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Highlights

Highlights of [GAO-08-494T](#), a testimony before the Subcommittee on Oceans, Atmosphere, Fisheries, and Coast Guard, Committee on Commerce, Science, and Transportation, U.S. Senate

Why GAO Did This Study

The U.S. Coast Guard, a multi-mission maritime military service within the Department of Homeland Security, has requested more than \$9 billion for fiscal year 2009 to address its responsibilities for homeland security missions (such as undocumented migrant interdiction) and non-homeland security missions (such as environmental protection). Integral to conducting its missions, is the Deepwater program—a 25-year, \$24 billion effort to upgrade or replace vessels and aircraft. This testimony discusses:

- budget request and trends, and performance statistics,
- challenges in balancing operations across multiple missions, and
- Deepwater affordability, management, and its impact on operations.

GAO's comments are based on products issued from 1997 to 2008. This testimony also discusses ongoing work related to patrol boat operations. To conduct its work, GAO analyzed documentation and interviewed relevant officials.

What GAO Recommends

GAO has made recommendations to DHS in prior reports to develop strategic plans, better plan the use of its human capital, establish performance measures, and improve program operations. DHS has generally concurred with these recommendations and is making progress to address them. We provided a draft of this information to DHS and the Coast Guard and incorporated technical comments as appropriate.

To view the full product, including the scope and methodology, click on [GAO-08-494T](#). For more information, contact Stephen Caldwell at (202) 512-9610 or caldwells@gao.gov.

COAST GUARD

Observations on the Fiscal Year 2009 Budget, Recent Performance, and Related Challenges

What GAO Found

The Coast Guard's fiscal year 2009 budget request is approximately 7 percent higher than its fiscal year 2008 enacted budget, generally because of proposed increases in both operating expenses and acquisition, construction, and improvements funding. The Coast Guard expects to meet its performance goals for 6 of its 11 mission areas for fiscal year 2007, similar to the performance it reported for fiscal year 2006. The Coast Guard also continues to develop additional measures to better understand the links between resources expended and results achieved.

The Coast Guard continues to face challenges balancing its various missions with its finite resources and has had difficulties funding and executing both its homeland security and non-homeland security missions. GAO's work has shown that the Coast Guard's homeland security requirements continue to increase and that it has been unable to keep up with these rising security demands. For example, the Coast Guard is not meeting its requirements for providing vessel escorts and conducting security patrols. The Coast Guard is also facing additional requirements to conduct more inspections of maritime facilities and provide security at a growing number of facilities that import hazardous cargos.

The Deepwater acquisition program continues to be a source of challenges and progress for the Coast Guard. In terms of affordability, the magnitude of Deepwater funding—representing about 11 percent of the agency's proposed fiscal year 2009 budget—presents a long-term challenge. In terms of management, the Coast Guard has made changes to improve program management by moving away from reliance on a system integrator, increasing government monitoring of program outcomes and competitively purchasing selected assets. In terms of operations, delays in the procurement of new patrol boats have increased resource requirements to maintain older legacy patrol boats and keep them operating.

The Coast Guard must balance its finite resources across security and other missions.



Source: U.S. Coast Guard.