

## Why GAO Did This Study

In recent years, nearly half of all annual apprehensions of illegal aliens along the entire Southwest border with Mexico have occurred along the Arizona border. Keeping illegal flows of people and drugs under control remains a top priority for the Department of Homeland Security's (DHS) U.S. Customs and Border Protection (CBP). In 2005, the Secure Border Initiative Network (SBI*net*) was conceived as a surveillance technology to create a "virtual fence" along the border. After spending nearly \$1 billion, DHS deployed SBI*net* systems along 53 miles of Arizona's border that represent the highest risk for illegal entry. In January 2011, in response to concerns regarding SBI*net*'s performance, cost, and schedule, DHS cancelled future procurements. CBP developed the Arizona Border Surveillance Technology Plan (Plan) for the remainder of the Arizona border. Funding for this Plan for fiscal year 2012 is \$242 million. GAO was requested to assess the extent to which CBP (1) has the information needed to support and implement the Plan and (2) estimated life-cycle costs for future investments in accordance with best practices. GAO analyzed Plan documents and cost estimates, compared those estimates with best practices, and interviewed CBP officials.

## What GAO Recommends

GAO recommends that CBP document the analysis justifying the technologies proposed in the Plan, determine its mission benefits, conduct a post-implementation review of SBI*net* and determine a more robust life-cycle cost estimate for the Plan. DHS concurred with the recommendations.

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# ARIZONA BORDER SURVEILLANCE TECHNOLOGY

## More Information on Plans and Costs Is Needed before Proceeding

### What GAO Found

CBP does not have the information needed to fully support and implement its Arizona Border Surveillance Technology Plan in accordance with DHS and Office of Management and Budget (OMB) guidance. In developing the Plan, CBP conducted an analysis of alternatives and outreach to potential vendors. However, CBP has not documented the analysis justifying the specific types, quantities, and deployment locations of border surveillance technologies proposed in the Plan. Best practices for developing and managing costs indicate that a business case analysis should be rigorous enough that independent parties can review it and clearly understand why a particular alternative was chosen to support mission requirements. Without documentation of the analysis, there is no way to verify the process CBP followed, identify how the underlying analyses were used, assess the validity of the decisions made, or justify the funding requested for the Plan. CBP officials also have not yet defined the mission benefits expected from implementing the new Plan. GAO has previously reported that a solid business case providing an understanding of the potential return of large investments can be helpful to decision makers for determining whether continued investment is warranted after deployment. Defining the expected benefit could help improve CBP's ability to assess the effectiveness of the Plan as it is implemented. CBP does not intend to assess and address operational issues regarding the effectiveness and suitability of SBI*net*, steps that could provide CBP with information to help make decisions regarding alternatives for implementing the Plan. OMB guidance suggests that a post-implementation review occur when a system has been in operation for 6 months or immediately following investment termination. Such a review could help CBP make the most effective use of existing SBI*net* systems that, in connection with the Plan, could build a comprehensive and integrated approach for surveillance technology along the entire Arizona border.

CBP's 10-year life-cycle cost estimate for the Plan of \$1.5 billion is based on a rough order of magnitude analysis, and agency officials were unable to determine a level of confidence in their estimate as best practices suggest. Specifically, GAO's review of the estimate concluded that the estimate reflected substantial features of best practices, being both comprehensive and accurate, but it did not sufficiently meet other characteristics of a high-quality cost estimate, such as credibility, because it did not identify a level of confidence or quantify the impact of risks. GAO and OMB guidance emphasize that reliable cost estimates are important for program approval and continued receipt of annual funding. In addition, because CBP was unable to determine a level of confidence in its estimate, it will be difficult for CBP to determine what levels of contingency funding may be needed to cover risks associated with implementing new technologies along the remaining Arizona border. Thus, it will be difficult for CBP to provide reasonable assurance that its cost estimate is reliable and that its budget request for fiscal year 2012 and beyond is realistic and sufficient. A robust cost estimate—one that includes a level of confidence and quantifies the impact of risk—would help ensure that CBP's future technology deployments have sufficient funding levels related to the relative risks.