



Department of Homeland Security Office of Inspector General

The Coast Guard's Maritime Safety and Security Team Program





Homeland
Security

May 28, 2010

Preface

The Department of Homeland Security Office of Inspector General 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.

This report addresses the need for the Coast Guard to perform a comprehensive review and analysis of the Maritime Safety and Security Team program to ensure that the Coast Guard optimally meets its maritime law enforcement and homeland security mission requirements in the current threat environment. It is based on interviews with relevant Coast Guard officials and employees, direct observations, and a review of applicable documents.

The recommendation herein has been developed to the best knowledge available to our office, and has been discussed in draft with those responsible for implementation. We trust that this report will result in more effective, efficient, and economical operations. We express our appreciation to all of those who contributed to the preparation of this report.

A handwritten signature in cursive script that reads "Richard L. Skinner".

Richard L. Skinner
Inspector General

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Abbreviations

DHS	Department of Homeland Security
FY	Fiscal Year
GAO	Government Accountability Office
MSST	Maritime Safety and Security Team
OIG	Office of Inspector General

OIG

*Department of Homeland Security
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Executive Summary

The *Maritime Transportation Security Act of 2002* created Maritime Safety and Security Teams to function as part of the Department of Homeland Security's layered strategy for protecting the Nation's seaports and waterways. We audited the U.S. Coast Guard's Maritime Safety and Security Team program to determine whether it optimally meets the Coast Guard's maritime law enforcement and homeland security mission requirements in the current threat environment.

The Coast Guard does not know whether the Maritime Safety and Security Team program is the optimal vehicle to conduct its maritime law enforcement and homeland security missions in the current threat environment. The Maritime Safety and Security Team program was implemented after the events of September 11, 2001, to meet a legislatively mandated requirement for increased security at our Nation's seaports. Unless deployed, the Maritime Safety and Security Teams are not primarily first responders, but are intended to provide additional capacity for threats, terrorist acts, or other security missions. The Coast Guard conducted reviews of the program, but has not conducted a comprehensive analysis to validate that the Maritime Safety and Security Team program and structure is the best approach for achieving the program's goals.

We are recommending that the Coast Guard conduct a comprehensive analysis of the program to determine, among other things, the following:

- The optimal staffing levels, training, and competency mix needed to support the teams;
- The alignment of equipment with mission requirements;
- The return on investment and opportunity costs; and
- Program coordination with internal and external stakeholders.

The Coast Guard concurred with our recommendation. We incorporated the Coast Guard's response to our recommendation in Appendix B.

Background

The U.S. Coast Guard has primary responsibility for protecting the Nation's seaports, and it has law enforcement authority in the maritime domain. The Nation's seaports, often located near major population centers and hazardous fuel or chemical storage facilities, are widely recognized as being vulnerable to acts of terrorism.

Prior to the terrorist attacks of September 11, 2001, U.S. ports, waterways, and coastlines were protected primarily by Coast Guard boat stations and cutters. Immediately following September 11, 2001, Coast Guard resources were reallocated to fill the additional port security functions required in a post 9/11 environment. However, due to the increased demand for Coast Guard support, it became clear that a permanent solution was needed. The *Maritime Transportation Security Act of 2002* (Public Law 107-295) created Maritime Safety and Security Teams (MSSTs) to function as part of the Department of Homeland Security's layered strategy for protecting the Nation's seaports and waterways.¹ According to the Act, the Coast Guard is required to train and equip MSST units² to:

- Deter, protect against, and rapidly respond to threats of terrorism in the maritime domain;
- Enforce moving or fixed security zones established pursuant to law;
- Conduct high-speed intercepts;
- Board, search, and seize any article or thing on a vessel or at a facility found to present a risk to the vessel or facility, or to a port;
- Rapidly deploy to supplement U.S. Armed Forces domestically or overseas;
- Respond to criminal or terrorist acts within a port to minimize the disruption caused by such acts;
- Assist with facility vulnerability assessments; and
- Carry out other security missions as assigned by the Secretary.

¹ *Maritime Transportation Security Act of 2002* § 102, codified in 46 USC § 70106.

² The statute requires the Secretary of the department in which the Coast Guard is operating to develop MSST units; the Coast Guard normally operates under the Secretary of Homeland Security, but operates under the Secretary of the Navy during times of war. *Id.*, §§ 70101, 70106; 14 USC §§ 1, 3.



MSST boat crew demonstrating the high-speed maneuverability of a 25-foot small boat in the Port of Anchorage, Alaska. Source: Coast Guard.

Currently, the MSST program consists of 12 units at the following locations:

- Anchorage, Alaska
- Los Angeles / Long Beach, California
- Galveston, Texas
- Miami, Florida
- New York, New York
- San Francisco, California
- Honolulu, Hawaii
- San Diego, California
- New Orleans, Louisiana
- Kings Bay, Georgia
- Boston, Massachusetts
- Seattle, Washington

While MSSTs do not primarily function as first responders, they support Coast Guard boat stations, other DHS components, and federal and local law enforcement agencies by providing security for domestic and international waterways.³ For example, MSSTs have provided support for events such as the G-20 Summit, national political conventions, the Presidential inauguration, the Super Bowl, military outloads, major maritime events, and international piracy missions. MSSTs are one component of the Coast Guard's deployable specialized forces for reducing risk and vulnerabilities in U.S. seaports.

³ MSSTs are not first responders under the traditional Coast Guard search and rescue model where personnel provide response coverage around the clock, seven days a week. However, when operationally deployed, they are primary first responders.

Results of Audit

The Coast Guard does not know whether the MSST program is the optimal vehicle to conduct its maritime law enforcement and homeland security missions in the current threat environment. The MSST program was implemented after the events of September 11, 2001, to meet a legislatively mandated requirement for increased security at our Nation's seaports. In its current design, MSSTs are not primarily first responders, but are intended to provide additional capacity for threats, terrorist acts, or various other security missions. The Coast Guard conducted reviews of the program, but has not conducted a comprehensive analysis to validate that the MSST program and structure is the best approach for achieving the program's goals. Until it completes such an analysis, the Coast Guard cannot ensure that investments in the MSST program represent a wise use of resources to meet current and future mission needs. Such an analysis would also support a decision on the proposal in the President's FY 2011 budget to close five MSST units.

Appropriateness of the MSST Model

The Coast Guard has not conducted a systematic analysis of the MSST program to determine whether it is still the appropriate model to address current and future threat environments, but it did provide justification for the original MSST model to meet congressional direction. It accelerated its analysis and standup of the MSST program in 2002 in response to increased homeland security requirements in the aftermath of the terrorist attacks of September 11, 2001. The Coast Guard established and Congress approved all 12 of the existing MSST units from 2002 through 2005. The Coast Guard chose all of the MSST locations except for Anchorage, Alaska, which Congress mandated. However, the Coast Guard has not conducted a comprehensive program analysis, and would benefit from conducting such an analysis to determine whether the MSST program is still the appropriate model to address current and future threat environments.

Staffing Levels, Training, and Competency Mix Needed for MSSTs

The Coast Guard could benefit from a thorough review of the staffing levels, training programs, and skill mix needed for the MSST program's organization. As of August 2009, the MSST program had 958 full-time staff assigned to the 12 units. However, no comprehensive analysis has been conducted to determine whether this level of staffing is optimal to meet the required operating capabilities of the MSST units.

While training content and curricula are standardized, training delivery and availability of training assets are not. A review of training records showed that MSST personnel had fulfilled minimum training requirements. However, these personnel had varying levels of skill and capability across units. In some instances, training facilities not under the Coast Guard's control were unavailable to the MSST units, requiring them to make other arrangements. The Coast Guard has not assigned full-time training officers at each MSST unit who could modify training plans should scheduled training sessions be postponed or canceled. For example, the Coast Guard relied on other law enforcement entities to provide towers for vertical insertion training. When towers became unavailable because of unscheduled maintenance, training had to be rescheduled or a new tower had to be located. The Coast Guard is building a prototype tower at MSST Miami to address this issue. However, similar issues exist with other non-Coast Guard training facilities, such as firing ranges.

Alignment of Equipment to Mission Needs

The Coast Guard could benefit from a comprehensive review of the MSST standard equipment list to ensure that it effectively meets its mission requirements. The original standard list of equipment has not been updated and includes items that may hinder the Coast Guard from optimally achieving the MSST mission. For example, initially MSST units were outfitted to use Coast Guard aircraft to transport boats and equipment to mission sites. Coast Guard aircraft can accommodate one trailered boat if the trailer's tires are no larger than 14 inches in diameter. For efficiency reasons, MSSTs do not generally use Coast Guard air transport to move boats and trailers to operational sites; instead they haul boats and trailers up to 350 miles per day over land or may contract for commercial road transport for distances greater than 400 miles. However, the 14-inch tires were not designed to support long-distance trips, and deploying teams often experience tire failures. According to the Coast Guard, it has recently approved a configuration change to the trailer tire size that limits its ability to be used on Coast Guard aircraft but has improved the safety of boat trailer transportation over land.

Return on Investment and Opportunity Cost

The Coast Guard could benefit from determining whether the funds spent on the MSST program could be put to more efficient and effective use. According to the Coast Guard, each MSST unit costs roughly \$11 million per year to operate, including \$3.5 million in operating costs and \$7.5 million in salaries. Table 1 shows that,

excluding equipment and facility costs, the Coast Guard spends roughly \$132 million annually on the 12 MSST units.

Table 1. MSST Unit Costs

	Average Operating Cost per MSST (in millions)	Total Cost for all 12 MSSTs (in millions)
Unit Operating Costs	\$3.5	\$42.0
Personnel Salary Costs	\$7.5	\$90.0
Total Costs	\$11.0	\$132.0

Use of MSSTs to Complement Capabilities of Internal and External Stakeholders

A determination is needed of how the Coast Guard can best use MSSTs to complement the capabilities of related entities. MSSTs perform port security and law enforcement operations that augment those of Coast Guard Operational Commanders including Districts, Sectors, and small boat stations, other DHS components, Department of Defense government coordinating councils, and other law enforcement agencies. For example, MSSTs help the small boat stations escort cruise ships and ferry boats that enter U.S. harbors. An analysis of the historical use of MSSTs to support such operations could provide a basis for projecting how best to align and apply MSST capabilities to supplement ongoing and future mission needs. Further, given their complementary missions, there could be opportunities for MSSTs to better leverage the equipment and personnel resources of the related entities they support, resulting in efficiencies that are not currently realized.

Recent Budget Proposals to Close MSST Units

The FY 2011 Coast Guard budget submission includes the proposed closure of five MSST units and consolidation of those forces to achieve savings. Proposed closures are units in Anchorage, Alaska; Kings Bay, Georgia; New Orleans, Louisiana; New York, New York; and San Francisco, California. According to the Coast Guard, decommissioning these MSST units is estimated to result in a FY 2011 savings of approximately \$18.2 million. This budget has not yet been finalized or approved by Congress. Our recommendation that the Coast Guard conduct a comprehensive analysis of the MSST program will help determine whether this is the optimal course of action and

will help identify additional potential cost savings and efficiencies within the MSST program.

Recommendation

We recommend that the Commandant of the Coast Guard conduct a comprehensive, systematic review and analysis of the MSST program to determine:

- The current threat environment and whether the program optimally supports this environment;
- The optimal staffing levels, training, and competency mix needed to support the teams;
- The alignment of equipment with mission requirements;
- The return on investment and opportunity costs; and
- Program coordination with internal and external stakeholders, such as small boat stations, other department components, or other law enforcement agencies.

Management Comments and OIG Analysis

The Coast Guard provided comments to this report which are included as Appendix B. The Coast Guard concurred with our recommendation to conduct a comprehensive, systematic review and analysis of the MSST program to determine:

- The current threat environment and whether the program optimally supports this environment;
- The optimal staffing levels, training, and competency mix needed to support the teams;
- The alignment of equipment with mission requirements;
- The return on investment and opportunity costs; and
- Program coordination with internal and external stakeholders, such as small boat stations, other department components, or other law enforcement agencies.

The Coast Guard stated that, while much of this comprehensive review is ongoing, the recommended focus areas will assist the Coast Guard in ensuring the MSST program is properly organized, staffed, equipped, and trained to meet the mission and challenges of the current threat environment.

OIG Analysis

We consider the Coast Guard's proposed actions responsive to this recommendation. By conducting a comprehensive, systematic review and analysis of the MSST program, the Coast Guard will be able to determine whether the MSST program is the optimal vehicle to conduct its maritime law enforcement and homeland security missions in the current threat environment. We consider this recommendation resolved and open until we have reviewed the results of the Coast Guard's comprehensive, systematic review and analysis of the MSST program.

Appendix A

Purpose, Scope, and Methodology

Our objective was to determine the justification for establishing the MSST program and determine whether it optimally meets the Coast Guard's maritime law enforcement and homeland security mission requirements in the current threat environment. We evaluated the original analysis and justification for the design and implementation of the MSST program. In addition, we reviewed policies and procedures, and reviewed issues relating to readiness such as equipment and training programs.

We reviewed MSST operational requirements, planning documents, and status and monitoring reports. We reviewed prior Government Accountability Office and Coast Guard reports and other relevant reports and documents relating to the MSST program. In addition, we reviewed specific training plans and training records using a statistical sample selected by the Office of Inspector General.

We interviewed Coast Guard command and personnel; reviewed documents, training records, the master training plan, course descriptions for training classes, qualifications, and certifications that MSST personnel are required to complete; and the deployment schedule. We also reviewed the Ready for Operations report results to aid in the selection of MSST units to visit.

We toured and physically observed operations at five MSST unit facilities. We conducted audit fieldwork at the Coast Guard Headquarters in Washington, DC; the Deployable Operations Group Headquarters in Arlington, Virginia; and MSST unit locations at Los Angeles/Long Beach, California; Miami, Florida; New Orleans, Louisiana; Boston, Massachusetts; and Galveston, Texas.

We conducted this performance audit between March 2009 and March 2010 under the authority of the *Inspector General Act of 1978*, as amended, 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 the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. We would like to extend our appreciation to the Coast Guard and, in particular, to MSST personnel for the cooperation and courtesies extended to our staff during this audit.

Appendix B
Management Comments to the Draft Report



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7501
APR 23 2010

MEMORANDUM

From: T. W. JONES, CAPT
COMDT (CG-82)

A handwritten signature in blue ink, appearing to read 'T. W. Jones', is written over the 'From' field.

Reply to: Audit Manager,
Attn of: Mark Kulwicki
(202) 372-3533

To: Anne L. Richards
Assistant Inspector General for Audits

Subj: RESPONSE TO DHS OIG DRAFT, "THE COAST GUARD'S MARITIME AND SECURITY TEAM PROGRAM"

Ref: (a) Department of Homeland Security Inspector General (DHS OIG) Draft Report of March 23, 2010

1. This letter transmits the Coast Guard's response to the Department of Homeland Security Inspector General (DHS OIG) draft findings and recommendation in reference (a).
2. Coast Guard concurs with the overall findings and recommendation.
3. If you have any questions, my point of contact is Mr. Mark Kulwicki at (202) 372-3533.

#

Enclosure: (1) USCG Comments

Appendix B Management Comments to the Draft Report

UNITED STATES COAST GUARD (USCG) RESPONSE ON THE DEPARTMENT OF HOMELAND SECURITY INSPECTOR GENERAL DRAFT REPORT

TITLE: “The Coast Guard’s Maritime Safety and Security Team Program.”

COAST GUARD’S GENERAL COMMENTS ON DHS OIG FINDINGS:

The Coast Guard generally concurs with the overall findings and recommendations in the report, particularly the need to conduct a comprehensive analysis of the Maritime Safety and Security Team Program (MSST) program. While the Coast Guard continually assesses its forces to ensure they are properly organized, equipped, staffed, and trained to meet the current missions and anticipated future challenges, this is more often done via an incremental vice comprehensive process.

In 2002, the Coast Guard was faced with a new national maritime security posture and a gap in available forces capable of providing maritime security activities for ports throughout the nation. The Maritime Transportation Security Act of 2002 created Maritime Safety and Security Teams. The Coast Guard chose to invest in deployable security forces, establishing MSSTs throughout the nation to provide needed capacity and competencies for maritime security. While the MSSTs have evolved as the program has matured over the years, the Coast Guard remains committed to the core MSST concept of deployable security forces with specialized capabilities to carry out the Coast Guard’s port security mission.

The Coast Guard is currently conducting a comprehensive review the deployable specialized forces (including the MSSTs) in order to ensure teams are equipped, employed and organized to meet the full range of mission requirements. This review addresses issues highlighted by the DHS-OIG MSST report. In addition the review is assessing additional synergies, efficiencies, and potential for improved effectiveness through force combination and reconfiguration. This continues the Coast Guard’s efforts to be good stewards of public resources, and the continual commitment to ensure Coast Guard forces are best organized, equipped, and trained to meet the current and future challenges to the Coast Guard and the Nation.

RECOMMENDATION(s):

OIG Recommendation #1: We recommend that the Commandant of the Coast Guard conduct a comprehensive systematic review and analysis of the MSST program.

USCG Response: Concur. While much of this comprehensive review is ongoing, recommended focus areas will assist the Coast Guard in ensuring the MSST program is properly organized, staffed, equipped, and trained to meet the mission and challenges of the current threat environment.

Appendix B Management Comments to the Draft Report

ADDITIONAL AGENCY COMMENTS ON DHS-OIG REPORT:

Page 3, 4, "MSSTs do not primarily function as first responders":

Maritime Safety Security Teams (MSST) can and do respond to emergent threats. By design, they are both short-notice security forces, available to respond to emergent issues as well as pre-planned operations to support Coast Guard Operational Commanders, other DHS components, DOD Geographic Combatant Commanders, and federal and local law enforcement agencies by providing security both domestically and internationally.

Page 4, "The Coast Guard does not know whether the MSST program is the optimal vehicle to conduct its maritime law enforcement and homeland security missions in the current threat environment."

The MSST is one of several force providers in the suite of complimentary Coast Guard resources used to provide layered security. The Coast Guard continually assesses its forces to determine whether they are properly organized, staffed, equipped, and trained to meet the eleven statutory missions. These assessments are typically done incrementally. The Coast Guard remains dedicated to the deployable, specialized security force construct as the proper investment for the nation.

Page 5, "The Coast Guard could benefit from a comprehensive review of MSST standard equipment list to ensure that it effectively meets its mission requirements."

The Coast Guard, specifically the Deployable Operations Group, continually addresses the equipment needs associated with the MSSTs and all deployable specialized forces. The recent change to the MSST boat trailer tire size was a direct result of these ongoing efforts. Similarly, standardization of ballistic protection equipment for out of country deployment needs resulted from this continual review. The Coast Guard has made significant strides in establishing common equipment between different deployable specialized force types to further augment the Adaptive Force Packaging concept; providing for seamless integration of members and equipment from different deployable specialized force types into cohesive teams for joint operations.

Page 6, "The Coast Guard could benefit from determining whether the funds spent on the MSST program could be put to more efficient and effective use."

The MSSTs were developed through Congressional Mandate to address anti/counter terrorism and maritime security requirements that came to light in the post 9/11 Global War on Terror threat environment. The Coast Guard continually assesses the overall force structures, capabilities and capacities to meet statutory mission requirements.

Page 6, "A determination is needed of how the Coast Guard can best use MSSTs to complement the capabilities of related entities."

Appendix B Management Comments to the Draft Report

The Coast Guard, as DHS's Executive Agent and Lead Federal Agency for Maritime Security, is an active participant in the Maritime Operational Threat Response (MOTR) Forces synchronization efforts, which includes appropriate DOD and Interagency representation to "ensure the interoperability and synchronization of their collective maritime threat response assets and capabilities by establishing integrated maritime counterterrorism operational response capabilities." MSSTs, as well as other Coast Guard forces, are included in these efforts.

Page 7, *"The FY2011 federal budget includes the proposed closure of five MSST units and consolidation of those forces to achieve savings."*

The Fiscal Year 2011 President's Budget decommissions five MSSTs. The seven remaining MSSTs will deploy regionally to mitigate the highest prevailing port security risks in the Nation's critical ports.

Appendix C
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Appendix D
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