

# Department of Homeland Security **Office of Inspector General**

## Annual Review of the United States Coast Guard's Mission Performance (FY 2012)





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Department of Homeland Security

Washington, DC 20528 / [www.oig.dhs.gov](http://www.oig.dhs.gov)

SEP 17 2013

MEMORANDUM FOR: Rear Admiral Stephen P. Metruck  
Assistant Commandant for Resources and  
Chief Financial Officer  
United States Coast Guard

FROM: Anne L. Richards   
Assistant Inspector General for Audits

SUBJECT: *Annual Review of the United States Coast Guard's Mission  
Performance (FY 2012)*

Attached for your information is our final report, *Annual Review of the United States Coast Guard's Mission Performance (FY 2012)*. We incorporated the technical comments from the United States Coast Guard in the final report, as appropriate. The report contains no recommendations.

Consistent with our responsibility under the *Inspector General Act*, we will provide copies of our report to appropriate congressional committees with oversight and appropriation responsibility over the Department of Homeland Security. We will post the report on our website for public dissemination.

Please call me with any questions, or your staff may contact Mark Bell, Deputy Assistant Inspector General for Audits, at (202) 254-4100.

Attachment



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## Abbreviations

DHS	Department of Homeland Security
FY	fiscal year
GAO	Government Accountability Office
MTSA	Maritime Transportation Security Act
OIG	Office of Inspector General
OMB	Office of Management and Budget
SPD	Strategic Planning Direction
USCG	United States Coast Guard



## **Executive Summary**

This report presents our annual review of the United States Coast Guard's (USCG) mission performance, as required by the *Homeland Security Act of 2002*. The act defines the USCG's 11 statutory missions as either non-homeland security missions (marine safety, marine environmental protection, search and rescue, aids-to-navigation, living marine resources, and ice operations) or homeland security missions (ports, waterways, and coastal security; drug interdiction; migrant interdiction; defense readiness; and other law enforcement). The act also prohibits the Secretary of Homeland Security from substantially reducing any of the USCG's missions after its transfer to the Department of Homeland Security (DHS), except as specified in subsequent acts.

The objective of this review was to determine the extent to which the USCG is maintaining its historical level of effort on non-homeland security missions. To address our objective, we reviewed the resource hours the USCG used to perform its various missions. We also reviewed the USCG's performance measures and results for each non-homeland security and homeland security mission. We did not verify the accuracy of the USCG-provided data.

According to the USCG's data, the gap between resource hours for homeland security versus non-homeland security missions has narrowed from approximately 14 percent in fiscal year 2007 to approximately 4 percent in fiscal year 2012 (52 percent of resource hours for homeland security missions versus 48 percent for non-homeland security missions).

The USCG reported that it met or exceeded 11 of 23 summary performance measure targets in fiscal year 2012. This includes 9 of 12 non-homeland security performance measures and 2 of 11 homeland security performance measure targets. In fiscal year 2012, the USCG funded nearly the same percentage of non-homeland security missions as homeland security missions.

This report contains no recommendations.



## Background

Section 888 of the *Homeland Security Act of 2002*, Public Law 107-296, dated November 25, 2002, directs the DHS Office of Inspector General (OIG) to conduct an annual review that assesses the performance of all USCG missions, with an emphasis on non-homeland security missions. The act defines the USCG’s 11 statutory missions as either non-homeland security missions or homeland security missions, and prohibits the Secretary of Homeland Security from substantially or significantly reducing any of the USCG’s missions or its capability to perform those missions. Table 1 depicts the USCG’s 11 statutory missions and the alignment of those missions with DHS programs.

**Table 1: Alignment of DHS Programs With Statutory Non-Homeland Security and Homeland Security Missions**

Non-Homeland Security Missions	Alignment With DHS Programs
1. Living Marine Resources	Maritime Law Enforcement
2. Marine Safety	Maritime Prevention
3. Marine Environmental Protection	Maritime Response
	Maritime Prevention
4. Search and Rescue	Maritime Response
5. Aids-to-Navigation	Marine Transportation System Management
6. Ice Operations	Marine Transportation System Management
Homeland Security Missions	Alignment With DHS Programs
1. Ports, Waterways, and Coastal Security	Maritime Security Operations
	Maritime Prevention
2. Drug Interdiction	Maritime Law Enforcement
3. Migrant Interdiction	Maritime Law Enforcement
4. Defense Readiness	Defense Operations
5. Other Law Enforcement	Maritime Law Enforcement

Source: DHS OIG based on USCG provided data.

The USCG uses resource hours—generally, the number of flight hours (for aircraft) and underway hours (for boats and cutters) used to carry out a specific mission—to determine the amount of time expended on each of its non-homeland security and homeland security missions. We compared the total number of resource hours



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reported by the USCG from a baseline of pre-September 11, 2001, data through fiscal year (FY) 2012. The USCG-calculated baseline is an annual average of resource hours based on eight FY quarters preceding September 11, 2001. We did not verify the resource hour data reported by the USCG, nor did we validate whether the USCG accurately classified resource hours used for each mission. We assessed total resource hours for the 11 individual missions in order to identify the changes in each.

The USCG completes a Strategic Planning Direction (SPD) for each fiscal year. This document provides strategic guidance for aligning frontline activities with overarching priorities. According to the SPD, the demand for USCG services will continue to increase as maritime activity increases. According to the USCG, resource decisions in the FY 2013 SPD reflect careful tradeoffs among future capability and current services.

The USCG establishes targets based on the Office of Management and Budget's (OMB) *FY 2008 Program Assessment Rating Tool Guidance*, which states that targets should be "ambitious and achievable," and built off a reliable baseline. USCG personnel said they are aiming for an ambitious and achievable target in accordance with this OMB guidance, which promotes continued improvements, and therefore not every target might be achieved every year.

### Results of Review

Our review of USCG-provided data indicated that in FY 2012, the USCG dedicated 3.8 percent more resource hours to homeland security missions than non-homeland security missions. FY 2012 homeland security mission resource hours totaled 351,567, while non-homeland security mission resource hours totaled 325,360. FY 2012 homeland security mission resource hours decreased by approximately 1 percent from FY 2011 and remained approximately 89 percent above the baseline. Non-homeland security mission resource hours decreased by approximately 1 percent from FY 2011 and were approximately 9 percent above the baseline. The total number of resource hours for all missions has continued to decline since FY 2005. The USCG reported that it met or exceeded 11 of 23 summary performance measures in FY 2012. This includes 9 of 12 non-homeland security performance measures and 2 of 11 homeland security performance measures. In FY 2012, the USCG used nearly the same percentage of its funding for non-homeland security missions (approximately 48 percent) as for homeland security missions (approximately 52 percent).

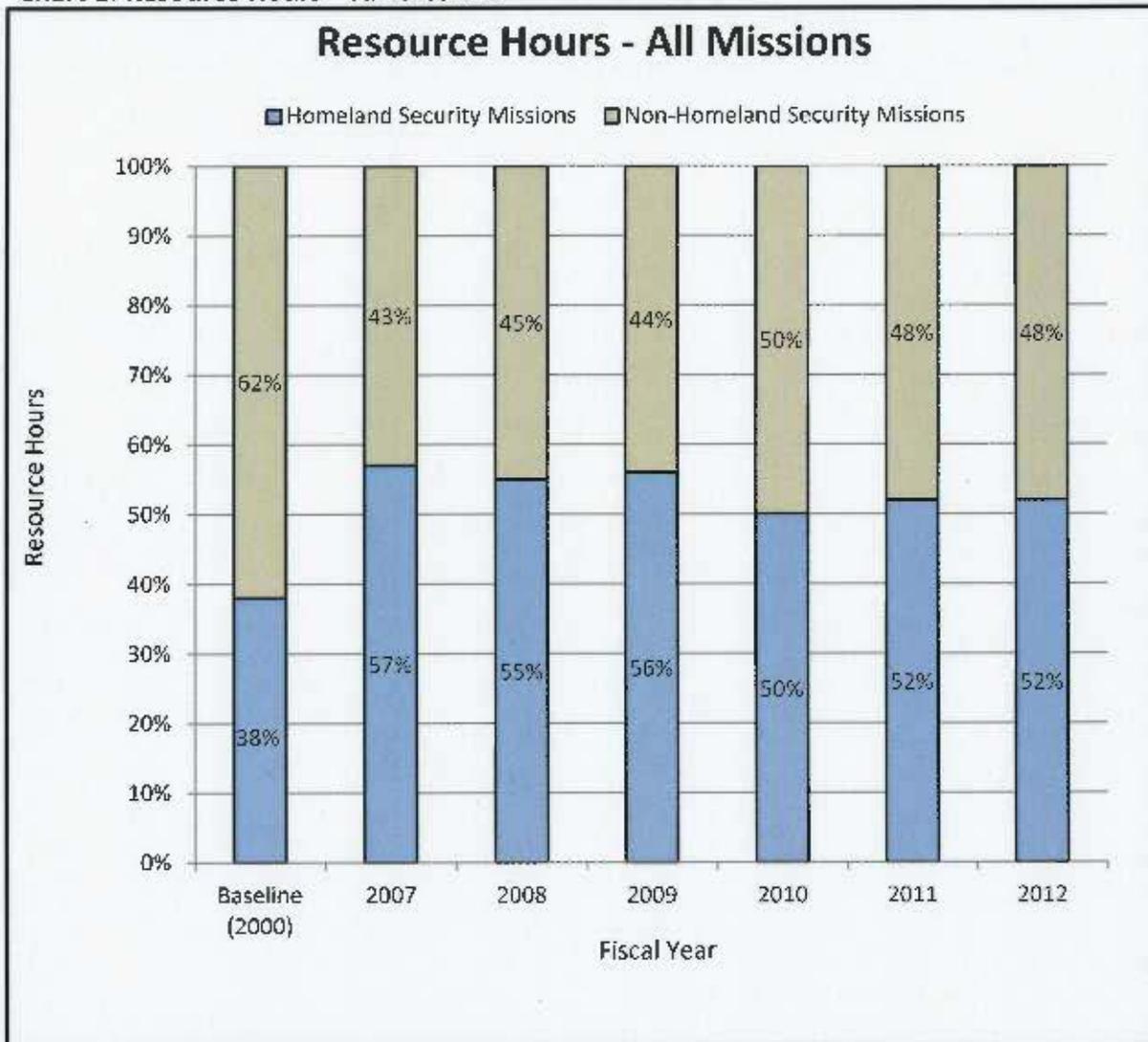


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**Resource Hours for Non-Homeland Security and Homeland Security Missions**

Since 2007 (except in 2010), the USCG has dedicated more resource hours to homeland security missions, as illustrated in the following chart.

**Chart 1: Resource Hours – All Missions**



Source: DHS OIG based on USCG-provided data.

As illustrated in table 2, the total number of resource hours the USCG dedicates to its specific statutory missions continues to decline. In FY 2012, the total USCG-reported resource hours dropped to 676,927, which is a decline of approximately 6 percent compared with 717,992 hours in FY 2009.



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**Table 2: FY 2012 Coast Guard Resource Hours**

Missions	FY 2009		FY 2010		FY 2011		FY 2012	
	Hours	% of Total Mission Hours						
<b>Non-Homeland Security</b>								
Living Marine Resources	94,178	13.1%	93,470	13.2%	93,616	13.7%	94,379	13.9%
Marine Safety	52,579	7.3%	58,828	8.3%	64,210	9.4%	63,637	9.4%
Marine Environmental Protection	2,949	0.4%	29,039	4.1%	4,682	0.7%	3,091	0.5%
Search and Rescue	58,607	8.2%	64,273	9.1%	55,934	8.2%	58,770	8.7%
Aids-to-Navigation	100,904	14.1%	95,268	13.4%	98,819	14.5%	97,960	14.5%
Ice Operations	8,033	1.2%	11,639	1.6%	10,747	1.5%	7,528	1.0%
<b>Subtotal</b>	<b>317,250</b>	<b>44.3%</b>	<b>352,517</b>	<b>49.7%</b>	<b>328,008</b>	<b>48.0%</b>	<b>325,360</b>	<b>48.0%</b>
<b>Homeland Security</b>								
Ports, Waterways, Coastal Security	181,264	25.2%	157,427	22.2%	155,969	22.8%	150,699	22.3%
Drug Interdiction	80,564	11.2%	67,307	9.5%	73,401	10.7%	85,089	12.0%
Migrant Interdiction	76,100	10.6%	76,848	10.8%	72,213	10.6%	69,018	10.2%
Defense Readiness	56,128	7.8%	47,030	6.6%	41,424	6.1%	34,644	5.1%
Other Law Enforcement	6,686	0.9%	8,708	1.2%	12,579	1.8%	12,117	1.8%
<b>Subtotal</b>	<b>400,742</b>	<b>55.7%</b>	<b>357,320</b>	<b>50.3%</b>	<b>355,586</b>	<b>52.0%</b>	<b>351,567</b>	<b>52.0%</b>
<b>Total*</b>	<b>717,992</b>	<b>100.0%</b>	<b>709,837</b>	<b>100.0%</b>	<b>683,594</b>	<b>100.0%</b>	<b>676,927</b>	<b>100.0%</b>

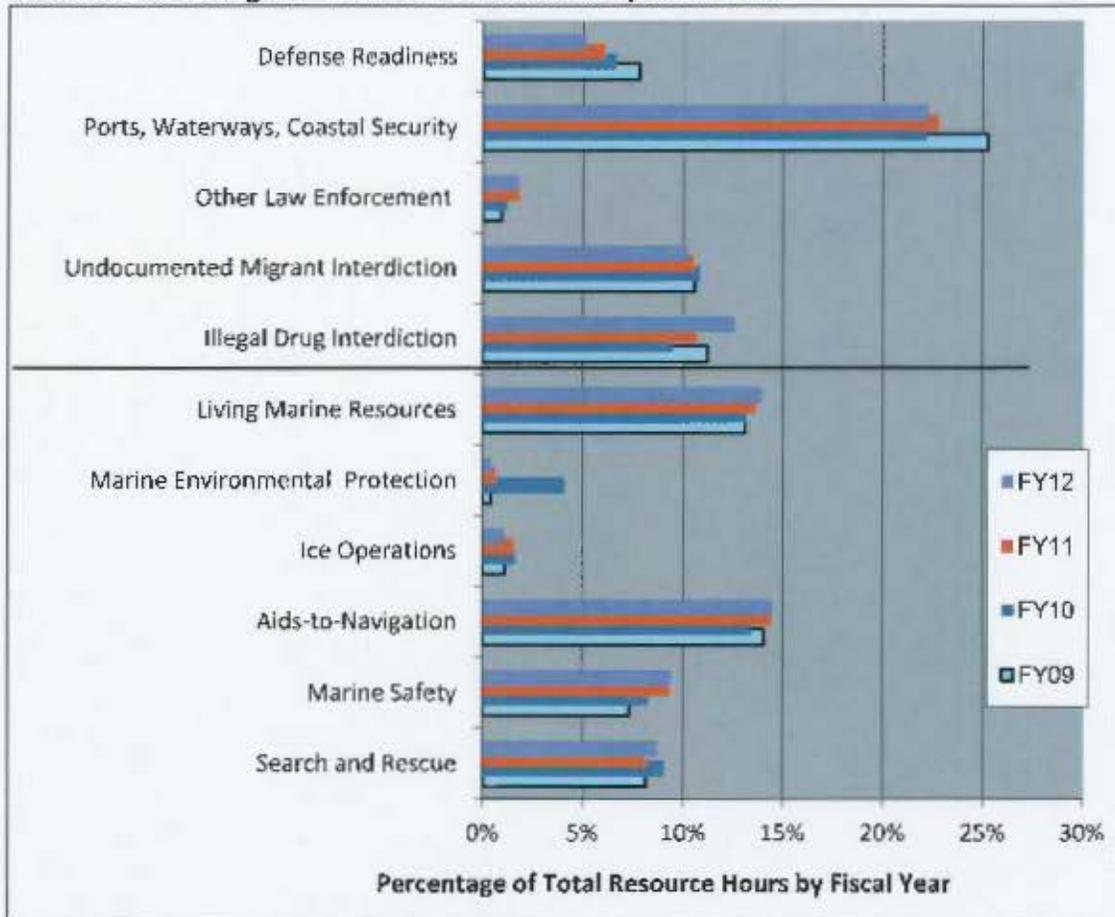
Source: DHS OIG based on USCG-provided data. (\*Individual totals may have been rounded to the nearest tenth.)



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The percentages of total resource hours by statutory mission areas from FY 2009 through FY 2012 are illustrated in chart 2.

**Chart 2: Percentage of Total Resource Hours by Fiscal Year**



Source: DHS OIG based on USCG-provided data.

Resource hours for non-homeland security missions are summarized in appendix C, and homeland security missions are summarized in appendix D.

**The USCG's Mission Performance**

We based the performance portion of our review on the USCG's December 2012 internal report titled *United States Coast Guard Fiscal Year 2012 Performance Report*, as well as previous USCG performance reports and OIG reports. Because USCG performance reports are internal documents, they contain additional management and break-out measures that we did not include in our report. This report includes those measures that the USCG considers summary measures. In



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FY 2012, the USCG used the same 23 summary performance measures as they had in FY 2011.

Non-homeland security performance measures and results are included in appendix C, and homeland security measures and results are in appendix D. Appendix E contains a summary of the USCG's FY 2012 performance measures for its 11 missions.

### **FY 2013 Budget Information**

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In FY 2012, the USCG budgeted slightly more of its funding for non-homeland security missions (approximately 52 percent) as homeland security missions (approximately 48 percent). Based on the USCG's FY 2013 budget, the historical funding gap between non-homeland security and homeland security missions is expected to remain narrow. For FY 2013, the USCG budgeted approximately 50 percent of its mission resources for non-homeland security missions and approximately 50 percent for homeland security missions. The largest percentage of the USCG's mission resources will continue to be dedicated to its ports, waterways, and coastal security mission, which is projected to account for approximately 21 percent of the budget in FY 2013.

### **Management Comments and OIG Analysis**

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The USCG provided technical comments that have been incorporated into the final report.



## **Appendix A**

### **Objectives, Scope, and Methodology**

The DHS OIG was established by the *Homeland Security Act of 2002* (Public Law 107-296) by amendment to the *Inspector General Act of 1978*. This is one of a series of audit, inspection, and special reports prepared as part of our oversight responsibilities to promote economy, efficiency, and effectiveness within the Department.

Section 888(f)(1) of the *Homeland Security Act of 2002* directs the Inspector General to conduct an annual assessment of the USCG's performance of all its missions, with a particular emphasis on non-homeland security missions. The objective of this review was to determine the extent to which the USCG is maintaining its historical level of effort on non-homeland security missions.

We reviewed the following Government Accountability Office (GAO) reports and testimonies:

- GAO-12-741, *Legacy Vessels' Declining Conditions Reinforce Need for More Realistic Operational Targets* [reissued on August 30, 2012]
- GAO-12-751R, *Observations on the Coast Guard's and the Department of Homeland Security's Fleet Studies*, May 2012
- GAO-12-934T, *Mission Performance Challenged by the Declining Condition and Rising Costs of its Legacy Vessel Fleet*, September 2012

We analyzed the total number of resource hours reported by the USCG prior to September 11, 2001, through FY 2012. We did not attempt to verify the resource hour data, nor did we attempt to validate whether the USCG had accurately categorized such data. We assessed total resource hours for the USCG's 11 individual missions to identify the changes in each.

We analyzed performance measures and targets to determine whether the measures for each of the USCG's missions had been accomplished. We obtained information on performance from the USCG's internal report, *United States Coast Guard Fiscal Year 2012 Performance Report*. In addition, we reviewed our *Annual Review of the United States Coast Guard's Mission Performance (FY 2011)*, dated September 2012, for prior performance measure data. We obtained budget information from DHS' *Budget-in-Brief* for FY 2012 through FY 2014.



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We conducted this review between April 2013 and June 2013 under the authority of the *Inspector General Act of 1978*, as amended, and according to the *Quality Standards for Inspections* issued by the Council of the Inspectors General on Integrity and Efficiency.



**Appendix B**  
**Management Comments to the Draft Report**

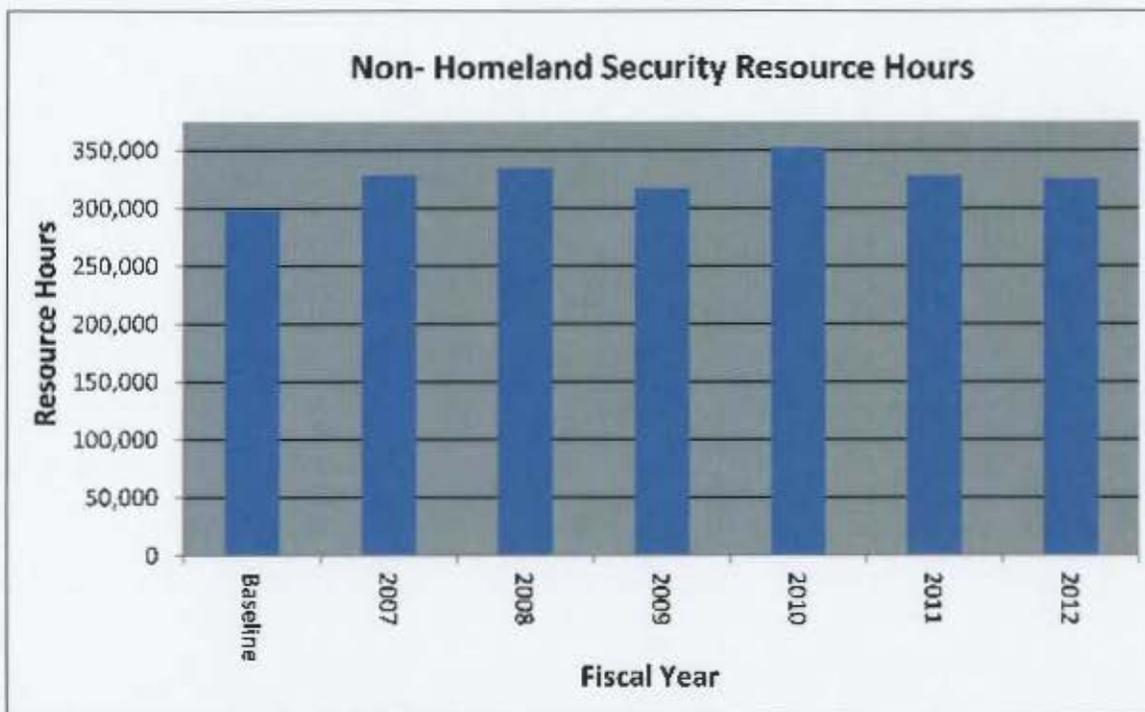
While the USCG did not provide a formal response, it did provide technical comments that have been incorporated into the final report.



## Appendix C

### Non-Homeland Security Missions

The USCG's FY 2012 non-homeland security mission resource hours totaled 325,360, a decrease of approximately 1 percent from FY 2011. However, the FY 2012 level remains at approximately 9 percent above baseline levels. The following graph illustrates the trend in non-homeland security mission resource hours since 2007 compared with the baseline period.



Source: DHS OIG based on USCG-provided data.

In FY 2012, the USCG reported that it met or exceeded 9 of 12 summary performance measures for its six non-homeland security missions, the same number they had met in FY 2011. The resource hours and summary performance measures and results for each non-homeland security mission are discussed below.

#### Living Marine Resources

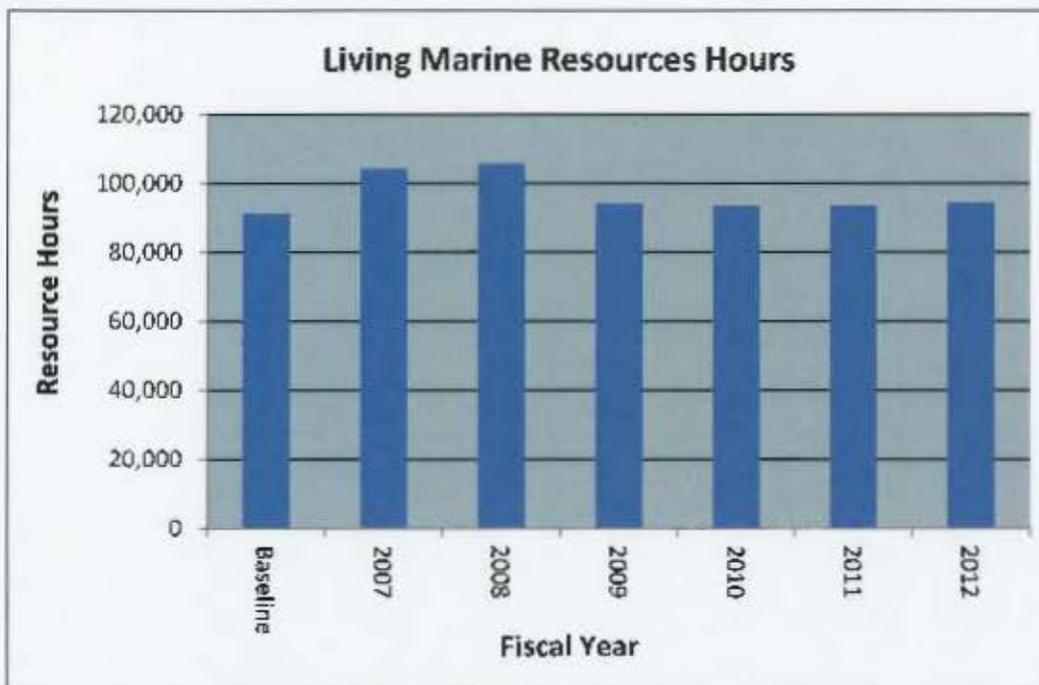
Living marine resources law enforcement is an obligation under the *Magnuson-Stevens Fishery Conservation and Management Act*, the *Endangered Species Act*, and several other laws for the protection of marine resources. Its core responsibility is to provide



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effective and professional enforcement to advance national goals for the conservation, management, and recovery of living marine resources, marine protected species, and national marine sanctuaries and monuments. This includes enforcement of living marine resource regulations and other activities that strengthen both domestic and international living marine resources regimes.

**Resource Hours:** FY 2012 resource hours for living marine resources totaled 94,379. This is an increase of 0.8 percent from FY 2011, and is higher than the baseline by 3.4 percent.



Source: DHS OIG based on USCG-provided data.

**Performance Measures and Results:** The USCG uses the percentage of fishing vessels observed at sea complying with domestic regulations as a measure of its impact on enforcement of U.S. fisheries and protected species regulations. The measure reflects the percentage of USCG boardings at sea where no significant violations of domestic living marine resources regulations were detected. As shown in the following chart, the USCG reported that it met its single living marine resources performance measure in FY 2012.



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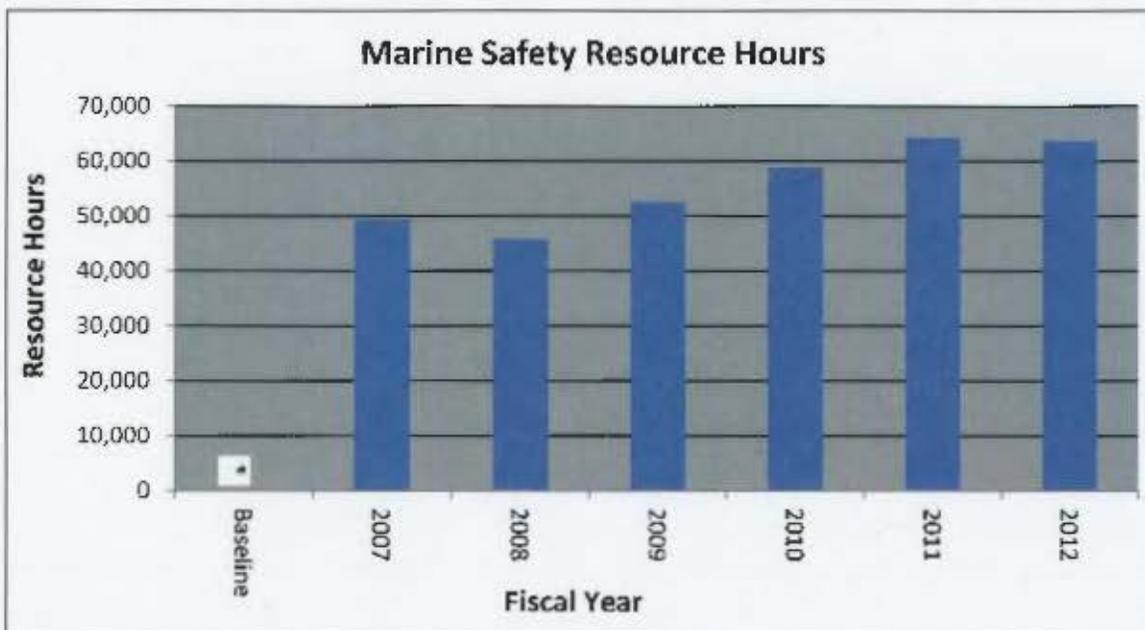
Living Marine Resources						
Performance Measure – Fishing Regulation Compliance Rate						
FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Target	FY 2012 Actual
96.2%	95.3%	96.7%	97.2%	97.4%	96%	98.3%
X Not Met	X Not Met	X Not Met	√ Met	√ Met		√ Met

Source: DHS OIG based on USCG-provided data.

**Marine Safety**

The focus of the USCG’s marine safety mission is the prevention of deaths, injuries, and property loss. Marine safety responsibilities include ensuring the safe and environmentally sound operation of millions of recreational vessels and thousands of U.S. flagged commercial vessels. The USCG develops and enforces Federal marine safety regulations, certifies and provides credentials to more than 218,000 mariners, investigates commercial marine casualties and shares its findings, and conducts compulsory inspections as well as voluntary safety exams.

**Resource Hours:** The USCG did not report hours for this mission prior to 2005. FY 2012 resource hours for marine safety totaled 63,632, a decrease of approximately 1 percent from FY 2011.



Source: DHS OIG based on USCG-provided data. (\*No baseline set.)



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**Performance Measures and Results:** The USCG reported that it met three of four summary performance measures related to marine safety in FY 2012. Federal regulations require the person in charge of a commercial U.S. flagged vessel to notify the USCG of any loss of life or injury requiring professional medical treatment beyond first aid. The USCG uses deaths and injuries as a measure of commercial mariner and passenger safety and the five-year average number of deaths and injuries as an indicator of long-term performance trends. In FY 2012, the USCG met its target for commercial mariner deaths and injuries but did not meet the target for passenger deaths and injuries, as shown below. According to the USCG, failing to meet the performance target is primarily attributable to growth in the cruise line industry and changing regulations.

Marine Safety						
Performance Measure – Five-Year Average Number of Commercial Mariner Deaths and Injuries						
FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Target	FY 2012 Actual
526	498	502	483	450	<455	426
N/A <sup>1</sup>	√ Met	√ Met	√ Met	√ Met		√ Met

Source: DHS OIG based on USCG-provided data.

Marine Safety						
Performance Measure – Five-Year Average Number of Commercial Passenger Deaths and Injuries						
FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Target	FY 2012 Actual
239	253	239	238	257	<215	256
N/A	N/A	N/A	√ Met	X Not Met		X Not Met

Source: DHS OIG based on USCG provided data.

Federal regulations also require operators or owners of vessels used for recreational purposes to file a boating accident report when a person dies or disappears from the vessel under circumstances that indicate death or injury, or a person is injured and

<sup>1</sup> A designation of "N/A" denotes the USCG reported no metric information was available for that year or the official target for that metric had not been set for that year. In some cases, this information is different than what the USCG had previously reported for those years.



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requires medical treatment beyond first aid. The USCG uses deaths and injuries as a measure of marine safety for the recreational boating segment of the U.S. maritime community, and a five-year average of these as an indicator of long-term performance trends. The USCG reported that it met its target for this measure in FY 2012.

Marine Safety Performance Measure – Five-Year Average Recreational Boating Deaths and Injuries						
FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Target	FY 2012 Actual
4,249	4,070	4,038	3,959	3,904	<3,972	3,792
N/A	N/A	N/A	√ Met	√ Met		√ Met

Source: DHS OIG based on USCG-provided data.

In FY 2012, the USCG met the performance measure for the five-year average number of commercial and recreational deaths and injuries.

Marine Safety Performance Measure – Five-Year Average Number of Commercial and Recreational Deaths and Injuries						
FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Target	FY 2012 Actual
N/A	N/A	N/A	N/A	4,567	<4,642	4,473
N/A	N/A	N/A	N/A	√ Met		√ Met

Source: DHS OIG based on USCG-provided data.

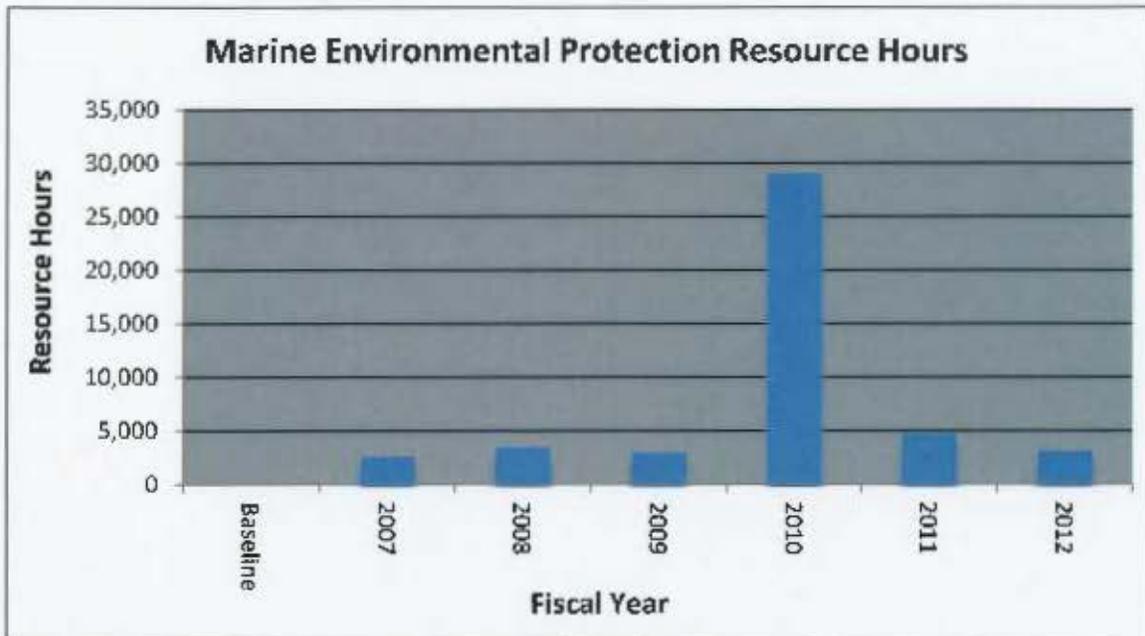
### Marine Environmental Protection

The marine environmental protection mission focuses on minimizing oil and hazardous substance effects on human health, the environment, and the marine transportation system. The USCG regulates the handling of oil, hazardous substances, and other shipboard wastes to prevent their discharge into U.S. and international waterways, stop unauthorized ocean dumping, reduce ship-based air emissions, and avert the introduction of invasive species. The USCG is the lead Federal agency for directing the removal and mitigation of oil spills from the waters and adjoining shorelines of the coastal zone.



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**Resource Hours:** Marine environmental protection resource hours totaled 3,091 in FY 2012. This represents a decrease of 34 percent from FY 2011. These resource hours are typical of the hours for this mission in FYs 2007–2009, prior to the Deepwater Horizon incident (British Petroleum oil spill in 2010).



Source: DHS OIG based on USCG-provided data. (\*No baseline set.)

**Performance Measures and Results:** Federal regulation requires vessel or facility operators to report the discharge of any hazardous substance that equals or exceeds reportable quantities, and requires the reporting of any discharge of oil or oil products that cause a sheen, discoloration, sludge, or emulsion on or below the surface of any navigable waterway of the United States. The USCG uses the number of chemical discharge incidents and the number of oil spills greater than 100 gallons as proxy indicators of marine environmental protection, and normalizes five-year averages of these incidents as indicators of long-term trends. In FY 2012, the USCG reported that it met the target for the average number of chemical discharge incidents in the maritime environment.



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Marine Environmental Protection						
Performance Measure – Average Number of Chemical Discharge Incidents in the Maritime Environment						
FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Target	FY 2012 Actual
26.0	20.5	19.1	18.2	15.2	<18.4	14.2
N/A	N/A	√ Met	√ Met	√ Met		√ Met

Source: DHS OIG based on USCG provided data.

USCG also reported that it met the target for the average number of oil spills in the maritime environment.

Marine Environmental Protection Performance Measure – Average Number of Oil Spills in the Maritime Environment						
FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Target	FY 2012 Actual
13.9	13.1	12.1	11.5	10.7	<11.4	10.5
N/A	√ Met	√ Met	√ Met	√ Met		√ Met

Source: DHS OIG based on USCG-provided data.

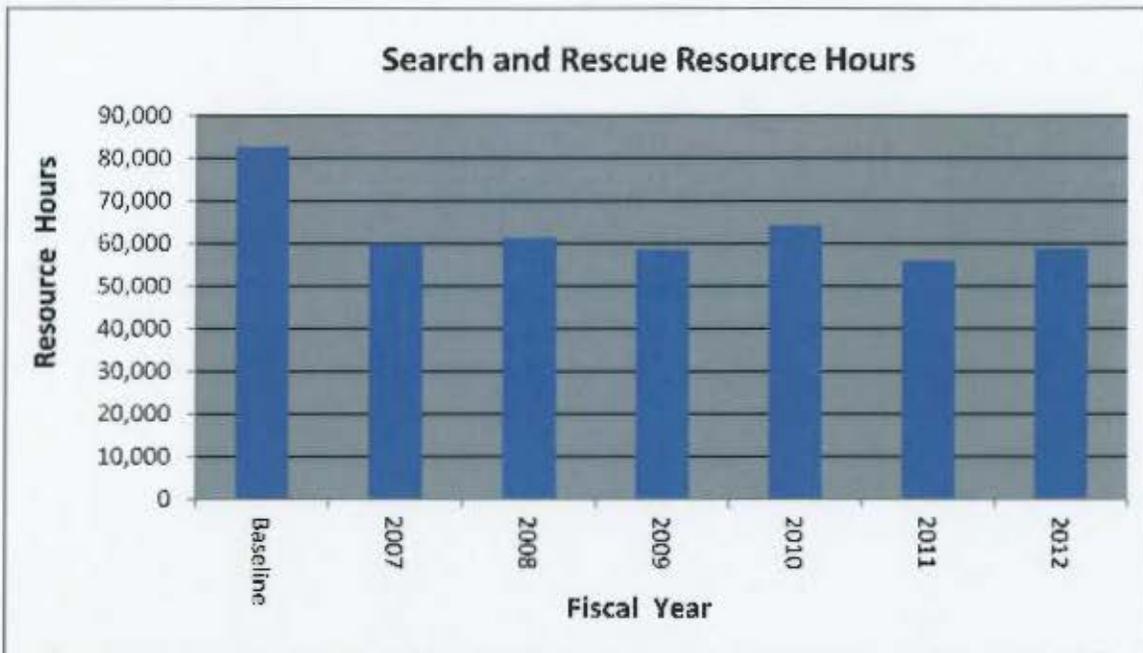
**Search and Rescue**

USCG strives to minimize lives lost, injury, and property loss or damage, by rendering aid to those in distress in the maritime environment and elsewhere as called upon. The search and rescue mission is accomplished through resource readiness, distress monitoring and communication, search planning, on-scene operations, and domestic and international partnerships.

**Resource Hours:** Search and rescue is a demand-driven mission. The requirements for search and rescue missions increase or decrease relative to the number of people requiring the USCG’s assistance. Resource hours in FY 2012 totaled 58,770, an increase of approximately 5 percent from FY 2011.



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Source: DHS OIG based on USCG-provided data.

**Performance Measures and Results:** The FY 2012 target for percentage of people in imminent danger saved in the maritime environment was not met. In FY 2012, the USCG saved 3,560 lives in 19,790 cases. This total excluded outlier cases with more than 10 lives at risk. Numerous variables affect the final percentage of people saved from imminent danger. Weather conditions, water temperature, and distance to reported position of distress impact are a few examples of factors that ultimately impact individual case outcomes, but there is no single factor to explain the fluctuations occurring on an aggregate level. The USCG stated that it will continue to analyze search and rescue data to determine potential causes for variances and contributing factors.

Search and Rescue						
Performance Measure – Percentage of People in Imminent Danger Saved in the Maritime Environment						
FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Target	FY 2012 Actual
76.6%	76.8%	77.3%	74.4%	77.2%	100%	77.3%
√ Met	√ Met	√ Met	X Not Met	X Not Met		X Not Met

Source: DHS OIG based on USCG-provided data.

The FY 2012 target for percentage of time that rescue assets are on-scene within two hours was not met. However, overall performance is in line with the USCG's



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expectations based on placement of resources and proximity to shore of the majority of search and rescue incidents. This measure has been adjusted to exclude cases in which an operational decision was made to delay a response.

Search and Rescue						
Performance Measure – Percentage of Time Rescue Assets Are On-Scene Within 2 Hours						
FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Target	FY 2012 Actual
94.3%	93.3%	94.0%	93.3%	93.1%	100%	93.5%
√	√	√	√	X		X
Met	Met	Met	Met	Not Met		Not Met

Source: DHS OIG based on USCG-provided data.

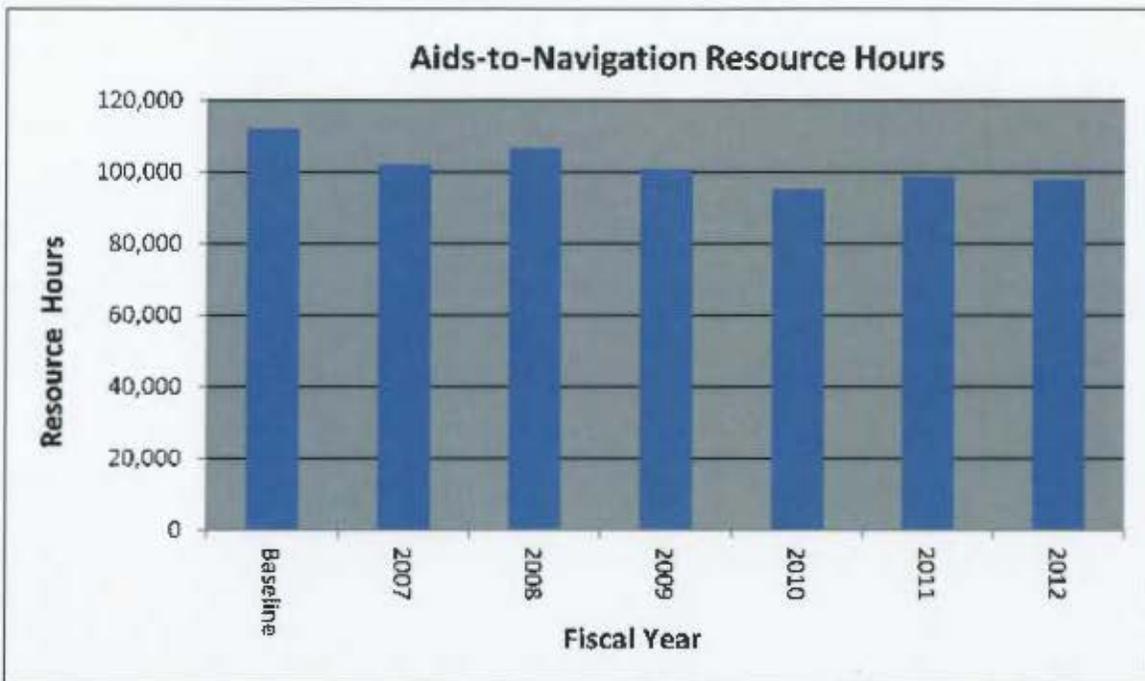
**Aids-to-Navigation**

The USCG establishes, maintains, and operates more than 49,000 buoys and beacons that comprise the U.S. Visual Aids to Navigation System. The purpose of the system is to mitigate transit risks by reducing the potential for collisions, allusions, and groundings.

**Resource Hours:** FY 2012 resource hours totaled 97,960, a decrease of approximately 0.9 percent from FY 2011. This is an approximately 13 percent decrease from the baseline level.



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Source: DHS OIG based on USCG-provided data.

**Performance Measures and Results:** The USCG reported that it met its FY 2012 target for the availability of maritime navigation aids for the sixth consecutive year.

Aids-to-Navigation Performance Measure – Availability of Maritime Navigation Aids						
FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Target	FY 2012 Actual
98.0%	98.3%	98.0%	98.5%	98.5%	97.5%	98.3%
√ Met	√ Met	√ Met	√ Met	√ Met		√ Met

Source: DHS OIG based on USCG provided data.

In FY 2012, the USCG reported that it met its target for the average number of navigational accidents. This is the second time this measure was met in the past six years.



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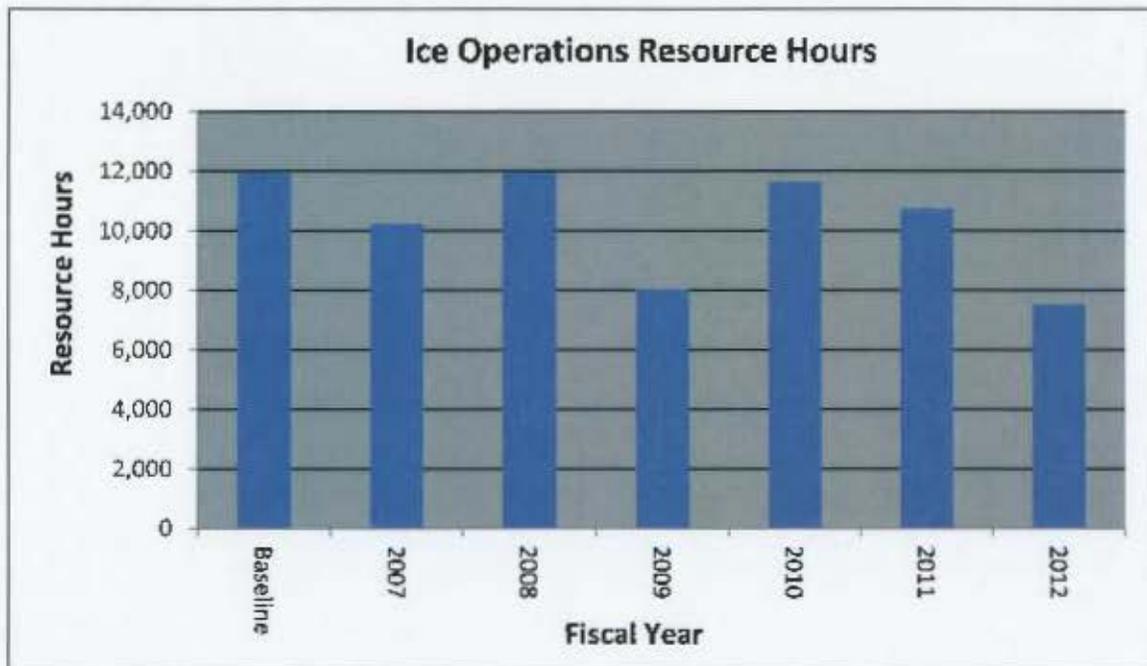
Aids-to-Navigation						
Performance Measure – Average Number of Navigational Accidents						
FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Target	FY 2012 Actual
1,823	1,857	1,878	1,878	1,945	≤1,939	1,932
X Not Met	X Not Met	X Not Met	X Not Met	√ Met		√ Met

Source: DHS OIG based on USCG-provided data.

**Ice Operations**

Ice Operations consist of Polar Icebreaking, International Ice Patrol and Domestic Icebreaking. This mission supports winter commerce and prevents and responds to ice that causes flooding. On the Great Lakes, the USCG partners closely with Canada to execute these responsibilities.

**Resource Hours:** In FY 2012, resource hours totaled 7,528, a decrease of approximately 30 percent from FY 2011 and approximately 37 percent lower than the baseline level.



Source: DHS OIG based on USCG-provided data.



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**Performance Measures and Results:** The USCG reported that it met its FY 2012 target for the number of days critical waterways are closed to commerce due to ice. Favorable environmental conditions, continued partnership with the Canadian Coast Guard, and effective employment of domestic icebreaking assets contributed to achieving the performance target.

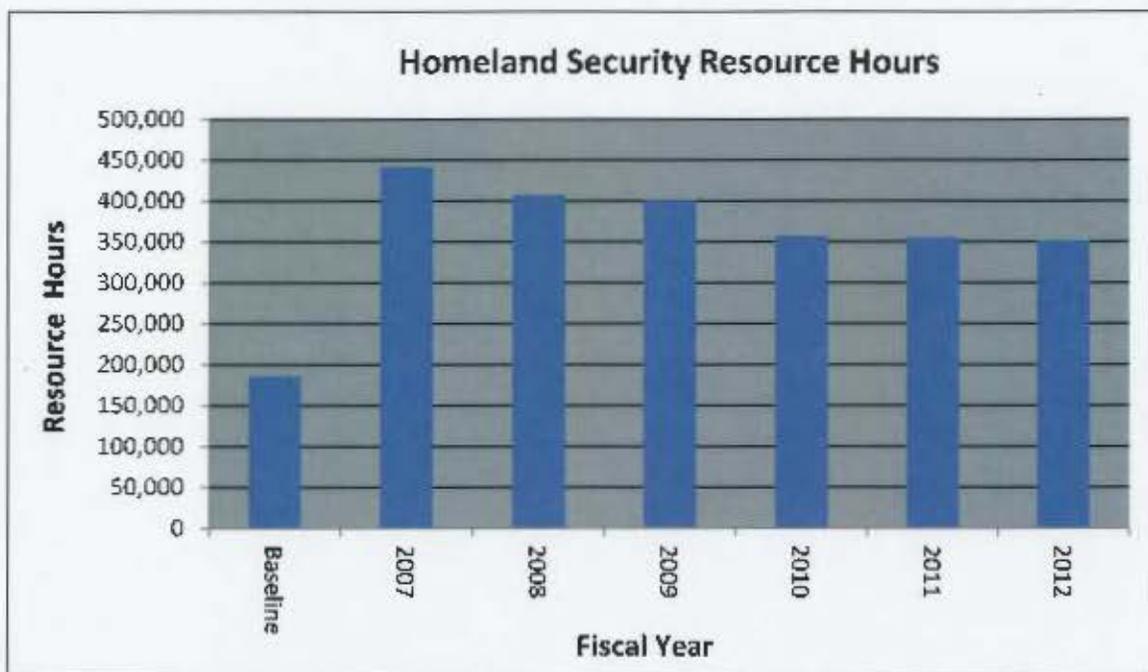
Ice Operations						
Performance Measure – Number of Days Critical Waterways Are Closed to Commerce Due to Ice						
FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Target	FY 2012 Actual
0	0	0	6	0	2 avg. & 8 severe	0
√ Met	√ Met	√ Met	X Not Met	√ Met		√ Met

Source: DHS OIG based on USCG provided data.



## Appendix D Homeland Security Missions

The FY 2012 homeland security mission resource hours totaled 351,567, a decrease of approximately 1 percent from FY 2011. Between FY 2007 and FY 2012, total resource hours for homeland security missions were the highest in FY 2007. However, the FY 2012 level remains approximately 89 percent above baseline levels, as depicted in the following graph.



Source: DHS OIG based on USCG-provided data.

In FY 2012, the USCG reported that it met or exceeded 2 of 11 summary performance measures for its 5 homeland security missions, compared with meeting 5 of 11 summary performance measures in FY 2011. The resource hours and performance measures and results for each homeland security mission are summarized below.

### Ports, Waterways, and Coastal Security

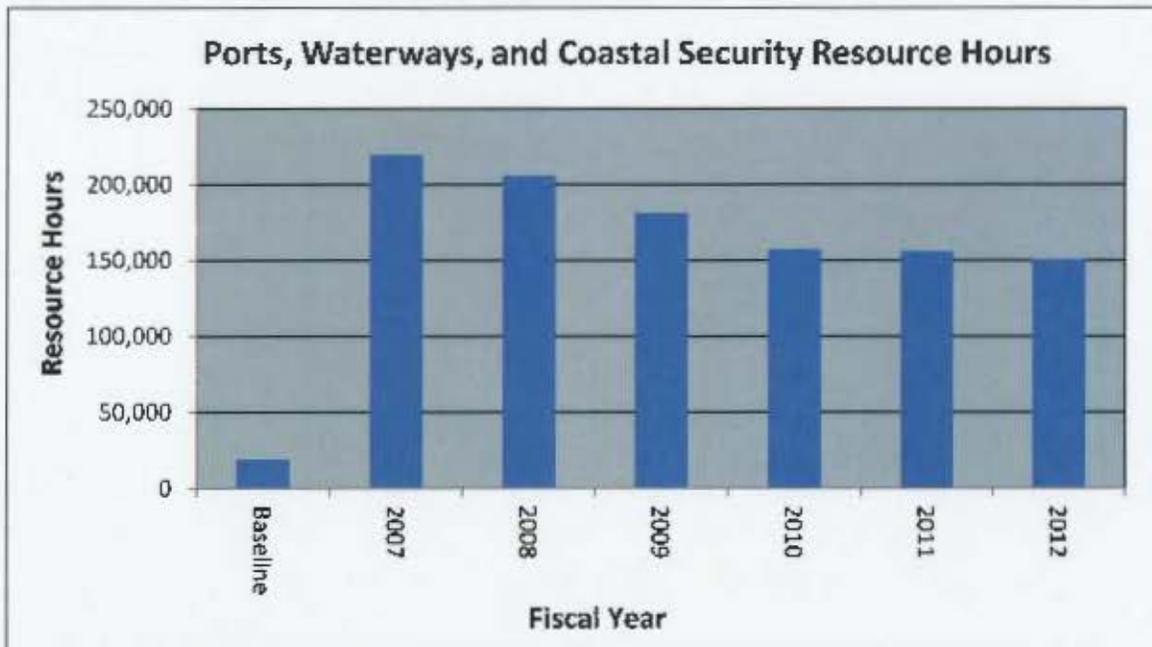
The ports, waterways, and coastal security mission aims to deny terrorists the use and exploitation of the maritime domain and marine transportation system as a means for attacks on U.S. territory, population centers, vessels, and maritime critical infrastructure and key resources. This mission includes preparedness, planning and exercises,



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antiterrorism and counterterrorism activities, and initial recovery efforts if attacks occur.

**Resource Hours:** In FY 2012, resource hours for ports, waterways, and coastal security totaled 150,699, which is a decrease of 3.4 percent from FY 2011.



Source: DHS OIG based on USCG-provided data.

**Performance Measures and Results:** USCG reported that it met one of its six FY 2012 targets for ports, waterways, and coastal security.

The revised maritime security risk measures are risk-based outcome measures that begin with an assessment of likely high-consequence maritime terrorist attack scenarios. Threat, vulnerability, and consequence levels are estimated for each scenario, which generates a proxy (index) value of “raw risk” that exists in the maritime domain. Next, the USCG interventions (security and response operations, regime and awareness activities) for the fiscal year are scored against the scenarios with regard to the decreases in threat, vulnerability, and consequence that each has been estimated to have afforded. The resulting measures are proxy measures of performance.

As depicted below, the USCG reported that it did not meet its FY 2012 target for the percent reduction of all maritime security risk subject to USCG influence.



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Ports, Waterways, and Coastal Security						
Performance Measure – Percent Reduction of All Maritime Security Risk Subject to USCG Influence						
FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Target	FY 2012 Actual
N/A	N/A	N/A	N/A	44	44%	36%
√ Met	√ Met	√ Met	√ Met	√ Met		X Not Met

Source: DHS OIG based on USCG provided data.

USCG missed its FY 2012 target for percent reduction of all maritime security risk resulting from USCG consequence management. The deviation from the target was slight and did not affect overall program performance.

Ports, Waterways, and Coastal Security						
Performance Measure – Percent Reduction of Maritime Security Risk Resulting From USCG Consequence Management						
FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Target	FY 2012 Actual
N/A	N/A	N/A	N/A	4%	3%	2%
√ Met	√ Met	√ Met	√ Met	√ Met		X Not Met

Source: DHS OIG based on USCG-provided data.

The USCG did not meet its target for the percent reduction of maritime security risk resulting from USCG efforts to prevent a terrorist from entering the United States via maritime means. According to the USCG, failing to meet the performance target and the other targets in this category is attributable to several factors, including reduced assessment of the effectiveness of the application of international and domestic statutes, regulations, and agreements in detecting and defeating terrorist scenarios; reduction in dedicated operating hours; and reduced capability and capacity of deployable specialized forces.



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Ports, Waterways, and Coastal Security						
Performance Measure – Percent Reduction of Maritime Security Risk Resulting From USCG Efforts To Prevent a Terrorist From Entering the United States Via Maritime Means						
FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2012
Actual	Actual	Actual	Actual	Actual	Target	Actual
N/A	N/A	N/A	N/A	43%	52%	34%
√	√	√	√	X		X
Met	Met	Met	Met	Not Met		Not Met

Source: DHS OIG based on USCG provided data.

USCG missed its target for the percent reduction of maritime security risk resulting from USCG efforts to prevent a weapon of mass destruction from entering the United States via maritime means by 5 percentage points. According to the USCG, failing to meet the performance target is primarily attributable to a reduced overall assessment of the capability of regime activities to interdict a weapon of mass destruction transfer, and reduced interdiction capability and capacity of the steady state activities and special teams.

Ports, Waterways, and Coastal Security						
Performance Measure – Percent Reduction of Maritime Security Risk Resulting From USCG Efforts To Prevent a Weapon of Mass Destruction From Entering the United States Via Maritime Means						
FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2012
Actual	Actual	Actual	Actual	Actual	Target	Actual
N/A	N/A	N/A	N/A	28%	29%	24%
√	√	√	√	X		X
Met	Met	Met	Met	Not Met		Not Met

Source: DHS OIG based on USCG-provided data.

USCG met its FY 2012 target for the annual *Maritime Transportation Security Act (MTSA)* facility compliance rate with transportation worker identification credential regulations.



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Ports, Waterways, and Coastal Security						
Performance Measure – Annual <i>Maritime Transportation Security Act</i> Facility Compliance Rate With Transportation Worker Identification Credential Regulations						
FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Target	FY 2012 Actual
N/A	N/A	N/A	100%	99%	99%	99%
N/A	N/A	N/A	√ Met	√ Met		√ Met

Source: DHS OIG based on USCG-provided data.

USCG also missed its target for the second year for the measure now called "Security Compliance Rate for High Risk Maritime Facilities." It was previously titled "Percent of Maritime Facilities in Compliance with Security Regulations."

Ports, Waterways, and Coastal Security						
Performance Measure – Security Compliance Rate for High Risk Maritime Facilities						
FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Target	FY 2012 Actual
N/A	N/A	N/A	N/A	99.9%	100%	98.7%
N/A	N/A	N/A	N/A	X Not Met		X Not Met

Source: DHS OIG based on USCG-provided data.

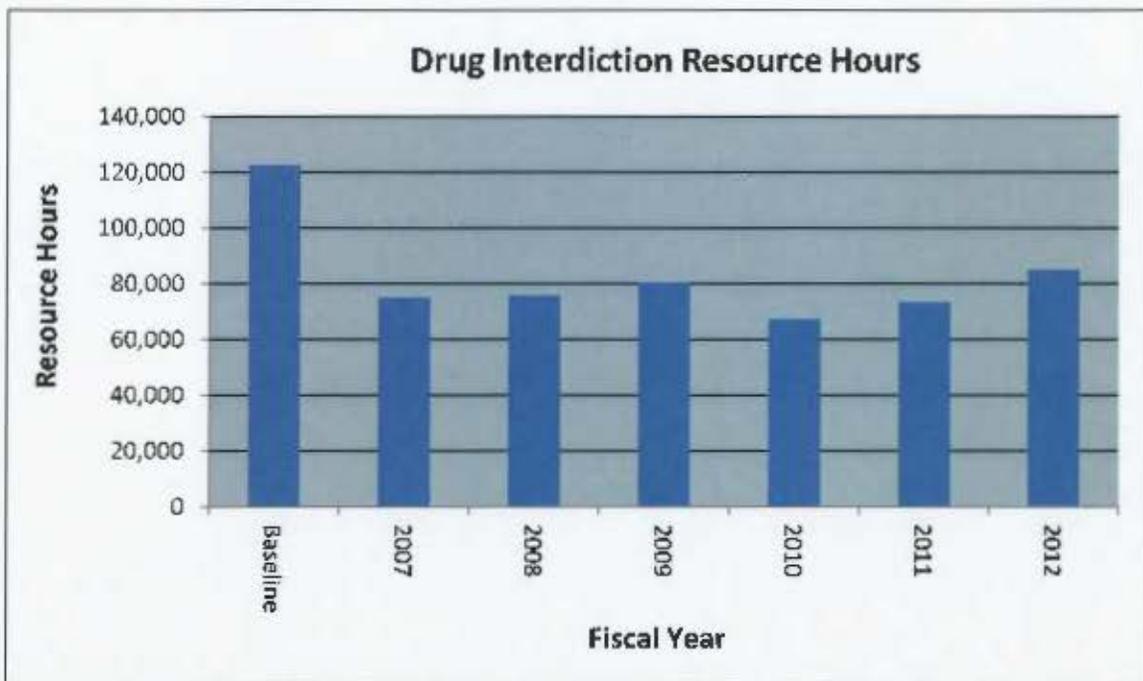
**Drug Interdiction**

USCG's drug interdiction efforts support national strategies to disrupt the market for illegal drugs and prevent transnational threats from reaching the United States. The USCG is the lead Federal agency for maritime interdiction and shares the lead for drug interdiction in the territorial seas of the United States with U.S. Customs and Border Protection. The USCG coordinates with its interagency partners, including the Department of Defense, Department of Justice, Department of State, and other components within DHS, to deter illicit drug trafficking.

**Resource Hours:** FY 2012 resource hours totaled 85,089, an increase of approximately 16 percent from FY 2011, but about 31 percent below baseline levels.



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Source: DHS OIG based on USCG provided data.

**Performance Measures and Results:** The USCG uses the interagency Consolidated Counter Drug Database as its main source for tracking cocaine movement estimates. The one performance measure related to drug interdiction, removal rate for cocaine from noncommercial vessels in the maritime transit zone, was not met in FY 2012. According to the USCG, the reasons for not meeting this target can be attributed to reduced resource availability and assets, including aging of USCG ships, boats, and aircraft.

Drug Interdiction						
Performance Measure – Removal Rate for Cocaine From Noncommercial Vessels in the Maritime Transit Zone						
FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Target	FY 2012 Actual
N/A	N/A	15.0%	13.5%	11.6%	16.5%	13.4%
N/A	N/A	X Not Met	X Not Met	X Not Met		X Not Met

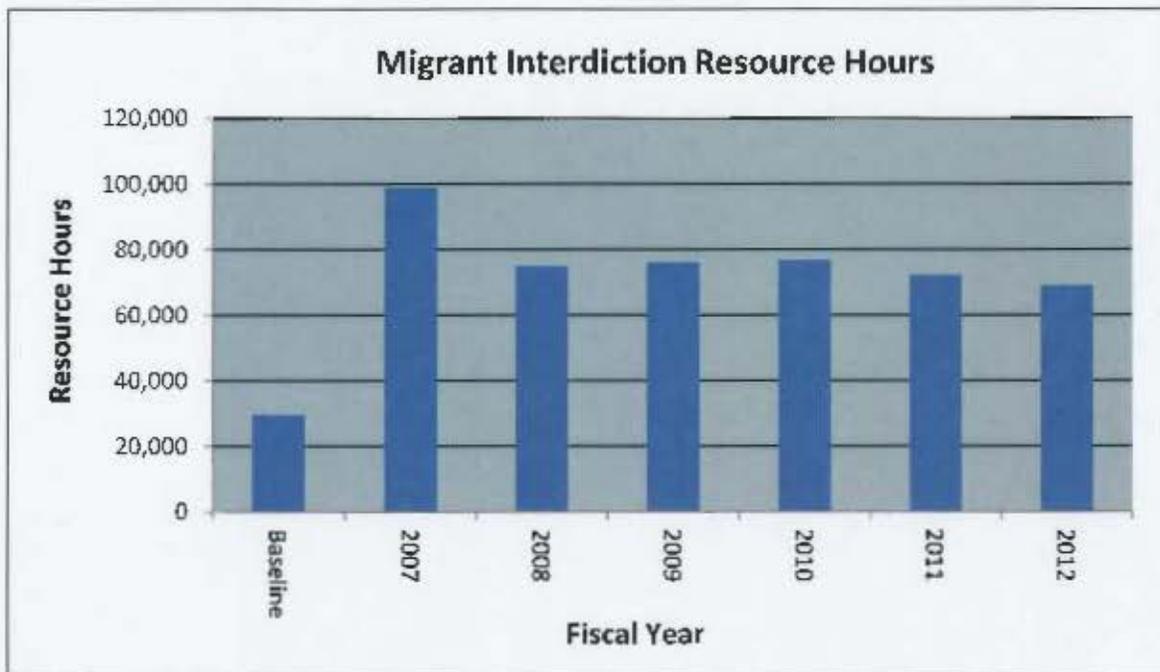
Source: DHS OIG based on USCG-provided data.



### Migrant Interdiction

USCG migrant interdiction policy and operations are designed to provide an effective law enforcement presence at sea and achieve three main objectives: (1) deter undocumented migrants and transnational human smugglers from using maritime routes to enter the United States, (2) detect and interdict undocumented migrants and human smugglers far from the U.S. border, and (3) expand USCG participation in multi-agency and bi-national border security initiatives. The USCG leads the interdiction mission on the high seas, and it partners with U.S. Customs and Border Protection and U.S. Immigration and Customs Enforcement for shoreside interdiction operations.

**Resource Hours:** Migrant interdiction resource hours remain approximately 133 percent above baseline levels. In FY 2012, resource hours totaled 69,018, a decrease of approximately 4.4 percent from FY 2011.



Source: DHS OIG based on USCG-provided data.

**Performance Measures and Results:** According to the USCG, the number of undocumented migrants attempting to enter the United States increased 17 percent in 2012 but remained at less than half the average of the preceding decade. This is due in part to a slumping U.S. economy, successful prosecution of smugglers, effective bilateral cooperation, and use of biometrics. The USCG reported that it met one of its two performance measures related to migrant interdiction in FY 2012. Although the target for percentage of undocumented migrants who attempt to enter the United States via



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maritime routes that are interdicted was not met, the actual result of 73 percent was a slight improvement over 72.8 percent in FY 2011.

Migrant Interdiction						
Performance Measure – Percentage of Undocumented Migrants Who Attempt To Enter the United States Via Maritime Routes That Are Interdicted						
FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Target	FY 2012 Actual
65.2%	62.7%	84.4%	64.5%	72.8%	73.9%	73.0%
X Not Met	X Not Met	√ Met	X Not Met	X Not Met		X Not Met

Source: DHS OIG based on USCG-provided data.

As shown below, the USCG exceeded its target for the percentage of undocumented migrants who attempt to enter the United States via maritime routes that are interdicted by the Coast Guard.

Migrant Interdiction						
Performance Measure – Percentage of Undocumented Migrants Who Attempt To Enter the United States Via Maritime Routes That Are Interdicted by the Coast Guard						
FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Target	FY 2012 Actual
42.1%	46.9%	37.5%	44.7%	51.7%	43.0%	52.8%
N/A	X Not Met	X Not Met	√ Met	√ Met		√ Met

Source: DHS OIG based on USCG-provided data.

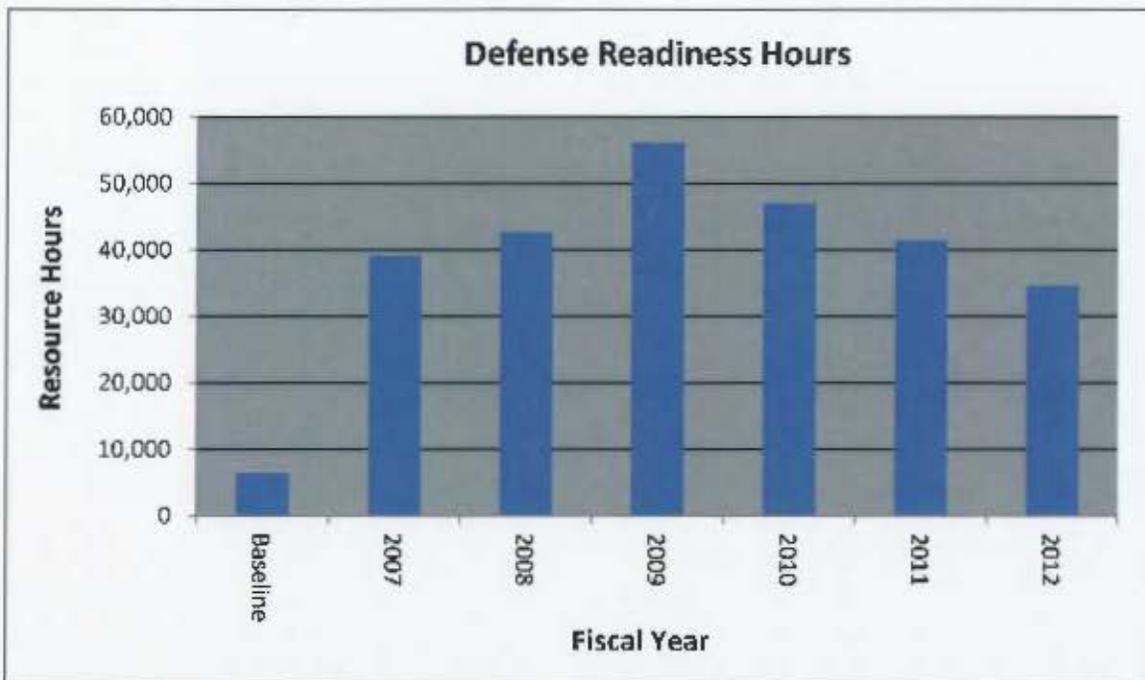
**Defense Readiness**

The USCG maintains a level of readiness and training that allows for immediate integration with Department of Defense forces, for peacetime operations or during times of war. This supports U.S. national interests abroad, as well as facilitates DoD support to DHS for the integration of homeland defense and homeland security.

**Resource Hours:** In FY 2012, resource hours for defense readiness totaled 34,644 and were still well above the baseline, although resource hours decreased by 16.4 percent from FY 2011 to FY 2012.



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Source: DHS OIG based on USCG-provided data.

**Performance Measures and Results:** The USCG did not meet its overall target of 35.9 percent defense readiness for the year. According to the USCG, the declining readiness of its high-endurance cutter fleet continues to pose significant challenges to mission performance. High-endurance cutter readiness is being addressed by the USCG’s Fleet Recapitalization Project.

Defense Readiness						
Performance Measure – Defense Readiness Assessment of All USCG High-Endurance Cutters, Patrol Boats, and Port Security Units						
FY 2007 Actual	FY 2008 Actual	FY 2009 Actual	FY 2010 Actual	FY 2011 Actual	FY 2012 Target	FY 2012 Actual
N/A	N/A	N/A	24.1%	25.1%	35.9%	27.2%
N/A	N/A	N/A	N/A	X Not Met		X Not Met

Source: DHS OIG based on USCG-provided data.

**Other Law Enforcement**

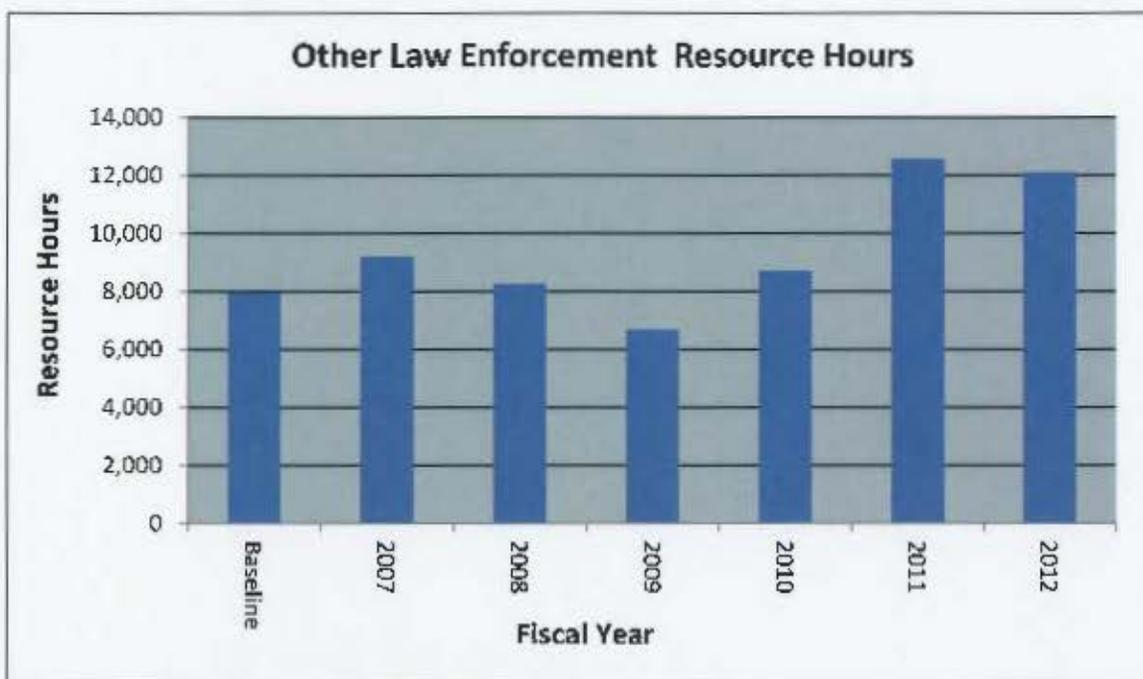
The other law enforcement mission orchestrates the enforcement of regulations on foreign fishing vessels. This enforcement takes two forms: the first is the deterrence, detection, and interdiction of illegal incursions into the U.S. exclusive economic zone by



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foreign fishing vessels.<sup>2</sup> The protection of the U.S. exclusive economic zone from incursions by foreign fishing vessels contributes to a fundamental USCG maritime security objective to protect our Nation's renewable natural resources. The second part of the other law enforcement mission is to ensure compliance with international agreements for the management of living marine resources. This is accomplished primarily through enforcement of conservation and management measures created by Regional Fishery Management Organizations.

**Resource Hours:** In FY 2012, resource hours for the other law enforcement mission totaled 12,117, a decrease of 3.7 percent from FY 2011.



Source: DHS OIG based on USCG-provided data.

**Performance Measures and Results:** The USCG uses the number of detected incursions into the U.S. exclusive economic zone by foreign fishing vessels as a measure of its performance. In FY 2012, there were 160 detected incursions of foreign fishing vessels into the U.S. exclusive economic zone, which did not meet the performance target of fewer than 140 incursions. According to the USCG, this is likely a result of increased USCG and partner agency patrol efforts in the area.

<sup>2</sup> The exclusive economic zone is the zone where the United States and other coastal nations have jurisdiction over economic and resource management. The exclusive economic zone includes waters 3 to 200 miles offshore (or 9 to 200 miles offshore in western Florida and in Texas).



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<b>Other Law Enforcement</b>						
<b>Performance Measure – Number of Detected Incursions of Foreign Fishing Vessels Violating U.S. Waters</b>						
<b>FY 2007</b> Actual	<b>FY 2008</b> Actual	<b>FY 2009</b> Actual	<b>FY 2010</b> Actual	<b>FY 2011</b> Actual	<b>FY 2012</b> Target	<b>FY 2012</b> Actual
126	81	112	82	122	<140	160
√ Met	√ Met	√ Met	√ Met	√ Met		X Not Met

Source: DHS OIG based on USCG-provided data.



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**Appendix E**  
**FY 2012 Performance Measure Summary**

Mission	Measure	Met	Not Met
<b>Non-Homeland Security Missions</b>			
Living Marine Resources	Fishing Regulation Compliance Rate	X	
Marine Safety	5-Yr Average Number of Commercial and Recreational Deaths and Injuries	X	
	5-Yr Average Number of Commercial Mariner Deaths and Injuries	X	
	5-Yr Average Number of Commercial Passenger Deaths and Injuries		X
	5-Yr Average Number of Recreational Boating Deaths and Injuries	X	
Marine Environmental Protection	Average Number of Chemical Discharge Incidents in the Maritime Environment	X	
	Average Number of Oil Spills In the Maritime Environment	X	
Search and Rescue	Percentage of People in Imminent Danger Saved in the Maritime Environment		X
	Percentage of Time Rescue Assets Are On-Scene Within 2 Hours		X
Aids-to-Navigation	Availability of Maritime Navigation Aids	X	
	Average Number of Navigational Accidents	X	
Ice Operations	Number of Days Critical Waterways Are Closed to Commerce Due to Ice	X	
<b>Total Non-Homeland Security Performance Measures</b>		<b>9</b>	<b>3</b>
<b>Homeland Security Missions</b>			
Ports, Waterways, and Coastal Security	Percent Reduction of All Maritime Security Risk Subject to USCG Influence		X
	Percent Reduction of Maritime Security Risk Resulting From USCG Consequence Management		X
	Percent Reduction of Maritime Security Risk Resulting From USCG Efforts To Prevent a Terrorist From Entering the United States Via Maritime Means		X
	Percent Reduction of Maritime Security Risk Resulting From USCG Efforts to Prevent a Weapon of Mass Destruction From Entering the United States Via Maritime Means		X
	Annual MTSA Facility Compliance Rate With Transportation Worker Identification Credential Regulations	X	
	Security Compliance Rate for High Risk Maritime Facilities		X
Drug Interdiction	Removal Rate for Cocaine From Noncommercial Vessels in the Maritime Transit Zone		X
Migrant interdiction	Percentage of Undocumented Migrants Who Attempt To Enter the United States Via Maritime Routes That Are Interdicted		X
	Percentage of Undocumented Migrants Who Attempt To Enter the United States by Maritime Routes Interdicted by the USCG	X	
Defense Readiness	Defense Readiness Assessment of All USCG High-Endurance Cutters, Patrol Boats, and Port Security Units		X
Other Law Enforcement	Number of Detected Incursions of Foreign Fishing Vessels Violating U.S. Waters		X
<b>Total Homeland Security Performance Measures</b>		<b>2</b>	<b>9</b>
<b>Total USCG Performance Measure</b>		<b>11</b>	<b>12</b>

Source: DHS OIG based on USCG provided data.



## **Appendix F**

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## **Appendix G**

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