



Resource Optimization at Ports of Entry

Fiscal Year 2014 Report to Congress
March 10, 2014



Homeland
Security

U.S. Customs and Border Protection

Message from the Deputy Commissioner of CBP

March 10, 2014

I am pleased to present the following report “Fiscal Year 2014 Resource Optimization at Ports of Entry,” which has been prepared by the U.S. Customs and Border Protection (CBP).



The report has been prepared in response to legislative language set forth in Senate Report 112-74 and House Report 112-91 that accompanied the *Consolidated Appropriations Act, 2012* (P.L. 112-74). This report outlines a current perspective on challenges faced by CBP and progress on the implementation of our Resource Optimization Strategy (ROS) including updates on our business transformation efforts and impact on staffing requirements, the Fiscal Year (FY) 2014 Workload Staffing Model (WSM) staffing projections through FY 2015, and our ongoing efforts to implement funding strategies.

Pursuant to congressional requirements, this report is being provided to the following members of Congress:

The Honorable John R. Carter
Chairman, House Appropriations Subcommittee on Homeland Security

The Honorable David E. Price
Ranking Member, House Appropriations Subcommittee on Homeland Security

The Honorable Mary L. Landrieu
Chairman, Senate Appropriations Subcommittee on Homeland Security

The Honorable Daniel R. Coats
Ranking Member, Senate Appropriations Subcommittee on Homeland Security

Inquiries relating to this report may be directed to me at (202) 344-2001 or the Department’s Acting Chief Financial Officer, Chip Fulghum, at (202) 447-5751.

Sincerely,

Thomas S. Winkowski
Deputy Commissioner
U.S. Customs and Border Protection

Executive Summary

The Office of Field Operations (OFO) is the law enforcement component within CBP responsible for carrying out CBP's complex and demanding border security mission at all ports of entry (POEs). OFO manages the lawful access to our Nation and economy by securing and expediting international trade and travel. Continued growth in international trade and travel, expanding mission requirements, and new facility demands continue to strain CBP resources and efforts to secure and facilitate the flow of people and goods.

In FY 2013, CBP published the first *Resource Optimization at Ports of Entry Report to Congress* (dated April 10, 2013). The report introduced CBP's robust, integrated long-term strategy for improving POE operations. The strategy has three components: optimize current business processes; utilize the WSM to identify staffing requirements; and implement alternative funding strategies to improve the adequacy of user fees to more effectively support operations.

Last year's report articulated the need for 3,811 additional CBP officers (CBPOs) through FY 2014. In response to the economic and security benefits outlined in the strategy, Congress appropriated funding for 2,000 additional CBPOs through FY 2015 in the *Consolidated Appropriations Act, 2014* (P.L. 113-76). The President signed this Act into law on January 17, 2014. The 2,000 CBPOs represent a clear congressional recognition of the importance of CBP's role in securing the Nation and progress towards addressing the current challenges and supporting additional requests for services. CBP will continue to allocate our resources as efficiently and effectively as possible, recognizing that there are resource needs in all environments – air, land, and sea – to address all modes of transportation.

The additional CBPOs will make a positive impact for frontline operations; however CBP continues to face operational challenges and additional operational capability is needed to fully address the WSM findings. This report outlines a current perspective on challenges faced by CBP and progress on the implementation of our ROS. The ROS includes updates on our business transformation efforts and impact on staffing requirements, the FY 2014 WSM staffing projections, and our ongoing efforts to implement funding strategies to complement the FY 2014 appropriation of 2,000 CBPOs through FY 2015.

While recognizing the success in business process improvements and increase in CBPOs, the FY 2014 WSM results continue to show a need for additional capability, assuming current processes, procedures, technology, and facilities to fully meet the standards set by statute, regulation, and CBP policies. The most recent results – factoring in the additional 2,000 CBPOs from the FY 2014 appropriations – show a need for 2,373 additional CBPOs through FY 2015.

The FY 2015 President's Budget addresses this need through a combination of increases to user fee rates, adjustments to fee accounts, funding for additional inspection equipment, and maximizations of CBP resources at the POEs by decreasing the non-law enforcement workload of CBPOs. Through the end of FY 2015, CBP will address the findings of the WSM by maximizing our current workforce's productivity through overtime resources and the implementation of transformation initiatives.



Resource Optimization at Ports of Entry

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I. Legislative Language

This document responds to legislative language set forth in Senate Report 112-74 and House Report 112-91, which accompanied the *Consolidated Appropriations Act, 2012* (P.L. 112-74).

Senate Report 112-74 states:

PORT OF ENTRY STAFFING AND RELIANCE ON FEES

The Committee directs CBP to update the POE staffing model, with a particular emphasis on staffing requirements reflecting both the new and renovated POEs which have been brought online as well as the increase in cross-border commercial and passenger traffic as the economy improves, and submit it to the Committee not later than 180 days after the date of enactment of this act.

NORTHERN BORDER PORT STAFFING

The Committee remains concerned, however, about CBP officer staffing levels for Northern Border ports of entry. The Committee believes that many of the concerns about Northern Border staffing could be allayed by more complete reporting to Congress about CBP's Northern Border staffing plans.

House Report 112-91 states:

PORT OF ENTRY OPERATIONS – MANPOWER AND INNOVATION

Therefore, to assist the Committee in its oversight of CBP staffing and planning, the Committee directs CBP to report to the Committee not later than 120 days after the date of enactment of this Act on its allocation of CBP officers, including how CBP can more effectively manage staffing resources across ports of entry to meet rising and falling staffing requirements more efficiently.

II. Background

CBP was established under the Department of Homeland Security (DHS) as the single law enforcement organization charged with securing our Nation's borders and facilitating legitimate trade and travel. As a component of CBP, OFO supports the border security mission by enforcing the laws and directing operational activities throughout the Nation's POEs.

Since its creation in 2003, CBP's mission requirements have expanded to meet changing security objectives and accommodate fluctuations in global trade and international travel. CBP's mission at the POEs is demanding, complex, and constantly evolving. Since 2009, there has been a remarkable growth of both trade and travel inbound to the United States. Total passenger volume in FY 2013 was 6.4 percent higher than in FY 2011, and non-immigrant arrivals during the same time period increased by nearly 9 percent. The total import value in FY 2013 was nearly 40 percent higher than FY 2009. CBP does not expect these upward trends to end as we continue to receive requests for new services and facilities to accommodate this increase in traffic.

In light of these challenges, CBP remains steadfast with the integrated ROS for POEs. The ROS has three main components: (1) optimize current business processes through Business Transformation Initiatives (BTIs); (2) identify staffing requirements accurately through the WSM; and (3) explore alternative funding strategies to increase revenue sources supporting staffing. CBP delivered the specifics and outcomes of this strategy in the *Resource Optimization at Ports of Entry Report to Congress*. The report provided the FY 2013 WSM results and the outstanding need for 3,811 CBPOs at the POEs. CBP received strong support from both public and private stakeholders for this strategy.

In order to ensure the most efficient use of these new resources, CBP continues to transform border processing operations by implementing and optimizing innovative solutions based on operational need. In FY 2013, CBP achieved significant process improvements with the implementation of the Automated Passport Control (APC) kiosks in the air environment and the expansion of the pedestrian kiosks on the land border. CBP also eliminated and automated the Arrival-Departure paper document (Form I-94) for arriving foreign nationals, increased our Trusted Traveler Program enrollment and usage, and enhanced overall targeting capabilities in all modes. These business process innovations are critical to operational success considering the increasing traveler volumes, budget constraints, and the demand for new and expanded services. Thanks to these transformative solutions and the resulting efficiencies, CBP is able to manage more efficient operations as demonstrated by the mitigated wait times at the airports during the summer peak months last year.

However, these transformation and management successes did not come without challenges. To ensure frontline operational success this past summer, CBP reallocated staff from sea and tactical operations, resulting in an associated decrease in inspection and enforcement activities to those operations. CBP also heavily restricted annual leave and reduced essential training needed to maintain enforcement proficiencies. These efforts are not sustainable if CBP is to continue to carry out its mission with a highly trained and highly motivated law enforcement cadre.

Considering this stark reality, the FY 2014 ROS and the FY 2015 Budget Request remain priorities in order to meet mission critical objectives. To this end, CBP is submitting the FY 2014 ROS report that outlines our continued commitment to this strategy, introduces new transformation initiatives CBP will develop throughout FY 2014 and FY 2015 considering our progress with business process improvements in FY 2013, and provides details on the FY 2014 WSM results indicating an outstanding need for 2,373 CBPOs through FY 2015 along with the funding strategy to address it.

The FY 2015 President's Request fully funds this need through a combination of increases to user fee rates, adjustments to fee accounts, additional inspection equipment, and maximizations of CBP resources at the POEs by decreasing the non-law enforcement workload of CBPOs.

III. Business Transformation Initiatives

Over the past 5 years, CBP has successfully implemented a series of BTIs targeted to make operations more effective and efficient. Today, over 99 percent of inbound vehicle traffic is processed by second generation License Plate Readers, Radio Frequency Identification (RFID) readers, and improved primary processing applications. Over 23 million travelers have obtained RFID-enabled documents to take advantage of the new technologies. During FY 2013, CBP expanded deployment of a variety of mobile, fixed, and tactical License Plate Readers to Southwest border crossings and U.S. Border Patrol checkpoints. CBP also expanded the use of kiosks, which automate document queries for land pedestrians, to five major crossings and delivered long overdue technology upgrades to the pedestrian processing environment. For international air travelers, CBP joined in partnership with the private sector to introduce APC pre-processing kiosks, which eliminated an additional paper entry form. In addition, international travelers continue to embrace CBP trusted traveler programs with increased membership and usage reducing overall resource requirements. CBP conducted quantitative analyses on all the BTIs. For most of them, CBP was able to estimate the officer time saved carrying out respective activities due to the transformative initiative. Multiplying the time saved by the expected volume of the activity provided a measure of overall potential officer savings.

A. Resource Optimization Efforts through FY 2013

- 1. APCs – Streamlining the international air arrivals process:** Newly emerging automated airport kiosks (provided through public-private partnership with airport authorities) expedite air passenger inspection for U.S. and Canadian citizens at participating air POEs. Currently available at nine airports (three added in FY 2013), APC kiosks allow for more focused interview time with passengers. This results in tangible facilitation and security benefits. At the airports where APCs have been implemented, wait times have been reduced significantly, along with reductions in the incidence of missed passenger connections. APC processing has the potential to serve more international travelers in FY 2014 as the program is implemented at additional gateway airports and expands to Visa waiver travelers in addition to U.S. and Canadian citizens.
- 2. Automated I-94 – paperless:** The automation of this arrival departure form saved 6-10 seconds of officer processing per applicant.
- 3. CBP Mobile –** In FY 2013, over 500 mobile devices were used to support numerous mission areas, including the handheld license plate/document reading device (MC75A) for the land border; Enforcement Link Mobile Operations; flexible web-based applications for all passenger and cargo processing; and the Secure Electronic Enrollment Kit, a comprehensive, multimodal identification and enrollment platform for Border Patrol. The use of mobile devices has directly led to over 1,000 enforcement actions, including identification of subjects of National Crime Information Center warrants and the interdiction of undocumented aliens, narcotics interdictions, unreported currency, and weapons violations. In FY 2013, the mobile device deployment saved the equivalent of

20 CBPOs. The FY 2014 Omnibus includes \$10.8 million for 1,500 devices and the FY 2015 President’s Budget requests an additional \$8.3 million for 767 devices. CBP estimates the FY 2015 requested funding will provide operational capability equivalent to adding 60 additional CBPOs and over \$7 million in cost avoidance through FY 2015.

4. Trusted Traveler Programs:

NEXUS – NEXUS, a joint U.S./Canada program at the Northern border land, marine, and at all Canadian preclearance POEs, identifies low-risk travelers through a complete biographic check, an interview with a CBPO and a Canada Border Services Agency officer, and a fingerprint check. An enrollee is provided an RFID-enabled card that allows the traveler to use specified primary lanes at land border POEs. In FY 2013, the average NEXUS program lane processing time, 19 seconds, was two and a half times faster than vehicles processed at general lanes crossing the Northern border (general lane times along the northern border average 49 seconds per vehicle). Although the per vehicle inspection time savings remained the same as in FY 2012 (30 seconds), the 12.4 percent increase in crossings in NEXUS lanes resulted in additional operational capability equivalent to 3 CBPOs from the equivalent of 25 CBPOs achieved in FY 2012. This savings represents a cost avoidance value of approximately \$354,000 in salaries and benefits. Continued membership growth for this program will result in further efficiency.

SENTRI – CBP offers a similar program to NEXUS called Secure Electronic Network for Traveler’s Rapid Inspection (SENTRI) in coordination with Mexico on the Southwest border. In FY 2013, the average SENTRI lane processing time, 22 seconds, was almost three times faster than vehicles processed at general lanes crossing the Southwest border (general lane times along the Southwest border averaged 64 seconds per vehicle). This is an increase of 3 seconds, or 7.7 percent, savings per SENTRI crossing in FY 2013 (39 seconds in FY 2012 to 42 seconds in FY 2013). There was also an 8.6 percent increase (991,316) in the number of crossings in the SENTRI lanes. The increase in volume and time savings resulted in additional operational capability equivalent to 17 CBPOs from FY 2012 (a cost avoidance value of approximately \$2 million in salaries and benefits).

| Table 1 FY 2013 BTI Results | | |
|-----------------------------|-------------------------|------------------------|
| Air | APC Deployed | 8 airports |
| | APC Process Time | 25-30 sec faster |
| | APC Traffic Share | 3 percent ¹ |
| | I-94 Process Time | 10 seconds faster |
| Trusted Traveler | Global Entry | 34% Increase Use |
| | SENTRI | 3 times faster |
| | NEXUS | 2.5 times faster |
| CBP Mobile | Deployments | + 500 devices |
| | Cargo & Passenger | -23K inspection hours |
| Risk Segmentation | NTC | 21% -more efficient |
| | ESTA | 40% more efficient |
| | Industry Cost Avoidance | Over \$28M in fines |
| Pedestrian | Deployments | 7 sites / 38 lanes |
| | RL Process Time | 25-40% decrease |
| | RL Traffic Share | 35% |
| Ready Lanes | Deployments | 22 crossings |
| | Traffic Share | 17% nationally |
| | Process Time | 12-18 sec faster |
| | RFID Documents | 23+ Million |

Global Entry (GE) – We continue to promote the expansion of trusted traveler programs to allow CBPOs to focus their efforts on areas of greatest risk. GE is currently available at 34 domestic airports, 10 pre-clearance airports, and is available to citizens of the Netherlands and South Korea at participating airports and citizens of Mexico and Canada via the NEXUS program. CBP has limited pilots with the following countries: the United Kingdom, Qatar, Germany, Panama, and Saudi Arabia. TSA continues to extend its TSA Pre✓™ program to GE members, which broadens facilitation benefits to TSA checkpoints. In FY 2013, there were almost 1 million additional uses of GE and NEXUS Air kiosks, representing a 34 percent increase in usage over FY 2012 (3.3 million uses vs. 2.5 million uses). The increased use of these kiosks by arriving travelers resulted in adding operational capabilities equivalent to 60 CBPOs, which is a marginal increase of four CBPOs from FY 2012. This represents a cost avoidance value of over \$488,000 in salaries and benefits.

- 5. Risk Segmentation** – The National Targeting Center (NTC), in coordination with the Immigration Advisory Program and the Regional Carrier Liaison Groups, enhances pre-departure targeting efforts and conducts visa vetting efforts. This allows CBP, in coordination with other agencies and the affected airlines, to assist in preventing inadmissible travelers from traveling to the United States. Pre-departure targeting continues to pay security and efficiency dividends. In FY 2013, the NTC and the Immigration Advisory Program assisted airlines in determining that 11,225 inadmissible passengers should not be permitted to travel to the United States. This is a 21 percent increase over FY 2012 (9,288). This targeting work alleviated field operational requirements equivalent to the work of 19 CBPOs, avoiding \$2.2 million in staffing requirements for CBP and \$28 million in monetary costs to the industry.

CBP also continues to enhance the Electronic System for Travel Authorization (ESTA). ESTA requires all eligible nationals or citizens of Visa Waiver Program countries who plan to travel to the United States for temporary business or pleasure to have an approved ESTA application before boarding a carrier to travel by air or sea to the United States. ESTA program also realized continued savings in CBPO resources in FY 2013. There was a 40 percent increase (9,922 applications) in the number of ESTA applications denied in FY 2013; as a result, CBP did not have to conduct lengthy secondary inspections or process refusals of admission for these individuals.

CBP has recently expanded its PreClearance operations to Abu Dhabi International Airport in the United Arab Emirates. As further evidence of the advancement of CBP's risk segmentation efforts, Preclearance in Abu Dhabi supports DHS's extended border strategy, where DHS seeks to intercept a variety of threats to the American homeland (including terrorists and criminals, as well as the spread of foreign pests and disease associated with global outbreaks) prior to departure to the United States. CBPOs in Abu Dhabi are able to perform U.S. border inspections prior to travel to the United States. In addition to the security and risk segmentation benefits, expanding Pre-Clearance to the United Arab Emirates will provide wait time relief at high congestion U.S. "gateway" airports.

- 6. Ready Lane Expansion** – RFID-enabled document growth continues at a rapid pace. Over 23 million travelers have obtained RFID-enabled documents (and two-thirds of all Southwest border crossings are now made by travelers with an RFID document). This growth in RFID saturation has enabled the rapid expansion of Ready Lanes; 22 crossings now offer a Ready Lane. Ready Lanes more efficiently process vehicles (12-18 seconds faster per vehicle) and in conjunction with Active Lane Management can reduce participant wait times up to 50 percent.
- 7. Pedestrian Ready Lanes – Streamlined Pedestrian Processing** – Transit-style dual-gate systems and stand-alone kiosks query travel documents before pedestrians arrive at the inspection booth. These technologies reduce pedestrian inspection time by 25-40 percent and increase throughput. In FY 2013, CBP expanded the use of these technologies at five major locations. Today, 33 percent of pedestrians are processed with the new technology. This is an increase of four percent over last year. In FY 2014, Congress approved \$8 million in funding for additional kiosks. With this additional funding, CBP estimates increasing operational capabilities equivalent to adding 54 CBPOs and \$6.6 million in cost avoidance through FY 2015.
- 8. Transforming Immigrant Visa Processing** – CBP is working in partnership with the U.S. Citizenship and Immigration Services and U.S. Department of State to automate the processing of immigrant visas by CBP at the POEs. This is currently an administrative responsibility in our secondary inspection areas that is labor intensive. This project will mean that CBPOs no longer have to collect the immigrant's signature, assemble packages and physically send them to U.S. Citizenship and Immigration Services. While this effort is still under development, once fully implemented, the program has the potential to save the equivalent of up to 100 CBPOs or \$11.8 million in salaries and expenses.
- 9. Automation Efforts** – The Automated Wait Time Scheduling Tool is another transformation effort designed to improve our staffing allocation by reallocating staffing levels based on continually changing flight information, such as estimated arrival time, number of passengers on board, and the ratio of U.S. citizens to visitors. This tool is now available at 245 airports and 14 preclearance locations.

In September 2013, leveraging the Automated Wait Time Scheduling Tool, CBP began hosting the Paperless General Declaration system, which allows participating carriers to be exempt from the requirement to submit a paper CF-7507 (Aircraft General Declaration) upon arrival at U.S. POEs. CBPOs spend an average of 90 seconds processing a general declaration, which is required for each arrival and departure of a conveyance. This BTI is being implemented in phases with the initial phase focusing on arriving commercial passenger aircraft. Currently, 85 percent of the arriving commercial passenger flights are immediately eligible for the program. CBP estimates the automation of this form will save over 10,000 inspection hours or the equivalent of 9 CBPOs in FY 2014. This savings should increase in FY 2015 as additional conveyances (general aviation/cargo carriers) become eligible for the program.

B. Resource Optimization Efforts through FY 2015

Leveraging these continued successes in FY 2013, CBP has embarked on several new BTIs for FY 2014 and FY 2015. CBP made a concerted effort to transform business process in the trade environment with the specific goal of reducing the need for CBP resources and reducing the transaction costs for our private sector partners. In particular, CBP's efforts to reduce the resources required to NII exams remains our priority focus. CBP NII technology is a workforce multiplier and dramatically enhances the ability of CBP to inspect cargo and conveyances for components of weapons of mass effect and other articles and instruments used in support of terrorist activities, narcotics, and undeclared currency while facilitating legitimate commercial traffic. The FY 2015 President's Budget requests \$112 million to acquire, deploy, maintain, refurbish, and replace our NII technologies. CBP is optimizing our Radiation Portal Monitors (RPMs) to reduce the need for secondary inspections. In addition, CBP has embarked on an in-depth analysis of options for a biographic/biometric entry/exit system that will provide meaningful assurance of departure, control costs, minimize traveler impact, and achieve the objectives that Congress and the 9/11 Commission envisioned. CBP's transformation initiatives are expected to result in cost avoidance equivalent to 636 CBPOs through FY 2015. Meaning the initiatives described below have the same impact on reducing the time to conduct inspections equal to adding over 630 more CBPOs.

- 1. RPM Optimization** – As a BTI, CBP and Pacific Northwest National Laboratory, in coordination with the Domestic Nuclear Detection Office, have developed a near-term, low-cost approach to make RPM operations more effective and efficient. The initiative focuses the existing RPMs' capabilities on defined threat detection and minimizes alarm response to benign radiological material present in commerce. This approach will reduce overall risk and allow CBP to implement more efficient operational concepts. For example, it provides near-term operational enhancements while CBP completes long-term efforts to address RPM life cycle replacements. If implemented at the largest sea POEs, this initiative could reduce inspection time by 44,000 hours annually. The implementation of this initiative will also allow CBP to shift up to 100 CBPOs to other enforcement missions and support a long-term reduction in secondary RPMs, thus avoiding future acquisition and maintenance costs of up to \$44 million over 10 years. Implementation is currently planned to begin in FY 2014.
- 2. The PRIDE 2.0 Proof of Concept** – The Proof of Concept assessed the viability of integrating Radiation Detection Equipment, NII equipment, and communication via a centralized interface in a Command Center to provide a workforce multiplier. The centralized interface will enable a single CBPO to view images from multiple Radiation Detection Equipment and NII equipment, reducing the need for CBPOs to be assigned to each piece of equipment to perform this function. The Proof of Concept was successfully demonstrated at the Los Angeles Long Beach Pier T terminal in September 2013. Although this concept is currently undergoing a full cost-benefit analysis, CBP estimates saving over 20,000 inspection hours and the equivalent of 17 officers through FY 2015.
- 3. Entry/Exit Transformation** – In the *Consolidated and Further Continuing Appropriations Act of FY 2013*, Congress directed CBP to assume operational control

over the entry-exit mission. With this new responsibility, CBP will enhance the biographic/biographic exit system at air, land, and sea POEs and identify new and emerging biometric technologies to test and evaluate.

CBP has partnered with DHS’s Office of Science and Technology to test biometric capabilities including fingerprint, iris, and face recognition. In partnership with the DHS Office of Science and Technology, we are building a test facility that will provide a “mock” air POE where CBP will test a series of operational concepts for biometric exit. CBP will identify the best two or three processes that have the potential for national deployment and CBP will test a solution in an airport in FY 2015.

Table 2 the estimated savings CBP expects to achieve from BTIs through FY 2015.

| BTI Savings Through FY 2015 | | | |
|--|-------------------------------|--|----------------------|
| BTI | Inspection Hours Saved | CBPOs saved (annualized Full-Time Equivalent (FTE)) | Cost of CBPOs |
| Trusted Traveler Program | | | |
| • Nexus | 13,002 | 11 | \$1.3M |
| • SENTRI | 48,462 | 41 | \$5.0M |
| • GE | 23,640 | 20 | \$2.5M |
| CBP Mobile | 70,920 | 60 | \$7.4M |
| Form I-94 Automation | 94,560 | 80 | \$10.0M |
| APC | 60,282 | 51 | \$6.2M |
| Refined Risk Segmentation | | | |
| • NTC/ Technology Enhancements | 10,638 | 9 | \$1.1M |
| • ESTA | 23,640 | 20 | \$2.5M |
| Expansion of Operational Best Practices | | | |
| • Ready Lanes | 59,100 | 50 | \$6.1M |
| • Pedestrian Ready Lanes | 63,828 | 54 | \$6.6M |
| Automation Efforts | 17,730 | 15 | \$1.8M |
| Transformation of New Immigrant Processing | 118,200 | 100 | \$12.3 |
| PRIDE 2.0 | 20,094 | 17 | \$2.1 |
| RPM Optimization | 127,656 | 108 | \$13.3 |
| TOTAL | 751,752 | 636 | \$78.2M |

*Estimated savings (CBPO cost estimated at \$122,723 to include salary and benefits, which is the average of FY 2014 (\$121,513) and FY 2015 (\$123,942) in salary and benefits and 1,182 available CBPO hours per FTE.

IV. WSM FY 2014 Results

A. FY 2014 Model Results

The WSM is the primary tool for informing staffing decisions at air, land, and sea POEs. As such, it is the foundation for the second component of CBP's integrated ROS. The WSM employs a rigorous, data-driven methodology to identify staffing requirements. It is composed of multiple elements – some fixed, others variable – that may be adjusted according to changing priorities, risks, and threats. The WSM considers all business processes required of CBPOs, the workload associated with those business processes, and the true level of effort required to effectively carry out the mission daily. The WSM not only identifies the required personnel necessary to accomplish the critical daily mission, it also captures future staffing requirements for new or enhanced facilities and technology deployments.

The WSM calculates the number of CBPOs estimated to carry out the CBP mission at each air, land, and sea POE in the United States and at each pre-clearance location. The difference between the model results and the current staffing levels represents an indication of the extent to which individual POEs are facing staffing challenges. The WSM was introduced in great detail in the *Resource Optimization at Ports of Entry Report to Congress*. This report provided details on the WSM methodology and inputs and previous validation by a nonprofit public-sector consulting firm, LMI, and by DHS. This information is contained in Appendix B for reference.

CBP's internal and external validation efforts point to plans for future model enhancement and development as identified in the WSM Strategic Plan finalized in February 2014. The goals of the strategic plan drive OFO's efforts to provide leadership with a sophisticated dynamic tool to inform resource requirements that are accurate, validated, and that provide informed analysis on performance and impacts to CBP and the national economy. In addition, CBP continues to ensure that the model more explicitly considers the physical infrastructure constraints at the POEs. CBP recognizes that at some point, the mostly linear-based calculations in the model may suggest staffing levels beyond the physical capacity of a POE.

A strategic enterprise goal for the WSM is to integrate all CBP Resource Models to ensure best practices and minimum standards are applied. Towards this end, in early FY 2014, a risk-based Agriculture Resource Allocation Model was finalized. The Agriculture Resource Allocation Model is a performance model and calculates the number of CBP Agriculture Specialists required for an enhanced predetermined targeted workload. CBP will integrate the results of the Agriculture Resource Allocation Model into the WSM in order to provide a more holistic view of CBP's staffing requirements in future reports.

As CBP uses the WSM as a decision-support tool, we still rely on the expertise of our field operators and mission support facility analysts to ensure that we do not allocate CBPOs to locations where they would not be able to add value due to facility constraints. Deployment decisions are made by CBP management, using the WSM results, service levels, and operational realities. Deployment decisions are continuously being reformulated based on changing conditions. A critical piece for deployment is the schedule for facility expansions, as these

impact staffing needs and when those staffing needs are anticipated. Phased deployment ensures that all priority POEs receive at least some of their requirements rather than fully front loading deployments to a small handful of the highest priority POEs. Service levels are a critical element. Port service and threat levels are analyzed to ensure that priority POEs challenged by service measures (such as excessive wait times) are given relief ahead of POEs that are operating at a better level of service but still may have substantial resource requirements.

The figures in the following table represent the FY 2014 national staffing requirement based on the WSM calculations and the application of core overtime resources. In the field, management works within the constraints of current personnel levels to align staffing to the daily workload, which can be exacerbated during peak travel times where additional staff is simply not available. Leave usage, administrative functions, and training of CBPOs is appropriately limited during the peak processing times, ensuring that CBPOs are available to staff primary and secondary inspection. To address those situations where critical operational needs exceed staffing availability, CBP allocates all available resources including, in some cases, surge overtime funding to supplement permanent staff. The precise application of core overtime is the day-to-day mechanism that CBP uses to address a significant portion of the staffing deficit reflected in the WSM results below.

Table 3 illustrates the current funded staffing level, core overtime resources, and the WSM baseline results.

| Table 3 | |
|---|--------|
| FY 2014 Baseline Workload Staffing Model Results | |
| FY 2014 Baseline WSM Result | 26,081 |
| Total Current CBPO Staffing Resources | 23,709 |
| <ul style="list-style-type: none"> • OFO FY 2013 Funded CBPO Staffing (21,574)* • Projected OFO Core Overtime Expenditures in FY 2014 (2,135)** | |
| Total Current CBPO Staffing Need | 2,372 |

* In addition to CBPOs funded within OFO’s budget plan, an additional 201 CBPOs are funded through other CBP organizations, such as the Office of Training and Development. The two populations together reflect a total current CBPO staffing level of 21,775.

** CBPO FTE equivalent based on \$194 million projected core overtime expenditures.

As mentioned above, OFO’s staffing requirement approach identifies not just the WSM baseline results, but also requirements for facility enhancements and technology deployments through FY 2015 and requirements for conservatively projected growth through FY 2015. CBP subtracts the expected savings from the BTIs from these requirements to arrive at a total net requirement.

Table 4 captures these total net requirements.

| Table 4 | |
|-------------------------------|--------------------|
| FY 2015 Requirement | |
| Echelon | Requirement |
| FY 2014 baseline | 2,372 |
| FY 2014 facility / technology | 654 |
| FY 2015 facility / technology | 444 |
| FY 2014 volume growth | 758 |
| FY 2015 volume growth | 781 |
| BTI savings through FY 2015 | (636) |
| FY 2014 Appropriations | (2000) |
| Total | 2,373 |

B. Impact of Focused Resource Allocation

During the summer of 2013, in response to funding changes resulting from sequestration, CBP deployed significant changes to its operations strategy to help avoid gridlock at international airports with the use of predictive analysis, realignment of resources throughout the calendar year, strategic trade-offs with trade operations, and the implementation of a variety of BTIs, thereby avoiding predicted multi-hour wait times.

CBP also intentionally prioritized the processing of passengers over other mission areas. To avoid impacts to security, CBP strategically reassigned personnel from trade and cargo operations, which not only supported primary passport control processing; it also helped to maintain a strong passenger enforcement posture at the POEs. While this measure increased CBP's ability to meet the increased volume of flights and passengers at major gateway airports, it is not a sustainable effort as operations in the cargo environments suffered from the reallocation of staff. For instance, the seaports that shared resources with some of the top airports saw a decrease in a number of key cargo enforcement measures, including container exams (down nearly 17 percent), container exam rate (down over 19 percent), and drugs seized (down over 60 percent).

In addition to the reallocation of resources to passenger operations, CBP effectively managed limited overtime expenditures and stringently focused on more efficient scheduling and collaboration with air carriers to mitigate peak arrival periods. Efforts such as the use of CBP's Automated Wait Time Scheduling Tool, not previously available during peak summer periods, allowed CBP to apply sufficient staffing in advance of and during peak periods, which helped to mitigate wait times. This tool is populated with airline and CBP data to help improve operations and scheduling functions at the POEs.

CBP's implementation of the Automated Wait Time Scheduling Tool BTI was accompanied by the increase in GE enrollment and usage, and also the implementation of the newly emerging APC kiosks to expedite air passenger inspection for U.S. and Canadian citizens at participating airports. In addition, CBP automated another paper arrival form required for all foreign visitors arriving from a non-visa waiver country, CBP Form I-94.

In addition to these BTIs, last past summer’s efforts required trade-offs that cannot be sustained long-term because they have a direct impact on CBP’s trade mission, and a number of other activities including outbound enforcement, special operations, Intellectual Property Rights enforcement, training and administrative duties, and general aviation requests.

Table 5 shows how the key measures of flight volume, passenger volume, and average wait time changed at the top 10 airports from the summer of 2012 to the summer of 2013.

Table 5 illustrates data from top 10 airports (Summer 2012 vs. Summer 2013).

| Table 5 | | | |
|-----------------------------------|-------------|-------------|-----------------|
| Changes at Top 10 Airports | | | |
| Measure | 2012 | 2013 | % Change |
| Flights | 62,720 | 65,841 | 5.0% |
| Passengers | 11,517,409 | 12,089,593 | 5.0% |
| Average Wait Time (Minutes) | 24.3 | 22.8 | -6.0% |

C. Economic Impact

These extraordinary efforts are reflections of CBP’s recognition of the detrimental effect wait times have on our stakeholders and the economy. The extent to which wait times affect the local and national economy has been recently studied by the National Center for Risk and Economic Analysis of Terrorism Events (CREATE), a DHS Center of Excellence in Research and Education. In April 2013, CREATE completed a report titled “The Impact on the U.S. Economy of Changes in Wait Times at Ports of Entry.” Their analysis found that an increase or decrease in staffing at the POEs has an impact on wait times and therefore on the U.S. economy. The impacts begin with changes in tourist and business travel expenditures and with changes in freight costs. These changes in turn translate into ripple, or multiplier, effects in port regions and the overall U.S. economy. In summary, CREATE found that the impacts on the U.S. economy of adding 33 CBPOs (their baseline) are \$65.8 million increase in Gross Domestic Product (GDP), \$21.2 million in opportunity cost savings, and 1,094 annual jobs added. While the U.S. Travel Association found every 33 overseas travelers creates one new American job (Travel Means Jobs, 2012), CREATE’s findings equate to 33 new American jobs per CBPO added.

This initial report was primarily focused on the land environment. CBP subsequently engaged CREATE on a follow-up study intended to be more focused on the air environment. Specifically, the initial study did not recognize the deterrence effect that airport wait times have on international visitation to the United States. CREATE has now provided a new draft report titled “Passport Inspection Wait Time at U.S. International Airports and Its Economic Impacts” in February 2014. The analysis found that average passport inspection wait time at U.S. airports rose by 25 percent from 2010 to 2013, and the amount of time waited by travelers by 45 percent. Given projected increases in passenger volumes through 2018, they estimate that CBP-OFO resources will need to grow by 4 percent per year to stabilize wait times at their current levels. The analysis also found that an increase or decrease in staffing at the airports has an impact on wait times and, therefore, on the U.S. economy. The impacts begin with direct changes in tourist

and business travel expenditures of foreign to the United States, as well as some offsetting increased travel by U.S. resident tourist and business travel abroad. These changes, in turn, translate into ripple, or multiplier, effects on the overall U.S. economy.

In summary, in the new study CREATE found that the impacts on the U.S. economy of adding 14 CBPOs (the baseline of one additional CBPO at each of 14 major airport terminals) are a potential \$11.8 million increase in GDP and 82 annual jobs added. This finding equates to nearly six new American jobs per CBPO added. These increases in GDP and jobs are in addition to the benefits identified in the original study. CREATE also found that CBP effectively manages its inspection resources to smooth passport inspection wait times across arriving flights at U.S. airports, so that wait times at a particular airport are determined primarily by overall CBP staff availability and decisions not under its control.

In addition to the CREATE studies, the World Economic Forum published a report in 2013 entitled “Enabling Trade – Valuing Growth Opportunities” that concludes that “reducing supply chain barriers to trade could increase GDP up to six times more than removing tariffs.” The authors identify four major categories of supply chain barriers – one of which is “border administration.” One of the pillars of the border administration barrier is “efficiency of customs administration,” which “refers to the speed and ease with which imports and exports can clear customs and the quality and range of services national customs authorities provide.” CBP has demonstrated how additional CBPOs – deployed wisely – can increase the speed with which U.S. imports clear customs by reducing wait time experiences by commercial trucks crossing the border or by reducing the time that containers may be held up in a secondary processing area awaiting required enforcement exams.

Numerous other studies have been conducted on the economic impact of wait times at the POEs. These studies attempt to identify the direct, indirect, and induced economic effects of wait times within a specific market area. The table below represents an excerpt of the report titled “The State of Trade, Competitiveness and Economic Well-being in the U.S.-Mexico Border Region.”¹ The table summarizes several studies that have attempted to quantify the costs of wait times to the economy. One message comes through quite clearly—long and unpredictable wait times at the POEs are costing the United States and Mexican economies many billions of dollars each year.

¹ Authored by Erik Lee and Christopher E. Wilson. Both authors are affiliated with the Woodrow Wilson International Center for Scholars, the organization that published the final report.

Table 6

| Studies of the Costs of Border Wait Times and Congestion to U.S. and Mexican Economies | | | | | | |
|--|---------------------------|----------------------------|--------------------------|--|---------------|---------------------------------------|
| Region of Crossings | Region of Economic Impact | Wait Time (min.) | Year of Potential Impact | Cost to Regional Economy (billions of USD) | Costs in Jobs | Source |
| San Diego - Tijuana | U.S. and Mexico | ... | 2007 | \$7.2 | 62,000 | SANDAG, 2007 Update |
| Imperial Valley - Mexicali | U.S. and Mexico | ... | 2007 | \$1.4 | 11,600 | HDR HLB IVAG 2007 |
| Tijuana | Mexico | 180 | 2007-2008 | \$1.9 | 57,000 | Del Castillo Vera, COLEF, 2009 |
| Ciudad Juarez | Mexico | 132 | 2007-2008 | \$1.5 | 87,600 | Del Castillo Vera, COLEF, 2009 |
| Nuevo Laredo | Mexico | 174 | 2007-2008 | \$3.7 | 133,800 | Del Castillo Vera, COLEF, 2009 |
| Nogales | Mexico | 66 | 2007-2008 | \$0.2 | 18,000 | Del Castillo Vera, COLEF, 2009 |
| US-Mexico Border | U.S. | 63 | 2008 | \$5.8 | 26,000 | Accenture Draft, March 2008 |
| US-Mexico Border | U.S. | 99 | 2017 | \$12.0 | 54,000 | Accenture Draft, March 2008 |
| El Paso/Cd. Juarez | El Paso/Cd. Juarez | 2008 peak times: ~45 - 220 | 2035 | \$54.0 | 850,000 | Cambridge Systematics Inc., June 2011 |

Note: Year of Potential Impact refers to the year in which the listed monetary and employment effects take place. For dates before 2009, this refers to the estimated costs for the year of the study. For future years, this refers to the estimated cost that will take place if the border is not made more efficient.

Sources: Cambridge Systematics, *El Paso regional Ports of Entry Operations Plan*, Texas Department of Transportation and Cambridge Systematics, June 2011; Gustavo Del Castillo Vera, "Tiempos de espera en los cruces fronterizos del norte de México: una barrera no arancelaria," *Comercio Exterior*, Vol. 59, No. 7, July 2009, 555; SANDAG, *Economic Impacts of Wait Times in the San Diego-Baja California Border Region Fact Sheet: 2007 Update*; Accenture, *Draft: Improving Economic outcomes by Reducing Border Delays*, Accenture and Department of Commerce, March 2008; HDR|HLB, *Imperial Valley - Mexicali Economic Delay Study*, HDR, Imperial Valley Association of Governments and California Department of Transportation, District 11, November 19, 2007.

V. Comprehensive Funding Strategy – Alternative Sources of Funding

A comprehensive funding strategy that is a blend of appropriations, user fees, and public-private partnerships that finance operations is the third prong of CBP's ROS. CBP has updated this strategy, as proposed in the President's FY 2015 Budget, to provide alternatives to add workforce capability to address the WSM findings in FY 2015.

The near-term alternative sources of funding strategies include seeking Congressional support for legislative proposals in the FY 2015 Budget to increase current immigration and customs user fees to recover more of the costs associated with providing services. An additional legislative proposal, reauthorizing the ESTA fee surcharge (established under the *Travel Promotion Act of 2009* (TPA), which expires at the end of FY 2015) and, beginning in FY 2016, reallocating some of the revenue to support CBP inspection capabilities, is reflected in the FY 2015 Budget. The economic data and recent studies demonstrate a clear return on investment from adding staffing resources to POEs. The legislative proposals summarized below would increase CBP staffing resources and could be implemented immediately by Congress to facilitate and secure the international trade and travel that is the lifeblood of our economy. The long-term strategy seeks to expand upon our public-private partnership included by Congress in the FY 2014 Omnibus to fund enhanced CBP services and implement new funding streams from current programs.

A. Near-Term Funding Strategy

1. Appropriations

With support from local governments, business groups, and the trade and travel industry, Congress recognized our staffing needs in the President's Budget in FY 2014 and provided funding for 2,000 additional CBPOs through FY 2015.

2. Increase Primary User Fees

User fees are paid by the trade community and traveling public in exchange for CBP inspectional services such as the costs of inspecting passengers, conveyances, and goods for air, land, and sea environments.

User fee revenue can only be used to reimburse certain eligible costs. These costs primarily include the costs of performing CBP inspections and the associated administrative overhead to support those inspections or, in the case of the *Consolidated Omnibus Budget and Reconciliation Act* (COBRA), inspectional overtime, salaries, benefits, preclearance, and other support costs. Under the current fee structure, the revenue collected from CBP's customs and immigration inspection user fees (COBRA and Immigration User Fee (IUF)) does not fully recover the costs associated with these inspections. Therefore, CBP must rely upon its annual appropriation to fund the portion of the expenses not supported by user fees.

As these fees are set by statute and have not been adjusted in several years, they do not fully recover the costs associated with customs and immigration inspections and each year the “buying power” of these fees diminish. Therefore, without regular fee adjustments, full recovery of costs through fees is not attainable as the costs to maintain staff growth each year. In the FY 2015 President’s Budget request, CBP proposes raising the IUF and COBRA fee to generate funds to decrease the shortfall between the costs of CBP’s reimbursable customs and immigration inspection activities and reimbursements received. This will allow CBP to hire additional CBPOs, which will result in improved customs and immigration inspection services provided to those who pay this fee when traveling to the United States.

The following tables show the collections of user fees in the air, land, and sea environments as well as the costs.

| Air | Land | Sea | Total | Air | Land | Sea | Total |
|-----------------------------|-------------|------------|--------------|-----------------------|-------------|------------|--------------|
| FY 2014 Collections* | | | | FY 2014 Costs* | | | |
| 1,662,985 | 1,000,927 | 1,273,134 | 4,187,255 | 1,873,023 | 1,116,951 | 1,066,549 | 4,056,523 |
| 42% | 25% | 32% | 100% | 46% | 28% | 26% | 100% |
| FY 2013 Collections | | | | FY 2013 Costs | | | |
| 1,550,389 | 967,598 | 1,215,855 | 3,733,842 | 1,822,268 | 1,114,069 | 1,062,731 | 3,999,068 |
| 42% | 26% | 33% | 100% | 46% | 28% | 27% | 100% |
| FY 2012 Collections | | | | FY 2012 Costs | | | |
| 1,497,109 | 929,705 | 1,166,809 | 3,593,622 | 1,755,154 | 1,051,950 | 994,745 | 3,801,850 |
| 42% | 26% | 32% | 100% | 46% | 28% | 26% | 100% |

*FY 2014 collections and costs are projections.

Following are descriptions of the primary user fees:

Immigration User Fee (IUF)

This fee became available to CBP after immigration inspection functions were transferred from the U.S. Department of Justice in 2003. This fee is intended to be full cost recovery but has been short of that since 2008. CBP recovers just less than 75 percent of eligible costs. The FY 2015 President’s Budget includes a proposal to increase this fee by \$2 and includes a proposal to remove the exemption for sea passengers originating in the United States and its territories, Canada, Mexico, or the adjacent islands. CBP recommends tying these fees to the Consumer Price Index. Currently, about 42 percent of total user fees collected by CBP are in air passenger environment – compared to 46 percent of costs. In FY 2015, assuming implementation of the fee proposals in the Budget, the air environment will collect 45 percent of fees and comprise 46 percent of the costs to CBP. This additional revenue would support up to 1,205 additional CBPOs and the associated operational and mission support staff.

COBRA

The COBRA statutory hierarchy demonstrates full cost recovery for the inspectional activity is not the intent of the fee. However, as CBP costs have raised without adjustments to the fee rates, less of the total collections are available to support the direct costs of performing COBRA related inspectional activity. CBP recommends adjusting the COBRA rates to improve COBRA inspectional service levels. COBRA commercial air and sea passenger user fee was established in 1985 at \$5 and is currently set at \$5.50 per passenger. If these fees had been adjusted for inflation since COBRA was established using the Consumer Price Index, they would currently be set at \$10.83 per passenger. CBP's FY 2015 legislative proposals include a \$2 increase to the COBRA air and sea passenger user fee with proportional increases to other COBRA user fee categories. CBP recommends that in order to ensure that fee rates remain commensurate with escalating costs that they be tied to one of the inflation indices, such as the Consumer Price Index. The proposed changes would provide funding for up to 795 additional CBPOs and associated operational and mission support staff. In FY 2012, CBP recovered 78 percent of the costs in the air environment and 42 percent in the sea environment. In addition, the current structure makes fee funded positions difficult because the COBRA hierarchy places enhanced positions at the bottom.

Animal Plant Health Inspection Service

When agriculture inspection functions at the border were transferred to CBP in 2003, the fees related to those functions were also to be transferred to CBP. This fee is intended to be full cost recovery. CBP has not recovered all eligible costs since 2006. CBP supplements this agriculture inspectional activity from appropriated funding. CBP is collaborating with U.S. Department of Agriculture's Animal Plant Health Inspection Service on the Notice of Proposed Rule Making to increase Agriculture Quarantine Inspection (AQI) User Fees. If approved, these increases will bring CBP AQI programs closer to full cost recovery.

3. Reimbursement Authority for Enhanced CBP Services

Section 560 of the *Consolidated and Further Continuing Appropriations Act of 2013* authorized the Commissioner to enter into five reimbursable fee agreements by December 31, 2013 for increased CBP customs and immigration-related inspections services at U.S. POEs. This program complements the ROS by finding alternative funding sources through public-private partnerships. Reimbursable fee agreements are designed to address the increased demands on CBP's existing resources and enhance services to stakeholders in all of OFO's operational environments.

Interested parties were required to submit applications by May 31, 2013. On June 10th and 11th, CBP reviewed the applications and evaluated them using a set of criteria that covered a number of categories, such as impact on current CBP operations; funding reliability; community concerns; health and safety issues; the ability to receive support from other necessary government agencies; community and economic benefits; and the feasibility of implementing the proposal in a timely manner. At the end of the application period, CBP received a total of 16 proposals. The following locations were selected for new or additional services under CBP's Reimbursable Fee Program:

- Dallas/Fort-Worth International Airport;
- The City of El Paso, Texas;
- South Texas Assets Consortium;
- Houston Airport System; and
- Miami-Dade County.

On December 4, 2013, CBP presented five draft agreements to Congress as per the mandatory 15-day review period. On December 19, 2013, Acting Commissioner Thomas Winkowski held a formal agreement signing ceremony at CBP Headquarters with all signatory partners. CBP implemented a program soft launch at Dallas/Fort-Worth International Airport on December 21, 2013 and full implementation at all locations on January 26, 2014. In the first 4-week program activity cycle (December 15, 2013 – January 11, 2014), Dallas/Fort-Worth International Airport requested reimbursable CBP services on 12 days for a total of 625.5 hours, during which time over 11,000 travelers were processed by CBPOs working on reimbursable fee assignments.

Congress expanded public-private partnership pilot authorities for CBP in Section 559 of the *Consolidated Appropriations Act, 2014*. This section allows CBP to enter into additional reimbursable fee agreements and to accept donations of real or personal property (including monetary donations) or non-personal services at POEs under the jurisdiction, custody, and control of CBP and the U.S. General Services Administration. There are no limitations on the number of agreements for the land and sea environments, although CBP is limited to five per year over five years in the air environment. While Congress continues to limit reimbursement for overtime services only in the air environment, the new authority expands applicable “services” to include agricultural processing and border security services.

B. Long-Term Funding Strategy

1. Travel Promotion Act

Pursuant to authority provided by the TPA, CBP began collection of a fee as part of the introduction of ESTA on September 3, 2010. The \$14.00 fee contains two parts. The first part, currently set at \$4.00 by regulation, ensures recovery of the costs of administering the ESTA program only. The TPA also requires CBP to collect an additional \$10.00 surcharge from every approved applicant to fund the promotion of tourism in the United States. This part of the fee is credited to a separate account known as the Travel Promotion Fund, which funds the Corporation for Travel Promotion; a non-profit corporation established by the Act to promote tourism and travel to the United States, now known as 'BrandUSA'. Under current law, up to \$100 million of the amount collected from the surcharge may be used by BrandUSA.

Under current law, the surcharge expires at the end of FY 2015. The FY 2015 President's Budget includes the impacts of a legislative proposal to permanently reauthorize and reallocation the revenue from the surcharge between BrandUSA and CBP. While the Budget reflects the increase in receipts from the extension, the legislative language will be provided under separate cover. Under the proposal, 80 percent of the amount collected will be allocated to BrandUSA and 20 percent will be allocated to CBP. In FY 2016, total collections from the surcharge are projected to be \$142 million. Of this amount, \$28 million would go to CBP with the remainder going to BrandUSA. These funds will support BrandUSA's efforts to promote international travel to the United States, thereby increasing U.S. tourism exports and the hiring of 125 new CBPOs, which will reduce wait times for travelers entering the United States.

2. Increase Mission Support Personnel to Realign Frontline Resources

Without acquiring the necessary support resources, frontline personnel at the POEs will continue to perform a large portion of administrative and operational support workload. OFO is currently spending significant CBPO and CBP Agriculture Specialist resources on administrative and operational support functions as evidenced by the nearly 6.6 million hours that were spent on these functions at POEs in FY 2012. This workload encompasses 20.4 percent of the available frontline staff hours nationwide.

The main contributor to the high volume of support workload performed by frontline personnel is a position mix imbalance that has evolved since CBP's creation in 2003. This is due, in large part, to the focus on hiring frontline officers without hiring the requisite number of support to accomplish the ever-growing support mission.

Through a combination of automation, process improvement, and most importantly, a change in skill mix to one that includes more full-time administrative and support personnel, OFO will be able to close the gap in the WSM. Additional mission and operational support positions will free up CBPO time to refocus on direct law enforcement activities. The 2,000 CBPOs authorized in the FY 2014 Omnibus and the 2,000 CBPOs funded by fee adjustments include approximately 400 mission and operational support positions for OFO, which will respond to the increasing administrative workload from the additional officers. In addition, through agency-wide

administrative efficiencies and integration efforts, these same mission and operational support positions will be used to return the equivalent of at least 373 CBPOs currently encumbered with administrative duties to their primary law enforcement responsibilities.

Table 8 summarizes the components of the funding strategy through FY 2015 and shows the offset of CBPs staffing needs by the proposed funding sources.

| Table 8 | | | |
|--|--------------|--|--------------|
| Funding Strategy | | | |
| CBPO Requirements | | Proposed Funding | |
| Requirement Component | CBPOs | Funding Component | CBPOs |
| WSM Baseline Requirement | 2,372 | COBRA User Fee Increase | 795 |
| FY 2014 Facility and Technology | 654 | IUF Increase – Air | 935 |
| FY 2015 Facility and Technology | 444 | IUF Increase - Cruise | 270 |
| FY 2014 Volume Growth | 758 | Operational/Mission Support Efficiencies | 373 |
| FY 2015 Volume Growth | 781 | | |
| Total Gross FY 2015 Requirement | 5,009 | | |
| BTI Estimated Savings | (636) | | |
| FY 2014 Appropriations | (2,000) | Total Proposals Projected Through FY 2015 | 2,373 |
| Total FY 2015 Net Projected Requirement | 2,373 | | |

VI. Conclusion

CBP is committed to ensuring the security of our Nation's borders, while continuing to facilitate legitimate travel and trade. There has been significant progress in our partnership with Congress, local governments, business groups, and the trade and travel industry to ensure the Nation's POEs are sufficiently staffed. Congress's funding additional CBPOs and the new Public and Private Partnerships implemented in FY 2013 and FY 2014 will have a positive impact on our mission and mitigate our challenges.

These accomplishments were considered in developing the FY 2015 staffing requirements and funding strategy, as we recognize there is still a need to increase workforce capabilities. CBP will continue to implement its multi-pronged approach to address frontline personnel needs by: (1) maximizing the use of current resources through overtime and optimal scheduling practices; (2) pursuing alternative sources of financing through legislative proposals supporting reimbursement authority and, as appropriate, adjusting user fees; and (3) continuing to implement BTIs to reduce costs and mitigate staffing requirements.

Taken together, this multi-pronged strategy will allow CBP to increase workforce capability while enhancing its operations. Innovative transformation efforts and public-private partnerships also will help inform the long-term frontline personnel requirements as the WSM is adjusted and improved annually. CBP looks forward to working with Congress on the identified initiatives as well as long-term efforts to address the findings of the model. CBP welcomes input from legislators, state and local partners, and private-sector stakeholders as it works to refine its operations and plans strategically for future personnel requirements.

The FY 2015 President's Budget request fully funds the need identified in the WSM through a combination of increases to user fee rates, adjustments to fee accounts, additional inspection equipment, and maximizing CBP resources at the POEs by decreasing the non-law enforcement workload of CBPOs.

Appendix A. List of Abbreviations/Acronyms

| Acronym | Definition |
|----------------|--|
| APC | Automated Passport Control |
| AQI | Agriculture Quarantine Inspection |
| BTI | Business Transformation Initiative |
| CBP | U.S. Customs and Border Protection |
| CBPO | U.S. Customs and Border Protection Officer (GS-1895) |
| COBRA | <i>Consolidated Omnibus Budget Reconciliation Act of 1985</i> |
| CIR | Comprehensive Immigration Reform |
| CREATE | National Center for Risk and Economic Analysis of Terrorism Events |
| DHS | Department of Homeland Security |
| ESTA | Electronic System for Travel Authorization |
| FTE | Full-Time Equivalent Employee |
| FY | Fiscal Year |
| GDP | Gross Domestic Product |
| GE | Global Entry |
| IUF | Immigration User Fee |
| NII | Non-Intrusive Inspection |
| NTC | National Targeting Center |
| OFO | Office of Field Operations |
| POE | Port of Entry |
| RFID | Radio Frequency Identification |
| ROS | Resource Optimization Strategy |
| RPM | Radiation Portal Monitor |
| SENTRI | Secure Electronic Network for Traveler's Rapid Inspection |
| TPA | <i>Travel Promotion Act of 2009</i> |
| WSM | Workload Staffing Model |

Appendix B. WSM Methodology and Inputs

A. Inputs

Table 9 explains the elements that form the basis for the WSM’s calculations that determine staffing requirements.

| Table 9 | |
|----------------------------------|--|
| WSM Elements | |
| Element | Description |
| Volume | The annualized counts of the mutually exclusive and collectively exhaustive CBPO activities at each location where these activities are performed. The WSM is currently populated with a full set of FY 2012 data for well more than 100 CBPO activities. These activities together represent the processes CBPOs carry out in all CBP OFO operational environments—including air, land, and sea modes; immigration and customs missions; and primary, secondary, and enforcement actions. |
| Processing Times | Each activity has an associated processing time, representing the level of effort (in minutes or hours) a CBPO expends each time he or she carries out the activity. |
| Available Hours | The number of annual work hours for an FTE CBPO, net of time away for holidays, vacation, sick leave, training, administrative and mission support responsibilities, and temporary duty assignments. |
| Percentage Increases | Factors that account for supervisors and special dedicated teams, such as Passenger Analytical Units and Advanced Targeting Units. These are responsibilities that tend to be driven by overall volume, for which there are no countable transactions that drive the workload. |
| Facility and Technology Coverage | Some CBPO responsibilities exist independent of traffic volume levels. Low-volume POEs require minimum staffing levels to keep the POEs operational. Some equipment or locations within a POE (for instance, exit points) require dedicated staffing regardless of usage rates. Finally, the complexity of a POE, as characterized by multiple crossings or multiple terminals, adds to the staffing burden. |
| Future Requirements | Program offices provide estimates of future staffing requirements for new or expanded facilities and technology deployments. |

B. Calculations

The WSM uses the input elements in table 4 to calculate the staffing requirements at each individual POE location. The main calculation steps are described in table 10.

| Table 10 | |
|----------------------------------|---|
| WSM Calculation Steps | |
| Calculation Step | Description |
| Workload FTEs | The volume, processing times, and available hours elements are used to calculate the workload FTEs. For each activity at each location, the volume multiplied by the processing time equals the annualized work hours. These work hours divided by the available hours equals the Workload FTEs. The Workload FTEs for all activities at each location are tallied to arrive at a total Workload FTE requirement for each location. |
| Percentage Increases Application | Each location's Workload FTEs multiplied by the percentage increase factor for each special activity equals the required staffing for those activities (supervisors, special teams, etc.). |
| Facility and Technology Coverage | The minimum staffing factors multiplied by each location's unique set of facility and technology characteristics equals the additional staffing required for facility and technology coverage. |
| Future Requirements | The future requirements for each location are added to the previously calculated staffing requirements as part of an integrated staffing requirement matrix. |

The first three steps combine to determine the current staffing requirements, considering the new and renovated POEs that have been brought online as well as the increase in cross-border commercial and passenger traffic as the economy improved, as of the end of FY 2012. The fourth step identifies the additional CBPOs required for facility enhancements and technology deployments planned through FY 2014.

CBP recognizes that travel and trade volume has increased steadily since the global economic downturn in FY 2009. Furthermore, CBP expects volume to continue to grow; therefore, the future requirements component now includes estimated staffing requirements due strictly to anticipated volume growth during FY 2014 and FY 2015. Following President Obama's January 2012 Executive Order to increase travel to the United States, the U.S. Department of Commerce produced online resources for projecting future travel increases. On April 29, 2012, the U.S. Department of Commerce announced that the United States can expect a 4–5 percent average annual growth in tourism over the next 5 years.

Reviewing sources external to the government, the International Air Transport Association publically posted on its Web site in February 2011, in a regional outlook over a 2009–2014 forecast period, that North America will grow 4.9 percent for international passenger demand and 7.6 percent for international freight. The United States will continue to be the largest international and domestic passenger market in the world, and is expected to remain the largest international freight market by some margin. Since CBP expects to continue mitigating volume growth through ongoing BTI implementation, we assume a more conservative 3-percent annual growth rate to project staffing requirements to accommodate this volume growth. The Results subsection of this report addresses these future requirements.

CBP continuously refines the precision of the model on the basis of ongoing reviews and validations. In 2010 and 2012, respectively, the nonprofit public-sector consulting firm LMI and

the DHS Program Analysis and Evaluation Office conducted model validation studies. The WSM team also regularly validates its data and assumptions with subject matter experts and operators from the POEs and field offices. The model remains dynamic to account for the flexibility and responsiveness of the field environment. It is refreshed annually with a full year of fiscal year data that incorporate savings from BTIs.

The WSM is not a performance-driven model in that it does not automatically calculate different results on the basis of achieving performance-related goals, such as meeting wait-time service levels and goals. Rather, the model calculates the staffing required to complete all aspects of the core mission work, regardless of fluctuations in workload volume, over the course of a year or within any given day. It can be used to perform sensitivity analyses that help project performance results. The WSM assumes that, during peak periods, the POEs employ all CBPOs at nearly 100-percent mission-oriented work, making up for leave, training, and administrative hours during slower periods. To the extent that it is possible, the POEs schedule CBPOs who typically serve in administrative and mission support functions, such as training officers, to primary or secondary inspection activities in busy times of the day and year. Additionally, CBP includes overtime spent on core processes in its presentation of the WSM results as described in the following subsection.

C. Application of Overtime

A critical component of CBP's efforts to effectively staff the POEs is the use of overtime funding. CBP derives overtime funding from user fees collected primarily from air carriers. At the POEs, CBP uses overtime to address core operational staffing requirements as well as surge requirements. Core overtime is used in two primary ways: (1) to address daily peak traffic periods and close potential gaps between shifts; and (2) to complete enforcement actions initiated during daily shifts. Surge overtime, in contrast, is used to provide surge capacity to address heightened enforcement operations, such as the Arizona Alliance for Combating Transnational Threats or the South Texas Campaign; to address unanticipated traffic peaks; and to support threat or incident response operations, including mobile response team deployments, National Security Special Events, and the emergency support functions of Federal Emergency Management Agency-led disaster responses.

These two types of overtime are applied differently by CBP at POEs and are accounted for separately in the WSM. The standard use of core overtime provides the ability to staff in precise increments, rather than in 8–10 hour blocks, and promotes efficiency in the application of CBP's staffing resources at POEs. It is an important technique in optimizing the utilization of resources. Because of ongoing annual user fee collections, the routine nature of the use of overtime for day-to-day functions, and the continuing operational value and efficiency of incorporating an overtime component into the overall staffing requirement, CBP includes core overtime in the WSM by adding it to the current CBPO staffing level. This approach provides a more complete and accurate representation of the CBPO resources available to apply to mission requirements.

The ability to flexibly and rapidly respond to support heightened enforcement and facilitation operations, as well as other incident or threat-based requirements, is a critical component of

OFO's operational posture. Accordingly, surge overtime is accounted for outside of the WSM as it is intended to apply to unique and cyclical contingencies that present staffing requirements outside of standard operations.