

June 2008

HOMELAND SECURITY

The Federal Protective Service Faces Several Challenges That Hamper Its Ability to Protect Federal Facilities





Highlights of [GAO-08-683](#), a report to congressional requesters

Why GAO Did This Study

In 2003, the Federal Protective Service (FPS) transferred from the General Services Administration (GSA) to the Department of Homeland Security (DHS). FPS provides physical security and law enforcement services to about 9,000 GSA facilities. To accomplish its mission of protecting GSA facilities, FPS currently has an annual budget of about \$1 billion, 1,100 employees, and 15,000 contract guards located throughout the country. Recently, FPS has faced several challenges protecting GSA facilities and federal employees.

This report provides information and analysis on (1) FPS's operational challenges and actions it has taken to address them, (2) funding challenges FPS faces and actions it has taken to address them, and (3) how FPS measures the effectiveness of its efforts to protect GSA facilities. To address these objectives, we conducted site visits at 7 of FPS's 11 regions and interviewed FPS, GSA, tenant agencies, and local law enforcement officials.

What GAO Recommends

GAO recommends, among other things, that the Secretary of DHS direct the Director of FPS to develop and implement a strategic approach to better manage its staffing resources, evaluate current and alternative funding mechanisms, and develop appropriate measures to assess performance. DHS concurred with our recommendations.

To view the full product, including the scope and methodology, click on [GAO-08-683](#). For more information, contact Mark Goldstein at (202) 512-2834 or goldsteinm@gao.gov.

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What GAO Found

FPS faces several operational challenges that hamper its ability to accomplish its mission, and the actions it has taken may not fully resolve these challenges. FPS's staff decreased by about 20 percent between fiscal years 2004 and 2007. FPS has managed the decreases in its staffing resources in a manner that has diminished security at GSA facilities and increased the risk of crime or terrorist attacks at many GSA facilities. For example, with the exception of a few locations, FPS no longer provides proactive patrols at GSA facilities to detect and prevent criminal incidents and terrorism-related activities. FPS also continues to face problems with managing its contract guard program and ensuring that security countermeasures, such as security cameras and magnetometers, are operational. For example, according to FPS, it has investigated significant crimes at multiple high-risk facilities, but the security cameras installed in those buildings were not working properly, preventing FPS investigators from identifying the suspects. To address some of its operational challenges, FPS is moving to an inspector-based workforce, which seeks to eliminate the police officer position and rely primarily on FPS inspectors for both law enforcement and physical security activities. FPS believes that this change will ensure that its staff has the right mix of technical skills and training needed to accomplish its mission. FPS is also hiring an additional 150 inspectors and developing a new system for completing building security assessments. However, these actions may not fully resolve FPS's operational challenges because, for example, inspectors might not be able to fulfill both law enforcement and physical security roles simultaneously.

FPS also faces funding challenges, and the actions it has taken to address them have had some adverse implications. To fund its operations, FPS charges each tenant agency fees for its security services. In fiscal years 2005 and 2006, FPS's projected expenses exceeded its collections and DHS had to transfer funds to make up the difference. FPS also instituted cost-saving measures such as restricting hiring and travel and limiting training and overtime. According to FPS, these measures have affected staff morale, safety and increased attrition. FPS has been authorized to increase the basic security fee four times since it transferred to DHS, currently charging tenant agencies 62 cents per square foot for basic security services. Because of these actions, FPS's collections in fiscal year 2007 were sufficient to cover costs, and FPS projects that collections will also cover costs in fiscal year 2008. However, FPS's primary means of funding its operations—the basic security fee—does not account for the risk faced by specific buildings, the level of service provided, or the cost of providing services, raising questions about equity. Several stakeholders also expressed concern about whether FPS has an accurate understanding of its costs to provide security at federal facilities.

FPS has developed output measures, but lacks outcome measures to assess the effectiveness of its efforts to protect federal facilities. Its output measures include determining whether security countermeasures have been deployed and are fully operational. However, FPS has not developed outcome measures to evaluate its efforts to protect federal facilities that could provide FPS with broader information on program results. FPS also lacks a reliable data management system for accurately tracking performance measures. Without such a system, it is difficult for FPS to evaluate and improve the effectiveness of its efforts, allocate its limited resources, or make informed risk management decisions.

Contents

Letter		1
	Results in Brief	3
	Background	6
	FPS's Ability to Accomplish Its Mission Is Hampered by Operational Challenges and Its Actions May Not Fully Resolve These Challenges	12
	FPS Has Taken Some Actions to Resolve Operational Challenges, but Its Actions May Not Fully Resolve These Challenges	20
	FPS Faces Funding Challenges, and Its Actions to Address Them Have Had Adverse Implications	25
	FPS Faces Limitations in Assessing Its Performance	32
	Conclusions	34
	Recommendations for Executive Action	36
	Agency Comments	37
Appendix I	Scope and Methodology	39
Appendix II	Comments from the Department of Homeland Security	41
Appendix III	GAO Contact and Staff Acknowledgments	45
Figures		
	Figure 1: Composition of FPS Workforce, Fiscal Year 2007	7
	Figure 2: Security Levels of FPS's Portfolio of 9,000 GSA Facilities	10
	Figure 3: FPS's Projected Collections in Fiscal Year 2008 Total \$230 Million	12
	Figure 4: FPS's Workforce, Fiscal Years 2004 through 2007	13
	Figure 5: Composition of FPS's Workforce by Position, Fiscal Years 2004 through 2007	14
	Figure 6: FPS's Attrition Rates, Fiscal Years 2004 through 2007	28
	Figure 7: Amount of Fees Collected by FPS, Fiscal Years 2006 through 2009	29

Abbreviations

ACA	Assimilative Crimes Act
BSA	building security assessment
BSC	building security committee
COTR	contracting officer technical representative
DHS	Department of Homeland Security
DOJ	Department of Justice
FBI	Federal Bureau of Investigation
FPS	Federal Protective Service
FSRM	Federal Security Risk Manager
GSA	General Services Administration
ICE	Immigration and Customs Enforcement
OMB	Office of Management and Budget
PART	Performance Assessment Rating Tool
RAMP	Risk Assessment Management Program
SWA	Security Work Authorization

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United States Government Accountability Office
Washington, DC 20548

June 11, 2008

Congressional Requesters:

In 2003, the Federal Protective Service (FPS) transferred from the General Services Administration (GSA) to the Department of Homeland Security (DHS). It is responsible for providing physical security and law enforcement services to about 9,000 GSA facilities.¹ Within DHS, FPS is part of the Immigration and Customs Enforcement (ICE) component, the largest investigative arm of DHS. FPS is fully funded by the security fees it collects from the agencies it protects and does not receive a separate appropriation. To accomplish its mission of protecting GSA facilities, FPS currently has an annual budget of about \$1 billion, about 1,100 employees, and 15,000 contract guards located throughout the country. While there has not been a large-scale attack on a domestic federal facility since the terrorist attacks of September 11, 2001, and the 1995 bombing of the Alfred P. Murrah Federal Building in Oklahoma City, Oklahoma, ongoing terror threats and crime require that FPS effectively manage its resources to protect the over 1 million employees as well as members of the public that work in and visit GSA facilities each year.

Recently, FPS has faced several challenges. Chief among them is ensuring that it has sufficient staffing and funding resources to accomplish its mission of protecting GSA facilities. It has also faced challenges in assessing the physical security of the facilities it protects and overseeing its contract guard program. To help address these challenges, in 2007, FPS adopted a new approach to protect GSA facilities. Under this approach, FPS plans to essentially eliminate its police officer position and mainly use inspectors and special agents to perform multiple law enforcement and physical security duties concurrently and will place more emphasis on physical security activities, such as completing building security assessments (BSA), and less emphasis on law enforcement activities, such as proactive patrol. In addition, while FPS plans to maintain a level of 15,000 contract guards, the majority of the guards are stationed at fixed posts, which they are not permitted to leave, and do not have arrest

¹For the purposes of this report, the 9,000 facilities referred to are under the control or custody of GSA.

authority. These challenges have raised questions about FPS's ability to accomplish its facility protection mission.

You requested that we review FPS's efforts to protect GSA facilities since it transferred to DHS. This report provides information and analysis on (1) FPS's operational challenges and actions it has taken to address them, (2) funding challenges FPS faces and actions it has taken to address them, and (3) how FPS measures the effectiveness of its efforts to protect GSA facilities.

To determine operational challenges FPS may face in protecting GSA facilities and actions it has taken to address them, we conducted site visits at 7 of FPS's 11 regions, which have responsibility for protecting about 5,169, or about 58 percent, of the approximately 9,000 buildings in FPS's portfolio. To select the regions, we considered the number of federal buildings in each region, geographic dispersion across the United States, the number of FPS employees in each region, and input from FPS and GSA officials. At these locations, we interviewed a total of 167 FPS police officers, inspectors, special agents, management, and support staff; 53 GSA regional management and security officials; representatives from 22 building security committees (BSC); and 8 local law enforcement agencies about FPS's efforts to protect federal employees, facilities, and the public. We also interviewed officials at FPS and GSA headquarters. We reviewed and analyzed laws related to jurisdictional issues at GSA facilities and FPS authority, and various FPS planning documents. We also analyzed FPS staffing data from fiscal years 2004 through 2007 to identify trends in staffing and attrition. To determine funding challenges FPS may face, we interviewed budget officials from the Office of Management and Budget (OMB), ICE Office of the Chief Financial Officer, FPS, and GSA. We analyzed appropriation acts, the President's budget for FPS, and budget justifications for fiscal years 2004 through 2009. To determine how FPS measures the effectiveness of its efforts, we analyzed FPS's fiscal year 2008 through 2011 strategic plan and other reports, and interviewed officials from FPS's Risk Management Division. Because of the sensitivity of some of the information in this report, we cannot provide information about the specific locations of crimes or other incidents discussed. We conducted this performance audit from April 2007 to June 2008 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions

based on our audit objectives. See appendix I for further details about our methodology.

Results in Brief

FPS continues to face several operational challenges that have hampered its ability to accomplish its mission to protect GSA facilities and the actions it has taken may not fully resolve these challenges. Since the transfer, while FPS has maintained 15,000 contract guards, its staff has decreased by about 20 percent, from almost 1,400 employees at the end of fiscal year 2004 to about 1,100 employees at the end of fiscal year 2007. This decrease in staff has contributed to diminished security and increased the risk of crime or terrorist attacks in many GSA facilities. For example, FPS has decreased or eliminated law enforcement services such as proactive patrol in many FPS locations. Reports issued by multiple government entities acknowledge the importance of proactive patrol in detecting and preventing criminal incidents and terrorism-related activities before they happen. Moreover, FPS has not resolved long-standing challenges, such as improving the oversight of its contract guard program. For example, one FPS regional official reported that some guard posts had not been inspected in 18 months, while another reported that some posts had not been inspected in over 1 year. In addition, FPS faces difficulties in ensuring the quality and timeliness of BSAs, which are a core component of FPS's mission. At one location, one regional supervisor stated that while reviewing a BSA for an address he personally visited, he realized that the inspector completing the BSA had not actually visited the site because the inspector referred to a large building when the actual site was a vacant plot of land owned by GSA. FPS has also experienced problems ensuring that security countermeasures, such as security cameras and magnetometers, are operational. For example, according to FPS, it has investigated significant crimes at multiple high-risk facilities, but the security cameras installed in those buildings were not working properly, preventing FPS investigators from identifying the suspects. To address some of its operational challenges, FPS is changing to an inspector-based workforce, seeking to eliminate the police officer position and rely primarily on FPS inspectors for both law enforcement and physical security activities. FPS believes that this change will ensure that its staff has the right mix of technical skills and training needed to accomplish its mission. FPS is also hiring an additional 150 inspectors and developing a new system for BSAs. However, these actions may not fully resolve the operational challenges FPS faces. For example, FPS's ability to provide law enforcement services under its inspector-based workforce approach may be diminished because FPS will rely on its inspectors to provide these services and physical security services simultaneously. Also, while the additional 150 FPS inspectors will increase FPS's staff to 1,200, this

staffing level is still below the 1,279 employees FPS had at the end of fiscal year 2006, when, according to FPS officials, tenant agencies were experiencing a decrease in security services.

FPS faces several funding challenges, and the actions it has taken to address them have had adverse implications. FPS's collections have not been sufficient to cover operational costs in recent years and FPS's primary means of funding its operations—the basic security fee—does not account for the risk faced by particular buildings, and depending on that risk, the level of service provided to tenant agencies or the cost of providing those services. To fund its operations, FPS charges each tenant agency fees for its security services. Since FPS transferred to DHS, its projected expenses exceeded its revenues by \$70 million in fiscal year 2005 and \$57 million in fiscal year 2006. DHS and FPS have addressed these projected shortfalls in a variety of ways. For example, DHS transferred emergency supplemental funding, and FPS instituted a number of cost-saving measures to address its budgetary challenges, such as restricting hiring and travel, limiting training and overtime, and suspending employee performance awards. According to FPS officials, these measures have had a negative effect on staff morale, are partially responsible for FPS's high attrition rates, and could reduce the performance and safety of FPS personnel. FPS also increased the basic security fee charged to tenant agencies from 35 cents per square foot in fiscal year 2005 to 62 cents per square foot in fiscal year 2008. Because of these actions, fiscal year 2007 was the first year FPS's collections were sufficient to cover its costs. FPS also projects that collections will cover its costs in fiscal year 2008. However, FPS's basic security fee does not fully account for the risk faced by a particular building. For example, level I facilities may face less risk because they are typically small storefront-type operations with a low level of public contact. However, these facilities are charged the same basic security fee of 62 cents per square foot as a level IV facility that has a high volume of public contact, may contain high-risk law enforcement and intelligence agencies and highly sensitive government records. In addition, FPS's basic security fee raises questions about equity because it does not account for the level of service provided or the cost of those services. For example, a recent FPS workload study estimated that the agency spends about six times more hours providing services to higher-risk buildings than lower-risk buildings. A 2007 Booz Allen Hamilton report said FPS's cost of providing services does not align with the fees it charges customers, potentially resulting in some customers being overcharged. We have reported that basing government fees on the cost of providing a service promotes equity, especially when the cost of providing the service differs significantly among different users, as is the case with FPS. Finally,

several stakeholders question whether FPS has an accurate understanding of the costs of providing security at GSA facilities.

FPS is limited in its ability to assess the effectiveness of its efforts to protect GSA facilities. To determine how well it is accomplishing its mission to protect GSA facilities, FPS has identified some output measures that are a part of OMB's Performance Assessment Rating Tool. These measures include determining whether security countermeasures have been deployed and are fully operational, the amount of time it takes to respond to an incident, and the percentage of BSAs completed on time. Some of these measures are also included in FPS's federal facilities security index, which is used to assess its performance. However, FPS has not developed outcome measures to evaluate the net effect of its efforts to protect GSA facilities. While output measures are helpful, outcome measures are also important because they can provide FPS with broader information on program results, such as the extent to which its decision to move to an inspector-based workforce will enhance security at GSA facilities or help identify the security gaps that remain at GSA facilities and determine what action may be needed to address them. In addition, FPS does not have a reliable data management system that will allow it to accurately track these measures or other important measures such as the number of crimes and other incidents occurring at GSA facilities. Without such a system, it is difficult for FPS to evaluate and improve the effectiveness of its efforts to protect federal employees and facilities, allocate its limited resources, or make informed risk management decisions. According to FPS officials, the agency is in the process of developing a system that will allow it to better assess its efforts and expects to have the system fully implemented in 2011.

To improve FPS's ability to address its operational and funding challenges and to ensure that it has useful performance measures and reliable information to assess the effectiveness of efforts to protect GSA facilities, we recommend that the Secretary of Homeland Security direct the Director of FPS to take the following six actions:

- develop and implement a strategic approach to manage its staffing resources that, among other things, determines the optimum number of employees needed to accomplish its facility protection mission and allocate these resources based on risk management principles and the agency's goals and performance measures;

-
- clarify roles and responsibilities of local law enforcement agencies in regard to responding to incidents at GSA facilities;
 - improve FPS's use of the fee-based system by developing a method to accurately account for the cost of providing security services to tenant agencies and ensuring that its pricing structure takes into consideration the varying levels of risk and service provided at GSA facilities;
 - evaluate whether FPS's current use of a fee-based system or an alternative funding mechanism is the most appropriate manner to fund its operations;
 - develop and implement specific guidelines and standards for measuring its performance, including outcome measures to assess its performance and improve the accountability of FPS; and
 - improve how FPS categorizes, collects, and analyzes data to help it better manage and understand the results of its efforts to protect GSA facilities.

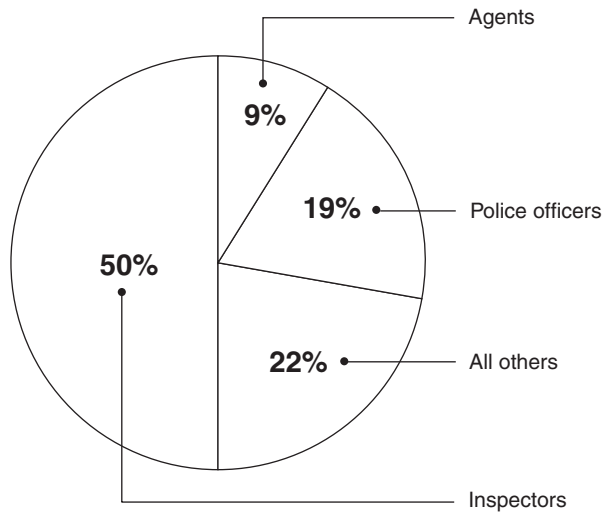
We provided a draft of our report to DHS for review and comment. DHS concurred with our findings and recommendations.

Background

As the primary federal agency that is responsible for protecting and securing GSA facilities and federal employees across the country, FPS has the authority to enforce federal laws and regulations aimed at protecting federally owned and leased properties and the persons on such property and, among other things, to conduct investigations related to offenses against the property and persons on the property. To protect the over 1 million federal employees and about 9,000 GSA facilities from the risk of terrorist and criminal attacks, in fiscal year 2007, FPS had about 1,100 employees, of which 541, or almost 50 percent, were inspectors, as shown in figure 1.² FPS also has about 15,000 contract guards.

²The number of inspectors includes an unknown number of physical security specialists, who do not have law enforcement authority. FPS was unable to provide us with the exact number of physical security specialists it employs.

Figure 1: Composition of FPS Workforce, Fiscal Year 2007



Source: GAO analysis of FPS data.

Note: "Inspectors" includes an unknown number of physical security specialists, who do not have law enforcement authority. "All others" include administrative and support staff.

FPS inspectors³ are primarily responsible for

- responding to incidents and demonstrations,
- overseeing contract guards,
- completing BSAs for numerous buildings,⁴
- serving as contracting officer technical representatives (COTR) for guard contracts,
- collecting and reviewing time cards for guards, and
- participating in tenant agencies' BSC meetings.

FPS police officers are primarily responsible for

³FPS inspectors are also referred to as Law Enforcement Security Officers and have responsibilities for completing physical security and law enforcement activities.

⁴FPS officials have stated that there is no official policy on the number of buildings assigned to each inspector. The number of buildings is entirely dependent on geographic dispersion and risk level.

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- patrolling GSA facilities,
 - responding to criminal incidents,
 - assisting in the monitoring of contract guards, and
 - responding to demonstrations at GSA facilities and conducting basic criminal investigations.

FPS physical security specialists, who do not have law enforcement authority, are responsible for

- completing BSAs,
- participating in tenant agencies' BSC meetings, and
- assisting in the monitoring of contract guard services.

Special agents are the lead entity within FPS for

- gathering intelligence for criminal and antiterrorist activities, and
- planning and conducting investigations relating to alleged or suspected violations of criminal laws against GSA facilities and their occupants.

According to FPS, its 15,000 contract guards are used primarily to monitor facilities through fixed post assignments and access control. According to FPS policy documents, contract guards may detain individuals who are being seriously disruptive, violent, or suspected of committing a crime at a GSA facility, but do not have arrest authority.

FPS provides law enforcement and physical security services to its customers. Law enforcement services provided by FPS include proactive patrol and responding to incidents in or around GSA facilities.⁵ Physical security services provided by FPS include the completion of BSAs, oversight of contract guards, participation in BSC meetings, and the recommendation of security countermeasures. The level of physical protection services FPS provides at each of the approximately 9,000

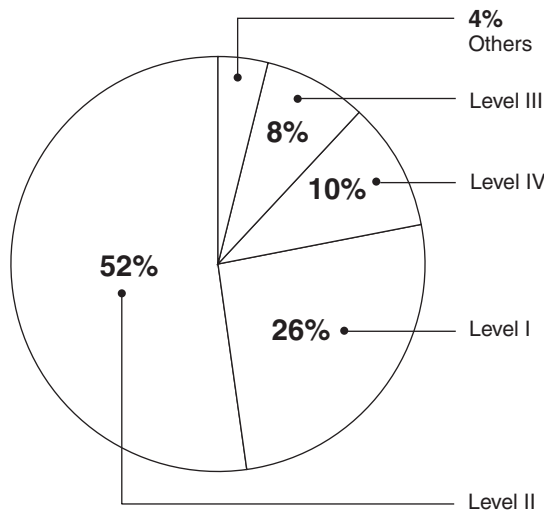
⁵Patrol refers to movement within an area for the purpose of observation or surveillance to prevent or detect criminal violations, maintain security, and be available to provide service and assistance to the public.

facilities varies depending on the facility's security level. To determine a facility's security level, FPS uses the Department of Justice's (DOJ) Vulnerability Assessment Guidelines, which are summarized below.

- A level I facility has 10 or fewer federal employees, 2,500 or fewer square feet of office space, and a low volume of public contact or contact with only a small segment of the population. A typical level I facility is a small storefront-type operation, such as a military recruiting office.
- A level II facility has between 11 and 150 federal employees; more than 2,500 to 80,000 square feet; a moderate volume of public contact; and federal activities that are routine in nature, similar to commercial activities.
- A level III facility has between 151 and 450 federal employees, more than 80,000 to 150,000 square feet and a moderate to high volume of public contact.
- A level IV facility has over 450 federal employees; more than 150,000 square feet; a high volume of public contact; and tenant agencies that may include high-risk law enforcement and intelligence agencies, courts, judicial offices, and highly sensitive government records.
- A Level V facility is similar to a Level IV facility in terms of the number of employees and square footage, but contains mission functions critical to national security. FPS does not have responsibility for protecting any level V buildings.

On the basis of the DOJ Vulnerability Assessment Guidelines, FPS categorized the approximately 9,000 GSA facilities in its portfolio into five security levels, as shown in figure 2.

Figure 2: Security Levels of FPS's Portfolio of 9,000 GSA Facilities



Source: GAO analysis of FPS data.

Note: "Other" includes 364 level 0 buildings (4 percent of its portfolio), 11 level V facilities (0.12 percent of its portfolio), and two buildings with an unknown security level.

FPS also follows DOJ guidance for completing BSAs.⁶ DOJ guidance states that BSAs are required to be completed every 2 to 4 years, depending on the security level of the building. For example, a BSA for a level IV building is completed every 2 years and every 4 years for a level I building. As part of each assessment, the inspector is required to conduct an on-site physical security analysis using FPS's Federal Security Risk Manager (FSRM) methodology and interview the Chairman and each member of the BSC, GSA realty specialists, designated officials of tenant agencies, site security supervisors, and building managers. After completing their assessments, inspectors make recommendations to the BSC for building security countermeasures. The BSC is responsible for approving the recommended countermeasures. In some cases, FPS has delegated the protection of facilities to tenant agencies, which may have their own law enforcement authority or may contract separately for guard services.

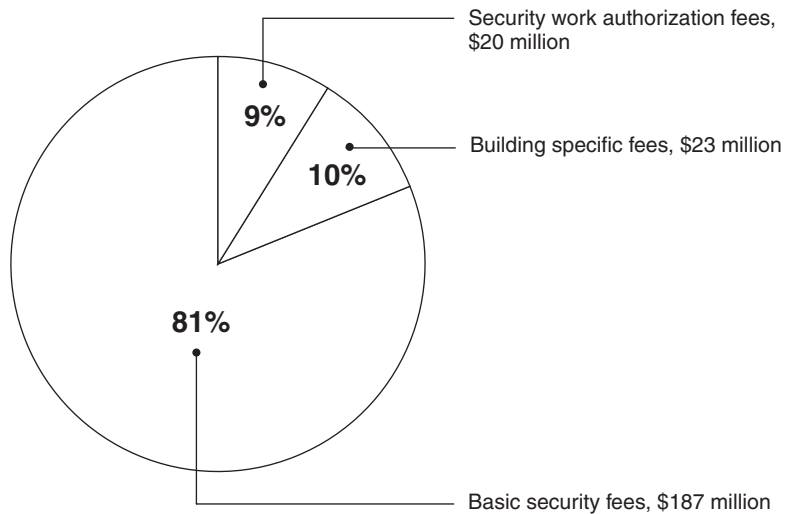
⁶On March 10, 2008, the Interagency Security Committee, an organization composed of representatives from non-military government agencies that provides leadership in physical security programs, published new standards for determining the security level of federal facilities, which will supersede the standards developed in the 1995 DOJ vulnerability assessment. It is unclear how the new standards will affect the BSA process.

FPS is a reimbursable organization and is fully funded by collecting security fees from tenant agencies. To fund its operations, FPS charges each tenant agency a basic security fee per square foot of space occupied in a GSA facility. In 2008, the basic security fee is 62 cents per square foot and covers services such as patrol, monitoring of building perimeter alarms, and dispatching of law enforcement response through its control centers, criminal investigations, and BSAs. FPS also collects an administrative fee it charges tenant agencies for building specific security services such as access control to facilities' entrances and exits; employee and visitor checks; and the purchase, installation, and maintenance of security equipment, including cameras, alarms, magnetometers, and X-ray machines. In addition to these security services, FPS provides agencies with additional services upon request, which are funded through reimbursable Security Work Authorizations (SWA), for which FPS charges an administrative fee. For example, agencies may request additional magnetometers or more advanced perimeter surveillance capabilities.

While FPS's fiscal year 2008 annual budget totals \$1 billion, for the purposes of this report we are focusing on the fees FPS estimates it will collect for the security services it provides to tenant agencies.⁷ For example, in fiscal year 2008, FPS estimates collections will total about \$230 million, of which \$187 million will be from its basic security services, \$23 million from building specific services, and \$20 million from SWAs, as shown in figure 3.

⁷According to FPS, its budget also includes \$638 million in funding provided by customer agencies for building-specific and SWA security services, called pass through funding. Pass through funding is not directly appropriated to FPS, but FPS collects it from customer agencies and uses the funds to manage the procurement and installation of security countermeasures or other security services provided through the building-specific or SWA programs. The remaining \$139 million in FPS's fiscal year 2008 budget is a contingency amount that FPS is authorized to collect to respond to a major disaster if needed. The authority to spend this money expires at the end of the fiscal year.

Figure 3: FPS's Projected Collections in Fiscal Year 2008 Total \$230 Million



Source: GAO analysis of FPS data.

FPS's Ability to Accomplish Its Mission Is Hampered by Operational Challenges and Its Actions May Not Fully Resolve These Challenges

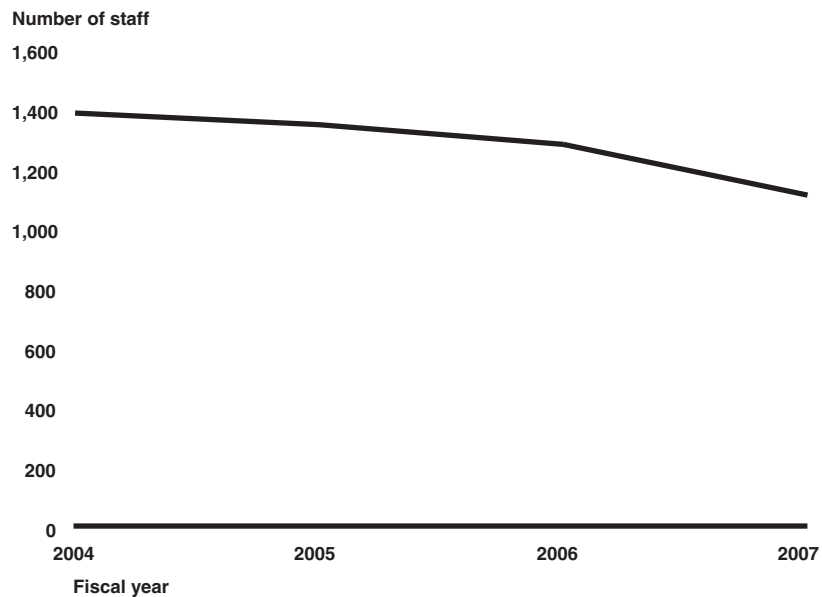
FPS currently faces several operational challenges, such as a decrease in staff, that make it difficult to accomplish its facility protection mission. This decrease in staff has affected FPS's ability to provide mission-critical services such as proactive patrol, contract guard oversight, and quality BSAs in a timely manner. FPS is taking steps to address these challenges. For example, FPS is moving to an inspector-based workforce, hiring 150 additional inspectors, and developing a new system to improve the quality and timeliness of BSAs. However, these actions may not fully resolve FPS's operational challenges.

FPS's Staff Has Steadily Declined Since Transferring to DHS

Providing law enforcement and physical security services to GSA facilities is inherently labor intensive and requires effective management of available staffing resources. However, since transferring from GSA to DHS, FPS's staff has declined and the agency has managed its staffing resources in a manner that has diminished security at GSA facilities and increased the risk of crime or terrorist attacks at many GSA facilities. Specifically, FPS's staff has decreased by about 20 percent, from almost 1,400 employees at the end of fiscal year 2004 to about 1,100 employees at the end of fiscal year 2007, as shown in figure 4, while the number of buildings FPS has responsibility for has increased from approximately

8,800 to about 9,000. Over 60 percent of the decrease in staffing occurred in fiscal year 2007, when FPS's staff decreased by about 170 employees because FPS offered voluntary early retirement, detailed assignments to other ICE and DHS components, and did not replace positions that were lost to attrition. In fiscal year 2008, FPS initially planned to reduce its staff further. However, a provision in the 2008 Consolidated Appropriations Act requires FPS to increase its staff to 1,200 by July 31, 2008.⁸ According to FPS's Director, the agency expects to meet this requirement. In addition, according to the Director of FPS, in fiscal year 2010 it plans to increase its staff to 1,450.

Figure 4: FPS's Workforce, Fiscal Years 2004 through 2007

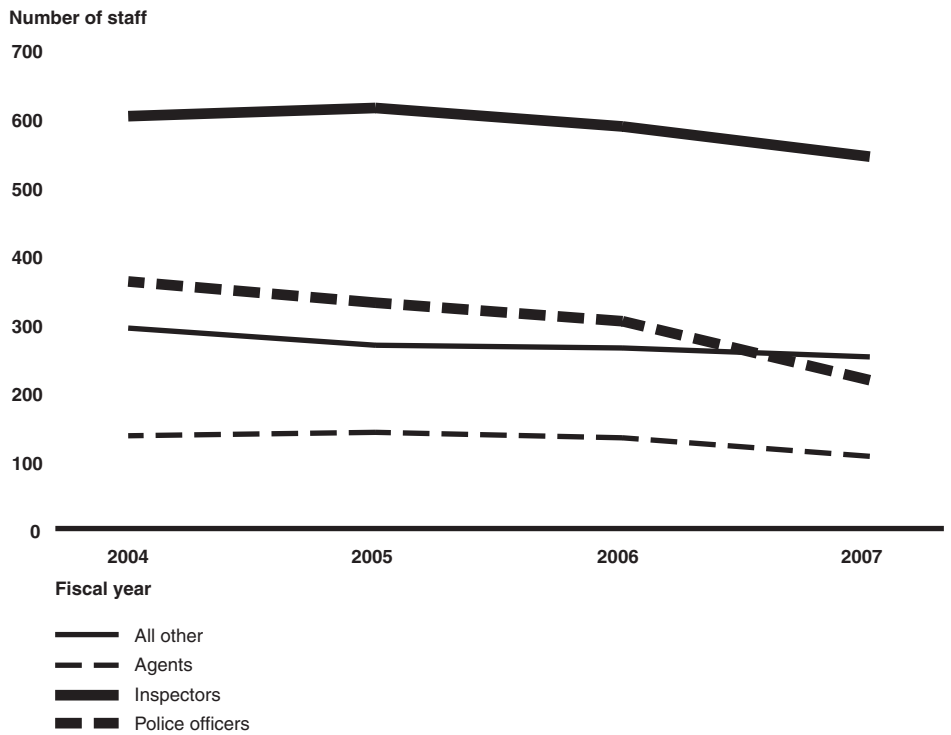


Source: Federal Protective Service.

Between fiscal years 2004 and 2007, the number of employees in each position also decreased, with the largest decrease occurring in the police officer position. For example, the number of police officers decreased from 359 in fiscal year 2004 to 215 in fiscal year 2007, and the number of inspectors decreased from 600 in fiscal year 2004 to 541 at the end of fiscal year 2007, as shown in figure 5.

⁸Pub. L. No 110-161, 121 Stat 1844, 2051 (2007).

Figure 5: Composition of FPS's Workforce by Position, Fiscal Years 2004 through 2007



Source: Federal Protective Service.

Note: "Inspectors" includes an unknown number of physical security specialists, who do not have law enforcement authority. "All others" include administrative and support staff.

Critical Law Enforcement Services Have Been Reduced or Eliminated

At many facilities FPS has eliminated proactive patrol of GSA facilities to prevent or detect criminal violations. The FPS Policy Handbook states that patrol should be used to prevent crime and terrorist actions and delegates responsibility for determining the frequency and location of patrols to FPS's Regional Directors. The elimination of proactive patrol has a negative effect on security at GSA facilities because law enforcement personnel cannot effectively monitor individuals surveilling federal buildings, inspect suspicious vehicles (including potential vehicles for bombing federal buildings), and detect and deter criminal activity in and around federal buildings. While the number of contract guards employed in GSA facilities will not be decreased, most are stationed at fixed posts, which they are not permitted to leave, and do not have arrest authority. According to a FPS policy document, contract guards are authorized to detain individuals. However, according to some regional officials, some

contract guards do not exercise their detention authority because of liability concerns.

According to some FPS officials at regions we visited, not providing proactive patrol has limited its law enforcement personnel to a reactive force. In addition, FPS officials at several regions we visited said that proactive patrol has, in the past, allowed its police officers and inspectors to identify and apprehend individuals that were surveilling GSA facilities. In contrast, when FPS is not able to patrol federal buildings, there is increased potential for illegal entry and other criminal activity at federal buildings. For example, in one city we visited, a deceased individual had been found in a vacant GSA facility that was not regularly patrolled by FPS. FPS officials stated that the deceased individual had been inside the building for approximately 3 months.

Reports issued by multiple government entities acknowledge the importance of proactive patrol in detecting and deterring terrorist surveillance teams, which frequently use information such as the placement of armed guards and proximity to law enforcement agency stations when choosing targets and planning attacks. These sophisticated surveillance and research techniques can be derailed by active law enforcement patrols in and around federal facilities. According to several inspectors and police officers in one FPS region, proactive patrol is important in their region because, in the span of 1 year, there were 72 homicides within three blocks of a major federal office building and because most of the crime in their area takes place after hours, when there are no FPS personnel on duty. Tenant representatives in some regions we visited have noticed a decline in FPS's law enforcement presence in recent years and believe this has negatively affected security. For example, one tenant stated that FPS used to provide proactive patrols in the area at night and on weekends but stopped in early 2006. Most tenant representatives we interviewed believe that FPS's law enforcement function is highly valued and would like to see more police officers patrolling their facilities.

In addition to eliminating proactive patrol, many FPS regions have reduced their hours of operation for providing law enforcement services in multiple locations, which has resulted in a lack of coverage when most federal employees are either entering or leaving federal buildings or on weekends when some facilities remain open to the public. Moreover, FPS police officers and inspectors in two cities explained that this lack of coverage has left some federal day care facilities vulnerable to loitering by homeless individuals and drug users. Some FPS police officers and

inspectors also said that reducing hours has increased response time in some locations by as much as a few hours to a couple of days, depending on the location of the incident. For example, one consequence of reduced hours is that some police officers often have to travel from locations in another state in order to respond to incidents in both major metropolitan and rural locations.

The decrease in FPS's duty hours has jeopardized police officer and inspector safety, as well as building security. Some FPS police officers and inspectors said that they are frequently in dangerous situations without any FPS backup because many FPS regions have reduced their hours of operation and overtime. In one region, FPS officials said that a public demonstration in a large metropolitan area required that all eight police officers and inspectors scheduled to work during the shift be deployed to the demonstration for crowd control. During the demonstration, however, two inspectors had to leave the demonstration to arrest a suspect at another facility; two more also left to respond to a building alarm. Four FPS personnel remained to cover the demonstration, a fact that contributed to an unsafe environment for FPS staff.

Additionally, FPS has a decreased capacity to handle situations in which a large FPS presence is needed while maintaining day-to-day operations. For example, during a high-profile criminal trial, approximately 75 percent of one region's workforce was detailed to coordinate with local law enforcement agencies and other federal law enforcement agencies to provide perimeter security for a courthouse, leaving few FPS police officers and inspectors to respond to criminal incidents and other tenant needs in the rest of the region. This problem was also reported by inspectors in several other regions in the context of providing law enforcement at public demonstrations and criminal trials, which can occur frequently at some GSA facilities. According to FPS, in September 2007, it drafted a policy that created Crisis Response Teams, which will handle situations in which a large FPS presence is needed.

Adequate Oversight of Contract Guard Program Remains a Challenge

Contract guard inspections are important for several reasons, including ensuring compliance with contract requirements, guards have up-to-date certifications for required training including firearms or cardio pulmonary resuscitation, and guards are completing assigned duties. FPS policy states that guard posts should be inspected frequently, and some FPS officials have stated that guard posts should be inspected once per month. However, some posts are inspected less than once per year, in part because contract guards are often posted in buildings hours or days away

from the nearest FPS inspector. For example, one area supervisor reported guard posts that had not been inspected in 18 months, while another reported posts that had not been inspected in over 1 year. In another region, FPS inspectors and police officers reported that managers told them to complete “2820” guard inspections over the telephone, instead of in person.⁹ In addition, when inspectors do perform guard inspections, they do not visit the post during each shift; consequently some guard shifts may never be inspected by an FPS official. As a result, some guards may be supervised exclusively by a representative of the contract guard company. Moreover, in one area we visited with a large FPS presence officials reported difficulty in getting to every post within the required 1-month period. We obtained a copy of a contract guard inspection schedule in one metropolitan city that showed 20 of 68 post inspections were completed for the month.

Some tenant agencies have also noticed a decline in the level of guard oversight in recent years and believe this has led to poor performance on the part of some contract guards. For example, in one city, tenant representatives in a major federal building stated that many of the tenants complain about the quality of contract guard services because they do not have enough guidance from FPS inspectors, and as a result, there have been several security breaches, such as stolen property. According to Federal Bureau of Investigation (FBI) and GSA officials in one of the regions we visited, contract guards failed to report the theft of an FBI surveillance trailer worth over \$500,000, even though security cameras captured the trailer being stolen while guards were on duty. The FBI did not realize it was missing until 3 days later. Only after the FBI started making inquiries did the guards report the theft to FPS and the FBI. During another incident, FPS officials reported contract guards—who were armed—taking no action as a shirtless suspect wearing handcuffs on one wrist ran through the lobby of a major federal building while being chased by an FPS inspector. In addition, one official reported that during an off-hours alarm call to a federal building, the official arrived to find the front guard post empty, while the guard’s loaded firearm was left unattended in the unlocked post. We also personally witnessed an incident in which an individual attempted to enter a level IV facility with illegal weapons. According to FPS policies, contract guards are required to confiscate illegal weapons, detain and question the individual, and notify FPS. In this instance, the weapons were not confiscated, the individual was not

⁹“2820” inspections are named for the forms on which guard inspections are completed.

detained or questioned, FPS was not notified, and the individual was allowed to leave with the weapons.

Difficulties in Ensuring Quality and Timeliness of Building Security Assessments

Building security assessments, which are completed by both inspectors and physical security specialists, are the core component of FPS's physical security mission. However, ensuring the quality and timeliness of them is an area in which FPS continues to face challenges. Many inspectors in the seven regions we visited stated that they are not provided sufficient time to complete BSAs. For example, while FPS officials have stated that BSAs for level IV facilities should be completed in 2 to 4 weeks, several inspectors reported having only 1 or 2 days to complete assessments for their buildings because of pressure from supervisors to complete BSAs as quickly as possible. For example, 1 region is attempting to complete more than 100 BSAs by June 30, 2008, 3 months earlier than required, because staff will be needed to assist with a large political event in the region. In addition, one inspector in this region reported having one day to complete site work for six BSAs in a predominately rural state in the region. Some regional supervisors have also found problems with the accuracy of BSAs. One regional supervisor reported that an inspector was repeatedly counseled and required to redo BSAs when supervisors found he was copying and pasting from previous BSAs. Similarly, one regional supervisor stated that in the course of reviewing a BSA for an address he had personally visited, he realized that the inspector completing the BSA had not actually visited the site because the inspector referred to a large building when the actual site was a vacant plot of land owned by GSA. According to FPS, the Director of FPS issued a memorandum in December 2007 emphasizing the importance of conducting BSAs in an ethical manner.

A 2006 report prepared by ICE's Office of Professional Responsibility on performance in one FPS region found that nearly all of the completed BSAs were missing interviews with required stakeholders and that Interagency Security Committee security design criteria were not used in the assessment of a preconstruction project as required. Additionally, several tenant agencies stated that they are using or plan to find contractors to complete additional BSAs because of concerns with the quality and timeliness of the assessments completed by FPS. Furthermore, we have previously reported that several DHS components are completing their own BSAs over and above the assessment completed by FPS because FPS's assessments are not always timely or lack quality. Similarly, many facilities have received waivers from FPS to enable the agencies to complete their own BSAs, and the lack of FPS personnel with top secret

clearances has led to an increase in the number of agencies granted waivers for BSAs.

Some GSA and FPS officials have stated that inspectors lack the training and physical security expertise to prepare BSAs according to the standards. Currently, inspectors receive instructions on how to complete BSAs as part of a 4-week course at the Federal Law Enforcement Training Center's Physical Security Training Program. However, many inspectors and supervisors in the regions we visited stated that this training is insufficient and that refresher training is necessary in order to keep inspectors informed about emerging technology, but this refresher training has not been provided in recent years. Regional GSA officials also stated that they believe the physical security training provided to inspectors is inadequate and that it has affected the quality of BSAs they receive. FPS officials have stated the Physical Security Training Program curriculum is currently being revised and the agency recently conducted a 1-week physical security refresher course in one region and plans to conduct this training in three others.

FPS's ability to ensure the quality and timeliness of BSAs is also complicated by challenges with the current risk assessment tool. We have previously reported that there are three primary concerns with the FSRM system, the tool FPS currently uses to conduct BSAs. First, it does not allow FPS to compare risks from building to building so that security improvements to buildings can be prioritized. Second, current risk assessments need to be categorized more precisely. According to FPS, too many BSAs are categorized as high or low, which does not allow for a refined prioritization of security improvements. Third, FSRM does not allow for tracking the implementation status of security recommendations based on assessments.¹⁰

Some Security Countermeasures Have Not Been Maintained

According to FPS, GSA, and tenant agency officials in the regions we visited, some of the security countermeasures, such as security cameras, magnetometers, and X-ray machines at some facilities, as well as some FPS radios and BSA equipment, have been broken for months or years and are poorly maintained. At one level IV facility, FPS and GSA officials stated

¹⁰GAO, *Federal Real Property: DHS Has Made Progress, but Additional Actions Are Needed to Address Real Property Management and Security Challenges*, [GAO-07-658](#) (Washington, D.C.: June 22, 2007).

that 11 of 150 security cameras were fully functional and able to record images. Similarly, at another level IV facility, a large camera project designed to expand and enhance an existing camera system was put on hold because FPS did not have the funds to complete the project. FPS officials stated that broken cameras and other security equipment can negate the deterrent effect of these countermeasures as well as eliminate their usefulness as an investigative tool. For example, according to FPS, it has investigated significant crimes at multiple level IV facilities, but the security cameras installed in those buildings were not working properly, preventing FPS investigators from identifying the suspects.

Complicating this issue, FPS officials, GSA officials, and tenant representatives stated that additional countermeasures are difficult to implement because they require approval from BSCs, which are composed of representatives from each tenant agency who generally are not security professionals. In some of the buildings that we visited, security countermeasures were not implemented because BSC members cannot agree on what countermeasures to implement or are unable to obtain funding from their agencies. For example, a FPS official in a major metropolitan city stated that over the last 4 years inspectors have recommended 24-hour contract guard coverage at one high-risk building located in a high crime area multiple times, however, the BSC is not able to obtain approval from all its members. In addition, several FPS inspectors stated that their regional managers have instructed them not to recommend security countermeasures in BSAs if FPS would be responsible for funding the measures because there is not sufficient money in regional budgets to purchase and maintain the security equipment.

FPS Has Taken Some Actions to Resolve Operational Challenges, but Its Actions May Not Fully Resolve These Challenges

FPS is taking steps to address the operational challenges it faces. For example, FPS is implementing a plan to move to an inspector-based workforce, hiring 150 additional inspectors, and plans to develop and implement a new system to improve the quality and timeliness of BSAs. However, these actions may not fully resolve its operational challenges because, for example, some inspectors may not be able to perform both law enforcement and physical security duties simultaneously.

FPS Is Implementing an Inspector-Based Workforce Approach

In 2007, FPS decided to adopt an inspector-based workforce approach to protect GSA facilities. According to FPS, this approach will provide it with the capabilities and flexibility to perform law enforcement and physical security services. Under the inspector-based workforce approach, the composition of FPS's workforce will change from a combination of inspectors and police officers to mainly inspectors; FPS will place more emphasis on physical security, such as BSAs, and less emphasis on the law enforcement part of its mission; contract guards will continue to be the front-line defense for protection at GSA facilities; and there will be a continued reliance on local law enforcement. According to FPS, this approach will allow it to focus on enforcing the Interagency Security Committee's security standards, complete BSAs in a timely manner, manage the contract guard program, and test security standards. While FPS's current workforce includes police officers, inspectors, criminal investigators/special agents, and support staff; police officers will be phased out under FPS's new approach. Inspectors will be required to complete law enforcement activities such as patrolling and responding to incidents at GSA facilities in addition to their physical security activities. Special agents will continue to be responsible for conducting investigations. According to FPS, an inspector-based workforce will help it to achieve its strategic goals such as ensuring that its staff has the right mix of technical skills and training needed to accomplish its mission and building effective relationships with its stakeholders.

The inspector-based workforce approach presents some additional challenges for FPS and may exacerbate some of its long-standing challenges. For example, the approach does not emphasize law enforcement responsibilities, such as proactive patrol. In addition, having inspectors perform both law enforcement and physical security duties simultaneously may prevent some inspectors from responding to criminal incidents in a timely manner and patrolling federal buildings. For example, some officials stated that if inspectors are in a meeting with tenants, it will take them more time to get in their vehicle and drive to respond to an incident than it would for a police officer who is already in a car or on the street patrolling and that given the difficulty with scheduling meetings with BSCs, inspectors may decide not to respond to a nonviolent or non-emergency situation at another facility. However, according to FPS headquarters officials, if MegaCenter protocols are followed, this situation will not occur because another inspector would be called to respond to the incident.

In April 2007, a DHS official and several FPS inspectors testified before Congress that FPS's inspector-based workforce will require increased

reliance on state and local law enforcement agencies for assistance with crime and other incidents at GSA facilities and that FPS would seek to enter into memorandums of agreement with local law enforcement agencies. However, according to FPS's Director, the agency recently decided not to pursue memorandums of agreement with local law enforcement agencies, in part because of reluctance on the part of local law enforcement officials to sign such memorandums and because 96 percent of the properties in FPS's inventory are listed as concurrent jurisdiction facilities where both federal and state governments have jurisdiction over the property. Under the Assimilative Crimes Act (ACA), state law may be assimilated to fill gaps in federal criminal law where the federal government has concurrent jurisdiction with the state.¹¹ For properties with concurrent jurisdiction, both FPS and state and local law enforcement officers and agents are authorized to enforce state laws. FPS police officers, inspectors, and agents are also authorized by law to enforce federal laws and regulations for the protection of persons and property regarding property owned or occupied by the federal government, but state and local law enforcement officials would have no authority to enforce federal laws and regulations.¹²

As an alternative to memorandums of agreement, according to FPS's Director, the agency will rely on the informal relationships that exist between local law enforcement agencies and FPS. However, whether this type of relationship will provide FPS with the type of assistance it will need under the inspector-based workforce is unknown. Representatives of seven of the eight local law enforcement agencies we visited were unaware of decreases in FPS's workforce or its transition to an all-inspector workforce. Officials from five of the eight local law enforcement agencies we interviewed stated that their agencies did not have the capacity to take on the additional job of responding to incidents at federal buildings and stated that their departments were already strained for resources. Many of the FPS officials in the seven regions we visited also expressed concern about the potential lack of capacity on the part of local law enforcement. One regional FPS official, for example, reported that there have been incidents in which local law enforcement authorities refused to respond to certain types of calls, especially in one of the major cities in the region.

¹¹18 U.S.C. § 13.

¹²40 U.S.C. § 1315.

The Secretary of Homeland Security is authorized by law to utilize the facilities and services of federal, state, and local law enforcement agencies with the consent of the agencies when the Secretary determines it to be economical and in the public interest.¹³ However, one local law enforcement official stated that even if the federal government were to reimburse the local law enforcement agency for services, the police department would not be able to hire and train enough staff to handle the extra responsibilities. Three local law enforcement agencies stated that they did not know enough about FPS's activities in the area to judge their department's ability to take over additional responsibility for FPS at GSA facilities. In addition, many FPS and local law enforcement officials in the regions we visited stated that jurisdictional authority would pose a significant barrier to gaining the assistance of local law enforcement agencies. Local law enforcement representatives also expressed concerns about being prohibited from entering GSA facilities with service weapons, especially courthouses.¹⁴ Similarly, local law enforcement officials in a major U.S. city stated that they cannot make an arrest or initiate a complaint on federal property, so they have to wait until a FPS officer or inspector arrives. FPS officials and local law enforcement agencies have cited confusion over the law as one reason for jurisdictional difficulties.

FPS also provides facility protection to approximately 400 properties where the federal government maintains exclusive federal jurisdiction. Under exclusive federal jurisdiction, the federal government has all of the legislative authority within the land area in question and the state has no residual police powers. The ACA also applies to properties with exclusive federal jurisdiction, but unlike properties with concurrent jurisdiction, state and local law enforcement officials are not authorized to enforce state and local laws. Furthermore, like those properties with concurrent federal jurisdiction, state and local law enforcement officials would have no authority to enforce federal laws and regulations. Even if the Secretary of Homeland Security utilized the facilities and services of state and local law enforcement agencies, according to ICE's legal counsel, state and local law enforcement officials would only be able to assist FPS in functions such as crowd and traffic control, monitoring law enforcement communications and dispatch, and training.

¹³ 40 U.S.C. § 1315(d)(3).

¹⁴ 18 U.S.C. § 930(a)

FPS Plans to Hire Additional Inspectors

In the 2008 Consolidated Appropriations Act, Congress included a provision requiring FPS to employ no fewer than 1,200 employees, 900 of which must be law enforcement personnel. To comply with this legislation, FPS is in the process of recruiting an additional 150 inspectors to reach the mandated staffing levels. These inspectors will be assigned to 8 of FPS's 11 regions. According to the Director of FPS, the addition of 150 inspectors to its current workforce will allow FPS to resume providing proactive patrol and 24-hour presence based on risk and threat levels at some facilities. However, these additional 150 inspectors will not have an impact on the 3 regions that will not receive them. In addition, while this increase will help FPS to achieve its mission, this staffing level is still below the 1,279 employees that FPS had at the end of fiscal year 2006, when, according to FPS officials, tenant agencies experienced a decrease in service. In addition, in 2006, FPS completed a workforce study that recommended an overall staffing level of more than 2,700, including about 1,800 uniformed law enforcement positions (inspectors and police officers). According to this study, with 1,800 law enforcement positions FPS could, among other things, provide 24-hour patrol in 23 metropolitan areas, perform weekly guard post inspections, allow time for training, and participate on BSCs.

FPS Is Developing a New System for Completing BSAs

FPS's Risk Management Division is in the process of developing a new tool referred to as the Risk Assessment Management Program (RAMP) to replace its current system (FSRM) for completing BSAs.¹⁵ According to FPS, a pilot version of RAMP is expected to be rolled out in fiscal year 2009. RAMP will be accessible to inspectors via a secure wireless connection anywhere in the United States and will guide them through the process of completing a BSA to ensure that standardized information is collected on all GSA facilities. According to FPS, once implemented, RAMP will provide inspectors with accurate information that will enable them to make more informed and defensible recommendations for security countermeasures. FPS also anticipates that RAMP will allow inspectors to obtain information from one source, generate reports automatically, enable the agency to track selected countermeasures throughout their life cycle, address some issues with the subjectivity of BSAs, and reduce the amount of time spent on administrative work by inspectors and managers.

¹⁵RAMP will replace several FPS systems, including its Security Tracking System and the Contract Guard Employment Requirements Tracking System, and may be integrated with other systems associated with the BSA program.

FPS Faces Funding Challenges, and Its Actions to Address Them Have Had Adverse Implications

FPS's collections have not been sufficient to cover its projected operational costs in recent years, and FPS has faced projected shortfalls twice in the last 4 years. While FPS has taken actions to address these gaps, its actions have had adverse implications, including low morale among staff, increased attrition, and the loss of institutional knowledge as well as difficulties in recruiting new staff. Also, FPS's primary means of funding its operations—the basic security fee—does not account for the risk faced by particular buildings and, depending on that risk, the level of service provided to tenant agencies or the cost of providing those services.

FPS's Collections Have Not Been Sufficient to Cover Operational Costs

FPS funds its operations through the collection of security fees charged to tenant agencies for security services. However, these fees have not been sufficient to cover its operational costs in recent years. FPS has addressed this gap in a variety of ways. When FPS was located at GSA it received additional funding from the Federal Buildings Fund to cover the gap between collections and costs.¹⁶ For example, in fiscal year 2003, the Federal Buildings Fund provided for the approximately \$140 million difference between FPS's collections and costs. Also, the first year after the transfer to DHS, fiscal year 2004, FPS needed \$81 million from the Federal Buildings Fund to cover the difference between collections and the cost of operations. While fiscal year 2004 was the last year funding from the Federal Buildings Fund was available to support FPS, the agency continued to experience budgetary challenges because of the gap between operational costs and fee collections, and also because of increases in its support costs after the transfer to DHS.¹⁷

In fiscal year 2005, FPS was authorized to increase the basic security fee from 30 cents per square foot to 35 cents per square foot, providing approximately \$15 million in additional collections.¹⁸ However, FPS's

¹⁶Established by Congress in 1972 and administered by GSA, the Federal Buildings Fund is a revolving fund in the U.S. Treasury into which federal agency rent and certain other moneys are deposited. Moneys deposited into the fund are available, subject to congressional appropriation, for GSA's real property management and related activities. See 40 U.S.C § 592.

¹⁷Since the transfer, FPS support costs (e.g., information technology, administrative services, and human capital services) paid to ICE has increased from approximately \$16 million in fiscal year 2004 to \$27 million in fiscal year 2007.

¹⁸According to FPS, an increase of 1 cent in the basic security fee increases collections by \$3 million.

collections were projected to be \$70 million short of its operational costs that year. To make up for the projected shortfall and to avoid a potential Anti-deficiency Act violation, FPS instituted a number of cost-saving measures that included restricted hiring and travel, limited training and overtime, and no employee performance awards. Similarly, in fiscal year 2006, FPS faced another projected shortfall of \$57 million. To address this projected shortfall, FPS maintained existing cost savings measures and DHS had to transfer \$29 million in emergency supplemental funding to FPS. DHS's Acting Undersecretary for Management stated that this funding was necessary to avoid a shortfall in fiscal year 2006, and to ensure that security at GSA facilities would not be jeopardized.

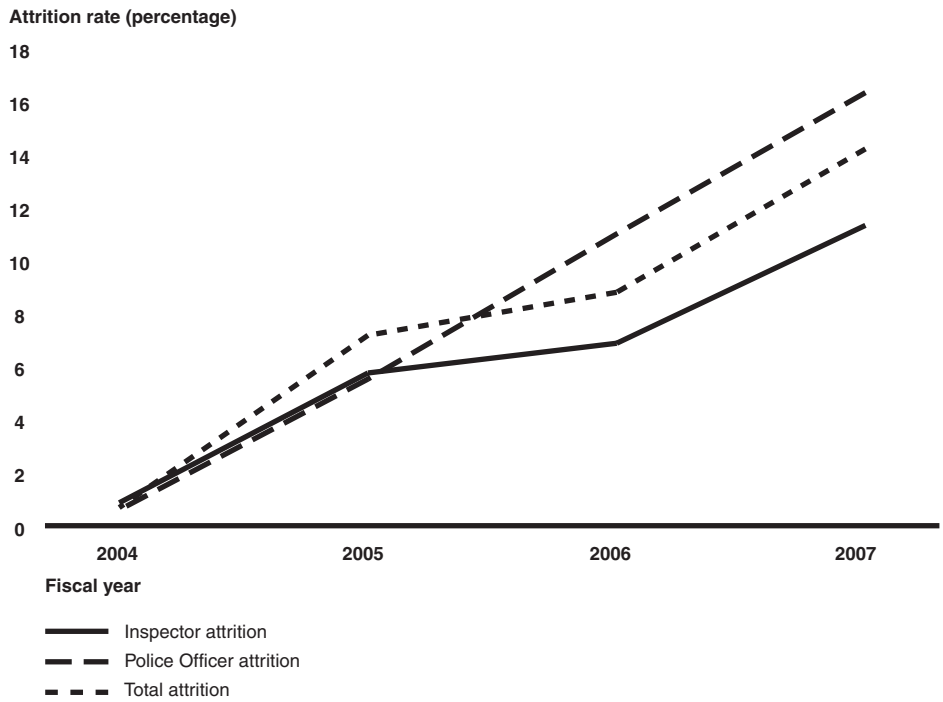
In fiscal year 2007, FPS continued its cost-saving measures, which resulted in approximately \$27 million in savings, and increased the basic security fee from 35 cents per square foot to 39 cents per square foot. Because of these actions, fiscal year 2007 was the first year that FPS did not face a projected shortfall. However, according to a FPS memo to the DHS Chief Financial Officer, FPS had recommended increasing the basic security fee to 49 cents per square foot in fiscal year 2007. The memo also stated that the increase was needed to avoid a dramatic reduction in the level of security provided at GSA facilities. A basic security fee of 49 cents per square foot in fiscal year 2007 would have provided approximately \$30 million in additional collections, which might have negated the need to implement cost-saving measures for that year. In addition, Booz Allen Hamilton reported that the basic security fees for fiscal years 2006 and 2007 were too low to recover FPS's costs of providing security and stated that they should have been about 25 cents more per square foot, or about 60 cents per square foot.¹⁹ In fiscal year 2008, the basic security fee increased to 62 cents per square foot, and FPS is projecting that the fee will be sufficient to cover its operational costs and that it will not have to implement any cost-saving measures, although a FPS official noted that the loss of staff in recent years has helped decrease its operational costs. In fiscal year 2009, FPS's basic security fees will increase to 66 cents per square foot, which represents the fourth time FPS has increased the basic security fee since transferring to DHS.

¹⁹FPS and ICE hired Booz Allen Hamilton to conduct an activity-based cost study. The report assumes building-specific and tenant-specific administrative fees would be lower than those charged in fiscal years 2006 and 2007, suggesting rates of 13.57 percent and 1.70 percent, respectively, as opposed to the approved rates of 15 percent and 8 percent.

FPS's Actions to Address Budgetary Challenges Have Had Adverse Implications

According to FPS, its cost-saving measures have also had adverse implications, including low morale among staff, increased attrition and the loss of institutional knowledge, as well as difficulties in recruiting new staff. In addition, several FPS police officers and inspectors said that overwhelming workloads, uncertainty surrounding their job security, and a lack of equipment have diminished morale within the agency. These working conditions could affect the performance and safety of FPS personnel. FPS officials said the agency has lost many of its most experienced law enforcement staff in recent years, and several police officers and inspectors said they were actively looking for new jobs outside FPS. For example, FPS reports that 73 inspectors, police officers, and physical security specialists left the agency in fiscal year 2006, representing about 65 percent of the total attrition in the agency for that year. Attrition rates have steadily increased from fiscal years 2004 to 2007, as shown in figure 6. The attrition rate for the inspector position has increased, despite FPS's plan to move to an inspector-based workforce. FPS officials said its cost-saving measures have helped the agency address projected revenue shortfalls and have been eliminated in fiscal year 2008. In addition, according to FPS, these measures will not be necessary in fiscal year 2009 because the basic security fee was increased and staffing has decreased.

Figure 6: FPS's Attrition Rates, Fiscal Years 2004 through 2007



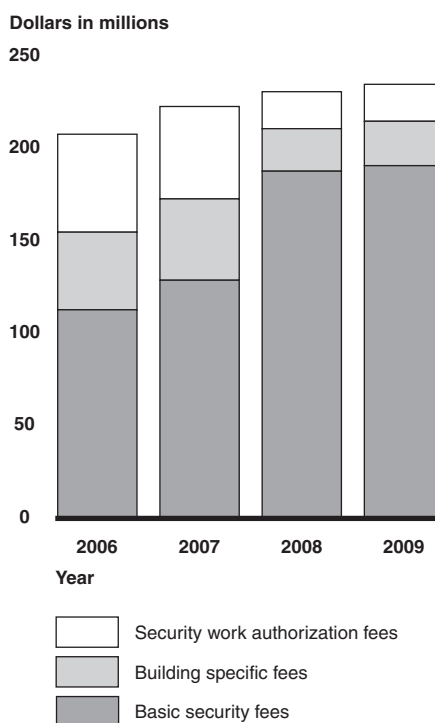
Source: GAO analysis of FPS data.

Note: "Inspectors" includes an unknown number of physical security specialists, who do not have law enforcement authority. "Total attrition" includes inspectors, police officers, physical security specialists, special agents, and administrative and support staff.

FPS's Basic Security Fee Does Not Account for Risk and Raises Questions about Equity

FPS's primary means of funding its operations is the fee it charges tenant agencies for basic security services, as shown in figure 7.

Figure 7: Amount of Fees Collected by FPS, Fiscal Years 2006 through 2009



Source: FPS.

Note: Figures do not include pass through funding. Fiscal years 2008 and 2009 are projections.

However, this fee does not fully account for the risk faced by particular buildings or the level of basic security services provided, and does not reflect the actual cost of providing services. Some of the basic security services covered by this fee include law enforcement activities at GSA facilities, preliminary investigations, the capture and detention of suspects, and BSAs, among other services. In fiscal year 2008, FPS charged 62 cents per square foot for basic security and has been authorized to increase the rate to 66 cents per square foot in fiscal year 2009. FPS charges federal agencies the same basic security fee regardless of the perceived threat to that particular building or agency. Although FPS categorizes buildings according to security levels based on its assessment of the building's risk and size, it does not affect the security fee charged by

FPS. For example, level I facilities typically face less risk because they are generally small storefront-type operations with a low level of public contact, such as a small post office or Social Security Administration office. However, these facilities are charged the same basic security fee of 62 cents per square foot as a level IV facility that has a high volume of public contact and may contain high-risk law enforcement and intelligence agencies and highly sensitive government records.

In addition, FPS's basic security rate has raised questions about equity because federal agencies are required to pay the fee regardless of the level of service it provides or the cost of providing the service. For instance, in some of the regions we visited, FPS officials described situations where staff are stationed hundreds of miles from buildings under its responsibility, with many of these buildings rarely receiving services from FPS staff and relying mostly on local law enforcement agencies for law enforcement services. However, FPS charges these tenant agencies the same basic security fees as buildings in major metropolitan areas where numerous FPS police officers and inspectors are stationed and are available to provide security services. Consequently, FPS's cost of providing services is not reflected in its basic security charges. For instance, a June 2006 FPS workload study estimating the amount of time spent on various security services showed differences in the amount of resources dedicated to buildings at various security levels. The study said that FPS staff spend approximately six times more hours providing security services to higher-risk buildings (levels III and IV buildings) compared to lower-risk buildings (levels I and II buildings). In addition, a 2007 Booz Allen Hamilton report of FPS's operational costs found that FPS does not link the actual cost of providing basic security services with the security fees it charges tenant agencies. The report recommends incorporating a security fee that takes into account the complexity or the level of effort of the service being performed for the higher-level security facilities. The report states that FPS's failure to consider the costs of protecting buildings at varying risk levels could result in some tenants being overcharged. We also have reported that basing government fees on the cost of providing a service promotes equity, especially when the cost of providing the service differs significantly among different users, as is the case with FPS.²⁰

²⁰GAO, *Federal User Fees: A Design Guide*, [GAO-08-386SP](#) (Washington, D.C.: May 29, 2008).

Changes in FPS's security fees have also had adverse implications for agencies, specifically the frequent late notifications about rate increases. In the last 3 years, FPS has increased its rates but has not notified agencies of these increases until late in the federal budget cycle. According to an official from ICE's Office of the Chief Financial Officer, FPS is required to announce its basic security fee at the same time GSA announces its rent charges, which are typically set by June 1 of the preceding year. However, since transferring to DHS, FPS has not complied with this schedule. For example, FPS announced that its administrative security fees for fiscal year 2007 would increase from 8 percent to 15 percent several months after tenant agencies received their annual appropriation for 2007. In March of fiscal year 2008, FPS announced that the basic security fee for fiscal year 2008 would increase from 57 cents per square foot to 62 cents per square foot and that the increase would be retroactive. Consequently, most tenant agencies have to fund these unexpected increases outside of the federal budget cycle. GSA officials said this would have a significant impact on many federal agencies, causing them to divert funds from operational budgets to account for this unexpected increase in cost.

Several Stakeholders Have Expressed Concern about FPS's Ability to Determine Its Costs of Providing Security Services

Several stakeholders have raised questions about whether FPS has an accurate understanding of the cost of providing security at GSA facilities. An official from ICE's Office of the Chief Financial Officer said FPS has experienced difficulty in estimating its costs because of inaccurate cost data. In addition, OMB officials said they have asked FPS to develop a better cost-accounting system in past years. The 2007 Booz Allen Hamilton report found that FPS does not have a methodology to assign costs to its different security activities and that it should begin capturing the cost of providing various security services to better plan, manage, and budget its resources. We have also previously cited problems with ICE's and FPS's financial system, including problems associated with tracking expenditures.²¹ We also have previously reported on the importance of having accurate cost information for budgetary purposes and to set fees and prices for services. We have found that without accurate cost information, it is difficult for agencies to determine if fees need to be increased or decreased, accurately measure performance, and improve efficiency. Also, federal accounting standards and the Chief Financial Officers Act of 1990 require agencies to maintain accurate cost data and

²¹GAO, *Homeland Security: Management Challenges Remain in Transforming Immigration Programs*, [GAO-05-81](#) (Washington, D.C. : Oct. 14, 2004).

set standards for federal agencies that include requirements for determining and reporting on the full costs of government services.

FPS Faces Limitations in Assessing Its Performance

To determine how well it is accomplishing its mission to protect GSA facilities, FPS has identified some output measures that are a part of OMB's Performance Assessment Rating Tool. These measures include determining whether security countermeasures have been deployed and are fully operational, the amount of time it takes to respond to an incident, and the percentage of BSAs completed on time. Some of these measures are also included in FPS's federal facilities security index, which is used to assess its performance. However, FPS has not developed outcome measures to evaluate the net effect of its efforts to protect GSA facilities. While output measures are helpful, outcome measures are also important because they can provide FPS with broader information on program results, such as the extent to which its decision to move to an inspector-based workforce will enhance security at GSA facilities or help identify the security gaps that remain at GSA facilities and determine what action may be needed to address them. The Government Performance and Results Act requires federal agencies to, among other things, measure agency performance in achieving outcome-oriented goals. Measuring performance allows organizations to track the progress they are making toward their goals and gives managers critical information on which to base decisions for improving their progress. In addition, we and other federal agencies have maintained that adequate and reliable performance measures are a necessary component of effective management. We have also found that performance measures should provide agency managers with timely, action-oriented information in a format conducive to helping them make decisions that improve program performance, including decisions to adjust policies and priorities. However, FPS does not appear to be using these key management practices to manage its security program.

FPS is also limited in its ability to assess the effectiveness of its efforts to protect GSA facilities, in part because it does not have a data management system that will allow it to provide complete and accurate information on its security program. Without a reliable data management system, it is difficult for FPS and others to determine the effectiveness of its efforts to protect GSA facilities or for FPS to accurately track and monitor incident response time, effectiveness of security countermeasures, and whether BSAs are completed on time.

Currently, FPS primarily uses Web Records Management System (WebRMS) and Security Tracking System (STS) to track and monitor output measures. These output measures include FPS's efficiency in

response to calls for law enforcement assistance; determining whether appropriate security countermeasures have been recommended, deployed, and are fully operational; and to what extent BSAs are completed on time.²² However, FPS acknowledged that there are weaknesses with these systems that make it difficult to accurately track and monitor these output measures. For example, according to FPS, STS, which is used to track security countermeasures, does not allow for tracking the implementation status of recommended countermeasures, such as security cameras, bollards, or X-ray machines. Without this ability, FPS has difficulty determining whether it has mitigated the risk of GSA facilities to crime or a terrorist attack.

In addition, according to many FPS officials at the seven regions we visited, the data maintained in WebRMS may not be a reliable and accurate indicator of crimes and other incidents for several reasons. First, because FPS does not write an incident report for every incident, not all incidents are entered in WebRMS. Second, according to FPS, there are many incidents phoned into the MegaCenter that would not show up in WebRMS because FPS police officers or inspectors did not complete the report. Third, the types and definitions of prohibited items vary not only region by region, but also building by building. For example, a can of pepper spray may be prohibited in one building, but allowed in another building in the same region. Standard guidelines and definitions would minimize the amount of subjectivity that police officers and inspectors may apply when deciding how and what types of information to enter in WebRMS. Finally, according to FPS, having fewer police officers has decreased the total number of crime and incident reports entered in WebRMS because there is less time spent on law enforcement activities. The officials in one FPS region we visited stated that 2 years ago there were 25,000 reports filed through WebRMS. However, this year they are projecting about 10,000 reports because there are fewer FPS police officers to respond to an incident and write a report if necessary.

FPS officials also stated that inspectors and police officers often have to enter the same information into multiple data systems, leading to a greater risk for human error, such as transposing numbers, affecting the accuracy of the data. Our past work has shown that when data management systems

²²An output measure is the tabulation, calculation, or recording of activity or effort and can be expressed in a quantitative or qualitative manner.

are not integrated and compatible, excessive use of resources and inconsistent analysis of program results can occur.

FPS has recognized the need to improve its current data management systems. As mentioned earlier, FPS is developing RAMP and expects it to be fully operational in 2011. According to FPS, the development and implementation of RAMP will provide it with an integrated system and a set of standard guidelines to use when collecting information, such as the types and definition of incidents and incident response times. FPS is also planning to procure a computer-assisted dispatch system for use at its MegaCenters, which will help to improve its ability to accurately track, analyze, and report crime and other incidents.

Conclusions

Providing law enforcement and physical security support services to GSA facilities requires effective management of available staffing and funding resources. Since FPS transferred to DHS, its understanding of its staffing needs has changed frequently, and it is unclear whether the agency has an accurate estimate of the number of employees needed to achieve its mission. While FPS has taken some actions to address the operational and funding challenges it faces, many of these actions may not fully resolve these challenges. For example, FPS currently is in the process of changing to an all-inspector workforce and adding 150 inspectors to its workforce. The additional inspectors could have a positive impact on the eight regions where they will be assigned. However, it may not enhance FPS's ability to provide law enforcement services such as proactive patrol and 24-hour response to GSA facilities. In addition, it is unclear whether FPS's inspector-based workforce and the additional 150 inspectors will improve its oversight of contract guards or the quality and timeliness of BSAs. FPS could also benefit from better aligning its staffing resources with the agency's goals and performance. This alignment could enable FPS to identify gaps in security protection at GSA facilities and assign employees to the highest-risk areas. It is also important that FPS ensure that its decision to move to an inspector-based workforce does not hamper its ability to protect GSA facilities. For example, FPS believes that it can rely on the informal relationships that exist between it and local law enforcement agencies for assistance with responding to incidents at GSA facilities. However, local law enforcement agencies and FPS regional officials believe that there are jurisdictional issues that need to be clarified.

Moreover, FPS's primary means of funding its operations—the basic security fee—does not account for the level of risk faced by buildings and, depending on that risk, the level of service provided or the cost of

providing security at GSA facilities. This issue raises questions about whether some federal agencies are being overcharged by FPS. FPS also does not have a detailed understanding of its operational costs, including accurate information about the cost of providing its security services at GSA facilities with different risk levels. Without this type of information, FPS has difficulty justifying the rate of the basic security fee to its customers. We have found that by having accurate cost information, an organization can demonstrate its cost-effectiveness and productivity to stakeholders, link levels of performance with budget expenditures, provide baseline and trend data for stakeholders to compare performance, and provide a basis for focusing an organization's efforts and resources to improve its performance. In addition, FPS has generally funded its operations by using a fee-based system. However, historically and recently FPS's collections have not been sufficient to cover its projected operational costs and the steps it has taken to address the projected shortfalls have reduced staff morale and diminished security at GSA facilities. Thus, we believe it is important that FPS assess whether the fee-based system or an alternative funding mechanism is most appropriate for funding the agency.

Given the operational and funding challenges FPS faces, it is important that the agency develop and implement business and performance management practices that will ensure that it is providing services efficiently, effectively, and in accordance with risk-based management. Having specific guidance and standards for measuring its efforts to protect GSA facilities from the risk of terrorist attacks, crime, or related incidents will also be beneficial to FPS. We have found that numerous federal and private sector organizations use security-related performance measures to help improve security, make decisions about risk management and resource allocation, and evaluate program effectiveness. Performance measurements can also be used to prioritize security needs and justify investment decisions so that an agency can maximize limited resources. While the output measures FPS uses are helpful, outcome measures are also important because they can provide FPS with broader information on program results, such as the extent to which its decision to move to an inspector-based workforce will enhance security at GSA facilities or help identify the security gaps that remain at GSA facilities and what action may be needed to address them.

Finally, a reliable data management system will allow FPS to provide complete and accurate information on its security program. In past reports, we have discussed the importance of maintaining timely and accurate data to help monitor and improve the effectiveness of

government programs. We have found that in order to make informed decisions and ensure accountability, agencies need data management systems that can generate timely, accurate, and useful information. Without a reliable data management system, it is difficult for FPS and other stakeholders to determine the effectiveness of its efforts to protect GSA facilities or for FPS to accurately track and monitor incident response time, effectiveness of security countermeasures, and whether BSAs are completed on time.

Recommendations for Executive Action

To improve its ability to address its operational and funding challenges and to ensure that it has useful performance measures and reliable information to assess the effectiveness of efforts to protect GSA facilities, we recommend that the Secretary of Homeland Security direct the Director of FPS to take the following six actions:

- develop and implement a strategic approach to manage its staffing resources that, among other things, determines the optimum number of employees needed to accomplish its facility protection mission and allocate these resources based on risk management principles and the agency's goals and performance measures;
- clarify roles and responsibilities of local law enforcement agencies in regard to responding to incidents at GSA facilities;
- improve FPS's use of the fee-based system by developing a method to accurately account for the cost of providing security services to tenant agencies and ensuring that its fee structure takes into consideration the varying levels of risk and service provided at GSA facilities;
- evaluate whether FPS's current use of a fee-based system or an alternative funding mechanism is the most appropriate manner to fund the agency;
- develop and implement specific guidelines and standards for measuring its performance, including outcome measures to assess its performance and improve the accountability of FPS; and
- improve how FPS categorizes, collects, and analyzes data to help it better manage and understand the results of its efforts to protect GSA facilities.

Agency Comments

We provided a draft of this report to DHS for its review and comment. DHS concurred with the report's findings and recommendations. DHS's comments can be found in appendix II.

As agreed with your offices, unless you publicly announce the contents of this report earlier, we plan no further distribution until 30 days from the report date. At that time, we will send copies of this report to the Secretary of Homeland Security, DHS's Assistant Secretary for Immigration and Customs Enforcement, and appropriate congressional committees. We also will make copies available to others on request. In addition, the report will be available at no charge on the GAO Web site at <http://www.gao.gov>.

If you have any questions about this report, please contact me at (202) 512-2834 or goldsteinm@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made major contributions to this report are listed in appendix III.



Mark L. Goldstein
Director, Physical Infrastructure

List of Requesters

The Honorable Joseph I. Lieberman
Chairman
The Honorable Susan M. Collins
Ranking Member
Committee on Homeland Security and Governmental Affairs
United States Senate

The Honorable Bennie Thompson
Chairman
The Honorable Peter King
Ranking Member
Committee on Homeland Security
House of Representatives

The Honorable James L. Oberstar
Chairman
Committee on Transportation and Infrastructure
House of Representatives

The Honorable Daniel K. Akaka
Chairman
The Honorable George V. Voinovich
Ranking Member
Subcommittee on Oversight of Government Management,
the Federal Workforce and the District of Columbia
Committee on Homeland Security and Governmental Affairs
United States Senate

The Honorable Eleanor Holmes Norton
Chairwoman
Subcommittee on Public Buildings,
Economic Development, and Emergency Management
Committee on Transportation and Infrastructure
House of Representatives

Appendix I: Scope and Methodology

To determine any operational challenges the Federal Protective Service (FPS) faces in protecting General Services Administration (GSA) facilities and actions it has taken to address those challenges, we interviewed about 170 FPS police officers, inspectors, special agents, support personnel, and administrators at headquarters and at 7 of FPS's 11 regions. These 7 regions represent about 59 percent of FPS's facility protection portfolio. We also interviewed about 53 GSA headquarters and regional management and security officials, 101 tenant agency officials from 22 building security committees, and 8 local law enforcement agencies about FPS's efforts to protect federal employees, facilities, and the public. These 7 regions were selected using both quantitative and qualitative criteria in order to maximize diversity among the site visits. In selecting regions to visit, we considered the number of buildings in each region, geographic dispersion across the United States, the number of FPS personnel in each region, and input from FPS and GSA officials. We analyzed FPS staffing data from fiscal years 2004 through 2007 to identify trends in staffing. To validate staffing data received from FPS, we compared the data to staffing numbers from the Office of Personnel Management and found them to be accurate. We also analyzed laws relating to jurisdictional issues at GSA facilities and FPS's authority. We analyzed a FPS workforce study, Immigration and Customs Enforcement (ICE) Office of Professional Responsibility performance reports, and the FPS policy handbook.

To determine any budgetary and funding challenges FPS faces and actions it has taken to address them, we interviewed budget officials from the Office of Management and Budget, ICE's Office of the Chief Financial Officer, FPS, and GSA. We analyzed appropriation acts, and FPS's budget and budget justifications for fiscal years 2004 through 2009. In addition, we analyzed FPS's 2006 workforce study and a 2007 Booz Allen Hamilton activity-based costing study.

To determine how FPS measures the effectiveness of its efforts, we analyzed FPS's strategic plan for fiscal years 2008 through 2011 and strategic planning and performance reports and interviewed officials from FPS's Risk Management Division. We also analyzed crime and incident data from FPS's Web Records Management System and interviewed FPS officials about the reliability of the data. Because of inconsistency in reporting among regions and problems with ensuring that all incidents are included in the data, we determined that this data do not reliably capture all crime and incidents in federal buildings.

Because of the sensitivity of some of the information in this report, we cannot provide information about the specific locations of crime or other

incidents discussed. We conducted this performance audit from April 2007 to June 2008 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Appendix II: Comments from the Department of Homeland Security



Homeland
Security

June 3, 2008

Mr. Mark Goldstein
Director, Physical Infrastructure
U.S. Government Accountability Office
Washington, D. C. 20548

Dear Mr. Goldstein:

Thank you for the opportunity to comment on the draft report GAO-08-683 "The Federal Protective Service Faces Several Challenges That Hamper Its Ability to Protect Federal Facilities."

The Department of Homeland Security (DHS) and the U.S. Immigration and Customs Enforcement's Federal Protective Service (FPS) concurs with the audit findings of the Government Accountability Office (GAO) regarding the challenges faced by FPS. FPS has already undertaken considerable steps to implement the audit's findings.

FPS recently completed its new Strategic Plan. The plan will help ensure that FPS can comply with the staffing requirements mandated in the FY 2008 appropriations language. FPS is also adopting a Risk Assessment and Management Program (RAMP). RAMP will be a secure, web-enabled tool to conduct risk assessments at FPS-protected sites, recommend appropriate countermeasures, and monitor the effectiveness of those measures.

FPS has also worked to strengthen its communications with its numerous stakeholders. FPS has conducted a number of focus group meetings with stakeholders to discuss and resolve issues at working levels and to identify systemic problems that can be corrected at higher levels. In addition, FPS has formed a partnership with its private and public sector tenants through an Executive Advisory Council (EAC) to help coordinate security strategies and activities and to improve communication between FPS and building occupants.

Below, we address the specific GAO recommendations:

GAO Recommendation 1: Develop and implement a strategic approach to manage [FPS] staffing resources that, among other things, determines the optimum number of employees needed to accomplish its facility protection mission and allocate these

resources based on risk management principles and the agency's goals and performance measures.

ICE Response: Concur. ICE and FPS are using the results of several workload studies and analyses to establish a more strategic and risk-based approach to staffing that identifies the resources and funding needed to accomplish FPS's mission. This approach will provide an opportunity to integrate the strategic goals and objectives defined in the ICE FPS Strategic Plan into specific organizational and individual performance measures and address mission accomplishment based upon levels of risk.

GAO Recommendation 2: Clarify roles and responsibilities of local law enforcement agencies in regards to responding to incidents at GSA facilities.

ICE Response: Concur. ICE will examine responsibilities for local law enforcement response to incidents at GSA facilities; in particular, the differences in response based upon the type of facility (e.g., leased or federally owned). For example, previous analysis has shown that for leased facilities, which comprise 81 percent of our inventory, the state/local taxes paid by the property owner that support local law enforcement response, are included in the lease agreement. Therefore, on its face, it appears that local police and fire/rescue response might be obligatory. ICE will research this further.

GAO Recommendation 3: Improve FPS's use of the fee base system by developing a method to accurately account for the cost of providing security services to tenant agencies and ensuring that its fee structure takes into consideration the varying levels of risk and service provided at GSA facilities.

ICE Response: Concur. ICE agrees that the legacy GSA fee methodology should be updated to more accurately reflect and assign the cost of delivering law enforcement and security services to all facilities FPS is responsible for protecting. In theory, the FPS basic security fee was designed to enable FPS to provide the most basic of services to all customer facilities, regardless of risk level assigned to the facility. Once the building security assessment is completed, a risk level for that facility is then established. Based on the risk level, appropriate countermeasures are designed and installed and the facility is assessed a building-specific charge to recover the costs of acquiring, installing, and maintaining the countermeasures.

The additional costs associated with providing higher levels of security, both additional law enforcement attention and the increased administrative/contracting support, are intended to be recovered in the building specific fee. However, authorized fees and FTE levels have not been sufficient to ensure that basic security services are available and provided at all facilities that the FPS is tasked to protect. Available resources must be prioritized based upon risk, vulnerability and consequence. Hence, the ICE FPS has focused its resources on the protection of those facilities assigned the highest risk level. In the absence of sufficient resources to ensure that the same comparable level of basic security services can be provided to all facilities and locations, FPS will undertake a study that examines alternative fee methodologies that assign costs reflective of services

required to meet the security needs at various risk levels based on strategic mission, risk management principles, agency goals, and performance goals.

GAO Recommendation 4: Evaluate whether FPS's current use of a fee-based system or an alternative funding mechanism is the most appropriate manner to fund the agency.

ICE Response: Concur. The ICE FPS fee-based system of funding was developed by GSA within the context of providing protection for federal real property assets and the tenant agencies housed within GSA facilities. Like commercial real estate management, GSA developed an average cost per square foot to recover the basic cost of protecting the inventory and assessed all tenant agencies a prorated share of these estimated basic security costs based upon the number of square feet each tenant occupies, regardless of risk. In addition to the basic security costs, facilities determined to be high risk and requiring additional security countermeasures were assessed a building specific fee. This fee included costs of the enhanced security measures as well as an administrative fee for the additional cost of acquiring, installing, overseeing and managing the additional security activities.

While this system of fees might fit within the real estate mission of GSA, it is a paradigm that no longer promotes or assures the accomplishment of FPS's mission. The transfer of FPS to the Department of Homeland Security significantly altered the focus of the FPS mission. Protecting the homeland, securing critical infrastructure, risk, vulnerability, and consequence are the new FPS mission foci and these security drivers are difficult to translate into the "pennies per square foot" legacy GSA real estate-driven cost recovery model.

ICE FPS will continue its research, development, and recommendation of funding options that support the security and protection mission of the FPS within DHS. Alternative fee methodologies, along with options that include combinations of different fees with other funding sources, will be considered. The most-effective options will be proposed for consideration in the next available budget cycle.

GAO Recommendation 5: Develop and implement specific guidelines and standards for measuring performance including outcome measures to assess its performance and improve the accountability of FPS.

ICE Response: Concur. Using the ICE FPS Strategic Plan as the foundation, FPS has begun updating its current performance measures to focus on operational outputs while supporting strategic level outcome reporting. FPS is also acquiring new systems to enhance its operational capabilities for gathering data and developing action plans to assess collective and individual performance. The Risk Assessment and Management Program (RAMP) and a Computer Aided Dispatch (CAD) system will provide a suite of tools designed to ease the collection, analysis, and reporting of performance measure information. This will also contribute to more effective management and increase the effectiveness of services provided to stakeholders.

GAD Recommendation 6: "Improve how FPS categorizes, collects, and analyzes data to help better manage and understand its efforts to protect GSA facilities."

ICE Response: Concur. ICE FPS is developing systems for collecting and analyzing elements of its security and protection operations to adequately determine the costs of providing appropriate and adequate risk mitigation at GSA facilities. This involves identifying and defining information that is needed, establishing automated processes for gathering data, and analyzing the output to determine risk levels and to acquire and install countermeasures (including contract guard services) to mitigate threats to property and people.

The Risk Assessment and Management Program (RAMP) and a Computer Aided Dispatch (CAD) system will provide ready access to the variety of information that will permit FPS to maintain appropriate situational awareness, as well as the capability to access, analyze, report, and utilize information to accomplish the FPS vision of "Secure Facilities, Safe Occupants" at costs that are appropriate and equitable.

We thank you again for the opportunity to review this important report and provide comments.

Sincerely,



Penelope G. McCormack
Acting Director
Departmental GAO/OIG Liaison Office

Appendix III: GAO Contact and Staff Acknowledgments

GAO Contact

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Acknowledgments

In addition to the contact named above, Tammy Conquest, Assistant Director; Daniel Cain; Collin Fallon; Brandon Haller, Aaron Johnson; Katie Hamer; Carol Henn; Daniel Hoy; and Susan Michal-Smith made key contributions to this report.

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