



U.S. House of Representatives
Committee on Transportation and Infrastructure
Washington, DC 20515

Don Young
Chairman

James L. Oberstar
Ranking Democratic Member

February 11, 2005

Lloyd A. Jones, Chief of Staff
Michael Strachan, Deputy Chief of Staff

David Heymsfeld, Democratic Chief of Staff

The Honorable Richard L. Skinner
Inspector General
Department of Homeland Security
Stop 2600
245 Murray Drive, Building 410
Washington, D.C. 20405

Dear Mr. Skinner:

We are very concerned with the use of funds transferred by the General Services Administration to the Department of Homeland Security for the support of the Federal Protective Service. We write to specifically request that you conduct an audit of all funds transferred from GSA to DHS to ensure that all transfers comply with the Homeland Security Act of 2002.

The Homeland Security Act of 2002 (P.L. 107-296), transferred the Federal Protective Service (FPS) from the General Services Administration (GSA) to the newly created Department of Homeland Security (DHS). FPS was assigned to the Immigration and Customs Enforcement (ICE) agency of DHS. Further, pursuant to section 422 of the Act, Congress directed that rents and fees that are collected by GSA that are transferred to DHS shall be used solely for the protection of buildings and grounds owned or occupied by the Federal government. Based on a "fee for service" calculation, GSA is authorized to transfer those amounts from the Federal Building Fund to DHS to pay for the security of public buildings owned by the Federal government and used by the public. Moreover, the Act specifically prohibits DHS from obligating any amounts in the Federal Buildings Fund.

On March 1, 2003, GSA transferred \$255 million from FPS to DHS for the protection of Federal buildings for FY2003. In FY2004, GSA transferred \$452 million from FPS to DHS for FY2004. The transferred amounts included \$424 million for Base Protection, \$18 million for Telecommunications Support, and \$10 million for Administrative Support. The combined \$28 million of Support funding was provided directly to the appropriate DHS office. Thus, FPS received the remaining \$424 million.

Recent press accounts as well as internal ICE newsletters have identified severe budget shortfalls in DHS and in particular within ICE. Moreover, in a December 2004 report, DHS

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Inspector General Clark Ervin expressed serious concerns that ICE did not maintain its accounting records during FY2004 and identified a void in the financial management infrastructure at ICE.

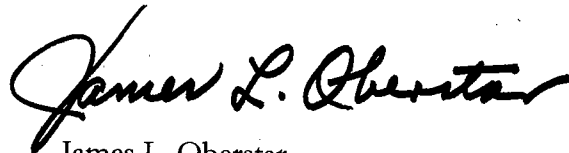
In light of those concerns and given the specific statutory requirements, we request that you conduct an audit of all funds transferred from GSA to DHS, as authorized in P.L. 107-296. Furthermore, we request that you determine whether any additional funds have been transferred from FPS to DHS and for what purpose.

The Committee on Transportation and Infrastructure will soon begin consideration of various aspects of the Administration's GSA and DHS budget requests for FY2006 and, thus, we request that the audit be completed as soon as possible. If you have any questions regarding this request, please call us, or Susan Brita of the Committee staff (202/225-9961).

Sincerely,



Eleanor Holmes Norton
Ranking Democratic Member
Subcommittee on Economic Development,
Public Buildings, and Emergency Management



James L. Oberstar
Ranking Democratic Member