

**OFFICE OF INSPECTOR GENERAL**

**Major Management and  
Performance Challenges  
Facing the Department of  
Homeland Security**



Homeland  
Security

**November 13, 2019**

**OIG-20-02**



**OFFICE OF INSPECTOR GENERAL**  
Department of Homeland Security

Washington, DC 20528 / [www.oig.dhs.gov](http://www.oig.dhs.gov)

November 13, 2019

MEMORANDUM FOR: Kevin K. McAleenan  
Secretary (Acting)

FROM:   
Joseph V. Cuffari, Ph.D.  
Inspector General

SUBJECT: *Major Management and Performance Challenges Facing the Department of Homeland Security*

Attached for your information is our final report, *Major Management and Performance Challenges Facing the Department of Homeland Security*. Pursuant to the *Reports Consolidation Act of 2000*, the Office of Inspector General must issue an annual statement summarizing what the Inspector General considers the most serious management and performance challenges facing the Department of Homeland Security and assessing its progress in addressing them. This requirement is consistent with our duties under the *Inspector General Act of 1978*, as amended, to conduct audits, as well as provide leadership and recommend policies to promote economy, efficiency, and effectiveness in DHS programs and operations.

We acknowledge and appreciate your ongoing efforts to ensure our Nation and its citizens are safe, secure, and resilient against terrorism and other hazards. In evaluating the challenges facing DHS, we considered their importance relative to the [Department of Homeland Security's Strategic Plan for Fiscal Years 2020–2024 \(DHS' 2020–2024 Strategic Plan\)](#), as well as its Enterprise Risk Management and Immigration Data Integration initiatives. Appendix A presents the goals and objectives in *DHS' 2020–2024 Strategic Plan*; elsewhere in this report we cite specific examples of DHS' strategic progress. Appendix B contains your comments on the draft version of this report.

Based on our recent and prior audits, inspections, special reviews, and investigations, we consider the most serious management and performance challenges currently facing DHS to be:

- Managing Programs and Operations Effectively and Efficiently during times of Changes in Leadership, Vacancies, and Hiring Difficulties;
- Coordinating Efforts to Address the Sharp Increase in Migrants Seeking to Enter the United States through our Southern Border;



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- Ensuring Cybersecurity in an Age When Confidentiality, Integrity, and the Availability of Information Technology Are Essential to Mission Operations;
- Ensuring Proper Financial Planning, Payments, and Internal Controls; and
- Improving FEMA’s Disaster Response and Recovery Efforts.

Addressing and overcoming these challenges requires firm leadership; targeted resources; and a commitment to mastering management fundamentals, data collection and dissemination, cost-benefit/risk analysis, and performance measurement. As we have noted in previous Major Management and Performance Challenges reports, the Secretary; Deputy Secretary; Under Secretary for Management; Under Secretary for the Office of Strategy, Policy, and Plans; and DHS Component Heads are responsible for driving necessary change. Unfortunately, many of these senior leadership positions continue to suffer from a lack of permanent, Presidentially Appointed and Senate-confirmed officials. More broadly, DHS and its roughly 240,000 employees work in an environment marked by high attrition, changing mandates, and difficulties implementing permanent plans, procedures, and programs.

It is imperative DHS develop and maintain a high performing, steadfast workforce. We have repeatedly stressed DHS must foster unity of effort, including developing and implementing strong internal controls. We are again highlighting major gaps in DHS’ ability to share and manage data, coordinate intra-component activities and programs, and implement fiscally sound practices and procedures to ensure optimal use of taxpayer dollars. We are dedicated to working with DHS leaders to address these challenges and look forward to meaningful progress in the future.

### ***Managing Programs and Operations Effectively and Efficiently During Times of Changes in Leadership, Vacancies, and Hiring Difficulties***

This challenge relates to every aspect of DHS’ mission. However, it is expressly captured in DHS’ 2020–2024 Strategic Plan in Goal 6: Championing the Workforce and Strengthening the Department.<sup>1</sup>

As the third-largest Federal agency, DHS’ full performance is vital to the safety and security of our Nation. DHS’ 2020–2024 Strategic Plan recognizes the Department’s diverse and complex mission requires integration across eight

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<sup>1</sup> We recognize DHS’ commitment to cultivate a consistent supply of senior executives and career civil servants through its Senior Executive Service Candidate Development Program; Strategic Marketing, Outreach, and Recruitment Engagement automated system; and series of FY2019 Strategic Recruitment Diversity and Inclusion outreach events.



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operational components; seven support components formulating guidance on policy, management, research, training, and intelligence; and the Office of the Secretary, which coordinates and oversees the activities of the Department.<sup>2</sup> This need for integration is particularly important in hiring, training, and retaining staff.

### *Hiring, Training, and Retention*

Since its inception, DHS has had difficulties ensuring it can expeditiously hire and retain highly qualified workers. This situation is exacerbated by changes and vacancies in senior leadership, which are often beyond DHS' control. As of September 21, 2019, "acting" officials filled almost one-third (18 of 58) of DHS senior leadership positions.<sup>3</sup>

DHS faces high attrition. At a May 21, 2019 congressional hearing, then Acting Inspector General, John V. Kelly, testified in fiscal year 2017 the Transportation Security Administration (TSA) spent nearly \$75 million to train more than 9,000 new Transportation Security Officers, about 20 percent of whom left within 6 months of being hired.<sup>4</sup> The Government Accountability Office (GAO) has also reported concern regarding U.S. Customs and Border Protection (CBP) attrition rates.<sup>5</sup> More specifically, in March 2019 congressional testimony, GAO affirmed CBP staffing levels for law enforcement positions consistently fell below target levels and retaining officers in hard-to-fill locations continued to pose a problem for CBP.

On January 25, 2017, President Trump issued *Executive Order 13767: Border Security and Immigration Enforcement Improvements* (EO 13767) requiring the Department to hire 5,000 new Border Patrol Agents and 10,000 new Immigration Officers to expand immigration enforcement activities and programs.<sup>6</sup> Approximately 10 months later, in November 2017, CBP awarded a \$297 million contract to Accenture Federal Services (Accenture) as part of its effort to meet EO 13767 hiring mandates. However, CBP did not effectively

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<sup>2</sup> See [https://www.dhs.gov/sites/default/files/publications/19\\_0702\\_plcy\\_dhs-strategic-plan-fy20-24.pdf](https://www.dhs.gov/sites/default/files/publications/19_0702_plcy_dhs-strategic-plan-fy20-24.pdf), p. 4.

<sup>3</sup> See <https://www.dhs.gov/leadership>.

<sup>4</sup> See [https://www.oig.dhs.gov/sites/default/files/assets/TM/2019/oigtm-acting-ig-john-kelly-052119\\_0.pdf](https://www.oig.dhs.gov/sites/default/files/assets/TM/2019/oigtm-acting-ig-john-kelly-052119_0.pdf). This testimony was based on *TSA Needs to Improve Efforts to Retain, Hire, and Train Its Transportation Security Officers* (OIG-19-35), March 28, 2019

<sup>5</sup> See <https://www.gao.gov/assets/700/697349.pdf>.

<sup>6</sup> EO 13767 calls for the construction of a physical wall on the southern border of the United States, the hiring of 5,000 CBP agents, and 10,000 ICE agents, an increase in detention space and the use of expedited removal, and the hiring of more immigration judges to address removal backlogs.



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manage the Accenture contract.<sup>7</sup> As of October 1, 2018 — 10 months into the contract — CBP had paid Accenture approximately \$13.6 million for startup costs, security requirements, recruiting, and applicant support. In return, Accenture processed two accepted job offers. CBP also paid Accenture about \$500,000 for work CBP had completed in processing 14 applicants on behalf of Accenture. After we issued this management alert, CBP canceled its contract with Accenture.<sup>8</sup>

In February 2019, we reported Border Patrol lacked the data and procedures necessary to determine whether it was meeting workload requirements for investigative and law enforcement activities.<sup>9</sup> Although directed to do so by Congress in 2011, CBP had not completed or submitted a satisfactory workforce-staffing model. This occurred because Border Patrol had not prioritized or assigned adequate resources to develop and implement such a model to guide its hiring and operations. Without a complete workforce-staffing model and accurate data, Border Patrol senior managers could not definitively determine the operational need or best placement for the 5,000 agents DHS was directed to hire under EO 13767.

In addition to hiring and retaining employees, the Department must ensure staff are adequately trained. In November 2018, we reported, as the Department attempts to hire and train 15,000 law enforcement officers, it is already struggling to improve training venues and workaround scenarios to avoid degradation of training and ensure availability of preferred training venues and housing.<sup>10</sup> We recommended the Under Secretary of Management collaborate with Department officials to develop standards and procedures to address these problems and ensure effective expansion of capabilities for law enforcement training related to the hiring surge. The Department has implemented several of our recommendations.

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<sup>7</sup> [\*Management Alert – CBP Needs to Address Serious Performance Issues in the Accenture Hiring Contract \(OIG-19-13\), December 6, 2018.\*](#)

<sup>8</sup> DHS has expressed concern regarding our review of CBP’s Accenture hiring contract, including in its response to this report. We contend that the information presented in our management alert is accurate and fairly describes the results of our review; we met with all key personnel and assessed all pertinent documentation prior to publishing the alert. Further, we believe that our review played an integral part in identifying serious performance issues and ultimately terminating the Accenture hiring contract.

<sup>9</sup> [\*Border Patrol Needs a Staffing Model to Better Plan for Hiring More Agents \(OIG-19-23\), February 28, 2019.\*](#)

<sup>10</sup> [\*DHS Training Needs for Hiring 15,000 Border Patrol Agents and Immigration Officers \(OIG-19-07\), November 20, 2018.\*](#)



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### *Promoting an Ethical Workplace Where Employees Are Held Accountable*

In addition to being adequately trained and highly motivated, the DHS workforce must also be accountable.

In June 2019, we reported the Department lacked sufficient policies and procedures to address employee misconduct.<sup>11</sup> Specifically, the Department's policy did not include procedures for reporting allegations of misconduct, clear and specific supervisor roles and expectations, or clearly defined key discipline terms used across all components. DHS also was not effectively managing the misconduct program throughout the Department and lacked data monitoring and metrics to gauge program performance. Without oversight through defined policies and program management, DHS could not make informed decisions to improve the program and ensure all components managed the discipline for misconduct consistently. DHS is taking corrective actions to address our recommendations for improvement.

### ***Coordinating Efforts to Address the Sharp Increase in Migrants Seeking to Enter the United States through Our Southern Border***

Although this challenge falls clearly within DHS' 2020–2024 Strategic Plan in Goal 2: Secure U.S. Borders and Approaches, it is also related to Goal 1: Counter Terrorism and Homeland Security Threats.

In response to unprecedented migration at the U.S. Southern Border,<sup>12</sup> DHS is struggling to direct and deploy available resources to manage ports of entry, Border Patrol stations, and processing centers.<sup>13</sup> Addressing unprecedented migration and humanitarian support requires collaboration among Federal law enforcement entities such as DHS and the Department of Justice. Increased migration also requires daily inter-component coordination, most notably among CBP, U.S. Immigration and Customs Enforcement (ICE), and U.S. Citizenship and Immigration Services (USCIS) to administer and enforce

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<sup>11</sup> [DHS Needs to Improve Its Oversight of Misconduct and Discipline \(OIG-19-48\)](#), June 17, 2019.

<sup>12</sup> See <https://www.hsgac.senate.gov/unprecedented-migration-at-the-us-southern-border-the-exploitation-of-migrants-through-smuggling-trafficking-and-involuntary-servitude>; <https://www.ice.gov/sites/default/files/documents/Speech/2019/190409tubbs.pdf>; and <https://www.apnews.com/cbba8ede5436460ab4f792f981ee32e2>. According to DHS, in FY 2019 U.S. Border Patrol apprehended 851,508 aliens between ports of entry along our Southwest Border.

<sup>13</sup> See <https://www.oig.dhs.gov/sites/default/files/assets/TM/2019/oigtm-deputy-inspector-general-jennifer-l-costello-073019.pdf>. [The Emergency Supplemental Appropriations for Humanitarian Assistance and Security at the Southern Border Act, 2019](#) (P.L. 116-26) was signed into law on July 1, 2019, and provided CBP with a total of \$1,100,431,000 for humanitarian support, border operations, and mission support.



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immigration laws involving asylum and removal, unaccompanied alien children, victims and perpetrators of human trafficking, drug interdiction, and a range of other matters. These challenges are most evident in the Rio Grande Valley (RGV) Sector, which reported nearly a quarter million apprehensions in the first 8 months of FY 2019.<sup>14</sup> During the past several years, but particularly in FY 2019, we have observed and continue to document serious gaps in communication, information sharing, and effective oversight in these internal and external partnerships. These gaps have been featured in numerous congressional hearings involving OIG leaders.<sup>15</sup>

### *Coordination among CBP, ICE, and USCIS*

Since we issued *DHS Needs a More Unified Approach to Immigration Enforcement and Administration* (OIG-18-07), the need for a cohesive approach to immigration enforcement and administration has become even more pressing given increased migration at the U.S. Southern Border. CBP, ICE, and USCIS must work together to apprehend, interview, transfer, release and/or repatriate noncitizens.<sup>16</sup> To effect removal, CBP and ICE use a range of short- and long-term detention facilities in which conditions have been a focus of our work this past year.

As part of our unannounced inspections of CBP holding facilities, during the week of May 6, 2019, we visited five Border Patrol stations and two ports of entry in the El Paso area, including greater El Paso and eastern New Mexico. We found dangerous overcrowding and adult detainees held longer than the 72 hours generally permitted under CBP's Transport, Escort, Detention, and Search (TEDS) standards at Border Patrol's El Paso Del Norte Processing Center.<sup>17</sup> We recommended the Acting Secretary of DHS take immediate steps to alleviate overcrowding at the Border Patrol facility. One month later, during the week of June 10, 2019, we traveled to the Rio Grande Valley Sector and again observed serious overcrowding and prolonged detention in Border Patrol

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<sup>14</sup> See <https://www.oig.dhs.gov/sites/default/files/assets/TM/2019/oigtm-deputy-inspector-general-jennifer-l-costello-073019.pdf>, at pg. 3.

<sup>15</sup> See <https://www.oig.dhs.gov/news/testimony>

<sup>16</sup> We recognize the role other DHS components have played in helping address challenges at the U.S. Southern Border. For example, approximately 150 Coast Guard military and civilian personnel have been deployed to support CBP task forces in the El Paso, Rio Grande, and Yuma Sectors. Their duties include assisting CBP with migrant supervision, food preparation and distribution, stock replenishment, supply transport, translation assistance, personal property documentation, interview assistance, and processing. The Office of Intelligence and Analysis has also worked across the DHS Intelligence Enterprise and engaged with local Fusion Centers to provide assistance at the U.S. Southern Border.

<sup>17</sup> [\*Management Alert – DHS Needs to Address Dangerous Overcrowding among Single Adults at El Paso Del Norte Processing Center\* \(OIG-19-46\), May 30, 2019.](#)



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facilities. We found Border Patrol was holding about 8,000 detainees in custody across five locations, with 3,400 individuals — 826 of whom were children — held longer than the 72 hour standard.<sup>18</sup> We reiterated our concern that overcrowding and prolonged detention pose an immediate risk to the health and safety of DHS agents and officers, and to those detained. As a result of these unannounced inspections, DHS OIG has begun an evaluation to identify challenges CBP faces in its efforts to comply with the general requirement not to exceed the 72-hour detention threshold.

As border apprehensions have increased, so too have the number of individuals in ICE detention.<sup>19</sup> ICE contracts with roughly 106 facilities to detain removable aliens. Although ICE employs a multilayered system to manage and oversee detention contracts, ICE does not adequately hold detention facility contractors accountable for not meeting performance standards.<sup>20</sup>

In June 2019, we summarized findings from our latest round of unannounced inspections at four ICE detention facilities.<sup>21</sup> Although the conditions varied among the facilities and not every problem was present at each, our observations, detainee and staff interviews, and document reviews revealed several common themes. Because we observed immediate risks or egregious violations of detention standards at facilities in Adelanto, CA, and Essex County, NJ, including nooses in detainee cells, overly restrictive segregation, inadequate medical care, unreported security incidents, and significant food safety issues, we issued individual reports to ICE after our visits to those two facilities.<sup>22</sup>

All four facilities had issues with expired food, which puts detainees at risk for food-borne illnesses. At three facilities, we found segregation practices violated standards and infringed on detainee rights. Two facilities failed to provide recreation outside detainee housing units. Bathrooms in two facilities' detainee housing units were dilapidated and moldy. At one facility, detainees were not provided appropriate clothing and hygiene items to ensure they could properly care for themselves. Lastly, one facility allowed only non-contact visits, despite

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<sup>18</sup> [\*Management Alert – DHS Needs to Address Dangerous Overcrowding and Prolonged Detention of Children and Adults in the Rio Grande Valley \(OIG-19-51\), July 2, 2019.\*](#)

<sup>19</sup> See <https://www.ice.gov/detention-management>.

<sup>20</sup> [\*ICE Does Not Fully Use Contracting Tools to Hold Detention Facility Contractors Accountable for Failing to Meet Performance Standards \(OIG-19-18\), January 29, 2019.\*](#)

<sup>21</sup> *Concerns about ICE Detainee Treatment and Care at Four Detention Facilities (OIG-19-47), June 3, 2019.*

<sup>22</sup> *Management Alert – Issues Requiring Action at the Adelanto ICE Processing Center in Adelanto, California (OIG-18-86), September 27, 2018, and Management Alert – Issues Requiring Action at the Essex County Correctional Facility in Newark, New Jersey (OIG-19-20), February 13, 2019.*



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being able to accommodate in-person visitation. Our observations confirmed concerns identified in detainee grievances, which indicated unsafe and unhealthy conditions to varying degrees at all facilities we visited. We continue to recommend the Acting Director of ICE ensure Enforcement and Removal Operations field offices overseeing the detention facilities we have inspected address the issues we have reported and ensure facility compliance with ICE's *2011 Performance-Based National Detention Standards*.

Finally, ICE repatriates thousands of aliens every year, but not without challenges. We reviewed 3,053 cases involving detained aliens not removed within 90 days of receiving a final order and found the most significant factors delaying or preventing their repatriation to be external and beyond ICE's control. For example, detainees' legal appeals tend to be lengthy; removals depend on foreign governments cooperating to arrange travel documents and flight schedules; detainees may fail to comply with repatriation efforts; and detainees' physical or mental health conditions can delay removals. Internally, ICE's challenges with staffing and technology also diminish the efficiency of the removal process. ICE struggles with inadequate staffing, heavy caseloads, and frequent officer rotations, causing the quality of case management for detainees with final orders of removal to suffer. ICE has agreed with our recommendations to address staffing, training, web-based case management and tracking, and decision-making processes.

### ***Ensuring Cybersecurity in an Age When Confidentiality, Integrity, and the Availability of Information Technology Are Essential to Mission Operations***

This challenge directly relates to DHS' 2020–2024 Strategic Plan in Goal 3: Secure Cyberspace and Critical Infrastructure.

Current events emphasize the increasingly pervasive and potentially devastating effects of cyber-based intrusions and attacks on public and private information systems in the United States.<sup>23</sup> Cyber vulnerabilities exist across all Federal agencies and in nonfederal entities and organizations, such as private companies, state, local, tribal, and territorial governments. In 1997, GAO first designated information security as a government-wide high-risk area, expanding it in 2003 to include the protection of critical cyber infrastructure, or systems and assets so vital to the United States that their incapacity or destruction

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<sup>23</sup> See <https://www.lawfareblog.com/intel-chiefs-testify-global-threats-cybersecurity-and-elections>, <https://thehill.com/policy/cybersecurity/452901-congress-mobilizes-on-cyber-threats-to-electric-grid>, and <https://www.defense.gov/Newsroom/News/Article/Article/1768617/dod-leaders-brief-congress-on-it-cybersecurity-information-assurance>.



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would have a debilitating impact on national security.<sup>24</sup> By 2015, GAO amplified this high-risk area to include protecting the privacy of personally identifiable information (PII), or “any information that can be used to distinguish or trace an individual’s identity.”<sup>25</sup> After several years of debate, Congress passed the *Cybersecurity and Infrastructure Security Agency Act of 2018*,<sup>26</sup> which redesignated DHS’ National Protection and Programs Directorate as the Cybersecurity and Infrastructure Security Agency (CISA). CISA’s responsibilities now include leading cybersecurity and critical infrastructure security programs, operations, and associated policy, and carrying out DHS’ responsibilities concerning chemical facility antiterrorism standards.<sup>27</sup> The GAO’s 2019 High-Risk List features “Ensuring the Cybersecurity of the Nation,” and recognizes additional legislation may be necessary to address this area effectively.<sup>28</sup>

### *Information Security/Information Technology*

OIG’s Fiscal Year 2018 *Federal Information Security Modernization Act* (FISMA) evaluation of DHS’ information security showed improvement compared to the prior year FISMA score.<sup>29</sup> The Department earned the targeted maturity rating, “Managed and Measurable” (level 4) in four of five functions.<sup>30</sup> We attributed

<sup>24</sup> GAO-17-317, *High Risk Series: Progress on Many High Risk Areas, While Substantial Efforts Needed on Others* (Washington, DC: February 2017). On January 6, 2017, former DHS Secretary Jeh Johnson [designated the U.S. election infrastructure as a critical infrastructure subsector](#).

<sup>25</sup> GAO-17-317, *High Risk Series: Progress on Many High Risk Areas, While Substantial Efforts Needed on Others* (Washington, D.C.: February 2017), p. 338

<sup>26</sup> See <https://www.congress.gov/bill/115th-congress/house-bill/3359>.

<sup>27</sup> CISA’s Strategic Intent (issued in August 2019) is available at:

[https://www.dhs.gov/sites/default/files/publications/cisa\\_strategic\\_intent\\_s508c\\_0.pdf](https://www.dhs.gov/sites/default/files/publications/cisa_strategic_intent_s508c_0.pdf).

CISA applies risk mitigation strategies and programs such as: performing Red Team Assessments; collaborating with state and local governments as well as private sector organizations to conduct training, exercises, and infrastructure evaluations; distributing machine-readable products to help domestic and international partners protect their networks and systems against ransomware threats and attacks; sharing through the DHS Enhanced Cybersecurity Services program classified and sensitive cyber threat Government Furnished Information with partnered Commercial Service Providers; and working with industry and government partners to establish and maintain the Tri-Sector Executive Working Group.

<sup>28</sup> GAO-19-393T, *HIGH-RISK SERIES: Substantial Efforts Needed to Achieve Greater Progress on High-Risk Areas* (Washington, DC: March 6, 2019)

<sup>29</sup> [Evaluation of DHS’ Information Security Program for Fiscal Year 2018 \(OIG-19-60\) September 19, 2019](#).

<sup>30</sup> We rated DHS’ information security program according to five functions in this year’s reporting instructions. (1) Identify – Although some systems lacked authority to operate and security weaknesses were not remediated quickly, DHS achieved level 4 by identifying cybersecurity risks through the systems security authorization process. (2) Protect – DHS achieved level 4 by implementing a patch management program to mitigate vulnerabilities. However, DHS did not apply patches timely to mitigate vulnerabilities, did not implement all



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DHS' progress to improvements in information security risk, configuration management practices, continuous monitoring, and more effective security training. By addressing the remaining deficiencies, DHS can further improve its security program to ensure its systems adequately protect the critical and sensitive data they store and process.

However, we did identify information security or information technology problems in various DHS components. For example, in carrying out its Transitional Sheltering Assistance program, the Federal Emergency Management Agency (FEMA) improperly released to a contractor the PII and Sensitive PII of 2.3 million survivors of Hurricanes Harvey, Irma, and Maria and the California wildfires in 2017.<sup>31</sup> Based on our report, DHS directed a Breach Response team to conduct a security assessment of FEMA and the contractor's systems. In July 2019, FEMA began issuing notification letters and providing other remedial services, including credit monitoring, to all survivors impacted by this major privacy incident.

During the last 13 years, we have reported on numerous IT deficiencies at FEMA. In August 2019, we reported FEMA had not implemented federally mandated IT management practices essential for effective oversight of its IT environment.<sup>32</sup> FEMA had not established an IT strategic plan, architecture, or governance framework to facilitate day-to-day management of its aging IT systems and equipment. Continuation of this approach impedes budgeting for long-term IT enhancements, leads to overspending, and causes unnecessary IT support efforts. Moreover, amid this management environment, FEMA has not provided its personnel with the IT systems they need to support response and recovery operations effectively. FEMA concurred with our recommendations.

We also reported USCIS had not implemented an effective process to track adjudicative decisions and ensure data integrity in its electronic system of record, Computer Linked Application Information Management System (CLAIMS3).<sup>33</sup> Federal standards and DHS requirements stress the importance

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configuration settings as required, and was using unsupported operating systems. (3) Detect – DHS was rated at level 4 due to its process to detect potential incidents. (4) Respond – DHS earned level 4 by taking sufficient actions to respond to detected cybersecurity incidents. (5) Recover – DHS received level 3, its lowest rating, because it did not employ automated mechanisms to test all system contingency plans or identify alternate facilities to recover processing in the event of service disruptions.

<sup>31</sup> [\*Management Alert - FEMA Did Not Safeguard Disaster Survivors' Sensitive Personally Identifiable Information\* \(OIG-19-32\), March 15, 2019.](#)

<sup>32</sup> [\*FEMA's Longstanding IT Deficiencies Hindered 2017 Response and Recovery Operations\* \(OIG-19-58\), August 27, 2019.](#)

<sup>33</sup> [\*Data Quality Improvements Needed to Track Adjudicative Decisions\* \(OIG-19-40\), May 14, 2019.](#)



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of internal controls over data reliability and system access to achieve effective and efficient operations. However, USCIS could not reliably back adjudicative decisions recorded in CLAIMS3 to the Immigration Services Officers responsible for those decisions. Our analysis of CLAIMS3 data from FYs 2015 to 2017 showed only 66 percent of adjudicative decisions could be tracked. Additionally, USCIS did not implement adequate monitoring and system access controls to prevent intrusions and potential fraud. Instead, staff who were not officers had the same user access and privileges as Immigration Services Officers. These weaknesses create data integrity issues and vulnerability to fraud. USCIS concurred with our recommendations for improvement.

### *Cybersecurity/Critical Infrastructure*

From January to September 2018, we evaluated the effectiveness of the Department's efforts to coordinate with states on securing the Nation's election infrastructure.<sup>34</sup> We found DHS had taken some steps to mitigate risks to the Nation's election infrastructure; however, improved planning, more staff, and clearer guidance could facilitate its coordination with states. Specifically, despite Federal requirements, DHS had not completed plans and strategies critical to identifying emerging threats and mitigation activities and to establishing metrics to measure progress in securing the election infrastructure. Senior leadership turnover and a lack of guidance and administrative staff hindered DHS' ability to accomplish this planning. DHS needs to address and resolve these issues to ensure effective guidance, unity of effort, and a well-coordinated approach to securing the Nation's election infrastructure.

Additionally, the Department has not fully met the requirements in the *Cybersecurity Workforce Assessment Act* to assess its cybersecurity workforce and develop a strategy to address workforce gaps.<sup>35</sup> We attributed DHS' lack of progress in meeting the requirements of the *Cybersecurity Workforce Assessment Act* to both external and internal factors, including legislation that created overlapping and new requirements for cybersecurity workforce planning and reporting and DHS falling behind in responding to these mandates. Without a complete cybersecurity workforce assessment and strategy, DHS cannot provide assurance it has the appropriate skills, competencies, and expertise positioned across its components to carry out its critical cybersecurity functions in the face of ever-expanding cybersecurity threats. DHS concurred with our recommendations.

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<sup>34</sup> [Progress Made, But Additional Efforts are Needed to Secure the Election Infrastructure \(OIG-19-24\), February 28, 2019.](#)

<sup>35</sup> [DHS Needs to Improve Cybersecurity Workforce Planning \(OIG-19-62\), September 23, 2019.](#)



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### ***Ensuring Proper Financial Planning, Payments, and Internal Controls***

This challenge relates to every aspect of DHS' mission, and is captured in objectives listed under DHS' 2020–2024 Strategic Plan in Goal 6: Championing the Workforce and Strengthening the Department.

Management fundamentals include having accurate, complete information about operations, their cost, and appropriate internal controls ensuring operational effectiveness and efficiency, reliable financial reporting, and compliance with laws, regulations and policies.

#### *Planning, Solicitation, and Management of Acquisitions*

A vitally important part of planning and acquisition is identifying the gap that needs to be filled by a contract. In January 2019, we reported the extent to which DHS and its components had controls for identifying needed capabilities prior to acquiring goods and services.<sup>36</sup> The Joint Requirements Council and Joint Requirements Integration and Management System provided guidance to identify required capabilities, gaps, opportunities, and controls. However, the Department validated noncompliant capability needs documents, did not hold components accountable for failing to follow guidance, and did not provide adequate direction on implementing the guidance. As a result, the Department could not be assured capability needs were being properly identified. The Department has made significant progress in addressing our recommendations.

We subsequently determined DHS components did not always properly solicit, award, and manage low value contracts according to Federal and departmental regulations.<sup>37</sup> Components did not have comprehensive contract management processes for maintaining contract files and procurement personnel reviews did not ensure contract personnel performed required procurement processes. These problems resulted in misspent funds and impaired the Government's ability to take action when contractors did not comply with the procurements. The DHS Chief Procurement Officer did not agree with our recommendations to address identified deficiencies and asserted our report lacked basis to conclude a lack of contract management policy or guidance, at either the Department or contracting activity level.

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<sup>36</sup> [\*DHS Needs to Improve the Process for Identifying Acquisition Planning Capability Needs \(OIG-19-19\), January 30, 2019.\*](#)

<sup>37</sup> [\*Inadequate Oversight of Low Value DHS Contracts \(OIG-19-50\), July 2, 2019.\*](#)



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### *Financial Management and Internal Controls*

DHS has made strides in establishing certain management fundamentals, including by obtaining an unmodified, or clean, opinion on its financial statements for six consecutive years. However, DHS still cannot obtain such an opinion on its internal controls over financial reporting. This means the Department can assemble reasonably accurate financial statements at the end of the fiscal year, but it has no assurance that its financial information is accurate and up-to-date throughout the year. The Department concurred with the independent auditors' (KPMG's) conclusions and will continue to implement corrective actions to improve financial management and internal control. In all, KPMG made 61 recommendations that, when implemented, would help improve the Department's internal control.<sup>38</sup> Additionally, many key DHS financial systems do not comply with Federal financial management system requirements, as defined in the Federal Financial Management Improvement Act of 1996. Limitations in financial systems functionality add substantially to the Department's challenges addressing systemic internal control weaknesses and limit its ability to leverage IT systems to process and report financial data efficiently and effectively.

### ***Improving FEMA's Disaster Response and Recovery Efforts***

This challenge relates directly to DHS' 2020–2024 Strategic Plan in Goal 5: Strengthen Preparedness and Resilience.

#### *FEMA Actions in the Immediate Aftermath of Disasters*

In recent congressional testimony, OIG emphasized lessons learned from past disasters that could serve to improve FEMA's contracting and overall preparedness.<sup>39</sup> While acknowledging FEMA had an enormous responsibility resulting from a series of unprecedented natural disasters, OIG identified a pattern of FEMA management failures in overseeing procurements and reimbursing procurement costs. We continue to observe systemic problems and operational difficulties that contribute to FEMA not managing disaster relief grants and funds adequately.<sup>40</sup> At times, FEMA has not followed

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<sup>38</sup> [Independent Auditor's Report on DHS' FY 2018 Financial Statements and Internal Controls over Financial Reporting \(OIG-19-04\), November 15, 2018.](#)

<sup>39</sup> *Testimony of Deputy Assistant Inspector General for Audits Katherine Trimble before the U.S. House of Representatives Committee on Homeland Security, May 9, 2019.*

<sup>40</sup> We recognize, as indicated by DHS, that during the last 2 years the Procurement Disaster Assistance Team has improved upon and provided interactive training to more than 200 Public Assistance staff in regional offices, Consolidated Resource Centers, and field offices, enhancing each employee's ability to review documentation associated with debris removal contracts.



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procurement laws, regulations, and procedures, nor has it ensured disaster grant recipients and subrecipients understand and comply these same authorities.

For example, FEMA did not follow all procurement laws, regulations, and procedures when it awarded more than \$30 million for two contracts to Bronze Star for tarps and plastic sheeting.<sup>41</sup> As a result of management control weaknesses, FEMA inappropriately awarded two contracts to Bronze Star, which did not meet the requirements of either contract. This deficiency delayed delivery of crucial supplies, and impeded Puerto Rico residents' efforts to protect their homes and prevent further damage. Overall, FEMA did not effectively use personnel resources, time, and taxpayer money by issuing, canceling, and reissuing contracts for tarps. FEMA did not concur with OIG's recommendations, but its planned corrective actions addressed the intent of the recommendations. Through subsequent updates, FEMA indicated it has initiated corrective actions.

In July 2019, we reported FEMA's eligibility determination of Cobra Acquisitions LLC (Cobra) contract costs for the Public Assistance grant program was not sound and lacked supporting documentation.<sup>42</sup> Following Hurricane Maria in 2017, Puerto Rico Electric Power Authority (PREPA) entered into a 12-month contract with Cobra to provide storm restoration services. To be eligible for Public Assistance funding, costs must be necessary and reasonable to accomplish the work properly and efficiently. FEMA conducted an analysis of the Cobra contract rates and determined contract costs were reasonable and eligible for the Public Assistance program. However, FEMA's analysis was not sound because it did not evaluate the actual time and materials costs for reasonableness and because its analyses of contract rates for labor, equipment, and other costs were not always logical, complete, and supported. As a result, FEMA reimbursed millions of dollars for Cobra contract costs based on an unsound eligibility determination. Additionally, PREPA officials and PREPA's Board of Governors relied on FEMA's conclusion of cost reasonableness to support its authorization of a fourth amendment to the Cobra contract, which raised the contract amount from \$200 million to \$445 million. FEMA concurred with the recommendation and proactively said that they would update the agency's policy to include information and additional guidance specific to time and materials contracts. Thus, FEMA will look at both the reasonableness of rates and the reasonableness of quantity.

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<sup>41</sup> [\*FEMA Should Not Have Awarded Two Contracts to Bronze Star LLC \(OIG-19-38\), May 7, 2019.\*](#)

<sup>42</sup> [\*FEMA's Cost Eligibility Determination of Puerto Rico Electric Power Authority's Contract with Cobra Acquisitions LLC \(OIG-19-52\), July 3, 2019.\*](#)



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To ensure disaster grant recipients and subrecipients understand and comply with procurement laws, regulations, and procedures, we issued a number of reports in FY 2019 demonstrating weaknesses in FEMA's administration of the Public Assistance grant program. For example, we found FEMA did not properly oversee the Louisiana Governor's Office of Homeland Security and Emergency Preparedness (Louisiana) to ensure it complied with Federal regulations.<sup>43</sup> Louisiana and its Office of Community Development, in turn, did not always properly account for and expend Federal grant funds. We recommended FEMA postpone project closeout until Louisiana provides adequate documentation supporting \$706.6 million in costs.

We further determined FEMA did not require disaster survivors to notify the agency when they vacated hotels participating in the Transitional Sheltering Assistance program. This enabled the hotels to continue to bill FEMA for unoccupied rooms.<sup>44</sup> Because FEMA was unaware when disaster survivors vacated the hotels, the component did not know the magnitude of unnecessary hotel charges. Consequently, FEMA could not account for payments it may have made for unoccupied hotel rooms related to the 2017 hurricane season and California wildfires.

### *FEMA and Fraud Prevention*

FEMA's disaster assistance programs are highly susceptible to fraud, waste, and abuse, which poses significant risk to taxpayer investment. Therefore, we have targeted oversight work to promote fraud prevention in FEMA's disaster assistance programs. Despite some progress, we believe FEMA should take additional, proactive steps to create and sustain a culture of fraud prevention and awareness.<sup>45</sup> Until FEMA takes visible, substantial, and continual steps to carry out its mission programs by detecting and reporting potential fraud in a systematic and timely manner, it will continue to risk the loss and misuse of taxpayer funds. FEMA concurred with OIG's recommendations and has begun to implement corrective actions.

### ***The Way Forward***

As the Department works to implement numerous open recommendations in OIG reports, we hope it will simultaneously continue to demonstrate a

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<sup>43</sup> [Louisiana Did Not Properly Oversee a \\$706.6 Million Hazard Mitigation Grant Program Award for Work on Louisiana Homes \(OIG-19-54\), July 25, 2019.](#)

<sup>44</sup> [Additional Controls Needed to Better Manage FEMA's Transitional Sheltering Assistance Program \(OIG-19-37\), March 29, 2019.](#)

<sup>45</sup> [FEMA Must Take Additional Steps to Demonstrate the Importance of Fraud Prevention and Awareness in FEMA Disaster Assistance Programs \(OIG-19-55\), July 24, 2019.](#)



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commitment to overcoming the major management and performance challenges presented in this report. As indicated earlier, we believe achieving progress requires firm and stable leadership, targeted resources, unity of effort, and a commitment to mastering management fundamentals in the areas of human service, data collection and dissemination, cost-benefit/risk analysis, and performance measurement. DHS' roughly 240,000 employees deserve to work in an environment that fosters excellence, mutual support, and integration across all components and work units. By establishing a strong, overarching internal control structure to reinforce established goals and objectives, the Department will be better able to assign roles and responsibilities, promote coordination of resources and cooperation among programs and operations, promulgate necessary policies and procedures, and assert its authority to ensure compliance and accountability. We look forward to our continued partnership and future progress.



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**Appendix A**

**GOAL 1: COUNTER TERRORISM AND HOMELAND SECURITY THREATS**

- OBJECTIVE 1.1: COLLECT, ANALYZE, AND SHARE ACTIONABLE INTELLIGENCE
- OBJECTIVE 1.2: DETECT AND DISRUPT THREATS
- OBJECTIVE 1.3: PROTECT DESIGNATED LEADERSHIP, EVENTS, AND SOFT TARGETS
- OBJECTIVE 1.4: COUNTER WEAPONS OF MASS DESTRUCTION AND EMERGING THREATS

**GOAL 2: SECURE U.S. BORDERS AND APPROACHES**

- OBJECTIVE 2.1: SECURE AND MANAGE AIR, LAND, AND MARITIME BORDERS
- OBJECTIVE 2.2: EXTEND THE REACH OF U.S. BORDER SECURITY
- OBJECTIVE 2.3: ENFORCE U.S. IMMIGRATION LAWS
- OBJECTIVE 2.4: ADMINISTER IMMIGRATION BENEFITS TO ADVANCE THE SECURITY AND PROSPERITY OF THE NATION

**GOAL 3: SECURE CYBERSPACE AND CRITICAL INFRASTRUCTURE**

- OBJECTIVE 3.1: SECURE FEDERAL CIVILIAN NETWORKS
- OBJECTIVE 3.2: STRENGTHEN THE SECURITY AND RESILIENCE OF CRITICAL INFRASTRUCTURE
- OBJECTIVE 3.3: ASSESS AND COUNTER EVOLVING CYBERSECURITY RISKS
- OBJECTIVE 3.4: COMBAT CYBERCRIME

**GOAL 4: PRESERVE AND UPHOLD THE NATION'S PROSPERITY AND ECONOMIC SECURITY**

- OBJECTIVE 4.1: ENFORCE U.S. TRADE LAWS AND FACILITATE LAWFUL INTERNATIONAL TRADE AND TRAVEL
- OBJECTIVE 4.2: SAFEGUARD THE U.S. TRANSPORTATION SYSTEM
- OBJECTIVE 4.3: MAINTAIN U.S. WATERWAYS AND MARITIME RESOURCES
- OBJECTIVE 4.4: SAFEGUARD U.S. FINANCIAL SYSTEMS

**GOAL 5: STRENGTHEN PREPAREDNESS AND RESILIENCE**

- OBJECTIVE 5.1: BUILD A NATIONAL CULTURE OF PREPAREDNESS
- OBJECTIVE 5.2: RESPOND DURING INCIDENTS
- OBJECTIVE 5.3: SUPPORT OUTCOME-DRIVEN COMMUNITY RECOVERY
- OBJECTIVE 5.4: TRAIN AND EXERCISE FIRST RESPONDERS

**GOAL 6: CHAMPION THE DHS WORKFORCE AND STRENGTHEN THE DEPARTMENT**

- OBJECTIVE 6.1: STRENGTHEN DEPARTMENTAL GOVERNANCE AND MANAGEMENT
- OBJECTIVE 6.2: DEVELOP AND MAINTAIN A HIGH PERFORMING WORKFORCE
- OBJECTIVE 6.3: OPTIMIZE SUPPORT TO MISSION OPERATIONS

*Source: Department of Homeland Security's Strategic Plan for Fiscal Years 2020–2024 (undated)*  
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**Appendix B**  
**DHS Comments to the Draft Report**

U.S. Department of Homeland Security  
Washington, DC 20528



**Homeland  
Security**

November 12, 2019

MEMORANDUM FOR: The Honorable Joseph V. Cuffari  
Inspector General  
Office of Inspector General

FROM: Jim H. Crumpacker, CIA, CFE  
Director  
Departmental GAO-OIG Liaison Office 

SUBJECT: Management Response to OIG's Draft Report: "Major  
Management and Performance Challenges [MMPC]  
Facing the Department of Homeland Security"  
(OIG-20-XX, dated October 30, 2019)

Thank you for the opportunity to comment on this draft report. The U.S. Department of Homeland Security (DHS) appreciates having the DHS Office of Inspector General's (OIG) independent perspective on the most serious management and performance challenges facing the Department and our progress in addressing these challenges.

DHS' highest priority is to protect the American people from threats to their security, and we are pleased to note OIG's efforts to tie this year's annual MMPC report to the DHS Strategic Plan for Fiscal Years (FY) 2020 – 2024. The DHS Strategic Plan comprehensively reflects the Department's complex mission. Every day, each operator and employee across the Department advances the strategic goals and objectives contained in the plan to keep Americans safe, secure, and resilient. The plan establishes a common framework to implement mission specific White House, Congressional, and internal DHS guidance (e.g., the new DHS Countering Terrorism and Targeted Violence Strategic Framework), to analyze and inform the Department's management decisions, operational requirements, budget formulation, annual performance reporting, and mission execution.

A high-level review of OIG's draft report, due to the limited time available to review and respond to the draft, disclosed that many of the OIG-identified management and performance challenges generally comport with challenges the Department is already aware of and working to address. Examples include:



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- **Managing Programs and Operations Effectively and Efficiently During Times of Changes in Leadership, Vacancies, and Hiring Difficulties**

At some level, this challenge duplicates government-wide “Strategic Human Capital Management” concerns previously identified as part of the U.S. Government Accountability Office (GAO) High-Risk List, “Strengthening DHS Management Functions,” issue area. DHS has made tremendous progress addressing this area which, as of March 2019, was the only area out of 35 to meet the majority of criteria for removal from the GAO High-Risk List. Additional insights concerning our progress can be found in publicly available updates to the DHS “Integrated Strategy for High-Risk Management,” which is published every six months and details (1) corrective action plans outlining steps the Department is taking to address issues, (2) select initiatives and performance measures supporting broader efforts to resolve GAO’s High-Risk designation, and (3) actions taken to address root causes of DHS’ management challenges.

- **Coordinating Efforts to Address the Sharp Increase in Migrants Seeking to Enter the United States through Our Southern Border**

DHS has worked relentlessly to respond to the challenge posed by a surge in migration, and to mitigate the overflow conditions at facilities along the Southwest border. Recent efforts undertaken by the current Administration and its international partners, including the Migrant Protection Protocols (MPP) initiative, as well as the emergency supplemental appropriation the U.S. Customs and Border Protection (CBP) received from Congress contributed to numerous successes in this area. For example, overall apprehensions of family units and unaccompanied alien children between ports of entry decreased by roughly 50 percent from May to July 2019. DHS believes this was due in part to the June 2019 MPP agreement with the Government of Mexico to stem the flow of illegal migration, as well as collaboration with several Central American governments to dismantle and disrupt migrant smuggling and human trafficking organizations.

The Emergency Supplemental Appropriations for Humanitarian Assistance and Security at the Southern Border Act of 2019 also provided CBP with \$1.1 billion for humanitarian support, border operations, and mission supports. This included \$112 million for food, water, sanitary items, blankets, and other consumables for migrants, and for medical assets and support, and \$35 million for transportation of migrants in CBP custody to help alleviate overcrowding and expedite processing. Without this supplemental appropriation, the funding for these humanitarian custodial efforts provided in the Consolidated Appropriations Act of 2019 would have been exhausted before September 30, 2019.



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- **Ensuring Cybersecurity in an Age When Confidentiality, Integrity, and the Availability of Information Technology Are Essential to Mission Operations**

Since 2016, DHS has identified “Strengthening Federal Cyber Security” as one of two long-term Agency Priority Goals in accordance with the Government Performance and Result Act Modernization Act of 2010, as part of its efforts to improve the performance and management of the Federal Government. The other goal is to “Enhance Southern Border Security.” DHS reports progress to achieve these goals as part of its Annual Performance Report, which is available to the public on [DHS.gov](https://www.dhs.gov).

DHS’ Cybersecurity and Infrastructure Security Agency (CISA) leads the national effort to defend critical infrastructure against the threats of today, while working with partners across all levels of government and in the private sector to secure against the evolving threats of tomorrow. These activities have never been more important, as the threats against the Nation—digital and physical, manmade, technological, and natural—are more complex, and the threat actors more diverse, than at any point in our history. Ultimately, CISA seeks to defend and preserve the open society within which the Nation lives, the innovation culture America aims to foster, and the essential rights to privacy and civil liberties enshrined within the Constitution.

CISA’s FY 2018 accomplishments in this challenge area include conducting ongoing cyber vulnerability scans for approximately 900 customers and detecting more than 200,000 vulnerabilities through the National Cybersecurity and Communication Integration Center. CISA also facilitated the execution of operational directives through the Federal Network Resilience office, which oversees federal agencies implementation of enhanced email and web security standards, and resulted in the removal of potentially compromised software from more than 30,000 endpoints and devices.

DHS remains committed to safeguarding our homeland, our values, and our way of life—whether it is within our country, at our borders, in cyberspace, or beyond. DHS will continue striving to fully address its management and performance challenges, and to build the toughest homeland security enterprise America has ever seen. This will help us defend the country against a range of natural disasters and man-made threats as well as implement a policy of relentless resilience; ensuring DHS can focus on today’s threats, while preparing for the future.

Again, thank you for the opportunity to review and comment on this draft report. DHS previously provided technical comments under a separate cover for OIG consideration. Please feel free to contact me if you have any questions. We look forward to working with you during the coming year.

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