

DEPARTMENT OF HOMELAND SECURITY

Office of Inspector General

Audit of Targeting Oceangoing Cargo Containers (Unclassified Summary)



Office of Audits

OIG-07-09

November 2006



**Homeland
Security**

November 21, 2006

Preface

The Department of Homeland Security (DHS) Office of Inspector General (OIG) was established by the Homeland Security Act of 2002 (*Public Law 107-296*) by amendment to the Inspector General Act of 1978. This is one of a series of audit, inspection, and special reports prepared as part of our oversight responsibilities to promote economy, efficiency, and effectiveness within the department.

This report represents an abbreviated version of our official use only report assessing the Automated Targeting System used by Customs and Border Protection inspectors at ports to help select intermodal cargo containers for inspection. It is based on interviews with employees and officials of relevant agencies and institutions, direct observations, and a review of applicable documents.

The information contained in this report has been developed to the best knowledge available to us, and had been discussed in draft with appropriate management officials. It is our hope that this report will result in more effective, efficient, and economical operations. We express our appreciation to all of those who contributed to the preparation of this report.

A handwritten signature in black ink that reads "Richard L. Skinner".

Richard L. Skinner
Inspector General

*Department of Homeland Security
Office of Inspector General*

Introduction

The Bureau of Customs and Border Protection (CBP) has a leading position within the Department of Homeland Security in preventing terrorists and weapons of mass destruction from entering the country. As part of this responsibility, CBP has a mission to prevent oceangoing cargo containers from being used as a means to smuggle weapons of mass destruction, implements of terrorism, narcotics and contraband, and people into the country. But, at the same time, CBP has the obligation to not unduly impede the flow of legitimate trade and travel. Approximately 11 million oceangoing cargo containers arrive annually at seaports in the United States making it impossible to physically inspect each container without hampering the flow of commerce. Inspectors at overseas Container Security Initiative (CSI) ports and at U.S. seaports, both use the Automated Targeting System (ATS) to assess the risk associated with each container and assist in determining which containers will undergo inspections.

This is the second audit performed in response to Public Law 108-293, enacted on August 9, 2004, titled Coast Guard and Maritime Transportation Act of 2004. Section 809(g) of the Act requires the Office of Inspector General (OIG) to evaluate and report annually on the effectiveness of the cargo inspection targeting system for international intermodal cargo containers. For this report, we focused on the following questions:

What are the intelligence sources available, and how is data received, used and shared?

Have valid performance measures been developed to provide CBP with feedback on the effectiveness of the targeting system and are they verifiable?

How do Automated Targeting System (ATS) targeting scores impact inspection activity?

Are CBP targeters receiving the required ATS Training?

Background

We issued our first audit report, titled *Audit report Audit of Targeting Oceangoing Cargo Containers*, OIG-05-26, July 2005, dealing with the ATS and its operating environment. That audit covered the vulnerabilities in the supply chain and areas for improvement in the targeting system. Specifically, we reported that improvements were needed in the data applied to ATS targeting rules, the use of inspection results to refine the ATS targeting rules, and the physical controls over containers.

This audit was performed at various Department of Homeland Security (DHS) locations within the Washington, D.C. area, and three major ports of entry, and covered transactions and procedures current as of June 2005. We gathered information through structured interviews, document analysis, data collection instruments, and observation of operations. We identified other programs and initiatives by either CBP or other agencies that provide controls over the movement of containers and identified control weaknesses, along with plans to address those weaknesses. We reviewed local procedures and evaluation efforts, including self-inspection plans, to determine whether they contained controls to ensure that all containers received the intended inspection. We sampled and tested the inspection results data associated with the containers to confirm whether documentation supported the conduct of more rigorous inspections. We analyzed the inspection results data and scores associated with containers selected for more rigorous inspections to determine how they were distributed among these score ranges. We observed port operations and inspection processes and reviewed all available data relating to performing examinations and recording examination results, tracking containers, and assessing fines and penalties. We obtained a list of the required training courses; reviewed course manuals; evaluated the course content; reviewed training records at Headquarters and each port; and interviewed targeting personnel to ensure that targeters have completed the required training.

Executive Summary

CBP did not fully utilize other sources of intelligence information available. Intelligence information is utilized by CBP at both the Headquarters and port levels for targeting purposes. CBP's targeting methodology also includes inspector-driven targeting along with the ATS. We observed that two available information/intelligence sources were not fully utilized. Also, differences in interpreting the Advance Targeting Unit (ATU) policy exist as to which CBP port personnel need to have security clearances to better affect the targeting mission.

National ATS performance measures are still being developed for determining the effectiveness of the ATS oceangoing container targeting system. These measurements will help improve port performance evaluation procedures

related to identifying and reviewing shipments. Also, at the port level, controls over container movement and inspection need to be periodically reviewed and evaluated.

The inspection process includes tracking containers and ensuring each container targeted for examination receives a timely and thorough inspection. With regard to inspection, additional guidance for inspection of shipments with elevated ATS scores is needed. Also, at the three ports, CBP stills needs to improve controls over containers requiring examination. Finally, during secondary level inspections, non-intrusive inspection imagery was not always available to CBP Officers.

The ATS targeters are receiving or in the process of receiving the required Sea Cargo Targeting Training. CBP requires targeters to attend a training course, which provides specialized training in targeting sea-containerized cargo. The focus of the course is on the use of the various automated targeting systems, as well as paper manifest review methods. The course is designed to enhance the skills of officers as targeters in the primary mission to combat terrorism.

We recommended that CBP (1) review the use of intelligence from available resources; (2) review security clearances; (3) improve port performance evaluation procedures; (4) refine policies and procedures for identifying and reviewing high-risk shipments; and (5) ensure that inspection imagery is provided to officers conducting secondary level inspections. CBP agreed with our recommendations and outlined planned corrective actions.

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