

BOX 5:

Naturalization, etc.

- Disability Reg.
- Immigration Naturalization (NQP's)
- Birthright Citizenship
- INS: Backlog, etc.
- Smith Bill
- Immigration Naturalization
- Naturalization
- INS Naturalization
- Naturalization – Citizenship, USA

Native Americans Religious Freedom Act (NAFERA)

Hispanic Caucus (Mixed Issues)

- Immigration IHP deportations/ criminal proc.
- Immigration. Religious Workers
- Juveniles, Special Immigrant
- Immigration Smuggling Cases & Fraudulent Alien Transportation
- Immigration Document Fraud
- Immigration Work Authorization/ SSA Card Report
- Immigration Emergency Medical/ “Patient Dumping”
- Spouse Visas
- Immigration Criminal Activities/ Prisoner Transfer Treaties
- Immigration Hogan & Hartson Reports
- Immigration (Cases)
- Immigration Deportations
- Immigration Fingerprinting
- Brookings Forum
- Immigration Refugees/ Admissions
- Policies Procedures INS
- Immigration Deportation of Criminal Aliens

Parity Letters

Central America NACARA Leg. Paity DED TPs

- Parity Legislation
- NACARA
- DED –Hondurans
- NACARA (leg.)
- NACARA Reg.
- NACARA implementation

Restructuring workplan Immigration and Naturalization Service

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Fax #: 456-7028 **Pages:** 4, including this cover sheet.
From: Sarah Taylor
Subject: INS press release on KPMG audit

COMMENTS:

Here's the press release--I'll messenger over a copy of the report.

U.S. Department of Justice
IMMIGRATION AND NATURALIZATION SERVICE
Washington, DC 20536



NEWS RELEASE

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December 16, 1997

INS Demonstrates Turnaround in Naturalization Procedures

WASHINGTON – The Immigration and Naturalization Service (INS) today released results of an outside audit that demonstrate it has made a dramatic turnaround in the implementation of new naturalization quality procedures (NQP) the agency initiated in June.

The findings credit INS with having "greatly reduced the risk of incorrectly naturalizing an applicant." It recognizes that INS was required to "institute major changes at a time of increased workload," and "institutionalize a quality mind set across the INS."

The audit, conducted by KPMG Peat Marwick, LLP, under contract with the Department of Justice, found "no critical processing errors" in 3,989 of 4,000 sample cases. These 4,000 adjudicated cases were randomly selected from 24 INS field offices, which account for approximately 85 percent of the naturalization workload across the country.

"We are proud of the results of this report because it shows the tremendous amount of progress we have made over the last eight months," said INS Commissioner Doris Meissner. "The systemic problems have been fixed, and we will continue to work with field offices to ensure that we address any isolated processing problems that might still exist."

The report also stated that KPMG "observed the consistent dissemination of the guidance across the Service; an increase in the emphasis and execution of critical naturalization processes; an intensified training program; and an understanding of the NQP concepts at all management levels."

This audit applied a zero-tolerance policy, which is the highest possible standard and one that was much more difficult to meet than was applied in an earlier survey released last April.

Of the 4,000 cases, KPMG found 12 errors (in 11 cases) that had processing discrepancies in "critical control areas"—notation of FBI fingerprint results on the worksheet contained in the case file (two cases in the Dallas office), supervisory review

(more)

INS Demonstrates Turnaround in Naturalization Procedures

Page 2

of complex cases (seven cases in the El Paso office), and reverification that all steps were followed (three cases—one in the Phoenix office, one in the Omaha office and one in the El Paso office). Of the 11 cases, 10 had gone through oath ceremonies. Nine of those 10 met all eligibility requirements, and INS is currently reviewing the other case to determine what action, if any, needs to be taken. Action would be required only if an applicant had any disqualifying circumstances.

"We are pleased by the strides INS has taken in its effort to achieve an error-free naturalization process," said Stephen R. Colgate, Assistant Attorney General for Administration. "The audit demonstrates that systematically, the process is sound. Some implementation problems still remain in some of the INS offices with smaller caseloads, but you have to expect some bumps in the road when implementing comprehensive changes in the way an agency does business."

Meissner noted that INS' Office of Internal Audit (OIA) and a group of private contractors who are experts in quality assurance measures have been working closely with each of the naturalization sites to ensure their understanding of and compliance with NQP. They have been using standard survey tools to measure compliance, conducting spot training where problems were identified, and monitoring and reviewing corrective actions. She said the ongoing presence of these teams will help them maintain the progress made to date in these areas.

As a follow-up to the audit results and consistent with KPMG's recommendations, INS will conduct periodic unannounced site audits at naturalization processing sites. In addition, INS will conduct a follow-up audit to verify that corrective actions have been taken and provide refresher training on naturalization quality procedures for the four offices that had processing discrepancies in the critical control areas.

"The combination of this good audit and the critical improvements we announced last month puts the naturalization process back onto solid ground," Meissner said. "We are moving forward into 1998 in a positive direction, not only having restored integrity to the naturalization process but with a long-term plan that strengthens the fingerprint process and improves customer service."

Background

By 1996, INS was faced with an unprecedented increase in citizenship applications. Receipts historically at the 300,000 level annually had risen to more than 1.2 million in 1996.

In late 1996, INS announced a series of quality assurance measures to improve the process and began working with KPMG. INS also asked KPMG to conduct a survey of naturalization sites to assess how well those new procedures were being implemented.

(more)

INS Demonstrates Turnaround in Naturalization Procedures

Page 3

Meissner called the results of that survey, released in April of this year, "extremely troubling" and immediately made significant changes to correct the problems. These included the creation of the Office of Naturalization Operations (ONO) and the appointment of Robert K. Bratt, a senior Justice Department official, to head ONO; new training procedures in NQP implementation; and OIA reviews to facilitate compliance.

KPMG then began conducting an audit designed to validate if the new naturalization quality procedures instituted by INS this June were correctly implemented. The audit was comprised of two phases: KPMG conducted site visits of 13 INS offices in August and determined that NQP training was disseminated as a policy throughout the agency, and the procedures were implemented through training. These visits were followed by this full-scale audit that examined implementation of the remaining NQP requirements in 24 INS field offices.

INS received more than 1.6 million citizenship applications in the fiscal year that ended September 30, 1997, an increase of 34 percent over 1996.

- INS -



Federal Services Group

**Department of Justice
Immigration and Naturalization Service
Naturalization Quality Procedures Implementation Audit**



FINAL REPORT

December 16, 1997
KPMG Peat Marwick LLP
Washington DC



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December 16, 1997

Mr. Michael Archer
Department of Justice
Management and Planning Staff
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Dear Mr. Archer:

KPMG Peat Marwick LLP is pleased to present the Immigration and Naturalization Service (INS) Naturalization Quality Procedures Implementation Audit, Final Report. This report is submitted in accordance with DO 2023 under Contract 6C-K-JMD-0051.

The purpose of this report is to document the findings based on our audit of selected INS offices to assess the implementation of the Naturalization Quality Procedures that were effective June 30, 1997.

We are pleased to have the opportunity to support the Department of Justice in this very important project. If you should have any questions regarding the report please contact me at (937) 259-9850.

Very truly yours,

KPMG Peat Marwick LLP


Gary M. Ahrens
Principal

Table of Contents

<i>Title</i>	<i>Page</i>
Executive Summary	i
Introduction	1
Background	1
Scope	2
Methodology	2
Findings	6
Recommendations	19
Summary	20

Executive Summary

The Department of Justice, Justice Management Division, engaged KPMG Peat Marwick LLP to conduct an Implementation Audit to review the Immigration and Naturalization Service's (INS) implementation of the Naturalization Quality Procedures (NQP), effective June 30, 1997. The NQP addresses nine focus areas: Clerical Processing; Fingerprint Check Integrity; G-325 Biographic Information Checks; The Adjudication Process; Supervisory Review; Reverification; Quality Assurance Review; Training; and The Transition Period. KPMG audited the Training focus area during the period August 11 through August 15, 1997 and found the INS had adequately trained their personnel on the NQP guidance. The eight remaining focus areas were audited at twenty-four INS naturalization processing sites from October 6 through November 21, 1997. This report focuses on those findings.

The implementation of the NQP was a major undertaking requiring the standardization of processes at diverse locations throughout the United States; training of personnel at all levels and locations; implementation of major changes at a time of increased work load; and the institutionalization of a quality mind-set across the INS. It is understood that the accomplishment of organizational change of this breadth and complexity within a short timeframe is prone to some degree of error.

In the collection of audit data, KPMG recognized that not all NQP naturalization processing activities are of the same importance. KPMG's assessment paid particular attention to critical NQP controls that:

- Preclude the naturalization of applicants that do not meet the good moral character requirement; and
- Ensure all information is available and accurate prior to granting citizenship.

These critical control areas are FBI fingerprint check results, A-file transfer requests, supervisory review, and reverification. The evaluation of these critical controls is the main determinant for site compliance since a criterion of zero tolerance was applied during the analysis of the audit results.

Upon review of twenty-four INS naturalization processing sites, KPMG found that four of the twenty-four audit sites are not in compliance due to processing discrepancies in the critical control areas involving FBI fingerprint results; supervisory review of IDENT cases; and completion of the mandatory reverification process. However, the INS has instituted the key functions contained in the NQP at many of their main processing locations. There is evidence across all the audited sites that stricter controls are in place for the control and documentation of case files; in-process reviews have been implemented to preclude the naturalization of applicants with disqualifying conditions; and a quality review program has been instituted that focuses on in-process reviews, periodic self-audits, and sharing of quality improvement information.

As a result of the previous NQP Implementation Review, KPMG identified several processing problems in the *Naturalization Quality Procedures Implementation Review Report*, dated April 17, 1997. A major problem with the previous NQP implementation was the inconsistent dissemination and training of the new procedures. Throughout the conduct of this Implementation Audit, KPMG has observed the consistent dissemination of the guidance across the Service; an increase in the emphasis and execution of critical naturalization processes; an intensified training program; and an understanding of the NQP concepts at all management levels.

As a result of our site audits, it is clear that through the implementation of the NQP guidance, the INS has made significant improvements in the internal controls of the naturalization process and greatly reduced the risk of incorrectly naturalizing an applicant. Further, there was evidence across the INS of increased control and documentation of criminal history information. Though four sites are not in compliance with the June 30, 1997 NQP, KPMG can conclude that the INS has continued to reduce the likelihood of naturalizing aliens with disqualifying conditions.

Introduction

The Department of Justice (DoJ), Justice Management Division (JMD), engaged KPMG Peat Marwick, LLP (KPMG) to conduct an Implementation Audit to validate if the new Naturalization Quality Procedures (NQP) instituted by the Immigration and Naturalization Service (INS) on June 30, 1997 were correctly implemented. To ensure the new procedures were implemented correctly, KPMG conducted a two-part audit. The audit was comprised of site visits to thirteen INS sites to validate NQP training requirements, followed by a full scale audit of twenty-four INS sites to audit the remaining NQP requirements. This report provides the findings of the second part, the full scale NQP Implementation Audit.

The following sections provide the background, scope, and methodology used to conduct the Implementation Audit. This is followed by the audit findings, recommendations for improvement, and an overall audit summary.

Background

The Immigration and Naturalization Service (INS) processed approximately 1.3 million applications for citizenship between August 1995 and September 1996. During that period, the INS initiated a number of efforts under Citizenship USA (CUSA) to accelerate and streamline the naturalization process. While these efforts greatly increased the volume of applicants processed and approved, the potential for error during this period was also increased. To mitigate risk, the INS initiated two naturalization process control initiatives that included:

- Implementation of the initial NQP controls on November 29, 1996 which focused on improvements in seven key areas: standardization of work processes; fingerprint check integrity; enhanced supervisory review; instructions regarding temporary file (T-file) use; implementation of a standardized quality assurance program; guidance regarding revocation procedures; and requirements for increased monitoring of outside English and Civics test sites.
- Implementation of improved NQP controls on June 30, 1997, expanding the November procedures by providing guidance on nine focus areas: clerical processing; fingerprint check integrity; G-325 biographic information checks; the adjudication process; supervisory review; reverification; quality assurance review; training; and transition period.

KPMG was tasked to validate the correct implementation of both NQP initiatives. KPMG completed an implementation review of the INS implementation of the November 29, 1996 NQP and provided the *Naturalization Quality Procedures Implementation Review Report* on April 17, 1997.

KPMG was also tasked to conduct an Implementation Audit to validate the implementation of the June 30, 1997 NQP. The findings of that audit are the focus of this report. The Implementation Audit was conducted using a two-part approach. First, KPMG visited

thirteen INS sites from August 11 through August 15, 1997 to audit the INS implementation of the training requirements. In the final report, the *Naturalization Quality Procedures, Preliminary Review Report* dated September 4, 1997, KPMG concluded that the INS had adequately trained its personnel on the guidance contained in the June 30, 1997 NQP.

This report provides the findings from the second part of the audit, the full scale implementation audit to review the eight remaining NQP focus areas. The Implementation Audit was conducted at twenty-four INS naturalization processing sites from October 6 through November 21, 1997.

Scope

The Implementation Audit assessed the requirements contained in the NQP Memorandum effective June 30, 1997 which superseded all previous versions of the NQP. Since the NQP training requirements were previously validated, the scope of this part of the audit includes the remaining eight focus areas of clerical processing; fingerprint check integrity; G-325 biographic information checks; the adjudication process; supervisory review; reverification; quality assurance review; and transition period.

In the collection of audit data, KPMG realizes that not all NQP naturalization processing activities are of the same importance. KPMG's assessment paid particular attention to the critical NQP controls that preclude the naturalization of applicants that do not meet the good moral character requirement; and ensure all information is available and accurate prior to granting citizenship. These four critical controls are the FBI fingerprint check results, A-file transfer requests, supervisory review, and reverification.

Methodology

The Implementation Audit was conducted using the guidance contained in the *Naturalization Quality Procedures Audit Plan* dated September 16, 1997. The following is an overview of the key audit activities: the audit process, schedule, data collection, sampling methodology, and constraints that may have caused deviations to the audit plan.

Audit Process

KPMG conducted the audit using three teams. Each team consisted of a team leader and two auditors. Prior to beginning site audits, KPMG conducted NQP training and case file familiarization for the audit personnel at the INS facility in Charleston, SC. KPMG personnel validated the audit plan procedures during a training review conducted at the INS Washington DC District Office. INS personnel were in attendance and observed the audit processes. The results of the training site visit are not part of this report.

Three days were allotted to perform each site audit. KPMG audit teams began each visit with an overview of the planned audit activities. Following the activity overview, the INS point of contact provided a brief tour of the facility to familiarize the audit team with the naturalization processing activities conducted at that site. In conducting the audit, each team collected information on the eight focus areas through process review, documentation review, case file audits, and an FD-258 Civil Fingerprint Card audit.

Schedule

Figure 1 lists the sites and schedule for the implementation audit.

FIGURE 1
Implementation Audit Site Schedule

Type of Site	Location	Start Date	End Date
Service Centers	California	Oct 6	Oct 8
	Texas	Oct 9	Oct 14
	Nebraska	Oct 15	Oct 17
	Vermont	Oct 20	Oct 22
Citizenship USA Sites	Fresno, CA	Oct 6	Oct 8
	San Jose, CA	Oct 9	Oct 14
	Oakland, CA	Oct 15	Oct 17
	Laguna Niguel, CA	Oct 20	Oct 22
	Bellflower, CA	Oct 23	Oct 27
	El Monte, CA	Oct 28	Oct 30
	Miami, FL	Oct 31	Nov 4
	Chicago, IL	Nov 5	Nov 7
District Offices	Garden City, NY	Nov 10	Nov 12
	Washington, DC (training)	Oct 1	Oct 3
	San Francisco, CA	Oct 6	Oct 8
	Seattle, WA	Oct 9	Oct 14
	San Diego, CA	Oct 15	Oct 17
	Los Angeles, CA	Oct 20	Oct 22
	Phoenix, AZ	Oct 23	Oct 27
	El Paso, TX	Oct 28	Oct 30
	Dallas, TX	Oct 31	Nov 4
	Houston, TX (1st Visit)	Nov 5	Nov 7
	Omaha, NE	Nov 10	Nov 13
	Boston, MA	Nov 14	Nov 17
	Newark, NJ	Nov 19	Nov 20
	Houston, TX (2nd visit)	Nov 19	Nov 21
FBI	Clarksburg, WV	Oct 23	Oct 24

Data Collection

At each INS site the audit team collected, reviewed, and recorded findings for the eight NQP focus areas using four audit methods: process review, documentation review, case file audits, and an FD-258 Civil Fingerprint Card audit. The four audit methods and the applicable NQP focus areas audited are described below.

- The Process Review provided information relative to the implementation of clerical processing and G-325 biographic information focus areas. Since these areas could not be fully addressed through documentation review, INS local office management was required to explain how the processes had been implemented.
- The Documentation Review assessed the NQP focus areas of quality assurance review, clerical processing, supervisory review, and reverification.
- The Case File Audits assessed the NQP focus areas of clerical processing, G-325 biographic check, the adjudication process, supervisory review, reverification, transition period, and fingerprint check integrity. Case files were selected from three different points during the naturalization process, as detailed in the sampling methodology.
- The FD-258 Civil Fingerprint Card Audit assessed the NQP focus area of fingerprint check integrity. Fingerprint cards were selected for review as described in the sampling methodology.

KPMG recognizes that functions vary by the type of INS processing organization (i.e., District Office versus Service Center). Data collected during the audit was attributed to the site performing the activity which may not be the site possessing the file.

Sampling Methodology

KPMG applied random sampling techniques to select case files and FD-258 Civil Fingerprint Cards for review. Though universe size varied at each site, this process ensured the audit team was provided a good representation of the site's work products. This section describes the methodology used for KPMG's random selection.

KPMG collected samples from the following three universes:

- Cases Scheduled for Interview: This universe included case files that were scheduled for interview upon KPMG's arrival. These cases were restricted to those that had not yet had an adjudication interview. At Service Centers, only files that were still located at the Service Center were included in the universe. When testing CUSA sites, only files located at the CUSA site were included in the sample. Each site provided the list of cases scheduled for interview to the audit team.
- Granted Cases: This universe included case files where an adjudication decision was made to grant citizenship, but the applicant had not completed oath ceremony. Only files that had completed the adjudication interview since June 30, 1997 were included in the

universe. Only CUSA sites and District Offices were included in the audit of granted cases.

- **Post Oath Ceremony Cases:** This universe of cases included applicants that had attended the oath ceremony since June 30, 1997, but whose files were not retired to the Federal Records Center. Only CUSA sites and District Offices were included in the audit of post oath ceremony cases.

At each location, 100 case files from each universe and 100 FD-258 Civil Fingerprint cards were selected. Where 100 sources were not available a 100% review was conducted of all files or cards in that universe. To select 100 samples from the universe an Excel spreadsheet was created to generate a random number for each element in the universe. The random numbers were generated by Excel using a random number table contained in the program's software. KPMG assigned a seed number as a pointer for Excel's random number table allowing anyone to regenerate the same random numbers at a later date. Once the random numbers were generated, the "Rank and Percentile" data analysis tool in Excel was used to sort each sequential number in descending order according to the random number. The 100 sequential numbers at the top of the Excel spreadsheet were used to indicate the case files or fingerprint cards selected for the random sample. Where lists were not available, files or cards were counted and sequential numbers were assigned corresponding to the item's position in the stack.

This selection method provided an avenue for replacement in the event that a file or card was not found or did not meet the requirements for the given universe. As replacement files were required, the next sequential number on the list was used.

Reporting

At the completion of each INS site audit, KPMG provided an exit brief outlining significant findings to include major process problems and case file discrepancies. At each site, KPMG informed INS personnel that a final assessment of the site's implementation status would not be provided until all site audits were completed, all data was reviewed and analyzed, and a final report was published.

Methodology Constraints

Several factors encountered during the audit impacted the planned methodology. To assist with the understanding of KPMG's findings and assessments, a brief description is provided for the major case file anomalies and audit process constraints that occurred during the review.

Many of the clerical requirements of the NQP were not applicable to the audit due to the case file backlog. Every site was processing applications submitted prior to the June 30, 1997 implementation of the NQP. As stipulated in the NQP, these files were marked as "See Attached" or "Record Starts Here" for much of the data on the N-400 Processing Worksheets. Expecting this, KPMG selected cases from three different points in the naturalization process

to allow auditors to gather data from files processed under the new guidelines. Regardless of these safeguards, when 100 case files were pulled, many of the required data points occurred prior to June 30, 1997 and were recorded as not applicable.

The audit plan required that KPMG review files that were located on site. The NQP does not stipulate where files are stored, so the audit team had to be flexible as to where the case file reviews would be accomplished. For example, Post Oath Ceremony cases for the El Monte, Bellflower, and Laguna Niguel CUSA sites and the Los Angeles District Office are stored at the El Monte location. In this instance, the Post Oath Ceremony case review for each office was conducted at El Monte. In addition, the Garden City CUSA site Post Oath Ceremony cases were stored at Garden City and Manhattan. In this instance, KPMG selected a sample comprised of cases from both locations and the cases were delivered from Manhattan to Garden City.

The process for selecting granted cases had to be altered at the Newark District Office. This office grants cases and conducts oath ceremonies on the same day. In addition, interviews were not scheduled for the days the team was on site. Consequently, Newark could not provide a Granted Cases universe for sampling. To ensure sufficient cases were reviewed to assess the NQP processes, samples were selected from the Post Oath Ceremony universe. No case was used as a sample in both the Granted and Post Oath Ceremony samples. In addition, Post Oath Ceremony related data was not audited when a case was reviewed for Granted conditions.

FD-258 Civil Fingerprint Cards were not collected during KPMG's visit as outlined in the NQP Audit Plan. Instead, the cards were collected by the INS site prior to KPMG's arrival. This provided a larger card universe from which to sample. In some offices, a very small universe of cards would have been available for review if not for this modification to the plan.

Findings

Our findings are grouped into Service Center, Citizenship USA (CUSA) site, and District Office findings. In each of these areas, our findings follow eight of the nine focus areas described in the Naturalization Quality Procedures (NQP). They include Clerical Processing; Fingerprint Check Integrity; G-325 Biographic Information Checks; the Adjudication Process; Supervisory Review; Reverification; Quality Assurance Review; and Transition Period. For Training, the ninth focus area, KPMG concluded in the *Naturalization Quality Procedures, Preliminary Review Report* dated September 4, 1997, that the INS had adequately trained its personnel on the guidance contained in the NQP.

In the analysis of the audit data, KPMG focused on critical NQP controls that (1) preclude the naturalization of applicants that do not meet the good moral character requirement and (2) ensure that all information is available and accurate prior to granting citizenship. Because of the importance of these critical controls a criterion of zero tolerance was applied during the

analysis of the audit results. This is the main determinant for site compliance. These critical control areas are:

- **FBI Fingerprint Check Results** - No case should be granted citizenship without evidence of the FBI fingerprint check results in the case file. This information is essential in ensuring adequate checks are in place to identify applicants not meeting the good moral character requirement.
- **A-File Search** - No applicant should be granted citizenship on a temporary file (T-file) until a diligent search for the A-file is completed. A diligent search for the A-file is defined as three documented requests made at a minimum of thirty day intervals. This control ensures that adequate research has been made to acquire all applicant historical information.
- **Supervisory Review** - No applicant is granted citizenship for any complex case, until the Supervisory Review is documented on the N-400 Processing Worksheet. This applies only to complex cases defined as an applicant with a potentially disqualifying criminal history or applications adjudicated on a T-file. This check is essential in ensuring adequate review of adjudication decisions for applicants that may not meet the good moral character requirement.
- **Reverification** - No applicant is naturalized before the case is reverified by a journeyman Adjudications Officer or Supervisory District Adjudications Officer. The reverification process is the last check for verifying that all data is accurately documented in the case file and the applicant meets all the requirements for citizenship prior to taking oath. It is the last step in ensuring all checks have been made to preclude the naturalization of applicants with disqualifying conditions.

We have categorized the implementation status into two areas that measure the level of implementation achieved by each site. Upon analysis of the audit results, each site is given an implementation status of either Compliant or Noncompliant.

- **Compliant** - A compliant rating indicates the site has no failures in any of the four critical control areas.
- **Noncompliant** - The site has failed any one of the four critical controls. A failure is defined as one or more occurrences per site.

Compliant and noncompliant sites may have additional process problems. These problems are further discussed under the NQP focus area findings.

Figure 2 provides by site, the implementation status and any noncompliant critical control areas. This is followed by the NQP focus area findings grouped by Service Center, Citizenship USA (CUSA) site, and District Office findings.

FIGURE 2
Implementation Audit Status

INS SITE	IMPLEMENTATION STATUS	NONCOMPLIANT CRITICAL CONTROLS
Service Centers		
California	Compliant	None
Texas	Compliant	None
Nebraska	Compliant	None
Vermont	Compliant	None
Citizenship USA Sites		
Fresno, CA	Compliant	None
San Jose, CA	Compliant	None
Oakland, CA	Compliant	None
Laguna Niguel, CA	Compliant	None
Bellflower, CA	Compliant	None
El Monte, CA	Compliant	None
Miami, FL	Compliant	None
Chicago, CA	Compliant	None
Garden City, NY	Compliant	None
District Offices		
San Francisco, CA	Compliant	None
Seattle, WA	Compliant	None
San Diego, CA	Compliant	None
Los Angeles, CA	Compliant	None
Phoenix, AZ	Noncompliant	Reverification
El Paso, TX	Noncompliant	Supervisory Review, Reverification
Dallas, TX	Noncompliant	FBI Responses
Houston, TX	Compliant	None
Omaha, NE	Noncompliant	Reverification
Boston, MA	Compliant	None
Newark, NJ	Compliant	None

Focus Area Findings

The focus area findings are provided by type of INS organization (Service Center, CUSA site, or District Office). Significant site specific discrepancies are provided within the applicable focus area. In the review of the focus area findings, it should be understood that KPMG used a random approach to review cases at each site. Through random selection, KPMG is provided a sample that is representative of all the naturalization cases at the site. Though the number of discrepancies identified in the findings can appear to be low, single errors may be indicative of a larger quality problem that should be reviewed and corrected by site management.

In the conduct of the audit, KPMG observed a wide array of error conditions. In the site specific findings, we have provided only those instances that would be of interest to INS management in that they may require corrective action and should be monitored through the NQP Quality Assurance Review process.

Clerical discrepancies appear to be a problem across the INS CUSA sites and District Offices. By following the NQP guidance, the N-400 Processing Worksheet should provide a clear and consistent history of the applicant's naturalization process. Upon review of a file by INS personnel or auditor all data should be clear and recorded in the correct position on the form. The term "clerical discrepancy" is not to be confused with the Clerical Processing focus area. It refers to clerical annotations that are difficult to read or are not recorded in the correct position on the form. Clerical discrepancies include, but are not limited to, data recorded in the wrong column; missing initials or dates, or both; and annotations that are missing or difficult to read.

During the audit KPMG observed clerical discrepancies across INS sites with varied degrees of occurrence. Examples of the most common clerical discrepancies are provided with the focus area findings. KPMG recommends this be a major focus of future NQP guidance updates and training initiatives.

KPMG performed an additional review of INS fingerprint card submissions at the FBI Fingerprint Processing Facility in Clarksburg, WV. The results of that visit are provided after the District Office findings.

Service Center Findings

In assessing Service Center compliance, KPMG addressed only the focus areas applicable to Service Centers. These focus areas included Clerical Processing, Fingerprint Check Integrity, G-325 Biographic Information Checks, Quality Assurance Review, and the Transition Period. The following documents our findings of the review of the Service Centers:

Service Center Clerical Processing

Clerical Processing includes A-file transfer request procedures and the completion of the clerical section of the N-400 Processing Worksheet. All Service Centers were in compliance with this NQP focus area, however, two significant errors were discovered:

- The Laguna Niguel CUSA site received an A-file with no N-400 Application, N-400 Processing Worksheet, or FBI fingerprint results. Though this file was most likely received from the California Service Center, KPMG cannot determine which site is responsible for this discrepancy.
- The Garden City CUSA site received an A-file with no N-400 Processing Worksheet. Since no worksheet was present, the FD-258 control number was not transcribed prior to interview scheduling. Though this file was most likely received from the Vermont Service Center, KPMG cannot determine which site is responsible for this discrepancy.

The above listed cases were discovered within the "Scheduled For Interview" universe and could be corrected prior to reaching the actual interview. The INS should ensure that stronger internal controls are in place to preclude reoccurrence.

Service Center Fingerprint Check Integrity

Fingerprint Check Integrity includes the review and quality submission of FD-258 Civil Fingerprint Cards to the FBI and the documentation of completed FBI fingerprint checks. All Service Centers met the requirements of this NQP focus area. In our review we found:

- All FD-258 Civil Fingerprint Cards reviewed by KMPG during the audit of the Service Centers were in compliance.
- All cases reviewed by KPMG at the Service Centers contained evidence of the FBI fingerprint check results in the file.

Service Center G-325 Biographic Information Checks

G-325 Biographical Information Checks are submitted by Service Centers to the FBI automatically by the RNACS system. These checks provide an indicator that information about an applicant resides at a third government agency, such as the IRS. KPMG audited to determine if the G-325 requests are submitted automatically to the FBI. In our review, the sites were aware that the RNACS system generated the requests, but could not confirm if the requests reached the FBI. In our review we found that:

- The California, Nebraska, and Vermont Service Centers have received responses from the FBI since June 30, 1997.
- The Texas Service Center has not received responses from the FBI.

Since the Texas Service Center has no evidence of responses to G-325 requests, KPMG cannot determine compliance in this focus area. All other Service Centers are compliant in this NQP focus area.

Service Center Quality Assurance Review

The review of this focus area involves the review of site-provided Quality Assurance Summary Reports. This validates that the site is conducting the quality reviews, preparing the reports, and submitting the results to higher headquarters by the fifth working day of the month.

In our review, we found that all the Service Centers had conducted the monthly reviews, prepared the summary reports, and submitted the information within the required time frame. Based on our review, all Service Centers meet the requirements of this NQP focus area.

Service Center Transition Period

Every file reviewed by KPMG was subject to the requirements of the transition period. The NQP requires sites to place a new N-400 Processing Worksheet on every file where action was taken after June 30, 1997. Previous actions taken with regards to a case file, in the naturalization process, are documented with a "See Attached" or "Record Starts Here" indicating the file was reviewed to determine if all actions were accomplished. In our review, we observed at all Service Centers that the N-400 Processing Worksheet and transition period administrative requirements were correctly applied. Except for the N-400 Processing Worksheet discrepancies noted above in the Clerical Processing findings, all Service Centers met the requirements of this focus area of the NQP.

Service Center Overall Conclusion

Based on the data collected during KPMG's audit, all the Service Centers met the requirements of the NQP and no major process problems were observed.

Citizenship USA (CUSA) Site Findings

In assessing CUSA Site compliance, KPMG addressed only focus areas applicable to CUSA sites. These focus areas include Clerical Processing, Fingerprint Check Integrity, the Adjudication Process, Supervisory Review, Reverification, Quality Assurance Review, and the Transition Period. The following documents our findings as a result of our review of the CUSA sites:

CUSA Processing Site Clerical Processing

Clerical Processing includes A-file transfer request procedures and the completion of the clerical section of the N-400 Processing Worksheet. All CUSA sites met the requirements of this NQP focus area, however, two significant errors were discovered.

- The Laguna Niguel CUSA site received an A-file with no N-400 Application, N-400 Processing Worksheet or FBI fingerprint results. Though this file was most likely received from the California Service Center, KPMG cannot determine which site is responsible for this discrepancy.
- The Garden City CUSA site received an A-file with no N-400 Processing Worksheet. Since no worksheet was present, the FD-258 control number was not transcribed prior to interview scheduling. Though this file was most likely received from the Vermont Service Center, KPMG cannot determine which site is responsible for this discrepancy.

The above listed cases were discovered within the “Scheduled For Interview” universe and could be corrected prior to reaching the actual interview. The INS should ensure that stronger internal controls are put in place to preclude reoccurrence.

CUSA Processing Site Fingerprint Check Integrity

This section includes the review and quality submission of FD-258 Civil Fingerprint Cards to the FBI and the documentation of completed FBI fingerprint checks. KPMG audited FD-258 Civil Fingerprint Cards at CUSA sites where the cards were processed. All CUSA sites met the requirements of this NQP focus area with the exception of the El Monte CUSA site. In our review we found:

- At both the Chicago and Garden City CUSA sites, one card was reviewed without the ORI code. This card would have resulted in an Immediate Reject from the FBI. Immediate rejects by the FBI will increase processing time for an applicant due to the required resubmission of an FD-258 Civil Fingerprint Card. This should not, however, result in an applicant being scheduled for interview without the benefit of an FBI fingerprint check.
- At the El Monte CUSA site, 79 resubmitted cards (out of the 100 card sample) had the incorrect ORI code. An incorrect ORI code will cause the FBI to bill the wrong INS location for services, however, the card would still be processed by the FBI. The ORI codes used in El Monte were codes from the Los Angeles District Office, so the FBI billing would be charged to the downtown district office and the resulting rap sheet may be sent there as well. Upon KPMG’s notification, the El Monte CUSA site took immediate corrective action by issuing a policy memorandum to correct the deficiency. Because of the high degree of error, INS management should monitor the El Monte site to ensure the corrective actions have resolved the problem.
- All cases reviewed by KPMG at the CUSA sites contained evidence of the FBI fingerprint check results in the file.
- Several clerical discrepancies were noted in how the INS records FBI response information. FD-258 Control Number lines were found with no initials or date; and lines were not completed though the FBI results were contained in the file.

CUSA Processing Site Adjudication Process

The Adjudication Process includes the completion of the officer portion of the N-400 Processing Worksheet and the procedures for adjudication on a T-file. Adjudication on a T-file is not permitted by the NQP until a diligent search for the A-file is established. If a case is adjudicated on a T-file the adjudicator must complete a "Record of sworn statement (T-file)" and include a Central Index System (CIS) printout verifying the satisfaction of residency requirements. All the CUSA sites met the requirements of this focus area. In our review we found:

- All CUSA sites were correctly interviewing applicants on a T-file only after three A-file transfer requests. For all interviews conducted with a T-file, a record of sworn statement was included. One T-file audited at the Chicago CUSA site did not include the CIS printout verifying the residency requirement had been met, however, the case file had undergone Supervisory Review.
- The Garden City CUSA site had one adjudication with no evidence of an Oath Declaration Statement in the file.
- There were several clerical discrepancies noted across the sites where the adjudicator did not complete lines of the N-400 Processing Worksheet when actions were accomplished at interview. These included missing dates or initials; no indication of final decision in the remarks column; and annotations in the wrong column.

CUSA Processing Site Supervisory Review

Supervisory Review is required for three types of complex cases. They include applicants with potentially disqualifying criminal histories (other than minor immigration violations), cases adjudicated on a T-file, or applicants with a 312-disability exception waiver. All CUSA sites met the requirements of this focus area.

CUSA Processing Site Reverification

Reverification is required for all cases after the grant decision and before oath ceremony. The reverification process is the last check for verifying that all data is accurately documented in the case file and the applicant meets all the requirements for citizenship prior to taking oath.

All CUSA sites have met the requirements of this NQP focus area, however, there was one significant finding at the Garden City CUSA site. A signature (not initials) is required on the N-400 Processing Worksheet Reverification line. At the Garden City CUSA site, the reverifier had used initials in eighteen cases. Garden City had discovered the problem prior to the audit and had reassigned the reverifier. All other file data indicated the files were in order, so KPMG did not record the discrepancy as a failure.

CUSA Processing Site Quality Assurance Review

The review of this focus area involves the review of site-provided Quality Assurance Summary Reports. This validates that the site is conducting the quality reviews, preparing the reports, and submitting the results to higher headquarters by the fifth working day of the month.

In our review, we found that all the CUSA sites had conducted the monthly reviews, prepared the summary reports, and submitted the information within the required time frame. Based on our review, all the audited CUSA sites meet the requirements of this NQP focus area.

CUSA Processing Site Transition Period

Every file reviewed by KPMG was subject to the requirements of the transition period. The NQP requires sites to place a new N-400 Processing Worksheet on every file when the first action is taken after June 30, 1997. Previous actions taken with regards to a case file, in the naturalization process, are documented with a "See Attached" or "Record Starts Here" annotation indicating the file was reviewed to determine that all actions were accomplished. In our review, we observed at all CUSA sites that the N-400 Processing Worksheet and transition period administrative requirements were correctly applied. Except for the N-400 Processing Worksheet discrepancies noted above in the Clerical Processing findings, all CUSA sites met the requirements of this focus area of the NQP.

Other than the errors identified in the CUSA Clerical Processing area identified above regarding the lack of a N-400 Processing Worksheet, all CUSA sites are consistently applying the new worksheet. All CUSA sites are meeting the requirements of this NQP focus area.

CUSA Processing Site Overall Conclusion

Based on the data collected during KPMG's audit, all the CUSA sites meet the requirements of the NQP.

District Office Findings

In assessing District Office compliance, KPMG addressed all focus areas since District Offices perform every portion of the NQP. These focus areas include Clerical Processing, Fingerprint Check Integrity, G-325 Biographic Information Checks, the Adjudication Process, Supervisory Review, Reverification, Quality Assurance Review, and the Transition Period. The following documents our findings as a result of our review of the District Offices:

District Office Clerical Processing

Clerical processing includes A-file transfer request procedures and the completion of the clerical section of the N-400 Processing Worksheet. Based on our review all District Offices meet the requirements of this NQP focus area.

District Office Fingerprint Check Integrity

This section includes the review and quality submission of FD-258 Civil Fingerprint Cards to the FBI and the documentation of completed FBI fingerprint checks. In this critical control area, we found the Dallas District Office noncompliant. All other District Offices met the requirements of this NQP focus area. In our review we found:

- The Dallas District Office was noncompliant in this critical control area. The instances that warranted this finding were two separate interviews conducted without the required FBI fingerprint analysis. The finding of noncompliance was based on the adjudicator granting citizenship without the required evidence of FBI fingerprint results present in the file.
- In the evaluation of FD-258 fingerprint cards, the Newark, Houston, and Dallas offices each submitted one card with a missing ORI code. At each site the card would have resulted in an Immediate Reject from the FBI. Immediate rejects by the FBI will increase processing time for an applicant due to the required resubmission of an FD-258 Civil Fingerprint Card. This should not, however, result in an applicant being scheduled for interview without the benefit of an FBI fingerprint check.
- Several clerical discrepancies were noted across sites in how the INS records FBI response information. FD-258 Control Number lines were found with no initials or date; and lines were not completed though the FBI results were contained in the file.

District Office G-325 Biographic Information Checks

G-325 Biographical Information Checks are submitted by District Offices to the FBI automatically by the RNACS system with the exception of non-RNACS offices (Omaha and El Paso). At non-RNACS sites, G-325 requests are submitted manually to the FBI. These checks provide an indicator that information about an applicant resides at a third government agency, such as the IRS. KPMG audited to determine if the G-325 requests are submitted to the FBI. In our review, the sites were aware that the RNACS system generated the requests, but could not confirm if the requests reached the FBI. In our review we found that:

- The Omaha and Los Angeles District Offices have received responses from the FBI since June 30, 1997.
- All other District Offices have not received responses from the FBI.

Since El Paso manually submits G-325 requests to the FBI, KPMG can confirm the submission. All District Offices other than Omaha, Los Angeles, and El Paso have no evidence of G-325 requests reaching the FBI, therefore, KPMG cannot determine compliance in this focus area for these sites. Omaha, Los Angeles, and El Paso are compliant in this NQP focus area.

District Office Adjudication Process

The Adjudication Process includes the completion of the officer portion of the N-400 Processing Worksheet and the procedures for adjudication on a T-file. Adjudication on a T-file is not permitted by the NQP until a diligent search for the A-file is established. If a case is adjudicated on a T-file the adjudicator must complete a "Record of sworn statement (T-file)" and include a CIS printout verifying satisfaction of the residency requirements. All sites met the requirements of this NQP focus area. In our review we found:

- There was no evidence that any INS District Office was interviewing applicants on a T-file without three A-file transfer requests. All T-files reviewed contained the record of sworn statement and a CIS printout verifying the residency requirement had been met.
- There were several clerical discrepancies noted across the sites where the adjudicator did not complete lines of the N-400 Processing Worksheet when actions were accomplished at interview. These included missing dates or initials; no indication of final decision in the remarks column; and annotations in the wrong column.

District Office Supervisory Review

The critical control area of Supervisory Review is required for three types of complex cases. They include applicants with potentially disqualifying criminal histories (other than minor immigration violations), cases adjudicated on a T-file, or applicants with a 312-disability exception waiver.

In our review we found the El Paso District Office noncompliant in this critical NQP control. All other District Offices met the requirements of this NQP focus area. In our review we found:

- The El Paso District Office was noncompliant in this critical control area. There were seven separate instances where interviews were conducted with an IDENT response from the FBI. In all of these cases, the adjudicator's recommendation for citizenship was not followed up with a supervisory review.
- The Houston District Office had two IDENT cases that did not receive Supervisory Review. These cases were completed by the adjudicator to indicate Supervisory Review was required, however, the infractions indicated on the rap sheet were minor INS-related violations not requiring Supervisory Review. Though this did not result in a noncompliant finding, a process weakness could exist that would allow an applicant with a more serious crime on the rap sheet to be naturalized without supervisory review.

District Office Reverification

Reverification is required for all cases after the grant decision and before oath ceremony. The reverification process is the last check for verifying that all data is accurately documented in the case file and the applicant meets all the requirements for citizenship prior to taking oath. In our review we found the El Paso, Phoenix, and Omaha District Offices were noncompliant

in this critical NQP control area. All other District Offices met the requirement of this NQP focus area. In our review we found that:

- At the El Paso District Office, Reverification was not conducted on one file. This file was also an IDENT case that did not receive Supervisory Review and is included in the discussion of the Supervisory Review focus area.
- At the Phoenix District Office, Reverification was not conducted on one file.
- At the Omaha District Office, Reverification was not accomplished on one file until thirty-four days after oath ceremony.

Both the Phoenix and Omaha District Offices discovered the reverification process problems during internal reviews. Though process failures were identified and corrective actions were taken, KPMG cannot attest that the corrective actions will correct the problem.

District Office Quality Assurance Review

The review of this focus area involves the review of site provided Quality Assurance Summary Reports. This validates that the site is conducting the quality reviews, preparing the reports, and submitting the results to higher headquarters by the fifth working day of the month. All District Offices met the requirements of this NQP focus area. In our review we found:

- All audited District Offices had conducted the monthly reviews and prepared the summary reports.
- The Omaha District Office's first monthly submission was submitted late. All other submissions were within the required time frame. All other audited District Offices had submitted the information within the required time frame.

District Office Transition Period

Every file reviewed by KPMG was subject to the requirements of the transition period. The NQP requires sites to place a new N-400 Processing Worksheet on every file when the first action is taken after June 30, 1997. Previous actions taken with regards to a case file, in the naturalization process, are documented with a "See Attached" or "Record Starts Here" indicating the file was reviewed to determine that all actions were accomplished. In our review, we observed at all District Offices that the N-400 Processing Worksheet and transition period administrative requirements were correctly applied. All District offices met the requirements of this NQP focus area.

District Office Site Overall Conclusion

Based on the data collected during KPMG's audit, the Dallas, El Paso, Omaha, and Phoenix District Offices are noncompliant. All other District Offices meet the requirements of the NQP.

FBI Site Visit

KPMG performed an additional review of INS fingerprint card submissions at the FBI Fingerprint Processing Facility in Clarksburg, WV. The results of this visit are presented as information in two parts: Service Center and CUSA Site/District Office.

Service Centers submit FD-258 Civil Fingerprint Cards in bundles with a Machine-Readable Data (MRD) tape and a hard copy manifest of the data on the MRD tape. The MRD tape contains the mast head data of the cards in the bundle. The cards are compared to the data from the tape to determine if they agree. Any cards not contained in the MRD tape are returned to the Service Center for reprocessing. Any information in the MRD tape that does not have a corresponding FD-258 Civil Fingerprint Card is not processed. Once the cards and the MRD data are determined to agree, a Process Control Number (PCN) is assigned and the fingerprints are classified. Unclassifiable fingerprints are rejected to the submitting Service Center.

KPMG's review of the Service Center data collected at the FBI reflects that 1,590 (or 6.6%) of 24,063 FD-258 Civil Fingerprint Cards submitted through the MRD process from September 29, 1997 to October 17, 1997 were Unclassifiable Rejects. Immediate reject data is not kept since cards are rejected for not matching the MRD tape rather than not containing the required masthead data. Because of their impact on both the processing time and amount of resources required to conduct naturalizations, the INS should take action to monitor and reduce the number of unclassified rejects submitted by Service Centers.

The District Offices and CUSA Sites submit cards to the FBI by mail. No MRD tape is included. These cards are individually reviewed for completeness upon receipt at the FBI. Incomplete cards are rejected by the FBI as Immediate Rejects when any of the following data is missing: Name, Sex, Date of Birth, ORI Code, Reason Fingerprinted, and Fingerprint Impressions. Once the cards are determined not to be an Immediate Reject, a PCN is assigned and the fingerprints are classified. Unclassifiable fingerprints are rejected to the submitting INS office.

Though KPMG's review of District Office and CUSA site submissions indicated immediate reject errors were rare, KPMG's review of the District Office and CUSA data collected at the FBI reflects that 2,152 (or 2.7%) of 78,329 cards reviewed from September 29, 1997 to October 17, 1997 were immediately rejected by the FBI. Of the 77,297 fingerprint cards that were classified by the FBI from September 29, 1997 to October 17, 1997, 5,275 (or 6.8%) resulted in Unclassifiable Rejects. Because of their impact on both the processing time and amount of resources required to conduct naturalizations, the INS should take action to monitor and reduce the number of unclassified rejects submitted by District Offices and CUSA sites.

Recommendations

During the preparation and the execution of the implementation audit, it was apparent that the INS was undergoing a major effort to ensure the concepts of the NQP became institutionalized within the Service. As evidenced by this report, the INS has made great strides in instituting standard naturalization processes and implementing a quality control program. KPMG has recognized these improvements and believes the current environment can serve as a foundation for continued improvement. The following recommendations are provided for consideration. These recommendations focus on possible improvements to the current processes and changes to the next version of the NQP.

The purpose of this review was to assess the implementation status of the NQP. Four of the sites have been determined to be noncompliant. KPMG recommends that the four noncompliant sites be revisited within sixty days to audit improvements in the discrepant areas.

Though the NQP standardizes many of the current processes and how they are to be documented, it does not always stipulate how the work is to be performed. Consequently, sites may be in compliance, but not performing their work in the most efficient manner. This was most evident when evaluating the methods for documenting A-file requests. Solutions across sites varied from manual logbooks or color code systems to the development of local spreadsheets. KPMG recommends that the INS implement a "best practices" forum where personnel from successful processing sites meet to discuss proven methods and tools. The recommendations and tools from these meetings would be shared across all INS sites as possible efficiency solutions.

In preparation for the audit, the INS went to great lengths to ensure their personnel were adequately trained; understood the audit process; and were performing the new NQP guidance. Because of the importance of the INS mission it is imperative that the level of quality continues to improve. To ensure this success continues, the NQP Quality Assurance Review process should be expanded to include occasional and unannounced site audits. The audits could be conducted by the Office of Internal Audit or an independent auditor. Lessons learned and findings should be included in refresher training distributed to the sites through the NQP-qualified trainers already on site. Further, the lessons should be used to facilitate improvements to the NQP.

As evidenced by the findings of this report, some INS sites continue to experience some degree of problems in critical control areas. The INS should consider linking the accomplishment of these tasks with employee performance standards. Results could be monitored through the Quality Assurance Reviews and periodic sampling by supervisors.

NQP policy should not allow interview decisions, supervisory reviews, and reverification to be accomplished by the same individual for the same file. By allowing the same individual to perform more than one of these activities, the chance of error is increased.

To ensure the level of quality continues to improve in the naturalization process, the INS should continue the use of Supervisory Review and Reverification controls. These quality checks ensure all case files are correctly adjudicated prior to oath ceremony. Until a fully automated process is implemented, clerical errors will continue due to the large volume of applications processed by INS sites. Most important, however, is the fact that these controls are the last security check in the avoidance of naturalizing aliens with disqualifying conditions.

Summary

The Department of Justice, Justice Management Division, engaged KPMG Peat Marwick LLP to conduct an Implementation Audit to validate if the new Naturalization Quality Procedures instituted by the Immigration and Naturalization Service on June 30, 1997 were correctly implemented. To ensure the new procedures were implemented correctly, KPMG conducted a two-part audit. The audit was comprised of site visits to thirteen INS sites to validate NQP training requirements, followed by a full scale audit of twenty-four INS sites to audit the remaining NQP requirements. This report provides the findings of the second part, the full scale NQP Implementation Audit.

The implementation of the NQP was a major undertaking requiring the standardization of processes across the INS; training of personnel during a period of increased work load; and the institutionalization of a quality mind-set across the Service. It is understood that the accomplishment of organizational change of this breadth and complexity within a short time frame cannot be accomplished without some degree of error. KPMG recognizes the magnitude of the quality improvement initiatives implemented with the NQP and have considered this in their assessment.

Upon review of twenty-four INS naturalization processing sites, KPMG concludes that the Immigration and Naturalization Service has implemented the guidance contained in the June 30, 1997 Naturalization Quality Procedures. However, four of the twenty-four audit sites are not in compliance due to processing discrepancies in the critical control areas involving FBI fingerprint results; supervisory review of IDENT cases; and completion of the mandatory reverification process.

As a result of our site audits, it is clear that the NQP has made significant improvements in the internal controls of the naturalization process and greatly reduced the risk of incorrectly naturalizing an applicant. Further, there was evidence across the INS of increased control and documentation of criminal history information. Though four sites are not in compliance with the June 30, 1997 NQP, KPMG can conclude that the INS has continued to reduce the likelihood of naturalizing aliens with disqualifying conditions.

JULIE, —
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Joe

Jose Serta
White House Domestic Policy Council
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Washington, DC 20502

December 21, 1997

On September 17, 1997 the Boston District Office of the U.S. Immigration and Naturalization Service held a naturalization ceremony for approximately five thousand prospective citizens. The ceremony was conducted at the Fleet Center located at 10 Causway Street Boston, Massachusetts. In attendance was Commissioner Doris Meissner of the U.S. Immigration and Naturalization Service and newly selected District Director Steven J. Farquharson (MOC). Service personnel from Investigations and Examinations were assigned to this detail. At 10:00am the resident aliens were directed to go to tables on the floor of the Fleet Center in order to verify certain information on their Naturalization Certificates. At this time, they were handed their Certificates of Naturalization.

Unfortunately, hundreds (600-800) of aliens were allowed to simply walk away from the ceremony without ever being sworn in and taking the oath administered at approximately 2:00pm by United States District Court Judge Pati Jaris.

District Director Farquharson knowingly allowed these individuals to leave the building and made no attempts to hinder or stop their exit. Director Farquharson was more interested in impressing INS Commissioner Doris Meissner than upholding regulations, federal law and the constitution.

Section 310 of the Immigration and Nationality Act along with Title 8 United States Code, Section 1421 requires that the Court administer the oath of allegiance. Section 310(b)(4) of the Immigration and Nationality Act provides for the issuance of Certificates of Naturalization at the time of administration of the oath of allegiance. This was not done.

Virtually 800 aliens received United States Citizenship without ever declaring allegiance to the United States, declaring to support the Constitution or renouncing their foreign citizenship.

Personnel from Deportation, Investigations and Examinations can verify exactly what occurred that day.

One can only imagine how many of these aliens will effect the outcome of elections similar to the one in California. Due to the incompetence of INS management within the Boston District Office and Headquarters levels, it concerns me that the Service may

attempt to cover up this event as they did earlier in Miami when INS was caught deceiving a congressional fact-finding committee.

I hope you will aggressively investigate this incident and the people responsible so as to insure that this will not happen again. Perhaps restructuring is a viable option.

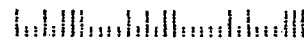
CONCERNED

CC:

William Yates, INS Eastern Regional Director
Doris Meissner, INS Commissioner
Richard Estrada, Associate Editor, Dallas Morning News
John Chase, INS/OIA Director
Mary Smith, White House Domestic Policy Council
Essance Washington, White House Domestic policy Council
Jose Serta, White House Domestic Policy Council
Thomas Freedman, White House Domestic Policy Council
Peat Marwick, LLP
Honorable Spencer Abraham, Senate Subcommittee on Immigration Chairman
Honorable Arlen Specter,
Honorable Jon Kyl
Honorable Dianne Feinstein
Honorable Richard Durbin
Honorable Trent Lott, Senate Republican Leader
Honorable John Kerry
Honorable Edward Kennedy
Honorable Orrin Hatch
Rep. William Thomas, House Oversight Committee Chairman
Rep. Lamar Smith, House Immigration Subcommittee Chairman
Rep. Henry Hyde, House Judiciary Committee Chairman
Rep. Newt Gingrich, House Speaker
Rep. Richard Gephardt, House Democratic Leader
Rep. Silvestre Reyes,
Rep. Joseph Moakley
Rep. Robert Wexler
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Rep. John Tierney
Rep. Edward Markey
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Rep. William Jenkins
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Rep. Chris Cannon
Rep. Ed Bryant
Rep. Melvin Watt
Rep. Charles Schumer
Rep. Howard Berman
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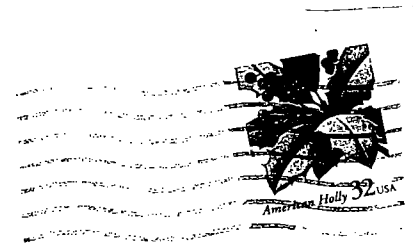
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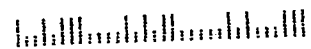
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Peat Marwick, LLP
Honorable Spencer Abraham, Senate Subcommittee on Immigration Chairman
Honorable Arlen Specter,
Honorable Jon Kyl
Honorable Dianne Feinstein
Honorable Richard Durbin
Honorable Trent Lott, Senate Republican Leader
Honorable John Kerry
Honorable Edward Kennedy
Honorable Orrin Hatch
Rep. William Thomas, House Oversight Committee Chairman
Rep. Lamar Smith, House Immigration Subcommittee Chairman
Rep. Henry Hyde, House Judiciary Committee Chairman
Rep. Newt Gingrich, House Speaker
Rep. Richard Gephardt, House Democratic Leader
Rep. Silvestre Reyes,
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By ERIC SCH ITT

WASHINGTON, Dec. 15 — Eight months ago, Government-hired auditors found that the Immigration and Naturalization Service had largely ignored its own set of sweeping new safeguards, meant to prevent immigrants with certain criminal records from becoming citizens.

Only 1 of the 24 agency offices surveyed fully met the new standards. Doris M. Meissner, the Commissioner of the immigration service, was so upset by the findings that she immediately summoned the agency's 33 field directors to Washington for a dressing down and ordered remedial training for 200 clerks and adjudicators.

Apparently, something worked.

The auditors from the accounting firm, KPMG Peat Marwick, concluded in their final review that the agency had largely cleaned up its citizenship program. They found that 4 of the 24 offices failed the review, but suggested that their errors could be readily corrected.

"The I.N.S. has made significant improvements in the internal controls of the naturalization process and greatly reduced the risk of incorrectly naturalizing an applicant," said the report, which the agency plans to make public on Tuesday.

The audit is a rare piece of good news for the beleaguered immigration agency, which over the last year has been accused by Republicans in Congress of bending to White House pressure to improperly naturalize thousands of immigrants in time to vote, presumably for President Clinton, in the November 1996 elections. The Administration has denied the accusations.

A battery of immigration service lawyers and examiners in Charleston, S.C., are poring over the cases of thousands of newly naturalized immigrants to determine how many have criminal records that should have disqualified them. The Government has already begun proceedings to revoke the citizenship of about 1,000 people.

In addition, Mrs. Meissner announced last month that the agency would fingerprint citizenship applicants in-house instead of contracting with independent companies. The agency hopes this procedural change will reduce fraud and insure better quality fingerprints, which the Federal Bureau of Investigation uses for its criminal background checks of applicants for citizenship.

The agency's critics on Capitol Hill, however, took little comfort in the audit's findings.

"It is no surprise that after wide-

spread public criticism, the Administration has cleaned up its act," said Representative Lamar Smith, the Texas Republican who heads the House Judiciary subcommittee on immigration. "The real question is, when is the I.N.S. going to correct its mistakes, which continue to haunt the Administration?"

KPMG Peat Marwick's initial audit of the naturalization program in April was a list of bureaucratic horrors. In some of the 24 offices surveyed, which account for about 85 percent of the citizenship applications, auditors discovered that three versions of the new safeguards had been issued.

Some offices had no record of training clerks in the new procedures, which are meant to guarantee the accuracy of applicants' biographical information and the integrity of their fingerprints. Many clerks apparently ignored new checklists, filled out fingerprint forms improperly and then sent the forms to the wrong addresses for processing.

In addition to Mrs. Meissner's response to that initial audit, the Justice Department assigned one of its top troubleshooters, Robert K. Bratt, to help straighten out the problems.

Under Mr. Bratt's guidance, and some stern warnings from Congress, the citizenship program seems to be back on track, the audit said. At each of the same 24 offices that they revisited in the last two months, auditors examined as many as 100 individual case files and 100 fingerprint cards. Auditors judged the files on four measurements related to the fingerprint checks and how well supervisors reviewed the applications.

Twenty offices, including one in Newark and one in Garden City, N.Y., passed. The four sites that failed one or more of the measurements were the district offices in Phoenix, Dallas, El Paso and Omaha. Agency officials said today that the mistakes cited were clerical errors and did not result in any criminals receiving citizenship.

"We're pleased," one Justice Department official, who insisted on anonymity, said, adding, "By and large, the program works."

Congress and the Administration have been forced to pay closer attention to the citizenship program as the number of applicants exceeded 1.6 million in the fiscal year that ended on Sept. 30.

In addition to the KPMG Peat Marwick audit, the immigration service is working with another consultant, Coopers & Lybrand, to overhaul the entire citizenship program, beginning early next year.

3 Charges Against Mike Espy Are Dismissed

WASHINGTON, Dec. 15 (AP) — A Federal judge today tossed out three of the most serious charges against former Agriculture Secretary Mike Espy, accepting his lawyers' arguments that the laws did not apply to Mr. Espy.

Judge Ricardo M. Urbina of Federal District Court here ruled that Mr. Espy could not be charged under the 1907 Federal Meat Inspection Act, which makes it a crime for rank-and-file Agriculture Department inspectors to accept gratuities from companies they regulate.

Mr. Espy was charged under that act in only 3 of the 39 counts brought from the investigation by the independent counsel, Donald Smaltz, but

they were the only charges that required a prison sentence.

A grand jury indictment obtained by Mr. Smaltz charged that Mr. Espy violated the inspection law by accepting from Tyson Foods Inc. \$2,044 in corporate aircraft meals and lodging for a birthday party and \$2,087 in air fare, limousine service and tickets to a National Football League playoff game. Both of those charges were dismissed.

In addition, Judge Urbina threw out a count charging Mr. Espy with accepting tickets worth \$90 to a National Basketball Association playoff game from the Quaker Oats Company.

Airlines Announce Plan to Install Improved Warning System

By MATTHEW L. WALD

WASHINGTON, Dec. 15 — The major airlines announced today that they would install new satellite-based navigation equipment in the cockpits of 4,300 jets, to give pilots more warning when they are heading directly toward a mountain.

The airlines hope the new systems will prevent accidents like the American Airlines crash in Cali, Columbia, that killed 160 people.

The Federal Aviation Administration plans to issue a regulation in about a year that will require the equipment on all planes seating six

or more people. But the airlines' action means that many big planes will be equipped years sooner than the rules will require. The airlines said they expected to finish putting the new devices in planes by 2003.

The equipment is called an "enhanced ground proximity warning system" and costs \$70,000 to \$115,000 for each plane. The announcement today by the Air Transport Association, the trade group comprising major American airlines, covers 4,300 aircraft, another 175 already have the system.

For years, airlines have been car-

rying less advanced equipment, which uses radar to sense altitude and sounds an alarm in the cockpit if the plane begins losing altitude too fast. But the system has been designed to avoid crying wolf and often does not sound early enough.

The warning — a mechanical voice that cries, "Terrain! Terrain!" — was one of the last sounds heard on the cockpit voice recorder from the Cali crash two years ago. In that instance, as is often the case, the plane's altitude relative to sea level was changing slowly, but as it flew over the Andes, it crossed a valley

and the mountain rose to meet it very rapidly, setting off the alarm only seconds before impact, too late for the pilots to react and put the plane into a successful climb.

The new system does not rely on radar to determine altitude. Instead, it has a database of the world's mountains. It uses the Global Positioning System, a constellation of satellites in orbit, to sense the plane's position. When it projects that a plane is on a course that will collide with a mountain, it sounds an alarm as much as 60 seconds in advance. Instead of just a few seconds. It can

also provide mountain images on a video screen; these change color as the plane approaches the mountain.

"Accidents in which aircraft run into the ground or mountains are the No. 1 global aviation safety problem," said Carol Hallet, the president of the Air Transport Association, adding that the enhanced system would largely eliminate such accidents. Planes flying into mountains, called "controlled flight into terrain," account for about one-quarter of worldwide commercial air accidents, according to recent Government reports. Such accidents are far more common than accidents caused by engine failures, bombs, hijackings or on-board fires.

In addition to the crash at Cali, a Boeing 757 that crashed in December 1995, another American Airlines plane, a McDonnell Douglas MD 80, came within a few feet of a crash during a landing in November 1995, at Bradley International Airport, near Hartford.

The F.A.A. rule would cover only civilian planes registered in the United States, although such a system could also have warned the pilots of the Korean Air Lines Boeing 747 that skidded across a hillside short of a runway in Guam in August, killing 226 of the 254 people on board, or the military version of a Boeing 737 carrying Commerce Secretary Ronald H. Brown that crashed into a mountain near Dubrovnik, Croatia, in April 1996, killing 35 people.

Trial Judges Are Backed On Rulings On Scientists

By LINDA GREENHOUSE

WASHINGTON, Dec. 15 — The Supreme Court today further enhanced the role of Federal trial judges in keeping dubious scientific evidence out of the courtroom, ruling unanimously that appellate courts must ordinarily defer to the trial judges' decisions on admitting or excluding expert testimony.

The ruling followed the Court's 1993 landmark decision in *Daubert v. Merrell Dow Pharmaceuticals*, which established Federal district judges as "gatekeepers" with the responsibility to insure "that any and all scientific testimony or evidence admitted is not only relevant, but reliable." The *Daubert* decision was enthusiastically received in the business community as an important weapon in the war against "junk science."

The case today presented the question of how the theory behind the *Daubert* decision is actually supposed to work in the real world of trials and appeals. At issue was a 1996 ruling by the Federal appeals court in Atlanta that a trial judge's decision to exclude expert testimony should be scrutinized under a "particularly stringent standard of review," with an eye toward "a preference for admissibility."

The appeals court, the United States Court of Appeals for the 11th Circuit, applied that standard in overturning a decision by Judge Orinda D. Evans of Federal District Court in Atlanta to exclude testimony about a link between certain chemicals and cancer. The testimony was offered in a lawsuit against three makers of polychlorinated biphenyls, or PCB's, brought by an engineer who claimed that his exposure to the chemical had "promoted" his lung cancer.

In ruling that the plaintiff's expert witnesses could not testify, the district judge said the proposed testimony was based on nothing more than "subjective belief or unsupported speculation." The appeals court held that Judge Evans should have permitted the jury to rule on the validity of the experts' opinions.

Writing for the Supreme Court today, Chief Justice William H. Rehnquist said the appeals court's searching standard of review was incorrect, and that a District Court's determination on scientific evidence should be upheld unless it is demonstrated to be "manifestly erroneous."

This standard, more commonly known as an "abuse of discretion" standard, generally applies to the entire spectrum of a trial court's evidentiary rulings. The Chief Justice said that deference by an appellate court was "the hallmark of abuse of discretion review."

In the years since the 1993 *Daubert* decision, most Federal appeals courts have applied the abuse of discretion standard that the Supreme Court endorsed today. The 11th Circuit's approach alarmed many in the business community who saw it as potentially undermining what the *Daubert* decision had accomplished.

Particularly alarming, from this point of view, was the 11th Circuit's application of stringent review only to those District Court decisions that excluded evidence; decisions to admit scientific evidence were to be reviewed deferentially.

Many business groups filed briefs urging the Justices to overturn the decision, as did the Clinton Administration. The United States Chamber of Commerce called the appeals court's ruling "an unbalanced and result-oriented approach" that "represents a significant setback to the advances made by the judiciary in dealing with scientific issues."

Robin Conrad, a lawyer for the chamber, said in an interview today that she was "thrilled" by the Supreme Court decision. "The lower courts are doing a good job of screening," Ms. Conrad said, adding, "The system is working."

On the other hand, trial lawyers' organizations generally support strict appellate review. Arthur Bryant, executive director of Trial Lawyers for Public Justice, a law firm that represents plaintiffs in consumer and liability cases, said the effect of the decision would be to create "not a level playing field, but one determined by the views and biases of the individual district judge."

"Some cases will get to the jury and some will not, solely because of which district judge the case is in front of," Mr. Bryant said in an interview.

In his opinion today, *General Electric Company v. Joiner*, No. 96-188, Chief Justice Rehnquist went beyond simply announcing a standard of review, ruling also that the evidence was properly excluded. Justice John Paul Stevens dissented from that portion of the ruling, saying the case should have been sent back to the Court of Appeals for that determination.

Justice Stephen G. Breyer, while joining the Court's opinion, wrote a separate concurring opinion to say that, given the growing importance of scientific issues, judges should consider appointing their own experts and use other techniques, like pretrial hearings, to sharpen the issues.

Blood Thinner Draws Caution From F.D.A.

WASHINGTON, Dec. 15 (AP) — The Government warned thousands of doctors today that a new blood thinner could leave certain surgical patients paralyzed.

The Food and Drug Administration has received more than 30 reports of patients who suffered bleeding inside the spinal column after both taking a blood thinner called Lovenox and receiving surgical anesthesia through a spinal injection.

That bleeding built dangerous pressure inside the spinal cord. All the patients in the reports suffered at least temporary neurological damage, like leg weakness, difficulty walking or difficulty emptying their bladders. Those in whom the problem was not diagnosed quickly enough to repair the damage suffered permanent paralysis below the waist, said Dr. Lilla Talarico, the agency's director of anticoagulants.

The problem appears to be combining epidural, or spinal, anesthesia with the powerful new blood thinner known as low-molecular-weight heparin. Normally, spinal injections stop bleeding quickly. These patients' extra-thin blood cannot clot, and pools inside the spinal cord.

Lovenox, made by Rhone-Poulenc Rorer, is the biggest-selling brand of low-molecular-weight heparin, but the F.D.A. said related brands also were risky. They include Fragmin, by Pharmacia & Upjohn; Normiflo, by Wyeth-Ayerst Laboratories, a subsidiary of the American Home Products Corporation; and Orgaran, by Organon Inc., a subsidiary of Akzo Nobel N.V.

Doctors can prevent the paralysis, the F.D.A. said in a public health warning sent today to medical societies representing orthopedic surgeons, anesthesiologists and blood and pain specialists.

Surgery candidates using these anticoagulants should be considered for general anesthesia, said Dr. Talarico. But epidurals are standard for certain operations, like orthopedic surgery, and patients who must have them should be closely monitored for bleeding, Dr. Talarico said.

Low-molecular-weight heparin is a new, easier-to-use form of the blood thinner heparin that in the last year has become the standard of care for fighting clots in many surgery patients, and in some people with heart disease.

The F.D.A. does not know how widespread the spinal bleeding is. But the agency ordered manufacturers of Lovenox and all related drugs to put a strong warning on their labels and to write doctors about the risk.

"We fully support the labeling change," said Bob Pearson of Rhone-Poulenc, who noted that Lovenox's label first listed the possible side effect in 1995.

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