



Testimony

Before the Subcommittee on Homeland Security, Committee on Appropriations, U.S. House of Representatives

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**HOMELAND SECURITY:**

**US-VISIT Has Not Fully Met Expectations and Longstanding Program Management Challenges Need to Be Addressed**

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Highlights of [GAO-07-499T](#), a report to the Subcommittee on Homeland Security, Committee on Appropriations, U.S. House of Representatives

## Why GAO Did This Study

The Department of Homeland Security (DHS) is investing billions of dollars in its U.S. Visitor and Immigrant Status Indicator Technology (US-VISIT) program to collect, maintain, and share information on selected foreign nationals who enter and exit the United States. The program uses biometric identifiers (digital fingerscans and photographs) to screen people against watch lists and to verify that a visitor is the person who was issued a visa or other travel document. The program is also to biometrically confirm the individual's departure. For over 3 years, GAO has reported on US-VISIT capability deployments and shortfalls, as well as fundamental limitations in DHS's efforts to define and justify US-VISIT's future direction and to cost-effectively manage the delivery of program capabilities on time and within budget.

GAO was asked to testify on (1) the status of the program's implementation and (2) the program's progress in addressing longstanding management weaknesses. Given where US-VISIT is today and the challenges and uncertainties associated with where it is going, GAO believes that DHS is long overdue in demonstrating that it is pursuing the right US-VISIT solution and that it is managing US-VISIT the right way.

[www.gao.gov/cgi-bin/getrpt?GAO-07-499T](http://www.gao.gov/cgi-bin/getrpt?GAO-07-499T).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Randy Hite at (202) 512-3439 or [hiter@gao.gov](mailto:hiter@gao.gov), or Rich Stana at (202) 512-8777 or [stanar@gao.gov](mailto:stanar@gao.gov).

## HOMELAND SECURITY

# US-VISIT Has Not Fully Met Expectations and Longstanding Program Management Challenges Need to Be Addressed

## What GAO Found

After spending almost 4 years and more than \$1 billion, DHS has implemented entry capabilities at most ports of entry; however, it has not implemented a biometric exit capability or a suitable alternative. As of December 2006, US-VISIT had deployed and was operating entry capability at 115 airports, 14 seaports, and 154 of 170 land ports of entry. However, the implementation of a biometric land exit capability is currently not feasible, according to program officials, because the only proven technology available would require additional staffing and infrastructure demands, and cause delays with potential impacts on trade and commerce. Also, testing and analysis of a non-biometric solution identified numerous performance and reliability problems, and such an alternative technology does not meet legislative requirements. DHS believes that advances over the next 5 to 10 years will allow solutions that do not require major infrastructure changes, but the prospects for such technology are uncertain.

DHS continues to face longstanding US-VISIT management challenges and future uncertainties.

- For almost 4 years, DHS has continued to pursue US-VISIT without producing the program's operational and technological context. According to program officials, an immigration and border management strategic plan was drafted in March 2005 to show how US-VISIT is aligned with DHS's organizational mission and to define an overall immigration and border management vision. After almost 2 years, this plan has not yet been approved, but the Acting Director said that it is currently with OMB for approval. At the same time, DHS has launched other major security programs without defining the relationship between US-VISIT and these programs.
- DHS has yet to economically justify its investment in US-VISIT increments or assess their operational impacts. For over 3 years, we reported that the program did not adequately assess the increment's costs and benefits because the assessments were unclear and insufficient, and the cost estimates upon which they were based did not meet key criteria for reliable cost estimating. GAO further reported that the program had not assessed the impact of the entry and exit capabilities on operations and facilities, in part, because the scope of the evaluations performed were too limited.
- DHS has not implemented key acquisition and financial management controls. For example, GAO reported that the program had not effectively overseen contract work performed on its behalf by other DHS and non-DHS agencies, and these agencies did not always establish and implement effective contract oversight activities.

Without these management controls, there is greater risk that US-VISIT will not produce the right solution, and be managed the right way. Accordingly, GAO has made numerous recommendations to address these management challenges.

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Mr. Chairman and Members of the Subcommittee,

We appreciate the opportunity to participate in the Subcommittee's hearing on the United States Visitor and Immigrant Status Indicator Technology (US-VISIT). US-VISIT is a multibillion-dollar program of the Department of Homeland Security (DHS) that is intended to achieve a daunting set of goals: to enhance the security of our citizens and visitors and ensure the integrity of the U.S. immigration system while facilitating legitimate trade and travel and protecting individuals' privacy. To achieve these goals, US-VISIT is to record selected travelers'<sup>1</sup> entry and exit to and from the United States at over 300 ports of entry (POEs) around the country, verify their identity, and determine their compliance with the terms of their admission and stay.

Since fiscal year 2002, the House and Senate Appropriations Committees have provided valuable oversight and direction for US-VISIT as the Congress directed DHS to submit annual expenditure plans that had to meet certain conditions, and directed GAO to review these plans. Our reviews have produced five reports, including the latest on the fiscal year 2006 expenditure plan,<sup>2</sup> which we issued earlier this week. These reports and our recent reports to the House Committee on Homeland Security on US-VISIT contract and financial management<sup>3</sup> and US-VISIT operations at land POEs<sup>4</sup>

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<sup>1</sup> US-VISIT applies to foreign travelers that enter the United States under a nonimmigrant visa or are traveling from a country that has a visa waiver agreement with the United States under the Visa Waiver Program. The Visa Waiver Program enables foreign nationals of certain countries to travel to the United States for tourism or business for stays of 90 days or less without obtaining a visa.

<sup>2</sup> GAO, *Information Technology: Homeland Security Needs to Improve Entry Exit System Expenditure Planning*, [GAO-03-563](#) (Washington, D.C.: June 9, 2003); GAO, *Homeland Security: Risks Facing Key Border and Transportation Security Program Need to Be Addressed*, [GAO-03-1083](#) (Washington, D.C.: Sept. 19, 2003); GAO, *Homeland Security: First Phase of Visitor and Immigration Status Program Operating, but Improvements Needed*, [GAO-04-586](#) (Washington, D.C.: May 11, 2004); GAO, *Homeland Security: Some Progress Made, but Many Challenges Remain on U.S. Visitor and Immigrant Status Indicator Technology Program*, [GAO-05-202](#) (Washington, D.C.: Feb. 23, 2005); and GAO, *Homeland Security: Planned Expenditures for U.S. Visitor and Immigrant Status Program Need to Be Adequately Defined and Justified*, [GAO-07-278](#) (Washington, D.C.: Feb. 14, 2007)

<sup>3</sup> GAO, *Homeland Security: Contract Management and Oversight for Visitor and Immigrant Status Program Need to Be Strengthened*, [GAO-06-404](#) (Washington, D.C.: June 9, 2006).

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have identified fundamental challenges that the DHS continues to face in meeting program expectations (i.e., delivering program capabilities and benefits on time and within cost). In light of these challenges, we continue to believe that the program carries an appreciable level of risk and must be managed effectively if it is to be successful.

Our testimony today draws on this body of completed work to provide a snapshot of what US-VISIT capabilities have and have not been delivered, what work has recently begun to enhance already delivered capabilities, and the range of longstanding challenges that hamper DHS efforts to establish and live up to program expectations and commitments. All the work on which this testimony is based was performed in accordance with generally accepted government auditing standards.

In summary, after spending almost 4 years and more than \$1 billion, DHS is operating US-VISIT entry capabilities at most POEs, has conducted various exit demonstration projects at a small number of POEs, and has begun to work to move from 2 to 10 fingerprint biometric capabilities and expand electronic information sharing with stakeholders. Of particular note is the fact that a US-VISIT biometric-based entry screening capability is operating at 115 airports, 14 seaports, and 154 land POEs. However, a biometric exit capability is not. According to program officials, this is due to a number of factors. For example, at this time the only proven technology available for biometric land exit verification would necessitate mirroring the processes currently in use for entry at these POEs, which would create costly staffing demands and infrastructure requirements, and introduce potential trade, commerce, and environmental impacts. Further, a pilot project to examine an alternative technology at land POEs did not produce a viable solution.

Where US-VISIT stands today owes largely to the manner in which it has been managed. In this regard, we have reported a range of program management weaknesses related to ensuring that the

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<sup>4</sup> GAO, *Border Security, US-VISIT Program Faces Strategic, Operational, and Technological Challenges at Land Ports of Entry*, [GAO-07-248](#) (Washington, D.C.: December 6, 2006).

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program, as defined, is the right thing to do and that it is done the right way. To be the right thing to do, the program needs to fit properly within DHS's strategic plans and related operational and technology blueprints, and it needs to produce benefits in excess of costs over its useful life. Relatedly, program impacts and options need to be considered and addressed. To be done the right way, critical acquisition management processes need to be established and followed to ensure that program capabilities and expected mission outcomes are delivered on time and within budget. These processes include effective project planning, requirements management, contract tracking and oversight, test management, and financial management. As we have reported for several years, DHS has yet to adequately do these things. While program officials have stated that all the areas are being addressed, progress has been slow. Given that significant enhancements to existing program capabilities are envisioned and underway, it is critical for the department to expeditiously address the management challenges and weaknesses that we have identified. Until it does, the risk of US-VISIT continuing to fall short of expectations is increased.

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## Background

US-VISIT is a governmentwide program intended to enhance the security of U.S. citizens and visitors, facilitate legitimate travel and trade, ensure the integrity of the U.S. immigration system, and protect the privacy of our visitors. To achieve its goals, US-VISIT is to collect, maintain, and share information on certain foreign nationals who enter and exit the United States; detect fraudulent travel documents, verify traveler identity, and determine traveler admissibility through the use of biometrics; facilitate information sharing and coordination within the immigration and border management community; and identify foreign nationals who (1) have overstayed or violated the terms of their admission; (2) may be eligible to receive, extend, or adjust their immigration status; or (3) should be apprehended or detained by law enforcement officials. The scope of the program includes the pre-entry, entry, status, and exit of hundreds of millions of foreign national travelers who enter and leave the United States at over 300 air, sea, and land POEs, as well as analytical capabilities spanning this overall process.

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## Management and Implementation of US-VISIT

The US-VISIT program office has responsibility for managing the acquisition, deployment, operation, and sustainment of US-VISIT. Until recently, the US-VISIT Director (currently Acting Director) reported directly to the Deputy Secretary for Homeland Security. However, as of March 31, 2007, the program office will report to the newly established Under Secretary for the National Protection and Programs Directorate.

Since 2003, DHS has planned to deliver US-VISIT capability in four increments: Increment 1 (air and sea entry and exit), Increment 2 (air, sea, and land entry and exit), Increment 3 (land entry), and Increment 4, which is to define, design, build, and implement more strategic program capability, and which program officials stated will consist of a series of incremental releases or mission capability enhancements that will support business outcomes. In Increments 1 through 3, the program has built interfaces among existing (“legacy”) systems, enhanced the capabilities of these systems, and deployed these capabilities to air, sea, and land POEs. These first three increments have been largely acquired and implemented through existing system contracts and task orders.

Through fiscal year 2007, about \$1.7 billion has been appropriated for the US-VISIT program. About \$162 million of the \$362 million appropriated in fiscal year 2007 funds has been released to the program. The remaining \$200 million is pending the submission of an expenditure plan to the House and Senate Appropriations Committees. The department has requested \$462 million in fiscal year 2008 for the program.

According to program officials, as of January 31, 2007, almost \$1.3 billion has been obligated to acquire, develop, deploy, enhance, operate, and maintain US-VISIT entry capabilities, and to test and evaluate exit capability options.<sup>5</sup>

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<sup>5</sup> This includes, for example, computers, printers, digital cameras, fingerprint scanners, telecommunications upgrades, existing system enhancements, and facilities modifications.

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## Overview of Ports of Entry

The United States shares over 7,500 miles of land border with Canada and Mexico. Customs and Border Protection (CBP) operates 170 land POEs on the northern border with Canada and the southwest border with Mexico.<sup>6</sup> These POEs are diverse in nature, with some operating in urban areas, such as Detroit, Michigan, and others operating in remote areas such as the northern plains in Montana or along the southwest border. Taken together, land POEs process the largest number of visitors to the United States each year (about 79 percent of about 425 million total border crossings during fiscal year 2004) and process fewer visitors subject to US-VISIT than other POEs (about 11 percent of about 42 million border crossings processed via US-VISIT during fiscal year 2004). The volume of visitor traffic at land POEs in fiscal year 2005 varies widely, with the busiest four land POEs identified by CBP being San Ysidro, Calexico, and Otay Mesa, California, and Bridge of the Americas in El Paso, Texas.

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## US-VISIT Operations and Processing at Ports of Entry

In many cases, the US-VISIT process begins overseas at U.S. consular offices where biometric information is collected from visa applicants and checked against a database of known criminals and suspected terrorists. When a visitor arrives at a U.S. POE, the biometric information is used to verify that the visitor is the person who was issued the visa or other travel documents. Ultimately, visitors are to confirm their departure from the United States by having their visas or passports scanned and undergoing fingerscanning. (Currently, at a few pilot sites, departing visitors are asked to undergo these exit procedures.) The exit confirmation is added to the visitor's travel records to demonstrate compliance with the terms of admission to the United States.

However, most land border crossers—including U.S. citizens, lawful permanent residents, and most Canadian and Mexican citizens—are, by statute or implementing regulation, not required to enroll into

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<sup>6</sup> CBP is responsible for, among other things, enforcing U.S. immigration laws governing the admissibility of foreign nationals entering the United States by air, sea, and land.

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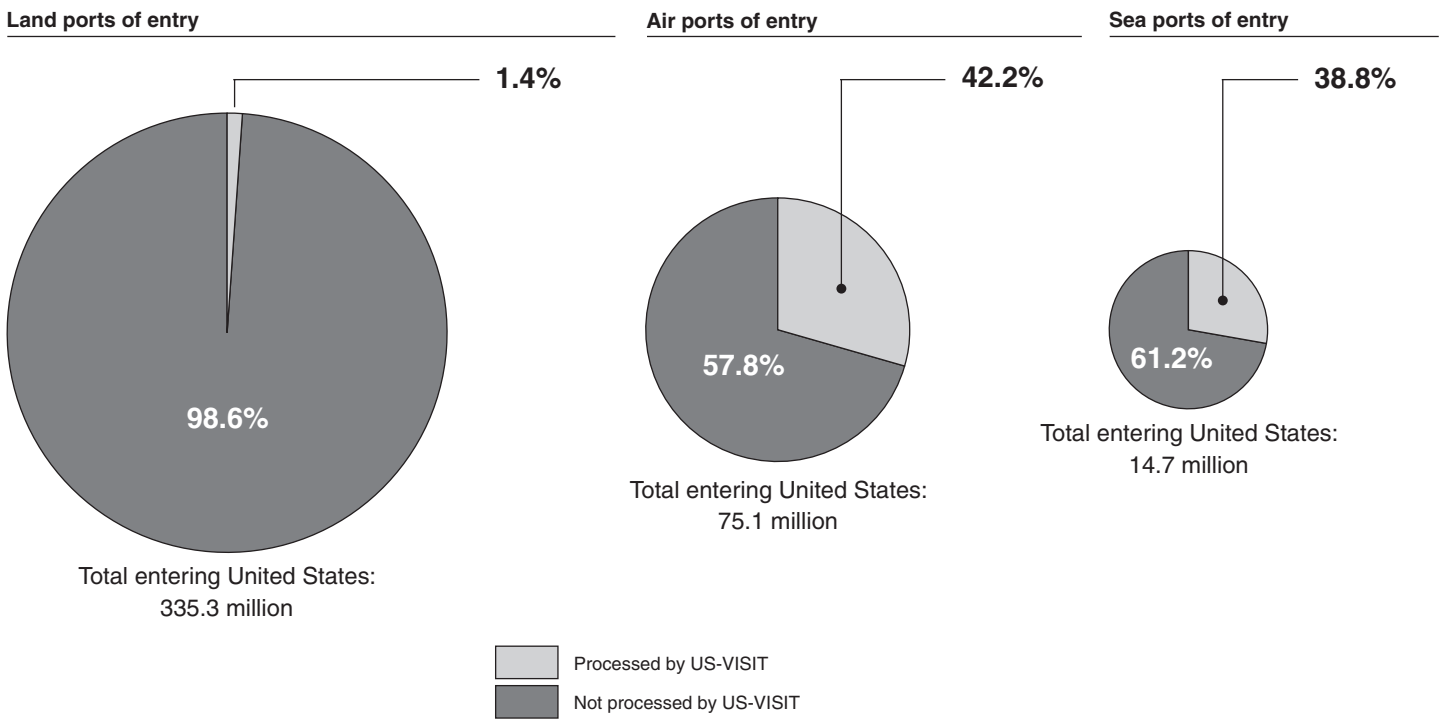
US-VISIT.<sup>7</sup> In fiscal year 2004, for example, U.S. citizens and lawful permanent residents comprised about 57 percent of land border crossers; Canadian and Mexican citizens comprised about 41 percent; and less than 2 percent were US-VISIT enrollees. Figure 1 shows the number and percent of persons processed under US-VISIT as a percentage of all border crossings at land, air, and sea POEs in fiscal year 2004.

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<sup>7</sup> Since the statute governing US-VISIT applies to foreign national arrival and departure data only, U.S. citizens do not fall within the scope of the program and therefore are exempt from US-VISIT screening. Also, in general, regardless of whether they are to be processed into US-VISIT, Mexican citizens must present either a passport and visa or a border crossing card (BCC) when seeking admission to the United States, while Canadian citizens generally do not need such documents. According to US-VISIT, when Mexicans receive a BCC, the data on the individual entered into U.S. databases at the time of their visa application are accessible by US-VISIT—if they are to be processed into it for any reason.



**Figure I: Persons Processed Under US-VISIT as a Percentage of All Border Crossings at Land, Air, and Sea Ports of Entry, Fiscal Year 2004**



Source: GAO analysts of DHS data.

Note: Persons processed by US-VISIT may include foreign nationals who were also issued an I-94 valid for multiple entries and who have re-entered multiple times. I-94s are used to record a foreign national's entry into the United States. Total entering the U.S. includes U.S. citizens who may have re-entered the country multiple times and foreign nationals, including those not issued I-94s, such as Canadian citizens and Mexicans with BCCs, and those issued multiple entry I-94s who also may have re-entered multiple times. U.S. citizens do not fall within the statutory scope of US-VISIT and therefore are exempt from US-VISIT screening.

Foreign nationals subject to US-VISIT who intend to enter the country encounter different inspection processes depending on their mode of travel. Those entering the United States at an air or sea POE are to be processed in the primary inspection area upon arrival. Before they arrive, these visitors generally are subject to prescreening via passenger manifests that are forwarded to CBP by

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commercial air or sea carriers.<sup>8</sup> By contrast, foreign nationals entering the United States at land POEs are generally not subject to prescreening because they arrive in private vehicles or on foot and there is no manifest to record their pending arrival. Thus, when foreign nationals subject to US-VISIT arrive at a land POE in vehicles, they enter the primary inspection area where CBP officers—often located in booths—are to visually inspect travel documents and query the visitors about such matters as their place of birth and proposed destination. Visitors arriving as pedestrians enter an equivalent primary inspection area, generally inside a CBP building. If the CBP officer believes a more detailed inspection is needed or if the visitors are required to be processed under US-VISIT for the first time,<sup>9</sup> the visitors are to be referred to the secondary inspection area that is generally inside a facility away from the primary inspection area. The secondary inspection area generally contains office space, waiting areas, and space to process visitors, including US-VISIT enrollees. Equipment used for processing includes a computer, printer, digital camera, and a two-fingerprint scanner.

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## DHS Has Delivered Some, But Not All, US-VISIT Capabilities

Under law, DHS was to create an electronic entry and exit system to screen and monitor the stay of foreign nationals who enter and leave the United States and implement the system at (1) air and sea POEs by December 31, 2003, (2) the 50 highest-volume land POEs by December 31, 2004, and (3) the remaining POEs by December 31,

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<sup>8</sup> Under the Enhanced Border Security and Visa Entry Reform Act of 2002, 8 U.S.C. § 1221, commercial air and sea carriers are to transmit crew and passenger manifests to appropriate immigration officials before arrival of an aircraft or vessel in the United States. These manifests are transmitted to CBP through the Advanced Passenger Information System (APIS), which helps officers identify (1) those arrivals for which biometric data are available and (2) foreign nationals who need to be scrutinized more closely.

<sup>9</sup> At land border POEs, the Form I-94 issued to foreign nationals covered by US-VISIT who are deemed admissible is considered issued for multiple entries, unless specifically annotated otherwise. A multiple entry I-94 permits them to reenter the country, generally for up to 6 months, without additional US-VISIT processing during the period covered by the I-94.

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2005.<sup>10</sup> In developing the system, DHS was to focus particularly on the use of biometric technology<sup>11</sup> and was also to collect biometric data upon entry and exit for all individuals, who are required to be processed through US-VISIT.<sup>12</sup> However, after almost 4 years and more than \$1 billion, DHS has implemented entry capabilities at most POEs but has not implemented exit capabilities. According to program officials, several factors have affected the program's ability to develop, implement, and deploy a biometric exit capability.

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## US-VISIT Entry Capabilities Are Operating at Most Ports of Entry and Have Prevented Some from Entering Illegally

The program office has largely met its expectations relative to a biometric entry capability. For example, on January 5, 2004, it deployed and began operating most aspects of its planned biometric entry capability at 115 airports and 14 seaports for selected foreign nationals, including those from visa waiver countries;<sup>13</sup> as of December 2006, the program office had deployed and began operating this entry capability in the secondary inspection areas of 154 of 170 land POEs. According to program officials, 14 of the remaining 16 POEs have no operational need to deploy US-VISIT because visitors who are required to be processed through US-VISIT are, by regulation, not authorized to enter into the United States at these locations.<sup>14</sup> The other two POEs do not have entry capability deployed because they do not have the necessary transmission lines to operate US-VISIT; CBP officers at those sites have continued to process visitors manually.

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<sup>10</sup> 8 U.S.C. §1365a; 6 U.S.C. § 251 (transferred Immigration and Naturalization Service functions to DHS).

<sup>11</sup> Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism (USA PATRIOT Act) Act of 2001, Pub. L. No. 107-56, § 414(b), (Oct. 26, 2001).

<sup>12</sup> Intelligence Reform and Terrorism Prevention Act of 2004, 8 U.S.C. §1365b.

<sup>13</sup> On September 30, 2004, US-VISIT expanded biometric entry procedures to include individuals from visa waiver countries applying for admission.

<sup>14</sup> According to CBP, these POEs are classified as Class B ports. Under 8 C.F.R. §100.4 (c) (2), only citizens of the United States, Canada, and Bermuda, and Lawful Permanent Residents of the United States and certain holders of border crossing cards may enter through Class B ports.

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To the department's credit, the development and deployment of this entry capability was largely in accordance with legislative time lines and has occurred during a period of considerable organizational change, starting with the creation of DHS from 23 separate agencies in early 2003, followed by the birth of a US-VISIT program office shortly thereafter—which was only about 5 months before the program had to meet its first legislative milestone. Compounding these program challenges was the fact that the systems that were to be used in building and deploying a biometric entry capability were managed and operated by a number of the separate agencies that had been merged to form the new department, each of which was governed by different policies, procedures, and standards.

Moreover, DHS reports that US-VISIT entry capabilities have produced results. According to US-VISIT's Consolidated Weekly Summary Report, as of December 28, 2006, there have been more than 5,400 biometric hits in primary entry, resulting in more than 1,300 people having adverse actions, such as denial of entry, taken against them. According to the report, about 4,100 of these hits occurred at air and sea ports of entry and over 1,300 at land ports of entry. Further, the report indicates that more than 1,800 biometric hits have been referred to DHS's immigration enforcement unit, resulting in 293 arrests. We did not verify the information in the consolidated report.

Another potential consequence, although difficult to demonstrate, is the deterrent effect of having an operational entry capability. Although deterrence is not an expressly stated goal of the program, officials have cited it as a potential byproduct of having a publicized capability at the border to screen entry on the basis of identity verification and matching against watch lists of known and suspected terrorists. Accordingly, the deterrent potential of the knowledge that unwanted entry may be thwarted and the perpetrators caught is arguably a layer of security that should not be overlooked.

Despite these results, US-VISIT's entry capability at land POEs has not been without operational and system performance problems. During recent visits to land POEs, we identified some space constraints and other capacity issues. For example, at the Nogales-Morley Gate POE in Arizona, where up to 6,000 visitors are

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processed daily (and up to 10,000 on holidays), equipment was installed<sup>15</sup> but not used because of CBP concerns about its ability to carry out the US-VISIT process in a constrained space while thousands of other people not subject to US-VISIT are processed through the facility daily.<sup>16</sup> Thus, visitors that are to be processed into US-VISIT from Morley Gate are directed to return to Mexico (a few feet away) and to walk approximately 100 yards to the Nogales-DeConcini POE facility, which has the capability to handle secondary inspections of this kind. In addition, we found that POEs had experienced system downtime associated with US-VISIT. In particular, 12 of the 21 land POEs that we visited stated that they had experienced computer-processing problems that had an impact on processing times and traveler delays. In June 2006, a CBP data center official confirmed that POEs had experienced slowdowns associated with certain US-VISIT data queries.<sup>17</sup> The CBP official also told us that these computer processing problems have since been identified and resolved, and that performance had greatly improved. We did not verify whether the actions taken fully resolved these problems.

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## US-VISIT Is Unable to Implement a Biometric Exit Capability at Land Ports of Entry Due to Several Constraints and Testing of Non-biometric Exit Solution Has Identified Performance Problems

Several logistical, infrastructure, cost, and technological constraints have precluded DHS from implementing a biometric exit capability at land POEs. According to program officials, the major constraint at this time is that the only proven technology available to biometrically verify individuals upon exit at land POEs would

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<sup>15</sup> Such equipment includes a computer, printer, digital camera, and fingerprint scanners.

<sup>16</sup> CBP based this decision on the high volume of pedestrians entering the United States through the Morley Gate POE; the fact that, before deployment, I-94s had not been previously issued at the Morley Gate POE; and the close proximity of the Morley Gate POE facility to the nearby DeConcini POE facility, about 100 yards away.

<sup>17</sup> CBP officials also dealt with sporadic network outages. In one case, on December 2, 2005, the entire network went down for 3 hours because of an accident. According to port officials, visitors seeking entry into the country at the San Ysidro, California, POE were initially asked to wait until the systems came back up or return at another time. About an hour after the outage began, CBP officers began to manually process I-94s for US-VISIT, in accordance with CBP standard operating procedures, but without the benefit of a biometric verification of their identity under US-VISIT.

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necessitate mirroring the processes currently in use for entry. Such a process would require CBP officers to perform the same processes as for entry, including examining the travel documents of those leaving the country, taking fingerprints, comparing visitors' facial features to photographs, and, if questions about identity arise, directing the departing visitor to secondary inspection for additional questioning. The program office concluded in January 2005 that a mirror image solution was "an infeasible alternative for numerous reasons, including but not limited to, the additional staffing demands, new infrastructure requirements, and potential trade and commerce impacts."<sup>18</sup>

More specifically, program officials told us that implementing such a solution could result in delays at land POEs with a heavy daily volume of visitors, and would require both additional lanes for exiting vehicles and additional inspection booths and staff (though they had not determined precisely how many). It is unclear how new vehicle lanes and new facilities could be built at land POEs where space constraints already exist, such as those in congested urban areas. For example, San Ysidro, California, currently has 24 entry lanes, each with its own staffed booth, and 6 unstaffed exit lanes. Thus, if full biometric exit capability were implemented using a mirror image approach, San Ysidro's current capacity of 6 exit lanes would have to be expanded to 24 exit lanes. As shown in the following photo and confirmed during our site visit to the San Ysidro POE, the facility is surrounded by dense urban infrastructure, leaving little, if any, room to expand in place. Some of the 24 entry lanes for vehicle traffic heading north from Mexico into the United States appear in the bottom left portion of the photograph, where vehicles are shown waiting to approach primary inspection at the facility; the six exit lanes (traffic towards Mexico), which do not have fixed inspection facilities, are at the upper left.

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<sup>18</sup> US-VISIT, *Increment 2C Operational Alternatives Assessment—FINAL* (Rosslyn, Va.: Jan. 31, 2005).

**Figure 2: Aerial View of San Ysidro, California, POE**



Source: GAO.

Other POE facilities are similarly spatially constrained. For example, the Nogales-DeConcini, Arizona facility is bordered by railroad tracks, a parking lot, and industrial or commercial buildings. Further, CBP has identified space constraints at selected rural POEs, such as the Thousand Islands Bridge POE at Alexandria Bay, New York, which is situated in what POE officials described as a “geological bowl,” with tall rock outcroppings potentially hindering the ability to expand facilities at the current location. Officials told us that in order to accommodate existing and anticipated traffic volume upon entry, they are in the early stages of planning to build an entirely new POE on a hill about a half-mile south of the present facility.

DHS also identified the cost of implementing a biometric exit capability as a constraint. In 2003, the program office estimated that it would cost approximately \$3 billion to implement US-VISIT entry and exit capability at land POEs where US-VISIT was likely to be installed, and that such an effort would have a major impact on

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facility infrastructure at land POEs. We did not assess the reliability of the 2003 estimate, but would note that while the estimate did not separately break out costs for entry and exit construction, it did factor in the cost for building additional exit vehicle lanes and booths as well as buildings and other infrastructure that would be required to accommodate a mirror image of entry capabilities. Program officials told us that they did not move ahead with this option. No subsequent cost estimate updates had been prepared, and DHS's annual budget requests have not included funds to build the infrastructure that would be associated with the required facilities.

In light of these various constraints, the program office has tested nonbiometric technology to record travelers' departure, but testing showed numerous performance and reliability problems. Because there is at present no biometric technology that can be used to verify a traveler's exit from the country at land POEs without also making major and costly changes to POE infrastructure and facilities, the program office tested radio frequency identification (RFID) technology as a nonbiometric means of recording visitors as they exit. RFID technology can be used to electronically identify and gather information contained on a tag—in this case, a unique identifying number embedded in a tag on a visitor's arrival/departure form—which an electronic reader at the POE is to detect.

While RFID technology required few facility and infrastructure changes, testing and analysis at five land POEs at the northern and southern borders identified numerous performance and reliability problems, such as the failure of RFID readers to detect a majority of travelers' tags during testing. For example, the program office reported that of 166 vehicles tested during a one-week period at the Blaine-Pacific Highway, readers correctly identified 14 percent—a sizable departure from the target read rate of 70 percent.<sup>19</sup>

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<sup>19</sup> A US-VISIT program official explained that for vehicles exiting during RFID testing, one could “reasonably expect” a read rate of 70 percent because vehicles are not required to stop upon exit. The official also cited vehicle speed, safety, and awareness (of optimal positioning of the arrival/departure form; for example, holding the form up to the window of the vehicle) as factors that affected RFID read rates.



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Another problem that arose were “cross-reads,” in which multiple RFID readers installed on poles or structures over roads, called gantries, picked up information from the same visitor, regardless of whether the individual was entering or exiting in a vehicle or on foot. Thus, cross-reads resulted in inaccurate record-keeping. According to a January 2006 corrective-action report, remedying cross-reads would require changes to equipment and infrastructure on a case-by-case basis at each POE, because each has a different physical configuration of buildings, roadways, roofs, gantries, poles, and other surfaces against which the signals can bounce and cause cross-reads. Each would therefore require a different physical solution to avoid the signal interference that triggers cross-reads. Although cost estimates or time lines for such alterations to facilities and equipment have not been developed, it is possible that having to alter each POE’s physical configuration in some regard and then test each separately to ensure that cross-reads had been eliminated would be both time consuming and potentially costly.

Moreover, even if RFID deficiencies were to be fully addressed and deadlines set, the RFID solution does not meet the legislative requirement for a biometric exit capability. By design, an RFID tag embedded in an I-94 arrival/departure form cannot provide the biometric identity-matching capability that is envisioned as part of a comprehensive entry/exit border security system that uses biometric identifiers for tracking overstays and others entering, exiting, and re-entering the country. That is, the RFID tag in the I-94 form cannot be physically tied to an individual. This situation means that while a document may be detected as leaving the country, the person to whom it was issued at time of entry may be somewhere else. Thus, the technology that had been tested cannot meet a key program goal—ensuring that visitors who enter the country are the same ones who leave.

According to program officials, technological advances over the next 5 to 10 years will make it possible to utilize alternative technologies that provide biometric verification of persons exiting the country without major changes to facility infrastructure and without requiring those exiting to stop and/or exit their vehicles, thereby mitigating traffic backup, congestion, and resulting delays. Further, the program reports that although limitations in technology currently preclude the use of biometric identification because

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visitors would have to be stopped, the prospect of the as-yet-undeveloped biometric verification technology supports the long-term US-VISIT vision.<sup>20</sup> However, according to program officials, no such technology or device currently exists that would not have a major impact on facilities. The prospects for its development, manufacture, deployment and reliable utilization are thus uncertain, although a prototype device that would permit a fingerprint to be read remotely without requiring the visitor to come to a full stop is under development.

By law, DHS was to have reported to Congress by June 2005 on how the agency intended to fully implement a biometric entry/exit program. According to statute, this plan is to include, among other things, a description of the manner in which the program meets the goals of a comprehensive entry and exit screening system—including both biometric entry and exit—and fulfills statutory obligations imposed on the program by several laws enacted between 1996 and 2002.<sup>21</sup> According to program officials, as of February 2007, this plan has been forwarded to the Office of Management and Budget (OMB) for review. Until such a plan is finalized and issued, DHS is not able to articulate how entry/exit concepts—including any interim nonbiometric solutions—will fit together, and is not positioned to identify, prioritize, and allocate resources for an exit capability or effectively plan for the program's future. Further, given the absence of a comprehensive entry and exit system, questions remain about what meaningful data may be available to other DHS components, such as Immigration and Customs Enforcement, to ensure that DHS can, from an interior enforcement perspective, identify and remove foreign nationals covered by US-VISIT who may have overstayed their visas. We discuss this point further in the following section.

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<sup>20</sup> US-VISIT, *Increment 2C Operational Alternatives Assessment—FINAL* (Rosslyn, Va: Jan. 31, 2005).

<sup>21</sup> 8 U.S.C. §1365b(c)(2)(E).

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## DHS Continues to Face Longstanding US-VISIT Management Challenges and Future Uncertainties

Our work and other best practice research have shown that applying disciplined and rigorous management practices improves the likelihood of delivering expected capabilities on time and within budget. Such practices and processes include determining how the program fits within the larger context of an agency's strategic plans and related operational and technology environments, whether the program will produce benefits in excess of costs over its useful life, and whether program impacts and options are being fully identified, considered, and addressed. To further ensure that programs are managed effectively, it is important that they be executed in accordance with acquisition and financial management requirements and best practices, and that progress against program commitments is defined and measured so that program officials can be held accountable for results.

For almost 4 years, we have reported on fundamental limitations in DHS's efforts to define and justify the program's future direction and to cost-effectively manage the delivery of promised capabilities on time and within budget. To a large degree, what is operating and what is not operating today, and what future program changes are underway and yet to be defined, are affected by these limitations. DHS needs to address these challenges going forward, and the recommendations that we made over the last 3 years are aimed at encouraging this. Until these recommendations are fully implemented, the program will be at greater risk of not optimally meeting mission needs and falling short of meeting expectations.

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## DHS Has Not Defined and Developed US-VISIT Within a DHS-wide Operational and Technological Context

As we previously reported, agency programs need to properly fit within a common strategic context or frame of reference governing key aspects of program operations (such as who is to perform what functions, when and where they are to be performed, what information is to be used to perform them, and what rules and

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standards will govern the use of technology to support them).<sup>22</sup> Without a clear operational context to guide and constrain both US-VISIT and other border security and immigration enforcement initiatives, DHS risks investing in programs and systems that are duplicative, are not interoperable, and do not optimize enterprisewide mission operations and produce intended outcomes.

For almost 4 years, DHS has continued to pursue US-VISIT (both in terms of deploying interfaces between and enhancements to existing systems and in defining a longer-term, strategic US-VISIT solution) without producing the program's operational context. In September 2003, we reported that DHS had not defined key aspects of the larger homeland security environment in which US-VISIT would need to operate. In the absence of a DHS-wide operational and technological context, program officials were making assumptions about certain policy and standards decisions that had not been made, such as whether official travel documents would be required for all persons who enter and exit the country—including U.S. and Canadian citizens—and how many fingerprints would be collected for biometric comparisons. We further reported that if the program office's assumptions and decisions turned out to be inconsistent with subsequent policy or standards decisions, it would require US-VISIT rework.

According to the program's Chief Strategist, an immigration and border management strategic plan was drafted in March 2005 to show how US-VISIT is aligned with DHS's organizational mission and to define an overall vision for immigration and border management. According to this official, the vision provides for an immigration and border management enterprise that unifies multiple departmental and external stakeholders around common objectives, strategies, processes, and infrastructures. As of February 2007, about 2 years later, we were told that this strategic plan has not yet been approved, although the program's Acting Director stated that the plan is currently with OMB and should be provided to the House and Senate Appropriations Subcommittees on Homeland Security by March 2007.

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<sup>22</sup> GAO, *Homeland Security: Risks Facing Border and Transportation Security Program Need to be Addressed*, [GAO-03-1083](#) (Washington, D.C.: Sept. 19, 2003).

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However, at the same time, US-VISIT has not taken steps to ensure that the direction that it is taking is both operationally and technologically aligned with DHS's enterprise architecture (EA). As the report that we issued this week states, the DHS Enterprise Architecture Board, which is the DHS entity that determines EA compliance, has not reviewed the US-VISIT architecture compliance for more than 2 years. However, since August 2004, both US-VISIT and the EA have changed. For example, additional functionality, such as the interoperability of US-VISIT's Automated Biometric Information System (IDENT) and the Department of Justice's Integrated Automated Fingerprint Identification System (IAFIS), and the expansion of IDENT to collect ten rather than two fingerprints, has been added. Also, two versions of the DHS EA have been issued since August 2004.

While the strategic plan has not been approved or disseminated, the program office has developed a strategic vision and blueprint and begun to implement it. According to program officials, this future vision is to be delivered through a number of planned mission capability enhancements. Of these, the first enhancement is underway and is to provide several new capabilities, including what the program refers to as "Unique Identity," which is to include the migration from the 2-fingerprint to 10-fingerprint collection at program enrollment. It is also to interoperate US-VISIT's IDENT system and the Department of Justice's IAFIS system. Currently, the US-VISIT officials plan to complete Unique Identity in several phases and have it fully operational by December 2009, although these plans have not yet approved by DHS.

At this same time, DHS has launched other major border security programs without adequately defining the relationships to US-VISIT and each other. For example, the Intelligence Reform and Terrorism Prevention Act of 2004 directs DHS and the Department of State to develop and implement a plan, no later than June 2009, that requires U.S. citizens and foreign nationals of Canada, Bermuda, and Mexico to present a passport or other document or combination of documents deemed sufficient to show identity and citizenship to enter the United States (this is currently not a requirement for these individuals entering the United States via sea and land POEs from

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most countries within the western hemisphere).<sup>23</sup> This effort, known as the Western Hemisphere Travel Initiative, was first announced in 2005. In May 2006, we reported that DHS and the Department of State had taken some steps to carry out the initiative, but they had a long way to go to implement their proposed plans.<sup>24</sup> Among other things, key decisions had yet to be made about what documents other than a passport would be acceptable when U.S. citizens and citizens of Canada enter or return to the United States. Further, while DHS and Department of State had proposed an alternative form of passport, called a PASS card, that would rely on RFID technology to help DHS process U.S. citizens re-entering the country, DHS had not made decisions involving a broad set of considerations that include (1) utilizing security features to protect personal information, (2) ensuring that proper equipment and facilities are in place to facilitate crossings at land borders, and (3) enhancing compatibility with other border crossing technology already in use.

DHS has also initiated another border security program, known as the Secure Border Initiative (SBI)—a multi-year program to secure the borders and reduce illegal immigration by installing state-of-the-art surveillance technologies along the border, increasing border security personnel, and ensuring information access to DHS personnel at and between POEs. Under SBI and its component, called *SBI<sub>net</sub>*, DHS plans to integrate personnel, infrastructures, technologies, and rapid response capability into a comprehensive border protection capability. DHS reports that, among other things, *SBI<sub>net</sub>* is to encompass both the northern and southern land borders, including the Great Lakes, under a unified border control strategy whereby CBP is to focus on the interdiction of cross-border violations between and at the land POEs, funneling traffic to the

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<sup>23</sup> Pub. L. No. 108-458, § 7209 (Dec. 17, 2004), as amended, Pub. L. No. 109-295, § 546 (Oct. 4, 2006). In November 2006, DHS and the Department of State issued a final rule announcing that, beginning on January 23, 2007, citizens of the United States, Canada, Mexico, and Bermuda are required to present a passport to enter the United States when arriving by air from any part of the Western Hemisphere (8 C.F.R. Parts 212 and 235 and 22 C.F.R. Parts 41 and 53). According to DHS, a separate proposed rule addressing land and sea travel will be published at a later date with specific requirements for travelers entering the United States through land and sea border crossings.

<sup>24</sup> GAO, *Observations on Efforts to Implement the Western Hemisphere Travel Initiative on the U.S. Canadian Border*, [GAO-06-741R](#) (Washington, D.C.: May 25, 2006).

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land POEs. As part of SBI, DHS also plans to focus on interior enforcement—disrupting and dismantling cross-border crime into the interior of the United States while locating and removing aliens who are present in the United States in violation of law. However, it is unclear how *SBI<sub>net</sub>* will be linked, if at all, to US-VISIT so that the two can share technology, infrastructure, and data.

Clearly defining the dependencies among US-VISIT and programs like the Western Hemisphere Travel Initiative and SBI is important because there is commonality among their strategic goals and operational environments. For example, both US-VISIT and SBI share the goal of securing the POEs. Moreover, there is overlap in the data that each is to produce and use. For example, both US-VISIT and the Western Hemisphere Travel Initiative will require identification data for travelers at POEs.

Despite these dependencies, DHS has yet to define these relationships or how they will be managed. Further, according to a March 6, 2006 memo from the DHS Joint Requirements Council, the US-VISIT strategic plan did not provide evidence of sufficient coordination between the program and the other entities involved in border security and immigration efforts. The council's recommendation was that the strategic plan not be approved until greater coordination between US-VISIT and other components was addressed.

According to the Acting Program Director, a number of efforts are underway to coordinate with other entities, such as with CBP on RFID, with the Coast Guard on development of a mobile biometric reader, and with State on standards for document readers. Without a clear, complete, transparent, and understood definition of how related programs and initiatives are to interact, US-VISIT and other border security and immigration enforcement programs run the risk of being defined and implemented in a way that does not optimize DHS-wide performance and results.

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## DHS Has Not Economically Justified US-VISIT Increments or Assessed Their Operational Impacts

The decision to invest in any system or capability should be based on reliable analyses of return on investment. That is, an agency

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should have reasonable assurance that a proposed program will produce mission value commensurate with expected costs and risks. According to OMB guidance, individual increments of major systems should be individually supported by analyses of benefits, cost, and risk. Thus far, DHS has yet to develop an adequate basis for knowing whether its incrementally deployed US-VISIT capabilities represent a good return on investment, particularly in light of shortfalls in DHS's assessments of the program's operational impacts, including costs of proposed capabilities. Without this knowledge, DHS will not know until after the fact whether it is investing wisely or pursuing cost-effective and affordable solutions.

### **DHS Did Not Economically Justify Its Proposed Incremental Investments**

US-VISIT had not assessed the cost and benefits of its early increments. For example, we reported in September 2003 that it had not assessed the costs and benefits of Increment 1. Again, in February 2005, we reported that although the program office developed a cost-benefit analysis for its land entry capability, it had not justified the investment because the treatment of both benefits and costs were unclear and insufficient. Further, we reported that the cost estimates on which the cost-benefit analysis was based were of questionable reliability because effective cost-estimating practices were not followed. Most recently, in February 2006, we reported again that the program office had not justified its investment in its air and sea exit capability. For example, we reported that while the cost-benefit analysis explained why the investment was needed, and considered at least two alternatives to the status quo, which is consistent with OMB guidance for cost-benefit analyses, it did not include a complete uncertainty analysis for the three exit alternatives evaluated. Specifically, it did not include a sensitivity analysis<sup>25</sup> for the three alternatives, which is a major part of an uncertainty analysis. A complete analysis of uncertainty is important because it provides decision makers with a perspective on the potential variability of the cost and benefit estimates should the facts, circumstances, and assumptions change. Further, the cost estimate upon which the analysis was based did not meet key criteria for reliable cost estimating. For example, it did

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<sup>25</sup> A sensitivity analysis is a quantitative assessment of the effect that a change in a given assumption, such as unit labor cost, will have on net present value.



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not include a detailed work breakdown structure, which serves to organize and define the work to be performed so that associated costs can be identified and estimated.

Further, as we state in the report that we issued earlier this week, DHS has devoted considerable time and resources toward establishing an operational exit capability at land, air, and sea POEs. For example, over the last 4 years, DHS has committed over \$160 million to evaluate and operate exit pilots at selected air, sea, and land POEs. Notwithstanding this considerable investment of time and resources, the US-VISIT program still does not have either an operational exit capability or a viable exit solution to deploy to all air, sea, and land POEs.

Moreover, US-VISIT exit pilot reports have raised concerns and limitations. For example, as we previously stated, land exit pilot experienced several performance problems, such as the failure of RFID readers to detect a majority of travelers' tags during testing and cross-reads, in which multiple RFID readers installed on poles or structures over roads, called gantries, picked up information from the same visitor.

Notwithstanding these results, we reported earlier this week that the program office planned to invest another \$33.5 million to continue its air and sea exit pilots. However, neither the fiscal year 2006 expenditure plan nor other exit-related program documentation adequately defined what these efforts entail or what they will accomplish. In particular, the plan and other exit-related documentation merely state that \$33.5 million will be used to continue air and sea exit pilots while a comprehensive exit solution is developed. They do not adequately describe measurable outcomes (benefits and results) from the pilot efforts, or related cost, schedule, and capability commitments that will be met. Further, the plan does not recognize the challenges revealed from the prior exit efforts, nor does it show how proposed exit investments address these challenges. In addition, the plan allocates more funding for continuing the air and sea exit pilots (\$33.5 million) than the prior year's plan said would be needed to fully deploy an operational air and sea exit solution (\$32 million). According to program officials, the air and sea exit pilots are being continued to maintain a presence intended to provide a deterrent effect at exit locations, and

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to gather additional data that could help support planning for a comprehensive exit solution.

Moreover, US-VISIT reported in August 2006 that it planned to spend an additional \$21.5 million to continue its land exit demonstration project without adequate justification. However, we reported earlier this week that these plans lacked adequate justification in light of the problems we discussed earlier in this statement. Accordingly, program officials told us that they intend to terminate the land exit project until a comprehensive exit strategy can be developed. They have also stated that a small portion of the \$21.5 million is to be used to close out the demonstration project and have requested that the remainder of the money be reprogrammed to support Unique Identity.

**DHS Did Not Adequately Assess the Impact of Entry Capabilities on Land Ports of Entry Operations and Planned Capability Enhancements Carry Potential Cost Implications**

Knowing how planned US-VISIT capabilities will impact POE operations is critical to US-VISIT investment decision makers. In May 2004, we reported that the program had not assessed how deploying entry capabilities at land POEs would impact the workforce and facilities. We questioned the validity of the program's assumptions and plans concerning workforce and facilities, since the program lacked a basis for determining whether its assumptions were correct and thus whether its plans were adequate.

Subsequently, the program office evaluated the operational performance of the land entry capability with the stated purpose of determining the effectiveness of its performance at the 50 busiest land POEs. For this evaluation, the program office established a baseline for comparing the average time it takes to issue and process entry/exit forms at 3 of these 50 POEs, and then conducted two evaluations of the processing times at the three POEs, one after the entry capability was deployed as a pilot, and another one 3 months later, after the entry capability was deployed to all 50 POEs. The evaluation results showed that the average processing times decreased for all three sites. Program officials concluded that these results supported their workforce and facility investment assumptions that no additional staff was required to support

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deployment of the entry capability and that minimal modifications were required at the facilities.<sup>26</sup>

However, the scope of the evaluations was not sufficient to satisfy the evaluations' stated purpose for assessing the full impact of the entry capability. For example, the selection of the three sites, according to program officials, was based on a number of factors, including whether the sites already had sufficient staff to support the pilot. Selecting sites based on this factor is problematic because it presupposes that all not POEs have the staff needed to support the land entry capability. In addition, evaluation conditions were not always held constant: specifically, fewer workstations were used to process travelers in establishing the baseline processing times at two of the POEs than were used during the pilot evaluations.

Moreover, CBP officials from a land port of entry that was not an evaluation site (San Ysidro) told us that US-VISIT deployment had not reduced but actually lengthened processing times. (San Ysidro processes the highest volume of travelers of all land POEs.) Although these officials did not provide specific data to support their statement, their perception nevertheless raises questions about the potential impact of land entry capabilities on the 47 sites that were not evaluated.

Exacerbating this situation is the fact that DHS plans to introduce changes and enhancements to US-VISIT at land POEs to verify the identity of individuals entering the country, including a transition from digitally scanning 2 fingerprints to 10. While such changes are intended to further enhance border security, deploying them may have an impact on aging and spatially-constrained land POEs facilities because they could increase inspection times and adversely affect POEs operations. Moreover, the increase from 2 to 10 fingerprints can affect the capacity of the systems and communications networks processing because of the larger data sets being processed and transmitted (10 vs 2 fingerprints). This need for increased capacity will in turn affect program costs.

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<sup>26</sup> Specifically, they said minimal modifications to interior workspace were required to accommodate biometric capture devices and printers and to install electrical circuits. These officials stated that modifications to existing officer training and interior space were the only changes needed.

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## **US-VISIT Did Not Adequately Evaluate Exit Capability Impacts on Operations at Air and Sea Ports of Entry**

The impact of planned exit capabilities at air and sea POEs has also not been adequately analyzed, and is thus not available to inform investment decisions. In February 2005, we reported that the program office had not adequately planned for evaluating its exit pilot at air and sea POEs because the pilot's evaluation scope and timeline were compressed. As a result, the US-VISIT program office extended the pilot from 5 to 11 POEs (nine airports and two seaports). Notwithstanding the expanded scope of the pilot, the exit alternatives were not sufficiently evaluated. Specifically, the program office evaluated these alternatives against three criteria,<sup>27</sup> including compliance with the exit process. According to the exit evaluation plan report, the average compliance rate across all three alternatives was only 24 percent.<sup>28</sup> The evaluation report cited several reasons for the low compliance rate, including that compliance during the pilot was voluntary. As a result, the evaluation report concluded that national deployment of the exit solution will not meet the desired compliance rate unless the scope of the exit process is expanded to incorporate an enforcement mechanism, such as not allowing persons to reenter the United States if they do not comply with the exit process or not allowing persons to board a carrier until they are processed by an airline or the Transportation Security Administration. As of February 2006, program officials had not conducted any formal evaluation of enforcement mechanisms or their possible effect on compliance and cost, and according to the Acting Program Director, they do not plan to do so.

## **DHS Has Not Adequately Justified Increases in, and Disclosed the Scope and Nature of, Program Management-Related Fiscal Year 2006 Expenditures**

Program management is an important and integral aspect of any system acquisition program. The importance of program management, however, does not by itself justify any level of investment in such activities. Rather, investments in program

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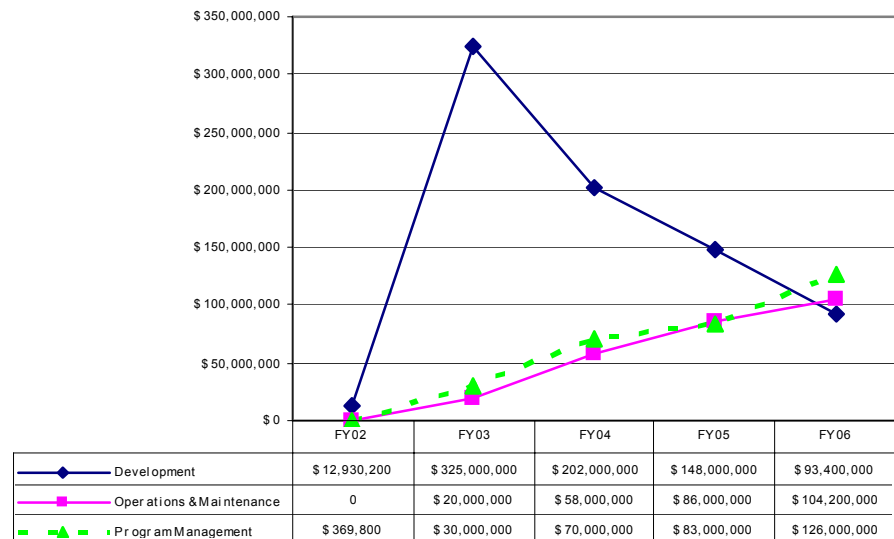
<sup>27</sup> The other two evaluation criteria were conduciveness to travel and cost.

<sup>28</sup> Compliance rates were 23 percent for the kiosk, 36 percent for the mobile device, and 26 percent for the validator.

management capabilities should be viewed the same as investments in any program capability, meaning the scope, nature, size, and value of the investment should be disclosed and justified in relation to the size and significance of the acquisition activities being performed.

As the report that we issued earlier this week states, US-VISIT’s planned investment in program management-related activities has risen steadily over the last 4 years, while planned investment in development of new program capabilities has declined. Figure 3 shows the breakdown of planned expenditures for US-VISIT fiscal year 2002 through 2006 expenditure plans.

**Figure 3: US-VISIT Breakdown of Planned Expenditures as a Dollar Amount for FY2002 Through FY2006**



Source: GAO analysis based on US-VISIT data.

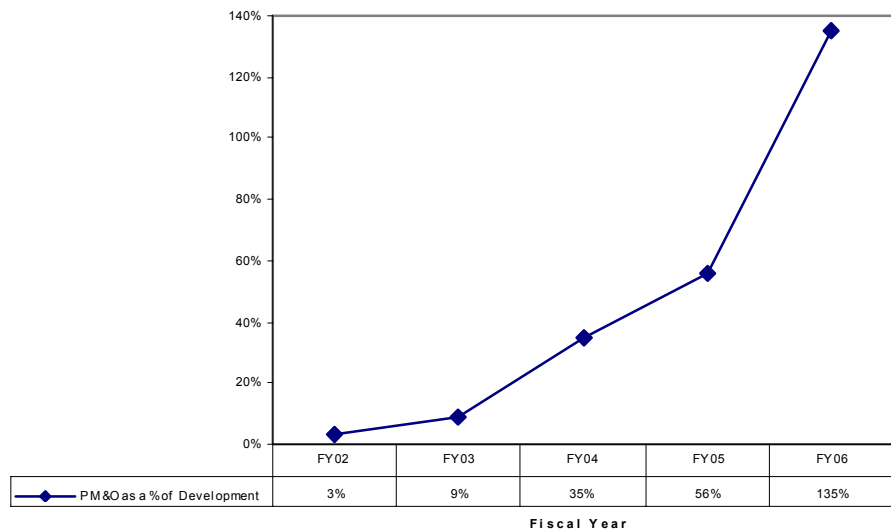
Note: According to US-VISIT program officials, actual cost information for program management and operations cannot be readily provided due to limitations in their financial management system.

Specifically, the fiscal year 2003 expenditure plan provided \$30 million for program management and operations and about \$325 million for new development efforts, whereas the fiscal year 2006 plan provided \$126 million for program management-related functions—an increase of \$96 million—and \$93 million for new

development. This means that the fiscal year 2006 plan proposed expending \$33 million more for program management and operations than it is for new development.

The increase in planned program management-related expenditures is more pronounced if it is viewed as a percentage of planned development expenditures. Figure 4 shows planned US-VISIT expenditures for program management and operations as a percentage of development for fiscal years 2002 thru 2006.

**Figure 4: US-VISIT Planned Expenditures for Program Management and Operations as a Percentage of Development for FY2002 through FY2006**



Source: GAO analysis based on US-VISIT data.

Note: According to US-VISIT program officials, actual cost information for program management and operations cannot be readily provided due to limitations in their financial management system.

Specifically, planned program management-related expenditures represented about 9 percent of planned development in fiscal year 2003, but represented about 135 percent of fiscal year 2006 development, meaning that the fiscal year 2006 expenditure plan proposed spending about \$1.35 on program management-related

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activities for each dollar spent on developing new US-VISIT capability.

Moreover, the fiscal year 2006 expenditure plan did not explain the reasons for this recent growth or otherwise justify the sizeable proposed investment in program management and operations on the basis of measurable and expected value. Further, the plan did not adequately describe the range of planned program management and operations activities.

Program officials told us that the DHS Acting Undersecretary for Management raised similar concerns about the large amount of program management and operations funding in the expenditure plan. In January 2007, DHS submitted a revised expenditure plan to the House and Senate Appropriations Subcommittees on Homeland Security, at the committee's direction, to address their concerns. The revised plan allocates some program management funds to individual increments and to two new categories--program services and data integrity and biometric support, and program and project support contractor services. However, the revised plan still shows a relatively sizeable portion of proposed funding going toward program management-related activities.

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## DHS Has Not Fully Implemented Key US-VISIT Acquisition and Financial Management Controls

Managing major programs like US-VISIT requires applying discipline and rigor when acquiring and accounting for systems and services. Our work and other best practice research have shown that applying such rigorous management practices improves the likelihood of delivering expected capabilities on time and within budget. In other words, the quality of IT systems and services is largely governed by the quality of the management processes involved in acquiring and managing them. Some of these processes and practices are embodied in the Software Engineering Institute's (SEI) Capability Maturity Models<sup>®</sup>, which define, among other things acquisition process management controls that, if implemented effectively, can greatly increase the chances of acquiring systems that provide promised capabilities on time and within budget. Other practices are captured in OMB guidance, which establishes policies for planning, budgeting, acquisition, and management of federal capital assets.

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Over the last several years, we have made numerous recommendations aimed at strengthening US-VISIT program management controls relative to acquisition management, including for example configuration management, security and privacy management, earned value management (EVM), and contract tracking and oversight.

The program office has taken steps to lay the foundation for establishing several of these controls. For example, the program adopted the SEI Capability Maturity Model Integration (CMMI®)<sup>29</sup> to guide its efforts to employ effective acquisition management practices, and approved an acquisition management process improvement plan dated May 16, 2005. The goal, as stated in the plan, was to conduct an independent CMMI assessment in October 2006 to affirm that requisite process controls were in place and operating.

In September 2005, the program office completed an initial assessment of 13 key acquisition process areas that revealed a number of weaknesses. To begin addressing these weaknesses, the program office narrowed the scope of the process improvement activities from 13 to 6 (project planning, project monitoring and control, requirements development and management, configuration management, product and process quality assurance, and risk management) of the CMMI process areas and revised its process improvement plan in April 2006 to reflect these changes. In May 2006, the program conducted a second internal assessment of the six key process areas, and according to the results of this assessment, improvements were made, but weaknesses remained in all six process areas. For example,

- a number of key acquisition management documents were not adequately prepared and processes were not sufficiently defined, including those related to systems development, budget and finance, facilities, and strategic planning (e.g., product work flow among organizational units was unclear and not documented); and

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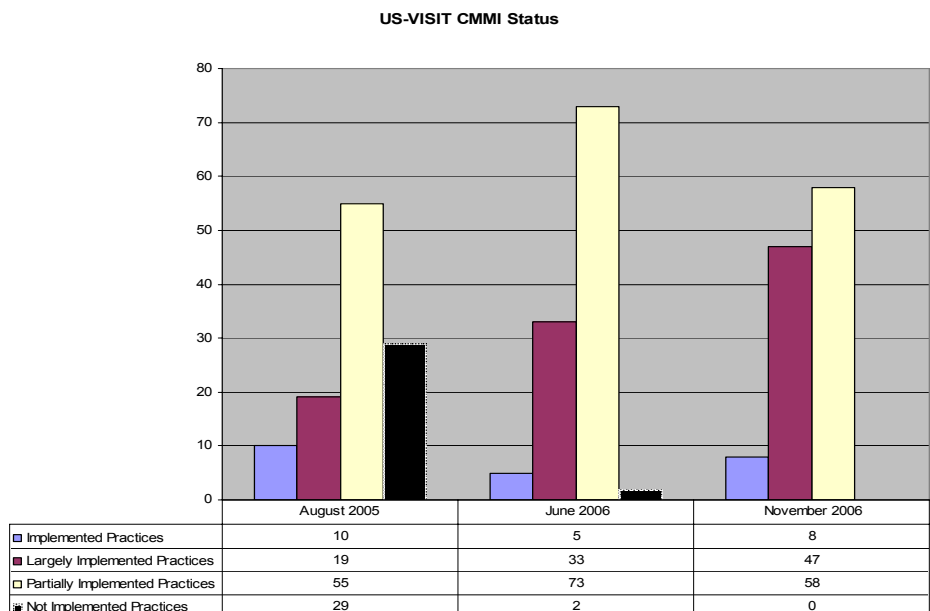
<sup>29</sup> The CMMI® ranks organizational maturity according to five levels. Maturity levels 2 through 5 require verifiable existence and use of certain key process areas.



- roles, responsibilities, work products, expectations, resources, and accountability of external stakeholder organizations were not well-defined.

Notwithstanding these weaknesses, program officials told us that their self-assessments show that they have made incremental progress in implementing the 113 practices associated with the six key processes. (See figure 5 for US-VISIT’s progress in implementing these practices.) However, they also recently decided to postpone indefinitely the planned October 2006 independent appraisal. Instead, the program intends to perform quarterly internal assessments until the results show that they can pass an independent appraisal. Further, the program has not committed to a revised target date for having an external appraisal.

**Figure 5: US-VISIT Progress in Implementing Key Acquisition Practices from August 2005 to November 2006**



Source: GAO analysis based on US-VISIT data.

The acquisition management weaknesses in the six key process areas are exacerbated by weaknesses in other areas. For example,

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we recently reported<sup>30</sup> that the US-VISIT contract tracking and oversight process suffers from a number of weaknesses. Specifically, we reported that the program had not effectively overseen US-VISIT-related contract work performed on its behalf by other DHS and non-DHS agencies, and these agencies did not always establish and implement the full range of controls associated with effective management of contractor activities. Further, the program office and other agencies did not implement effective financial controls.<sup>31</sup> In particular, the program office and other agencies managing US-VISIT-related work were unable to reliably report the scope of contracting expenditures. In addition, some agencies improperly paid and accounted for related invoices, including making a duplicate payment and making payments for non-US-VISIT services from funds designated for US-VISIT.

Fully and effectively implementing the above discussed key acquisition management and related controls takes considerable time. However, considerable time has elapsed since we first recommended establishment of these controls and they are not yet operational and it is unclear when they will be. Therefore, it is important that these improvement efforts stay on track. Until these capabilities are in place, the program risks not meeting its stated goals and commitments.

US-VISIT has not yet implemented other key management practices, such as developing and implementing a security plan and employing an EVM system to help manage and control program cost and schedule. As we previously reported, the program's 2004 security plan generally satisfied OMB and the National Institute of Standards and Technology security guidance. Further, the fiscal year 2006 expenditure plan states that all of the US-VISIT component systems have been certified and accredited and given full authority to operate. However, the 2004 security plan preceded the US-VISIT risk assessment, which was not completed until December 2005, and the security plan was not updated to reflect this risk assessment.

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<sup>30</sup> GAO, *Homeland Security: Contract Management and Oversight for Visitor and Immigrant Status Program Need to Be Strengthened*, [GAO-06-404](#) (Washington, D.D.: June 9, 2006).

<sup>31</sup> Financial controls are practices to provide accurate, reliable, and timely accounting for billings and expenditures.

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According to program officials, they intend to develop a security strategy by the end of 2006 that reflects the risk assessment. We have ongoing work for the Senate Committee on Homeland Security and Governmental Affairs to review the information security controls associated with computer systems and networks supporting the US-VISIT program.

Regarding EVM,<sup>32</sup> the program is currently relying on the prime contractor's EVM system to manage the prime contractor's progress against cost and schedule goals. According to the fiscal year 2006 expenditure plan, the program office has assessed the prime contractor's EVM system against relevant standards. However, in reality, this EVM system was self-certified by the prime contractor in December 2003 as meeting established standards. OMB requires that agencies verify contractor self-certifications. The program office has yet to do this, although program officials told us that they plan to retain the services of another contractor to perform this validation. This needs to be done quickly. Our review of the integrated baseline review, which agencies are required by OMB to complete to ensure that the EVM program baseline is accurate, showed that it did not address key baseline considerations, such as cost and schedule risks. Moreover, other US-VISIT contractors have not been required to use EVM, although program officials told us that this was to change effective October 1, 2006.

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## DHS Has Yet to Establish Effective Program Accountability Mechanisms

To ensure that programs manage their performance effectively, it is important that they define and measure progress against program commitments and hold themselves accountable for results. Measurements of the operational performance, progress, and results are important to reasonably ensure that problems and shortfalls can be addressed and resolved in a timely fashion and so that responsible parties can be held accountable.

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<sup>32</sup> EVM is a management tool to help ensure that work performed for a program or project is consistent with cost and schedule goals.

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Thus far, effective performance and accountability mechanisms have yet to be fully established for US-VISIT. As we reported,<sup>33</sup> CBP officials at 12 of 21 land POE sites that we visited told us about US-VISIT-related computer slowdowns and freezes that adversely affected visitor processing and inspection times at 9 of the 12 sites, but noted that these problems were not always reported to CBP's computer help desk, as required by CBP guidelines. Although various controls are in place to alert US-VISIT and CBP officials to problems as they occur, these controls did not alert officials to all problems (they had been unaware of the problems we identified before we brought them to their attention). These computer processing problems have the potential to not only inconvenience travelers because of the increased time needed to complete the inspection process, but to compromise security, particularly if CBP officers are unable to perform biometric checks—one of the critical reasons US-VISIT was installed at POEs.

In addition, to permit meaningful program oversight, it is important that expenditure plans describe how well DHS is progressing against the commitments made in prior expenditure plans. However, US-VISIT's expenditure plan for fiscal year 2006 (the fifth expenditure plan) continued a longstanding pattern of not describing progress against commitments made in previous plans. For example, according to the fiscal year 2005 expenditure plan, the prime contractor was to begin integrating the long-term Increment 4 strategy into the interim US-VISIT system's environment and the overall DHS enterprise architecture, and that US-VISIT and the prime contractor would work with the stakeholder community to identify opportunities for delivery of long-term capabilities under Increment 4. However, the fiscal year 2006 plan does not discuss progress or accomplishments relative to these commitments.

Additionally, the expenditure plan committed to begin deploying the most effective exit alternative for capturing biometrics at air and sea POEs during fiscal year 2005. In contrast, the 2006 expenditure plan states that the exit pilots will continue throughout fiscal year 2006

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<sup>33</sup> GAO, *Border Security, US-VISIT Program Faces Strategic, Operational, and Technological Challenges at Land Ports of Entry*, [GAO-07-248](#) (Washington, D.C.: December 6, 2006).

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and does not address whether the fiscal year 2005 schedule deployment commitment was met. Also, the fiscal year 2006 expenditure plan did not address all performance measures cited in the fiscal year 2005 plan. Specifically, the 2005 plan included 11 measures. In contrast, the 2006 plan listed 7 measures, 4 of which are similar, but not identical to, some of the 11 measures in the 2005 plan. This means that several of the 2005 plan's measures are not addressed in the 2006 plan. Moreover, even in cases of similar performance measures, the fiscal year 2006 plan does not adequately describe progress in meeting commitments. For example, the fiscal year 2005 expenditure plan cited a performance measurement of "Pre-entry watch list hits on biometrically enabled visa applications." The fiscal year 2006 plan cites the performance measure of "Number of biometric watch list hits for visa applicants processed at consular offices." According to the latter plan, in fiscal year 2005 there were 897 such hits; however, neither plan cites a performance target against which to gauge progress, assuming that the two performance measures mean the same thing. Without such measurements, program performance and accountability can suffer.

In closing, we would emphasize that after a considerable investment of time and resources, US-VISIT has met some fairly demanding legislative requirements for deployment of entry capabilities at most POEs, and that this achievement owes largely to the hard work and dedication of individuals in the US-VISIT program office and the close oversight of the House and Senate Appropriations Committees. Nevertheless, core capabilities, such as exit, have not been implemented, and fundamental questions about the program's future direction and fit within the larger homeland security context as well as its return on investment remain unanswered. Moreover, the program is overdue in establishing the means to ensure that it is pursuing the right US-VISIT solution, and that it is managing it the right way. The longer the program proceeds without these, the greater the risk that the program will not optimally support mission operations and will fall short of commitments. Measuring and disclosing the extent to which these commitments are being met are also essential to holding the department accountable. We look forward to continuing to work constructively with the US-VISIT program to better ensure the program's success.

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Mr. Chairman, this concludes our statement. We would be happy to answer any questions that you or members of the committee may have at this time.

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## Contact and Acknowledgement

If you should have any questions about this testimony, please contact Randolph C. Hite at (202) 512-3439 or [hiter@gao.gov](mailto:hiter@gao.gov), or Richard M. Stana at (202) 512-8777 or [stanar@gao.gov](mailto:stanar@gao.gov). Other major contributors to this testimony included Deborah Davis, David Hinchman, James Houtz, Sandra Kerr, John Mortin, Freda Paintsil, and Sushmita Srikanth

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