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Highlights

Highlights of GAO-07-504T, a testimony before the Subcommittee on Homeland Security, Committee on Appropriations, House of Representatives

SECURE BORDER INITIATIVE

SBI*net* Planning and Management Improvements Needed to Control Risks

Why GAO Did This Study

This testimony summarizes GAO's February 2007 report on SBI*net*, one element of the Department of Homeland Security's (DHS) Secure Border Initiative (SBI). SBI*net* is responsible for developing a comprehensive border protection system. By legislative mandate, GAO reviewed SBI*net*'s fiscal year 2007 expenditure plan. This testimony focuses on (1) the extent that the plan provided explicit and measurable commitments relative to schedule and costs, (2) how DHS is following federal acquisition regulations and management best practices, and (3) concurrency in SBI*net*'s schedule. GAO assessed the plan against federal guidelines and industry standards and interviewed program officials.

What GAO Recommends

GAO recommended that DHS (1) ensure that future expenditure plans include explicit and measurable commitments relative to the capabilities, schedule, costs, and benefits associated with individual SBI*net* program activities; (2) modify the SBI*net* contract to include a maximum quantity or dollar value; and (3) re-examine the level of concurrency and appropriately adjust the acquisition strategy. DHS concurred with the first and third recommendations, but not the second. DHS stated that the contract already contains a maximum quantity. GAO disagrees and believes DHS needs to modify the contract to ensure that it is consistent with regulations.

www.gao.gov/cgi-bin/getrpt?GAO-07-504T.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Rich Stana at (202) 512-8816 or stanar@gao.gov, or Randy Hite at (202) 512-3439 or hiter@gao.gov.

What GAO Found

SBI*net*'s December 2006 expenditure plan offered a high-level and partial outline of a large and complex program that forms an integral component of the broader multiyear initiative. However, the SBI*net* expenditure plan, including related documentation and program officials' statements, lacked specificity on such things as planned activities and milestones, anticipated costs and staffing levels, and expected mission outcomes. This, coupled with the large cost and ambitious time frames, adds risk to the program. Without sufficient and reliable information on program goals, status and results, Congress and DHS are not in the best position to use the plan as a basis for assessing program outcomes, accounting for the use of current and future appropriations, and holding program managers accountable for achieving effective control of the border.

As of December 2006, SBI*net* was using, at least to some extent acquisition best practices, but DHS had not fully established the range of capabilities needed to effectively mitigate risks and to successfully manage the program. To its credit, the SBI*net* contract was generally competed in accordance with federal requirements. However, the SBI*net* contract does not fully satisfy the federal regulatory requirement to specify a maximum dollar value or the number of units that may be ordered. We also reported that important management controls provided for in Office of Management and Budget (OMB) guidance and best practices were not yet in place, although the program manager stated that he was committed to doing so. Until they are in place, the program is at increased risk of failure.

DHS's plan to execute SBI*net* activities through a series of concurrent task orders introduces additional risk. With multiple related and dependent projects being undertaken simultaneously, SBI*net* is exposed to possible cost and schedule overruns and performance problems. Without assessing this level of concurrency and how it affects project implementation, SBI*net* runs the risk of not delivering promised capabilities and benefits on time and within budget. SBI and SBI*net* officials told us that they understand the risks inherent in concurrency and are addressing these risks. However, as of December 2006, they had not provided evidence that identified the dependencies among their concurrent activities and that they were proactively managing the associated risk.

United States Government Accountability Office