

**Statement of Senator Daniel K. Akaka**

***Management Challenges Facing the Federal Protective Service: What is at Risk?***

**Subcommittee on Oversight of Government Management,  
the Federal Workforce, and the District of Columbia**

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Today's hearing — *Management Challenges Facing the Federal Protective Service: What is at Risk?* — will examine the results of a Government Accountability Office (GAO) review of the Federal Protective Service's (FPS) management and operations.

Approximately 1,100 FPS employees and 15,000 contract security guards protect 9,000 federal facilities nationwide. More than one million federal workers spend their days in these buildings, in addition to millions of Americans who visit for government services, as tourists, or for other reasons.

Unfortunately, in recent years it has become all too clear that federal buildings may be attractive targets for terrorists,

as was illustrated starkly by the 1995 bombing of the Oklahoma City federal building and the 9/11 attack on the Pentagon.

I requested that GAO conduct this review because I was concerned with reports that FPS was weakened rather than strengthened by its transfer from the General Services Administration (GSA) to the Department of Homeland Security (DHS).

I am sorry to say that my concern was well founded. Despite the catastrophic attack that led to the creation of DHS, the GAO report makes clear that federal buildings remain vulnerable to terrorism and other crime.

GSA used to supplement security fee revenue for FPS with money from the Federal Buildings Fund. But since being moved to DHS, FPS has faced serious budget shortfalls. FPS postponed the purchase and repair of needed equipment in an effort to cut costs and make up for the lost money from the Federal Buildings Fund. GAO reports that at one high-

risk federal building, less than ten percent of the security cameras worked properly. GAO investigators learned of x-ray machines, magnetometers, FPS radios, and other equipment broken for months or years in federal buildings. FPS also restricted employee travel, leaving FPS inspectors unable to oversee contract security guards located hours away.

Perhaps of even greater concern are the measures that FPS took to reduce its personnel costs: it restricted employee training, overtime, hiring, promotions, and bonuses. It is irresponsible not to provide federal employees the training they need to do their jobs well and to cut hiring and overtime, which restricts FPS's ability to secure federal buildings. Making it next to impossible to be promoted or receive a bonus further discourages good performance and encourages the most motivated employees to look for better opportunities elsewhere.

All of this predictably harmed employee morale and dramatically increased attrition in FPS. Indeed, that was part

of the plan – FPS was encouraging employees to leave to further reduce its costs. Since it moved to DHS, FPS has cut 20 percent of its workforce, reducing the number of employees from 1,400 to less than 1,100, while the number of federal buildings that it is charged with protecting has grown.

The Administration planned to further reduce FPS's workforce to 950 in fiscal year (FY) 2008. Even as we awaited the results of GAO's review, it became clear that congressional action was urgently needed. I cosponsored an amendment offered by Senator Clinton, which was included in the Omnibus Appropriations Act for FY 2008, to require FPS to maintain no fewer than 1,200 employees and the Office of Management and Budget to raise the building security fees enough to fund FPS fully at that level.

Although the staffing level will still be lower than it was as recently as the beginning of 2007, this will ease the burden on FPS employees somewhat. However, it will take years for

new employees to build up the knowledge and expertise that was lost as FPS officers left the agency.

FPS's low staffing numbers are closely tied to perhaps the most critical problems that GAO reports – inadequate oversight of contract security guards and poor guard performance. As I noted earlier, approximately 15,000 contract security guards provide security for FPS throughout the country. FPS simply does not have enough employees to oversee these guards properly. As FPS downsized, FPS inspectors became responsible for overseeing more security guards in addition to an increase in their other duties. Some contract security guards are very rarely inspected because they are located hours away from the nearest FPS employee, or because they work nights or weekends when practically no FPS employees are on duty. Moreover, some FPS officers told GAO that they were instructed to conduct inspections of contract security guards over the telephone.

With poor oversight comes poor performance. GAO uncovered numerous troubling contract guard failures. FPS contract guards watched and did nothing as a federal government surveillance trailer was stolen from a parking garage and, on a different occasion, as a shirtless man with handcuffs hanging from one wrist fled a FPS inspector. These are just a couple of the examples in the report.

The federal government all too often contracts out work without providing the skilled employees and resources necessary to oversee the work. We must correct that mistake with FPS.

Relatedly, I am concerned with how heavily FPS relies on contract security guards. Under the best of circumstances, there are serious limits to what FPS contract security guards can do. Contract guards are not sworn law enforcement officers, and they do not have arrest powers. Although they can detain someone suspected of committing a crime, GAO reports that many do not do so because they fear

liability. We need a better understanding of the restrictions on contract guards' authority, how they can be addressed, and whether some of this work should be done by FPS police officers.

I understand that with the recent security fee increase, FPS has phased out most or all of the cost-cutting measures that I described. That is very good news, and I would like to hear more about what the agency is doing to address its equipment, training, and other needs that were unmet in recent years.

The downside of the increase in FPS security fees is that many federal agencies have had to divert operational funds to cover the higher fees. We need to begin to think seriously about both FPS's funding and its fee structure.

FPS was created to protect federal buildings as real estate assets. Federal tenants each paid their share for the security provided. However, in an age where terrorism is a real threat, this model may not make sense for at least two

reasons. First, because federal buildings may be targeted for terrorism and other crime, the risk to tenant agencies is increased by being part of the federal government beyond what normal building tenants would experience. Second, the implications of a terrorist attack are far, far greater than the property damage caused. Given the risks and potential costs, Congress may need to provide additional funds for FPS operations to ensure that we do not continue to under-invest in federal building security.

With respect to the fee structure, FPS's basic security is not adjusted to reflect building risk or the services provided. But FPS naturally spends much more time and resources on high-risk buildings than on low-risk buildings. As GAO concluded, the fees should be restructured to take risk and services provided into account. I am happy to hear that FPS agrees with that recommendation and will be examining its fee structure.

Indeed, I am pleased that FPS agreed with all of GAO's recommendations and that the agency seems to be making progress on some issues.

However, it is not clear if the Administration has yet recognized the challenges FPS faces, even if FPS's leadership has. The Administration's FY 2009 budget proposed to repeal the 1,200 employee requirement and to downsize FPS to 950 employees. FPS simply cannot provide federal employees and the American people the level of protection necessary with 950 employees. We must continue to move forward, not backward, with improving FPS, and doing it with the sense of urgency that is needed.

I will work to see that Congress focuses attention and resources on this issue.

I look forward to hearing more about FPS's challenges and progress, in particular the issues that I highlighted. I want to thank our witnesses for being here today to discuss these critical issues.