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Highlights

Highlights of [GAO-03-696](#), a report to the Subcommittee on Domestic and International Monetary Policy, Trade, and Technology, Committee on Financial Services, House of Representatives

Why GAO Did This Study

The U.S. Mint and the Bureau of Engraving and Printing (BEP), which produce the nation's coins and currency, provide their own security and have experienced some problems with theft by employees. Although security is necessary to carry out the agencies' missions, their primary function is producing money. In light of these thefts, a congressional committee asked GAO whether the Mint and BEP should continue to provide their own security or whether the United States Secret Service should provide their security.

Among the issues that GAO was asked to address were (1) how do the Mint, BEP, and other organizations that produce or handle large amounts of cash provide their security; (2) what thefts have occurred at the Mint and BEP and what steps have they taken to prevent thefts from recurring; and (3) what are the potential benefits and costs of having the Secret Service provide Mint and BEP security?

The Mint said it generally agreed with the findings and conclusions that applied to the Mint. BEP and the Secret Service provided technical comments regarding the report, which GAO incorporated where appropriate, but had no overall comments on the report.

www.gao.gov/cgi-bin/getrpt?GAO-03-696.

To view the full report, including the scope and methodology, click on the link above. For more information, contact Bernard Ungar at (202) 512-2834 or ungarb@gao.gov.

COIN AND CURRENCY PRODUCTION

Issues Concerning Who Should Provide Security

What GAO Found

The Mint and BEP use their own police forces to provide security. Eight of the 12 coin and currency organizations in the other G7 nations responded to our requests for information. Four organizations reported that they only used their own security forces; 2 organizations said they used their own security forces supplemented with contractor personnel; 1 organization said it used an outside agency to supplement its own security force; and 1 organization said that it used an outside agency to provide its security. Private businesses that handle large amounts of cash, such as banks and casinos, that we contacted said they used either their own security staff or contractor staff.

The Mint and BEP have experienced some thefts by employees over the last decade. The Mint, which did not have records of security incidents that occurred more than 5 years ago, reported 74 incidents of theft involving about \$93,000 from 1998 through 2002, while BEP reported 11 incidents of theft from 1993 through 2002 involving about \$1.8 million. Both the Mint and BEP had threat assessments made of their facilities and processes and took corrective action to enhance security.

The Secret Service said that if its Uniformed Division were charged with the responsibility of protecting the Mint and BEP, the two agencies could benefit from the Secret Service's expertise in protection and criminal investigations. However, unlike Secret Service police officers, Mint and BEP security personnel are already familiar with the coin and currency production processes, which is a benefit in identifying security risks in these manufacturing facilities. Further, if the Secret Service protected the Mint and BEP, the government could incur additional costs because the Secret Service requires more training for its officers than the Mint and BEP police. The Secret Service police officers also are provided more costly retirement benefits than the Mint and BEP police.



Sources: U.S. Mint and Bureau of Engraving and Printing.

Left photograph: U.S. Mint in Philadelphia.

Right photograph: Bureau of Engraving and Printing in Washington, D.C.