



# Department of Homeland Security Office of Inspector General

## DHS Oversight of Component Acquisition Programs





**Homeland  
Security**

**APR 11 2011**

Preface

The Department of Homeland Security (DHS) Office of Inspector General (OIG) was established by the *Homeland Security Act of 2002* (Public Law 107-296) by amendment to the *Inspector General Act of 1978*. This is one of a series of audit, inspection, and special reports prepared as part of our oversight responsibilities to promote economy, efficiency, and effectiveness within the department.

This report addresses the strengths and weaknesses of the department's acquisition management process. It is based on interviews with employees and officials of relevant agencies and institutions, direct observations, and a review of applicable documents.

The recommendations herein have been developed to the best knowledge available to our office, and have been discussed in draft with those responsible for implementation. We trust this report will result in more effective, efficient, and economical operations. We express our appreciation to all of those who contributed to the preparation of this report.

A handwritten signature in blue ink that reads "Anne L. Richards".

Anne L. Richards  
Assistant Inspector General for Audits

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## Abbreviations

APMD	Acquisition Program Management Division
CBP	Customs and Border Protection
COTS	commercial off-the-shelf
CPO	Chief Procurement Officer
DHS	Department of Homeland Security

Directive 102-01	Acquisition Management Directive 102-01, Revision Number 01
FEMA	Federal Emergency Management Agency
FLETC	Federal Law Enforcement Training Center
FY	fiscal year
Guidebook	Acquisition Instruction/Guidebook 102-01-001, Interim Version 1.9 (Nov. 7, 2008)
ICE	Immigration and Customs Enforcement
IT	information technology
nPRS	next Generation Periodic Reporting System
OIG	Office of Inspector General
SSPO	Strategic Sourcing Program Office
TSA	Transportation Security Administration
USCIS	U.S. Citizenship and Immigration Services
USM	Under Secretary for Management

# OIG

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*Department of Homeland Security  
Office of Inspector General*

## **Executive Summary**

Acquisitions consume a significant part of the Department of Homeland Security's annual budget and are fundamental to the department's ability to accomplish its mission. The department's revised enacted budget authority for fiscal year 2010 is approximately \$55.3 billion, and between October 2009 and August 2010, it obligated about \$9.2 billion for procurement costs. We performed this audit to determine whether the department established adequate management oversight and controls over component acquisition programs.

The department has generally made progress in its acquisition oversight processes and controls through implementation of a revised acquisition management directive. However, the department needs to further refine its guidance by providing additional detailed guidance and improving controls in some areas. The department has not fully defined, for its components, what constitutes an acquisition program, or developed consistent guidance for reporting acquisition programs in its standard reporting system. In addition, the department did not ensure that components were using all acquisition tools available and that all components had adequate policies and procedures in place to manage acquisition programs.

As a result, components created program management offices to manage simple procurements, incurring unnecessary administrative program costs without adding value to the programs. Additionally, without adequate controls in place, the department did not have complete visibility of all programs within its acquisition portfolio.

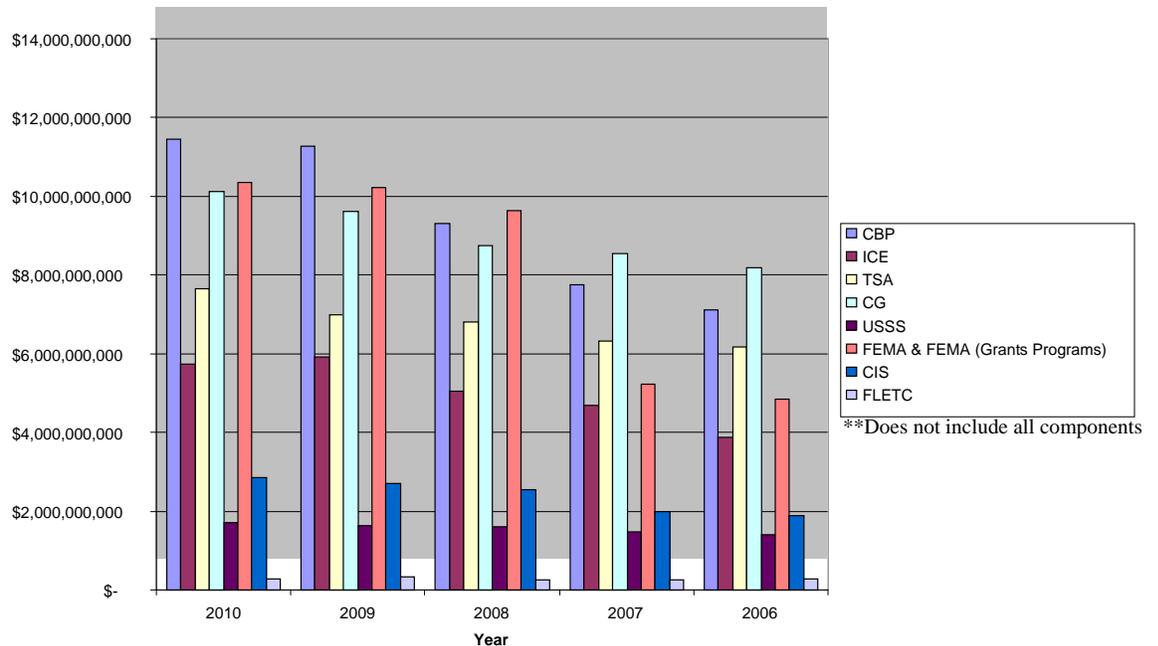
We made four recommendations to the Chief Procurement Officer to strengthen the department's management oversight and controls over component acquisition programs. The Chief Procurement Officer agreed with our recommendations and initiated corrective actions.

## Background

The Department of Homeland Security (DHS) continues to face challenges associated with implementing a fully integrated acquisition function. A successful acquisition process requires an effective acquisition management infrastructure. Acquisition management is a complex process that goes beyond simply awarding a contract. It begins with the identification of a mission need; continues with the development of a strategy to fulfill that need while balancing cost, schedule, and performance; and concludes with contract closeout after satisfactorily meeting the terms. Acquisition management includes managing operational and life cycle requirements—from formulating concepts of operations, developing sound business strategies, and exercising prudent financial management to assessing tradeoffs and managing program risks.

The department's revised enacted budget authority for fiscal year (FY) 2010 is approximately \$55.3 billion. Between October 2009 and August 2010, the department obligated about \$9.2 billion in procurement cost, of its total \$55.3 billion. DHS's total budget authority increased from about \$40.3 billion in 2006 to about \$55.3 billion in 2010, an increase of about 37%, excluding any supplemental funding and rescissions of prior-year carryover funds. Figure 1 illustrates the components' budget authority for the past 5 years.

**Figure 1. Component Budget Authority for Fiscal Years 2006–2010**



Recognizing the continued increase in the quantity and complexity of acquisitions supporting its missions, the department prescribed additional guidance for acquisition management and oversight beginning in November 2008. The Chief Acquisition Officer classified acquisitions into three levels to define the extent and scope of required project and program management and the specific official<sup>1</sup> who serves as the Acquisition Decision Authority. Table 1 lists these levels.

**Table 1: Acquisition Program Levels**

	Lifecycle Cost	Acquisition Decision Authority*
Level 1	Greater than or equal to \$1 billion	Deputy Secretary
Level 2	\$300 million to \$1 billion	Chief Acquisition Officer
Level 3	Less than \$300 million	Component Head

\*Refer to footnote below.

The following entities within DHS have a role in managing and overseeing acquisition programs:

- Chief Acquisition Officer – Responsible for managing, administering, and overseeing the department’s acquisition policies and procedures. The Under Secretary for Management (USM) is currently the Chief Acquisition Officer who designates Component Acquisition Executives.
- Component Heads – Oversee acquisitions within their component in accordance with the department’s acquisition policies and procedures, and ensure sound management, review, support, approval, and oversight of all types of acquisitions within the component.
- Acquisition Decision Authority – Department and component officials responsible for ensuring compliance with Acquisition Management Directive 102-01, Revision Number 01 (Directive 102-01) by reviewing and approving the movement of acquisitions through the phases of the acquisition life cycle upon satisfaction of applicable criteria at an Acquisition Review Board.
- Acquisition Review Board – Cross-component board within the department that determines whether a proposed acquisition has met the requirements of key phases in the Acquisition Lifecycle Framework and is able to proceed to the next phase. The Acquisition Review Board is composed

<sup>1</sup> The Acquisition Decision Authority may designate his or her responsibilities to other officials.

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of officials that the Acquisition Decision Authority determines to be knowledgeable of the subject matter.

- Component Acquisition Executives – Senior acquisition officials within a component responsible for implementing, managing, and overseeing their component’s acquisition processes. Component Acquisition Executives coordinate contracting and procurement processes with the component’s Head of Contracting Activity.
- Director, Acquisition Program Management Division (APMD) – Responsible for developing and maintaining acquisition policy, procedures, and guidance, as well as assisting the Chief Acquisition Officer in the management of the department’s acquisition portfolio.

On May 26, 2010, the USM issued the department’s latest Major Acquisition Oversight List. The list identified 86 major acquisition programs, projects, and services requiring direct departmental oversight. The department oversees acquisition programs at or above \$300 million<sup>2</sup> in life cycle cost. Components are responsible for the oversight and controls for acquisition programs below the \$300 million threshold.

## Results of Audit

DHS generally had management oversight and controls in place over components’ acquisition programs. In January 2010, the department issued Revision Number 01 to its interim Directive 102-01 directive, which prescribed guidance over the Acquisition Review Process, Acquisition Lifecycle Framework, and Acquisition Review Board. It also issued a supplemental Acquisition Instruction/Guidebook 102-01-001, Version 1.9 (November 7, 2008) (Guidebook) to the interim directive that provided detailed instructions on implementing and managing acquisition management. The Directive and Guidebook addressed many of the oversight and control problems previously identified regarding acquisition management. Directive 102-01 and the Guidebook were positive steps, but the department can do more.

The department needs to further refine policies in some areas and strengthen oversight in others. Some components were creating program management offices to manage simple procurements, not properly reporting programs into the standard system, or not applying strategic sourcing strategies to support program development. Additionally, not all components developed component-level

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<sup>2</sup> The Acquisition Review Board can elevate acquisition program levels based on five exceptions listed in Directive 102-01.

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acquisition policies and procedures to manage their programs. As a result, some components unnecessarily created acquisition programs, which potentially increased administrative costs without adding value to the programs, and the department does not always know what is in its acquisition portfolio.

## **Guidance**

The department did not fully define, for its components, what should constitute an acquisition program or develop consistent guidance for reporting requirements into its standard reporting system. The department did not provide consistent acquisition program reporting guidance for the use of the next Generation Periodic Reporting System (nPRS). As a result, component personnel, motivated to implement and follow department guidance, unnecessarily created acquisition programs that potentially incurred additional program management costs and distorted the position of the department's acquisition portfolio. Components further distorted the acquisition portfolio position by inconsistently reporting programs into nPRS.

### **Directive 102-01**

The department has not fully defined when a component should manage an acquisition under the requirements of the Acquisition Lifecycle Framework or manage it as a simple procurement. We found that many components were committed to following the department's guidance but needed more structure for determining when to establish a program to acquire a product or service. We requested a list of all programs from each component and received numerous questions and conflicting responses. For example:

- Immigration and Customs Enforcement (ICE) personnel stated that they were having problems identifying level 3 acquisition programs because they believed that Directive 102-01 did not adequately define an acquisition program. In May 2010, ICE personnel provided a preliminary list of their acquisition programs, but as of October 1, 2010, they had not provided a final list.
- Science and Technology personnel asked the audit team if they should include the funding and conducting of research and development programs or projects as acquisition programs. They specifically questioned whether they should manage the First Responder websites they operate and maintain as acquisition programs.

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- Domestic Nuclear Detection Office personnel asked if there were details that explained which acquisitions were or were not programs. They stated that the definition for acquisition programs is so broad that they were unsure whether the small contracts for services were level 3 acquisition programs.
  - Transportation Security Administration (TSA) personnel stated that they classified all acquisitions that appeared to be programs as acquisition programs because the definition was unclear.
  - Federal Emergency Management Agency (FEMA) personnel were uncertain whether to classify large service contracts as acquisition programs. Initially, when we requested a list of FEMA's programs, FEMA personnel stated that they could not provide a complete list of programs for 6 to 12 months. Senior personnel explained that FEMA was in the process of reorganizing its acquisition management function. After meeting with senior management personnel, toward the end of audit fieldwork, we received a draft list of programs, but as of October 1, 2010, FEMA personnel had not provided a final list.

Directive 102-01 establishes the overall policy and structure for acquisition management within the department, but does not provide a decision-making tool to determine if an acquisition warrants the higher level of internal controls required by the Acquisition Lifecycle Framework. According to the glossary of the Guidebook, an acquisition program is the totality of activities directed to accomplish a program to acquire or support/sustain capabilities, funded through one or more investments. In contrast, the Guidebook defines an acquisition as the conceptualization, initiation, design, development, test, contracting, production, deployment, logistics support, modification, and disposal of systems, supplies, or services (including construction) to satisfy DHS needs. To complicate the definitions further, the body of the Guidebook states that capital assets, enterprise/component-level service contracts, interagency agreements, and strategically sourced acquisitions will follow Directive 102-01.

These definitions do not provide clear instruction for determining if an acquisition should become an acquisition program, and in attempts to comply with the directive, components over classified programs. For example, the Federal Law Enforcement Training Center (FLETC) is automating many of its manual processes, such

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as student registration, class scheduling, planning and forecasting, and student records. The estimated total life cycle cost of this automation is approximately \$30 million. FLETC personnel contracted out all of the requirements for the program, including requirements analysis, development, and maintenance of an automated system that used commercial off-the-shelf (COTS) equipment and custom software applications. Because of the unclear instructions, instead of creating a simple procurement, FLETC created an acquisition program that may have unnecessarily increased program management administrative cost.

We reviewed several acquisition programs that do not clearly fit into the Acquisition Lifecycle Framework process. Ten of the 17 (59%) programs we reviewed, with an estimated life cycle cost of about \$5.3 billion, were acquisitions that identified COTS equipment or existing contracts to fulfill the needs identified by the program office. Component personnel likely could have managed these as simple procurements rather than acquisition programs. For example, TSA classified renovation of an existing warehouse building as an acquisition program. It leased the 104,000-square-foot building in 2003 and renovated approximately 89,000 square feet for about \$42 million over the initial 10-year leasing period. In 2008, TSA primarily relied on existing contracts to complete 12,500 of the remaining 15,000 square feet of the warehouse building. According to TSA personnel, the renovation for the additional 12,500 square feet cost about \$2.5 million, with construction completed in January 2010. For this small renovation project, TSA personnel could have used simple procurement rules but instead increased administrative costs by implementing the more complicated internal control structure prescribed in Directive 102-01.

Based on the definition of an acquisition program in the Guidebook, this renovation could possibly be an acquisition program. However, based on the processes and procedures laid out in Directive 102-01's Acquisition Lifecycle Framework and Acquisition Review Process, this renovation does not clearly meet the intentions of the existing guidance or present a high level of risk to warrant the increased costs of being managed as a program.

Components should not create acquisition programs for acquiring products and services under a simple procurement action that are outside the intent and spirit of Directive 102-01. The department can reduce some of the conflicts at the component level by developing a decision matrix that the components can apply in the pre-planning phases of the purchasing process.

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## **nPRS Reporting Guidance**

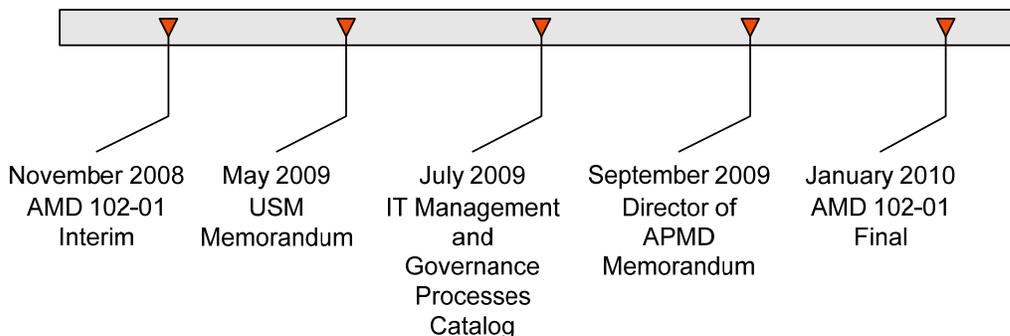
The department developed inconsistent reporting requirements for components to follow when reporting an acquisition's progress in the department's standard reporting system. nPRS is an integrated system that provides visibility to the department to track components' level 1, 2, and 3 acquisition investments. It also has capabilities to store working and approved key acquisition documents, earned value management information, and risk identification. Component personnel are responsible for entering and updating information regarding their acquisition programs in nPRS. This information includes, but is not limited to, cost, budget, performance, and schedule data.

For the 17 acquisition programs we reviewed, with an estimated life cycle cost of about \$9.6 billion, we found that components were not completing and reporting all key information in nPRS. Component personnel input 16 of 17 programs reviewed (94%) into nPRS; however, despite detailed nPRS guidance, not all programs contained the required information. For example, only 7 of 17 programs (41%) reported Acquisition Program Baseline required milestones, which establish the overall acquisition cost, schedule, and performance values. Only 13 (76%) programs reviewed contained required key documentation. Key documents include the mission needs statement, acquisition plan, operational requirements document, integrated logistics support plan, and the acquisition program baseline.

Since nPRS became operational in 2008, the department has issued conflicting guidance and enforcement for reporting level 1, 2, and 3 acquisition programs. According to APMD personnel, level 1 and 2 acquisition programs are the only programs that require nPRS reporting, while reporting level 3 acquisition programs is optional. Despite APMD personnel's explanation of the nPRS reporting requirements, in November 2008 they required level 1, 2, and 3 acquisitions to follow the DHS periodic reporting process identified in the nPRS manual. Then in May 2009, the USM issued a memorandum requiring major acquisition programs, level 1 and 2, to transition to nPRS by the end of the month. In July 2009, the Office of the Chief Information Officer issued guidance that required components to report all programs to nPRS. In September 2009, the Director of APMD issued a memorandum designating nPRS as the department's system of record for acquisition management data and official reporting system for all level 1, 2, and 3 acquisition programs. In January 2010, the

APMD issued the final Directive 102-01, which required all level 1, 2, and 3 acquisition programs to comply with the DHS periodic reporting process. This conflicting verbal and written guidance confused component personnel, who were not sure whether to report all acquisition programs or only level 1 and 2 programs. Figure 2 depicts the timeline of conflicting nPRS reporting guidance.

**Figure 2. nPRS Policy Timeline**



In May 2010, the USM issued a list of major acquisition programs that identified 86 level 1 and 2 acquisition programs and elevated some level 3 acquisition programs for departmental oversight. According to APMD personnel, the department and components jointly create the major acquisition program and project list. The APMD obtains information from nPRS and requests updated information from the components regarding their current number of acquisition programs. Once APMD personnel receive the information, they create the final list and the USM signs and issues the new list.

As of July 2010, we identified six acquisition programs listed on the USM letter, but components did not report them in nPRS. We also identified five level 1 and 2 acquisition programs reported in nPRS but not on the USM letter. When we questioned department personnel about the differences between the USM letter and nPRS, they stated that the differences were due to timing issues. However, we were not able to reconcile the differences to verify that they were timing related. Table 2 compares the list of acquisition programs in the May 2010 USM memo with the nPRS database as of July 2010.

**Table 2. Acquisition Program Reporting System Inconsistencies**

USM Memo - May 2010	nPRS Database - July 2010
Consolidated Mail System Program	No Entry
Electronic Records Management System	No Entry
St. Elizabeth's	No Entry
National Security System Program	No Entry
Online Tracking Information System	No Entry
Federal Protective Services	No Entry
	Critical Infrastructure
No Entry	Technology and Analysis
No Entry	CBP - Infrastructure
No Entry	FEMA - Infrastructure
No Entry	ICE - Infrastructure
No Entry	USSS - Infrastructure

To identify the number of acquisition programs in the department, we requested a list of all programs from nPRS, but the department could provide only level 1 and 2 acquisition programs. In March 2010, we requested that the components provide us with a list of all level 1, 2, and 3 acquisition programs so we could gain a complete inventory of acquisition programs throughout the department. Table 3 shows some inconsistencies between the department's totals and the components' totals.

**Table 3. Acquisition Program Inconsistencies**

	Level 1	Level 2	Level 3	Total
<b>DEPARTMENT</b>				
USM Letter - Apr 23, 2009	42	25	0	67
nPRS datapull March 2010	43	20	0	63
USM Letter - May 26, 2010	46	40	0	86
nPRS datapull June 2010	49	33	0	82
nPRS datapull July 2010	50	32	70	152
<b>COMPONENTS</b>	48	22	152	222

\*\*See Appendix D for the detailed spreadsheet.

We obtained the department's totals at five different times. Though we understand that there may be differences in timing due to the intervals, the department needs to make sure that components are consistently reporting all acquisition programs into the standard system. In July 2010, we obtained our last data from nPRS that showed progress regarding the number of level 3 acquisition

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programs components entered in the system. However, nPRS still does not reflect half of the total number of level 3 programs components reported outside nPRS.

The department does not always know what is in its acquisition portfolio because of the conflicting written and verbal guidance provided to the components. The department has not ensured that components report all level 1, 2, and 3 acquisition programs in nPRS, which hinders its ability to have complete visibility into components acquisition programs. By mandating use of nPRS for all acquisition programs, the department would have visibility into components' acquisition programs and could provide better oversight for its acquisition portfolio.

## **Available Tools**

The department has not ensured or mandated that components use all available tools and supporting programs, including nPRS and the department's Strategic Sourcing Program Office (SSPO), to provide transparency and efficiency of component acquisition programs. As a result, some components have developed systems comparable to nPRS and may have awarded contracts without consideration of the SSPO.

### **nPRS Tools**

The department, in conjunction with the APMD and the Office of the Chief Information Officer, developed and currently maintain nPRS. nPRS manages the department's level 1, 2, and 3 acquisition programs by incorporating numerous tools for the department and components to provide oversight and visibility. Tools available within nPRS include the following:

- Current and previous contract award data with earned value management
- Previous, current, and future budget and funding
- Cost, schedule, and performance status based on Acquisition Program Baseline parameters
- Information technology program milestone schedule and cost variances
- Acquisition Decision Memorandum forms that track action items issued by the Acquisition Review Board
- Key documents approved by the department or component, such as the Mission Needs Statement, Acquisition Plan, and Acquisition Program Baseline

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According to APMD personnel, nPRS allows components to create a copy of nPRS software and integrate it to meet the components' needs. The copy, which is called the nPRS Sandbox, allows the components to duplicate the department's copy of the nPRS software and to use the already developed nPRS as their oversight tool for draft documents, component approval process for documentation, earned value management, as well as cost and schedule status. The component's Sandbox copy of nPRS is not visible by the department or other components because nPRS restricts access to unauthorized users. As of July 2010, three components had requested use of the nPRS Sandbox feature: TSA, FEMA, and the DHS Chief Financial Office.

Component personnel have developed, or they are in the process of developing, their own data-tracking systems because the department has not consistently mandated use of nPRS or its tools within the system. For example:

- TSA hired and spent approximately \$100,000 for a contractor in 2005 to develop the TSA Acquisition Program Status Report, which served as its data-tracking system. As of June 2010, TSA had merged its acquisition program portfolio, levels 1, 2, and 3, into the department's nPRS and will no longer report to the TSA Acquisition Program Status Report. As of August 2010, nPRS will be its official tracking system for acquisition programs.
- Customs and Border Protection (CBP) personnel were in the process of developing a database to track acquisitions throughout the Acquisition Lifecycle Framework. We were not able to determine the cost of this tracking database. According to CBP personnel, the database was a verbal agreement between CBP personnel and the contractor for the development and tracking of the database. The statement of work did not contain any mention of the verbal agreement.
- FEMA, CBP, ICE, and U.S. Secret Service use internally developed systems based on software programs such as Microsoft SharePoint.

The department has not consistently mandated and ensured that components use nPRS for all level 1, 2, and 3 acquisition programs.

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## **Strategic Sourcing Program Office**

The department has not ensured that the components use the SSPO when managing acquisition programs. Directive 102-01 and the Information Technology Integration and Management Directive, MD 0007.1, do not require components to consider the SSPO when planning for acquisition programs. The department created the SSPO, within the Office of the Chief Procurement Officer, to help components do the following:

- Identify best prices available for a requirement
- Engage in market research to identify the best available vendors and manufacturers
- Minimize duplication of effort for market research
- Provide department-wide contract vehicles

Of the 17 component acquisition programs we reviewed, 10 (with an estimated life cycle cost of about \$5.3 billion) were acquisition programs that component personnel awarded or plan to award contracts for the procurement and development of COTS software and equipment. Six of the 10 programs (with an estimated life cycle cost of about \$5.1 billion) relied on a department-wide contract for some or all of their procurement needs, and components awarded or will award 3 programs (with an estimated life cycle cost of about \$.19 billion) to vendors outside the department-wide strategically sourced contracts. The remaining program was in the analyze/select phase and the component had not determined which procurement mechanism to use.

Components did not consider the SSPO when planning and awarding procurements. For example, FLETC personnel created an acquisition program to provide electronic training materials. FLETC used a Small Business Administration 8(a) contractor to procure some of its requirements, but it did not use a General Services Administration vendor to procure its COTS equipment. If FLETC had used a General Services Administration vendor to procure its COTS equipment, it might have saved resources. However, it can benefit from the future department-wide contract for its wireless communication requirements.

The SSPO identified five future department-wide contracts for acquiring canines, dog supplies, dog food, veterinary care, and explosive training aids and storage. TSA established an acquisition program to use canines and handlers to deter and detect the introduction of explosives into the transportation system.

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However, TSA is not required to consider using the SSPO contracts to purchase these canine requirements, which may increase procurement costs.

Because the current guidance is silent regarding the use of the SSPO, the department may be incurring increased cost for component procurements. In addition, components may be conducting duplicative market research for procurements that the SSPO has performed. The department should make sure component personnel are at least considering use of the SSPO during the planning stages of their acquisition programs before awarding any contracts.

## **Component Policies and Procedures**

The department has not taken steps to ensure that all components have developed prescribed policies and procedures for oversight of acquisition programs. Directive 102-01 states that components retain the authority to set internal acquisition processes and procedures, as long as they are consistent with the spirit and intent of the directive. However, not all components have created such policies and procedures, and the department has not taken steps to ensure the adequacy of the processes and procedures that components developed.

We performed a department-wide review of component policies and procedures regarding acquisition management. As depicted in Table 4, four components have created and issued finalized policies, five have draft policies, and three were not able to provide any policies or procedures.

**Table 4. Component Policies and Procedures**

<b>Component</b>	<b>Finalized</b>	<b>Draft</b>	<b>Unable to Provide</b>
Transportation Security Administration	✓		
United States Coast Guard	✓		
National Protection and Programs Directorate	✓		
Domestic Nuclear Detection Office	✓		
Federal Law Enforcement Training Center		✓*	
Customs and Border Protection		✓	
United States Secret Service		✓	
Federal Emergency Management Agency		✓	
U.S. Citizenship and Immigration Services (USCIS)		✓**	
Immigration and Customs Enforcement			✓
Office of Health Affairs			✓
Science and Technology			✓

\*FLETC has issued System Engineering Life Cycle policy, but not acquisition management policy.

\*\*USCIS has issued procurement policy, but not acquisition management policy.

The department prematurely gave approval authority in Directive 102-01 for level 3 acquisition programs without ensuring that components’ policies and procedures were in place and operating effectively. For the six components in our file review—

- Two (33%) have finalized policies.
- Three (50%) have draft policies.
- One (17%) does not have any policy.

In addition, components are not always following prescribed department or component guidance. For example, FLETC requested funding for one of its level 3 acquisition programs through the Office of Management and Budget in 2006. According to component personnel, the department denied the request but intended for the component to execute a pilot program. If the pilot program succeeded, the program office would request additional funding from the department. The component went forward, created a pilot program, and is currently procuring equipment and foresees that the pilot program will be a success. If the department approves the pilot program and provides additional funding, the acquisition program will proceed without having to perform any formalized acquisition management. This would not comply with the requirements of Directive 102-01.

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The department must ensure that components are in full compliance with departmental guidance. Because the department gave approval authority to the components for level 3 programs, it should implement a plan of action, with deadlines, for components to complete finalized acquisition management policies and procedures.

## **Recommendations**

We recommend that the Chief Procurement Officer:

**Recommendation #1:** Develop a decision matrix tool that guides components on identifying when to apply life cycle management processes to acquisitions.

**Recommendation #2:** Direct components to report all acquisition programs (levels 1, 2, and 3) to nPRS.

**Recommendation #3:** Require all components to consider using the Strategic Sourcing Program Office, General Services Administration Schedule, and department-wide contracts in the planning phase of an acquisition program.

**Recommendation #4:** Implement a plan of action or completion deadline for department-wide finalization of acquisition management policies and procedures.

## **Management Comments and OIG Analysis**

The Deputy Chief Procurement Officer (CPO) provided comments on a draft of this report. A copy of the comments in their entirety is included in Appendix B. The CPO concurred with the recommendations in the report.

### **Management Comments to Recommendation #1**

The CPO concurred with the recommendation. During FY 2011, APMD will develop a decision matrix tool to guide components on identifying when to apply life cycle management processes to acquisitions.

**OIG Analysis:** The CPO's actions are responsive to the recommendation. The decision matrix tool will help component personnel determine when to follow simple procurement rules rather than creating acquisition programs that follow the acquisition

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lifecycle framework. The recommendation is resolved, but will remain open until the CPO provides a copy of the decision matrix.

Management Comments to Recommendation #2

The CPO concurred with the recommendation. By April 30, APMD will issue guidance to components that will require inclusion of all level 1, 2, and 3 acquisition programs within the nPRS tracking tool.

OIG Analysis: The CPO's actions are responsive to the recommendation. APMD's revised guidance will allow the department to provide better oversight of its acquisition portfolio and ensure complete visibility into components' acquisition programs. The recommendation is resolved, but will remain open until the CPO provides a copy of the guidance that requires level 1, 2, and 3, acquisition programs report to nPRS.

Management Comments to Recommendation #3

The CPO concurred with the recommendation. APMD/Cost Analysis Division will revise the current Directive 102-01 language to ensure that Federal Acquisition Regulation at 7.102(a) and the Homeland Security Acquisition Manual at 3007.102 requirements regarding mandatory consideration of strategic sourcing, department-wide contracts, and other contract vehicles that increase acquisition process efficiencies and provide volume-related discounts are addressed.

OIG Analysis: The CPO's actions are responsive to the recommendation. However, the recommendation is unresolved and remains open until the CPO provides a target completion date for the revision to Directive 102-01. An update to Directive 102-01 that requires mandatory consideration of strategic sourcing will help reduce potentially increased procurement cost and duplicative market research for procurements.

Management Comments to Recommendation #4

The CPO concurred with the recommendation. In a memorandum dated January 22, 2009, the DHS USM addressed the desire for each component to have a Component Acquisition Executive to lead a process and staff to provide acquisition and procurement oversight, policy, and guidance to ensure that statutory, regulatory, and higher-level policy requirements are fulfilled. APMD will

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ensure that the guidance in that memorandum is fully executed, thereby addressing the Inspector General’s recommendation.

OIG Analysis: CPO’s actions are nonresponsive, and the recommendation remains unresolved and open until the CPO provides a target completion date and a corrective plan of action that states what APMD will do to ensure that the department-wide policies and procedures are finalized and in place.

#### Management’s Technical Comments on Report Content

The CPO also provided technical comments and suggested revisions to sections of our report. As appropriate, we made changes throughout the report in response to these technical comments and suggested revisions. We did not make the following changes:

- Background Section: The CPO noted that the description of the Component Acquisition Executive responsibilities was not consistent with the guidance in the Guidebook.

OIG Analysis: We relied on Directive 102-01, signed January 20, 2010, for the acquisition management roles identified in the report. If the Component Acquisition Executive roles are more consistent in the Acquisition Instruction/Guidebook dated November 7, 2008, the department needs to revise Directive 102-01.

- nPRS Reporting Guidance Section: The CPO did not agree with the conflicting guidance section of the report for level 1, 2, and 3 acquisition programs. Directive 102-01 specifies that level 1, 2, and 3 acquisitions must comply with the DHS periodic reporting process. The nPRS manual identifies reporting requirements. The nPRS manual states that all major acquisition programs—levels 1, 2, and 3 for information technology (IT)—programs and levels 1 and 2 programs for non-IT programs—are required to report to nPRS.

OIG Analysis: According to APMD personnel, level 1 and 2 acquisition programs are the only programs that require nPRS reporting, while reporting for level 3 acquisition programs is optional. Directive 102-01 (interim and final) directs users to the nPRS manual for reporting requirements. The nPRS manual provided during the audit was version 07.20.2010. It states that nPRS is “an integrated decision support capability that manages the department’s major acquisition level 1, 2, and 3

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investments.” The director of APMD issued a memorandum in September 2009 that as of October 1, 2009, nPRS is the department’s system of record for acquisition management data and reporting for all acquisition programs (level 1, 2, and 3). CPO’s implementation of recommendation #2 will resolve all conflicting guidance issues described in the report.

- Component Policies and Procedures Section: CPO did not agree that USCIS has not issued final acquisition management policy.

OIG Analysis: During the audit, USCIS personnel provided a copy of Management Directive No. 124-001, Acquiring Goods and Services, effective April 30, 2010. This management directive provides policy for procuring goods and services, entering receipt, acceptance, and payment information into the financial accounting system. Directive No. 124-001 does not contain policy for acquisition management. Procurement is a part of the overall acquisition management process.

- Appendix D, Acquisition Program Comparison: CPO stated that the comparison chart contained an error regarding USCIS’s total of level 1 acquisition programs. USCIS has one level 1 program, not three as shown in the chart.

OIG Analysis: The chart in appendix D is a comparison of the level 1, 2, and 3, acquisition program information obtained from the department and the components. The purpose of the chart is to show the inconsistencies between the department’s totals and the components’ totals regarding the number of level 1, 2, and 3 acquisition programs. USCIS reported three level 1 acquisition programs. However, the department’s nPRS and USM letters showed one level 1 program.

## Appendix A

### Purpose, Scope, and Methodology

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This report provides the results of our work to determine whether DHS has established adequate management oversight and controls over components' acquisition programs. To achieve our objective, we reviewed federal regulations, as well as DHS and component-specific guidance, to determine the requirements for acquisition programs.

We sampled acquisition program files from six DHS components. We used three criteria elements to select our judgmental sample of 17 acquisition programs. We looked at the following:

- Life cycle cost estimate of the programs
- Number and level of programs at the components
- IT or non-IT programs

We also coordinated our selections with the Government Accountability Office team that performed a similar audit during the same timeframe. Our sample covered acquisition offices within the Customs and Border Patrol, Federal Law Enforcement Training Center, Immigration and Customs Enforcement, Transportation Security Administration, U.S. Coast Guard, and U.S. Secret Service. The Federal Emergency Management Agency was initially included in our sample; however, it was not able to provide its list of acquisition programs, policies, and procedures during the survey and fieldwork phases of the audit. Subsequent to a meeting with its senior management to share our tentative audit results, FEMA provided some draft acquisition program numbers and draft policies and procedures. See appendix C for the list of acquisition programs we reviewed.

We conducted this performance audit between January and August 2010 pursuant to the *Inspector General Act of 1978*, as amended, and according to generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based upon our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based upon our audit objectives.

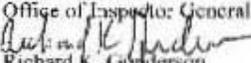
**Appendix B**  
**Management Comments to the Draft Report**

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



FEB 22 2011

MEMORANDUM FOR: Anne L. Richards  
Assistant Inspector General for Audits  
Office of Inspector General

FROM:   
Richard K. Gunderson  
Deputy, Chief Procurement Officer  
Department of Homeland Security

SUBJECT: CPO Response to Draft Inspector General Report: *DHS Oversight of Component Acquisition Programs*

In response to your memorandum dated January 19, 2011, entitled "*DHS Oversight of Component Acquisition Programs – For Official Use Only, OIG Project No. 10-057-AUD-MGMT*," attached are the comments from the Office of the Chief Procurement Officer (CPO) for inclusion within the management comments appendix of the forthcoming final report.

If there are any questions, please contact Mr. David J. Capitano, Director, Oversight and Strategic Support, at (202) 447-5417 or at david.capitano@dhs.gov.

Attachment:  
CPO Response to Draft Report

Cc:  
DHS Undersecretary for Management  
DHS Office of the Chief Financial Officer

## Appendix B Management Comments to the Draft Report

### CPO Response to OIG Draft Report “DHS Oversight of Component Acquisition Programs”

Attachment

#### I. CPO Response to OIG Draft Report Recommendations

The draft IG report includes four recommendations to the Chief Procurement Office (CPO); a specific response to each recommendation is provided below.

**Recommendation 1:** *“Develop a decision matrix tool that guides components on identifying when to apply life cycle management processes to acquisitions.”*

**CPO Response:** CPO concurs with this recommendation. During fiscal year 2011, APMD will develop a decision matrix tool to guide components on identifying when to apply life cycle management processes to acquisitions.

**Recommendation 2:** *“Direct components to report all acquisition programs (levels 1, 2, and 3) to nPRS.”*

**CPO Response:** CPO concurs with this recommendation. By April 30<sup>th</sup>, APMD will issue guidance to the components that will require inclusion of all level 1, 2, and 3 acquisition programs within the next Generation Periodic Reporting System (nPRS) tracking tool.

**Recommendation 3:** *“Require all components to consider using the Strategic Sourcing Program Office, General Services Administration Schedule, and department-wide contracts in the planning phase of an acquisition program.”*

**CPO Response:** CPO concurs with this recommendation. CPO notes that the IISAM, within Appendix II, entitled “DHS Acquisition Planning Guide,” provides clear guidance with respect to acquisition streamlining and other considerations, such as the type of procurement vehicles available for use. IISAM Appendix II lists acquisition considerations such as Department-wide contract vehicles, the General Services Administration (GSA) Schedules, and commodities that are bought on a department-wide basis generally using a unified department-wide acquisition strategy (i.e. strategic sourcing). However, to further emphasize the importance of strategic sourcing Department-wide, as part of the revision currently in progress, APMD/CAD will revise current Directive 102-01 language to insure Federal Acquisition Regulation (FAR) at 7.102(n) and the Homeland Security Acquisition Manual (IISAM) at 3007.102 requirements regarding mandatory consideration of strategic sourcing, department-wide contracts, and other contract vehicles that increase acquisition process efficiencies and provide volume-related discounts are addressed.

Within the Office of the Chief Procurement Officer, the Strategic Sourcing Branch provides DHS stakeholders economic and performance benefits through collaboration, application of sound analysis, and enterprise planning for acquisition initiatives. The Strategic Sourcing Branch collaborates with stakeholders to develop, deploy, and maintain strategic sourcing strategies that enhance mission performance and optimize commodity management. The Strategic Sourcing Branch is available to provide support to acquisition teams on all department-wide or multi-

## Appendix B Management Comments to the Draft Report

### CPO Response to OIG Draft Report “DHS Oversight of Component Acquisition Programs”

component contracting initiatives. DHS has a very active strategic sourcing program which has yielded over 40 different strategically sourced initiatives, 329 contracts, and over \$1 billion total savings since its inception in 2005. DHS currently has 17 additional initiatives actively in-process that will further increase standardization, reduce administrative costs, and further leverage the combined DHS buying power.

HSAM Appendix II also includes guidance regarding market research that lists benefits such as:

1. Identification of commercial products and services that meet Government requirements;
2. Identification of competition and Small Business Concerns (including all subcategories) that can meet Government requirements and contribute the realization of cost savings/cost avoidance and achievement of DHS competition and small business program goals; and
3. Fostering and promoting acquisition planning and strategic sourcing for DHS procurements.

Existing market research policy and procedures are described in FAR 10.001, FAR 10.002 and HSAM Chapter 3010. Guidance for collecting and using market research data is available in the *DHS Market Research Guide*, Appendix I to HSAM Chapter 3010. For example, the HSAM guide states that the acquisition team should contact the DHS strategic sourcing office early in the market research process. The HSAM guide includes material on existing contracting vehicles, prescribing that, to ensure market research effectiveness and efficiency, the acquisition team should invest the time necessary to identify whether existing vehicles, e.g., agency indefinite-delivery, indefinite-quantity contracts, Government-wide acquisition contracts (GWACs), or multiple-agency contracts, can meet program requirements. The HSAM guide also states that a good source of information on existing vehicles is the Interagency Contract Directory (ICD), a searchable database of GWACs, multi-agency and single agency contracting vehicles; and, GSA's Federal Supply Schedule contracts, which can be used by contracting officers and program managers.

**Recommendation 4:** *“Implement a plan of action or completion deadline for components to finalize acquisition management policies and procedures.”*

**CPO Response:** CPO concurs with this recommendation. In a memorandum dated January 22, 2009, the DHS Under Secretary for Management (USM) addressed Component Acquisition Executive (CAE) implementation, and the desire for each component to have a CAE to lead “a process and staff to provide acquisition and procurement oversight, policy and guidance to ensure statutory, regulatory, and higher level policy requirements are fulfilled.” APMD will assure that the guidance contained in that memorandum is fully executed, thereby addressing the IG recommendation.

## Appendix B Management Comments to the Draft Report

### CPO Response to OIG Draft Report “DHS Oversight of Component Acquisition Programs”

To provide greater clarity regarding this recommendation, CPO recommends the following alternative language for Recommendation 4:

“Implement a plan of action or completion deadline for department-wide finalization of management policies and procedures in accordance with the DHS USM Component Acquisition Executive (CAF) Implementation memorandum of January 22, 2009.”

#### II. CPO General Technical Comments

- CPO notes that all references in the draft report to “AMD-102-01” as the Acquisition Management Directive should be corrected to read “D 102-01.”
- CPO notes that the “Abbreviations” section of the “Table of Contents/Abbreviations” incorrectly identifies “CBP” as “Customs and Border Patrol,” instead of “Customs and Border Protection.”
- Page 9 of the draft report discusses potentially conflicting guidance regarding level 1, 2 and 3 reporting via the next Generation Periodic Reporting System (nPRS) citing various guidance issued by APMD, the Under Secretary for Management (USM) and the Office of the Chief Information Officer (OCIO). We offer that the guidance is not in conflict. D 102 paragraph VI.C.1 specifies: “Level 1, 2, and 3 acquisitions must comply with the DHS periodic reporting process. Reporting requirements are identified in the next Generation Periodic Reporting System (nPRS) manual.” To this point the nPRS manual paragraph 2.3.1.10 provides the following guidance: “All Major acquisition programs – levels 1, 2, and 3 for IT programs and levels 1 and 2 for non-IT programs are required to report in nPRS.” The OCIO has concurrent oversight over IT programs and in order to comply with Federal IT Dashboard requirements the OCIO released the guidance cited on page 9 of the report that “required components to report all programs to nPRS”. This guidance is applicable to IT programs only and is consistent with the nPRS manual.

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#### III. CPO Comments on Draft Report Content

The following comments are provided in accordance with the draft report sections as specified below.

##### Section entitled “Background”

- 1) Page 3, Table 1, “Acquisition Program Levels,” does not completely represent the Acquisition Levels policy found in DHS Directive (D) 102-01. For instance, D 102-01 also lists the Chief Acquisition Officer (upon designation by the Deputy Secretary) or

## Appendix B Management Comments to the Draft Report

### CPO Response to OIG Draft Report “DHS Oversight of Component Acquisition Programs”

Under Secretary for Management (upon designation by the Chief Acquisition Officer) as alternative acquisition decision authorities (“ADAs”) for Level 1 acquisitions. The draft report only names the Deputy Secretary as the ADA for Level 1 acquisitions. Similarly, D 102-01 contains alternative ADAs for Levels 2 and 3 acquisitions not conveyed in the draft report. CPO recommends that this table be annotated to describe all potential ADAs.

- 2) Page 3, list of entities within DHS that have a role in managing and overseeing acquisition programs. CPO recommends that the DHS Chief Information Officer (CIO) be added as an entity within DHS having a role in managing and overseeing acquisition in order to more fully describe the current acquisition management framework.
- 3) On Page 4, CPO notes that the description of Component Acquisition Executive (CAE) responsibilities is not consistent with the guidance contained in DHS Instruction 102-01-001. For example, in some organizations, the CAE is *not* responsible for coordinating contracting and procurement processes. CPO recommends the following revised description of the CAE for consideration:

“Component Acquisition Executive Senior representative within a component responsible to DHS to continually assess and enhance the capability for the enterprise to deliver successful programs. They will help assess the effectiveness of program management, acquisition training, mentoring programs, reporting through an enterprise decision support tool, and the governance process. Additionally, the CAE serves as the component’s Acquisition Decision Authority when designated by the Chief Acquisition Officer.”
- 4) On page 4, within footnote 2, it is not clear what is meant by the ARB’s “authority to elevate acquisition programs.” If this footnote refers to the different criteria that guide the ARB in its decision to allow matriculation to the next phase in the Acquisition Lifecycle Framework (ALF), CPO does not believe that such criteria should be labeled as “exceptions.” Further, any reference to the ARB’s “authority” should be qualified in accordance with D 102-01, which states that the ARB merely “supports” the ADA and that, at each Acquisition Decision Event (ADE), “ADA approval is required for an acquisition to proceed to the next phase in the acquisition lifecycle.” (See D 102-01, §VII(A)).

#### Section entitled “Results of Audit”

- 5) On page 5, within the subsection “*AMD 102-01*,” the draft report states that DHS “has not fully defined when a component should manage an acquisition under the requirements of the Acquisition Lifecycle Framework or manage it as a simple procurement.” However, D 102-01 defines when the Acquisition Lifecycle Framework (ALF) should be employed. For instance, D 102-01, § V(A)(1) states that the ALF “applies to the acquisition of capital assets, enterprise service contracts, strategic

## Appendix B Management Comments to the Draft Report

### CFO Response to OIG Draft Report "DHS Oversight of Component Acquisition Programs"

sourcing, and Inter-Agency Agreements." D 102-01 also states that ALE applies "to all future acquisitions" and "[t]o the maximum extent possible . . . all acquisitions in existence on the date of [the Directive's] issuance." (D 102-01, § 11). We recommend the report be revised to reflect the statements made in this paragraph.

- 6) On Page 6, within the bullet cited for TSA, the draft report states: "Transportation Security Administration (TSA) personnel classified all acquisitions as acquisition programs to make sure TSA was meeting the department requirements, because the definition was unclear." CFO notes that TSA does not agree with this assertion made by the OIG. Historically, TSA classified many smaller programs as "acquisition programs" before the implementation of D 102-01; however, TSA has effectively reduced this practice since the implementation of D 102-01. CFO recommends that the report be revised to recognize the progress that TSA has made based upon its implementation of D 102-01.

- 7) On page 7, the last paragraph includes a discussion of the TSA renovation of a warehouse and asserts that TSA classified that renovation as an acquisition program. CFO notes that TSA does not agree with this assertion. In this case, TSA required the program office to complete a Mission Needs statement and an Acquisition Plan because the renovation was estimated to have a cost in the range of \$6-\$M. TSA's intent was to document the initial build-out and the subsequent work to be done to include the operations and maintenance costs - there was no confusion on the guidance as asserted by OIG in the draft report. At the time, TSA was following Internal TSA MD 100.8 guidance, since the documentation effort actually occurred before the release of D 102-01. CFO recommends that this paragraph be revised to provide a more accurate portrayal of the events that transpired with respect to this project.

- 8) On page 12, within the subsection "nPRS Tools," the last paragraph includes a bullet which ostensibly serves as an example of inconsistent component usage of nPRS; however, nPRS was not in existence when TSA developed its Acquisition Program Status Report (TAPSR) in 2005, as described in this bullet; it was actually developed as result of a GAO finding that noted that TSA did not have a tracking system for oversight of its acquisition programs. Therefore, CFO recommends that this bullet be removed from the list of examples of inconsistent component usage of nPRS.

- 9) On page 13, within the subsection "nPRS Tools," in the first complete bullet regarding the database, CFO notes that the nPRS system is not designed to track documents that are not finalized. CBP is using nPRS as specified by the Department; however, CBP has supplemented it with a system to track documents that are in draft or being routed for approval. The CBP tool, that is external to nPRS, is a means of tracking the documents through their development and approval cycles; once approved, CBP enters these into nPRS as required. CFO recommends that this bullet be clarified to show that CBP's tool does not represent inconsistent usage of nPRS by this component. CFO also notes that CBP does not agree with the draft report's assertion within this bullet that OIG was

## Appendix B Management Comments to the Draft Report

### CPO Response to OIG Draft Report “DHS Oversight of Component Acquisition Programs”

not provided with a copy of the task order; CBP asserts that OIG was provided a copy of the task order; however, CBP acknowledges that the task order did not provide a detail of the costs associated with the work assignment that resulted in the development of the CBP tool.

- 10) On page 14, within the subsection entitled “Strategic Sourcing Program Office,” the second complete paragraph discusses the DHS-wide Canine Working Group led by the DHS SSPO. CPO notes that DHS determined early in this initiative that the BPAs for canine food would not be considered mandatory sources of supply for any of the components, and not just TSA as implied in this paragraph. CPO further notes that TSA was designated by the DHS-wide Canine Working Group as the lead component for establishing the canine food BPAs. CPO believes the Canine Working Group Initiative is a significant success for the Department, since we have implemented a consolidated strategy for canine acquisitions. Therefore, CPO recommends that this paragraph be revised to provide a complete representation of this initiative, including the successful implementation. In addition, we recommend that the last sentence be removed, since it inaccurately concludes that TSA actions may result in increased procurement costs.
- 11) On page 15, within Table 4, entitled “Component Policies and Procedures,” CPO notes that the table and footnote 2 reflect that USCIS has not issued final acquisition management policy. CPO notes that USCIS has issued final acquisition management policy. Therefore, CPO recommends that this table and its second footnote be revised to reflect this fact.

#### Appendix C: “Acquisition Programs Reviewed”

- 1) Within the table on page 19, CPO notes that TSA’s “Screening Partnership Program” is not an IT program. CPO recommends that this item be modified to the correct category of “non-IT,” within the last column of the table.

#### Appendix D: “Acquisition Program Comparison”

- 1) Within the table on page 20, CPO notes that, until Level 3 programs are defined by APMD via forthcoming Department-wide guidance, the data included within this appendix for Level 3 acquisition programs cannot be validated. CPO therefore recommends that this table be annotated to include an appropriate caveat regarding the Level 3 data included therein. Additionally, within the last column of this table, entitled “COMPONENT TOTALS,” there is an error within the USCIS total for Level 1 programs; the USCIS total for Level 1 programs is one program, as reflected in the previous columns of this table. CPO therefore requests that the last column of this table be corrected to show that USCIS reported only one Level 1 acquisition program.

**Appendix C**  
**Acquisition Programs Reviewed**

<b>DHS Acquisition Programs Reviewed</b>		
<b>Component</b>	<b>Program Name</b>	<b>IT or non-IT</b>
<b>LEVEL 1</b>		
TSA	Screening Partnership Program	non-IT
USCG	HC 103J Fleet Introduction (6 aircraft)	non-IT
CBP	Non-Intrusive Inspection Program	IT
SS	Information Integration and Transformation	IT
<b>LEVEL2</b>		
ICE	ATLAS	IT
TSA	TTAC Infrastructure Modernization	IT
TSA	National Explosives Detection Canine Team Program	non-IT
CBP	Advanced Passenger Information System	IT
<b>Level 3</b>		
TSA	HAZMAT Threat Assessment Program	non-IT
TSA	Freedom Center (formerly Trans Security Ops Center)	non-IT
TSA	Performance and Results Information System	IT
TSA	Consolidated Screening Gateway	IT
TSA	Internodal Security Training Exercise Program	non-IT
USCG	Coast Guard Logistics Information System	IT
CBP	Analytic Framework for Intelligence	IT
FLETC	Student Administration & Scheduling System (SASS)	IT
FLETC	TRAIN 21	IT

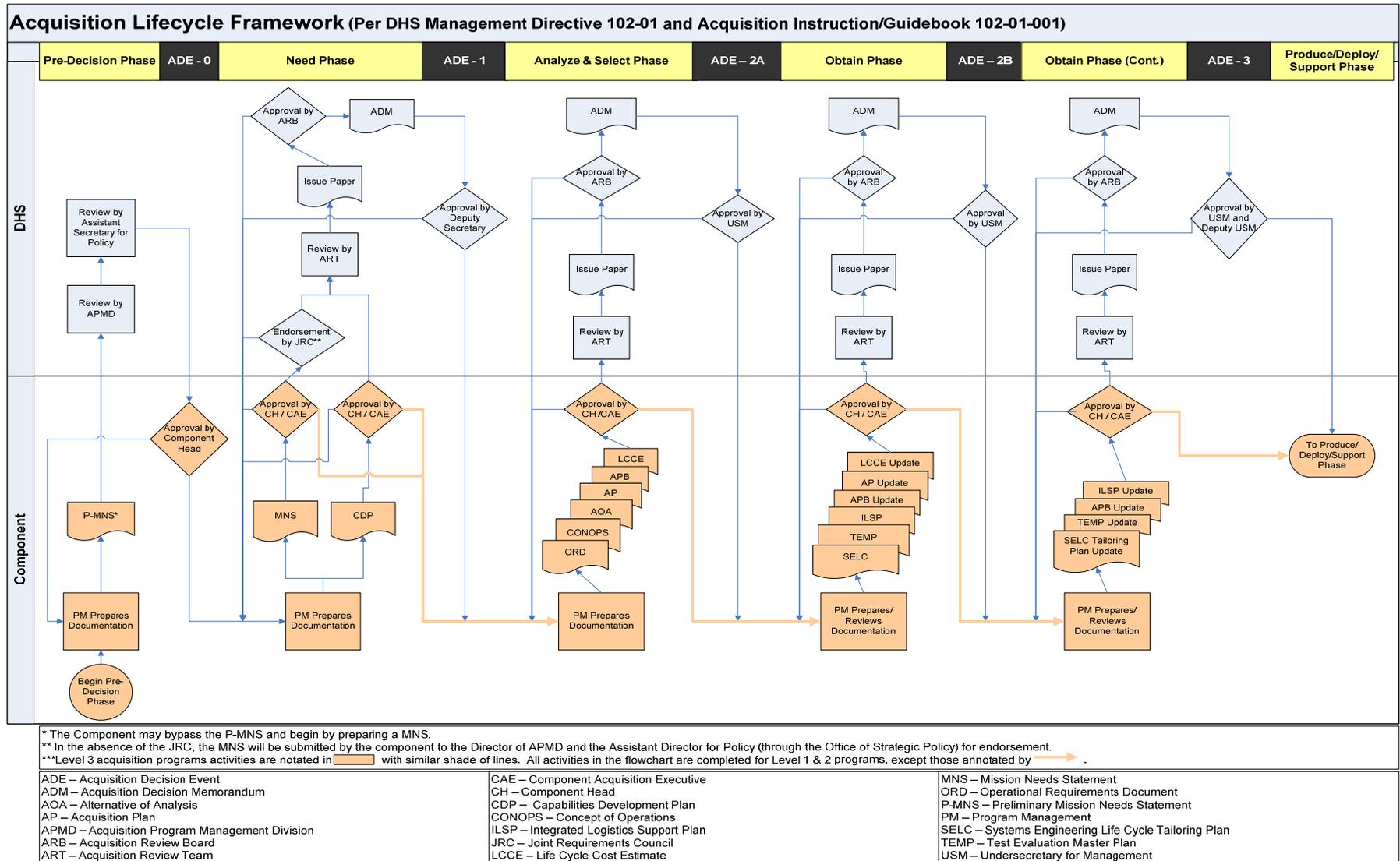
**Appendix D**  
**Acquisition Program Comparison**

<b>DEPARTMENT TOTALS</b>																				<b>COMPONENT TOTALS</b>									
<b>USM Letter Apr 23, 2009</b>					<b>nPRS March 2010</b>				<b>USM Letter May 26, 2010</b>				<b>nPRS June 2010</b>				<b>nPRS July 2010</b>												
L1	L2	L3	Total		L1	L2	L3	Total		L1	L2	L3	Total		L1	L2	L3	Total		L1	L2	L3	Total		L1	L2	L3	Total	
A&O	0	2	2		A&O	0	2	2		A&O	0	2	2		A&O	2		2		A&O	2	1	3		A&O				0 *
CBP	10	6	16		CBP	10	4	14		CBP	10	6	16		CBP	11	6	17		CBP	11	5	3	19	CBP	10	5	4	19
DHS	2	2	4		DHS	1	2	3		DHS	2	5	7		DHS	1	2	3		DHS	1	2	1	4	DHS				0 *
DNDO	1	1	2		DNDO	1	0	1		DNDO	1	0	1		DNDO	1		1		DNDO	1		1	2	DNDO	1	0	10	11
FEMA	2	3	5		FEMA	1	1	2		FEMA	1	3	4		FEMA	2	3	5	10	FEMA	2	3	5	10	FEMA	1	4	3	8
FLETC	0	0	0		FLETC	0	0	0		FLETC	0	0	0		FLETC			0		FLETC		1	1	1	FLETC	0	0	3	3
I&A	0	0	0		I&A	0	0	0		I&A	1	1	2		I&A	0			0	I&A				0 *					
ICE	1	2	3		ICE	4	2	6		ICE	2	6	8		ICE	3	4	7		ICE	4	4	2	10	ICE	2	3	35	40
NPPD	3	2	5		NPPD	3	2	5		NPPD	3	3	6		NPPD	3	3	6		NPPD	3	3	4	10	NPPD	3	1	24	28
OHA	1	0	1		OHA	1	0	1		OHA	1	0	1		OHA	1		1		OHA	1		1	2	OHA	1	0	0	1
S&T	0	2	2		S&T	0	2	2		S&T	2	0	2		S&T	2		2		S&T	2			2	S&T	2	0	2	4
TSA	6	0	6		TSA		0	6		TSA	7	5	12		TSA	8	5	13		TSA	8	5	36	49	TSA	6	7	36	49
USCG	15	3	18		USCG	15	3	18		USCG	15	5	20		USCG	15	5	20		USCG	15	5	6	26	USCG	18	0	1	19
USCIS	1	2	3		USCIS	1	2	3		USCIS	1	3	4		USCIS	1	2	3		USCIS	1	2	6	9	USCIS	3	2	31	36
USSS	0	0	0		USSS	0	0	0		USSS	0	1	1		USSS	1	1	2		USSS	1	1	3	5	USSS	1	0	3	4
<b>Totals</b>	<b>42</b>	<b>25</b>	<b>0</b>	<b>67</b>	<b>43</b>	<b>20</b>	<b>0</b>	<b>63</b>	<b>46</b>	<b>40</b>	<b>0</b>	<b>86</b>	<b>49</b>	<b>33</b>	<b>0</b>	<b>82</b>	<b>50</b>	<b>32</b>	<b>70</b>	<b>152</b>	<b>48</b>	<b>22</b>	<b>152</b>	<b>222</b>					

\*These three components were not included in our department-wide data call. They are shown in the chart for comparative purposes only.

# Appendix E

## Acquisition Lifecycle Framework (Directive 102-01)



**Appendix F**  
**Major Contributions to this Report**

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Linda Howard, Director  
LaParacina Williams, Audit Manager  
David Porter, Auditor-in-Charge  
Elizabeth Garcia, Auditor  
Kevin King, Auditor  
Andre Marseille, Program Analyst  
Gwendolyn Priestman, Program Analyst  
Marisa Coccaro, Referencer

**Appendix G**  
**Report Distribution**

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