

**GAO**

Report to the Honorable Peter A.  
DeFazio, House of Representatives

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November 2005

# AVIATION SECURITY

## Federal Air Marshal Service Could Benefit from Improved Planning and Controls



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# Highlights

Highlights of [GAO-06-203](#), a report to the Honorable Peter A. DeFazio, House of Representatives

## Why GAO Did This Study

The U.S. Federal Air Marshal Service (FAMS) has undergone a number of changes in recent years, including a 2003 transfer from the Transportation Security Administration (TSA) to the U.S. Immigration and Customs Enforcement Bureau (ICE), and a 2005 transfer from ICE back to TSA. A key aspect of federal air marshals' operating procedures is the discreet movement through airports as they check in for their flight, transit screening checkpoints, and board the aircraft. This report discusses FAMS's (1) transfer to ICE and key practices that could facilitate its return to TSA, and (2) management of mission-related incidents that affect air marshals' ability to operate discreetly.

## What GAO Recommends

GAO recommends that the Secretary of the Department of Homeland Security (DHS) adopt key practices for successful mergers and transformations, to include developing an overall strategy with implementation goals and milestones and a communication strategy. GAO is also recommending that the Secretary direct FAMS to improve management controls for recording, tracking, and addressing mission incidents and communicating the outcome of actions taken to address them.

DHS reviewed a draft of this report and agreed with GAO's findings and recommendations.

[www.gao.gov/cgi-bin/getrpt?GAO-06-203](http://www.gao.gov/cgi-bin/getrpt?GAO-06-203).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Cathleen A. Berrick at (202) 512-8777 or [berrickc@gao.gov](mailto:berrickc@gao.gov).

## AVIATION SECURITY

# Federal Air Marshal Service Could Benefit from Improved Planning and Controls

## What GAO Found

DHS made limited progress in achieving the intended objectives of its transfer of FAMS to ICE, which included (1) developing a "surge" capacity through cross-training ICE agents, and (2) enhancing federal air marshals' career opportunities. Specifically, DHS had developed some surge capacity by cross-training a number of ICE agents but suspended these efforts in October 2004 in response to congressional concerns that the cross-training was an ineffective use of resources and training. DHS indicated that it would continue to support the surge effort, but had not determined whether and when it would resume cross-training to support this initiative. Further, although DHS recognized that federal air marshals' career opportunities were limited, it had not developed plans to expand them through investigative or other duties. Moreover, DHS had not determined how these transition objectives would be met because it had not developed an overall strategy to include implementation goals, measures, and a timeline to help target performance shortfalls and suggest midcourse corrections—a key practice for a successful transformation. DHS also had not developed a communication strategy to create shared expectations and report related progress on the transition to employees and other stakeholders—another key practice. With its return of FAMS to TSA, DHS's prior experience in transferring FAMS to ICE can provide useful information on key practices to consider in effecting a successful transition.

FAMS lacks adequate management controls to help ensure that mission-related incidents that affect air marshals' ability to operate discreetly are recorded, tracked, and addressed. For example, FAMS has not developed a written policy that establishes criteria for when and how federal air marshals are to complete mission reports on incidents they encounter during their missions. In addition, FAMS lacks adequate controls to ensure that the outcome of actions taken to address these incidents was communicated to the federal air marshals who originally reported them. Not providing such information may serve to discourage federal air marshals from submitting future reports. FAMS officials have acknowledged that FAMS lacks written policies to govern the use and management of mission reports and stated that FAMS plans to develop such policies in the near future.

### Federal Air Marshals Protect Passengers, Crew, and Aircraft



Source: ICE and FAMS.

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## Abbreviations

ATSA	Aviation and Transportation Security Act
BTS	Border and Transportation Security Directorate
DHS	Department of Homeland Security
DOT	Department of Transportation
FAA	Federal Aviation Administration
FAMS	Federal Air Marshal Service
GS	General Schedule
ICE	U.S. Immigration and Customs Enforcement Bureau
OPM	Office of Personnel Management
SAC	Special Agent-in-Charge
TSA	Transportation Security Administration

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United States Government Accountability Office  
Washington, DC 20548

November 28, 2005

The Honorable Peter A. DeFazio  
House of Representatives

Dear Mr. DeFazio:

With approximately 25,000 flights arriving or departing the United States each day, the Federal Air Marshal Service (FAMS) plays a critical role in securing our nation's commercial aviation system by detecting, deterring, and defeating hostile acts targeting U.S. air carriers, airports, passengers, and crews. In recent years, FAMS has undergone a number of significant changes to its organizational structure, workforce, and mission. In response to the September 11, 2001, terrorist attacks, FAMS was faced with the formidable task of ramping up its workforce—from an agency with fewer than 50 federal air marshals to thousands—and expanding its mission to include the protection of both domestic and international flights.<sup>1</sup> Pursuant to the Aviation and Transportation Security Act (ATSA)—enacted in November 2001—authority over FAMS shifted from the Federal Aviation Administration (FAA) to the Transportation Security Administration (TSA) within the Department of Transportation (DOT).<sup>2</sup> Over the next 2 years, FAMS transferred two more times. FAMS's most recent transfer during that timeframe<sup>3</sup> occurred in November 2003, when FAMS moved from TSA to the U.S. Immigration and Customs Enforcement Bureau (ICE)—the largest law enforcement component within the Department of Homeland Security (DHS).<sup>4</sup>

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<sup>1</sup>The exact number of federal air marshals is classified.

<sup>2</sup>Pub. L. No. 107-71, 115 Stat. 597 (2001).

<sup>3</sup>In March 2003, pursuant to the Homeland Security Act of 2002, FAMS, along with TSA, was transferred from the Department of Transportation to the Department of Homeland Security. Pub. L. No. 107-296, 116 Stat. 2135.

<sup>4</sup>FAMS was formerly located within DHS's Border and Transportation Security Directorate (BTS), one of five operational directorates within the department. As part of his July 2005 reorganization announcement, the Secretary of DHS proposed the dissolution of BTS, pending the enactment of legislation to effect this change. With the passage of the fiscal year 2006 Department of Homeland Security Appropriations Act (Pub. L. No. 109-90), signed into law on October 18, 2005, the functions of BTS have been merged into other offices and component agencies throughout DHS.

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There were two stated objectives related to FAMS's transfer to ICE. According to the then-Secretary of Homeland Security, the first objective involved cross-training customs agents and immigration officers to function as federal air marshals during heightened threat levels, thereby providing a "surge" capability that could be deployed in response to an increased threat. In announcing the second objective, the Secretary stated that the transfer would also provide federal air marshals a greater range of law enforcement career options within a single agency. That is, because of the limited number of nonairborne (i.e., ground-based) positions within FAMS, federal air marshals had few career opportunities, which, if left unaddressed, could lead to morale and retention issues. Nearly 2 years after FAMS transferred to ICE—in July 2005—the newly appointed Secretary of DHS announced that FAMS would be transferred back to TSA to increase operational coordination and strengthen efforts to meet the common goal of aviation security. This transfer became effective in October 2005.

To carry out its mission, FAMS deploys specially trained and armed federal air marshals on board aircraft to protect passengers, crew, and aircraft from terrorist activities. According to FAMS's mission deployment procedures, federal air marshals are to operate as "discreet" (semicovert) professionals when checking-in at airports, passing through security screening checkpoints, and boarding the aircraft during their missions. In doing so, federal air marshals are to blend in with passengers while covering high-risk domestic and international flights on U.S. aircraft. While FAMS's procedures focus on discretion, there are times when federal air marshals encounter mission-related situations (i.e., incidents) that affect their ability to conduct their missions discreetly. Such incidents may include miscommunication between a federal air marshal and an airline staff regarding the manner in which the federal air marshal can board the aircraft.

In this report, we address: (1) the progress DHS made in achieving its stated objectives in transferring FAMS to ICE and the key practices that could facilitate its efforts to return FAMS to TSA and (2) the extent to which FAMS has adequate controls to manage mission-related incidents that affect federal air marshals' ability to operate discreetly. Some information related to FAMS and federal air marshals' ability to operate discreetly is considered sensitive security information. Accordingly, we

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issued a separate restricted version of this report containing that information.<sup>5</sup>

To answer these questions, we reviewed applicable laws, regulations, operational policies and procedures, and other relevant documentation. We also interviewed officials from DHS, ICE, BTS, TSA, and FAMS to discuss FAMS's transfer to ICE. Additionally, we considered our prior work on key practices used by public and private sector organizations that have undergone successful mergers and transformations.<sup>6</sup> The nine key practices are described in greater detail in appendix II. We did not conduct an in-depth analysis comparing all of these practices with the transfer of FAMS to ICE. However, using the documentation provided and interviews we conducted, we examined the information gathered in light of two of the nine transformation practices to determine the extent to which the agency (1) established an overall strategy with implementation goals and a timeline to guide the integration effort into ICE, and (2) employed a communication strategy to keep employees informed of the progress of the integration. We selected these two practices as criteria for this review because they are especially important to ensuring that DHS has the planning framework necessary to guide and monitor its transformation efforts—which we have also underscored in our previous work on DHS.

In addition, we interviewed 19 federal air marshals and 5 FAMS Special Agents in Charge (SAC) in 5 selected field locations around the country. Generally, we chose these locations on the basis of geographical dispersion. They included: Washington, D.C.; Dallas, Texas; New York, New York; Atlanta, Georgia; and Philadelphia, Pennsylvania. Federal air marshals at these locations fly throughout the nation so their experiences potentially cover airports throughout the United States. During these interviews, we obtained information on a range of issues related to the transfer of FAMS to ICE. Through these interviews, we also gained a more complete understanding of federal air marshals' mission deployment procedures and their experiences regarding incidents that affect their

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<sup>5</sup>The report containing sensitive security information is GAO, *Aviation Security: Federal Air Marshal Service Could Benefit From Improved Planning and Controls*, [GAO-05-884SU](#) (Washington D.C.: Sept. 29, 2005).

<sup>6</sup>GAO, *Results-Oriented Cultures: Implementation Steps to Assist Mergers and Organizational Transformations*, GAO-03-669 (Washington, D.C.: July 2, 2003), and GAO, *Highlights of a GAO Forum: Mergers and Transformation: Lessons Learned for a Department of Homeland Security and Other Federal Agencies*, GAO-03-293SP (Washington, D.C.: Nov. 14, 2002).

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ability to operate discreetly during their mission. However, the information we obtained during these interviews cannot be generalized to all federal air marshals. A more detailed description of our scope and methodology is contained in appendix I. We conducted our work from June 2004 through August 2005 in accordance with generally accepted government auditing standards.

In July 2005, after we had completed most of this review, the Secretary of Homeland Security announced that FAMS would be transferred back to TSA. This transfer became effective in October 2005. We believe that DHS's prior experience in transferring FAMS to ICE can provide useful information in identifying key practices for DHS to consider in effecting a successful transition to TSA. Accordingly, this report addresses key lessons learned from the earlier transition to help facilitate FAMS's movement back to TSA.

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## Results in Brief

In the nearly 2 years that FAMS was part of ICE, DHS had made limited progress in achieving its stated objectives to develop a surge capacity through cross-training ICE agents and to enhance federal air marshals' career opportunities. Specifically, DHS had developed some surge capacity by cross-training a number of ICE agents but suspended these efforts in October 2004 in response to congressional concerns that the cross-training was an ineffective use of resources and training.<sup>7</sup> DHS indicated that it would continue to support the surge effort but had not determined whether and when it would resume cross-training to support this initiative. Further, although DHS recognized that federal air marshals' career opportunities were limited, it had not developed plans to expand them by providing additional opportunities through investigative or other duties. Moreover, DHS had not determined how these stated transition objectives would be met because it had not developed an overall strategy to include implementation goals, measures, and a timeline to help target performance shortfalls and suggest midcourse corrections, including any needed adjustments to future goals and milestones—a key practice for a successful merger and transformation effort. In addition, DHS had not developed a communication strategy to create shared expectations within the organization and report related progress on the transition to employees and other stakeholders—another key practice. Our previous

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<sup>7</sup>The exact number of ICE agents who received cross-training is considered sensitive security information and discussed in the restricted version of this report, [GAO-05-884SU](#).



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reports have underscored the importance of DHS's adopting similar practices to facilitate its transformation efforts.<sup>8</sup> With its return of FAMS to TSA, DHS has an opportunity to learn from its experience, including how these key practices can help to facilitate FAMS's transfer back to TSA.

In addition, FAMS lacks adequate management controls to help ensure that mission-related incidents that affect air marshals' ability to operate discreetly are recorded, tracked, and addressed. For example, FAMS has not developed a written policy that establishes criteria for when and how federal air marshals are to complete mission reports on incidents they encounter during their missions. In addition, FAMS lacks adequate controls to ensure that the outcome of actions taken to address these incidents are communicated to the federal air marshals who originally reported them. Not providing such information may serve to discourage federal air marshals from submitting future reports. FAMS officials have acknowledged that FAMS lacks written policies to govern the use and management of mission reports and stated that FAMS plans to develop such policies in the near future.

To help the department in its efforts to achieve a successful transformation effort in returning FAMS to TSA, we are recommending that the Secretary of the Department of Homeland Security adopt, for this transformation, key practices for successful mergers and transformations that we have previously recommended to the department, which include developing an overall strategy with implementation goals and a timeline to build momentum and show progress as well as a communication strategy to share expectations and report related progress. We are also recommending that the Secretary take four actions to establish better management controls related to recording, tracking, and addressing mission incidents as well as communicating the outcome of actions taken to address these incidents.

We provided a draft copy of this report to DHS for review. DHS, in its written comments, agreed with the findings and recommendations in the report. The full text of DHS's comments is included in appendix III.

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<sup>8</sup>See for example, GAO, *Highlights of a GAO Forum: Mergers and Transformations: Lessons Learned for a Department of Homeland Security and Other Federal Agencies*, GAO-03-293SP (Washington D.C.: Nov. 14, 2002).

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## Background

Originally established as the Sky Marshal program in the 1970s to counter hijackers, FAMS was expanded in response to the September 11, 2001, terrorist attacks through the passage of ATSA. This law required a dramatic increase in FAMS's mission and workforce and mandated the deployment of federal air marshals on all high security risk flights.<sup>9</sup> To create an expanded workforce, FAA began an intensive effort on September 17, 2001, to recruit federal air marshals in unprecedented numbers. Until FAA could hire, train, and deploy the first few classes of federal air marshals, other federal agencies made law enforcement officers available to augment FAMS. Since that time, FAMS has grown from a relatively centralized organization with one office to a highly decentralized agency with thousands of federal air marshals assigned to 21 field offices—each headed by a Special Agent in Charge, or SAC—throughout the United States.

In addition to changes in its size and mission, FAMS has also undergone several organizational transformations since September 11, 2001, moving from FAA to TSA in November 2001, and from DOT to DHS in March 2003. Several months later—in November 2003—FAMS was transferred from TSA to ICE, based, in part, on the conclusions reached by a BTS-commissioned internal working group.<sup>10</sup> Tasked with determining the merits of a potential transfer, the working group concluded that transferring FAMS to ICE could improve the security of the nation's aviation system by providing a surge capability during times of increased aviation threats by augmenting federal air marshals with ICE agents. The working group also concluded that FAMS's transfer to ICE could provide federal air marshals with the same type of law enforcement career options that were available to ICE agents. In July 2005—nearly 2 years after its transfer of FAMS from TSA to ICE—DHS announced that FAMS would be returned to TSA to increase operational coordination and strengthen efforts to meet the common goal of aviation security. This transfer became effective in October 2005.

To carry out its mission, FAMS deploys federal air marshals on board flights either destined for or originating in the United States, based on FAMS's Concept of Operations. Deployed to passenger flights, federal air

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<sup>9</sup>§ 105 of ATSA amended title 49 of the United States Code by inserting § 44917 into chapter 449.

<sup>10</sup>Members of the working group included the Director of FAMS and representatives from BTS, DHS, TSA, and ICE.

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marshals dress in plain clothes to blend in with other passengers and perform their duties discreetly in an effort to avoid drawing undue attention to themselves. Federal air marshals are subject to FAMS procedures for checking-in for their flights, passing through security screening checkpoints, and boarding aircraft.<sup>11</sup> According to FAMS, these procedures were designed to enable federal air marshals to carry out their missions in a discreet manner in order to help protect their identities, while facilitating coordination and communication with crew and airline staff.

While FAMS's mission deployment procedures focus on discretion, federal air marshals may encounter mission-related incidents that affect their ability to conduct their missions discreetly.<sup>12</sup> FAMS has directed that, in the event that federal air marshals encounter such incidents, they should contact the FAMS Mission Operations Center,<sup>13</sup> to the extent they believe that the incident could be evidence of a systemic problem. As we discuss later in this report, federal air marshals are not required to file a "mission report" for every incident they encounter. That is, the Mission Operations Center staff may or may not request that the federal air marshal who encountered the incident file a written mission report.

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<sup>11</sup>Federal air marshals are also subject to certain TSA operating procedures—which vary by airport—and to airline procedures in boarding aircraft, which differ by air carrier. In this regard, federal air marshals must interact, to varying degrees, with airline and airport personnel and TSA staff during the course of their daily mission.

<sup>12</sup>More specific information regarding the nature of these incidents is considered sensitive security information and discussed in the restricted version of this report, [GAO-05-884SU](#).

<sup>13</sup>The Mission Operations Center controls daily operations and monitors ongoing missions by, among other things, tracking federal air marshal teams that are in the aviation domain worldwide.

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## DHS Made Limited Progress in Achieving Its Stated Objectives in Transferring FAMS to ICE and Could Benefit from Key Transformation Practices in Returning FAMS to TSA

In the nearly 2 years that FAMS was part of ICE, DHS had made limited progress in achieving its stated objectives to develop a surge capacity through cross-training ICE agents and to enhance federal air marshals' career opportunities. Specifically, DHS had developed some surge capacity by cross-training a number of ICE agents,<sup>14</sup> but suspended these efforts in October 2004 in response to congressional concerns that the cross-training was an ineffective use of resources and training. DHS indicated that it would continue to support the surge effort, but had not determined whether and when it would resume cross-training to support this initiative. Further, although DHS recognized that federal air marshals' career opportunities were limited, it had not developed plans to expand them by providing additional opportunities through investigative or other duties. Moreover, DHS had not determined how these stated transition objectives would be met because it had not developed an overall strategy to include implementation goals, measures, and a timeline to help target performance shortfalls and suggest midcourse corrections, including any needed adjustments to future goals and milestones—a key practice for a successful merger and transformation effort. In addition, DHS had not developed a communication strategy to create shared expectations within the organization and report related progress on the transition to employees and other stakeholders—another key practice. Our previous reports have underscored the importance of DHS's adopting similar practices to facilitate its transformation efforts.<sup>15</sup> With its return of FAMS to TSA, DHS has an opportunity to learn from its experience, including how these key practices can facilitate FAMS's transfer back to TSA.

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## Some Surge Capacity Had Been Developed, but DHS Suspended Efforts to Cross-Train ICE Agents

One of DHS's objectives in transferring FAMS to ICE was to create a "surge capacity;" that is, strengthening aviation security in a heightened threat environment by tactically deploying ICE agents to supplement FAMS's existing deployments of federal air marshals on U.S. aircraft. The Secretary of DHS announced in December 2003 that this surge capacity would be achieved through training the over 5,000 ICE agents from ICE's

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<sup>14</sup>As we noted earlier, the exact number of ICE agents who received cross-training is considered sensitive security information and discussed in the restricted version of this report, [GAO-05-884SU](#).

<sup>15</sup>See for example, GAO, *Highlights of a GAO Forum: Mergers and Transformations: Lessons Learned for a Department of Homeland Security and Other Federal Agencies*, GAO-03-293SP (Washington D.C.: Nov. 14, 2002).

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Office of Investigations.<sup>16</sup> Specifically, these agents, who typically conduct immigration and customs-related investigations, could also be deployed to supplement federal air marshals on commercial airlines, thereby providing a manpower reserve from which DHS could draw upon when heightened threat conditions warranted increased flight coverage. In March 2004, the Assistant Secretary for ICE testified before the Appropriations Committees that ICE anticipated providing this cross-training to no less than 800 ICE agents by the end of fiscal year 2004.<sup>17</sup>

Between December 2003 and October 2004, a number of ICE agents received cross-training in the skills necessary to supplement federal air marshals during a heightened threat level. Some of those agents were deployed and temporarily assigned to augment federal air marshals on flights in response to a heightened threat alert.<sup>18</sup> According to FAMS, these ICE agents were chosen for surge deployment based on their previous FAMS training—including extensive firearms training—and flying experience as temporary federal air marshals.<sup>19</sup> That is, these agents, employees of the former U.S. Customs Service, had been among the law enforcement officers who had previously flown as temporary federal air marshals to augment FAMS following the September 11, 2001, attacks, from October 2001 through May 2002.<sup>20</sup> To prepare for the surge

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<sup>16</sup>With agents located in 27 field offices throughout the United States, ICE's Office of Investigations enforces trade and immigration laws through the investigation of activities, persons, and incidents that may pose a threat to U.S. safety and security. These include the illegal trafficking in weapons, narcotics and contraband smuggling, human smuggling and trafficking, violations of the immigration system, money laundering and other financial crimes, fraudulent trade practices, child pornography, and child sex tourism. Its key missions are strengthening national security, combating smuggling and promoting public safety, and securing the nation's economic system from terrorist and criminal exploitation.

<sup>17</sup>For example, see Statement of Michael J. Garcia, Assistant Secretary, U.S. Immigration and Customs Enforcement, Department of Homeland Security, before the Senate Appropriations Committee, Subcommittee on Homeland Security, March 30, 2004.

<sup>18</sup>The exact number of ICE agents who were deployed is considered sensitive security information and discussed in the restricted version of this report, [GAO-05-884SU](#).

<sup>19</sup>Once these agents completed FAMS's 40-hour training program, they were temporarily assigned to the FAA's air marshal program to augment their security mission.

<sup>20</sup>These agents were among the federal law enforcement officers used from various agencies who had been trained and deployed as temporary air marshals to augment the small number of federal air marshals employed at that time. These officers acted as a stopgap measure, while FAMS selected, hired, trained, and deployed permanent air marshals.

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deployment, these ICE agents received a 3-day refresher training in current FAMS's procedures, policies, and updated firearms techniques.

Following the surge deployment in January 2004, FAMS developed and implemented a 40-hour cross-training curriculum for ICE agents so they could supplement federal air marshals during a surge deployment. This training was substantially similar to the training provided to federal air marshals, which included instruction in areas such as the use of firearms and boarding procedures.

In October 2004, ICE suspended its cross-training efforts in response to congressional concerns that the cross-training was an ineffective use of resources and training. Specifically, in a June 2004 House Appropriations Committee report, the Committee expressed concerns regarding how ICE agents would maintain their skills as federal air marshals since they did not regularly perform federal air marshal duties. The Committee directed that each cross-trained ICE agent fly missions with a federal air marshal for a minimum of 24 hours per quarter, beginning October 1, 2004.<sup>21</sup> However, in the October 2004 report that accompanied the fiscal year 2005 DHS Appropriations Act, the Conference Committee suggested that the cross-training provided to ICE agents was an ineffective use of resources.<sup>22</sup> The Committee further suggested that the training of ICE agents to serve as federal air marshals in a surge capacity be discontinued. In response, DHS suspended its cross-training efforts at that time. ICE later stated that it would continue to support the surge effort, but had not determined whether and when it would resume cross-training to support this initiative. With DHS's transfer of FAMS to TSA, it is unclear whether or how cross-training will be used to augment federal air marshals during heightened threat levels.

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<sup>21</sup>H.R. Rep. No. 108-541, at 32, 36 (June 15, 2004).

<sup>22</sup>H.R. Conf. Rep. No. 108-774, at 46 (Oct. 9, 2004).

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DHS Recognized That Federal Air Marshals' Career Opportunities Were Limited but Had Not Developed Plans to Expand Them

Another of DHS's objectives in its transfer of FAMS from TSA to ICE was to expand career opportunities for federal air marshals. Both FAMS and ICE officials have stated that the transfer was intended to provide federal air marshals with ground-based assignments, such as nonflying supervisory or other positions and thus establish additional career opportunities for federal air marshals. These officials told us that federal air marshals cannot sustain a career in an airborne position, based on such factors as the frequency of flying, their irregular schedules, and the monotony of flying repetitive assignments.

A study commissioned by ICE in March 2004 reflected concerns over federal air marshals' limited career opportunities. Specifically, ICE commissioned IBM to determine, among other things, the current status of federal air marshals' career development and advancement opportunities. The study found that the overwhelming majority of federal air marshals were expected to reach the highest pay level in their job position by August 2004, and that FAMS had only a limited number of supervisory opportunities beyond that pay level. The study concluded that without career development and promotion opportunities, FAMS could experience a decline in employee morale and an increase in attrition rates.

As a means of providing expanded career opportunities, FAMS management has advocated that federal air marshals' current position as a "civil aviation security specialist" be re-classified to that of a criminal investigator.<sup>23</sup> Recognizing that career paths for criminal investigators provide greater opportunity for movement than civil aviation security specialists, FAMS commissioned a study by a private contractor to determine the feasibility of such a conversion. Among other things, the study concluded that because the mission of air marshals had changed after September 11, 2001—from enforcing FAA regulations onboard aircraft, to detecting, deterring, and defeating criminal acts in the aviation domain—federal air marshals satisfied the requirements of a criminal investigator position. The study further stated that career opportunities were more prevalent for those qualified as criminal investigators because these positions possess knowledge, skills, and abilities that are

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<sup>23</sup>Under OPM's position classification standards, aviation security specialists are classified within the general inspection, investigation, and compliance occupational series (referred to as a GS-1801), which involves ensuring compliance with federal laws, regulations, or mandatory guidelines. Criminal investigator positions are classified within the "criminal" investigation occupational series (referred to as a GS-1811), which involves planning and investigating alleged or suspected criminal violations.

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interchangeable across different agencies. In addition, the study found that criminal investigators could more successfully compete for similar positions in other law enforcement agencies and enjoyed greater opportunities for advancement and higher compensation in the federal government.

In January 2005, FAMS presented the results of the study to the management of DHS's Border and Transportation Security (BTS) directorate for their consideration. In reviewing the study's findings and additional research conducted by ICE's legal and human resources staff, BTS, along with ICE management, concluded that the reclassification of federal air marshals from an aviation security specialist position to a criminal investigator position was not an appropriate course of action. In addressing the study's conclusions, officials maintained that the primary duties of a federal air marshal—to protect passengers, crews, and aircraft from terrorist activities—were “not investigative in nature” and were inconsistent with the Office of Personnel Management's (OPM) classification standards for the criminal investigator series. DHS also concluded that without any significant changes in the duties of federal air marshals, it did not see a basis for the conversion.

In January 2005, ICE formed an Advisory Board to address issues related to FAMS's transfer to ICE, including expanding federal air marshals' career opportunities.<sup>24</sup> ICE senior management officials, who served as members of the board, stated that they would have liked to expand career opportunities for federal air marshals if FAMS were to continue to reside in ICE, such as creating additional ground-based mission assignments. One of these officials said that federal air marshals could have potentially assumed a limited intelligence and surveillance role, such as assessing aircraft vulnerability and interdicting drugs and/or contraband aboard aircraft. As of June 2005, however, ICE had not developed any plans for doing so. With FAMS's transition to TSA, it is unclear whether or how federal air marshals' career opportunities may be expanded.

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<sup>24</sup>Board members included ICE's Deputy Assistant Secretary, the senior advisor to ICE's Deputy Assistant Secretary, the special counsel to ICE's Assistant Secretary, FAMS's Deputy Director, and two FAMS field senior executives.



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## Key Practices Could Facilitate FAMS's Return to TSA

In light of its announcement to return FAMS to TSA, DHS has an opportunity to learn from its experience in transferring FAMS to ICE, including the importance that key practices can have in leading to successful transformation efforts within public and private sector organizations. Our July 2003 report on implementation steps to assist mergers and transformations identified nine key practices followed by public and private sector organizations that have led to successful transformations.<sup>25</sup> All nine key practices and associated implementation steps are shown in appendix II. While all nine practices are important, we identified two practices that, in our view, could have enhanced DHS's efforts to meet its stated objectives in transferring FAMS to ICE. These practices are (1) developing an overall strategy with implementation goals and a timeline to build momentum and show progress, and (2) establishing a communication strategy to create shared expectations and report related progress. We believe these practices would be particularly helpful for DHS and could increase its likelihood for a successful transformation effort in returning FAMS to TSA.

As we discussed earlier, one of DHS's stated objectives in transferring FAMS to ICE was to create a surge capacity during heightened threat levels. However, while DHS had indicated that it would train no less than 800 ICE agents by the end of fiscal year 2004, it did not have an overall strategy to identify how it would sustain a surge capacity. Such a strategy could have contained implementation goals, measures, and milestones to help target performance shortfalls and suggest midcourse corrections. Another of DHS's stated objectives was to expand career opportunities for federal air marshals. However, DHS had not identified any implementation goals nor time frames for how and when it planned to develop these career opportunities, such as the types of opportunities to be provided or when federal air marshals could expect these opportunities to become available.

Establishing implementation goals and associated timelines are critical to ensuring a successful integration as well as pinpointing performance shortfalls and gaps and suggesting midcourse corrections. Such goals and timelines could be contained in an overall integration strategy for a merger or transformation effort. Further, such a strategy typically goes beyond what is contained in an agency strategic plan and provides more specific operational and tactical information to manage a sustained effort. Our

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<sup>25</sup>GAO, *Results-Oriented Cultures: Implementation Steps to Assist Mergers and Organizational Transformations*, GAO-03-669 (Washington, D.C.: July 2, 2003).

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previous work has also underscored the importance of DHS adopting similar practices to help guide its overall management integration effort.<sup>26</sup>

Further, DHS had not developed a communication strategy to create shared expectations within the organization and report related progress on FAMS's transition into ICE to employees and other stakeholders—another key practice of a successful merger or transformation. ICE officials shared with us various forms of communications they had issued to employees over the period of a few months, between September and December 2003. Those communications included e-mails, broadcast messages, and agency press releases. Officials also provided us with an agenda for a televised roundtable discussion that had been broadcast to ICE employees at various times in October 2003 regarding aspects of the transition. The discussion centered on an exchange between the Director of FAMS and the Acting Assistant Secretary of ICE to address, among other things, issues related to personnel and the cross-training of ICE agents and federal air marshals. Beyond these efforts, ICE could not identify any subsequent communications made to keep ICE employees informed about the progress of the transition—specifically, what employees could expect and by when. Further, 14 of the 19 federal air marshals we interviewed during our review felt that ICE management had not kept them adequately informed about the progress of the transition. Also, 13 of the 19 federal air marshals said they were unclear or confused about how they would become integrated into ICE.

Creating an effective, ongoing communication strategy is essential to implementing a merger or transformation. Organizations should develop a communication strategy that reaches out to employees and seeks to genuinely engage them in the merger and transformation process and not just “push the message out.” For example, communication should help employees understand how the changes from the transformation will affect them and how their responsibilities might change with the new organization. In addition, a communication strategy is especially crucial in the public sector where policy-making and program management demands transparency. For example, such a strategy should include not only what results are to be achieved, but also which processes are to be used to achieve those results.

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<sup>26</sup>For example, see GAO, *Department of Homeland Security: A Comprehensive and Sustained Approach Needed to Achieve Management Integration*, GAO-05-139 (Washington, D.C.: Mar. 16, 2005) and GAO, *Homeland Security: Critical Design and Implementation Issues*, GAO-02-957T (Washington, D.C.: July 17, 2002).

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## FAMS Lacks Adequate Controls to Manage Incidents That Affect Federal Air Marshals' Ability to Operate Discreetly

FAMS lacks adequate controls to manage mission-related incidents that affect air marshals' ability to operate discreetly. Internal controls comprise the plans, methods, and procedures used to meet organizations' missions, goals, and objectives. Federal standards for internal control define the minimum level of quality acceptable for internal control in the federal government. Accordingly, these standards provide that: (1) internal controls and all transactions and other significant events be clearly documented, (2) controls be generally designed to ensure that ongoing monitoring occurs during the course of normal operations, and (3) pertinent information be communicated throughout an organization to allow employees to perform their duties efficiently.<sup>27</sup> Our review of FAMS's mission reporting process noted weaknesses in each of these control areas.

FAMS lacks adequate controls to help ensure that incidents federal air marshals encounter that affect their ability to operate discreetly are recorded. Specifically, FAMS officials stated that FAMS does not maintain a record of these types of incidents unless a mission report is filed. Standards for internal control in the federal government require that all transactions and other significant events be clearly documented in a manner that is complete, accurate, and useful to managers and others involved in evaluating operations. FAMS has directed that, in the event that federal air marshals encounter incidents affecting their ability to operate discreetly, they are to contact the Mission Operations Center to the extent the air marshals believe that the incident could be evidence of a systemic problem.<sup>28</sup> In contacting the Operations Center, the federal air marshal is to request guidance for resolving the incident. The Operations Center may then ask the federal air marshal to submit a mission report to FAMS's Office of Field Operations (Field Operations) to describe the incident in greater detail.<sup>29</sup> However, if the federal air marshal does not

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<sup>27</sup>GAO, *Standards for Internal Control in the Federal Government*, GAO/AIMD-00-21.3.1 (Washington, D.C.: November 1999).

<sup>28</sup>Specifically, the federal air marshal contacts a designated controller at the Mission Operations Center to describe the details of the incident. The controller then attempts to provide guidance to the federal air marshal to help resolve the incident. If the controller cannot resolve the situation at that point in time, he/she refers the federal air marshal to a designated watch officer at the Operations Center who will attempt to resolve the incident directly or provide guidance to the federal air marshal for resolving the issue.

<sup>29</sup>According to FAMS, mission reports do not include incidents that present a direct or imminent threat to aircraft, passengers, crew, or other persons or property. In the event that federal air marshals encounter incidents that pose such threats, they can file an "incident report."

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submit a mission report, FAMS does not maintain a record of the incident. In addition, FAMS has not developed a written policy that establishes criteria for when and how mission reports are to be completed and filed. According to FAMS, instruction in the use and completion of mission reports is communicated orally through FAMS training and not through formal written guidance. Without a means for ensuring that all incidents are recorded, and absent written criteria that defines when and how mission reports are to be completed, FAMS cannot provide reasonable assurance that it is aware of the full extent of incidents that federal air marshals encounter.

FAMS also lacks controls to help ensure that reported incidents are systematically tracked so that it can retrieve and analyze data on reported incidents, thereby ensuring ongoing monitoring of incidents. Federal standards for internal control require that controls generally be designed to ensure that ongoing monitoring occurs during the course of normal operations. FAMS has acknowledged that it lacks a tool to capture and retrieve data on mission reports. The absence of such a tool limits FAMS's ability to track and analyze relevant information and monitor trends to identify operational areas in need of improvement based on the reported incidents and thereby preventing potential incidents.

In addition, while FAMS has developed a process for reviewing and addressing incidents identified in mission reports once filed, and issued guidance to its field offices that outlines this process, it has not established formal written policies and procedures to document the process. Federal standards for internal control require that internal controls are to be documented and the documentation be readily available for examination. According to FAMS, its process for reviewing and addressing incidents identified in mission reports involves Field Operations' review of the mission reports to determine if further action is warranted on the incident. FAMS officials stated that, as part of this review, Field Operations may deem some incidents as "local issues;" for example, miscommunication between a federal air marshal and an airline staff regarding the manner in which the air marshal can board the aircraft. Mission reports involving local issues are forwarded to the relevant FAMS field office and may be resolved through the on-site airport liaisons or the

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local Special Agent in Charge for the airport where the incident occurred.<sup>30</sup> Field Operations may also deem some incidents as “national issues;” that is, incidents that are not unique to a specific airport, such as an incident involving the flight crew of a particular airline. These types of incidents are forwarded to FAMS’s Liaison Division (located within the Office of Flight Operations). In attempting to address the issue, the Liaison Division may contact TSA or the airline’s corporate security office, depending on whether the incident involved check-in, security checkpoint, or boarding procedures.

Furthermore, FAMS lacks controls to help ensure that the results of actions taken to address incidents identified in mission reports are communicated to the federal air marshals who originally filed the reports. Not providing such information may serve to discourage federal air marshals from submitting future reports. Standards for internal control state that pertinent information should be communicated throughout an organization to allow employees to perform their duties efficiently. According to FAMS, Field Operations provides feedback to the relevant field office SAC on actions taken to resolve incidents in the mission reports. The SAC’s communication of these results to the federal air marshals in the particular office is discretionary. Of the 15 federal air marshals we interviewed who said they had filed a mission report, 12 said they had not received feedback on the outcome of the report. Some federal air marshals identified the importance of having feedback on the outcome of the reports, noting that not having feedback discourages them from filing future reports. For example, one federal air marshal stated that he and other federal air marshals in his office had stopped filing mission reports because they did not receive feedback on the outcome of the reports they had previously filed. Another federal air marshal said that federal air marshals in his field office were generally dissatisfied with the lack of feedback on the mission reports they had filed.

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<sup>30</sup>FAMS field offices have assigned federal air marshal supervisors to serve as on-site airport liaisons at various airports that are within their geographical location. In general, these liaisons assist in establishing and maintaining effective working relationships with airport, law enforcement, and private industry officials. Liaison duties include, among other things, addressing with the local Federal Security Director at their assigned airport various incidents identified in mission reports, providing a consistent federal air marshal presence at airports, performing surveillance detection and counter-surveillance in their airport, and following up on suspicious individuals and activities reported by federal air marshals while carrying out their mission.

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FAMS officials stated that they recognize the importance of written policies to govern the use and management of these reports, and stated that FAMS is in the process of developing such policies to include how FAMS will review and address incidents identified in the reports and provide feedback on the outcome of these incidents in a timely manner. Although FAMS identified plans to strengthen controls over the management of these incidents, they did not identify time frames for when these would be completed.

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## Conclusions

In the nearly 2 years that FAMS was part of ICE, DHS made only limited progress in achieving its stated transition objectives of creating a surge capacity and enhancing federal air marshals' career opportunities. With its return of FAMS to TSA, DHS has an opportunity to learn from its experiences and adopt key practices for successful mergers and transformations to assist its efforts to transfer FAMS back into TSA. Such key practices include developing an overall strategy to include implementation goals, measures, and milestones to track the organization's progress in achieving its goals. By showing progress towards these goals, DHS could build momentum and demonstrate that real progress is being made. In addition, having a strategy with implementation goals and milestones could help target performance shortfalls and gaps and suggest midcourse corrections, including any needed adjustments to future goals and milestones. In addition, developing a communication strategy would help to inform employees about the status of the transition and provide transparency about specific actions to be taken and time frames for their completion. In light of the number of transformations FAMS has undergone in recent years, providing open communication to create shared expectations among all staff and stakeholders takes on added significance.

Further, with its critical role in helping to secure the nation's commercial aviation system, it is important that FAMS has adequate controls to manage information regarding incidents federal air marshals encounter during their missions that could compromise their mission. Such controls take on added importance in light of FAMS's growth from a small, centralized organization with only one office and the ability to cover a few missions to a larger decentralized organization with thousands of federal air marshals and a capacity to provide significantly expanded coverage. Absent adequate management controls, FAMS does not have a full account of reported incidents or a means for tracking, analyzing, and monitoring these incidents. Such information is necessary for identifying the full extent of reported incidents and for determining the operational areas in

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need of improvement. In addition, such controls would help to ensure that actions taken to resolve these incidents are reported to the federal air marshals who filed them.

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## Recommendations for Executive Action

To help ensure that the Department of Homeland Security has the planning framework necessary to guide and monitor its efforts to merge the Federal Air Marshal Service with the Transportation Security Administration, we are recommending that the Secretary of the Department of Homeland Security adopt key practices that have led to successful transformation efforts within public and private sector organizations by taking the following two actions:

- Develop an overall strategy with implementation goals and a timeline to build momentum and show progress.
- Develop a communication strategy to share expectations and report related progress.

In addition, to facilitate the Federal Air Marshal Service's management of incidents that affect federal air marshals' ability to operate discreetly during their missions, we are recommending that the Secretary of the Department of Homeland Security direct the Director of the Federal Air Marshal Service to take the following four actions:

- Develop a means for recording all incidents reported to the Mission Operations Center that affect federal air marshals' ability to operate discreetly and criteria for determining which incidents require federal air marshals to complete a mission report.
- Develop a means for tracking and retrieving data on mission reports to enable FAMS to analyze and monitor reported and systemic incidents.
- Establish written policies and procedures for reviewing and addressing reported incidents.
- Establish a means for providing feedback on the status and outcome of FAMS mission reports to the federal air marshals who submit them.

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## Agency Comments

We provided a draft of this report to DHS for review and comment. On November 7, 2005, we received written comments on the draft report, which are reproduced in full in appendix III. DHS agreed with the findings and recommendations in the report and described actions it had started or

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planned to take to implement them. With regard to our two recommendations related to key practices that have led to successful transformation efforts, DHS stated that FAMS and TSA will work closely with DHS's Under Secretary for Policy and Assistant Secretary for Strategic Planning to develop a comprehensive strategy with achievable goals and a timeline to assure progress. DHS also stated that FAMS will work with TSA and DHS leadership to develop a communication strategy intended to facilitate shared expectations and report progress. In addition, regarding our recommendations related to FAMS's management of incidents that affect federal air marshals' ability to operate discreetly during their missions, DHS stated that FAMS is in the process of drafting a written directive to establish policies and procedures for reporting and managing mission incidents. The directive is intended to restructure FAMS's management of mission reports to enable timely dissemination of and access to information, including feedback to management and employees. The directive will also establish a formalized tracking system for reporting incidents. Shortly after receiving comments from DHS, FAMS provided us with an official written directive that establishes policies and procedures for reporting and managing mission incidents. We reviewed this directive and believe that it addresses our recommendations related to (1) developing a means for recording all incidents reported to the Mission Operations Center that affect federal air marshals' ability to operate discreetly and criteria for determining which incidents require federal air marshals to complete a mission report and (2) establishing written policies and procedures for reviewing and addressing reported incidents.

In addition to commenting on our findings and recommendations, DHS provided technical comments on the report under separate cover, and we revised the draft report where appropriate.

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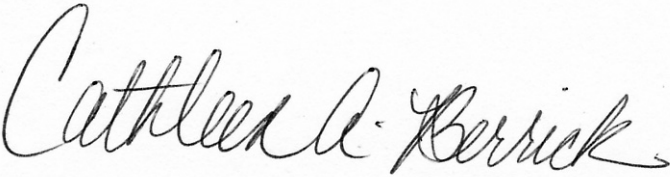
We will send copies of this report to the Secretary of Homeland Security, the TSA Administrator, and interested congressional committees as appropriate. We will also make copies available to others on request. In addition, the report will be available at no charge on GAO's Web site at <http://www.gao.gov>.



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If you or your staff have any questions about this report or wish to discuss it further, please contact me at (202) 512-8777 or [berrickc@gao.gov](mailto:berrickc@gao.gov). Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made major contributions to this report are listed in appendix IV.

Sincerely yours,

A handwritten signature in black ink that reads "Cathleen A. Berrick". The signature is written in a cursive style with a large initial 'C' and a small 'A'.

Cathleen A. Berrick  
Director, Homeland Security  
and Justice Issues

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# Appendix I: Objectives, Scope, and Methodology

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The objectives of this report were to determine: (1) the progress DHS made in achieving its stated objectives in transferring FAMS to ICE and the key practices that could facilitate its efforts to return FAMS to TSA; and (2) the extent to which FAMS has adequate controls to manage mission-related incidents that affect federal air marshals' ability to operate discreetly. To address these objectives, we reviewed relevant regulations, internal planning documents, agency policies and procedures, and federal air marshal mission reports, and interviewed a variety of federal officials and federal air marshals in selected field office locations. Some information related to FAMS and federal air marshals' ability to operate discreetly is considered Sensitive Security Information. Accordingly, we issued a separate restricted version of this report.<sup>1</sup>

To determine the progress DHS made in achieving its stated objectives in transferring FAMS to ICE, we reviewed and analyzed key documents about the transition effort as well as interviewed key officials from BTS, FAMS, and ICE management. Key documents included, but were not limited to, agency memorandums, various transition documents, materials from offices involved with implementing the transition effort, and studies that addressed issues related to career opportunities for federal air marshals. We also analyzed surge training information on the number of ICE agents cross-trained between December 2003 and October 2004 by geographical location. In addition, we spoke with officials at DHS, BTS, ICE, and FAMS to discuss the purpose and progress related to the transition of FAMS to ICE, including creating a surge capacity and enhancing federal air marshals' career opportunities. Further, we assessed DHS's progress in meeting its stated objectives by using key practices consistently found at the center of successful mergers, acquisitions, and transformations. These practices were identified to assist DHS in its consolidation before the department was created and were based on useful practices and lessons learned from major private and public sector organizational mergers, acquisitions, and transformations.<sup>2</sup> We selected two of these nine key practices as criteria for this review because they are especially important to ensuring that DHS has the planning framework

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<sup>1</sup>The report containing sensitive security information is GAO, *Aviation Security: Federal Air Marshal Service Could Benefit From Improved Planning and Controls*, GAO-05-884SU (Washington D.C.: Sept. 29, 2005).

<sup>2</sup>GAO, *Highlights of a GAO Forum, Mergers and Transformations: Lessons Learned for a Department of Homeland Security and Other Federal Agencies*, GAO-03-292SP (Washington, D.C.: Nov. 14, 2002).

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necessary to guide and monitor its efforts—which we have also underscored in our previous work on DHS—and to facilitating trust and transparency within the organization. The two selected practices were: setting implementation goals and a timeline to build momentum and show progress from day one and establishing a communication strategy that will serve to create shared expectations within the organization and at the same time report related progress on the merger.

In addition, we interviewed FAMS officials at their headquarters offices in Reston, Virginia, and their Mission Operations Center in Herndon, Virginia. Specifically, we spoke with officials in FAMS’ Mission Support, Flight Operations, Training and Development, and Field Operations offices to discuss the types of mission-related incidents that federal air marshals encounter during the course of their mission and how FAMS manages these incidents. Further, to determine the extent to which FAMS has adequate controls to manage mission-related incidents that affect federal air marshals’ ability to operate discreetly, we used our Standards for Internal Controls in the Federal Government and Internal Control Management and Evaluation Tool.<sup>3</sup>

Furthermore, in accomplishing our objectives, we conducted structured interviews with FAMS officials—including 5 SACS—and 19 federal air marshals in 5 of FAMS’s 21 field offices. Generally, we chose these offices on the basis of geographical dispersion. They included: Washington, D.C.; Dallas, Texas; New York, New York; Atlanta, Georgia; and Philadelphia, Pennsylvania. Among other things, we asked questions about the federal air marshals’ understanding of the transition of FAMS to ICE, including whether their roles and mission had changed as a result of the transition. We also asked the federal air marshals in these interviews a series of questions related to their mission experience at various airports. For example, we asked about the check-in, screening, and boarding practices

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<sup>3</sup>GAO issues standards for internal control in the federal government as required by the Federal Managers’ Financial Integrity Act of 1982. See 31 U.S.C. § 3512(c). GAO first issued the standards in 1983. GAO revised the standards and reissued them as *Standards for Internal Control in the Federal Government*, GAO/AIMD-00-21.3.1 (Washington, D.C.: November 1999). These standards provide the overall framework for establishing and maintaining internal control and for identifying and addressing major performance challenges and areas at greatest risk for fraud, waste and abuse, and mismanagement. GAO issued its *Internal Control Management and Evaluation Tool*, GAO-01-1008G (Washington, D.C.: August 2001) to assist agencies in maintaining or implementing effective internal control and, when needed, to help determine what, where, and how improvements can be implemented.

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that they have experienced while carrying out their missions. The results of these interviews provide examples of FAMS officials' and federal air marshals' experiences and perspectives and cannot be generalized beyond those we interviewed because we did not use statistical sampling techniques in selecting the field offices, officials, and federal air marshals. We conducted these interviews between October and November 2004 and in April 2005. We also made some follow-up calls in May and July of 2005. We conducted our work from June 2004 through August 2005 in accordance with generally accepted government auditing standards.

# Appendix II: Key Practices and Implementation Steps for Mergers and Organizational Transformations

Practice	Implementation step
Ensure top leadership drives the transformation.	<ul style="list-style-type: none"> <li>• Define and articulate a succinct and compelling reason for change.</li> <li>• Balance continued delivery of services with merger and transformation activities.</li> </ul>
Establish a coherent mission and integrated strategic goals to guide the transformation.	<ul style="list-style-type: none"> <li>• Adopt leading practices for results-oriented strategic planning and reporting.</li> </ul>
Focus on a key set of principles and priorities at the outset of the transformation.	<ul style="list-style-type: none"> <li>• Embed core values in every aspect of the organization to reinforce the new culture.</li> </ul>
<b>Set implementation goals and a timeline to build momentum and show progress from day one.</b>	<ul style="list-style-type: none"> <li>• <b>Make public implementation goals and timeline.</b></li> <li>• <b>Seek and monitor employee attitudes and take appropriate follow-up actions.</b></li> <li>• <b>Identify cultural features of merging organizations to increase understanding of former work environments.</b></li> <li>• <b>Attract and retain key talent.</b></li> <li>• <b>Establish an organizationwide knowledge and skills inventory to allow knowledge exchange among merging organizations.</b></li> </ul>
Dedicate an implementation team to manage the transformation process.	<ul style="list-style-type: none"> <li>• Establish networks to support implementation team.</li> <li>• Select high-performing team members.</li> </ul>
Use the performance management system to define the responsibility and assure accountability for change.	<ul style="list-style-type: none"> <li>• Adopt leading practices to implement effective performance management systems with adequate safeguards.</li> </ul>
<b>Establish a communication strategy to create shared expectations and report related progress.</b>	<ul style="list-style-type: none"> <li>• <b>Communicate early and often to build trust.</b></li> <li>• <b>Ensure consistency of message.</b></li> <li>• <b>Encourage two-way communication.</b></li> <li>• <b>Provide information to meet specific needs of employees.</b></li> </ul>
Involve employees to obtain their ideas and gain ownership for the transformation.	<ul style="list-style-type: none"> <li>• Use employee teams.</li> <li>• Involve employees in planning and sharing performance information.</li> <li>• Incorporate employee feedback into new policies and procedures.</li> <li>• Delegate authority to appropriate organizational levels.</li> </ul>
Build a world-class organization.	<ul style="list-style-type: none"> <li>• Adopt leading practices to build a world-class organization.</li> </ul>

Source: GAO.

# Appendix III: Comments from the Department of Homeland Security

U.S. Department of Homeland Security  
Washington, DC 20528



**Homeland  
Security**

November 7, 2005

Ms. Cathleen A. Berrick  
Director, Homeland Security and Justice Issues  
U.S. Government Accountability Office  
441 G Street, NW  
Washington, DC 20548

Dear Ms. Berrick:

RE: Draft Report GAO-06-203, "Aviation Security: Federal Air Marshal Service Could Benefit from Improved Planning and Controls"

Thank you for the opportunity to comment on the subject draft report. The Department of Homeland Security (DHS) concurs with the recommendations. The Federal Air Marshal (The FAMS) and Transportation Security Administration (TSA) leadership will work closely with the new DHS Under Secretary for Policy and the Assistant Secretary for Strategic Planning to develop a comprehensive strategy with achievable goals and a timeline to assure progress. The FAMS also will work with TSA and DHS leadership to formulate a communication strategy which facilitates shared expectations and reports progress.

The Department and FAMS recognize that formalization is required as a function of continued development and incident and mission reporting. Accordingly, earlier this year, FAMS began formulating a FAMS Reporting System Policy and Procedure. A draft of this proposed directive is under review by FAMS management. When issued, the Directive will establish the reporting and policy and procedures for the Federal Air Marshal Service. Its purpose is to restructure the management of FAMS official reports to enable timely dissemination of and access to information, feedback to management and employees, and its further operational use. This proposed Directive will address the use and format of Activity Reports and Reports of Investigation, and establishes a formalized tracking system, which will utilize elements of the Treasury Enforcement Communications System.

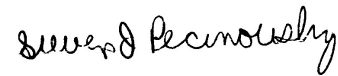
Among the envisioned improvements is the standardization of incident nomenclature. For example, all reportable matters will be addressed in Activity Reports. These reports will be categorized as Class 1 and Class 2 Activities. Class 1 Activities are irregularities involving routine FAM mission procedures that do not present a direct or imminent threat

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to an aircraft, passenger, crew or other persons or property. These irregularities are the actions of an employee of an external organization that may affect the security of a FAM mission. Class 2 Activities are events that require a law enforcement response. The coordination and follow-up of these reports also will be more cohesively administered under the new system.

DHS appreciates your review, analysis and discussion of FAMS planning and controls.

Sincerely,



Steven J. Pecinovsky  
Director  
Departmental GAO/OIG Liaison Office

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# Appendix IV: GAO Contact and Staff Acknowledgments

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## GAO Contact

Cathleen A. Berrick (202) 512-8777

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## Staff Acknowledgments

In addition to the individual named above, Leo Barbour, Steve Caldwell, Grace Coleman, Joel Grossman, Wilfred Holloway, Charles Johnson, Thomas Lombardi, Brenda Rabinowitz, Minette Richardson, Jack Schulze, Angela Thomas, Sarah Veale, and Keith Wandtke made key contributions to this report.



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# Related GAO Products

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*Aviation Security: Transportation Security Administration Did Not Fully Disclose Uses of Personal Information During Secure Flight Program Testing in Initial Privacy Notices, but Has Recently Taken Steps to More Fully Inform the Public.* [GAO-05-864R](#). Washington, D.C.: July 22, 2005.

*Aviation Security: Better Planning Needed to Optimize Deployment of Checked Baggage Screening Systems.* [GAO-05-896T](#). Washington, D.C.: July 13, 2005.

*Aviation Security: TSA Screener Training and Performance Measurement Strengthened, but More Work Remains.* [GAO-05-457](#). Washington, D.C.: May 2, 2005.

*Aviation Security: Secure Flight Development and Testing Under Way, but Risks Should Be Managed as System Is Further Developed.* [GAO-05-356](#). Washington, D.C.: March 28, 2005.

*Aviation Security: Systematic Planning Needed to Optimize the Deployment of Checked Baggage Screening Systems.* [GAO-05-365](#). Washington, D.C.: March 15, 2005.

*Aviation Security: Measures for Testing the Impact of Using Commercial Data for the Secure Flight Program.* [GAO-05-324](#). Washington, D.C.: February 23, 2005.

*Transportation Security: Systematic Planning Needed to Optimize Resources.* [GAO-05-357T](#). Washington, D.C.: February 15, 2005.

*Aviation Security: Preliminary Observations on TSA's Progress to Allow Airports to Use Private Passenger and Baggage Screening Services.* [GAO-05-126](#). Washington, D.C.: November 19, 2004.

*General Aviation Security: Increased Federal Oversight Is Needed, but Continued Partnership with the Private Sector is Critical to Long-Term Success.* [GAO-05-144](#). Washington, D.C.: November 10, 2004.

*Aviation Security: Further Steps Needed to Strengthen the Security of Commercial Airport Perimeters and Access Controls.* [GAO-04-728](#). Washington, D.C.: June 4, 2004.

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*Transportation Security Administration: High-Level Attention Needed to Strengthen Acquisition Function.* [GAO-04-544](#). Washington, D.C.: May 28, 2004.

*Aviation Security: Challenges in Using Biometric Technologies.* [GAO-04-785T](#). Washington, D.C.: May 19, 2004.

*Nonproliferation: Further Improvements Needed in U.S. Efforts to Counter Threats from Man-Portable Air Defense Systems.* [GAO-04-519](#). Washington, D.C.: May 13, 2004.

*Aviation Security: Private Screening Contractors Have Little Flexibility to Implement Innovative Approaches.* [GAO-04-505T](#). Washington, D.C.: April 22, 2004.

*Budget Issues: Reprogramming of Federal Air Marshal Service Funds in Fiscal Year 2003.* [GAO-04-577R](#). Washington, D.C.: March 31, 2004.

*Aviation Security: Improvement Still Needed in Federal Aviation Security Efforts.* [GAO-04-592T](#). Washington, D.C.: March 30, 2004.

*Aviation Security: Challenges Delay Implementation of Computer-Assisted Passenger Prescreening System.* [GAO-04-504T](#). Washington, D.C.: March 17, 2004.

*Aviation Security: Factors Could Limit the Effectiveness of the Transportation Security Administration's Efforts to Secure Aerial Advertising Operations.* [GAO-04-499R](#). Washington, D.C.: March 5, 2004.

*Aviation Security: Computer-Assisted Passenger Prescreening System Faces Significant Implementation Challenges.* [GAO-04-385](#). Washington, D.C.: February 12, 2004.

*Aviation Security: Challenges Exist in Stabilizing and Enhancing Passenger and Baggage Screening Operations.* [GAO-04-440T](#). Washington, D.C.: February 12, 2004.

*The Department of Homeland Security Needs to Fully Adopt a Knowledge-based Approach to Its Counter-MANPADS Development Program.* [GAO-04-341R](#). Washington, D.C.: January 30, 2004.

*Aviation Security: Efforts to Measure Effectiveness and Strengthen Security Programs.* [GAO-04-285T](#). Washington, D.C.: November 20, 2003.

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*Aviation Security: Federal Air Marshal Service Is Addressing Challenges of Its Expanded Mission and Workforce, but Additional Actions Needed.* [GAO-04-242](#). Washington, D.C.: November 19, 2003.

*Aviation Security: Efforts to Measure Effectiveness and Address Challenges.* [GAO-04-232T](#). Washington, D.C.: November 5, 2003.

*Airport Passenger Screening: Preliminary Observations on Progress Made and Challenges Remaining.* [GAO-03-1173](#). Washington, D.C.: September 24, 2003.

*Aviation Security: Progress Since September 11, 2001, and the Challenges Ahead.* [GAO-03-1150T](#). Washington, D.C.: September 9, 2003.

*Transportation Security: Federal Action Needed to Enhance Security Efforts.* [GAO-03-1154T](#). Washington, D.C.: September 9, 2003.

*Transportation Security: Federal Action Needed to Help Address Security Challenges.* [GAO-03-843](#). Washington, D.C.: June 30, 2003.

*Federal Aviation Administration: Reauthorization Provides Opportunities to Address Key Agency Challenges.* [GAO-03-653T](#). Washington, D.C.: April 10, 2003.

*Transportation Security: Post-September 11th Initiatives and Long-Term Challenges.* [GAO-03-616T](#). Washington, D.C.: April 1, 2003.

*Airport Finance: Past Funding Levels May Not Be Sufficient to Cover Airports' Planned Capital Development.* [GAO-03-497T](#). Washington, D.C.: February 25, 2003.

*Transportation Security Administration: Action and Plans to Build a Results-Oriented Culture.* [GAO-03-190](#). Washington, D.C.: January 17, 2003.

*Aviation Safety: Undeclared Air Shipments of Dangerous Goods and DOT's Enforcement Approach.* [GAO-03-22](#). Washington, D.C.: January 10, 2003.

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*Aviation Security: Registered Traveler Program Policy and Implementation Issues.* [GAO-03-253](#). Washington, D.C.: November 22, 2002.

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