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United States Senate

COMMITTEE ON
HOMELAND SECURITY AND GOVERNMENTAL AFFAIRS
WASHINGTON, DC 20510-6250

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September 19, 2014

VIA U.S. MAIL & EMAIL (Michael.Yeager@dhs.gov)

The Honorable R. Gil Kerlikowske
Commissioner
U.S. Customs and Border Protection
1300 Pennsylvania Avenue, NW
Washington, DC 20229

Dear Commissioner Kerlikowske:

About one year ago, the *Arizona Republic* first reported on the waste and careless planning associated with the construction of housing for Customs and Border Protection (CBP) employees in Ajo, Arizona. Last week, an audit report by the Department of Homeland Security's Office of Inspector General (DHS-OIG) confirmed that CBP spent \$680,000 per house to build 21 houses in Ajo; "disregarded its [own] study recommendations" for the project; and "designed the houses to include nonessential or upgraded items" like vaulted ceilings, three-car garages, and walk-in pantries. While such amenities may be important to some homebuyers, they should not come as luxuries at the taxpayer's expense.

Despite CBP's excessive spending on these homes, as documented by DHS-OIG, many of the housing units remain vacant. DHS-OIG attributed the vacancies to the high rent for those houses, which provided far more living space and features than the predominantly single Border Patrol agents needed. CBP claimed in response to a September 2013 information request that "[a] thorough process examined alternatives in the town of Ajo." However, the DHS-OIG's report found that CBP ignored its own study's recommendation to build one-bedroom apartment-style housing, choosing instead to build family-style houses with two or three bedrooms. Consequently, CBP paid far too much for houses that were too expensive for many Border Patrol agents to live in.

We are glad that CBP has agreed to implement all of the recommendations issued by DHS-OIG. In the future, it is imperative that CBP plan major construction projects properly so that costly mistakes do not jeopardize the funding our agents need to secure our border.

In order to ensure that the proper lessons are learned from this program, please provide responses to the following information requests:

1. Has CBP held any of its officials accountable for the mismanagement or waste identified by the DHS-OIG in the construction of the Ajo housing project?
Please explain your answer.

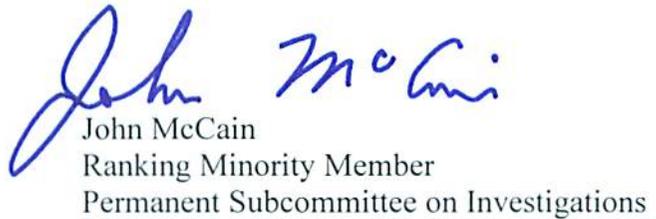
2. What new processes will CBP put in place to ensure that amenities identified as excessive by the DHS-OIG are not included in future housing for its employees?
3. Has CBP commenced any new housing projects in the past 12 months? If so, have the recommendations from the DHS-OIG report been incorporated into those projects?
4. In its November 2013 response to a September 17, 2013 letter on this issue, CBP stated that the "total project cost" for the CBP housing in Ajo was \$12.797 million. The DHS-OIG's report identified the total project cost as \$17 million. Please explain this discrepancy.
5. Since completing construction of the housing units, what has been the average rate of occupancy?

Thank you for your prompt response to this matter. If you have any questions or concerns, please contact Jack Thorlin (Senator McCain) at 202-224-2224, or Chandler Morse (Senator Flake) at 202-224-4521.

Sincerely,



Jeff Flake
United States Senator



John McCain
Ranking Minority Member
Permanent Subcommittee on Investigations