



Department of Homeland Security Office of Inspector General

Management Oversight of Immigration Benefit Application Intake Processes





Homeland
Security

March 5, 2009

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 effectiveness of United States Citizenship and Immigration Services' management oversight in improving timeliness of the immigration benefits application intake process. It is based on interviews with employees and officials of relevant agencies and institutions, direct observations, and a review of applicable documents.

The recommendations herein have been developed to the best knowledge available to our office, and have been discussed in draft with those responsible for implementation. We trust 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
GAO	Government Accountability Office
OIG	Office of Inspector General
USCIS	United States Citizenship and Immigration Services

OIG

*Department of Homeland Security
Office of Inspector General*

Executive Summary

Since its inception in 2003, U.S. Citizenship and Immigration Services has faced challenges in the timely processing of immigration benefit applications, including a backlog of nearly 3.7 million applications transferred from the Immigration and Naturalization Service. We reviewed U.S. Citizenship and Immigration Services' efforts to improve timeliness of the application intake process. For a detailed description of the intake process, please see Appendix B.

Although U.S. Citizenship and Immigration Services has taken steps to improve intake process timeliness, such as implementing process changes and pilot programs, it has not established adequate measures to assess performance of its application intake process. Further, the agency would benefit from a knowledge management system to collect and share information on successful, locally based pilot programs and field office improvement initiatives. Currently, headquarters management may not be aware of and does not gauge the success of field office pilot programs and initiatives, thereby missing an opportunity to leverage local success nationwide. The need for management oversight of improvement efforts coupled with the absence of a knowledge management system risk inefficient use of resources, duplication of effort, and lost institutional knowledge. They also undermine efforts to improve intake processing time and eliminate the backlog of immigration benefit applications.

U.S. Citizenship and Immigration Services recognizes that Department of State actions could hinder its timely intake of immigration benefit applications and has taken steps to improve communication with the Department of State. However, without a formal agreement on coordination of the roles and responsibilities of the two agencies, there is no assurance that the improved communication will continue.

We are recommending that U.S. Citizenship and Immigration Services develop baseline performance measurements, enhance oversight of pilot programs, implement a knowledge management system, and formalize an agreement with the Department of State to improve immigration benefit application processing.

Background

Prior to March 2003, the Immigration and Naturalization Service was responsible for administering programs that provide qualified applicants with immigration benefits. These benefits include citizenship, lawful permanent residency, family- and employment-related immigration, employment authorization, intercountry adoptions, asylum and refugee status, replacement immigration documents, and foreign student authorization.

The annual number of immigration applications received increased from 4,138,000 in 1994 to 6,059,000 by 2000. The Immigration and Naturalization Service was unable to handle the increased workload due to technology and staffing issues, which resulted in a backlog of more than 2 million immigration benefit applications by 2001.¹ In 2002, the Immigration and Naturalization Service launched a Backlog Elimination Plan in an effort to better manage the processing workload.

U.S. Citizenship and Immigration Services (USCIS) inherited the backlog when the benefit processing functions of the Immigration and Naturalization Service were transferred to the Department of Homeland Security (DHS) in 2003. In December 2003, USCIS faced a backlog of approximately 3.7 million applications. USCIS reviewed and updated the Backlog Elimination Plan in an effort to reduce processing times to a 6-month cycle time for all applications. USCIS also stated that it would increase its focus on information technology to ensure that backlog reduction is sustained, customer service is improved, new fee-for-service business models are enabled, and an improved technology environment is deployed.

Our September 2005 review of USCIS' information technology environment showed that USCIS had not adopted a focused approach to updating its legacy systems and manual workflow practices.² Rather, information technology planning and implementation were conducted in a reactive and decentralized manner across the organization. Additionally, USCIS relied on personnel rather than technology to meet its backlog reduction goals. Our report recommended that USCIS develop a modernization strategy, including short- and long-term goals, funding plans, and performance measures to guide USCIS entities in better accomplishing their citizenship and immigration services missions.

¹ *Immigration Benefits: Several Factors Impede Timeliness of Application Processing* (GAO-01-488, May 2001).

² *USCIS Faces Challenges in Modernizing Information Technology* (OIG-05-41, September 2005).

Subsequently, USCIS initiated an agencywide transformation program to improve both business processes and the supporting information technology systems. Our November 2006 followup report on transformation progress stated that USCIS was continuing its pattern of planning and beginning improvement initiatives, but not fully implementing the plans to deliver promised results.³ Our report identified a need for better performance measures for pilot programs and initiatives. A July 2007 Government Accountability Office report on the transformation program similarly discussed the need for USCIS to identify specific performance measures and targets for its pilot programs.⁴

Results of Audit

Although USCIS has taken steps to improve the timeliness of the application intake process, additional management oversight is needed. Specifically, USCIS has not developed adequate baseline performance measures to gauge timeliness of application intake processes or the effectiveness of pilot projects and other initiatives, many of which are implemented locally by USCIS field offices. USCIS also has not provided adequate oversight of the pilot programs and local initiatives, or developed a method, such as a knowledge management approach, to collect and share information from the various improvement initiatives agencywide. These shortfalls in managing improvement initiatives risk wasted resources, duplication of effort, and lost institutional knowledge through turnover and attrition. They also undermine USCIS' efforts to eliminate the backlog of immigration benefit applications.

Further, DHS lacks a formal agreement with the Department of State on their respective roles and responsibilities and how they will communicate and cooperate to help ensure timely processing of immigration benefits.

Performance Management

Federal guidelines in the Office of Management and Budget's policies and in the *Government Performance and Results Act of 1993*⁵ address the importance of being able to measure and assess program outputs. According to the Results Act, agencies are required to express goals in an objective, quantifiable, and measurable form and to establish

³ USCIS' *Progress in Modernizing Information Technology* (OIG-07-11, November 2006).

⁴ USCIS *Transformation: Improvements to Performance, Human Capital, and Information Technology Management Needed as Modernization Proceeds* (GAO-07-1013R, July 2007).

⁵ P.L. 103-62, 107 Stat. 285 (Aug. 3, 1993) (codified in various sections of titles 5 and 31 U.S.C.), Section 4(b)(a).

performance indicators for measuring or assessing the relevant outputs, service levels, and outcomes of each program activity.

USCIS has not established adequate measures to assess the performance of its application intake process. USCIS has established performance measures for some intake activities, such as lockbox and mailroom operations performed by contractors, but these measures are not sufficient to gauge the success of the overall process or improvement initiatives. To gauge performance, measures should include the length of time required at each step of the intake process, beginning with the receipt of benefit applications at USCIS. The process is wide-ranging, involving mailroom operations; file assembly; data collection, capture, and scanning; document preparation; fee collection and processing; file room operations; and Interagency Border Inspection System name security checks.⁶ Appendix B provides a detailed description of USCIS' application intake process.

In the absence of adequate performance measures, USCIS senior management focuses on average cycle times as a means of managing workloads. To determine average cycle times, senior management first calculates the number of active pending applications, i.e., the total number of applications awaiting adjudication minus those applications that USCIS has determined are outside its control, such as applications awaiting Federal Bureau of Investigation name checks. From the number of active pending applications, USCIS subtracts the number of applications received in each preceding month until it reaches near zero. The number of months it takes to get to zero without generating a negative result is the approximate number of months USCIS determines it takes to adjudicate an application. In Table 1, August and July receipts are subtracted from total active pending applications before reaching a negative number. Thus, it is determined that the cycle time for this application is at least 2 months.

Table 1: Example of Cycle Time Calculation

Active Pending Applications August 2007	Less August Receipts	Net	Less July Receipts	Net	Less June Receipts	Negative Amount	Number of Months Before Negative Result	Remainder (921/5399)	Cycle Time (in Months)
11,402	5,851	5,551	4,630	921	5,399	-4,478	2.00	0.17	2.17

⁶ The Interagency Border Inspection System name check is a multi-agency effort, combining information from multiple agencies and databases to compile data relating to national security risks, public safety issues and other law enforcement concerns.

USCIS relies heavily on such cycle time calculations to determine needed changes to workload distribution and staff allocation. The agency recognizes the limitations of its current information technology systems, which do not provide accurate processing statistics, such as aging reports from which average wait times or processing times can be calculated based on the actual processing age of each case. Making workload adjustments based on average cycle time may temporarily alter the productivity of a specific product line. However, this method does not help identify bottlenecks in the process or areas where efficiencies may be gained agencywide.

USCIS would benefit from developing baseline performance measures to evaluate the efficiency and effectiveness of its ongoing operations before investing resources, time, and energy in trying new methods. Establishing a baseline would help identify areas for improvements. Establishing a baseline would also provide a good benchmark against which to measure improvement progress. Without a baseline, USCIS risks wasting resources by implementing pilot programs and initiatives that cannot be evaluated for effectiveness in reducing processing times, thus undermining efforts to eliminate the backlog of immigration benefit applications.

Recommendation

We recommend that the Acting Director of USCIS:

Recommendation #1: Develop sufficient baseline performance metrics for application intake processes and use them to measure processing timeliness and identify areas for improvement.

Management Comments and OIG Analysis

The Acting Deputy Director provided written comments on a draft of this report. A copy of USCIS' response, in its entirety, is included as Appendix C.

USCIS Response: USCIS concurred with recommendation 1 regarding the need for baseline performance metrics. In its response, USCIS said that over the next 18 months the transition of its intake process from USCIS operated Service Centers to Department of Treasury sponsored lockbox facilities, i.e., a bank, will be completed. The Department of Treasury, in partnership with USCIS, has established performance expectations for the lockbox provider, which include a 24 hour processing time for properly completed applications with the appropriate fee attached. In addition, USCIS discussed already having specific time models for each process step in normal

naturalization and field adjustment cases, as well as plans to expand them to other products.

OIG Analysis: We consider USCIS' proposed actions responsive to the recommendation. The recommendation will remain resolved, but open pending receipt of documentation that (1) describes the performance expectations that will be in place once USCIS' intake process transition is complete, (2) discusses in detail the time models to be expanded to other product lines, and (3) identifies which additional product lines will use the time models.

Pilot Programs and Knowledge Management

USCIS has not effectively managed its pilot programs and initiatives for improving application intake timeliness and efficiency. Because the agency has allowed field offices to implement independently new processing methods in an ad hoc manner to help increase productivity, the pilot initiatives have not always been well planned, documented, or evaluated. Without baseline performance measures, there is no way to evaluate the programs' effectiveness. Better oversight would help maximize the benefits from the time and resources expended to improve immigration benefit application intake.

Pilot Programs

The *Government Performance and Results Act of 1993* and Office of Management and Budget Circular A-123, discuss the importance of properly managing and overseeing pilot programs to ensure their success. Specifically, the Results Act requires agencies to evaluate pilots and experimental programs that are designed to improve mission delivery, including efficiency, national security, and customer service, before implementing such programs on a large scale. Also, according to Revised Office of Management and Budget Circular A-123, *Management's Responsibility for Internal Controls*, information should be communicated to relevant personnel at all levels within an organization, and such information should be relevant, reliable, and timely.

However, USCIS has not effectively managed its pilot improvement initiatives as federal guidelines require. Typically, USCIS' Office of Domestic Operations has taken a decentralized approach and relied on the knowledge and subject matter expertise of its field managers to implement pilot programs or process changes they believe would work well for their areas without central oversight. According to headquarters managers, they do not take an active role in learning what initiatives their field offices are implementing because they do not

want to stifle innovation. Domestic Operations officials also have said that the term “pilot” is used too freely within USCIS, and that they do not need to oversee all of the individual projects implemented by field offices because they do not consider them “official pilots.”

We identified at least three pilots and several other process changes implemented by USCIS field offices to improve timeliness and efficiency of the immigration benefit application intake process. Without central oversight, the pilots were not always properly planned, documented, or evaluated. Further, without baseline performance measurements, there was no objective means of assessing whether these initiatives improved efficiency and timeliness or whether they could or should be replicated to improve the immigration benefit application intake processes agencywide. For example:

- 90-Day program - The National Benefits Center began this pilot in 2005 to determine whether USCIS could provide applicants with final decisions on their “I-485” adjustment-of-status cases within 90 days of receipt, thus eliminating the need for interim benefits, such as employment and travel authorization. To meet the 90-day timeframe, the National Benefits Center identified the applications for the test offices, attempted to complete the intake processes for these applications by day 50, and then forwarded the adjudication-ready files to the field offices, giving them approximately 40 days to complete the adjudications. The National Benefits Center tracked the average amount of time each office took to process its I-485 applications under the pilot scenario.

However, Domestic Operations officials did not monitor the test offices to guide them in meeting pilot objectives. As of October 2007, more than 80% of the test offices had not met the 90-day cycle time. Without evaluating these results, USCIS deployed the pilot to its field offices, with little assurance that it could achieve the intended results agencywide.

- I-485 Plus pilot - The Texas Service Center began this pilot to determine whether “bundling,” or keeping forms concurrently filed by an individual or members of the same family together during the data entry phase, would reduce total cycle times. The bundled forms included applications for employment-based adjustment of status, employment authorization, and travel documents. The field office’s plan for implementing this pilot did not include benchmarks or goals to evaluate the pilot’s success.
- Interagency Border Inspection System pilot - The Vermont Service Center began this pilot in April 2005 to determine whether

efficiencies could be gained by using contractors rather than adjudicators to perform steps within the Interagency Border Inspection System process. Service Center officials maintained some documentation on monitoring and the performance of this pilot, but suspended the pilot after determining that they did not have the baseline statistics with which to compare contractor efforts to government quality or efficiency levels. Vermont officials informally considered the Interagency Border Inspection System pilot a success, but USCIS decided not to implement it as part of its day-to-day processes owing to policy and funding issues.

In addition to the pilot programs, field offices altered standard processes in attempts to gain efficiencies in their local work environments. However, these independent efforts generally were not shared and therefore were not known agencywide. Any benefits and efficiencies resulting from these process changes have not been quantified. For example:

- The Texas Service Center contacts applicants by phone during the intake process to obtain missing information or correct apparent discrepancies on applications. This way, the Service Center can continue processing the applications instead of returning them to the applicants for more information. Center officials said that this process has helped save time and reduce intake delays; however they have not quantified the efficiencies achieved.
- California Service Center managers determined that including adjudicators in the Interagency Border Inspection System Unit to review and adjudicate cases after Interagency Border Inspection System issues have been resolved is more efficient than returning the cases to the original adjudicators, as is done at other centers. The Interagency Border Inspection System process involves reviewing entire application packages page by page to identify names and aliases for applicants, petitioners, and beneficiaries. The names are queried against criminal databases, such as the National Crime Information Center, to identify any criminal history. Adjudication can begin only after all system hits are researched and resolved.

Better oversight could ensure the planning, documentation, and evaluation of the various pilots and initiatives to promote their effectiveness. It would help maximize the benefits, both efficiencies and cost savings, from the time and resources expended to improve immigration benefit intake processes. By establishing goals and benchmarks, USCIS also could measure progress, eliminate initiatives

that are not working well, and identify successful initiatives that should be implemented agencywide.

Knowledge Management

USCIS would benefit from an institutional means of storing or sharing the knowledge and lessons learned from its pilot programs. Knowledge management is the process by which organizations generate value from their intellectual and knowledge-based assets. Most often, generating value from such assets involves codifying what employees, partners, and customers know, and sharing that information among employees and departments in an effort to devise best practices.

Such an approach could be extended to capturing and sharing data from the various pilots across the agency to improve benefits application intake and processing. Although USCIS identified a need for a knowledge management approach in its strategic plans, management has not implemented a method to collect and share agency knowledge and process improvement information. In its 2005 strategic plan, USCIS considered knowledge management to be a critical element of a continuous learning culture. USCIS planned to foster organizational and individual achievement by promoting continuous learning through training, career development, and knowledge management within USCIS. Again, in its 2008 strategic plan, USCIS said it would expand its central repository for laws, policies, and standard operating procedures to include best practices and other pertinent information by creating, structuring, archiving, and sharing valuable institutional knowledge and making it readily available to employees.

To date, USCIS has not implemented a knowledge management approach to gather and share information or the results of pilots and improvement initiatives agencywide. Therefore, USCIS risks duplicating efforts and wasted resources. For example, the California Service Center used the “bundling” process of keeping family-based adjustment of status (I-485) applications concurrently filed during the data entry phase to reduce total cycle times. Texas Service Center officials had implemented a similar pilot, but California officials did not coordinate with them before starting their initiative to leverage lessons learned or determine success rates. Without effective coordination, USCIS field offices risk duplication and cannot benefit from either the success or knowledge gained from each other’s improvement initiatives.

Similarly, the Vermont office did not coordinate with the National Benefits Center before starting its pilot to determine whether efficiencies could be gained by using contractors rather than adjudicators to perform steps within the Interagency Border Inspection System process. Central coordination could have ensured that the Vermont Service Center did not spend unnecessary time and money pilot testing processes that were already in place at the National Benefits Center.

Without a knowledge management approach, USCIS also risks losing institutional knowledge because of the high turnover and attrition the agency has experienced in key positions. In the Office of Domestic Operations alone, 24 of 27 key management positions experienced turnover within from 2005 to 2008. Office directors said they could not speak historically about the pilot efforts because they were new to their positions. This matter is aggravated because USCIS meetings between senior management and field offices are not always documented.

Implementing a knowledge management approach would help USCIS mitigate the loss of historical knowledge from recurring turnover. It would help ensure that information obtained from each pilot is documented, stored, and available for future use. Further, with the implementation of a knowledge management approach, USCIS will be better equipped to properly train new staff on their processes and improvement initiatives.

Recommendations

We recommend that the Acting Director of USCIS:

Recommendation #2: Improve oversight of pilot programs and new initiatives to ensure they are properly planned, documented, and evaluated.

Recommendation #3: Implement a knowledge management approach by which data from experimental processes can be stored, evaluated, and shared adequately to increase its usefulness.

Management Comments and OIG Analysis

USCIS Response: USCIS concurred with recommendation 2 regarding the need for improved oversight of pilot programs and initiatives. In its response, USCIS acknowledged that improvements need to be made in the implementation, management, and analysis of pilot programs, and stated that establishing baseline performance

measures are an absolute necessity to determine whether or not the protocols being pilot tested are feasible and effective. USCIS stated it will begin using successfully managed pilot templates and protocols established by its Transformation Program Office for future headquarters-sponsored pilots. USCIS will also use performance measurements to accurately gauge the effectiveness of future pilot programs.

OIG Analysis: We consider USCIS' proposed actions responsive to the recommendation. The recommendation will remain resolved but open pending receipt of documentation describing in detail USCIS' improvements, including pilot program templates and protocols for managing headquarters-sponsored pilot programs, and policies and procedures for using performance measurements for pilot programs.

USCIS Response: USCIS concurred with Recommendation 3. In its response, USCIS agreed with the need for a knowledge management approach and is conducting an assessment of how best to meet this requirement. As noted in its Strategic Plan, USCIS will work to implement a plan that can benefit multiple components of the agency.

OIG Analysis: We consider USCIS' proposed actions responsive to the recommendation. The recommendation will remain resolved but open pending receipt of documentation indicating that a knowledge management approach has been implemented, and that said approach provides for a method to store, evaluate, and share data from experimental processes.

USCIS and Department of State Coordination

USCIS and the Department of State have joint responsibility for the timeliness of immigration benefits. For example, USCIS immigration benefits are dependent on the availability of visas issued by the Department of State. USCIS has taken steps to improve communication with the Department of State to help manage the impact of its visa availability decisions on the timeliness of immigration benefits processing. However, these steps could be formalized to ensure lasting coordination.

Visa Bulletin Effect on USCIS

By statute, the Department of State determines the number of available family- and employment-based visas. An immigrant visa is considered available, and an adjustment of status application can be filed and processed, when the applicant has a priority date earlier than the cutoff

date identified on the visa bulletin.⁷ USCIS cannot accept an application and begin the adjudication process in advance of visa availability. USCIS also cannot limit the number of applications accepted in a given month to the actual number of visas available. Rather, USCIS is required to process all applications qualifying for adjustment of status based on the visa bulletin.

In July 2007, USCIS recognized the need for improved communication with the Department of State when the department's visa bulletin resulted in a surge of employment-based immigration applications. The Department of State issued visa bulletins making visas available for all qualified candidates in nearly every employment-based category. USCIS was required to accept all employment-based applications filed that month, which flooded USCIS with approximately 800,000 applications. USCIS was delayed in the intake of these applications because the volume received exceeded its processing capacity.

Interagency Communication

To better manage the impact of these visa availability decisions, USCIS enhanced its monthly meetings with the Department of State. USCIS now provides the Department of State with information on the number of adjustment of status applications it has on hand, by country, to help the Department of State better determine the cutoff date for the visa bulletin each month. This improved communication has benefited both agencies by assisting the Department of State in better managing visa allocations to ensure that annual limitations are not exceeded, and by improving USCIS' ability to target production to ensure that it uses all available visas when there is sufficient demand. In its May 2008 visa bulletin, the Department of State acknowledged, "Many of the employment cut-off dates have continued to advance more rapidly than might ordinarily be expected. This is a result of consultations with USCIS regarding their pending demand...."

Representatives from both agencies continue to meet monthly, but without a formal memorandum of understanding to firmly establish these procedures, there is no assurance that these improvements will be sustained. For example, although the agencies communicated in meetings hosted by the USCIS ombudsman at the time, this less formal arrangement was not sufficient to prevent the July 2007 surge of applications.

⁷ The priority date determines when a person can apply for an immigrant visa. In family immigration, the priority date is the date when the petition was filed at a U.S. Citizenship and Immigration Services office or submitted to an embassy or consulate abroad. In employment immigration, the priority date may be the date the labor certification application was received by the Department of Labor.

This memorandum of understanding would not be the first between the agencies. In May 2006, USCIS and the Department of State, through the Bureau of Consular Affairs, signed a memorandum of understanding that set forth the communication protocols for sharing data from their various information systems.⁸ The memorandum of understanding gave USCIS access to a history of visa applications and adjudications for subjects applying for immigration and other benefits. The Department of State obtained access to information about USCIS adjudications of benefits or petitions and other decisions relating to nonimmigrant and immigrant visas and naturalization cases. This agreement provided a foundation for information sharing, but it was not enough to prevent the Department of State from issuing the July 2007 visa bulletin.

USCIS needs to clearly identify the type and frequency of communication needed to influence Department of State visa bulletin decisions and formalize these agreements in an official document. Similar communication could be established with the Department of State regarding other issues such as family-based adjustment of status visa bulletins, which affect the number of family-based immigration benefit applications filed. The capacity limits of family-based immigration benefit applications and the impact of these visa bulletins have not been included in the monthly discussions because, to date, they have not been problematic for USCIS. Nonetheless, establishing formal communication on these issues could help prevent future problems.

Recommendation

We recommend that the Acting Director of USCIS:

Recommendation #4: Develop a memorandum of understanding with the Department of State to formalize agreements to ensure continued communication and coordination regarding visa bulletins and to mitigate their impact on USCIS benefits application processing.

Management Comments and OIG Analysis

USCIS Response: USCIS did not concur with Recommendation 4 on formalizing agreements with the Department of State to coordinate on visa availability. In its response, USCIS did not agree that a new

⁸ Memorandum of Understanding between Bureau of Consular Affairs, Department of State, and U.S. Citizenship and Immigration Services, Department of Homeland Security, for the Exchange of Visa and Immigration Data, May 2006.

memorandum of understanding with the Department of State is necessary to ensure the two agencies communicate effectively. Rather, USCIS discussed that since the summer of 2007, USCIS has worked very closely with the Department of State to facilitate and establish visa availability cut-off dates for the upcoming months, and has met monthly with Department of State in person to discuss and resolve issues relevant to visa issuance. In addition, USCIS stated that the ongoing working sessions and continued dialog with immigration partners at Department of State is more effective than another intergovernmental memorandum of understanding.

OIG Analysis: We maintain our position that a memorandum of understanding between USCIS and the Department of State is necessary to ensure continued communication and cooperation. We commend USCIS efforts to build stronger, more effective relationships with its immigration partners at Department of State; however, we request that USCIS reconsider its non-concurrence with the need for a memorandum of understanding and provide updated information on implementation activities within 90 days of the date of this final report.

Appendix A

Purpose, Scope, and Methodology

Our objective was to determine the efficacy of management oversight of application intake activities to improve the timeliness of immigration benefit processing. We did not limit our audit to a specific type of benefit or application, but rather focused on management oversight of processes for intake of all types of immigration benefit applications filed domestically via direct mail. Application intake includes processes needed to assemble an application so that it will be ready for adjudication. Such processes include mailroom operations, file assembly, data capture and collection, fee collection and receipting, file room operations, and Interagency Border Inspection System checks.

We toured and physically observed the processes at USCIS' National Benefits and National Records Centers, and the Texas and California Service Centers. In addition, we performed multiple site visits to USCIS' Office of Domestic Operations. We reviewed prior DHS OIG, Government Accountability Office, and USCIS ombudsman's reports discussing USCIS' application intake process and related USCIS challenges.

We identified USCIS' application intake locations and the procedures and responsibilities of the National Benefit Center, the National Records Center, and the Texas and California Service Centers.

In addition, we interviewed USCIS managers and personnel and reviewed documents and records to determine areas potentially affecting the timely intake of applications, including:

- Internal and External Communication
- Central Monitoring of Domestic Operations Pilot Programs
- Documentation of Meetings and Best Practices
- Attrition and Management Turnover
- Use of a Knowledge Management Approach

We conducted our audit at USCIS headquarters in Washington, DC, and at the National Benefits Center and the National Records Center in Lee's Summit, MO. Also, we performed fieldwork at the Service Centers in Dallas, TX, and Laguna Niguel, CA.

We conducted this performance audit between September 2007 and July 2008 according to generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained

Appendix A
Purpose, Scope, and Methodology

provides a reasonable basis for our findings and conclusions based on our audit objectives.

We would like to extend our appreciation to USCIS for the cooperation and courtesies extended to our staff during this audit.

Appendix B

Intake Process

Within USCIS, the Office of Domestic Operations is responsible for the intake, or receipt, of most immigration benefit applications. Intake of application packages occurs primarily by direct mail at five locations: four Service Centers and the National Benefits Center. Although the intake processing at each location is similar, there are some variations to the processes among the locations, as discussed below.

National Benefits Center

The National Benefits Center uses a lockbox facility to accept and begin processing for adjustment of status and other immigration benefit applications. The lockbox is administered by a bank under contract with the Department of the Treasury responsible for fee receiving, fee deposit, and initial data entry.

The intake process at the lockbox differs from the service centers because it uses scanning technology to transfer data automatically to USCIS' information systems. Lockbox personnel ensure that basic information is included with an application package, but render no decision on an applicant's eligibility for benefits. If a problem with an application package is discovered, the application package is returned to the applicant with a description of the error(s). Files are assembled for properly filed cases and forwarded to the National Benefits Center for further intake processing. At the National Benefits Center, contractors ensure that files are assembled correctly, conduct initial background security checks, and complete initial evidence reviews for each application package. If evidence is missing or incomplete, a request for evidence letter is sent to the applicant. Ultimately, the National Benefits Center forwards applications requiring interviews to USCIS' district offices for interview and adjudication. The Center also adjudicates interim benefits that do not require an interview.

Service Centers

Most other applications, including employment-based benefits and naturalization applications, are mailed to one of four Service Centers. Generally, intake of applications at the Service Centers involves the following steps:

Mailroom Operations: Applicants file application packages with specific post office boxes based on application type. Contractors pick up the mail from the post office or receive applications submitted by courier directly at the Service Center. Once received,

Appendix B

Intake Process

the application packages are opened, sorted, logged, date stamped, and, based on application type, routed to the appropriate area for data collection.

Data Collection: Contractors review the applications for completeness, jurisdiction, signature, and correct fee. When the application is incomplete, such as missing a signature or a fee, it can be rejected and a letter explaining the deficiency is sent to the applicant. Once an application is accepted, the clerk manually enters the applicant's information into USCIS' information system, and the fee is receipted. Once receipted, a letter is generated by the system and sent to the applicant with a receipt date.

File Room Operations and Interagency Border Inspection System Checks: After data collection, applications are forwarded to the file room, where Interagency Border Inspection System checks are conducted. For most forms, the Interagency Border Inspection System check requires a review of the entire application package to identify the names and aliases of applicants, petitioners, and beneficiaries. The names are queried against criminal databases, such as the National Crime Information Center, to identify any criminal history. A decision to grant an application can occur only after all Interagency Border Inspection System hits are researched and resolved. Applications are stored in the file room until an adjudication officer requests them for review.

Applications filed with the Service Centers are not checked for initial evidence during the intake process.

Appendix C Management Comments to the Draft Report

U.S. Department of Homeland Security
U.S. Citizenship and Immigration Services
Office of the Director
Washington, DC 20529



U.S. Citizenship
and Immigration
Services

JAN 15 2009

Memorandum

TO: Anne L. Richards
Assistant Inspector General for Audits

FROM: Michael Aytes 
Acting Deputy Director

SUBJECT: Draft Report: Management Oversight of Immigration Benefit Application Intake Processes

USCIS appreciates the opportunity to review and comment on the subject report and generally agrees with the OIG summary of the issues identified in the report. USCIS does not concur, however, with recommendation four. USCIS wants to assure OIG that addressing these issues is a high priority for the agency. OIG insight to USCIS challenges and recommendations for improvement will continue to serve the agency well.

DHS – OIG recommends that the Acting Director of USCIS:

Recommendation 1: Develop sufficient baseline performance metrics for application intake processes and use them to measure processing timeliness and identify areas for improvement

USCIS Response: Concur. Over the next 18 months USCIS will complete transition of its intake process from USCIS operated Service Centers to Department of Treasury sponsored Lockbox facilities. The Department of Treasury, in partnership with USCIS, has established performance expectations for the Lockbox provider. The performance expectations address a 24 hour processing time for properly completed applications with the appropriate fee attached. Deposits are required within 24 hours of accepting applications, and another 24 hours is provided for packaging and sending the applications to the appropriate USCIS site for further processing. The Lockbox provider is expected to perform at these levels and if performance cannot be achieved, the Department of Treasury will apply penalties against the Lockbox provider.

USCIS already has specific time models for each process step of normal naturalization and field adjustment case, and already plan to expand that to other products, instead of only relying on overall processing time averages versus goals. This, combined with the active case management procedures USCIS has already implemented, will let the agency more effectively manage each case to timely completion.

www.uscis.gov

Appendix C

Management Comments to the Draft Report

Comments on OIG Draft Report: Management Oversight of Immigration Benefit Application Intake Processes

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Recommendation 2: Improve oversight of pilot programs and new initiatives to ensure they are properly planned, documented, and evaluated.

USCIS response: Concur. USCIS acknowledges that improvements need to be made in our implementation, management, and analysis of pilot programs. Establishing baseline performance measures are an absolute necessity in order to determine whether or not the protocols being pilot tested are feasible and effective.

While the OIG report highlighted three examples where USCIS did not adequately manage various pilots, USCIS has initiated pilots under the supervision of our Transformation Program Office that have successfully performed under the principals of program management. USCIS's plan is to use the pilot templates established by the Transformation Office for future headquarters-sponsored pilot programs. Using established protocols such as operating on an established schedule, setting and meeting goals, developing business requirements and concepts of operations and planning for risks and the associated mitigation strategies should help USCIS improve its overall performance and administration of pilot programs. In addition, USCIS will work to use performance measurements in order to accurately measure the effectiveness of any future pilot program.

Note that while USCIS is committed to employing the protocols outlined above and fully recognizes the value of formalized program management, we are also committed to giving our local offices and services centers flexibility to experiment with processes that may not rise to the level of a formal pilot. Innovation often occurs first at the local level and USCIS HQ will continue to support local efforts at improving immigration benefits-related processes.

Recommendation 3: Implement a knowledge management approach by which data from experimental processes can be stored, evaluated, and shared adequately to increase its usefulness.

USCIS Response: Concur. USCIS agrees with this recommendation and is conducting an assessment of how best to meet this requirement. As noted in the USCIS Strategic Plan, USCIS will work to implement a plan that can benefit multiple components of the agency. Note that within the Domestic Operations Directorate, management holds quarterly meetings attended by representatives from our regional offices and service centers. These forums allow for the exchange of information on local best practices and other topics.

Recommendation 4: Develop a memorandum of understanding with the Department of State to formalize agreements to ensure continued communication and coordination regarding visa bulletins and to mitigate their impact on USCIS benefits application processing.

USCIS response: Non-concur. USCIS does not agree that a new memorandum of understanding with the Department of State (DOS) is necessary in order to ensure that the two agencies communicate effectively. Since the summer of 2007, USCIS has worked very closely with DOS to facilitate and establish visa availability cut-off dates for the upcoming months. This includes meeting monthly with key personnel from both USCIS HQ and DOS in person to discuss and

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resolve issues relevant to visa issuance and to communicate operational abilities. In addition to the monthly meetings, telephonic and e-mail contact is ongoing when either party has a concern which requires more immediate attention. The ongoing working sessions and continued dialog with immigration partners at DOS is more effective than another inter-governmental MOU. The emphasis on cooperative planning and execution has stabilized operations for both agencies and has enabled USCIS to more effectively implement and forecast operations impacting visa based processing. Based on the dramatic communications-related improvements made since 2007, we believe the USCIS/DOS relationship is strong enough to continue moving forward without the need for a formal MOU.

Appendix D
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Appendix E
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