prevent the Entry of Foot and Mouth Disease Into the United States* (Report No. 50601-0003-CH, July 2001).

⁵ DHS report: *The Department of Homeland Security's Role in Food Defense and Critical Infrastructure Protection* (OIG-07-33, February 2007).

We observed four main limitations in DHS' related efforts.

- First, DHS could improve internal coordination of its related efforts. DHS food sector activities are distributed across multiple organizational units, and similar program thrusts have emerged. Consolidated management attention is required to reduce the risk of duplication and promote collaboration.
- Second, DHS needs to improve its engagement of public and private food sector partners. Food sector partners were frustrated by the quality and extent of DHS external coordination in sector governance and information sharing; mapping; and research, development, education, and training.
- Third, DHS could do more to prioritize resources and activities based on risk. DHS units have used different approaches to prioritizing food sector activities in the context of their larger missions and have not developed a common perspective on food sector risk.
- Finally, DHS must fully discharge its food sector responsibilities. DHS has satisfied basic requirements in most, but not all, areas of responsibility. The department has not submitted an integrated federal food defense budget plan or clearly established assessment standards for use in the food sector.

Our report contained 16 recommendations to enhance DHS' performance and improve the security posture of the food supply. DHS concurred with 12 of these recommendations.

We conducted a review of DHS' BioWatch program,⁶ an early warning system designed to detect the release of biological agents in the air through a comprehensive protocol of monitoring and laboratory analysis. DHS, through the Science and Technology Directorate, provides management oversight to this program. We determined the extent BioWatch program management implemented proper controls for coordinating responsibilities and funding with its partner agencies.

The BioWatch program operates in various cities, but DHS still needs to design and implement management controls to follow up on deficiencies in field and laboratory operations. Further, DHS has not properly enforced or monitored partner agency reporting needed to coordinate BioWatch. The need to enhance management controls over BioWatch exposes the program to possible mismanagement of funds and could jeopardize DHS' ability to detect biological agents and protect the populace of the United States.

We recommended that the Under Secretary for Science and Technology: (1) address and rectify after-action and previous field operation findings; (2) enforce federal partners' requirements, including monthly and quarterly reporting requirements; and (3) closely review and monitor required reports submitted by its federal partners to determine and resolve discrepancies.

⁶ *DHS' Management of BioWatch Program* (OIG-07-22, January 2007)

We also conducted a review of the DHS National Bio-Surveillance Integration System Program.⁷ Recognizing a gap in national biological threat analysis, in 2004, the President directed DHS to consolidate federal agency bio-surveillance data in one system. In response, DHS began efforts to develop the National Bio-Surveillance Integration System (NBIS), the nation's first system capable of providing comprehensive and integrated bio-surveillance and situational awareness. Our audit objectives were to determine (1) the efficacy of DHS' plans, policies, and procedures for collaborating with other federal, state, and local stakeholders to gather and share bio-surveillance information via NBIS; and (2) whether the system will meet user needs, information security requirements, and privacy policies and procedures.

We found that DHS has not provided consistent leadership and staff support to the NBIS program. As a result of the repeated program transitions and staffing shortfalls, planning documentation and guidance have not been finalized, stakeholder communication and coordination activities have been ineffective, and program management of contractors has been lacking. We recommended that the Assistant Secretary and Chief Medical Officer of the Office of Health Affairs ensure that NBIS program management apply adequate resources to support program management activities; develop a program plan, concept of operations, and communications plan; and perform an information needs assessment.

Lastly, in 2005, we performed an assessment of a proposal to merge Border Protection with Immigration and Customs Enforcement.⁸ The merger was initiated to place customs, immigration, and agriculture inspectors at ports-of-entry under a single chain of command and was an effort to integrate the seemingly common functions divided at the time among three departments.

We undertook an examination of the history of the organizations, the roles assigned to them, and the degree to which they met their interrelated goals, in the process interviewing over 600 individuals from Border and Transportation Security, Immigration Custom Enforcement (ICE), and CBP in 10 cities and at 63 ICE and CBP facilities.

We made 14 recommendations to overcome the interagency coordination and integration challenges confronting ICE and CBP. While not making specific recommendations on agriculture activities, our recommendations impacted policy, affecting integration issues for all legacy agency functions (Immigration and Naturalization Services, Customs and USDA-APHIS) transitioned to CBP.

⁷ *Better Management Needed for the National Bio-Surveillance Integration System Program* (OIG-07-61, July 2007).

⁸ *An Assessment of the Proposal to Merge Border Protection with Immigration and Customs Enforcement* (OIG-06-04, November 2005).

Mr. Chairman, this concludes my prepared statement. We would be happy to answer any questions that you or the Members may have.

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