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INS

Management Problems and
Program Issues

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INS: MANAGEMENT PROBLEMS AND PROGRAM ISSUES

SUMMARY OF STATEMENT BY
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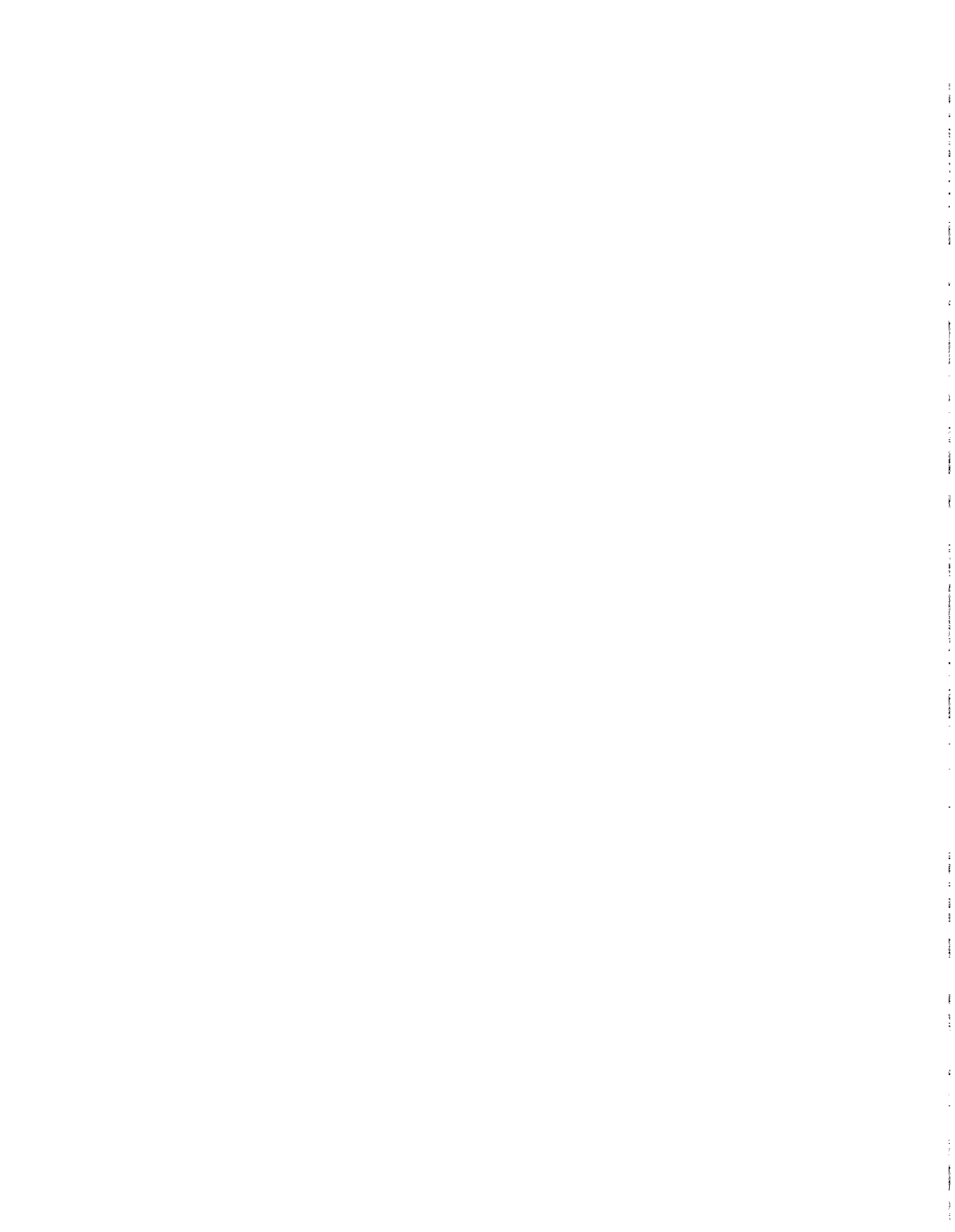
The Immigration and Naturalization Service's (INS) management problems have been widely noted by GAO and others. GAO's management report in 1991 said that immediate attention should be given to the major management problems that plagued INS. GAO pointed out that INS needed to develop a vision about how the agency should operate and that INS management has to 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 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.

INS appears to be making some 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 is based on our prior reports,¹ many of which were done for this Subcommittee, and recent information obtained from INS.

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 the recent 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, as this Subcommittee has been doing, will be needed to ensure that INS is making timely and measurable progress.

BACKGROUND

Two main components of INS 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 also apprehends, detains, and/or removes 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 United States. The service component also grants benefits, including providing assistance to those seeking asylum or naturalization.

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).

INS' budget has grown substantially since the passage of the Immigration Reform and Control Act of 1986.² In fiscal year 1986, INS' budget was about \$575 million. The fiscal year 1995 budget request is about \$2.1 billion.³ Much of the growth is in its user fee accounts, which will provide about \$680 million in 1995. The user fees were established by two acts--the 1987 and 1989 Department of Justice Appropriation Acts.⁴

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.

According to INS officials, INS is developing a vision statement and a strategic planning process. Its vision statement is to focus on the purpose and responsibilities of the agency. The strategic plan is to serve as an umbrella for planning activity and managerial and operational policymaking. INS intends that, once approved, the plan will articulate overall agency direction and form the basis for annual priority development, tactical planning, and budget formulation. A priority management and tracking system is being designed to monitor whether program activity is consonant with the strategic plan. Through this system, INS managers are to be held accountable for achievement in relation to the agency's goals.

²INS is responsible for enforcing the act's requirement that employers only hire workers who are authorized to work.

³The request includes \$264.2 million from the Crime Control Fund.

⁴P.L. 99-591, 100 Stat. 3341, 3341-53 (1986) and P.L. 100-459, 102 Stat. 2186, 2203 (1988).

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,⁵ our analysis of INS' workload at 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.

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 had significantly decreased 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

⁵INS 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.

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 cannot assess how well the new budget process is working.

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 the Service 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, for its personnel to assist them 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 in headquarters. The proposed reorganization would (1) reestablish the position of Deputy Commissioner with the traditional role of chief operating officer for the Service; (2) establish four positions under the Deputy--the Executive Associate Commissioners for Management, Field Operations, Programs, and Policy and Planning; and (3) reduce the

four regions to three with the regional directors having operational authority over the field offices in their areas. The reorganization should centralize authority over field operations under the Executive Associate Commissioner for Field Operations. The reorganization was to be completed by October 1, 1994.

We cannot determine 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.⁶ NAPA generally agreed with the message of our report, and its recommendations were built on our report. Recently, the National Performance Review also recognized the need for INS to improve its management. It recommended that INS (1) develop a comprehensive vision statement, including a 5-year plan for achieving its mission; (2) restructure its organization; and (3) issue guidance to develop performance standards and output measures.

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,⁷ INS is confronted with the problem of preventing millions of aliens from entering the

⁶Managerial Options for the Immigration and Naturalization Service, NAPA, Feb. 1991.

⁷Immigration Enforcement: Problems in Controlling the Flow of Illegal Aliens (GAO/T-GGD-93-39, June 30, 1993).

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, 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 will 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.

INS Detention

In June 1992, we pointed out that INS apprehended hundreds of thousands of aliens but could detain very few of them.⁸ 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 could be detained (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.⁹ 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 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

⁸Immigration Control: Immigration Policies Affect INS Detention Efforts (GAO/GGD-92-85, June 25, 1992).

⁹Immigration Control: Deporting and Excluding Aliens From the United States (GAO/GGD-90-18, Oct. 26, 1989).

can be deported immediately.¹⁰ 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.¹¹

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 1993.¹² 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 is proposing new regulations designed to streamline the asylum review process. While the proposal would allow INS to 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.

CONCLUSIONS

INS seems to have 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 emphasized the institutional hearing program in five states, that could improve program performance. Careful monitoring will be needed to ensure that these efforts

¹⁰Under the institutional hearing program, immigration judges hold deportation hearings for criminal aliens while they are still incarcerated.

¹¹These states are California, Florida, Illinois, New York, and Texas.

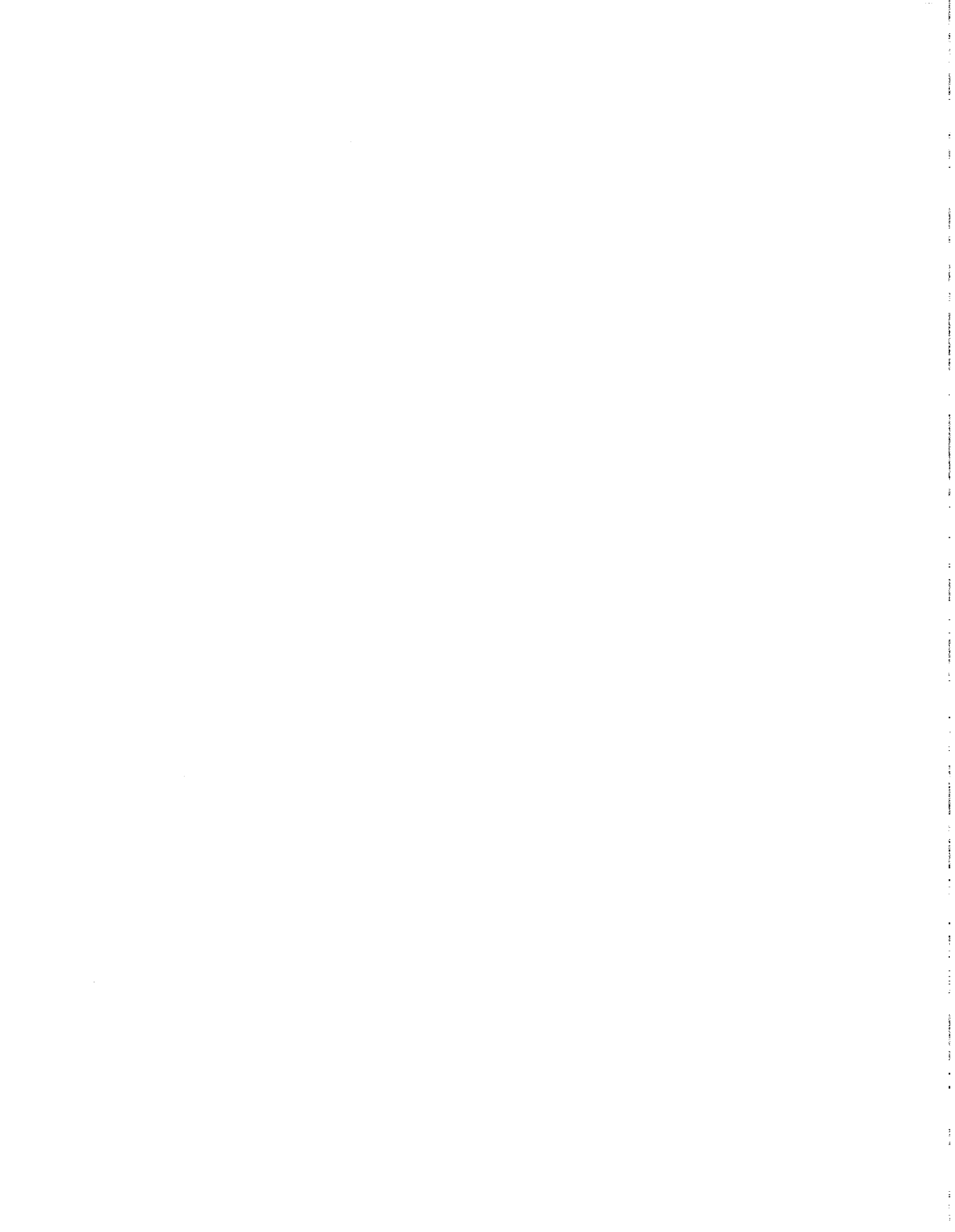
¹²Employer Sanctions: Comments on H.R. 3362--Employer Sanctions Improvement Act (GAO/T-GGD-94-189, Sept. 21, 1994).

bring about measurable progress toward management improvement, and to identify any other needed improvements.

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

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