



Why This Matters

The *Federal Employees' Compensation Act* (FECA), as amended, provides wage loss compensation, medical care, and survivors' benefits to federal and postal employees for employment related traumatic injuries and occupational diseases. Federal agencies are responsible for managing compensation cases and monitoring costs.

CBP FECA cases and associated costs for 2007 through 2010:

Year	Cases	Liabilities
2007	9,160	\$57,639,011
2008	10,191	\$62,538,259
2009	11,424	\$67,686,399
2010	11,229	\$62,650,987

DHS Response

U.S. Customs and Border Protection (CBP), Office of Human Resources Management concurred with the report and all recommendations and provided corrective action plans to remediate audit findings.

For Further Information:

Contact our Office of Public Affairs at (202)254-4100, or email us at DHS-OIG.OfficePublicAffairs@dhs.gov

CBP's Management of the Federal Employees' Compensation Act Program

What We Determined

CBP has not completed comprehensive reviews of its 2007, 2008, and 2009 annual chargeback bills. CBP had no record of reviewing the 2007 chargeback bill. Additionally, CBP verified less than 5% of the cases reported on its 2008 chargeback bill and less than 18% of the cases reported on its 2009 chargeback bill. CBP's incomplete reviews of annual chargeback bills call into question the accuracy of the 28,245 compensation cases in the chargeback bills from 2007 through 2009 that were not reviewed and the corresponding \$163 million in compensation and medical payments.

CBP has not used a single system of record to manage its FECA case files. Files are maintained in multiple formats and locations, and may not be maintained by the individual responsible for managing the case. We identified case files that were missing documentation. Further, documentation in some files indicated that claimants were not offered opportunities to return to work at the earliest date recommended in medical reports. Our review of 140 out of the 11,229 workers' compensation cases reported on the 2010 annual chargeback bill revealed that 81% of the cases were missing documentation to support the associated \$4.5 million in payments billed to CBP. The number of errors identified during our limited review calls into question the supporting documentation for the remaining 11,089 cases not reviewed and the associated \$56.8 million billed to CBP.

What We Recommend

We recommend that the Assistant Commissioner, Office of Human Resources Management, CBP:

- 1) Revise current standard operating procedures to ensure a systematic and timely process to review, verify, and correct data contained in the quarterly chargeback reports and annual chargeback bills.
- 2) Revise current policy to require the distribution of quarterly chargeback reports and annual chargeback bills to United States Customs and Border Protection stakeholders responsible for controlling workers' compensation costs.
- 3) Use a single system of record to maintain and manage all of United States Customs and Border Protection workers' compensation cases.
- 4) Conduct a workload analysis to identify the organizational structure necessary to effectively manage the number of FECA compensation cases and implement changes, as applicable.
- 5) Review, develop, and approve policies and procedures that detail compensation case management responsibilities to provide a systematic process for injury compensation coordinators and injury compensation specialists.
- 6) Review all workers' compensation cases for employees who have been medically cleared to return to work and return those employees to work.