
August 1998

CUSTOMS SERVICE

Inspectional Personnel and Workloads



General Government Division

B-259233

August 14, 1998

The Honorable Stephen Horn
Chairman, Subcommittee on
Government Management,
Information, and Technology
Committee on Government
Reform and Oversight
House of Representatives

The Honorable Phil Crane
Chairman, Subcommittee on Trade
Committee on Ways and Means
House of Representatives

On December 12, 1997, and January 29, 1998, respectively, you requested that we review certain aspects of the U.S. Customs Service's (Customs) inspectional personnel and its commercial cargo and passenger workloads. Specifically, you requested that we analyze (1) the implications of any differences between the cargo and passenger inspectional personnel levels at selected airports and seaports around the United States and those determined by Customs to be appropriate for these ports (assessed levels) and (2) any differences among the cargo and passenger processing workload-to-inspector ratios at the selected ports and the rationales for any significant differences in these ratios.

We briefed your offices on the results of our work on May 19 and May 21, 1998, respectively. This report documents the information that we were able to obtain in response to your requests and that we presented at the briefings. Specifically, this report discusses the reasons why we were not able to perform the analyses you requested on the relationships between assessed and actual personnel levels and workload-to-inspector ratios. In addition, it presents information on (1) the cargo and passenger inspectional personnel levels at selected ports and (2) the cargo and passenger processing workloads at selected ports.

In developing the information in this report, we obtained and reviewed relevant staffing, budget, and workload documents; interviewed cognizant Customs officials at headquarters and nine ports; and visited four major seaports and airports, where we observed cargo and passenger processing operations. We did not assess the quality of Customs' inspectional personnel data. However, to obtain an indication of the overall quality of the cargo and passenger workload data, we sought to identify whether

Customs had any procedures for verifying such data. We also compared workload data we obtained for each port from various sources and attempted to reconcile any differences. Our objectives, scope, and methodology are discussed in more detail in appendix I.

We performed our work between March and June 1998 in accordance with generally accepted government auditing standards. We requested comments on a draft of this report from the Secretary of the Treasury or his designees. On August 4, 1998, Customs' Assistant Commissioner for Field Operations provided us with Customs' comments. These comments are discussed near the end of this letter.

Results in Brief

We were not able to perform the requested analyses to identify the implications of differences between assessed and actual inspectional personnel levels because, as we reported in April 1998,¹ Customs had not assessed the appropriate inspectional personnel levels for its ports. In that report, we determined that Customs does not have a systematic, agencywide process for assessing the need for inspectional personnel and allocating such personnel to commercial cargo ports. Customs also does not have such a process for assessing the need for inspectional personnel to process land and sea passengers at ports. While Customs uses a quantitative model to determine the need for additional inspectional personnel to process air passengers (see table 1), the model is not intended to establish the level at which airports should be staffed, according to Customs officials.

Customs is in the early stages of responding to a recommendation in our April 1998 report that it establish an inspectional personnel needs assessment and allocation process.

Customs officials we interviewed at air and sea ports told us that the current personnel levels, coupled with the use of overtime, enabled the ports to process commercial cargo and passengers within prescribed performance parameters, such as the inspection of passengers within 5 minutes of their retrieving checked baggage. The inspectional personnel data that we obtained for the selected ports showed that at the end of fiscal year 1997, the personnel levels at these ports were at or near the levels for which funds were provided to the ports. For example, at the end

¹See Customs Service: Process for Estimating and Allocating Inspectional Personnel (GAO/GGD-98-107, Apr. 30, 1998).

of fiscal year 1997, while the funded level for Los Angeles International Airport (LAX) was 336 inspectors, 320 inspectors were actually on board.

We were also not able to perform the analyses to identify workload-to-inspector ratios and rationales for any differences in these ratios because we did not have a sufficient level of confidence in the quality of the workload data. We identified significant discrepancies in the workload data we obtained from Customs headquarters, a Customs Management Center (CMC),² and two ports. For example, for fiscal year 1997, data from Customs headquarters indicated that John F. Kennedy International Airport (JFK) and Newark International Airport processed a total of about 1.4 million cargo entries (shipments) of all types, including those with a value of less than \$1,250 (informal entries) and those with a value of over \$1,250 (formal entries). However, data from the New York CMC indicated that these airports processed about 1.5 million formal entries alone, almost 100,000 entries more than the number headquarters had for all entries at these ports. We could not obtain specific explanations for such discrepancies without Customs having to conduct extensive additional work. We also could not identify any systematic controls over the quality of the data.

In addition, workload was only one of several factors considered by Customs in the few assessments—which focused on its drug-smuggling initiatives—completed since 1995 to determine its needs for additional inspectional personnel and allocate such personnel to ports. Customs also considered factors such as the threat of drug smuggling, budgetary constraints, and legislative limitations.

Background

Created in 1789, Customs is one of the federal government's oldest agencies. Customs is responsible for collecting revenue from imports and enforcing customs and related laws. Customs also processes persons, carriers, cargo, and mail into and out of the United States. In fiscal year 1997, Customs collected about \$19 billion in revenues and processed about 18 million import entries; about 128 million vehicles and trucks; about 706,000 commercial aircraft; about 214,000 vessels; and about 442 million air, land, and sea passengers entering the country. Customs performs its mission with a workforce of about 19,500 personnel at its headquarters in Washington, D.C., and at 20 CMCs, 20 Special Agent-in-Charge offices, and 301 ports of entry around the country. At the end of fiscal year 1997,

²On October 1, 1995, Customs closed its 7 regional and 42 district offices and replaced them with 20 CMCs. The CMCs have oversight responsibilities over Customs' ports of entry.

Customs had deployed 7,207 inspectors at these ports. This represented an increase of 17 percent over the level in fiscal year 1992, the earliest year for which complete data were available.

The nine ports we visited or contacted—LAX Airport; Los Angeles/Long Beach Seaport; JFK Airport; New York/Newark Seaport; Newark International Airport; and the Houston and Detroit air and sea ports—were among the busiest of their kind in the United States in fiscal year 1997. According to Customs workload data, these ports accounted for about 31 percent of all air and sea passengers and about 19 percent of all cargo entries processed by Customs in fiscal year 1997. The ports also accounted for about 21 percent of all inspectors deployed by Customs at the end of fiscal year 1997.

Implications of Differences Between Assessed and Actual Inspectional Personnel Levels Could Not Be Determined

We were not able to perform the requested analyses to identify the implications of differences between assessed and actual inspectional personnel levels because Customs had not assessed the appropriate inspectional personnel levels for its ports. Customs had not done so because it does not have a systematic, agencywide process for assessing the need for inspectional personnel and allocating such personnel to process commercial cargo at air, sea, and land ports and to process passengers at sea and land ports. While Customs uses a quantitative model to determine the need for additional inspectional personnel to process air passengers, the model is not intended to establish the level at which airports should be staffed. Customs is in the early stages of responding to a recommendation in our April 1998 report³ that it establish an inspectional personnel needs assessment and allocation process.

Inspectional personnel levels at the selected ports at the end of fiscal year 1997 were at or near the levels for which funds had been provided to the ports. According to Customs officials we interviewed at air and sea ports, these personnel levels, coupled with the use of overtime, enabled the ports to process commercial cargo and passengers within prescribed performance parameters.

³GAO/GGD-98-107.

Customs Has Not Determined Appropriate Inspectional Personnel Levels for Its Ports

In our April 1998 report, we reported that Customs does not have a systematic, agencywide process for determining its need for inspectional personnel for processing commercial cargo and allocating such personnel to ports of entry nationwide. We also reported that, accordingly, Customs had not determined the appropriate inspectional personnel levels for each of its cargo ports and for its cargo processing functions. In addition, we reported that while Customs had moved in this direction since 1995 by conducting three assessments and two allocations, these assessments and allocations were limited because they (1) focused on the need for additional positions rather than first determining the feasibility of moving existing positions, Customs' drug-smuggling initiatives rather than its overall cargo processing operations, and Southwest border ports and certain air and sea ports considered to be at risk from drug smuggling rather than all 301 ports; (2) used different assessment and allocation factors each year; and (3) were conducted with minimal involvement from nonheadquarters Customs units, such as CMCS and ports. Accordingly, we pointed out that focusing only on a single aspect of its operations (i.e., countering drug smuggling); not consistently including the key field components (i.e., CMCS and ports) in the personnel decisionmaking process; and using different assessment and allocation factors from year to year could prevent Customs from accurately estimating the need for inspectional personnel and then allocating them to ports.

In its assessment for fiscal year 1997 (conducted in 1995), to estimate the number of inspectional personnel needed, Customs combined factors such as the need to (1) fully staff inspectional facilities and (2) balance enforcement efforts against violators with the need to move legitimate cargo and passengers through the ports. In its assessments for fiscal years 1998 and 1999 (conducted in 1996 and 1997, respectively), Customs used factors such as the number and location of drug seizures and the perceived threat of drug smuggling, including the use of rail cars to smuggle drugs. To allocate to the ports the inspectional personnel that were funded by Congress, Customs used factors such as (1) commercial cargo workloads and (2) specific aspects of the drug smuggling threat, such as attempts by private sector employees at sea and air ports to assist drug smuggling organizations in their efforts to smuggle drugs (described by Customs as "internal conspiracies").

Customs also does not have a systematic inspectional personnel assessment and allocation process for processing land passengers. In 1995, Customs assessed the need for additional inspectional personnel to process incoming land passengers but since then has not done such an

assessment. As with the assessments for cargo processing, this assessment was limited to Southwest border ports to address drug smuggling and related border violence. The primary factor considered in this assessment was the physical configuration, i.e., the number of primary passenger lanes, of the ports involved.

Customs has not assessed the need for inspectional personnel to process sea passengers. According to Customs officials at the Newark seaport, because of the cyclical nature of the sea passenger workload (in terms of the time of week and year), they did not assign inspectional personnel to process sea passengers on a full-time basis. The port assigned inspectional personnel from other functions, such as cargo processing, on an “as needed” basis to process sea passengers. Conversely, a Customs official at the Los Angeles/Long Beach seaport indicated that it would be operationally desirable to have dedicated inspectional personnel to process sea passengers that arrive on board cruise ships three days a week. This port also assigned inspectors to process sea passengers on an as needed basis.

Quantitative Model Used to Estimate Need for Inspectional Personnel for Air Passenger Processing

Unlike its cargo and other passenger processing functions, Customs has employed a quantitative model since 1993 to determine the need for additional inspectional personnel to process air passengers at the 16 largest international airports in the United States, including the 5 airports we visited or contacted.⁴ In developing its recommendations for inspectional personnel, the model utilized the following factors in its formula: (1) the number of arriving international passengers and the activities required to clear them for entry, (2) workforce productivity, (3) growth in workload, (4) the number of passenger terminals at each port, (5) enforcement risk (threat), and (6) the number of positions equivalent to the amount of overtime spent to operate a particular port. Table 1 shows the model’s recommendations for inspectional positions and Customs’ allocations of such positions to the five airports we visited or contacted for fiscal year 1998 and the recommendations for fiscal year 1999.

⁴The 16 airports each handle more than 700,000 international passengers. The additional personnel are funded through revenues from user fees established by the Consolidated Omnibus Budget Reconciliation Act of 1985 as amended, codified at 19 U.S.C. 58c.

Table 1: Results of Customs' Air Passenger Staffing Allocation Model for Selected Airports, Fiscal Years 1998 and 1999

| Airport | Number of additional inspectional positions recommended for FY 1998 | Number of additional inspectional positions allocated for FY 1998 | Number of additional inspectional positions recommended for FY 1999 |
|----------------|--|--|--|
| JFK | 108 | 12 | 88 |
| LAX | 20 | 16 | (8) |
| Newark | 9 | 2 | 14 |
| Houston | (9) | 0 | (6) |
| Detroit | 18 | 10 | 8 |

Note 1: Numbers in parentheses indicate that the model considered these ports to be overstaffed for that fiscal year.

Note 2: The allocation of inspectional positions for fiscal year 1999 is pending the results of congressional appropriations.

Source: U.S. Customs Service.

Customs officials considered the model to be an analytical tool in their decisionmaking. As such, the model is not intended to establish the level at which airports should be staffed. Rather, the model's results and recommendations are considered to be an indicator of the additional inspectional positions needed by each of the 16 ports, given the six factors discussed earlier that the model considers.

The model's results and recommendations are reviewed by Customs officials and are modified in two primary ways. First, Customs does not allocate all of the positions recommended for particular ports. According to Customs officials, because additional inspectional positions have generally not been available from regular ("Salaries and Expenses") appropriations, Customs has provided additional positions to airports mainly by funding them through user-fee revenues.⁵ However, according to these officials, user-fee revenues each fiscal year were not sufficient to fund all of the positions the model estimated were needed. For example, for fiscal year 1998, a total of 142 additional positions were actually funded by user-fee revenues, while the model estimated that 288 additional positions were needed. The model recommended that out of the 288 estimated additional positions, JFK Airport needed 108 additional positions and LAX Airport needed 20 additional positions. As a result of internal reviews by Customs officials, JFK Airport was allocated 12 positions and

⁵In our April 1998 report, we indicated that the President's budgets for fiscal years 1997 to 1999 did not request all of the additional inspectional positions that Customs estimated it needed for its commercial cargo processing operations. Congress funded the number of positions that were requested for fiscal years 1997 and 1998. As of August 1998, fiscal year 1999 appropriations were pending.

LAX Airport was allocated 16 positions. For fiscal year 1999, the model recommended that out of the 175 total additional positions it estimated as needed, JFK Airport needed 88 additional positions. As discussed below, the model indicated that LAX Airport was overstaffed. As of August 1998, the allocation of inspectional personnel was pending the outcome of congressional appropriations for fiscal year 1999. The appropriations would determine the actual number of additional positions that could be funded.

Second, Customs did not move existing positions from airports that the model indicated were overstaffed. For example, for fiscal year 1998, the model indicated that 4 airports were overstaffed by a total of 37 positions. For fiscal year 1999, the model indicated that LAX Airport was overstaffed by 8 positions and that 4 other airports were overstaffed by a total of 42 positions. In our April 1998 report,⁶ Customs officials stated that they generally did not reallocate existing inspectional personnel for several reasons, including legislative limitations placed on the movement of certain positions, such as those funded by user-fee revenues for specific purposes at specific locations. In addition, according to the Customs official who administers the model, primarily because the model did not take into account certain factors, such as sudden changes in airline markets, Customs did not plan to move positions from the ports that the model indicated were overstaffed.

Customs' Response to Our Recommendation on Need for Inspectional Personnel Assessment and Allocation Process

In our April 1998 report, we concluded that in order to successfully implement the Government Performance and Results Act of 1993 (the Results Act) (P.L. 103-62),⁷ Customs had to determine its needs for inspectional personnel for all of its operations and ensure that available personnel were allocated where they were needed most. Accordingly, we recommended that, as a sound strategic planning practice, Customs establish a systematic process that would properly align its inspectional personnel with its operational activity goals, objectives, and strategies.

⁶GAO/GGD-98-107.

⁷The Results Act was enacted to improve the efficiency and effectiveness of federal programs. The Results Act required that executive agencies develop strategic plans in which, among other things, they defined their missions and established performance goals and measures for each of their program activities. Customs' Strategic Plan for fiscal years 1997 through 2002 established performance goals and measures for its program activities. The Results Act also required that strategic plans describe, among other things, (1) the human and other resources needed and (2) how agencies proposed to align these resources with their activities to support mission-related goals and objectives.

Customs' Assistant Commissioner for Field Operations told us that, in part, as a result of reviewing the April 1998 report and its recommendation, Customs recognizes that staffing imbalances may exist at certain ports. In a June 1998 written response to our recommendation, Customs detailed the steps it was taking to implement it. Specifically, Customs indicated that it had awarded a contract for the development of a resource allocation model that would define the work of Customs' core occupations and prioritize workload. The model also is to process data using performance measurement methodologies, be compatible with cost accounting and other management controls, and establish linkages between core occupations and support positions. Upon delivery of the model, Customs indicated it would customize a process for using it to meet changing personnel needs and new initiatives. The model is scheduled to be ready for implementation by fiscal year 1999.

In conjunction with the development of the resource allocation model, Customs indicated that it was undertaking an initiative to assess and improve the quality of the data to be used in the model. Specifically, the initiative is to review and confirm data definitions and sources and assess the quality of the data.

Inspectional Personnel Levels at Selected Ports Were at or Near Funded Levels

Table 2 shows the combined (cargo and passenger processing) onboard inspectional personnel levels at the end of fiscal year 1997 at the ports we visited or contacted. According to Customs officials at the ports, inspectors who are not funded by user-fee revenues often shift between cargo and passenger processing functions, depending on workload demands and the need to work overtime. Consequently, it could be difficult to establish the exact number of inspectors dedicated to each function at any given time. Accordingly, we did not separate the staffing levels by function.

Table 2 also shows that the onboard personnel levels for each port were very near the levels funded from appropriations. According to Customs officials, under its current "staff-to-budget"⁸ procedures, rather than "authorized" levels, Customs tracks its personnel levels at ports through "tables-of-organization"—which reflect the number of positions that are funded at a particular port—and the number of personnel onboard.

⁸According to Customs officials, under the "staff-to-budget" concept, rather than attempting to fill "authorized" positions, which was unrealistic given funding levels, Customs seeks to fill the number of positions that its appropriated funding actually allows.

Table 2: Table-Of-Organization (Funded) and Onboard Inspectional Personnel Levels for Selected Ports, as of September 30, 1997

| Port | Inspectional Personnel Levels (Funded) | Inspectional Personnel Levels (Onboard) |
|--------------------------------|--|---|
| LAX Airport | 336 | 320 |
| Los Angeles/Long Beach Seaport | 156 | 145 |
| JFK Airport | 563 | 531 |
| Newark Airport | 100 | 95 |
| New York/Newark Seaport | 307 | 292 |
| Houston Airport | 62 | 58 |
| Houston/Galveston Seaport | 93 | 89 |
| Detroit Airport | 43 | 43 |
| Detroit Seaport | 2 | 2 |

Source: U.S. Customs Service.

According to Customs officials at the ports we visited or contacted, the existing inspectional personnel above and the use of overtime funds enabled the ports to process arriving international passengers and cargo within the performance measures established by Customs for these functions in its strategic plan. The performance measure for processing air passengers requires that 95 percent of such passengers be cleared within 5 minutes from the time they retrieve their checked luggage, while the measure for air cargo (formal entries) requires that 99.6 percent of such entries be released in 1 day.⁹

Workload-To-Inspector Ratios and Rationales for Differences Could Not Be Determined

We were not able to develop reliable workload-to-inspector ratios because we could not establish a sufficient level of assurance regarding the overall quality of the workload data to conduct further analyses. Specifically, we identified significant discrepancies in the workload data as reported from Customs headquarters and a CMC and ports for two ports. For example, headquarters workload data—considered by Customs to be the official data—showed that the Newark Seaport processed 154,206 sea passengers in fiscal year 1997. However, the port itself reported that it processed 186,957 passengers that same year. The data discrepancies for JFK Airport are discussed earlier in this report. We could not obtain specific reasons for these discrepancies without Customs having to conduct additional

⁹Customs' fiscal year 1997 performance plan included a performance measure for examining incoming cargo. The plan called for 3.1 percent of such cargo to be examined. In its fiscal year 1999 budget request submission, Customs reported that, overall, 2.6 percent of cargo had been examined in fiscal year 1997. It also reported that the cargo examination performance measure was being discontinued as part of Customs' ongoing efforts to improve and refine its performance measures. The ports we visited or contacted reported that they examined an average of 2.2 percent of incoming cargo in fiscal year 1997.

work. In addition, we could not identify any systematic internal controls over the accuracy and reliability of such data, either at Customs headquarters or at the CMCS and ports we visited or contacted.

Workload is one of several factors that Customs considered in the assessments and allocations done over the past 3 years. According to Customs officials, the drug-smuggling threat—such as the use of rail cars to smuggle drugs—was the primary factor considered in these assessments and allocations. As discussed earlier, Customs also considered budgetary constraints and legislative limitations in its personnel assessment and allocation decisionmaking.

Cargo and Passenger Processing Workloads at Selected Ports

Table 3 shows the cargo and passenger processing workloads for fiscal year 1997 at the selected ports we visited or contacted as reported by Customs headquarters. The cargo workload data are presented as totals of all types of entries, including formal entries, for each port.

Table 3: Cargo and Passenger Processing Workloads for Selected Ports, Fiscal Year 1997

| Port | Passengers | Cargo (all entries) |
|---------------------------|------------|---------------------|
| LAX Airport | 7,317,123 | 604,038 |
| LA/Long Beach Seaport | 804,418 | 800,511 |
| JFK Airport | 9,710,193 | 786,617 |
| Newark Airport | 2,613,760 | 660,159 |
| Newark Seaport | 154,206 | 660,159 |
| Houston Airport | 1,881,970 | 59,575 |
| Houston/Galveston Seaport | 17,424 | 97,125 |
| Detroit Airport | 1,460,469 | 45,250 |
| Detroit Seaport | 12,557 | 18,747 |

Note 1: Customs uses the same code to track cargo entries at the Newark sea and air ports.

Source: U.S. Customs Service headquarters database.

Conclusions

We could not perform the staffing and workload analyses requested by the Subcommittees because (1) Customs had not assessed the level of appropriate staffing at its ports and (2) of concerns about the quality of Customs' workload data. In addition, Customs considered factors other than workload—such as budget constraints and legislative limitations—in determining its need for inspectional personnel and allocating such personnel to ports. According to Customs officials, these factors must be

considered in their decisionmaking in order to maximize the effectiveness of deployed resources.

Based on statements to us by senior Customs officials and their response to the recommendation in our April 1998 report, we believe that Customs has recognized that staffing imbalances may exist at certain ports and that it needs to improve the manner in which it assesses the need for and allocates inspectional personnel to ports of entry. Customs' actions—the award of a contract to develop a resource allocation model and an initiative to improve the quality of data in its management database—are steps in the right direction to address the personnel assessment and allocation issues we identified during our work. Given these steps by Customs, we are not making any recommendations in this report.

Agency Comments and Our Evaluation

We requested comments on a draft of this report from the Secretary of the Treasury or his designees. On August 4, 1998, Customs' Assistant Commissioner for Field Operations provided us with Customs' comments on the draft. The Assistant Commissioner generally agreed with the information presented in the report and its conclusions and provided technical comments and clarifications, which we have incorporated in this report where appropriate.

We are sending copies of this report to the Chairmen and Ranking Minority Members of the congressional committees that have responsibilities related to Customs, the Secretary of the Treasury, and the Acting Commissioner of Customs. Copies will also be made available to others on request. Major contributors to this report are listed in appendix II. If you have any questions or wish to discuss the information in this report, please contact Brenda J. Bridges, Assistant Director, on (202) 512-5081 or me on (202) 512-8777.



Norman J. Rabkin
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Abbreviations

| | |
|-----|---------------------------------------|
| CMC | Customs Management Center |
| JFK | John F. Kennedy International Airport |
| LAX | Los Angeles International Airport |

Objectives, Scope, and Methodology

Our objectives in this review were to analyze (1) the cargo and passenger inspectional personnel levels at selected airports and seaports around the United States and the implications of any differences between these levels and those determined by Customs to be appropriate for these ports (assessed levels) and (2) the cargo and passenger processing workloads and related workload-to-inspector ratios at the selected ports and the rationales for any significant differences in these ratios.

To identify the cargo and passenger inspectional personnel levels at the selected ports and the implications of any differences between the assessed and actual personnel levels, we reviewed budget documents and summaries, staffing statistics, cargo and passenger processing performance data, and Customs' strategic plan for fiscal years 1997 to 2002. We also interviewed Customs officials at headquarters, Customs Management Centers (CMC), and ports where we also observed cargo and passenger processing operations. In addition, we sought to determine how Customs assesses the need for inspectional personnel and allocates such personnel to ports of entry to process cargo and passengers. Accordingly, we reviewed documents related to Customs' three assessments since 1995 focusing on its drug smuggling initiatives and documents related to Customs' air passenger processing model, including a September 1992 report about the model done for Customs by two consulting firms. We did not independently assess the validity and reliability of the air passenger processing model or its results. However, we conducted a limited review of the consultants' report and discussed its findings and recommendations—and Customs' responses to them—with cognizant Customs officials. Because of the similarities in the subject matter, we relied extensively on information in our April 1998 report¹⁰ that focused on Customs' inspectional personnel assessment and allocation processes for commercial cargo ports.

To identify the cargo and passenger processing workloads and any related workload-to-inspector ratios at the selected ports and the rationales for any significant differences in these ratios, we obtained and reviewed workload data from Customs headquarters, CMCS, and ports. Given time constraints, we did not independently verify the accuracy and reliability of Customs' workload data. However, to obtain some indication of the overall quality of these data, we sought to identify whether Customs had in place any procedures for verifying data. Customs officials could not identify any formal, systematic procedures to verify data quality. Some port officials told us that they informally monitored data in management

¹⁰GAO/GGD-98-107.

reports to detect potential errors. In addition, we compared workload data obtained from headquarters, CMCS, and ports and identified several discrepancies, such as those in the number of cargo entries at John F. Kennedy International (JFK) Airport. While Customs officials said they could not explain specific discrepancies in the data without conducting lengthy additional work, they provided some general reasons that could potentially explain the discrepancies. These reasons included the possibility that some ports tracked workload data differently from Customs headquarters.

We visited the CMCS in Los Angeles and New York and the Los Angeles International Airport (LAX), Los Angeles/Long Beach Seaport, JFK Airport, New York/Newark Seaport, and Newark International Airport, which, although not part of our original scope, we visited due to its proximity to the seaport—at the request of the Subcommittees. We subjectively selected both the airports and seaports each in Houston and Detroit and telephonically interviewed cognizant officials from these ports in response to the Trade Subcommittee's request following our May 21, 1998, briefing that we expand the geographic scope of our work to include ports along the Northern and Southern borders of the United States.

As discussed earlier, the nine ports we visited or contacted were among the busiest of their kind in the United States in fiscal year 1997. JFK Airport was the busiest in terms of passenger workload and the second busiest in terms of cargo workload and had flights arriving from all over the world. The Newark Airport, while seventh in terms of passenger workload, has been experiencing rapid growth. Specifically, the number of passengers arriving at the airport had grown by 67 percent between fiscal years 1992 and 1997, while the number of arriving flights had grown by 30 percent during the same period. The New York/Newark Seaport was the second busiest in terms of cargo workload, which was expected to grow by over 10 percent annually for the next 4 years. The Los Angeles/Long Beach Seaport was the busiest in terms of cargo workload, collecting 18 percent—about \$4 billion—of the duties, fees, and taxes collected by Customs nationwide in fiscal year 1997. LAX Airport was the third busiest in terms of passenger workload and fifth busiest in terms of cargo workload. For example, over 7 million passengers and 41,000 flights were cleared through LAX Airport in fiscal year 1997. The Houston/Galveston Seaport was the eighth busiest in terms of cargo processing, while the Houston Airport was the eighth busiest in terms of passenger processing. The airport's workload had grown by between 12 to 15 percent annually over the past 2 to 3 years. The Detroit Airport was the 13th busiest in

Appendix I
Objectives, Scope, and Methodology

terms of passenger processing, while the seaport processed a relatively small number of cargo entries and vessel crew.

The results related to inspectional staffing levels and cargo and passenger workloads apply only to the five ports we visited and the four ports we telephonically contacted and cannot be generalized to all Customs ports.

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