

# IMMIGRATION BENEFITS

## Additional Controls and a Sanctions Strategy Could Enhance DHS's Ability to Control Benefit Fraud

### Why GAO Did This Study

In 2002, GAO reported that immigration benefit fraud was pervasive and significant and the approach to controlling it was fragmented. Experts believe that individuals ineligible for these benefits, including terrorists and criminals, could use fraudulent means to enter or remain in the U.S. You asked that GAO evaluate U.S. Citizenship and Immigration Service's (USCIS) anti-fraud efforts. This report addresses the questions: (1) What do available data and information indicate regarding the nature and extent of fraud? (2) What actions has USCIS taken to improve its ability to detect fraud? (3) What actions does the Department of Homeland Security (DHS) take to sanction those who commit fraud?

### What GAO Recommends

To enhance DHS's efforts to control benefit fraud, GAO recommends that USCIS implement additional internal controls and best practices to strengthen its fraud control environment and that DHS develop a strategy for implementing a sanctions program that includes a mechanism for assessing their effectiveness and that considers the costs and benefits of sanctions, including their deterrence value.

DHS generally agreed with 4 of the 6 recommendations but cited actions indicating it has addressed GAO's other 2 recommendations. GAO believes that additional actions are needed.

[www.gao.gov/cgi-bin/getrpt?GAO-06-259](http://www.gao.gov/cgi-bin/getrpt?GAO-06-259).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Paul L. Jones at (202) 512-8777 or [jonespl@gao.gov](mailto:jonespl@gao.gov).

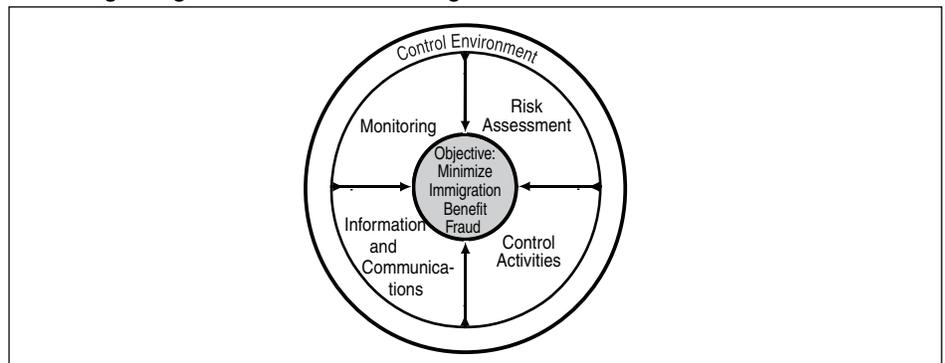
### What GAO Found

Although the full extent of benefit fraud is unknown, available evidence suggests that it is a serious problem. Several high-profile immigration benefit fraud cases shed light on aspects of its nature—particularly that it is accomplished by submitting fraudulent documents and can be facilitated by white collar and other criminals, with the potential for large profits. USCIS staff denied about 20,000 applications for fraud in fiscal year 2005.

USCIS has established a focal point for immigration fraud, outlined a fraud control strategy that relies on the use of automation to detect fraud, and is performing risk assessments to identify the extent and nature of fraud for certain benefits. However, USCIS has not implemented important aspects of internal control standards established by GAO and fraud control best practices identified by leading audit organizations—particularly a comprehensive risk management approach, a mechanism to ensure ongoing monitoring during the course of normal activities, clear communication regarding how to balance multiple objectives, mechanisms to help ensure that staff have access to key information, and performance goals for fraud prevention.

DHS does not have a strategy for sanctioning fraud. Best practices advise that a credible sanctions program, which includes a mechanism for evaluating effectiveness, is an integral part of fraud control. Because most immigration benefit fraud is not prosecuted criminally, the principal means of sanctioning it would be administrative penalties. Although immigration law gives DHS the authority to levy administrative penalties, the component of DHS that administers them does not consider them to be cost-effective and does not routinely impose them. However, DHS has not evaluated the costs and benefits of sanctions, including the value of potential deterrence. Without a credible sanctions program, DHS's efforts to deter fraud may be less effective, when applicants perceive little threat of punishment.

### Minimizing Immigration Benefit Fraud through Internal Controls



Source: GAO.