



Department of Homeland Security Office of Inspector General

**Revisions to the Marine Safety Performance Plan
and Annual Update Supplement
Will Facilitate Improved Management**





Homeland Security

December 28, 2010

MEMORANDUM FOR: The Honorable Admiral Robert J. Papp
Commandant
United States Coast Guard

FROM: *Richard L. Skinner*
Richard L. Skinner
Inspector General

SUBJECT: *Revisions to the Marine Safety Performance Plan and
Annual Update Supplement Will Facilitate Improved
Management*

Attached for your information is our final letter report, *Revisions to the Marine Safety Performance Plan and Annual Update Supplement Will Facilitate Improved Management Controls*. We incorporated the formal comments from the U.S. Coast Guard in the report.

Consistent with our responsibility under the *Inspector General Act*, we are providing copies of our report to appropriate congressional committees with oversight and appropriation responsibility over the Department of Homeland Security. We will post the report on our website for public dissemination.

Should you have any questions, please call me, or your staff may contact Anne L. Richards, Assistant Inspector General for Office of Audits, at (202) 254-4100.

Attachment

Background

In 2007, the House Committee on Transportation and Infrastructure scrutinized the Marine Safety Program's ability and preparedness to meet the demands of a dynamic global maritime environment. The Committee was concerned whether the Coast Guard had the human capital and technical expertise to safeguard the maritime industry. In response, the Coast Guard developed and released a performance plan for the Marine Safety Program to convey its goals, objectives, and courses of action for securing the American coastlines over the next 5 years. We reviewed this Marine Safety Performance Plan, FYs 2009–2014 (MSPP) and the Annual Update Supplement to the Marine Safety Performance Plan, FYs 2009–2014 to determine whether improvements could be made to the Coast Guard's MSPP to manage the Marine Safety Program.

We compared the MSPP with best practices for performance plans, and are making two recommendations to improve the MSPP. Best practices are the Coast Guard's Marine Safety internal memorandums regarding Campaign Plans and Mission Performance Plans, the Coast Guard's Mission Performance Plan template (2001–2016), the *Government Performance Results Act of 1993*, and Office of Management and Budget Circulars A-123 and A-11. Mission performance plans that exhibit some or all of these best practices should enable the Marine Safety Program to measure results, identify gaps and issues, and improve performance.

The MSPP is organized around the following four goals aimed at enhancing ability of the Coast Guard's Marine Safety Program to—

- Reduce the risk of maritime casualties,
- Facilitate commerce,
- Improve program processes and management, and
- Improve human resource capabilities.

Each goal includes supporting objectives that define specific outcome, efficiency, service, or capability results to be attained in support of the associated goal. The performance goals and objectives are also linked to the MSPP's six performance initiatives: superior workforce, superb service delivery, quality management, boat, tow, and fish safe. Each initiative has supporting courses of action. The update to the MSPP is a progress report on the Coast Guard's efforts to enhance the mission.

The Coast Guard's Marine Safety Program ensures the safety of tens of thousands of U.S. mariners, millions of passengers on ferries and other vessels, and tens of millions of recreational boaters. By preventing marine casualties, the Coast Guard also protects the marine environment from oil spills and the introduction of other harmful substances, and strengthens the economy by minimizing property loss and disruptions to maritime commerce.

Results of Review

The MSPP has positive attributes, but it is missing some elements that we consider critical to an effective performance plan. Those elements are baseline information against which to measure performance indicators, performance targets and milestones to show progress and completion dates for action items, resources needed, and measurable goals and objectives.

The MSPP Should Include Additional Elements

Baselines

The MSPP does not include baseline information. Periodic comparisons of actual results against baseline figures will help the Coast Guard to assess its progress more accurately to enhance the MSPP for better management of the plan and provide clarity on where corrective action should be taken. For example, the Coast Guard has identified that it needs additional marine inspectors and investigators. It has made progress by adding billets and filling many of those positions, but it does not compare the number of additional positions against the number of positions needed. Adding positions indicates progress but does not provide information about whether the Coast Guard is any closer to achieving success.

Performance Targets, Performance Milestones, and Completion Dates

The MSPP does not include performance targets, milestones, and completion dates for all courses of action under each performance initiative. Performance targets and milestones to be reached by a set schedule will provide users and managers of the MSPP with clearer expectations of accomplishments and a schedule for planning, prioritizing, and budgeting activities. Because the MSPP was developed without performance targets, milestones, and completion dates, there are no overdue courses of action. In addition, because many of the objectives and courses of action in the MSPP are not measurable, the Coast Guard cannot evaluate whether it met its goals and objectives, and whether it met them on schedule.

Resources

The MSPP briefly describes performance initiatives and courses of action, but the plan does not link courses of action to expected results, nor does it provide sufficient detail on the resources needed to accomplish the mission. For example, a course of action for the Boat Safe Initiative states, “[w]e will work with key stakeholders and partners to improve safety communications and increase awareness of safe boating practices.” This course of action does not explain how the Coast Guard plans to work with stakeholders and partners or the resources needed to improve boating practices. Another example is under the Tow Safe Initiative, which states that the Coast Guard will “[i]ncrease outreach and strengthen partnership efforts; promote risk reduction.” Details are not included that define resource requirements or address contingencies to reduce risk. Linking expected

results with an explanation for needed resources will provide stakeholders with information about how the Coast Guard plans to achieve the program mission given the resources available.

Goals, Objectives, and Courses of Action Should Be Measurable

With the exception of one course of action, performance goals, objectives, and courses of action in the MSPP are not expressed in measurable terms. Measurable goals will ensure that an accurate and independent determination can be made about the actual performance results. Such measurements will facilitate the validation of whether the performance goals were achieved.

Recommendations

We recommend that the Assistant Commandant for Resources for the United States Coast Guard take the following actions to improve the MSPP:

1. Include baseline information, performance targets, performance milestones and completion dates, and resources needed in order to achieve the MSPP goals and objectives.
2. Modify goals, objectives, and courses of action into quantifiable measures.

Management Comments and OIG Analysis

The Coast Guard concurred with both recommendations in the report. The Coast Guard Deputy Commandant for Operations Office of Performance Management and Assessment is developing guidance requiring mission performance initiative descriptions in the MSPP include baseline information, performance metrics, performance milestones and completion dates, and resources needed in order to achieve each mission's goals. The Coast Guard will modify the goals into quantifiable and measurable actions in its 2012 - 2017 MSPP.

Recommendation #1

We consider this recommendation open and unresolved until the Coast Guard provides us with documentation of the inclusion of baseline information, performance targets, performance milestones and completion dates, and resources needed in order to achieve the Marine Safety Program's goals and objectives in its 2012 – 2017 MSPP.

Recommendation #2

We consider this recommendation open and unresolved until the Coast Guard provides us with documentation that goals, objectives, and courses of action included in its 2012 – 2017 MSPP are expressed using quantifiable measures.

Appendix A
Purpose, Scope, and Methodology

We reviewed the Marine Safety Performance Plan (FYs 2009–2014) and Annual Update Supplement to the Marine Safety Performance Plan (FYs 2009–2014) to determine whether improvements could be made to the Coast Guard’s Marine Safety Performance Plan (MSPP) to effectively manage the Marine Safety Program. In addition, we interviewed key Coast Guard officials to understand the processes in place to develop the MSPP and monitor and report on the plan progress. We used the *Government Performance and Results Act of 1993*; Office of Management and Budget Circular No. A-11, Part 6, *Preparation and Submission of Strategic Plans, Annual Performance Plans, and Annual Program Performance Reports*; and Office of Management and Budget Circular A-123, *Management Accountability and Control* to determine whether the MSPP and its Annual Update Supplement contained key elements to support management controls.

We conducted this performance audit between June and August 2010 pursuant to the *Inspector General Act of 1978*. We did not conduct this audit in accordance with generally accepted government auditing standards.

We appreciate the efforts by Coast Guard management and staff to provide the information and access necessary to accomplish this review.

Appendix B Management's Comments to the Letter Report

U.S. Department of
Homeland Security

United States
Coast Guard



Commandant
U.S. Coast Guard

2100 Second Street SW
Washington, DC 20593-0001
Staff Symbol: (CG-823)
Phone: (202) 372-3533
Fax: (202) 372-2311
Email: Mark.A.Kulwicki@uscg.mil

7500

DEC 03 2010

MEMORANDUM

From: 
K. A. TAYLOR, RDML
COMDT (CG-8)

Reply to: Audit Manager
Attn of: Mark Kulwicki
(202) 372-3533

To: Anne L. Richards
Assistant Inspector for Audits
Department of Homeland Security (DHS)

Subj: COAST GUARD COMMENTS AND RESPONSE TO DRAFT LETTER REPORT:
REVISIONS TO THE MARINE SAFETY PERFORMANCE PLAN AND ANNUAL
UPDATE

Ref: (a) DHS Inspector General Draft Letter Report OIG-10-095-AUD-USCG(a)

1. Thank you for the opportunity to provide comment on the draft performance audit report pertaining to the U. S. Coast Guard's *Marine Safety Performance Plan 2009-2014* and the *Update to the Marine Safety Performance Plan 2009-2014*.
2. The Coast Guard concurs, with comments, with the findings and recommendations contained in the report.
3. The Marine Safety Performance Plan 2009-2014 was the initial mission performance plan (MPP) for Marine Safety. The Coast Guard is in the midst of compiling Mission Performance Plans for 2012-2017 for all eleven statutory missions, including Marine Safety.
4. The letter report recognizes that while the Marine Safety Performance Plan has positive attributes, the report contains two recommendations intended to improve the plan which may enhance the program's overall effectiveness. The recommendations in the draft letter report are:
 - Recommendation 1. Include baseline information, performance targets, performance milestones and completion dates, and resources need in order to achieve the MSPP goals and objectives.
 - Recommendation 2. Modify goals, objectives, and courses of action into quantifiable measures.
5. The Coast Guard concurs with the recommendations. The Coast Guard Deputy Commandant for Operations Office of Performance Management and Assessment (CG-DCO-81) is developing guidance for Deputy Commandant for Operations elements to assist in the enhancement of performance metrics. The updated guidance requires mission performance initiative descriptions to include baseline information, performance targets, performance milestones and completion

Appendix B
Management's Comments to the Letter Report

Subj: COAST GUARD COMMENTS AND RESPONSE TO 7500
DRAFT LETTER REPORT: REVISIONS TO THE MARINE
SAFETY PERFORMANCE PLAN AND ANNUAL UPDATE

dates, and resources needed in order to achieve each mission's goals. The 2012-2017 Marine Safety Performance Plan will modify goals presented in previous Mission Performance Plans into quantifiable and measurable actions. An excerpt from the planned updated guidance is provided in Enclosure (1).

6. If you have any questions, my point of contact is Mr. Mark Kulwicki at (202) 372-3533. Alternately, our Chief of External Coordination, CDR Todd Offutt, can be reached at (202) 372-3535.

#

Enclosure: (1) USCG DCO Performance Initiative Template Excerpts (September 2010)

Copy: CG-54d-1
CG-DCO-81

Appendix C
Major Contributor's to this Report

Brooke Bebow, Director
Andrea Rambow, Audit Manager
Katrina Bynes, Auditor
Keith Nackerud, Program Analyst
Rebecca Mogg, Program Analyst
Emily Pedersen, Program Analyst
Victor Leung, Referencer

Appendix D
Report Distribution

Department of Homeland Security

Secretary
Deputy Secretary
Chief of Staff
Deputy Chief of Staff
General Counsel
Executive Secretariat
Director, GAO/OIG Liaison Office
Assistant Secretary for Office of Policy
Assistant Secretary for Office of Public Affairs
Assistant Secretary for Office of Legislative Affairs

Office of Management and Budget

Chief, Homeland Security Branch
DHS OIG Budget Examiner

Congress

Congressional Oversight and Appropriations Committees, as appropriate



ADDITIONAL INFORMATION AND COPIES

To obtain additional copies of this report, please call the Office of Inspector General (OIG) at (202) 254-4100, fax your request to (202) 254-4305, or visit the OIG web site at www.dhs.gov/oig.

OIG HOTLINE

To report alleged fraud, waste, abuse or mismanagement, or any other kind of criminal or noncriminal misconduct relative to department programs or operations:

- Call our Hotline at 1-800-323-8603;
- Fax the complaint directly to us at (202) 254-4292;
- Email us at DHSOIGHOTLINE@dhs.gov; or
- Write to us at:
DHS Office of Inspector General/MAIL STOP 2600,
Attention: Office of Investigations - Hotline,
245 Murray Drive, SW, Building 410,
Washington, DC 20528.

The OIG seeks to protect the identity of each writer and caller.