

**Testimony of Inspector General
John Roth**

**Before the Committee on
Homeland Security and
Governmental Affairs**

United States Senate

**“DHS Management and
Acquisition Reform”**





DHS OIG HIGHLIGHTS

DHS Management and Acquisition Reform

March 16, 2016

Why We Did This

The audits discussed in this testimony are part of our portfolio of acquisition audits. We have designated acquisitions management as a major management challenge at DHS. Our audit coverage of this area helps DHS improve its major acquisition programs and better control costs, meet deployment plans, and deliver capability as promised.

What We Recommend

We made numerous recommendations to DHS and its components in the reports discussed in this testimony.

For Further Information:
Contact our Office of Legislative Affairs at (202) 254-4100, or email us at DHS-OIG.OfficeLegislativeAffairs@oig.dhs.gov

What We Found

Acquisition management, which is critical to fulfilling all DHS missions, is inherently complex and high risk. Although DHS has made much progress, it has not yet achieved the cohesion to act as one entity working toward a common goal. The Department continues to lack a strong central authority and uniform policies and procedures. Most of DHS' major acquisition programs continue to cost more than expected, take longer to deploy than planned, or deliver less capability than promised. Although its acquisition policy includes best practices, DHS routinely approves moving forward with major acquisition programs without appropriate internal oversight.

As DHS continues to build its acquisition management capabilities, it will need stronger departmental oversight and authority, as well as increased commitment by the components to effect real and lasting change. This commitment includes adhering to departmental acquisition guidance, adequately defining requirements, developing performance measures before making new investments, and dedicating sufficient resources to contract oversight. All of this will better support DHS' missions and save taxpayer dollars.

DHS Response

With few exceptions, DHS and its components concurred with recommendations in these reports. DHS has taken many steps to strengthen department-wide acquisition management and has increased component-level acquisition capability.



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Good afternoon Chairman Johnson, Ranking Member Carper, and Members of the Committee. Thank you for inviting me to discuss critical management and acquisition functions at DHS. My testimony today will focus on the management and acquisition challenges the Department has faced, progress made in addressing these challenges, and potential reforms to address outstanding challenges.

Acquisition management, which is critical to fulfilling all DHS missions, is inherently complex and high risk. It is further challenged by the magnitude and diversity of the Department's procurements. Since its inception in 2003, the Department has spent tens of billions of dollars annually on a broad range of assets and services — from ships, aircraft, surveillance towers, and nuclear detection equipment to financial, human resource, and information technology (IT) systems. DHS' yearly spending on contractual services and supplies, along with acquisition of assets, exceeds \$25 billion.¹ Although the Department has improved its acquisition processes and taken steps to strengthen oversight of major acquisition programs, challenges to cost effectiveness and efficiency remain.

History of Acquisition Management at DHS

The Department was established very quickly by combining many legacy and new agencies, so DHS' earliest acquisition processes were imperfect and slow to mature. Initially, DHS operated in disparate silos focused on purchasing goods and services with minimal management of requirements. In their transition to DHS, seven agencies, including the U.S. Coast Guard, the Federal Emergency Management Agency (FEMA), and the Transportation Security Administration, (TSA) retained their own procurement functions. The expertise and capability of the seven procurement offices mirrored their pre-DHS expertise and capability, with staff sizes ranging from 21 to 346.

In 2004, DHS established an eighth acquisition office, the Office of Procurement Operations, under the direct supervision of the Office of the Chief Procurement Officer, to serve the remaining DHS components and manage department-wide procurements. Staffing shortages in many procurement offices prevented proper procurement planning and severely limited the Department's ability to monitor contractor performance and effectively administer contracts.

¹ According to DHS' *FY 2015 Agency Financial Report*, the Department's FY 2015 obligations for "Contractual Services and Supplies" were about \$22.9 billion and its obligations for "Acquisition of Assets" were about \$4.8 billion.



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Although the Chief Procurement Officer was given the responsibility of overseeing all acquisition activity across DHS, component heads had some of the same primary duties, resulting in confusion about who was ultimately accountable for acquisition decisions. Untimely and inconsistent management directives and a lack of guidance added to the confusion.

The Department's initial investment review process — intended to provide insight at key points in an investment's life cycle to assess cost, schedule, and performance — lacked key reviews and management controls. For example, DHS did not require a review to ensure that before investing in a prototype an acquisition's design performed as expected. Procurements also encountered problems caused by ill-defined technical and performance requirements in contracts. For example, development of the Geographic Information System (GIS) supporting the Coast Guard's Port Security Assessment Program commenced without identified GIS functional requirements.²

Recent Progress

DHS has taken many steps to strengthen department-wide acquisition management, such as establishing an Acquisition Life Cycle Framework³ — a four-phase process to assure consistent and efficient acquisition management, support, review, and approval — and creating the Office of Program Accountability and Risk Management (PARM) in 2011. The framework is designed to ensure that program managers have the tools, resources, and flexibility to execute acquisitions and deliver products that meet user requirements while complying with applicable statutes, regulations, and policies.

PARM oversees major acquisition programs and the acquisition workforce, develops program management policies, and collects performance data. Within PARM, the Acquisition Review Board determines whether components' acquisitions meet specific requirements at key phases throughout the acquisition process. DHS established a Joint Requirements Council⁴ to review

² GAO-04-1062, [Better Planning Needed to Help Ensure an Effective Port Security Assessment Program](#), September 2004

³ Appendix A outlines the Department's acquisition life cycle framework.

⁴ The Joint Requirements Council is an executive-level body comprising seven DHS operating components — FEMA, TSA, U.S. Customs and Border Protection (CBP), U.S. Immigration and Customs Enforcement, U.S. Citizenship and Immigration Services (USCIS), the Coast Guard, and the Secret Service, as well as several support components. The Council aims to mitigate redundant capabilities, fill capability gaps, and harmonize capabilities and requirements across DHS.



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high-dollar acquisitions and make recommendations to the Acquisition Review Board on cross-cutting savings opportunities.

DHS has also increased component-level acquisition capability. For instance, the Department appointed component acquisition executives to oversee and support their respective programs; it also initiated monthly component acquisition executive staff forums to provide guidance and share best practices. DHS has continued to enhance its acquisition workforce by establishing centers of excellence for cost estimating, systems engineering, and other disciplines to promote best practices and provide technical guidance.

The Secretary's April 2014 Unity of Effort Initiative is aimed at achieving a unified culture to enhance homeland security and derive efficiencies from the integration of operations. As part of this initiative, the Deputy Secretary leads the Deputy's Management Action Group to discuss and decide on emerging issues, including specific initiatives in joint requirements and acquisition reform.

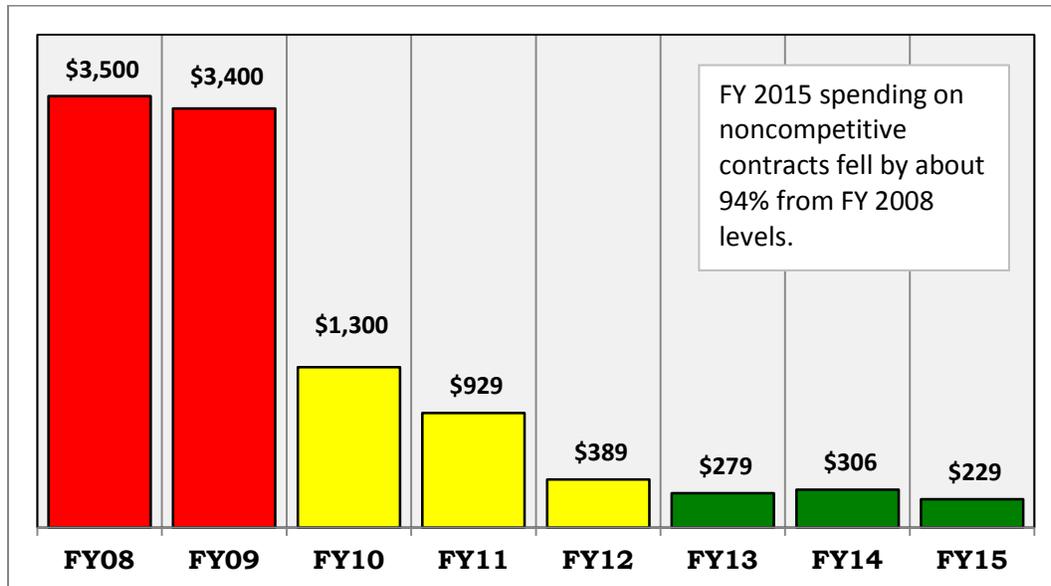
Additionally, the Department has made significant progress in awarding contracts through a full and open competitive process. Competition facilitates a fair and reasonable price, as well as a wider variety of alternatives for completing work. In its first 6 years, from fiscal years (FY) 2003 through 2008, DHS' spending on noncompetitive contracts grew from \$655 million to \$3.5 billion. Then, largely due to the Department's response to recommendations from the Office of Inspector General (OIG) and the Government Accountability Office (GAO), spending on noncompetitive contracts fell nearly 94 percent, from \$3.5 billion in 2008 to \$229 million in FY 2015; see Figure 1.



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Figure 1. DHS Noncompetitive Contract Obligations for FYs 2008–2015



Source: DHS OIG

Ongoing Challenges

Although DHS has made much progress, it has not yet achieved the cohesion and sense of community to act as one entity working toward a common goal. The Department needs to continue toward a strong central authority and uniform policies and procedures. Most of DHS' major acquisition programs continue to cost more than expected, take longer to deploy than planned, or deliver less capability than promised. Although its acquisition policy includes best practices, DHS sometimes approves moving forward with major acquisition programs without appropriate internal oversight.

- USCIS faces continuing challenges in its efforts to automate immigration benefits. After 11 years, USCIS has made little progress in transforming its paper-based processes into an automated immigration benefits processing environment. Past automation attempts have been hampered by ineffective planning, multiple changes in direction, and inconsistent stakeholder involvement. USCIS deployed the Electronic Immigration System (ELIS) in May 2012, but to date customers can apply online for only 2 of about 90 types of immigration benefits and services. As we reported in March 2016, the current ELIS approach does not ensure stakeholder involvement, performance metrics, system testing, or the user support needed for an effective system. USCIS now estimates it will take 3 more years to address these issues — over 4 years longer than



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estimated — and an additional \$1 billion to automate all benefit types. This delay will prevent USCIS from achieving its workload processing, national security, and customer service goals. *USCIS Automation of Immigration Benefits Processing Remains Ineffective*, (OIG 16-48, March 2016).

- As we reported in November 2015, FEMA has taken steps to improve its IT management and developed numerous IT planning documents, but has not coordinated, executed, or followed through on these plans. FEMA struggles to implement component-wide IT governance, in part because the Chief Information Officer does not have sufficient control and budget authority to lead the component's decentralized IT environment. As a result, FEMA's IT environment has become overly complex, difficult to secure, and costly to maintain. In response to one of our recommendations, FEMA plans to implement and enforce a standardized, component-wide process that sufficiently defines and prioritizes the acquisition, development, operation, and maintenance requirements for all systems by exercising authorities through the IT Governance Board. [*FEMA Faces Challenges in Managing Information Technology*](#), (OIG-16-10, November 2015).
- The Department is challenged in using the most efficient and effective composition of its motor vehicle fleet to meet mission requirements, in part due to limited DHS authority over components' fleet management decisions. We conducted three audits in this area. Most recently, in October 2015, we reported that the Federal Protective Service (FPS), based on its workforce, has too many vehicles and pays too much for its vehicles. Also, FPS officers in the National Capital Region used their vehicles to commute to and from home without proper justification. As a result, FPS may have missed saving more than \$2.5 million. DHS' insufficient oversight and potential cost savings were partly due to the DHS Fleet Manager not having enforcement authority to influence component vehicle purchases. Because components receive funding for vehicle fleets in their individual operational budgets, they make independent decisions about the number and type of vehicles needed to support their missions. [*The FPS Vehicle Fleet is Not Managed Effectively*](#), (OIG-16-02, October 2015); [*DHS Does Not Adequately Manage or Have Enforcement Authority Over Its Components' Vehicle Fleet Operations*](#), (OIG-14-126, August 2014); [*DHS Home-to-Work Transportation*](#), (OIG 14-21, December 2013).



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- CBP's Automated Commercial Environment (ACE) shows how changing a program's approach to address identified challenges can lead to success. ACE is designed to automate border processing and become the central trade data collection system for all Federal agencies; it will improve collection, sharing, and processing of information submitted to CBP and government agencies. When CBP stopped development of ACE in 2009, CBP took time to assess and correct problems that led to the cost overruns and delays it experienced under the old contract. In 2011, CBP was authorized to restart development of ACE using the Agile approach. The Agile approach differs in several ways from traditional waterfall software development; it allows CBP to have more oversight of contractors, more control over delivery cycles, and produce a full software product at the end of each increment cycle. We reported in May 2015 that CBP is on track to meet its milestones to implement ACE. However, CBP has not ensured the internal control environment has kept pace with the rapid deployment of the ACE program. [CBP is on Track to Meet ACE Milestones, but It Needs to Enhance Internal Controls](#), (OIG-15-91, May 2015).

Components not following guidance

Components do not always follow departmental acquisition guidance, which may lead to cost overruns, missed schedules, and mediocre acquisition performance. All of these have an effect on budget, security, and efficient use of resources.

- In FY 2014, DHS spent \$12.5 billion using Interagency Agreements (IAA).⁵ In February 2016, we reported that components did not always follow departmental guidance on reimbursable work agreements, which are a type of IAA. Specifically, 100 percent of the 43 reimbursable work agreements we tested — totaling about \$88 million — had not been reviewed by a certified acquisition official before the components obligated funds for the projects. Review by a certified acquisition official is intended to ensure a reimbursable work agreement is the appropriate vehicle for the project and that it is not being used to circumvent Federal acquisition regulations. [DHS Needs to Improve Implementation of OCFO Policy Over Reimbursable Work Agreements](#), (OIG-16-39, February 2016).
- CBP's failure to follow departmental acquisition guidance for its unmanned aircraft system resulted in expensive assets that are

⁵ IAAs are written agreements between or within Federal agencies that specifies the goods or services to be provided by a servicing agency in support of a requesting agency.



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underused and may not be adding sufficient value to border security. In December 2014, we reported that CBP had invested about \$360 million in its unmanned aircraft system, but after 8 years, it could not demonstrate how much the program had improved border security. The program lacked performance measures, did not accumulate and report all operating costs, and had not achieved expected results. [*U.S. Customs and Border Protection's Unmanned Aircraft System Program Does Not Achieve Intended Results or Recognize All Costs of Operations*](#), (OIG-15-17, December 2014).

- CBP did not effectively plan and manage employee housing in Ajo, Arizona and made decisions that resulted in additional costs to the Federal Government, spending about \$680,000 for each house that was built, which was significantly more than the Ajo average home price of \$86,500. We identified about \$4.6 million CBP spent on the project that could have been put to better use. [*CBP Did Not Effectively Plan and Manage Employee Housing in Ajo, Arizona \(Revised\)*](#), (OIG-14-131, October 2014).
- In September 2014, we reported that FEMA spent about \$247 million over 9 years to implement a Logistics Supply Chain Management System that cannot interface with its partners' logistics management systems or provide real-time visibility over all supplies shipped. In addition, FEMA estimated that the life cycle cost of the system would be about \$556 million — \$231 million more than its original estimate. These problems were largely caused by FEMA's failure to comply with the Department's acquisition guidance. For instance, the program office responsible for the system did not analyze alternatives to determine how best to close the gap in FEMA's logistics capability; did not report life cycle cost increases to the component acquisition executives and the DHS Acquisition Decision Authority; and did not formally report program breaches as required, which hindered oversight. [*FEMA's Logistics Supply Chain Management System May Not Be Effective During a Catastrophic Disaster*](#), (OIG-14-151, September 2014).
- In February 2014, we reviewed CBP's handling of the construction of its Advanced Training Center (ATC). CBP entered into two IAAs with the U.S. Army Corps of Engineers (USACE) to oversee the construction of Phase IV of the ATC acquisition, valued at more than \$55 million. The IAA was not developed and executed in accordance with Federal, departmental, and component requirements. CBP did not develop, review, or approve an Independent Government Cost Estimate or Acquisition Plan prior to



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entering into the IAA with USACE. CBP was also unable to provide documentation supporting its decision to approve modifications to the IAA.

CBP also used reimbursable work authorizations, rather than the ATC IAA, to transfer funds for construction projects, contrary to statutory, regulatory, departmental, and component requirements. As a result, CBP circumvented key controls governing the use of IAAs, and ATC construction funding was obligated and transferred without the review and approval of component procurement officials. Additionally, CBP used reimbursable work authorizations for construction projects and other unauthorized purposes that extended beyond the ATC acquisition. [U.S. Customs and Border Protection's Advanced Training Center Acquisition](#), (OIG-14-47, February 2014).

- In contrast, the Secret Service's acquisition management office exemplifies what can be accomplished when components follow the Department's acquisition guidance. In February 2015, we reported that the Secret Service's acquisition management program office had adequate oversight and management of its acquisition process, complied with DHS acquisition guidance, and had implemented some best practices. The Secret Service fully implemented our recommendations to further strengthen acquisition management by finalizing guidance for its acquisitions with life cycle costs of less than \$300 million (the majority of its investments) and selecting a component acquisition executive. [The United States Secret Service Has Adequate Oversight and Management of its Acquisitions \(Revised\)](#), (OIG-15-21, February 2015).

Components not working together

We have observed that the components often have similar responsibilities and challenges, but many times operate independently and do not unify their efforts, cooperate, or share information. Components are not always willing to work together to realize economies of scale, hindering the Department's cost effectiveness and efficiency.

- We found little cross-component coordination for assets that would be critical in an emergency. As reported in [DHS' Oversight of Interoperable Communications](#) (OIG-13-06, November 2012), we tested DHS' radios to determine whether components could talk to each other in the event of a terrorist attack or other emergency. They could not. Only 1 of 479 radio



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users we tested — or less than one-quarter of 1 percent — could access and use the specified common channel to communicate.

In August 2013, we reported that components were still independently managing their current radio programs with no formal coordination with the Department. They used different systems to record and manage radio equipment and did not record radio equipment consistently in personal property systems. As a result, DHS was making management and investment decisions for the radio communication program using inconsistent, incomplete, and inaccurate real and personal property data. [*DHS Needs to Manage Its Radio Communication Program Better*](#), (OIG-13-113, August 2013).

Two years after our original report on radio interoperability, we were concerned about the lack of progress and decided to conduct a verification review. In May 2015, we discovered that components still cannot communicate effectively on a single radio channel during emergencies, daily operations, and planned events. The Department has developed a draft communications interoperability plan and guidance to standardize radio activities, but could not provide a timetable for finalizing and disseminating this guidance. As a result of our audits, DHS has taken measures to improve communications interoperability, including replacing legacy and obsolete equipment and training DHS users on interoperability and radio capabilities. [*Corrective Actions Still Needed to Achieve Interoperable Communications*](#), (OIG-15-97-VR, May 2015).

- Our 2013 audit of DHS' H-60 helicopter programs showed that one component would not cooperate with another to realize potential cost savings and other efficiencies. Specifically, CBP was unwilling to coordinate with the Coast Guard to upgrade its H-60 helicopters, even though both components were converting the same helicopters. We estimated potential savings of about \$126 million if the two components had successfully coordinated the conversion of CBP's H-60 helicopters at the Coast Guard's Aviation Logistics Center. A subsequent H-60 Business Case Analysis by DHS' Office of Chief Readiness Support Officer, the Aviation Governing Board, the Coast Guard, and CBP confirmed the cost savings of having the Coast Guard convert the helicopters, but it was too late. [*DHS' H-60 Helicopter Programs \(Revised\)*](#), (OIG-13-89, May 2013).



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I am pleased to report that now all aircraft acquisitions and other significant investments must be submitted through the Department's Joint Requirements Council, which was established to make better informed investment decisions, particularly to support a unified Department acquisition strategy. One area the council emphasizes is ensuring better integration of aviation assets. We hope that this process will help avoid future acquisition mismanagement.

Components need to improve oversight

To protect the Department's investments, components must properly manage assets throughout their life cycle. Our reviews of equipment maintenance contracts revealed that components need to improve oversight to ensure contractors provide required services and correct maintenance deficiencies.

- Specifically, in May 2015, we reported that the safety of airline passengers could be compromised by TSA's inadequate oversight of four contracts — valued at about \$1.2 billion — that cover preventive and corrective maintenance for airport screening equipment. Because TSA does not adequately oversee equipment maintenance, it cannot be assured that routine preventive maintenance is performed on thousands of screening units or that this equipment is repaired as needed, is ready for operational use, and is operating at its full capacity. In response to our recommendations, TSA agreed to develop, implement, and enforce policies and procedures to ensure its screening equipment is maintained as required and is fully operational while in service. [*The Transportation Security Administration Does Not Properly Manage Its Airport Screening Equipment Maintenance Program*](#), (OIG-15-86, May, 2015).
- Similarly, our March 2015 report on CBP's non-intrusive inspection (NII) equipment maintenance contracts — valued at approximately \$90.4 million — disclosed that CBP did not ensure contractors properly maintained screening equipment at ports of entry. In FY 2014, CBP awarded six contracts and one IAA to perform preventive and corrective maintenance of NII equipment. CBP uses NII equipment to screen cargo and conveyances for weapons and other contraband at land, sea, and air ports of entry without physically opening or unloading them. Although CBP monitored NII operations, it did not ensure that contractors performed preventive and corrective maintenance on screening equipment according to contractual requirements and manufacturers' specifications. As a result, CBP's NII equipment may not retain its full functionality or reach its maximum useful life. CBP agreed with our recommendation to implement a plan to monitor service contractors' performance, including validation steps for contractor-submitted



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maintenance data. [CBP's Oversight of Its Non-Intrusive Inspection Equipment Maintenance Contracts Needs Improvement](#), (OIG-15-53, March 2015).

- We also continue to see weak oversight on major service contracts. For example, in January 2016, we reported that TSA needs to improve its oversight of the HR Access contract, which was awarded for recruiting and hiring, payroll processing, and other human capital services. Specifically, TSA did not fully hold the contractor monetarily liable for personally identifiable information violations or for noncompliance with requirements relating to veterans' preference. In addition, TSA does not consistently conduct day-to-day independent monitoring of contractor performance, performance metrics are not comprehensive, and scores are not consistently affected by poor performance. TSA's payment of \$4.5 million in award fees — awarded when the contractor meets or exceeds exceptional service levels — may not be justified, and TSA has no assurance it received the best value for its money. [TSA's Human Capital Services Contract Terms and Oversight Need Strengthening](#), (OIG-16-32, January 2016).
- The Department encourages components to develop their own policies and guidance for nonmajor programs — acquisitions with life cycle costs of less than \$300 million — as long as they are consistent with the spirit and intent of department-wide guidance. In February 2015, we reported that the Science and Technology Directorate (S&T) lacked such guidance, contributing to the termination of a contract for convenience after investing more than \$23 million for a prototype that was close to delivery. In addition, S&T's failure to implement policies and procedures may hinder its ability to make well-informed decisions about all of its contracts, valued at \$338 million in FY 2013. [Science and Technology Directorate Needs to Improve Its Contract Management Procedures](#), (OIG-15-38, February 2015).

DHS needs better data and acquisition management tools

Strong management of Department programs requires accurate and reliable data; clear and well communicated guidance; and a collaborative, unified environment. We identified cross-cutting programs in which better management, oversight, and guidance could have improved transparency, effectiveness, and efficiency.



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- In January 2016, we reported that CBP's Special Operations Group (SOG) program's incomplete records of SOG and other CBP components that support SOG limited the determination of the program's total cost. SOG program efficiency and effectiveness cannot be accurately determined without total program costs or formal performance measures. [CBP's Special Operations Group Program Cost and Effectiveness are Unknown](#), (OIG-16-34, January 2016).
- The Department does not always implement processes to collect, verify, and track data necessary to make informed decisions or ensure the most cost efficient use of resources. For example, in August 2015 we reported that DHS cannot effectively manage its warehouse needs because the components do not accurately track inventories of their warehouses. We found buildings that should not have been on the Department's warehouse inventory, as well as buildings that should have been classified as warehouses but were not. Department management also did not know enough about what DHS components store in their warehouses. Without reliable information, DHS management cannot make informed decisions to consolidate or close warehouses, demonstrate compliance with space reduction requirements, or reduce unnecessary costs. [Accurate Reporting and Oversight Needed to Help Manage DHS' Warehouse Portfolio](#), (OIG-15-138, August 2015).
- DHS also lacks acquisition management tools to consistently determine whether major acquisitions are on track to achieve their cost, schedule, and capability goals. For example, in April 2015, GAO reported that about half of DHS' major programs lacked an approved baseline, and 77 percent lacked approved life cycle cost estimates. DHS needs these baselines, which establish cost, schedule, and capability parameters, to accurately assess program performance. Yet, much of the necessary program information is not consistently available or up to date, and Department officials have acknowledged it may be years before this issue is fully addressed.

Pending Legislation

I believe that in the last few years DHS has instituted significant reforms to the acquisition process and has exerted significant leadership to gain control over an unruly and wasteful process. However, I worry that these significant reforms, if not continuously enforced over time, could be undone. We believe the passage of two bills under consideration by the Committee, the *DHS*



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Headquarters Reform and Improvement Act of 2016 and the *DHS Acquisition Reform and Accountability Act of 2016*, will help DHS solidify the gains made in the discipline, accountability, and transparency of its acquisition program management. These bills codify existing policy and relevant offices; provide the necessary authority for key personnel and mechanisms within the Department to effectively manage major acquisition programs; reinforce the importance of key acquisition management practices, such as establishing cost, schedule, and capability parameters; and include requirements to better identify and address poorly performing acquisition programs.

Moving Forward

Given the magnitude and risks of the Department's acquisitions, we will continue to evaluate this critical area. The urgency and complexity of DHS' mission will continue to demand rapid pursuit of major investment programs. As DHS continues to build its acquisition management capabilities, it will need stronger departmental oversight and authority, as well as increased commitment by the components to effect real and lasting change. This commitment includes adhering to departmental acquisition guidance, adequately defining requirements, developing performance measures before making new investments, and dedicating sufficient resources to contract oversight. All of this will better support DHS' missions and save taxpayer dollars.

Mr. Chairman, this concludes my prepared statement. I welcome any questions you or other Members of the Committee may have.



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Appendix A

DHS Acquisition Life Cycle Framework

Acquisition Phase	Acquisition Decision Event	Purpose
Need	1	Documents the user's need and plans for the Analyze/Select Phase
Analyze/Select	2A	Formally establishes the program to analyze appropriate methods for meeting approved requirements
Obtain	2B	Plans for method of development and delivery; establishes strategy for acquisition/procurement and testing of solution
	2C	Provides Low Rate Initial Production (if required)
Produce/Deploy/Support	3	Gets capability to the user and maintains it
Sustainment	Post-3	Provides maintenance at intended levels of performance and meeting of contingency usage requirements

Source: DHS OIG, based on DHS Chief Acquisition Officer memorandums, May 9, 2013, and June 13, 2014; and DHS Instruction Manual 102-01-001 *Acquisition Management Instruction/Guidebook*, Appendix J, October 1, 2011.