



Hiring in Rural States

November 7, 2019

Fiscal Year 2019 Report to Congress



**Homeland
Security**

Under Secretary for Management

Message from Office of the Under Secretary for Management

November 7, 2019

I am pleased to provide the following report, “Hiring in Rural States,” which has been prepared by the Department of Homeland Security’s (DHS) Office of the Chief Human Capital Officer.

This report is submitted pursuant to language in Senate Report 115-283, which accompanies the Fiscal Year 2019 DHS Appropriations Act (P.L. 116-6).

Pursuant to Congressional requirements, this report is provided to the following Members of Congress:



The Honorable Lucille Roybal-Allard
Chairwoman, House Appropriations Subcommittee on Homeland Security

The Honorable Chuck Fleischmann
Ranking Member, House Appropriations Subcommittee on Homeland Security

The Honorable Shelley Moore Capito
Chairman, Senate Appropriations Subcommittee on Homeland Security

The Honorable Jon Tester
Ranking Member, Senate Appropriations Subcommittee on Homeland Security

Inquiries relating to this report may be directed to me at (202) 447-3400.

Sincerely,

A handwritten signature in blue ink that reads "R.D. Alles".

R.D. Alles
Deputy Under Secretary for Management

Executive Summary

Hiring and retention of a qualified workforce continues to be a top priority for DHS in order to ensure mission readiness to safeguard the American people, our homeland, and our values. While much attention is placed in areas where there is a large DHS presence, such as the Southwest Border, DHS must ensure that it can operate fully and effectively in all parts of the United States, including in states with small populations.

The purpose of this report is to describe the challenges in hiring and retaining staff in rural and noncontiguous states. This report contains data and analysis on these challenges and the effect that vacancies have on the Department's ability to accomplish its mission in these states.



Hiring in Rural States

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I. Legislative Language

This report is submitted pursuant to language in Senate Report 115-283, which accompanies the Fiscal Year (FY) 2019 Department of Homeland Security (DHS) Appropriations Act (P.L. 116-6).

Not later than 90 days after enactment of this act, the Department is directed to provide a report to the Committee on the challenges it faces recruiting and retaining Federal employees in non-contiguous and rural States. The report shall include a clear description of the obstacles related to using small businesses, information about rates of attrition, the number of unfilled positions, and the duration of time those positions have remained vacant. The report shall also provide an assessment of the effect these vacancies have on the ability of components to accomplish their statutory and administrative responsibilities.

II. Analysis/Discussion

Obstacles Related to Using Small Businesses

DHS has not experienced obstacles related to using small businesses. DHS is a leader in small business federal contracting and has received the highest letter grade on the Small Business Administration Scorecard for the past 10 consecutive years. In FY 2018, about 7,800 small businesses representing all 50 states, the District of Columbia, and 5 U.S. territories received DHS prime contracts. DHS follows the Federal Acquisition Regulations in conducting its procurements.

Attrition Challenges in Rural States

This report incorporates the Federal Emergency Management Agency's definition of a rural state, which is any state, territory, district, or eligible Pacific Island with a population of fewer than 1,500,000 individuals. (See §326(b)(1), Designation of Small State and Rural Advocate.)¹ Therefore, based on this definition, the report focuses on a total of 12 states, plus Puerto Rico, U.S. Virgin Islands, Guam, Saipan, and American Samoa. See Table 1 for the full list of rural states.

In FY 2018, the Department-wide attrition rates for rural states ranged from a low of 0 percent in American Samoa to a high of 16 percent in New Hampshire. Overall, 7 of the 12 rural states had attrition rates higher than the average DHS attrition rate of 9.4 percent for the same period.

High attrition rates are not a DHS challenge exclusively; many state and local governments also experience high attrition. For example, while New Hampshire State Government reported an overall FY 2018 turnover rate of 7 percent,² Alaska Local Government experienced a 13-percent turnover rate and its State Government turnover rate was 8 percent during the same timeframe.³

Conversely, there are rural states in which DHS attrition rates are lower than that of state government. For example, in FY 2018, Vermont State Government's turnover rate was 11.3 percent, an increase from FY 2017 and slightly more than its 5-year average of 10.7 percent.⁴ In comparison, the DHS attrition rate in Vermont is only 5 percent. Similarly, Montana's statewide employee turnover rate was 14.0 percent, which is nearly double DHS's Montana attrition rate of 7.7 percent.⁵

¹ [P.L. 109-295, Title VI, §326\(b\)\(1\), Oct. 4 2006, 120 Stat. 1453](#)

² https://das.nh.gov/hr/documents/AnnualReports/Annual_Report_FY18.pdf

³ <http://labor.state.ak.us/trends/oct17.pdf>

⁴ https://humanresources.vermont.gov/sites/humanresources/files/documents/DHR-Workforce_Report.pdf

⁵ <https://hr.mt.gov/Portals/78/newdocs/reports/Employee%20Profile%20CY2017.pdf>

Table 1. FY 2018 Attrition in Rural States

FY 2018 Attrition in Rural States	
Duty Station State Description	Attrition Rate
New Hampshire	15.9%
U.S. Virgin Islands	14.6%
Delaware	13.1%
Alaska	13.0%
Puerto Rico	11.1%
South Dakota	10.2%
Hawaii	9.7%
North Dakota	8.9%
Rhode Island	8.4%
Montana	7.7%
Wyoming	7.3%
Maine	7.1%
Guam	5.4%
Vermont	5.0%
Saipan	4.7%
American Samoa	0.0%

Components that operate in rural states cite competition with the private sector as the main challenge to retaining staff, particularly in a relatively steady economy. Most federal salaries, even when augmented by special pay rates and incentives, fall behind private-sector salaries.⁶ The lucrative marketability of employees’ skills and experience across the law enforcement community also factor into their decisions to leave federal service. Examples from Components of employees leaving for private-sector positions include:

- U.S. Customs and Border Protection (CBP) Air and Marine Operations (AMO), for example, struggles to retain Air Interdiction Agents (AIA) and Marine Interdiction Agents—experiencing attrition rates of 8.5 percent in FY 2017, 8.8 percent in FY 2018, and 13.9 percent in FY 2019. AIAs continue to depart Federal Government law enforcement positions at an unprecedented rate to pursue commercial airline or other private-sector pilot opportunities that offer higher salaries.
- For the Transportation Security Administration (TSA), competition with the private sector is a constant challenge to retain Transportation Security Officers (TSO), regardless of location. In FY 2018, TSOs made up nearly two-thirds (65 percent) of the attrition in New Hampshire, placing it on the list of rural states with the highest attrition rates.
- The U.S. Secret Service (USSS) competes with local police departments, including those in rural states, as local police departments recruit Secret Service Uniformed Division officers. USSS also competes with cybersecurity organizations that recruit Secret Service Special Agents because of their specialized experience.

⁶ Retrieved from <https://www.cbo.gov/publication/52637>.

Components that employ law enforcement personnel in rural states also experience attrition due to retirement, including mandatory retirement. For example, 18 percent of AIAs in Puerto Rico are eligible to retire on the basis of either mandatory retirement age or number of years of service.

For noncontiguous states, a final challenge is attributed to location itself. Employees face significant economic difficulties such as finding housing and/or schooling, which can be exacerbated further by natural disasters, such as hurricanes. These difficulties have contributed to attrition rates of 11 percent and higher for Puerto Rico and the Virgin Islands. In Hawaii and Guam, many employees leave because of the location and their desire to move back to the contiguous United States.

DHS has used a strategic array of incentives such as retention incentives, student loan repayment, tuition assistance, and childcare subsidies to maintain DHS’s workforce. Components continue to assess the effects of those incentives in order to strike the right balance to recruit and retain employees in rural locations.

Department Vacancies in Rural States

Based on March 2019 data, there were 865 vacancies in rural states. Nearly one-third (31.3 percent) of the vacancies are in Vermont, where U.S. Citizenship and Immigration Services (USCIS) has experienced movement of Immigration Services Officers from Vermont to the Boston District Office for a higher locality pay rate. Currently, USCIS is evaluating retention measures such as virtual work.

Table 2. Percentage of Positions Vacant in the United States

States	Count of Positions Vacant	% of Positions Vacant
Vermont	271	31.3%
Puerto Rico	146	16.9%
Hawaii	101	11.7%
North Dakota	95	11.0%
Alaska	59	6.8%
Maine	59	6.8%
Montana	42	4.9%
U.S. Virgin Islands	35	4.0%
Rhode Island	15	1.7%
Saipan	12	1.4%
Guam	8	0.9%
New Hampshire	8	0.9%
Delaware	7	0.8%
South Dakota	4	0.5%
Wyoming	2	0.2%
American Samoa	1	0.1%
Total	865	100%

Note: Data as of Pay Period 6 (Ending 03/30/2019).

Hiring Challenges

While attrition obviously affects vacancy rates, the Components' ability to backfill vacated positions and/or fill any new positions that are established to meet mission requirements also affects vacancy rates. There are various reasons why it is difficult to hire in these rural areas. Some of the commonalities between Components that affect their ability to hire include:

- **Brand awareness:** Past analyses have shown that there are many rural areas where DHS is not well known. Currently, CBP is establishing partnerships in rural areas to create brand awareness. For example, CBP is expanding recruitment partners in rural areas, which have not been a significant source of applicants historically, but where CBP believes there are people with traits or attributes (e.g., outdoor lifestyles, etc.) that might make them a good fit for CBP's positions.
- **Difficult public relations:** Recent media attention about law enforcement in general has made hiring for these positions an industrywide challenge for all law enforcement agencies. U.S. Border Patrol (USBP) positions have additional challenges because of widespread media attention concerning the current migration crisis along the Southwest Border.
- **Higher technical knowledge, skills, and abilities requirements for the jobs:** Applicants not having the knowledge, skills, and abilities to apply for technical and more advanced positions affects DHS recruiting for positions in remote areas. For example, the complexity of unmanned aircraft system (UAS) flight control and sensor systems makes it extremely difficult for AMO to find personnel with the requisite knowledge and qualifications to serve as UAS flight instructors.
- **Limited resident populations:** In rural markets with small populations, it can take longer to backfill vacancies because there is such a small local applicant pool from which to recruit.
- **Lower salaries that are not competitive with private industry and high cost of living:** In some rural states, private industry offers competitive wages and benefits to leverage the available workforce. There are also areas defined as rural states, such as Alaska and the U.S. Virgin Islands, with a high cost of living, making it difficult to attract applicants based on current locality pay rates. For example, in USCIS, geographic location of the Charlotte Amalie Field Office combined with the cost of living make its vacant positions difficult to fill and make it difficult to retain those who are hired. This is also true for TSOs in Alaska.

For TSA, the TSO position is one of the most difficult positions to fill in hard-to-hire markets because of its low entry-level salary of \$28,668 as well as because most TSOs are hired on a part-time basis. The qualification requirements that include having U.S. citizenship and passing a medical exam, drug test, and pre-hire background check also disqualify many applicants from these positions.

CBP, which represents nearly two-thirds (62 percent) of the 865 vacancies, also experiences a large number of applicants that later are found to be unsuitable or unqualified to fill its frontline positions. Furthermore, current recruitment efforts for USBP Agent candidates are focused largely on filling positions in the southwest border states, which are not defined as "rural states."

Specific Components have taken measures to meet their unique hiring and retention challenges, including:

- USSS has implemented several retention programs to reduce attrition, primarily focused on the agency's frontline special agents and officers, and on employees with highly specialized cybersecurity skills. The largest of these efforts, the Uniformed Division Group Retention program, provides a higher financial incentive for a longer service obligation compared to previous retention efforts.
- The U.S. Coast Guard uses incentives such as permanent change of station (PCS) and superior qualifications to attract and retain talent in remote locations. A blanket approval for PCS entitlements was authorized for remote locations such as Hawaii and Alaska. In addition, the U.S. Office of Personnel Management (OPM) also authorized a 12-percent pay differential for USCG Alaska Federal Wage System employees, bringing USCG into alignment with its Department of Defense counterparts.
- CBP's Office of Field Operations (OFO) uses recruitment incentives in major ports in Montana and North Dakota to encourage more applicants to apply, thereby increasing the potential hiring pool. In Guam, Saipan, and the Virgin Islands, CBP makes strategic decisions to overstaff in duty stations as a means of maintaining an adequate staffing level and mitigating negative effects of attrition and other losses.

DHS requested OPM approval for special salary rates, where appropriate, to ensure competitiveness with local industry and to compensate for difficult conditions in certain areas, such as distance from duty stations and available housing and schools. For example, in FY 2017, CBP OFO implemented a special salary rate for CBP Officers at the Portal, North Dakota, port of entry.

Vacancy Duration in Rural States

As shown in Table 3, the duration for which positions remain vacant in rural states varies widely. There are two key factors that account for the variation in the rural states that experience significant vacancy duration rates. First, Components may make strategic decisions to keep positions vacant for reallocation in other areas to meet mission priorities.

A second and more relevant factor is the time that it takes to hire many of these positions because of the extensive pre-employment process. The long hiring process is especially true for law enforcement positions, which comprise slightly more than half (54.3 percent) of all rural state vacancies. This process includes several steps such as a medical and physical qualification determination, background investigation to determine suitability, drug screening, and, in some cases, polygraph examination. The length of time to complete these steps can affect the duration for which these positions are vacant and leads to declinations because potential employees receive and accept other jobs while waiting. In contrast, Components that do not employ law enforcement personnel often are spared from such long hiring timelines. For example, Vermont, where positions mainly belong to USCIS, has a lower vacancy duration rate.

In addition to the more competitive starting salaries noted in the "Hiring Challenges" section, private-sector companies often can hire employees faster than the Federal Government can hire. This speed in hiring gives the private sector a distinct advantage when recruiting job applicants.

Table 3. Median Number of Days Positions Vacant

Median Number of Days Positions Vacant		
States	Vacant Positions Count	Median Number of Days Positions Vacant*
Maine	59	3,158
South Dakota	4	510
New Hampshire	8	447
American Samoa	1	433
Guam	8	398
North Dakota	95	321
Montana	42	300
Virgin Islands	35	251
Rhode Island	15	238
Puerto Rico	146	223
Alaska	59	209
Hawaii	101	191
Saipan	12	166
Delaware	7	153
Vermont	271	139
Wyoming	2	73
Total	865	245

Note: Data as of Pay Period 6 (Ending 03/30/2019).

* Some anomalies were discovered in the data that contribute to some inflated vacancy duration rates.

Effect of Vacancies on Components' Ability to Accomplish Statutory and Administrative Responsibilities

All vacancies influence the ability of the Department to meet mission demands. Vacancies, particularly in law enforcement positions, negatively affect overtime, travel, work-life balance, and mission critical training for current employees. Vacancies at these locations require the deployment of employees (i.e., reassignment) from other areas to fill any staffing gaps until the agency can recruit, hire, and train new personnel to staff these positions.

Given the diverse missions across the DHS Components, the effect varies based on Components' unique statutory responsibilities. For example, the continued high vacancy rate among CBP AIAs will affect AMO's ability to manage organizational operations and to perform national security missions effectively. With consistently inadequate staffing levels at UAS sites, AMO will be forced to rely on costly temporary duty expenses or contract pilots, which can be even more costly. Vacancies among USBP Agents also negatively affect CBP's ability to maintain continuity of USBP operations.

The negative effect on operations can be particularly acute in offices that have a small staff. For example, USCIS experienced a critical vacancy in the Field Office Director position in Alaska that affected the office's ability to execute its mission.

III. Conclusion

Recruiting and retaining qualified and engaged employees in rural and noncontiguous states pose unique challenges. While some challenges are location-specific, other challenges are shared by states with similar environmental realities. More remote locations may face quality of life factors (e.g., childcare, access to medical treatment/facilities, caliber of schools, elderly care, work commute, etc.). Additionally, remote locations may have a limited local applicant pool from which to recruit. Other rural locations may face greater competition with private-sector companies, and perhaps even other federal agencies.

Some of the challenges are not unique to rural states, and they also apply to nonrural states. Finding qualified candidates who can clear the necessary pre-employment requirements and who are willing to accept longer hiring timelines and lower-than-market salary levels is a common challenge, regardless of location. DHS continues to pursue strategies to address these challenges and is exploring several solutions such as childcare subsidies and elder care options to help employees to meet their family needs. DHS has leveraged the use of strategic relocation, retention, and recruitment incentives to the maximum extent allowable by federal regulation. For example, Components have offered student loan repayment and tuition assistance as incentives to relocate to less desirable areas.

DHS-wide strategies to fill vacancies include recruiter utilization, recruiting events (e.g., job fairs, college career centers), marketing and outreach campaigns through social media (e.g., LinkedIn, Indeed, CareerBuilder, Glassdoor, Facebook, Twitter) and other traditional media outlets (e.g., television, radio, print publications), strategic partnerships (e.g., community groups, workforce centers), and various component outreach branches and field offices. Finally, Components make strategic decisions to overstaff in duty stations such as Guam, Saipan, and the U.S. Virgin Islands in order to maintain an adequate staffing level and to mitigate negative effects of attrition and other losses.

The security of the homeland and the American people should not be dependent upon location or population density. DHS works tirelessly to ensure that vacancies are filled when and where required. DHS will continue to ensure that it can hire effectively and can maintain appropriate staffing levels in all duty stations to meet its mission.

Appendix: Abbreviations

Abbreviation	Definition
AIA	Air Interdiction Agent
AMO	Air and Marine Operations
CBP	U.S. Customs and Border Protection
DHS	U.S. Department of Homeland Security
FY	Fiscal Year
OFO	Office of Field Operations
OPM	U.S. Office of Personnel Management
PCS	Permanent Change of Station
TSA	Transportation Security Administration
TSO	Transportation Security Officer
UAS	Unmanned Aircraft System
USBP	U.S. Border Patrol
USCIS	U.S. Citizenship and Immigration Services
USSS	U.S. Secret Service