

**DEPARTMENT OF HOMELAND SECURITY**  
**Office of Inspector General**

**USCIS Faces Challenges in  
Modernizing Information Technology**



**Office of Information Technology**

**OIG-05-41**

**September 2005**

*Office of Inspector General*

**U.S. Department of Homeland Security**  
Washington, DC 20528



# Homeland Security

## 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, effectiveness, and efficiency within the department.

This report is an assessment of U.S. Citizenship and Immigration Services' information technology management. The report is based on interviews with employees and officials within DHS and other relevant agencies and institutions, direct observations, and a review of applicable documents.

The recommendations herein have been developed to the best knowledge available to our office, and have been discussed in draft with those responsible for implementation. 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 cursive script that reads "Richard L. Skinner".

Richard L. Skinner  
Inspector General

# Table of Contents/Abbreviations

---

Executive Summary .....	1
Background .....	2
Results of Audit .....	4
Current IT Environment Impedes Efficiency.....	4
Challenges to Modernizing IT .....	21
Recommendations .....	36
Management Comments and OIG Evaluation.....	37

## Appendices

Appendix A: Scope and Methodology .....	40
Appendix B: USCIS Process for Family-Based Permanent Residence and Naturalization Applications .....	42
Appendix C: Management Response to Draft Report .....	45
Appendix D: Major Contributors to the Report .....	50
Appendix E: Report Distribution.....	51

## Abbreviations

CIO	Chief Information Officer
CLAIMS	Computer Linked Application Information Management System
DHS	Department of Homeland Security
GAO	Government Accountability Office
IBIS	Interagency Border Inspection System
INS	Immigration and Naturalization Service
IT	Information Technology
LAN	Local Area Network
OCIO	Office of the Chief Information Officer
OIG	Office of Inspector General
USCIS	U.S. Citizenship and Immigration Services

## Figures

Figure 1	USCIS Process for Family-Based Permanent Residence and Naturalization Applications.....	6
----------	--	---

# Table of Contents/Abbreviations

---

Figure 2	Boxes of Files Ready for Shipment to the National Records Center in Lee's Summit, Missouri.....	8
Figure 3	National Records Center in Lee's Summit, Missouri.....	11
Figure 4	Index Cards of Biographical Information.....	15

## Tables

Table 1	Overview of USCIS Processes and Systems Issues.....	5
Table 2	Funds for Backlog Elimination, 2002-2006.....	28



---

*Department of Homeland Security*  
*Office of Inspector General*

## **Executive Summary**

The effective use of information technology (IT) is critical to increase efficiency and eliminate the backlog in immigration benefits processing. Repeatedly, however, assessments of the prior Immigration and Naturalization Services' (INS) operations have highlighted numerous problems that the agency experienced in applying IT systems and equipment to manage its adjudication workloads. The current U.S. Citizenship and Immigration Services (USCIS) faces the continuing challenge of overcoming these issues and modernizing its technology—even as it matures and evolves as a new bureau under the auspices of DHS.

As part of our ongoing responsibilities to evaluate the effectiveness of DHS programs and activities, we conducted an audit of USCIS' IT program. The objectives of our audit were to determine how well USCIS is managing IT, and assess USCIS' plans for modernizing IT and its effectiveness in implementing those plans across the organization. The scope and methodology of this audit are discussed in Appendix A.

USCIS' IT environment for processing immigration benefits continues to be inefficient, hindering its ability to carry out its mission. USCIS' processes are primarily manual, paper-based, and duplicative, resulting in an ineffective use of human and financial resources to ship, store, and track immigration files. Adjudicators use multiple and non-integrated IT systems to perform their jobs, which reduces productivity and data integrity. Further, IT software and hardware systems are not well configured to meet users needs. Recently, the Office of the Chief Information Officer (OCIO) has outlined plans to upgrade desktops and servers in the field and consolidate data centers to help address these problems.

Despite federal requirements, USCIS has not had a focused approach to improving the processes and systems used to accomplish its citizenship and immigration services mission. IT planning and implementation has been conducted in a decentralized manner across the organization, although initial steps have been taken recently to address this issue. In June 2005, the bureau began to centralize its IT operations by reassigning IT employees from its nationwide benefits, records, and service centers to the OCIO. Additional phases include integrating IT personnel and resources from USCIS headquarters, district offices, and sub offices into the OCIO by the first

---

quarter of FY 2006. These are positive steps; however, it is too soon to assess their effectiveness.

In the interim, USCIS continues to rely on personnel rather than technology to meet its backlog reduction goals and other priorities. The bureau has not recognized the potential benefits of leveraging IT, streamlining processes, and coordinating improvement initiatives to better meet its mission objectives. The impact of the DHS reorganization, new security requirements, and changes to immigration legislation impose additional challenges to effective modernization.

We recommend that the Acting Deputy Director, U.S. Citizenship and Immigration Services:

- Develop a modernization strategy that includes short- and long-term goals, funding plans, and performance measures to guide USCIS entities in accomplishing their citizenship and immigration services missions.
- Complete implementation of plans to centralize IT by placing all USCIS IT employees, budgets, and systems under the Chief Information Officer's (CIO) authority and control.
- Ensure that the centralized CIO operation and its IT transformation plans and systems initiatives are linked to and effectively support the consolidated USCIS strategy.
- Review, analyze, and reengineer benefits adjudication activities to help eliminate duplication, transition from paper-based processes, better integrate systems, and provide systems access to the users who need it.
- Finalize and implement plans to upgrade and standardize IT hardware and software systems to support reengineered processes and systems integration and access improvement initiatives.
- Ensure representation and participation of users at the various levels from across USCIS in all process reengineering and IT transformation activities.

## Background

With the passage of the *Homeland Security Act of 2002*, the functions of the former INS transferred to DHS.<sup>1</sup> Upon its inception on March 1, 2003, DHS assigned responsibility for delivering citizenship and immigration services to its new USCIS bureau. DHS merged the remaining INS responsibilities with the U.S. Customs Service to create two other bureaus: U.S. Customs and Border Protection and U.S. Immigration and Customs Enforcement. The

---

<sup>1</sup> *Homeland Security Act of 2002*, Public Law 107-296, November 25, 2002.

---

Director of USCIS reports directly to the Deputy Secretary for Homeland Security and oversees a staff of approximately 15,000 employees. Currently, USCIS' priorities are to (1) promote national security, (2) eliminate the immigration adjudication backlog, and (3) implement solutions for improving immigration customer services.

USCIS is a production-oriented bureau, responsible for processing about 50 different types of immigration applications including citizenship, asylum, lawful permanent residence, employment authorization, refugee status, inter-country adoptions, replacement immigration documents, family and employment-related immigration, and foreign student authorization. USCIS provides its services through a nationwide structure consisting of headquarters, four service centers, 33 district offices, 133 application support centers, three regional offices, three overseas district offices, eight asylum offices, six telephone centers, the National Records Center, and the National Benefits Center. USCIS processes and adjudicates over seven million applications each year, including over 75,000 asylum cases and approximately one million naturalizations. As part of providing these benefits, USCIS conducts over 35 million national security checks annually and services six million customers through information counters at its field offices nationwide. In FY 2004, USCIS had a budget of approximately \$1.8 billion for immigration services, comprised of a combination of appropriated funds and fee revenues.

Over the past decade, the former INS instituted a series of backlog elimination plans to meet its long-standing challenge of processing the millions of applications received annually in a timely and consistent manner. In 1995, INS announced "Citizenship USA," an initiative to reduce the backlog of pending naturalization cases so that eligible applicants could be naturalized within six months of submitting an application. In 2002, the President decided to address the problem with a five-year, \$500 million initiative to eliminate the backlog of immigration benefit and naturalization applications. The goal of this initiative is to process every type of case, in every office, within a six-month time frame, by 2006. USCIS' Backlog Elimination Plan has three key objectives: achieve a high level of performance, transform business practices, and ensure integrity in providing immigration services. Since the creation of this program in 2002, USCIS has made quarterly updates to the Backlog Elimination Plan. By the end of FY 2004, the backlog totaled approximately 1.5 million cases.

Previous OIG, as well as other federal and consulting reports, documented various problems that INS experienced in managing IT to support benefits

---

processing. The first of these reports, published by the Logistics Management Institute in August 1998, reported that INS did not have effective cost, schedule, technical, and benefit baselines for tracking and managing IT projects.<sup>2</sup> In a subsequent July 1999 review, the Department of Justice OIG reported that INS was not adequately managing its information systems.<sup>3</sup> Further, in a series of reviews from August 2000 to May 2001, the Government Accountability Office (GAO) reported that the former INS (1) did not have an enterprise architecture or the management structure and controls to develop one;<sup>4</sup> (2) had limited capability to effectively manage its planned and ongoing IT investments;<sup>5</sup> and, (3) lacked automated case management and tracking systems for processing applications other than naturalizations at its district offices.<sup>6</sup>

In addition to these reports, the Citizenship and Immigration Services Ombudsman Annual Report 2004 asserted that one of the most pervasive and significant issues facing USCIS is inadequate IT equipment and facilities. Additionally, in an “Exhibit 300” business case provided to the Office of Management and Budget for FY 2005, USCIS stated that a lack of IT solutions impedes its ability to reduce the backlog, improve processing times, effectively manage workloads, and improve customer service.<sup>7</sup> Further, INS and USCIS summarized their IT challenges in a number of other documents, including the INS Ten-Year IT Plan, INS Ten-Year Business Plan, USCIS Backlog Elimination Plan, USCIS 2004 Business Plan, USCIS IT Transformation Strategy, and the USCIS OCIO IT Strategic Plan.

## Results of Audit

### Current IT Environment Impedes Efficiency

Despite repeated assessments and attempts to modernize, USCIS’ processing of immigration benefits continues to be inefficient, hindering its ability to effectively carry out its mission. Processes remain primarily paper-based and

---

<sup>2</sup> *Reengineering Information Technology Management at the Immigration and Naturalization Service*, Logistics Management Institute, August 1998.

<sup>3</sup> *Follow-up Review: Immigration and Naturalization Service Management of Automation Programs*, Office of the Inspector General, Audit Division, U.S. Department of Justice, July 1999.

<sup>4</sup> *Information Technology: INS Needs to Better Manage the Development of Its Enterprise Architecture* (GAO/AIMD-00-212, August 1, 2000).

<sup>5</sup> *INS Needs to Strengthen Its Investment Management Capability* (GAO-01-146, December 2000).

<sup>6</sup> *Several Factors Impede Timeliness of Application Processing* (GAO-01-488, May 2001).

<sup>7</sup> The business case, entitled Immigration Services Modernization Initiative, provides background and budgetary information regarding immigration services modernization programs for FY 2006.



duplicative, resulting in an ineffective use of human and financial resources. IT software and hardware systems are not well configured to meet users' needs. The following table provides an overview of these process and systems issues and their effects on USCIS operations. (See Table 1.)

CATEGORY	CONDITION	EFFECT
<b>Current Processes</b>	<b>Extensive Use of Paper</b> <ul style="list-style-type: none"> <li>• Slow processes</li> <li>• Voluminous files</li> <li>• Multiple shipments nationwide</li> <li>• Manual and labor-intensive processes</li> </ul>	<b>Additional Resources Used</b> <ul style="list-style-type: none"> <li>• Redundant processes</li> <li>• High paper, shipping, and storage costs</li> <li>• Extensive time tracking files</li> <li>• Extra time spent merging duplicate files</li> <li>• Ineffective performance reporting</li> </ul>
<b>Current Systems</b>	<b>Inadequate Information Systems</b> <ul style="list-style-type: none"> <li>• Multiple, non-integrated systems</li> <li>• Redundant information collection</li> <li>• Limited system access</li> </ul>	<b>Multiple Problems for Users and Customers</b> <ul style="list-style-type: none"> <li>• Difficulty navigating among systems</li> <li>• Numerous passwords</li> <li>• Lack of data integrity</li> <li>• Inaccurate performance statistics</li> <li>• Inconsistent customer address information</li> </ul>
	<b>Inadequate Hardware Environment</b> <ul style="list-style-type: none"> <li>• Outdated IT infrastructure</li> <li>• No IT upgrade policy</li> <li>• Nonstandard upgrade approach</li> </ul>	<b>Hindered Performance</b> <ul style="list-style-type: none"> <li>• Inconsistent hardware configurations</li> <li>• Limited ability to update software</li> <li>• Systems crashes</li> <li>• Lost productivity</li> </ul>

Table 1: Overview of USCIS Processes and Systems Issues

## Current Processes

Federal guidelines require that agencies improve the effectiveness of their mission operations. However, USCIS processes for adjudicating immigration benefits are inefficient. Extensive use of paper-based and duplicative methods

has resulted in unnecessary time and money spent to process, track, and transfer files.

### **Extensive Use of Paper-Based Processes**

The *Paperwork Reduction Act of 1995* and the *Clinger-Cohen Act* require agencies to acquire, manage, and use IT to improve mission performance.<sup>8</sup> However, many of USCIS' immigration benefits processes are manual and labor-intensive. The processes are slow, characterized by the compilation of paper files that are shipped multiple times throughout the country in order to adjudicate cases. Two of the major benefits for which applicants apply, and that comprise a large part of USCIS' workload, are family-based permanent residence and naturalization cases. Generally, individuals file for permanent residence and, once it is received, apply for naturalization five to ten years later. Figure 1 and the discussion below generally outline this process, as it involves a number of different USCIS entities. (See Appendix B for a more detailed description of the process.) In this example, an individual is submitting an application for permanent residence, and subsequently, naturalization within the Miami region.

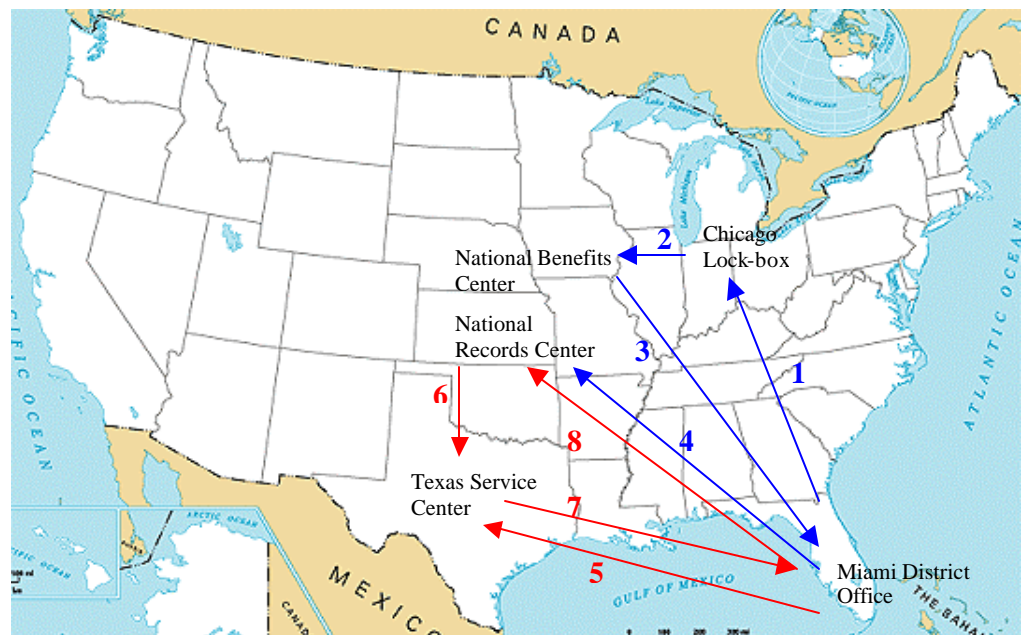


Figure 1: USCIS Process for Family-Based Permanent Residence and Naturalization Applications. The blue arrows (1-4) correspond to the family-based permanent residence process. The red arrows (5-8) track the naturalization process.

<sup>8</sup>*Paperwork Reduction Act of 1995*, Public Law 104-13, May 22, 1995; and the *Clinger-Cohen Act* (formerly the *Information Technology Reform Act*), Public Law 104-106, Division E, 110 Stat. 642, February 10, 1996.

- 
1. Application for Family-Based Permanent Residence: This process begins when a customer mails an application and fee to the USCIS “lock box” (i.e. bank) in Chicago. When personnel in Chicago complete their preliminary review, they mail the application to the National Benefits Center.
  2. File Transfer to the National Benefits Center: Personnel at the National Benefits Center conduct a more thorough review of the application. Then, it is sent to the district office closest to where the customer resides so that USCIS personnel have the information available when they conduct their interviews with applicants. (In this example, the Miami District Office is the closest.)
  3. File Transfer to the District Office: Upon receipt of the application, the district office shelves the file until the interview date. Eventually, the file is pulled from the file room and an adjudicator at the district office conducts an interview with the applicant.
  4. File Transfer to the National Records Center: If the application for permanent residence is granted, the paper file is sent by truck to the National Records Center in Lee's Summit, Missouri. The paper file remains in Lee's Summit until it is needed to process another benefit for the same customer.
  5. Application for Naturalization: Five years after receiving permanent residence, a customer may apply for naturalization. The customer submits the naturalization application to one of the four USCIS service centers nationwide.
  6. File Transfer to the Service Center: At the service center, an application for naturalization must be matched with an alien file, commonly known as an A-file, which is requested from the National Records Center, and then sent to the relevant service center. When an adjudicator at the district office is ready to interview applicants regarding their naturalization application, the file is transferred from the service center’s file room and prepared for shipment.
  7. File Transfer to the District Office: The service center ships the paper file to the district office closest to the customer’s residence (Miami District Office, in this example). An adjudicator at the district office conducts a naturalization interview and examination.

- 
8. Completed File Transferred to the National Records Center: Once the naturalization benefit has been fully processed, the paper file is sent by truck to the National Records Center in Lee's Summit, Missouri. (See Figure 2.)



Figure 2: Boxes of Files Ready for Shipment to the National Records Center in Lee's Summit, Missouri

In addition to the processes described above, at times USCIS headquarters transfers files among the service centers to more equally distribute the workloads. For example, recently the Texas and Nebraska Service Centers sent temporary non-immigrant work authorization applications and petitions for alien relatives for adjudication to the California Service Center, where the staff had the time and flexibility to help manage the workloads.

### **Paper-Based Processes Result in Additional Time, Expense, and Effort**

USCIS' paper-based processes have resulted in inefficiencies and untimely adjudication of immigration benefits. The bureau spends a significant amount of money to ship, store, and manage files. Further, because paper files can be easily misplaced, adjudicators devote a significant amount of time on file tracking and inventory.

---

### Redundant Processes

Because its paper-based processes are slow, USCIS performs a number of tasks that would be unnecessary if applications were adjudicated in a timely manner. Specifically, while a customer is waiting for a decision on an application for permanent residence—which took an average of 20 months in the last quarter of FY 2004—the customer might apply for a number of interim benefits such as the right to travel or work. Interim benefits must be provided if the initial benefits requested are not processed within 90 days and they must be renewed on an annual basis. In some instances, an individual may wait years for permanent residence; during this time the individual may apply for multiple interim benefits and renewals. This creates additional workloads for USCIS employees.

USCIS employees conduct repeated security checks to verify identities and ensure that the applicants are eligible for benefits. For example, one of the main security checks is performed using the Interagency Border Inspection System (IBIS). The IBIS name check is done at application receipt and repeated as necessary to ensure it is current within 90 days of the applicant's adjudication. Due to the inefficiencies in benefits processing, this background check is repeated many times during an applicant's claims adjudication process. One field office calculated that it conducted 3.7 IBIS checks per application. With the high emphasis on security in today's environment, USCIS employees sometimes are unwilling to rely upon security checks performed at other USCIS locations so they tend to duplicate the checks within the 90-day period. USCIS officials have informed us that, to address this problem, the bureau has developed and will deploy the Background Check System, which will provide nationwide access to results of security checks.

In addition to the IBIS check, USCIS employees conduct redundant fingerprint checks for security purposes. USCIS application support centers collect the fingerprints, which are forwarded to the appropriate USCIS field offices responsible for adjudicating individual cases. The fingerprints are valid for 15 months only. When applications are not processed within this time frame, applicants must return to the application support centers to have their fingerprints taken again. To address this problem, USCIS is developing the Biometric Storage System, which will allow for storage and retrieval of fingerprints to preclude customers from having to return to application support centers.

---

### Paper, Shipping, and Storage Costs

A major drawback of inefficient paper-based processing is the high cost to ship and store files. USCIS spends millions of dollars a year shipping files across the country. Such costs could be greatly reduced in a fully automated environment. As shown in Figure 1 above, a naturalization application might be shipped at least four times during the adjudication process. As files are prepared for shipment to another location, the files must be removed from shelves, packed into boxes, and then placed on trucks for transport. At the next location, before any work is done, the boxes of files must be unloaded, and the files removed from boxes and replaced on shelves. During this review, we observed thousands of files being shipped to and from district offices, service centers, and USCIS' National Records Center in Lee's Summit, Missouri. However, we were unable to obtain total annual shipping costs for the bureau.

The cost to store the paper files is also high. In addition to the National Records Center, USCIS stores files at a number of facilities nationwide, including the File Storage Facility in Harrisonburg, Virginia and the National Archives and Records Administration in Lee's Summit, Missouri. A senior official estimated that USCIS spends about \$7.5 million a year to store temporary files in Harrisonburg, Virginia. The National Records Center holds over 20 million USCIS files, transferring out 110,000 records a month and receiving 250,000 records a month. (Figure 3 on the following page depicts millions of records stored at the National Records Center.) The budgeted cost in FY 2004 to manage records at USCIS was more than \$80 million.

Further, USCIS spends a considerable sum on postage, copying, and paper supplies as a result of its paper-based processes. While we were unable to obtain USCIS' total costs for these activities, one service center estimated its FY 2004 cost for copiers and copier paper at more than \$400,000, and its mail cost at more than \$2,000,000. Similarly, a district office spends approximately \$360,000 for copiers and paper each year. In addition to these costs, the labor associated with handling and entering data from paper files must be considered. For example, USCIS pays a contractor about \$90 million a year for filing and data entry. Data entry is a particularly inefficient process as the same information is rekeyed multiple times when files are transferred among USCIS locations.



Figure 3: National Records Center in Lee's Summit, Missouri

### Tracking Files

USCIS staff spend time tracking the location of paper files as they are transferred among and within USCIS offices numerous times over their life cycle. Each time a file is moved, an employee must scan the file number into a tracking system. Often, field offices conduct inventories of sections of shelved files to ensure that records are not lost or misplaced. Employees responsible for managing files conduct weekly inventories of the immigration files in their area, which involves scanning or manually entering barcode numbers from the files into tracking systems.

Additional time is spent identifying records when barcodes fall off of files or if the scanning devices misread the barcode numbers. A more complicated issue is when paperwork attached to a file becomes separated from that file and an employee must determine where the documents belong. One division within the National Records Center deals solely with matching separated documents to their original files. At the time that the division was established there were 5,000 boxes, or approximately 3.2 million separated documents, that needed to be re-filed.

Another practice that requires tracking and matching related documents is the use of temporary files. USCIS employees create temporary files when

---

applicants' A-files are requested, but not received, from the holding offices in a timely manner. Creating the temporary files and then matching them with the permanent A-files takes time. At one location, for example, employees perform security checks prior to applicant interviews. If the A-files are not available, the employees must create temporary files to store security check results until the requested A-files are received. The temporary files might be created about a week before the interviews take place. Employees eventually merge the temporary files with the A-files after they are transferred. An employee in one district office discussed having to create about three temporary files to support an average of 70-80 cases scheduled for interviews each day. When multiplied by the many offices across USCIS, these temporary files amount to a significant amount of additional work

### Reporting Process

Because processes are largely paper-based, there is no efficient way to gather data and compile reports related to performance and activities across USCIS locations. For example, preparation of the "G-22" report, USCIS' main performance report, is a labor-intensive and time-consuming process. The G-22 report tracks the numbers of pending and completed applications. USCIS headquarters requires that field offices submit this information to help identify staffing needs, measure productivity, and report to the Congress. Employees at most USCIS field offices use manual and ad hoc processes to provide statistics on their work. These manual processes consume a great deal of time—in one district office the process to collect performance data involved 81 people, including eight supervisors. The supervisors submitted information daily to a clerk, who then entered the information into a spreadsheet. At another location, an employee merged over 30 manual reports from 22 different departments to create the monthly performance reports.

## **IT Infrastructure Does Not Meet User Needs**

USCIS' IT environment is inadequate to effectively support immigration benefits processing. Specifically, USCIS uses multiple, disparate information systems that are difficult to use and do not adequately share information, resulting in data integrity problems. The systems operate on different hardware platforms that are outdated, unstable, and not routinely replaced.



---

## **Information Systems Issues**

USCIS uses a number of non-integrated systems, which do not facilitate information exchange. Sometimes, users lack access to systems that they need to perform their jobs.

### **Multiple, Non-Integrated Systems**

USCIS relies upon a variety of information systems with limited capabilities to manage its benefits processing workloads. Different USCIS entities use these systems, with different levels of access, at different points in the benefits adjudication process to carry out their various responsibilities. While each system may have a different purpose, many of the systems collect the same information, but in different formats and with different levels of detail. The systems are “forms-driven” rather than “person-centric,” meaning that each system is designed to process a particular type of application rather than the system as a whole collectively managing information focused on specific individuals. There is no single USCIS system that collects all of the data associated with processing benefits for a single applicant. According to one adjudicator, if USCIS were asked to compile a complete history on an individual, employees might have to access over a dozen systems to get this information.

USCIS uses several principal systems to manage its immigration benefits processing workload:

- Computer Linked Application Information Management System 3 (CLAIMS 3) is the primary system for adjudication of immigration applications, except those related to asylum and naturalization. This system, accessible only at USCIS service centers, operates on both client-server and mainframe platforms. USCIS organizations across the nation independently operate at least six different versions of the system, uploading their information into a central CLAIMS 3 mainframe on a nightly basis.
- CLAIMS 4 is the primary system for adjudication of naturalization applications. All district offices and service centers have access to this system.
- The Refugee Asylum Processing System is used to manage asylum applications.

- 
- The Marriage Fraud Act Amendment System is a case tracking system that supports adjudication of petitions to remove the conditions and limitations placed on immigrants who obtained resident status through marriage.
  - The National File Tracking System is used to track the movement of immigration case files within and among USCIS offices. Each time a paper file is transferred, an employee in the receiving USCIS location uses an electronic wand to scan the document into the system. While service centers do not have access, district offices, as well as other agencies, such as U.S. Immigration and Customs Enforcement, have rights to use this system.
  - The Receipt and Alien File Accountability Control System is an older file tracking system used by service centers since they do not have access to the National File Tracking System. The system operates in the same manner as the National File Tracking System, however it does not track the movement of case files among locations and only provides information about files within a specific USCIS office.
  - The Interim Case Management System is an interim solution to enable adjudicators in district offices to provide updated information electronically to the CLAIMS 3 system, although they lack direct system access.
  - The Central Index System, created in 1985, provides status information on aliens and other individuals of interest to DHS users. Other federal and state programs can access the system to support their enforcement and benefits processing operations. This system does not include all historical data and provides only basic demographic information on individuals; it does not provide the detailed information that USCIS needs to adjudicate benefits. To supplement the information in this system, some USCIS offices still use paper index cards to provide basic information on individuals whose cases were adjudicated before CLAIMS 3 and 4 and the Central Index System were established. One location that we visited received about 20 to 30 requests a month for information that was available only on the index cards. (See Figure 4.)



Figure 4: Index Cards of Biographical Information

In addition to the primary systems listed above, USCIS uses a number of other “stove pipe” systems to support various activities. For example, USCIS uses five different scheduling systems to assign cases to its various application support centers. Application support centers are responsible for collecting biometric information, such as fingerprints and photographs, from immigration benefits applicants. The five systems used at the centers to schedule appointments are not integrated, making it difficult to manage workloads. Center managers expressed concern that the information they receive regarding the number of appointments they can expect is consistently inaccurate. As a result, the managers do not always have a good idea as to what their center workloads will be from day to day. Some days they do not have enough work to do and at other times they turn away applicants who arrive on overscheduled days. In an attempt to address this problem, the USCIS OCIO in coordination with district offices and service centers is investigating a National Scheduler solution to eliminate the multiple scheduling systems currently in use.

---

### Limited Systems Access

USCIS district office personnel do not always have access to the systems they need to perform their jobs. For example, district office employees do not have access to CLAIMS 3, the primary system used to adjudicate cases. Therefore, they cannot update cases to reflect approvals, denials, or other changes to benefit applications. In 2004, to help address this problem, USCIS headquarters provided the Interim Case Management System to the district offices, which allows adjudicators to update case status in the National Benefits Center's CLAIMS 3 Local Area Network (LAN). However, the interim system is very limited and does not have the full functionality of CLAIMS 3. The Interim Case Management System handles only certain types of applications.

### **Lack of Systems Integration Creates Multiple Inefficiencies**

Because of the limited integration and access, users experience a number of problems in using USCIS' systems for immigrant benefits processing. For example, users must remember numerous passwords (at least one per system) and often encounter difficulty navigating among the various systems. Further, because these systems have limited information sharing, information in the various systems does not match when comparing data across systems, cannot be reconciled or consistently updated, and therefore is not always reliable for the users who need it.

### Difficulty Navigating Among Multiple Systems

Employees must use numerous passwords to access the multiple, nonintegrated USCIS systems, which hinders their ability to efficiently manage the benefits processing workloads. Users told us that they employ anywhere from 5 to 17 passwords each day to access systems to perform their work. For example, a supervisory adjudicator discussed having to log into four different systems—with four separate passwords—just to check e-mail. Employees find that the repeated log-ins from system to system require time and are often frustrating. The passwords expire on different dates, requiring that employees take time to manage them. The sheer number of passwords, as well as the fact that they use different protocols (i.e., mix of numbers, symbols, and upper and lower case letters), makes it difficult for users to remember the passwords; where users write the passwords down for easy reference, it poses a security risk. IT support consequently spends a great deal of time providing systems access and resetting passwords for users who have forgotten them.

---

Due to the lack of systems integration, users have difficulty switching among the systems. For example, adjudicators must repeatedly log in and out of the multiple tracking, security check, e-mail, and claims processing systems required each day to complete their work. Because employees utilize these systems repeatedly with breaks in-between, employees must log into the same systems multiple times in a day. This is especially true for adjudicators who access multiple systems while conducting applicant interviews. For example, one adjudicator had to log in seven to eight different times to access four to five systems in the span of one interview. If the employee logs onto one system and leaves it idle after shifting to work on another system, the first system may automatically log the user off after twenty minutes of inactivity.

### Data Integrity

USCIS' non-integrated systems contribute to data integrity problems. This is a persistent problem when field offices transfer information from their local systems to the national system. For example, information is supposed to be updated nightly from the CLAIMS 3 LAN to the CLAIMS 3 mainframe. Often, the information does not upload properly and errors occur during the transmissions.

Similarly, some officials stated that data uploaded from various systems to the Central Index System is not always correct because of errors in transmission. Specifically, the Central Index System provides status and basic demographic information on individual applicants. When an immigrant's name changes—a common occurrence prior to naturalization—employees must enter the name change into the CLAIMS 4 system, which is supposed to interface with and update the Central Index System. However, in many cases the information does not transfer properly. In such cases, the system generates a “mismatch” report that notifies field offices of these discrepancies, which then must be manually corrected so that information between the two systems is consistent. According to one USCIS official, about 700 of the 5,000 naturalizations performed in one ceremony were identified on a mismatch report; employees had to spend approximately three to five minutes manually correcting each error in the system. If such errors are overlooked and not corrected in a timely manner, naturalized citizens may have difficulty in returning to the United States when they travel internationally or obtaining employment because the system may not reflect their proper status.

In addition, USCIS experiences data integrity problems as a result of processes that have not been fully automated. As discussed above, “G-22” performance reports resulting from the mix of manual and automated

---

processes are not reliable. There are few instructions and little training to support developing standardized reports. As a result, some offices use tick marks to tally work completed, while others have developed spreadsheets or database systems to compile their performance data. Because these processes are not standard, the performance information varies widely from office to office and is reported to headquarters in varying formats—with differing levels of accuracy—and cannot be reconciled easily.

In one instance, an official conducted an analysis of USCIS performance statistics in an attempt to reconcile data in the Performance Analysis System (much of which is manually compiled) with that in the CLAIMS 3 mainframe. The official found large variances between the systems in terms of the numbers of completed, denied, and approved applications. For example, the official found that completions manually calculated by employees were eight to ten percent higher than those recorded in the system, while receipts of employment authorization applications were under-reported by about 50 percent. Another USCIS employee stated that since employee performance ratings are partially based on completions, individuals might over-report their accomplishments.

#### Inconsistent Address Information

The lack of systems integration and systems access creates problems for applicants who change their addresses after applying for benefits. All non-U.S. citizens applying for benefits are required by law to keep USCIS informed of their current addresses. Failure to inform USCIS of an address change is a misdemeanor, subject to fines, imprisonment, and removal from the United States. Applicants are instructed to send updated information by mail to a USCIS facility in London, Kentucky, within ten days of an address change. At this facility, the information is entered into the Non-Immigrant Information System managed by U.S. Customs and Border Protection. Although USCIS employees have access to the system, it is not their main system for benefits adjudications. As such, concurrent with writing to Kentucky, applicants applying for naturalization must telephone the National Customer Service Center to advise of address changes; applicants applying for other services must notify their local immigration offices in writing of the changes. These additional notifications of address change are then entered into a variety of other USCIS systems.

Because of the lack of integration and consistency in updating the various systems, an applicant's address change may be recorded in one system but not recorded in other systems used to process benefits for that individual. The

---

resulting variance in the applicant's information across systems has led to the applicant's mail being sent to the wrong address or the applicant not receiving any mail on important benefits-related matters. For example, when USCIS sends employment authorizations or permanent residence cards to the wrong addresses, applicants may not receive the documents and therefore may not be able to work in the U.S. or travel abroad without difficulty.

This inefficient process for managing address changes affects USCIS employees as well. Specifically, when field offices receive undeliverable mail or when applicants do not show up for interviews, USCIS employees have to spend time determining why. Often, the cause is an incorrect applicant mailing address. If USCIS employees cannot obtain up-to-date information to contact the applicant, benefits may be denied and the denials may take effect after 30 days without the individual's awareness. In some cases, such denials can result in deportation proceedings simply because the applicants did not receive notice to appear for interviews.

Further, this ineffective address change process affects immigration lawyers. For example, if attorneys change addresses, there is no easy way to record such changes and match this information in USCIS systems to files on the clients who they represent. As a result, lawyers who change their addresses must submit the updated information to USCIS for each of their clients so that they can continue to receive the information necessary to adequately represent them. In one case, a lawyer submitted 1,000 address change notifications, but estimated that only about half of them were input to USCIS systems. Conversely, due to incorrect addresses, immigration lawyers frequently receive information from USCIS about clients who they do not represent. This problem is so pervasive that the American Immigration Lawyers Association website includes a lost and found section so that lawyers can match applicants with the correct attorneys.

### **Hardware Environment**

USCIS' IT infrastructure is outdated and unstable, hindering the ability of USCIS employees nationwide to effectively carry out their work each day. The USCIS IT Transformation Strategy documents this problem, emphasizing that USCIS requires an immediate upgrade to hardware and telecommunications equipment (i.e. desktops, workstations, servers, and networks) used in the field. The strategy document states that the last major upgrade of the IT infrastructure was completed in 1995. Further, USCIS officials stated that USCIS has neither an adequate inventory nor a replacement policy for these IT assets. District office managers who we

---

interviewed stated that hardware upgrades are conducted in a haphazard manner—usually when money is leftover in their general and operating expense budgets, leading to disparities in equipment and software across field offices. The outdated equipment limits productivity, reduces efficiency, and incurs high operations and maintenance costs. According to an OCIO analysis, desktop operating systems fail regularly resulting in lost or damaged files, requiring that adjudicators reboot an average of two to three times per day. The OCIO calculated that such computer outages result in about \$16 million in lost productivity each year.

Because of this outdated IT infrastructure, USCIS is limited in its ability to upgrade to new, more advanced software applications. For example, one employee stated that new software recently received was not compatible with the out-of-date production servers. As a result, USCIS employees had to spend time and money simplifying the software to make it work. In addition, officials at multiple locations stated that after their local offices purchased new computers with an operating system, Windows 2000, pre-installed, they had to spend several hundred dollars to downgrade the computers to Windows 95. The officials said that many of their applications were not compatible with Windows 2000 and could only run on the older operating system.

Moreover, the various hardware platforms and networks used across USCIS offices for benefits processing are not easily integrated. Although numerous documents, such as the USCIS Backlog Reduction Plan and the Ombudsman’s 2004 annual report, document this problem little has been done to address it. The various platforms make it difficult and expensive to standardize the software used nationwide. Often, headquarters IT tests a new software program and it works fine until it is deployed to the field. For example, due to the lack of standardization, when headquarters provided a new version of CLAIMS 3 to its four service centers nationwide, the system worked well at two locations but not at the others. Similarly, USCIS is experiencing problems implementing the National File Tracking System at the service centers because of its different hardware platforms. In another instance, when USCIS headquarters officials tried to extend use of a “home grown” employment authorization system from one field location to offices nationwide, they found that they needed to alter the system to make it work on the various nonstandard platforms.

As of March 2005, the OCIO had begun to address the IT infrastructure problems. For example, the OCIO had outlined plans to upgrade desktops and servers in the field and consolidate data centers. According to the OCIO, however, the field deployment of the desktop upgrades has been delayed to



---

the fourth quarter of FY 2005 due to departmental procurement delays. The OCIO is also working to create an enterprise solution to support intra and interagency process integration and information sharing.

## **Challenges to Modernizing IT**

Despite federal requirements, USCIS has not had a focused approach to improving the processes and systems used to accomplish its citizenship and immigration services mission. Similarly, IT planning and implementation has been conducted in a decentralized manner across the organization, although initial steps have been taken to address this issue recently. Given this approach, USCIS is not leveraging the potential of IT, streamlined processes, and coordinated improvement initiatives to meet its mission objectives. The impact of the DHS reorganization, new security requirements, and changes to immigration legislation pose challenges to effective modernization as well.

## **Strategic Planning**

The *Government Performance and Results Act of 1993* holds federal agencies responsible for strategic planning to ensure efficient and effective operations and use of resources to achieve mission results.<sup>9</sup> However, USCIS has not developed and implemented an effective strategy to move the organization from its paper-based processes to an electronic environment. Since its inception in March of 2003, the agency has had three strategic plans and two IT plans. Principally, however, USCIS officials rely upon the Backlog Elimination Plan as their foremost direction. Each of these plans is discussed below.

### **INS Ten-Year Plan**

INS developed the oldest of these plans, the Immigration Services Program Business Plan, in August 2001 prior to the creation of USCIS. This ten-year plan provides a long-term vision for transforming immigration services, including implementation of technology upgrades and streamlined processes. Several senior officials view the plan as relevant today with the belief that USCIS has the same philosophy and core values that the former INS had when it developed the plan just prior to the events of September 11, 2001. These senior officials continue to use it as a framework for moving the organization toward a more customer-centric approach. According to these officials, the plan provides some key concepts, which remain in effect and

---

<sup>9</sup> *The Government Performance and Results Act of 1993*, Public Law 103-62, August 3, 1993.

---

some initiatives that continue to be implemented. In addition, they said that the plan is aligned with a ten-year IT strategic plan implemented by the organization's Office of Services Modernization in the same time frame. We were unable to determine whether or not USCIS is measuring performance as outlined in the plan.

### **USCIS 2004 Business Plan**

Although some senior officials assert that nothing has changed since development of the INS Ten-Year Plan, incoming USCIS leadership re-evaluated immigration benefits processing priorities and determined that updated guidance was needed. Accordingly, USCIS developed a 2004 Draft Business Plan, constituting an updated version of the INS Ten-Year plan. USCIS drafted the plan to account for changes in its business environment, such as its reorganization into the DHS, new legislation, and new national security processing requirements. This business plan was designed as a long-term, strategic plan that would serve as the foundation for USCIS' future. The plan was intended to ensure that reactive, "quick fix" responses to changes in the business environment remained a strategy of the past.

### **Backlog Elimination Plan**

The Backlog Elimination Plan, dated June 15, 2004, is an updated version of the former INS' Backlog Elimination Plan issued in March 2002. Although not designed to be a strategic plan, one senior official stated that essentially the Backlog Elimination Plan serves as USCIS' short-term business plan and the driving force behind everything that the bureau does. Another senior official said that USCIS has delayed some key items in its business plan to focus on reducing the backlog, which is a top priority at USCIS. The strategy described in the Backlog Elimination Plan includes reengineering and automating manual work processes to help reduce the volume of applications that need to be processed. To meet a *Homeland Security Act* requirement that USCIS report annually to the Congress on the backlog, the plan provides the numbers of immigrant benefits applications for which processing is overdue, identifies steps to reduce this workload, and establishes annual production goals. While we were unable to determine whether USCIS is measuring performance in achieving goals in other plans, we determined that the bureau is measuring progress in backlog elimination.

---

### **FY 2005 Strategic Plan**

USCIS' Office of Policy and Strategic Planning provided the most current of the four competing documents, the FY 2005 Strategic Plan, in draft format in March 2005. This strategic plan establishes a framework for aligning and integrating the different components of the USCIS organization. The plan includes six goals related to prevention of fraud and illegal activities, improved customer service, and organizational, technological, and operational excellence in immigrant benefits processing. These goals align with the vision and mission themes identified in DHS' strategic plan. According to representatives of the Office of Policy and Strategy, the plan is not meant to be a substitute for plans devised by each USCIS component organization. These officials said they did not want to be too rigid in providing strategic direction and risk limiting each component's ability to be creative. Nonetheless, one senior official stated that the plan is too theoretical and vague, and it does not include timelines or performance measures.

### **Slow Process in Centralizing IT Management**

According to the Office of Management and Budget, an agency's IT Plan should support its strategic plan and describe how information resources will be used to help accomplish the agency's mission.<sup>10</sup> However, until recently, IT planning and management has been conducted by two separate headquarters offices. In addition, individual district offices and service centers within the USCIS field office structure independently developed and implemented IT systems and initiatives to meet their needs. Steps were taken in May 2005 to help centralize this IT planning and management, but it is too soon to assess the results.

### **Office of Services Modernization**

In August 2001, as a corollary to the INS Ten-Year plan, INS developed another ten-year plan for modernizing the agency's IT. The Ten-Year IT Plan outlined an approach to acquiring a new case management system—the Tracking Applications for Benefits System—that was supposed to replace the major CLAIMS 3 and CLAIMS 4 applications.

When USCIS was established, it created an Office of Services Modernization, responsible for continued management of the improvement initiatives begun under the legacy organization. The Office of Services Modernization was to

---

<sup>10</sup> *Management of Federal Information Resources*, Revision of Office of Management and Budget Circular A-130, Transmittal 2, July 15, 1994.

---

lead implementation of the previously discussed 2004 Business Plan, ensuring that elements in the plan were carried out appropriately and coordinated with the USCIS entities responsible for ongoing operations. The Office of Services Modernization included ten teams to provide technical and management support for the improvement initiatives.

### **Office of the Chief Information Officer**

In April 2004, the OCIO was established within USCIS. The OCIO is responsible for planning and implementing IT systems and initiatives. The OCIO is comprised of a program management office, a chief technology officer organization, and five functional area offices responsible for security, infrastructure, enterprise applications, deployment, and business liaison. Although the Office of Services Modernization had developed a Ten-Year IT Plan, the OCIO issued its own plan, establishing strategic direction for a five-year period beginning July 2004. The plan provides a mission statement, goals, objectives, a project approach, and a timeline for modernizing USCIS IT. The following plans support the OCIO's strategic IT plan:

- USCIS IT Transformation Strategy: Issued in January 2005, the transformation strategy provides a broader, more incremental approach, and, generally, an update to the organization's modernization strategy. The transformation strategy discusses the current environment, business requirements, and vision for modernizing IT to meet mission needs.
- IT Transformation Mission Needs Statement: Issued in March 2005, the mission needs statement describes the specific functional capabilities required to support USCIS IT improvements, in line with DHS guidelines.
- IT Review Board Charter: Issued in March 2005, the charter describes the board's structure, responsibilities, and operating procedures.
- Draft IT architecture: Provided in April 2005, the IT architecture includes an overview of USCIS' current and projected mission processes, structures, and systems.

The OCIO's plans discuss upgrading the USCIS IT infrastructure and implementing a new case management system. The OCIO anticipates that, upon completion of the case management system, adjudicators should be able to access all of the information they need, at any USCIS location, to process

---

benefits. However, several senior officials cautioned that as USCIS proceeds with developing the proposed case management system, attention be given to monitoring costs and contractor performance.

### **Operations**

In addition to the Office of Services Modernization and the OCIO, other organizations across USCIS often institute IT solutions. The Office of Services Modernization and OCIO generally develop and fund major IT initiatives for use throughout the bureaus; however, there has been no centralized IT fund. Field offices have their own operations budgets and therefore the flexibility to use this money to pay for IT projects to meet their individual needs. For example, the OCIO recently conducted a survey to develop an IT baseline and found that the bureau had more than 2,500 planned or ongoing IT projects scattered throughout the organization. As previously discussed, the five different scheduling systems used at the application support centers were independently funded by field offices using their general expense budgets.

Further, the field offices often have their own structures for managing IT. For example, each service center has a team of support personnel to help carry out its independent IT initiatives. Even though the IT managers responsible for these teams meet quarterly with the Deputy Director for Service Center Operations at headquarters, the IT managers traditionally have not fallen under the purview of the USCIS CIO. As discussed above, until April 2004 there was no central CIO providing IT oversight bureau-wide. Like the OCIO, the service centers have their own IT review boards for approving IT projects. The various USCIS district offices are even more independent than the service centers with respect to IT, individually managing and developing their own IT solutions. Often, district office adjudicators—the personnel directly responsible for processing claims—develop IT solutions with minimal guidance and oversight from headquarters.

### **Recent USCIS Plans to Centralize IT Management**

Recently, USCIS has taken positive steps to move from its decentralized IT management structure at headquarters by consolidating IT elements of the Office of Services Modernization under the OCIO. Major IT modernization projects, such as electronic filing of benefits, have been moved to OCIO control. Other initiatives such as the Tracking Applications for Benefits System have been discontinued as the OCIO considered the focus of this system too narrow to support its goal of integrating USCIS' systems.

---

More importantly, however, in May 2005, USCIS' associate director for operations, in conjunction with the CIO, issued a memorandum informing agency employees that all IT field and headquarters staff would be consolidated within the OCIO. This initiative, endorsed by the USCIS Director and the senior leadership team, is a multi-phased effort that begins with reassigning Service Center, National Benefits Center, and National Records Center IT employees to the OCIO, effective June 15, 2005. Subsequent phases of the consolidation include integrating IT personnel and resources from USCIS headquarters, district offices, and sub offices in the OCIO by the first quarter of FY 2006. The IT consolidation complies with a DHS management directive, which requires that each department component align and integrate its IT resources.<sup>11</sup> Nonetheless, several officials expressed concerns that the OCIO might not have the same priorities as the service center directors who previously managed IT to meet the production goals and quick response times needed in the field. Because these consolidation plans are so recent, it is too soon to assess their effectiveness.

IT executives at several federal agencies who recently transformed their IT operations emphasized the benefits of centralizing IT under agency CIOs and providing those CIOs with control over the IT budgets and staff of all organizational elements. The IT executives said that without this control, the CIOs lack the authority to carry out effectively their IT management responsibilities. With such control, they said that CIOs have been able to consolidate their IT infrastructures, resulting in elimination of duplicative systems, institution of agencywide standards, improved communications, and reduced costs. However, the executives cautioned that IT modernization must be driven by the agency's mission and strategic plan rather than by technology officials alone. Specifically, they suggested that the business and IT sides of the organization must work together to effectively communicate and ensure that IT plans and architectures effectively support agency operations.

## **Modernization Approach**

In the absence of consolidated and focused business and IT strategies, backlog elimination has become USCIS' driving force in carrying out its operations. To eliminate the backlog, USCIS is not maximizing the potential of its human, financial, and technology resources to help modernize and increase the efficiency of its operations. Rather than technology, USCIS is focusing on using additional staff as the means to reduce its benefits processing workload.

---

<sup>11</sup>*Information Technology Integration and Management*, Department of Homeland Security Management Directive System, MD Number 0007, October 14, 2004.

---

Where IT initiatives are considered, they are adopted in a reactive manner to address pressing needs rather than strategically to address fundamental operational problems. Contrary to federal requirements, business process reengineering is not consistently conducted prior to selecting and applying IT solutions. Last, as with redundant planning activities, USCIS modernization initiatives are conducted in an ad hoc manner and tend to be duplicative or overlapping.

### **Backlog Reduction**

The *Paperwork Reduction Act of 1995* requires that agencies apply IT to increase the efficiency and effectiveness of their business operations.<sup>12</sup> In accordance with this guidance, USCIS' strategic plans state that the bureau will develop seamless, IT-supported processes to efficiently adjudicate immigration benefits. USCIS' Backlog Reduction Plan also states that the bureau will reengineer and automate manual processes to achieve greater efficiencies.

Despite these requirements, USCIS relies predominantly on personnel rather than technology to address the backlog. This reliance on personnel is exemplified by the manner in which the bureau is using its \$560 million congressional appropriation for backlog reduction purposes for FYs 2002-2006. (See Table 2 on the following page.) Specifically, USCIS is using the appropriation to hire temporary employees, pay overtime costs, and fund mail, file, and data entry operations to the exclusion of other initiatives that could have a greater long-term impact on increasing operating efficiency. About 2 percent of the money has been allocated to IT improvements. In contrast, USCIS estimates that from FY 2002 to the end of 2006, it will have spent about \$384,800,000, or 68 percent of the total backlog appropriation, on temporary employees and overtime. Approximately 29 percent of the appropriation was allocated for paper-based operations, such as records management, mailing, filing, and data entry.

To help reduce the backlog, USCIS' temporary personnel workforce has become sizeable. According to a senior official, USCIS headquarters has 1,200 temporary employees, which the bureau expects to eliminate by the end of 2006. One location alone has over 100 temporary employees to help with the backlog. At several locations, up to 50 percent of the employees assigned to several specific divisions are temporary. Both adjudicators and senior staff in several field locations expressed concerns that the backlog will increase after the temporary employees leave.

---

<sup>12</sup> *Paperwork Reduction Act of 1995*, Public Law 104-13, May 22, 1995.

(Dollar costs in thousands)	2002	2003	2004	2005	2006 estimate	Total	%
Temporary Employees	45,404	46,281	47,901	107,401	51,313	298,300	<b>53</b>
Overtime	20,500	21,000	15,000	15,000	15,000	86,500	<b>15</b>
IT Modernization	4,000	2,000	2,000	2,500	2,500	13,000	<b>2</b>
Records Operation	15,584	16,000	18,000	18,000	18,000	85,584	<b>15</b>
Mail, File, Data Entry	14,512	14,719	17,099	17,099	13,187	76,616	<b>14</b>
Total	100,000	100,000	100,000	160,000	100,000	560,000	<b>99*</b>

Table 2: Funds for Backlog Elimination, 2002-2006

\*Note: Percentages do not add up to 100 due to rounding.

Senior USCIS officials provided several reasons for the relatively low priority placed on using IT to meet backlog reduction goals. One senior official said that it is difficult to provide resources for IT modernization efforts when the top priority of the agency is addressing the backlog. Based on experience in implementing CLAIMS 4, another senior USCIS official was skeptical that new systems would help to reduce the backlog. This official said that, though expected to increase productivity by 25 percent, CLAIMS 4 actually reduced productivity by 20 percent because employees had to use both paper and the computer to conduct their work. Another senior official echoed this sentiment, stating that modernizing existing IT systems could possibly slow down production, as it did when the National File Transfer System was implemented recently at the Texas Service Center. Another senior official said that USCIS has not focused on technology because no CIO office was in place when the bureau was first established.

USCIS has had some success in meeting its backlog elimination goals. Upon its creation in March 2003, USCIS had a backlog of approximately 3.5 million applications. In contrast, the most recent Backlog Elimination Plan, issued in FY 2004, estimated that the backlog stood at just over 1.5 million cases. However, over half of this reduction can be attributed to the bureau's reclassification in July 2004 of about 1.1 million backlog cases involving immigrant visa petitions. Such reclassifications, as well as the strategy of relying upon temporary employees, may benefit USCIS in the short-term. However, they will not resolve the long-standing processing and IT problems that contributed to the backlog in the first place. Until these problems are addressed, USCIS will not be able to apply its resources to meet mission and customer needs effectively.



---

## **Reactive IT Approach**

Given that USCIS does not manage IT as a strategic resource, USCIS has evolved into an organization that develops multiple systems and initiatives in an ad hoc manner to respond to pressing circumstances. This IT approach often does not include user participation and therefore results in the implementation of systems that do not meet user needs.

### **Ad Hoc IT Solutions**

Because headquarters IT has not adequately supported the needs of users in field locations, field staff typically have developed their own systems to meet pressing needs. USCIS' March 2005 IT Transformation Mission Needs Statement recognizes this practice, noting that "going back to the days of the INS, USCIS operations has had poor experiences with its central IT support, leading to the reliance on decentralized IT support in field locations." Also, the organization's general philosophy has been to allow field offices wide latitude in managing their operations so as not to stifle creativity. The result has been a plethora of non-standard systems, which support various functions in the field locations including:

- standardizing and tracking correspondence
- preparing performance reports
- conducting and tracking results of security checks
- managing congressional inquiries
- tracking benefits reinstatements and changes to immigrant status
- processing employment authorization documents

A contractor who we interviewed stated that one service center had as many as 80 "home-grown" systems.

While the locally-developed systems help field offices more effectively and efficiently complete their work, these systems create a number of problems. Because of the ad hoc manner in which they are created, often field employees do not document these local systems. The lack of documentation makes it difficult for local IT staff to support these systems, especially if those who originally developed the systems no longer work in the field locations. Because they typically are developed using inexpensive and less powerful software, the locally-developed systems may not easily expand to provide additional capacity or functionality. For example, a "home grown" database of congressional information became inundated with information by too many users—it eventually crashed, losing all information. Further, these locally-

---

developed systems may not be compatible with national systems that USCIS headquarters deploys to the field, creating additional problems for users. At one location, an individual created a database for use with Microsoft Windows 97 software. After USCIS headquarters upgraded field systems to Windows 2000, the database was no longer compatible and stopped functioning.

Ad hoc systems development generally is not an effective strategy, especially given the problems they create. However, one particular system was so successful in meeting local needs that it was expanded for national use: personnel in Miami, Florida developed a scheduling system, “InfoPass,” to reduce the crowds of waiting customers at the local district office. Senior Miami officials sanctioned the system with the belief that the process of having customers wait in line all night to get into the district office the following day was inhumane to customers as well as demoralizing to employees who had to deal with customer frustrations. Although the system was not certified and accredited initially, it has been tested to meet USCIS’ security requirements and has been implemented nationwide.

The “InfoPass” system has both benefits and drawbacks. It has proven beneficial in eliminating long lines of customers, controlling workflow, and helping managers plan and set aside time for employee training. Conversely, some offices apart from the Miami district office that developed “InfoPass” are concerned that the system cannot be adapted to meet their individual needs. Additionally, “InfoPass” does not allow an applicant to schedule a district office appointment any farther than two weeks in advance so it is sometimes difficult for customers to get appointments.

Another district office developed a correspondence tracking system that has the potential to be expanded for wider use. The system is used to input requests by case number, assign correspondence cases to adjudicators, generate letters, and create reports. Office personnel spent six months analyzing workflows and developing a business case for the system. The system has met life cycle development requirements and its implementation has proven highly beneficial to the local office in decreasing response time to inquiries and improving customer service. Although there is no correspondence tracking system available on a national level, this system remains limited to local use because, at the time of development, INS headquarters was not receptive to the idea.

---

### Need for User Input to Headquarters Systems

IT executives at other federal agencies that recently transformed their IT stressed the importance of user participation in the systems development process. These executives said that users should be actively involved in providing input to requirements and conducting acceptance testing prior to system implementation. However, the lack of headquarters receptivity to user needs generally has been a problem at USCIS. Headquarters has recently introduced a number of systems to improve benefits adjudication, but some of these systems were implemented with inadequate input from the field and consequently do not meet users' needs. Several USCIS employees stated that although headquarters staff—especially developers—do not have a good understanding of user needs, they rarely solicit input. Employees further said that when users submit their IT ideas to headquarters, they often are not well received.

For example, we were told that headquarters did not request user input during development of the Integrated Case Management System. Employees said that the system developer had no experience with adjudications and deployed it to the field without user testing. Further, personnel at the service centers that use the case management system said that they must have a different logon to connect to each district office with which they coordinate. National Benefits Center personnel operate the help desk for the system; although these personnel received training, they do not have much experience with the system. Employees anticipate that, given the user feedback solicited by headquarters since system deployment, version 2 of the system may address some of their complaints.

Further, CLAIMS 4 system development also did not include much user input. USCIS developed the system in response to “Citizenship USA,” a program initiated in 1995 to reduce the backlog of pending cases by requiring that eligible applicants be naturalized within six months of application. Likely due to inadequate user input, however, the system is slow, difficult to use, and does not reflect the process for managing naturalization applications. For example, if information is not entered into the system in a certain order, errors occur and then must be manually corrected because the system does not allow for adjustments. Users find this to be a very labor-intensive process.

Similarly, a new initiative for electronic filing of benefit applications has created problems. According to a senior official responsible for system implementation, “e-filing” began in May 2003 in response to Office of Management and Budget direction that USCIS take steps to comply with

---

*Paperwork Elimination Act* requirements. The Office of Services Modernization spent over a year developing the system, but did not ask for user requirements until after they had finished. As a result, the e-filing system experienced a number of problems upon implementation. Although intended to improve efficiency in line with legislative requirements, the electronic filing process actually creates additional work for field employees because it is essentially paper-based; e-filed applications cannot be transferred to the CLAIMS system automatically. For example, employees print electronic applications as they are received and then manually match them with supporting documentation after it arrives in the mail. Multiple filings result because customers submit electronic applications repeatedly, fearing that they might not have done so correctly the first time, or hoping that they might speed up the process by filing more than once. An employee at the Texas Service Center said that they had to create a flag system to identify the multiple filings, but it does not work effectively.

### **Business Process Reengineering**

While USCIS has undertaken some efforts to reengineer its business processes, these initiatives are narrowly focused and do not cover all of the organization's activities. USCIS' June 2004 Backlog Elimination Plan stated that the agency would reengineer and automate manual workflow processes to increase productivity. In addition, a March 2005 update of the plan identified several processes that already been streamlined, including:

- Reengineering the adjudication process for certain cases that do not provide a new benefit or status to the applicant;
- Clarifying guidelines for adjudicators and prospective applicants regarding application requirements, which has helped reduce the number of requests for additional evidence; and,
- Changing the procedures for petitions for alien relatives, which has resulted in families being reunited more quickly.

A few business processing reengineering initiatives also originated in the ombudsman's office and the service centers. For example, in a 2004 annual report, the ombudsman recommended streamlining several specific initiatives, which resulted in four pilot reengineering projects. Further, the service centers collectively have business process reengineering groups responsible for creating standard operating procedures for specific types of applications and review processes.

---

Although some processes have been reengineered, USCIS has no comprehensive, coordinated effort to streamline or standardize processes across the organization. A senior official, in citing the lack of a comprehensive approach to business process reengineering, said that standardizing processes has not been a priority because this diverts attention from backlog reduction. Similarly, another senior official stated that, in reengineering its processes, USCIS has focused narrowly on meeting its backlog elimination goals rather than on reviewing its overall business operation.

### **Duplicative Improvement Initiatives**

Decentralized IT management has led to a number of redundant and overlapping improvement initiatives within USCIS. As discussed above, business process reengineering generally has been conducted by individual offices throughout the organization rather than coordinated as one overall initiative.

Another area of redundancy involves quality assurance. While USCIS headquarters has a national quality assurance directorate responsible for reviewing application production, staffing levels, and backlog reduction performance, the service centers in the field manage a separate quality assurance initiative. According to one senior official, USCIS brought in an independent organization to resolve the differences between these initiatives and develop one consolidated quality assurance approach. However, as of March 2005, the two groups were still operating independent of each other. In addition, some individual offices have their own quality assurance initiatives. For example, USCIS' central region is implementing "Total Quality Management," a program to standardize business practices as a means of ensuring expected outcomes. Although a regional employee presented the program to USCIS headquarters executives, headquarters has not implemented the program; the central region continues to manage its quality assurance initiative independently.

Further, two separate groups responsible for forms standardization do not coordinate with each other. According to one official, for about two years a group in the Office of Services Modernization has been pursuing ways to standardize the various types of applications used within USCIS. Despite this ongoing effort, another group within USCIS began coordinating with the Office of Management and Budget and the Department of Treasury on forms standardization.

---

## Modernization Challenges

In addition to the internal management challenges, there are multiple external factors that contribute to the lack of significant progress in modernizing USCIS processes and systems. Some factors, such as the reorganization of the former INS, new security measures, and frequent changes to immigration laws, are outside of USCIS' control; but, nonetheless they have had significant impact on USCIS benefits processing time frames and workloads.

### Reorganization

The division of INS into three distinct organizations within the newly established DHS has resulted in budget, bureaucratic, and coordination problems for USCIS. With regard to the budget, USCIS did not receive any IT funding upon its creation; all appropriated IT funds were allocated to Immigration and Customs Enforcement as well as Customs and Border Protection—the two organizations formed from the breakup of the legacy INS. According to USCIS' March 2005 IT Transformation Mission Needs Statement, due to limited resources for base operations, it is unlikely that USCIS will reallocate funding for IT modernization. As a result, USCIS organizations rely on ad hoc use of their general expense accounts to fund IT transformation activities.

Further, according to the USCIS 2004 Business Plan, the organizational uncertainties and new bureaucratic challenges associated with the INS breakup and the creation of DHS slowed the momentum achieved in prior modernization efforts. Several senior executives reiterated that the DHS reorganization created modernization delays. They said specifically that the creation of DHS created an extra layer of bureaucracy and that USCIS now must go through more levels of review to obtain approval on management decisions than required under the former INS. Instead of one INS commissioner establishing immigration policy, three separate managers now make policy decisions—none of which are well coordinated.

According to one senior official, while DHS is still working to set up its structure and operating procedures, it is difficult to fully establish USCIS as a new component within the context of this overall structure. For example, one official stated that it is difficult for USCIS to invest in IT without clear procurement guidelines from DHS and no idea as to when they will be provided. Further, DHS has not approved USCIS' organizational chart, even though it was submitted to senior department managers for approval more than a year ago. In addition, a number of senior executives expressed concern

---

that the USCIS CIO reports to both the USCIS Deputy Director as well as the DHS CIO, although the two may have conflicting goals and priorities.

Coordination among USCIS, Immigration and Customs Enforcement, and Customs and Border Protection has not been easy either. Via shared services agreements, the three DHS components rely on each other for human resources, IT, and records management support. Under these agreements, one component provides services in a given area to support its own operations as well as those of the other two components. The agreements have posed coordination challenges for senior managers. For example, USCIS representatives said that, in providing shared IT support to USCIS field offices in FY 2004, Immigration and Customs Enforcement billed USCIS for an amount that was 25 percent greater than the bureau's budget for these services. When questioned, Immigration and Customs Enforcement could not provide a detailed bill to support the amount charged. A senior manager in USCIS said that it was difficult to plan and manage USCIS resources when Immigration and Customs Enforcement controls a large portion of its services at such prohibitive costs. Nonetheless, senior officials told us that DHS would not allow USCIS to disengage from the shared service agreements.

### **Security**

Increased security measures have affected the timeliness of USCIS benefits processing. After the attacks of September 11, 2001, USCIS changed its processes to include stricter security precautions, which have increased processing time frames and added to the backlog of applications. A senior official told us that, since the events of September 11, 2001, about 60 to 80 percent of the adjudications process is devoted to security measures such as checking names, collecting biometric information, and conducting background investigations.

One specific security measure—the name checks conducted by the Federal Bureau of Investigation, has caused many processing delays. Numerous officials in USCIS field offices told us that the name checks slowed work processes considerably, adding to local backlogs of cases. The time frames for conducting the name checks vary widely: some adjudicators said that the name checks may take months to clear, while others told us that they can take up to five years to be completed. According to bureau officials, USCIS completes 82 percent of name check requests within one week and 99 percent are completed within six months. The remaining one percent takes more than 6 months to finalize. This constitutes significant numbers of cases that must be delayed while awaiting completion of the name checks. One district office

---

had stored in its records room approximately 4,000 files that awaited name check determinations from the Federal Bureau of Investigation.

### **Immigration Legislation**

USCIS must adapt to frequent changes in immigration laws, which impact its processes and workloads. Legislative mandates make it difficult to project future workloads and consequently, to conduct modernization planning. According to one senior manager, every congressional session over the past 10-15 years has enacted new immigration legislation. For example, in 1986, the Congress passed the *Immigration Reform and Control Act*.<sup>13</sup> Under this act, INS created a program to legalize the status of certain illegal aliens who had resided in the United States continuously since January 1, 1982. As a result, nearly three million illegal immigrants became legal permanent residents; by February 1995, they were eligible to apply for citizenship, creating enormous workloads for USCIS.

Similarly, section 245(i) of the *Immigration and Nationality Act*, as amended, enacted in 1994, added greatly to the benefits processing workload.<sup>14</sup> Usually, illegal immigrants are not allowed to apply for permanent residence in the United States while residing in this country—they must first return to their home nations to make application. However, under section 245(i), certain illegal immigrants already in the U.S. were allowed to change their status to legal permanent residence without returning overseas, resulting in a surge of adjustment of status applications in FY 1995-1997.

## **Recommendations**

We recommend that the Acting Deputy Director, U.S. Citizenship and Immigration Services:

1. Develop a modernization strategy that includes short- and long-term goals, funding plans, and performance measures to guide USCIS entities in accomplishing their citizenship and immigration services missions.
2. Complete implementation of plans to centralize IT by placing all USCIS IT employees, budgets, and systems under the CIO's authority and control.

---

<sup>13</sup> *Immigration Reform and Control Act of 1986*, Public Law 99-603, November 6, 1986.

<sup>14</sup> *Departments of Commerce, Justice, and State, the Judiciary, and Related Agencies Appropriations Act, 1995*, Public Law 103-317, August 26, 1994.



- 
3. Ensure that the centralized CIO operation and its IT transformation plans and systems initiatives are linked to and effectively support the consolidated USCIS strategy.
  4. Review, analyze, and reengineer benefits adjudication activities to help eliminate duplication, transition from paper-based processes, better integrate systems, and provide systems access to the users who need it.
  5. Finalize and implement plans to upgrade and standardize IT hardware and software systems to support reengineered processes and systems integration and access improvement initiatives.
  6. Ensure representation and participation of users at the various levels from across USCIS in all process reengineering and IT transformation activities.

## **Management Comments and OIG Evaluation**

We obtained written comments on a draft of this report from the Acting Deputy Director, U.S. Citizenship and Immigration Services. We have included a copy of the comments in their entity at Appendix C.

In the comments, the Acting Deputy Director partially concurred with one recommendation and concurred with the remaining five recommendations in our report. The Acting Deputy Director agreed that USCIS continues to be challenged by antiquated hardware and a universal lack of systems access and integration and conceded that effective incorporation of new information technology into the USCIS operation is a pressing priority to allow for more efficient workload processing. The Acting Deputy Director said that USCIS is prepared to modernize its environment and, as such, has initiated an IT Transformation Program, including some of the organizational and business process changes needed to take advantage of modern digital capabilities. The Acting Deputy Director further stated that USCIS is working to centralize IT under its CIO to ensure a strong partnership between business process reengineering and technology modernization. A major concern of the Acting Deputy Director is obtaining the funding necessary to implement the USCIS IT Transformation Program effectively.

Specifically, the Acting Deputy Director partially concurred with Recommendation 1 that USCIS develop a modernization strategy that includes short- and long-term goals, funding plans, and performance measures. The Acting Deputy Director stated that USCIS has initiated development of a multi-year business plan with modernization strategies and short- and long-term goals. Further, a cross-agency working group, including OCIO officials, has developed performance measures for all of USCIS' strategic goals, objectives, and initiatives, which will be implemented in FY

---

2006. However, the Acting Deputy Director remained concerned about inadequate funding to implement the IT Transformation Program and requested that the OIG recommend that DHS and USCIS work together to develop a funding strategy.

It should be noted that USCIS' Mission Needs Statement for the USCIS IT Transformation, dated March 31, 2005, includes a funding strategy that seeks appropriated and other funding for the IT transformation. The Mission Needs Statement says that there is a substantial risk that because fee revenues are stable to declining, they will not be sufficient to fund the investments needed to transform USCIS IT systems and infrastructure. The Mission Needs Statement further states that USCIS will seek appropriated resources in the FY 2007 budget and continuous fee-for-service funding from other DHS components to allow USCIS to invest in advance the resources necessary to effectively implement the IT transformation. USCIS estimates that without such funding in advance, the organization would have to incrementally implement the IT transformation, which it estimates would take 10 years. In our view, completion of a complete cost-benefit analysis would be beneficial to support USCIS' need for funding and to document estimated future cost savings.

The Acting Deputy Director concurred with Recommendation 2, that USCIS centralize IT by placing USCIS IT employees, budgets, and systems under the CIO's authority and control. USCIS has begun this process as part of the USCIS' IT Transformation Program and will continue to align IT employees and put systems and IT budget items under the CIO as they are identified.

Recommendation 3 calls for the centralized CIO operation and IT transformation plans and systems initiatives to link to and effectively support a consolidated USCIS strategy. The Acting Deputy Director concurred with this recommendation and outlined how USCIS' strategic plan links to DHS' strategic plan. Further, the Acting Deputy Director described how the IT Transformation Program is linked to, and helps meet, both DHS' and USCIS' mission goals. However, as we recommend, USCIS also needs to ensure that the IT Transformation plans and systems initiatives are linked to the multi-year business plan currently under development. Metrics and a process for measuring progress in IT transformation also should be included.

The Acting Deputy Director, in responding to Recommendation 4, stated that USCIS headquarters and field office leadership began development of a structure for implementing a business process transformation initiative. The director also states that the IT Transformation Program is working in tandem

---

with this effort and is involved with the organizational and business process changes needed to move to a digital environment.

The Acting Deputy Director discussed USCIS progress in addressing Recommendation 5 to finalize and implement plans to upgrade and standardize IT hardware and software systems to support reengineered processes and systems integration and access improvement initiatives. The Acting Deputy Director said that an infrastructure component of the IT Transformation Program will be designed, operated, and maintained to enhance USCIS' workload management and flexibility in managing and focusing its workforce. The functional characteristics of the USCIS IT infrastructure will be based upon USCIS and DHS business processes to meet mandated missions and the resulting architecture will be aligned with the DHS architecture. Further, the Acting Deputy Director stated that a contract was awarded in August 2005 for desktop upgrades and a request for proposal for systems integration is planned for release in September 2005.

The Acting Deputy Director also concurred with Recommendation 6 that USCIS ensure representation and participation of users at various levels across USCIS in all process reengineering and IT transformation activities. The Acting Deputy Director stated that USCIS has already begun this process with the August 2005 business process transformation meeting. Further, USCIS is creating a dedicated team consisting primarily of field employees, which will form the basis for requirements to ensure that the technology will actually work for USCIS adjudicators.

We began our audit by researching laws related to USCIS' responsibility for reengineering and automating paper processes and improving the overall efficiency of its operations. We reviewed prior GAO and Department of Justice OIG reports related to USCIS' IT systems. Additionally, we searched the internet to obtain published reports, documents, and news articles regarding USCIS operations. Using this information, we designed a data collection approach, which consisted of focused interviews and documentation analysis. We developed a series of questions and discussion topics to facilitate our interviews.

We interviewed employees at USCIS headquarters and field offices, as well as external agencies to meet our audit objectives. For example, we met with senior USCIS executives at headquarters to learn about their roles, responsibilities, and activities related to planning and implementing USCIS' modernization efforts. Also, we met with senior USCIS officials to discuss how IT is being managed across the organization. Officials within the OCIO told us about strategies for modernizing IT. Further, we met with senior managers to learn about coordination in planning and implementing modernization efforts among headquarters divisions. We collected numerous documents from USCIS officials about their plans and current initiatives for modernizing IT. Finally, we compiled documentation providing information on USCIS' processes, IT systems, budgets, and operations.

We visited 16 field offices where we interviewed various employees including senior managers, IT staff, adjudicators, and clerical staff. We were particularly interested in the systems they used, locally developed IT solutions, business processes, communication with headquarters, and training. We wanted to see how IT is managed in the field and if headquarters is providing the necessary tools to the field offices. Where possible, we obtained reports and other materials to support the comments and information they provided in our interviews.

We visited the following field offices:

- Service centers, to learn about the systems and processes they used to process immigration benefits.
- District offices, to gain an understanding of how they schedule appointments, meet with customers, and process benefits.
- Regional offices, to learn about their role in supervising the district offices and their coordination with headquarters.
- Asylum offices, to learn about the systems and processes for managing asylum applications.

- Application Support Center, to learn about the systems and processes used to collect and transfer biometric information.
- National Records Center, to learn how immigration records are stored and managed.
- National Benefits Center, to understand this new structure's role in processing immigration benefits.
- Chicago Lock-Box, to understand its role in scanning applications and collecting fees.

Additionally, we met with two external groups, the American Immigration Lawyers Association and the Executive Office of Immigration Review, which have close relations with USCIS. Representatives of the American Immigration Lawyers Association discussed issues that immigration lawyers face related to USCIS IT and how these IT issues, in turn, affect the immigration application process. To gain a perspective on the immigration courts, we met with the Executive Office of Immigration Review and discussed its role in the immigration process in relation to USCIS.

We met with current and former senior IT executives of the Veterans Administration, the Internal Revenue Service, and the Social Security Administration to identify effective practices or lessons learned that USCIS might consider and apply as it modernizes its operations. These individuals provided best practices and lessons learned from their recent IT transformation experiences.

We conducted our review from July 2004 to April 2005 at locations in Dallas, Texas; Los Angeles, California; New York City, New York; Chicago, Illinois; Lee's Summit, Missouri; Miami, Florida; and the Washington, D.C. metropolitan area. We performed our work according to generally accepted government auditing standards.

The principal OIG points of contact for the audit are Frank Deffer, Assistant Inspector General for Information Technology Audits, and Sondra McCauley, Director, Information Management. Major OIG contributors to the audit are identified in Appendix D.

1. Application for Family-Based Permanent Residence: This process begins when a customer mails an application and fee to the USCIS “lock box” (i.e., bank) in Chicago. Under this arrangement, the lock box receives the incoming mail, deposits the fee, and begins to process the application on behalf of USCIS, helping to reduce delays in fee collection. Personnel at the lockbox open the application, date stamp it, and scan it into a local system to create an electronic file, which is reviewed for accuracy, completeness, and eligibility. If the application does not meet requirements, lockbox personnel mail a rejection notice to the applicant and the application process discontinues. If the application is accepted, the customer is notified. The associated fee is then deposited and the application once again verified for completeness. Lockbox personnel enter data from the application into defined fields in another system. A quality control mechanism highlights mistakes to help ensure that the re-keyed information is entered correctly. At this point, the accepted application is placed in a folder, which is assigned a barcode that can be tracked throughout the process. The folder is transferred to a box for shipment to the National Benefits Center and the information in the electronic file is sent to CLAIMS 3.
2. File Transfer to the National Benefits Center: After the National Benefits Center receives and reviews the application, the customer receives a notice to visit an application support center to provide biometric information, such as fingerprints, signatures, and photographs for identification. The biometric information is then forwarded to the National Benefits Center and matched to the customer’s application.

Next, personnel at the National Benefits Center check the Central Index System to determine whether the customer has an Alien File—commonly known as an A-file—which is an immigrant’s permanent record containing biographical information as well as a history of past immigration activities. If an A-file for the customer exists but is not readily available, the center creates a temporary file and requests the A-file from the holding office. If an A-File does not exist, the center creates one. The center then conducts an initial evidence check of the application and proceeds with processing. While the application for permanent residence is being processed, the center may adjudicate ancillary customer benefits such as the temporary right to work or travel. These supplemental benefits are documented and mailed to the customer.

Next, the National Benefits Center completes the online background checks for the customer and puts the file in a queue on a shelf until a

district office requests it. Once the district office requests the file, it is pulled from the file room, boxed, and prepared for shipment.

3. File Transfer to the District Office: The file is shipped to the district office that is nearest to where the customer resides. Upon receipt of the application, the district office shelves the file until the interview date. Near the day of interview, the file is pulled from the file room and prepared for the adjudicator—a USCIS official who is responsible for reviewing the case and granting or denying the benefit. The adjudicator’s decision is recorded in the Interim Case Management System, which in turn updates CLAIMS 3 at the National Benefits Center.
4. File Transfer to the National Records Center: If the application for permanent residence is granted, the paper file is sent by truck to the National Records Center in Lee's Summit, Missouri. The paper file remains in Lee's Summit until it is needed to process another benefit for the same customer.
5. Application for Naturalization: Five years after receiving permanent residence, a customer may apply for naturalization. The customer submits the naturalization application to one of the four USCIS service centers nationwide. At this point, personnel at the service centers perform many additional steps. When the applications are received in a service center’s mailroom, they are x-rayed and sent to a data entry area based on the application type. At this point, the mail is opened, the fee is deposited, the application is placed in file folders, and information from the application is entered into CLAIMS 4. Then, the file is assigned a receipt number and a barcode label is attached for tracking purposes.
6. File Transfer to the Service Center: At the service center, an application for naturalization must be matched with an A-file, requested from the National Records Center, and then sent to the relevant service center. At this point, the naturalization application is merged with the A-file and a notice is sent directing the customer to go to an application support center to provide biometric information.

The files are then transferred to the file room, where they are scanned into the Receipt and Alien File Accountability Control System and stored on the shelves by file type and responsible party code, until adjudicators at the district offices are ready to review them. When an adjudicator is ready to review a file, the file is transferred from the file room and prepared for shipment.

7. File Transfer to the District Office: The service center ships the paper file to the district office closest to the customer's residence. When the file is received, it is scanned using the National File Tracking System and placed in the district file room. When the naturalization appointment is nearing, the file is transferred to the office of the adjudicators and scanned using the National File Tracking System. An adjudicator at the district office conducts a naturalization interview and examination. If the officer requires additional evidence from the applicant, the file is returned to the file room and then returned to the officer when the evidence is received. If the adjudicator decides to grant the naturalization benefit, the CLAIMS 4 system prints a certificate of naturalization, the customer's photo is pasted to the certificate, and the certificate receives a seal, stamped by hand. At one district office that we visited, no employee was fully dedicated to this task. Instead, whenever naturalization ceremonies were scheduled, 8-10 employees were loaned from other areas in the office to help process the certificates.
8. Completed File Transferred to the National Records Center: Once the naturalization benefit has been fully processed, the paper file is sent by truck to the National Records Center in Lee's Summit, Missouri.



Appendix C  
Management Response to Draft Report

---

U.S. Department of Homeland Security  
20 Massachusetts Avenue, NW  
Washington, D.C. 20529



U.S. Citizenship  
and Immigration  
Services

**To:** Frank Deffer  
Assistant Inspector General  
Information Technology

**From:** Robert C. Divine *RCD*  
Acting Deputy Director

**Date:** September 1, 2005

**Re:** Comments on OIG Draft Report: USCIS Faces Challenges in Modernizing Information Technology

We appreciate the opportunity to review and comment on the subject report. As the report noted USCIS has a number of challenges to overcome as it matures and evolves as a new component under the auspices of the Department of Homeland Security. A pressing priority is to effectively integrate new information technology into our operation to allow for more efficient processing of our workload. As your report discusses, USCIS has been and continues to be challenged by a lack of universal access to systems and the integration of these systems. Furthermore, the antiquated hardware in place impedes modernization efforts at USCIS.

We are prepared to transform our environment. As you mentioned we are in the process of centralizing Information Technology (IT) staff, projects, programs and systems as well as associated budgets under the direction and control of our Chief Information Officer. Through obtaining more control over IT operations in the field, and leveraging the ingenuity of all staff, USCIS is now in a position to ensure a strong partnership between process re-engineering and technology modernization. We are substantially re-engineering our business, and new technology is critical to its implementation.

Although we believed our plans toward modernizing business processes and IT were moving us forward, your report suggests that we may need to ensure all such efforts are better coordinated and communicated. In FY 2005, we initiated the IT Transformation Program. This program addresses, from a high level, all aspects of the USCIS transformation, including some of the organizational and business process changes needed to take full advantage of modern digital capabilities. However, plans cannot be implemented without funding. We were disappointed that the report did not address USCIS' funding structure of which 96 percent is made up of our fee revenue. The type of significant, up-front funding that will be required for fully modernizing information technology is not clearly within USCIS' means. We will need support in devising and executing a funding strategy that will

[www.uscis.gov](http://www.uscis.gov)

Frank Deffer  
Comments on OIG Draft Report: USCIS Faces Challenges in Modernizing Information  
Technology  
Page 2

allow the agency to acquire the large up-front funding that is necessary to effectively transform our IT environment. We strongly suggest an additional recommendation to support this effort as follows:

- In coordination with DHS develop and execute a strategy to acquire the necessary funding for USCIS' IT Transformation Program.

Specific comments on the draft report recommendations are as follows:

1. **Develop a modernization strategy that includes short and long-term goals, funding plans, and performance measures to guide USCIS entities in accomplishing their citizenship and immigration services mission.**

**Partially Concur:** As discussed above, funding is vital to the success of any effort to effectively incorporate technology within USCIS processes. USCIS does not have the ability to fund all necessary technology improvements envisioned within this report as well as within USCIS' strategic planning. Thus, a separate recommendation that acknowledges the need to acquire additional funding and support for the program from the Department would be appropriate. Additional analysis of the reasonableness of USCIS' current IT plans and cost estimates would be welcome.

USCIS agrees with the rest of the recommendation. We have initiated development of a multi-year business plan that includes modernization strategies and short and long-term goals. In relation to our strategic plan, a working group with cross-agency representation, including the Office of the Chief Information Officer, was formed in April 2005 to develop performance measures. Draft performance measures have been developed for all of USCIS' strategic goals, objectives, strategies and initiatives to include strengthening the information technology infrastructure. We intend to implement these measures and a performance management process in FY 2006.

2. **Complete implementation of plans to centralize IT by placing all USCIS IT employees, budgets, and systems under the CIO's authority and control.**

**Concur:** We agree that consolidation of IT activities is critical to enabling development of an integrated IT capability in support of the mission as well as adding oversight to the process. This approach promotes data quality, availability, and systems integrity; ensures that USCIS is current with the information systems standards set by the DHS enterprise architecture; improves coordination with DHS and other agencies and national systems to improve security, data sharing, and communications; aligns IT investments with the USCIS' other funding priorities; and develops and enforces IT policies and governance across the USCIS. On May 23, 2005, the USCIS Chief Information Officer and USCIS Associate Director for Operations announced the launch of the USCIS IT governance and functional integration process. This initiative, in accordance with DHS Management Directive 0007, is part of USCIS' IT Transformation Program.

Frank Deffer  
Comments on OIG Draft Report: USCIS Faces Challenges in Modernizing Information  
Technology  
Page 3

Since May, a USCIS IT Transition Team including Operations, USCIS Human Capital and Budget representatives have been working to develop a process for aligning all USCIS IT and headquarters staff under the Office of the Chief Information Officer. The Transition Team is using a phased approach to the integration of USCIS IT personnel. The first phase will realign Service Centers, the National Benefits Center, and National Records Center IT employees and their administrative staff to the Office of the Chief Information Officer. Subsequent phases will address the rest of the organization.

Throughout FY 2006, the Office of the Chief Information Officer will continue building an inventory of systems and IT budget items. As these are identified, they will be put under the CIO's authority and control.

**3. Ensure that the centralized CIO operation and its IT transformation plans and systems initiatives are linked to and effectively support the consolidated USCIS strategy.**

**Concur:** USCIS' Strategic Plan is explicitly and purposefully linked with three mission themes identified in the DHS Strategic Plan - Prevention, Service, and Organizational Excellence. The IT Transformation program supports the USCIS Strategy as is illustrated in the following paragraphs.

**Prevention: Goal 1:** Ensure the security and integrity of the immigration system. Our business plan is to revise processes to track customers through accounts based on biometrics and to initiate and resolve background checks before any benefit is granted. We will implement an automated background check system that will integrate criminal and national security checks with our benefits application processing systems, so that all background check requests and responses are tracked and stored. To ensure we have the most current information about customers' eligibility, we will be exploring options to enable alerts from law enforcement and intelligence agencies about customers whose criminal or national security status changes. The infrastructure and systems resulting from the IT Transformation Program will further enhance our quality assurance measures and will allow us to implement case and supervisory review and post-decision review processes.

**Service: Goal 2:** Provide efficient and customer-oriented immigration benefit and information services. The IT Transformation aims to combine digitization of applicant filings (either by e-filing or by scanning) with modern case management software to create permanent customer accounts as a basis for all subsequent transactions and to enable e-adjudication of all cases. These capabilities, combined with modernization of the USCIS web site and its supporting technology (i.e., the customer service portal), will enable increasingly sophisticated and useful web services that our customers need.

**Service: Goal 3:** Increase understanding of citizenship and its privileges and responsibilities. Information that will be available on the [www.uscis.gov](http://www.uscis.gov) web site will allow a person to better research and understand what US Citizenship means, as well as its associated privileges and responsibilities.

Frank Deffer  
Comments on OIG Draft Report: USCIS Faces Challenges in Modernizing Information  
Technology  
Page 4

**Service: Goal 4:** Ensure flexible and sound immigration policies and programs that meet the needs and obligations of the nation, including our international treaties on humanitarian protection and trade. The IT transformation program is intended to provide a flexible integrated application environment that will allow business processes to be quickly and accurately assessed and adapted to meet these ever changing needs. Numerous components of the IT Transformation Program build on the case management core to provide adjudicators and their managers with better, faster access to the information they need to make the right decisions and to appropriately share USCIS information with other parts of DHS, especially in the enforcement arena.

**Organizational Excellence: Goal 5:** One of the elements within this goal is to strengthen the infrastructure necessary to achieve USCIS' mission. One of the four components of the IT Transformation Program is focused on infrastructure: desktops, servers, local area networks, etc., across the entire organization. We are in the process of upgrading this hardware and associated software as is described in our response to Recommendation 5.

**4. Review, analyze, and re-engineer benefits adjudication activities to help eliminate duplication, transition from paper-based processes, better integrate systems and provide system access to the users who need it.**

**Concur:** In August the USCIS leadership team from headquarters and field offices met for a week-long planning session to envision the future of USCIS' business processes and initiate the structure for implementing a business process transformation initiative. The IT Transformation Program is in concert with this effort and builds upon partnerships within USCIS' organizational structure. The IT Transformation Program addresses, from a high level, all aspects of the USCIS transformation, including some of the organizational and business process changes needed to take full advantage of modern digital capabilities. IT Transformation covers IT technology and operations/support, legacy system replacement and decommission, human factors such as training and cohesive IT staffing, and the policies, procedures, guidance, governance, and strategic direction and alignment of IT within the organization and with other Components of the Department.

**5. Finalize and implement plans to upgrade and standardize IT hardware and software systems to support re-engineered processes and systems integration and access improvement initiatives.**

**Concur:** A flexible IT infrastructure promotes a "virtual office" environment. This will allow USCIS to have more effective workload management and give it greater flexibility in how and where it focuses its workforce. The Infrastructure component of the IT Transformation Program will be designed, operated, and maintained under the direction of the USCIS. The functional characteristics (breadth of services, capacity, security, reliability, etc.) will be based upon departmental and USCIS business processes required to meet mandated missions and achieve strategic goals. The resulting architecture will be aligned with the work being done by DHS and will ensure stability and employ proven, state-of-the-market technologies, improving security and enhancing interoperability for the USCIS components. Service features will be scalable, allow for

Frank Deffer  
Comments on OIG Draft Report: USCIS Faces Challenges in Modernizing Information  
Technology  
Page 5

technology insertion and refreshment, as necessary, and provide the flexibility and agility to accommodate changing requirements and opportunities to continuously improve service to the public. For example, a contract was recently awarded in August 2005 for desktop upgrades. A request for proposal for the systems integrator is planned for release in August/September 2005. These are illustrative of the positive steps being taken within USCIS to move forward.

**6. Ensure representation and participation of users at the various levels from across USCIS in all process re-engineering and IT transformation activities.**

**Concur:** The development process begins with business process reengineering. Users and leaders at every operational level must be involved in this process. This generates technology requirement for development, which must also be done in consultation with users and leaders at every level to make sure the product will actually work for USCIS adjudicators. During the August business process transformation meeting we gathered an array of such users and leaders. The structure of the dedicated team is being formulated at this time. This group will consist substantially of field employees who will be reassigned for this specific task. This work will form the basis of specific requirements for a technology system the CIO has envisioned with the IT Transformation Program.

In closing, we too express our appreciation for the members of your team who participated in drafting the report. If you have any questions please contact Kathleen Stanley, USCIS Audit Liaison, at 202-272-1982.

cc: Inspector General

**Information Management Division**

Sondra McCauley, Director  
Barbara Ferris, Audit Manager  
Steve Ressler, Auditor  
Tim Walton, Auditor

**Department of Homeland Security**

Secretary  
Deputy Secretary  
Chief of Staff  
USCIS, Acting Deputy Director  
Executive Secretariat  
General Counsel  
DHS Chief Information Officer  
USCIS, Chief Information Officer  
USCIS, Audit Liaison  
DHS Public Affairs  
DHS Legislative Affairs  
DHS Office of Security  
DHS OIG Audit Liaison

**Office of Management and Budget**

Chief, Homeland Security Branch  
DHS OIG Budget Examiner

**Congress**

Appropriate Congressional Oversight and Appropriations Committees

### **Additional Information and Copies**

To obtain additional copies of this report, call the Office of Inspector General (OIG) at (202) 254-4100, fax your request to (202) 254-4285, or visit the OIG web site at [www.dhs.gov/oig](http://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 the OIG Hotline at 1-800-323-8603; write to DHS Office of Inspector General/MAIL STOP 2600, Attention: Office of Investigations–Hotline, 245 Murray Drive, SW, Building 410, Washington, DC 20528; fax the complaint to (202) 254-4292; or email [DHSOIGHOTLINE@dhs.gov](mailto:DHSOIGHOTLINE@dhs.gov). The OIG seeks to protect the identity of each writer and caller.