



# U.S. DEPARTMENT OF HOMELAND SECURITY **OFFICE OF INSPECTOR GENERAL**

OIG-24-54

September 17, 2024

**FINAL REPORT**

## **CBP's Office of Field Operations Used Overtime in Accordance with Policies and Procedures**





# OFFICE OF INSPECTOR GENERAL

U.S. Department of Homeland Security

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

September 17, 2024

MEMORANDUM FOR: Troy A. Miller  
Senior Official Performing the Duties of the Commissioner  
U.S. Customs and Border Protection

FROM: Joseph V. Cuffari, Ph.D.  
Inspector General

SUBJECT: *CBP's Office of Field Operations Used Overtime in Accordance with Policies and Procedures*

**JOSEPH V  
CUFFARI**

Digitally signed by  
JOSEPH V CUFFARI  
Date: 2024.09.17  
19:10:39 -04'00'

Attached for your action is our final report, *CBP's Office of Field Operations Used Overtime in Accordance with Policies and Procedures*. CBP elected not to provide comments to the draft report. The report contains no recommendations.

Consistent with our responsibility under the *Inspector General Act*, we will provide copies of our report to 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 contact me with any questions, or your staff may contact Kristen Bernard, Deputy Inspector General, at (202) 981-6000.

Attachment



# DHS OIG HIGHLIGHTS

## CBP's Office of Field Operations Used Overtime in Accordance with Policies and Procedures

September 17, 2024

### Why We Did This Audit

CBP's Office of Field Operations is responsible for, among other things, managing people and goods entering and leaving the country at ports of entry. While executing their responsibilities, CBP officers may need to work overtime. We conducted this limited scope audit to determine the extent to which CBP's Office of Field Operations used overtime in accordance with policies and procedures.

### What We Recommend

This report does not contain any recommendations.

#### For Further Information:

Contact our Office of Public Affairs at (202) 981-6000, or email us at:

[DHS-OIG.OfficePublicAffairs@oig.dhs.gov](mailto:DHS-OIG.OfficePublicAffairs@oig.dhs.gov).

### What We Found

We determined that the U.S. Customs and Border Protection (CBP) Office of Field Operations used overtime in accordance with policies and procedures. The *Customs Officer Pay Reform Act* provides guidance on the use of overtime and premium pay for CBP officers and sets a statutory fiscal year maximum on overtime and premium pay earnings (pay cap). Per the Act, an officer may not exceed the pay cap unless the pay cap is waived.

Based on our analysis of 86,232 records in CBP's Overtime Scheduling System, we identified 1,646 (1.9 percent) records where officers earned above the pay cap. Of those officers, 1,641 (99.7 percent) received a waiver and 5 (0.3 percent) did not. We also noted that CBP has controls in place to ensure officers comply with Federal overtime requirements. For example, its *Pay Cap Waivers Directive* outlines processes and procedures to ensure officers do not exceed the \$45,000 pay cap without an approved waiver, and roles and responsibilities for monitoring overtime and premium pay.

### CBP Response

CBP elected not to provide comments to the draft report.



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### Background

U.S. Customs and Border Protection (CBP) plays a pivotal role in carrying out the Department of Homeland Security's mission by protecting our borders from terrorism, human trafficking, and drug smuggling while simultaneously facilitating the flow of legitimate trade and travel. More than 30,000 CBP Office of Field Operation employees are responsible for, among other things, managing people and goods entering and leaving the country at ports of entry. While executing their responsibilities, CBP officers may need to work overtime.

The *Customs Officer Pay Reform Act*<sup>1</sup> provides guidance on the use of overtime and premium pay for CBP's Office of Field Operations officers<sup>2</sup> and sets a statutory fiscal year maximum on overtime and premium pay earnings (pay cap). Premium pay includes pay for working regularly scheduled shifts at night, on Sundays, and on Federal holidays. In FYs 2021 through 2023, which covers the scope of our review, Congress set that pay cap at \$45,000.<sup>3</sup> Officers may exceed the overtime and premium pay cap, but there must be an approved waiver. The DHS Secretary or their designee may approve waivers for purposes of national security, to prevent excessive costs, or in cases of immigration emergencies.

Officials at the headquarters level, field office level, and the local ports all share responsibility for tracking overtime and premium pay. CBP's *Pay Cap Waivers Directive*<sup>4</sup> establishes policy for ensuring compliance with overtime and premium pay limitations, and details responsibilities for ensuring that compliance. At the headquarters level, the Office of Field Operations Executive Assistant Commissioner is responsible for reviewing and approving or disapproving waivers according to delegated authority from the CBP Commissioner. Headquarters staff must monitor all officers' overtime and premium pay earnings, as well as review and coordinate all requests for pay cap waivers submitted by managers in the field. According to an Office of Field Operations official, the Director of Field Operations for each field office is responsible for ensuring that no officer exceeds the pay cap. Lastly, at the local level, supervisors and managers are responsible for notifying an officer who is approaching the pay cap to prevent them from exceeding the pay cap. Supervisors and managers are also responsible for drafting and submitting waiver requests if an officer expects to exceed the pay cap.

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<sup>1</sup> Codified at 19 United States Code (U.S.C.) § 267. See also 19 Code of Federal Regulations § 24.16.

<sup>2</sup> CBP employees with the job series of 1895 (CBP officer) and 0401 (agriculture specialist) qualify for *Customs Officer Pay Reform Act* overtime. For purposes of this report, when we refer to officers, we are referring to both job series.

<sup>3</sup> See *Department of Homeland Security Appropriations Act, 2021* (Division F of Public Law 116-260); *Department of Homeland Security Appropriations Act, 2022* (Division F of Public Law 117-103); and *Department of Homeland Security Appropriations Act, 2023* (Division F of Public Law 117-328). The *Customs Officer Pay Reform Act* set the pay cap at \$25,000 in 1993, and the *Department of Homeland Security Appropriations Act, 2018* (Division F of Public Law 115-141) raised that pay cap to \$45,000 in 2018.

<sup>4</sup> CBP Directive No.: 51550-007 (June 4, 2019; Review Date June 2022).



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At the time of our audit, the Office of Field Operations used the CBP Overtime Scheduling System as its official system of record for overtime. Within this system, the Office of Field Operations managed overtime assignments, identified overtime schedules, and tracked overtime and premium pay earnings. Officials used this system to track projected and actual earnings toward the fiscal year pay cap.

This current audit focused on compliance with overtime policies and procedures.<sup>5</sup> We conducted this audit to determine the extent to which CBP's Office of Field Operations used overtime in accordance with policies and procedures.

### Results of Audit

#### The CBP Office of Field Operations Used Overtime in Accordance with Policies and Procedures

We determined that the CBP Office of Field Operations used overtime in accordance with policies and procedures. Per the *Customs Officer Pay Reform Act*, an officer may not exceed the pay cap unless the pay cap is waived. For FYs 2021 through 2023, the pay cap was set at \$45,000 per year. Based on our analysis of 86,232 records in CBP's Overtime Scheduling System from the same period, we identified a total of 1,646 (1.9 percent) records where officers earned above the pay cap. Of those officers, 1,641 (99.7 percent) received a waiver and 5 (0.3 percent) did not. Table 1 shows the number of officers who exceeded the pay cap, as well as those officers who received and did not receive waivers in FYs 2021, 2022, and 2023. According to the CBP Office of Field Operations, the five officers who exceeded the \$45,000 pay cap in FY 2023 and who did not receive a waiver have been billed for the amount exceeding the pay cap.

**Table 1. Pay Cap Waivers for Officers Exceeding \$45,000 in Fiscal Years 2021-2023**

Fiscal Year	Officers Who Exceeded the Pay Cap	Officers with Approved Waivers	Officers without Approved Waivers
2021	295	295	0
2022	473	473	0
2023	878	873	5
Total	1,646	1,641	5

Source: DHS Office of Inspector General analysis of overtime records obtained from CBP's Overtime Scheduling System and approved pay cap waivers.

<sup>5</sup> A prior DHS OIG audit, *Intensifying Conditions at the Southwest Border Are Negatively Impacting CBP and ICE Employees' Health and Morale*, OIG-23-24, May 2023, focused on CBP staffing levels to manage the increase in migrant encounters across the Southwest border. That audit found that the Office of Field Operations was using overtime to supplement its staffing, adversely impacting the morale of officers.



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CBP has controls in place to ensure officers comply with Federal overtime requirements. For example, its *Pay Cap Waivers Directive* outlines processes and procedures to ensure officers do not exceed the \$45,000 pay cap without an approved waiver. The Directive also outlines roles and responsibilities for monitoring overtime and premium pay; it states, “The Program Offices implement means of measuring and monitoring the payment of basic pay, overtime pay, and premium pay ... to ensure that any request for a pay cap waiver is made in accordance with law, regulations, this policy, and other internal policies and procedures.” The Directive also outlines procedures for requesting waivers; it states, “Requests for waivers must be in the form of a memorandum and clearly convey the circumstances justifying the waiver.”

At the local level, supervisors and managers are responsible for notifying officers as they approach the pay cap. We administered questionnaires to 18 Directors of Field Operations (who, combined, oversee 346 ports and field offices) asking how they monitor overtime and premium pay. The Directors’ designees stated that they monitor compliance with pay cap requirements in several ways, including:

- having port-level schedulers with oversight of overtime assignments;
- informing officers of their overtime earnings — designees stated that they use a cap monitoring application to generate and send automated emails when officers are projected to reach overtime pay caps;
- generating weekly or biweekly reports to monitor earnings — as year-end approaches, officials increase their monitoring by generating daily reports; and
- advising ports if they should request pay cap waivers.

At the national level, according to a headquarters official, the Office of Field Operations tracks overtime every 2 weeks and provides training to field personnel. This training includes information on overtime monitoring reports available in the CBP Overtime Scheduling System, pay cap waiver requirements, and the pay cap waiver submission and approval process.

During our audit, the Office of Field Operations used the CBP Overtime Scheduling System to manage overtime. However, a FY 2021 budget request developed by CBP stated that the system is labor intensive and requires users to enter their data multiple times. According to CBP’s budget request, the system uses an antiquated programming language that is no longer supported in the marketplace and does not adequately support CBP’s requirements. Thus, CPB is developing a new system, the Budgeting and Employee Scheduling Application. According to training provided on the new system, the Budgeting and Employee Scheduling Application is designed to reduce administrative labor hours, increase transparency, and provide compliance with all legal and regulatory requirements.

Because of the audit’s limited scope, and because we determined that CBP complied with requirements for approving overtime and premium pay, we do not make any recommendations.



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### Management Comments and OIG Analysis

CBP elected not to provide comments to the draft report.

### Objective, Scope, and Methodology

The Department of Homeland Security Office of Inspector General was established by the *Homeland Security Act of 2002* (Pub. L. No. 107-296) by amendment to the *Inspector General Act of 1978*.

Our objective was to determine the extent to which CBP's Office of Field Operations used overtime in accordance with policies and procedures. We limited our scope to the Office of Field Operations' overtime use for officers assigned an 1895 (CBP officer) or 0401 (agriculture specialist) job series covered under the *Customs Officer Pay Reform Act* between FYs 2021 and 2023.

To answer our objective, we reviewed prior DHS OIG and U.S. Government Accountability Office reports along with media reports and congressional testimony. We reviewed laws and regulations related to CBP's use of overtime, including the *Customs Officer Pay Reform Act*. We also reviewed CBP's overtime policy, directives, and guidance, including policies and procedures for overtime waivers and justifications. We identified the specific roles and responsibilities of CBP headquarters, field offices, and staff in planning, executing, and monitoring overtime use. We also reviewed diagrams, workflows, a user guide, and training documents for the new overtime system of record, the Budgeting and Employee Scheduling Application.

We interviewed officials from CBP's Office of Information and Technology and CBP's Office of Field Operations' Budget Office. CBP personnel also provided a demonstration of the CBP Overtime Scheduling System. We visited the El Paso Field Office and three land ports of entry: Ysleta, Marcelino Serna, and Santa Teresa. During our site visits, we interviewed field office and port officials who oversee operations and requirements for managing overtime, as well as CBP officers and their supervisors. We also administered questionnaires to 18 Directors of Field Operations regarding their field offices' and ports' overtime monitoring and procedures to comply with the pay cap. We analyzed and summarized all questionnaire responses from the Directors' designees.

We obtained all *Customs Officer Pay Reform Act* overtime records from the CBP Overtime Scheduling System from FYs 2021 through 2023. From this data, we identified and analyzed 86,232 records. For FYs 2021, 2022, and 2023, we calculated each officer's total overtime and premium pay earnings. We compared these earnings to the \$45,000 pay cap to identify the officers who earned above this pay cap in each fiscal year. To ensure those officers who exceeded the pay cap had an approved waiver in compliance with the *Customs Officer Pay*



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*Reform Act*, we compiled a list of the officers who exceeded the pay cap for each fiscal year and compared this list against the officers who had approved waivers.

We assessed data reliability on the CBP Overtime Scheduling System data throughout the audit. To assess the completeness of this data, we met with subject matter experts to ensure this data included only information within the scope of our review. To assess the accuracy of the data, we compared the earnings data in the CBP Overtime Scheduling System with National Finance Center officer pay data to ensure they matched. We also interviewed the system's subject matter experts to further understand the data and discuss our analysis. These experts validated our methodology and calculations. As a result of our data reliability tests, discussions with subject matter experts, and collaboration with CBP's Office of Field Operations and OIG's Data Services Division, we determined the data was sufficiently reliable for our audit purposes.

In planning and performing our audit, we identified the internal control components and underlying internal control principles that were significant to the audit objective. We determined that the overall internal controls risk was low, but additional internal controls testing was needed. Accordingly, we reviewed how the Office of Field Operations managed and tracked overtime and premium pay. The results of that work are captured within the body of this report.

We conducted this audit from October 2023 through July 2024 pursuant to the *Inspector General Act of 1978*, 5 U.S.C. §§ 401–424, and according to generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

The major Office of Audits contributors are Tinh Nguyen, Assistant Inspector General of Audits; Sean Pettersen, Director; Richard Joyce, Auditor-in-Charge; Amber Carlson-Jones, Auditor; Elizabeth Finn, Auditor; Nikolai Smith, Auditor; Thomas Hamlin, Communications Analyst; and Darrel Francis, Independent Referencer.

### **DHS OIG's Access to DHS Information**

During this review, the Office of Field Operations provided timely responses to our requests for information and did not delay or deny access to information we requested.



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### **Appendix A: Report Distribution**

#### **Department of Homeland Security**

Secretary  
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Director, GAO/OIG Liaison Office  
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Assistant Secretary for Office of Legislative Affairs  
CBP Component Liaison

#### **Office of Management and Budget**

Chief, Homeland Security Branch  
DHS OIG Budget Examiner

#### **Congress**

Congressional Oversight and Appropriations Committees

## Additional Information

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