



Office of Audits
Office of Inspector General
U.S. General Services Administration

Alert Memorandum: PBS Allowed the Use of a Drone from a Prohibited Source to Photograph Construction at a Land Port of Entry in San Luis, Arizona

Memorandum Number A220036-5
March 13, 2025



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TO: MICHAEL PETERS
COMMISSIONER
PUBLIC BUILDINGS SERVICE (P)

FROM: R. NICHOLAS GOCO
ASSISTANT INSPECTOR GENERAL FOR AUDITING (JA)

SUBJECT: Alert Memorandum: PBS Allowed the Use of a Drone from a Prohibited
Source to Photograph Construction at a Land Port of Entry in San Luis,
Arizona
Memorandum Number A220036-5

The purpose of this memorandum is to notify you of an issue that warrants your immediate attention. During the survey phase of our *Oversight of PBS's Projects Funded by the Infrastructure Investment and Jobs Act: Audit of PBS Pacific Rim Region's Award and Administration of the San Luis Land Port of Entry Expansion and Modernization Project*, we learned that the project's construction contractor has frequently taken aerial photographs to document construction progress. In doing so, the construction contractor has used a drone manufactured by a company that the U.S. Department of Defense (DOD) has identified as a "Chinese military company" and potential threat to national security.

BACKGROUND

A land port of entry (LPOE), commonly known as a border station, provides controlled entry to or departure from the United States for persons or materials. The San Luis I LPOE, located on the U.S. international border with Mexico in San Luis, Arizona, was originally constructed in 1984 as a commercial and noncommercial port.¹ It houses the U.S. Department of Homeland Security's U.S. Customs and Border Protection and U.S. Immigration and Customs Enforcement, which provide a mix of safety and security services for travelers and trade. It serves as an entry point to the United States for migrant field laborers for Yuma County, Arizona, and processes more than 3 million vehicles and 2.5 million pedestrians each year. Because it contains law

¹ In 2010, the commercial operations were shifted to the San Luis II LPOE, located approximately 8 miles to the east.

enforcement agencies and has a high volume of public traffic, the San Luis I LPOE is considered a Security Level III facility.² Accordingly, if the area was compromised, it could result in significant adverse consequences for the facility, operation of the facility, the mission of the Agency, or its occupants and visitors.

In September 2022, the PBS Pacific Rim Region (PBS Region 9) awarded a construction contract to modernize and expand the San Luis I LPOE. Among other things, the project will expand the number of lanes for privately owned vehicles from 8 to 16 and increase the number of pedestrian inspection lanes from 10 to 14. The project also will add vehicle inspection canopies, a secondary vehicle processing area, and a new administration facility. Construction started in May 2023 and is projected to be completed in 2029. As of January 2025, the total budget for the project was \$394 million.

In September 2024, as part of our ongoing oversight of PBS's projects funded by the Infrastructure Investment and Jobs Act, our office began an audit of the San Luis I LPOE expansion and modernization project. During a January 2025 site visit to the San Luis I LPOE, we observed the concerns described below.

RESULTS

PBS Region 9's contract for the San Luis I LPOE project requires the construction contractor to photograph the project's progress from different points of view to demonstrate that the work has been completed. During a January 2025 site visit to the San Luis I LPOE, we learned that the construction contractor has frequently used a drone to take aerial photographs to document construction progress. However, PBS Region 9 has not taken appropriate steps to ensure that the construction contractor has complied with applicable security requirements covering the use of drones. This has enabled the construction contractor to regularly use a drone manufactured by a company that the DOD has identified as a potential national security threat.

Section 889 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019 (Pub. L. 115-232) prohibits the construction contractor from using video surveillance equipment from the People's Republic of China.³ In addition, Executive Order (E.O.) 13981, *Protecting the United States From Certain Unmanned Aircraft Systems* (signed on January 18, 2021), advised all federal agencies against purchasing and using drones that are manufactured by foreign adversaries. General Services Administration Acquisition Manual (GSAM) 537.70, *Unmanned Aircraft Systems (UAS) Services*, incorporates E.O. 13981 by requiring that all GSA-funded

² The U.S. Department of Homeland Security defines Facility Security Level as a categorization based on the analysis of several security-related facility factors, which serves as the basis for the identification of preliminary countermeasures and recurring risk assessments.

³ The construction contractor's contract incorporates FAR 52.204-25, *Prohibition on Contracting for Certain Telecommunications and Video Surveillance Services or Equipment*; and Section 889(a)(1)(A) of the John S. McCain National Defense Authorization Act for Fiscal Year 2019.

acquisitions that use UAS must ensure that the UAS is not manufactured, in whole or in part, in an adversary country.⁴

The construction contractor for the San Luis I LPOE project used a Mavic 3 Enterprise drone (pictured in *Figure 1* below), which is manufactured by Da-Jiang Innovations (DJI), a Chinese company that manufactures drones and other technology. This violates Section 889 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, E.O. 13981, and GSAM 537.70, all described on the previous page. Further, the use of a DJI drone poses a potential threat to national security. The U.S. Department of Commerce added DJI to its Entity List in December 2020, designating the Chinese company as a national security concern.⁵ In July 2021, the DOD also stated that drones developed by DJI pose potential national security threats.⁶ Lastly, on October 5, 2022, the DOD added DJI to its list of “Chinese military companies.”

Nonetheless, PBS Region 9 has not taken any steps to ensure the drone being used by its construction contractor is from an approved source. The images in *Figure 1* below show the drone that the construction contractor is using at the San Luis I LPOE. As highlighted in the photographs, the drone the construction contractor is using is made in China by DJI.

Figure 1. Photographs of the Chinese-Made Drone in Use at the San Luis I LPOE⁷



Taking aerial photographs of U.S. LPOEs using drones from prohibited sources increases safety and security risks. In September 2024, our office reported similar concerns related to drone usage on a paving project completed by PBS’s Northeast and Caribbean Region at New York

⁴ E.O. 13981 includes the People’s Republic of China in its definition of an “adversary country.”

⁵ U.S. Department of Commerce, Bureau of Industry and Security, 15 CFR Part 744, *Addition of Entities to the Entity List, Revision of Entry on the Entity List, and Removal of Entities From the Entity List* (December 22, 2020).

⁶ U.S. Department of Defense, *Immediate Release: Department Statement on DJI Systems* (July 23, 2021). <https://www.defense.gov/News/Releases/Release/Article/2706082/department-statement-on-dji-systems>.

⁷ Photographs taken by the audit team on January 29, 2025.

State’s northern border.⁸ To prevent this from reoccurring, PBS should instruct its San Luis I LPOE construction contractor to immediately discontinue use of the DJI drone. PBS also should take steps to ensure that contractors for all active and future PBS construction projects comply with applicable security requirements covering the use of drones.

CONCLUSION

PBS Region 9 has not taken appropriate steps to ensure that the construction contractor for the San Luis I LPOE expansion and modernization project has complied with applicable security requirements covering the use of drones. This has enabled the contractor to use a drone manufactured by DJI, a company that the DOD has identified as a Chinese military company and a prohibited source, to take photographs of the San Luis I LPOE construction site.

PBS should instruct its San Luis I LPOE construction contractor to immediately discontinue use of the DJI drone. Furthermore, as this is the second time our office has identified security concerns related to drone usage to photograph LPOE construction sites, PBS should take steps to ensure that contractors for all active and future PBS construction projects comply with applicable security requirements covering the use of drones.

Compliance Statement

This alert memorandum complies with the Council of Inspectors General on Integrity and Efficiency’s *Quality Standards for Federal Offices of Inspector General*. The related ongoing audit, when completed, will comply with generally accepted government auditing standards.

Audit Team

This assignment was managed out of the Southeast Sunbelt Region Audit Office and conducted by the individuals listed below:

Nicholas Painter	Regional Inspector General for Auditing
Valerie Smith	Audit Manager
Jeremy Boozikee	Auditor-In-Charge
Wesley Zehms	Auditor

⁸ *Oversight of PBS’s Projects Funded by the Infrastructure Investment and Jobs Act: Audit of Paving Project at New York State’s Northern Border* (Report Number A220036/P/2/R24008).

Attachment – Memorandum Distribution

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Deputy Commissioner of Enterprise Strategy (P2)

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