

July 2007

HOMELAND SECURITY

DHS's Actions to Recruit and Retain Staff and Comply with the Vacancies Reform Act





Highlights of [GAO-07-758](#), a report to congressional requesters

Why GAO Did This Study

Since its inception in 2003, the Department of Homeland Security (DHS) has faced numerous human capital challenges related to recruiting, retaining, and managing its workforce of nearly 171,000 employees.

As requested, this report analyzes DHS's attrition, efforts to recruit and retain staff, use of external employees, and compliance with certain provisions of the Vacancies Reform Act, which requires agencies to report to Congress and the Comptroller General vacancies in certain presidentially-appointed positions requiring Senate confirmation. To conduct its work, GAO surveyed human capital personnel from DHS and its component agencies; analyzed federal personnel data files, Office of Personnel Management (OPM) human capital documentation, and relevant legislation; and interviewed key DHS officials.

What GAO Recommends

GAO is recommending that DHS's Office of General Counsel develop written policies and procedures clearly explaining the duties of officials and others responsible for ensuring compliance with the Vacancies Reform Act. DHS reviewed a draft of this report and concurred with the recommendation.

www.gao.gov/cgi-bin/getrpt?GAO-07-758.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Robert Goldenkoff at (202) 512-2757 or goldenkoffr@gao.gov.

HOMELAND SECURITY

DHS's Actions to Recruit and Retain Staff and Comply with the Vacancies Reform Act

What GAO Found

DHS's overall attrition rate for permanent employees (excluding those in the Senior Executive Service and presidential appointments) declined from 8.4 percent in 2005 to 7.1 percent in 2006. These rates, which were above the roughly 4 percent average rate for all cabinet-level agencies, were affected by high levels of attrition (about 14-17 percent) among transportation security officers at DHS's Transportation Security Administration. With the security officers excluded, DHS's attrition rate was 3.3 percent. To monitor and understand attrition rates, DHS and several of its component agencies separately analyze attrition data and administer exit surveys to employees upon their departure. GAO has previously reported that these data are useful to agencies for workforce planning purposes.

DHS used various strategies to recruit and retain employees in fiscal years 2005 and 2006. For example, DHS used human capital flexibilities in accordance with OPM guidance that included offering employee cash awards and hiring staff under a 2-year training program. These practices and others were rated by most DHS human capital officials GAO interviewed as "very effective" recruitment or retention tools, though most component officials also cited barriers to making greater use of certain flexibilities, such as expedited hiring.

DHS implemented agreements under the Intergovernmental Personnel Act, allowing nonfederal employees to be temporarily assigned to a federal agency to meet mission needs. As of September 2006, 36 such agreements were in place, roughly half of them in DHS's Science and Technology Directorate. DHS also used personal services contracts to acquire talent from outside the government on a temporary basis—with 61 such contracts in place as of September 2006, almost all of them in Customs and Border Protection and U.S. Coast Guard.

Between March 2003 and April 2007, DHS filled 16 positions covered by the Vacancies Reform Act and complied with the "tenure provision" in all cases, which limits to 210 days the tenure of acting officials in certain positions that require presidential appointment and Senate confirmation. However, during this same period, DHS did not always meet related reporting requirements of the act and did not have one of the five management controls that GAO has reported as necessary to ensure compliance—written procedures documenting how to comply. The act requires that agencies immediately report vacancies to Congress and the Comptroller General. DHS did not meet this requirement for 3 of 16 vacancies between 2003 and 2007; DHS's Office of General Counsel did not know why these vacancies were not reported. GAO has previously reported that documented procedures are a necessary management control mechanism so that when DHS staff responsible for ensuring DHS's compliance with the act leave or are reassigned, their replacements will have established guidelines to follow.

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Abbreviations

CBP	U.S. Customs and Border Protection
CPDF	Central Personnel Data File
CHCO	Chief Human Capital Office
DHS	Department of Homeland Security
FCIP	Federal Career Intern Program
FEMA	Federal Emergency Management Agency
HQ	DHS Headquarters
HSA	Homeland Security Act
ICE	U.S. Immigration and Customs Enforcement
IPA	Intergovernmental Personnel Act
OPM	Office of Personnel Management
PAS	presidentially appointed, Senate-confirmed
SES	Senior Executive Service
SCEP	Student Career Experience Program
S&T	DHS's Science and Technology Directorate
TSA	Transportation Security Administration
TSO	Transportation Security Officer

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United States Government Accountability Office
Washington, DC 20548

July 16, 2007

The Honorable Bennie G. Thompson
Chairman
Committee on Homeland Security
House of Representatives

The Honorable Christopher P. Carney
Chairman
Subcommittee on Management, Investigations, and Oversight
Committee on Homeland Security
House of Representatives

Since its inception in March 2003, the Department of Homeland Security (DHS) has faced enormous challenges related to protecting the nation from terrorism while organizing its 22 predecessor agencies—several with existing program and management challenges—into a coherent and integrated department. Because these difficulties could have serious consequences for the security of our country, we designated the department’s implementation and transformation a high-risk area in 2003 and reiterated our concerns in January 2005 and again in January 2007.¹

One key challenge DHS has faced is effectively and strategically managing its sizable workforce of nearly 171,000 employees in order to respond to current and emerging 21st century challenges. DHS has taken action to integrate the legacy agency workforces that make up its components and has issued both a strategic human capital plan as well as a workforce plan for the entire department.

But, as we have previously reported, many human capital challenges remain.² They include attracting and retaining a qualified workforce; rewarding individuals based on individual, team, unit, and organizational results; obtaining, developing, providing incentives to, and retaining needed talent; and ensuring leadership at the top. In addition, the Office of Personnel Management (OPM), which plays a key role in helping

¹ GAO, *High-Risk Series: An Update*, [GAO-07-310](#) (Washington, D.C.: January 2007).

² GAO, *Homeland Security: Overview of Department of Homeland Security Management Challenges*, [GAO-05-573T](#) (Washington, D.C.: April 2005).

agencies build needed infrastructure and prepare for reform, recently reported that DHS scored near the bottom, relative to other federal agencies, on indices measuring leadership and knowledge management, results-oriented performance culture, talent management, and job satisfaction. These measures, which come from OPM's 2006 Federal Human Capital Survey, were consistent with those from prior years.

As you know, various governmentwide laws, regulations, and departmental policies govern DHS's approach to human capital management as it seeks to address these challenges. For example, the Vacancies Reform Act³ requires agencies to report to Congress and us vacancies in certain presidentially-appointed positions requiring Senate confirmation, and limits to 210 days the length of time an official can fill such a position in an acting capacity (known as the act's tenure provision). In addition, the Intergovernmental Personnel Act (IPA)⁴ allows a nonfederal employee to be temporarily assigned to a federal agency to meet the goals and objectives of both entities. Moreover, the Homeland Security Act⁵ and other statutes permit DHS to use personal services contracts to acquire talent from outside the government on a temporary basis. DHS also may implement human capital flexibilities, which are statutory authorities granted to agencies to allow them greater leeway in recruiting, retaining, developing, managing, and compensating employees to meet the challenges of the 21st century. They can include, among other things, incentive awards, recruitment and retention bonuses, training and development, and work-life policies that help agencies in a competitive employment environment to attract and retain sufficient numbers of high-quality employees.

In light of the human capital issues facing DHS, you asked us to examine aspects of how the agency manages and oversees its human capital resources. In response, this report assesses (1) DHS's attrition rates of permanent and senior-level employees for fiscal years 2005 and 2006 and agency efforts to address workforce issues related to attrition and filling senior-level vacancies; (2) DHS's use of human capital flexibilities to recruit and retain staff; (3) how DHS makes use of IPA agreements and personal services contracts, and its authority for these tools, as of the end

³ 5 U.S.C. §§ 3345-3349d.

⁴ 5 U.S.C. §§ 3371-3376.

⁵ 6 U.S.C. § 391(c).

of fiscal year 2006; and (4) DHS's compliance with the tenure provision and related reporting requirements of the Vacancies Reform Act, and whether management controls are in place to help ensure compliance with the act.

To obtain information on attrition (defined for this report as resignations and transfers to other departments and agencies outside of DHS) of permanent employees,⁶ we analyzed fiscal years 2005 and 2006 data from OPM's Central Personnel Data File (CPDF). We also used the CPDF data to determine attrition of DHS senior-level employees, both Senior Executive Service (SES) and presidentially appointed. We have previously assessed the reliability of the CPDF and found it sufficiently reliable for our analysis. We did not make judgments regarding how the attrition of permanent employees or the attrition of senior-level employees has affected DHS. To obtain information on the degree of challenge that DHS components had in filling senior-level positions, we surveyed human capital personnel from DHS component agencies using a telephone survey we developed for this engagement. To obtain information on DHS's use of human capital flexibilities for recruitment and retention, we used OPM documentation and our past reports to identify human capital flexibilities likely to affect DHS's ability to recruit and retain staff. We then limited the list of flexibilities likely to affect recruitment and retention to those for which OPM maintained data in the CPDF and categorized them as relating to recruitment, retention, or both. We used the CPDF data to calculate DHS's use of the flexibilities in fiscal years 2005 and 2006. We also surveyed DHS headquarters and component agency human capital officials on the use and perceived effectiveness of the flexibilities and impediments to their use, using a self-report telephone survey we developed for this engagement. We did not make judgments regarding how DHS's use or non-use of human capital flexibilities has affected the agency and we did not assess the appropriateness of DHS's use of any specific human capital flexibilities, the reasons officials provided for using or not using them, or the appropriateness of OPM's rules. We analyzed how DHS makes use of IPA agreements and personal services contracts, how often, and to what extent, as of the end of fiscal year 2006. To obtain information on DHS's use of IPA agreements, we met with DHS and requested and reviewed information pertaining to salaries, description of duties, and name of employer, for all IPAs in place as of September 30, 2006. To obtain

⁶ We use the term "permanent" to describe employees with permanent appointments in the competitive or excepted service.

information on DHS's use of personal services contracts, we met with officials in DHS's Chief Procurement Office and analyzed information pertaining to salary/contract value, description of duties, and names of components utilizing all personal services contracts in place as of September 30, 2006. We assessed the reliability of information supplied pertaining to IPA agreements and personal services contracts by interviewing agency officials knowledgeable about the data and determined that the data were sufficiently reliable for the purposes of this report. We did not make judgments as to how the use of IPA's or personal services contracts has affected DHS. To determine DHS's compliance with the tenure and reporting requirements of the Vacancies Reform Act, we reviewed the provisions of the act and reviewed information contained in the Executive Vacancy Database that we maintain to collect and analyze vacancy data submitted to us by agencies. To determine if DHS had implemented the management controls necessary to help ensure compliance with the act, we interviewed DHS officials, obtained documentation from DHS, and reviewed our past work on the act.

CPDF data indicate that there were 13 components that made up DHS during fiscal year 2006 (see below for a listing of DHS component agencies in CPDF). However, for some purposes DHS categorizes the components differently. For the survey that we conducted on DHS's use of human capital flexibilities, we interviewed officials representing the 13 components plus the Management Directorate. Likewise, for the survey on filling senior vacancies, we interviewed officials representing the 13 components plus Office of Intelligence Analysis, Office of Operations, Office of Preparedness, and Office of General Counsel. As a result, our survey data reflect 14 and 17 components, respectively, while the CPDF data reflect 13 components.

Components listed in CPDF:

- DHS Headquarters (HQ)
- Domestic Nuclear Detection Office (DNDO)
- Federal Emergency Management Agency (FEMA)
- Federal Law Enforcement Training Center (FLETC)
- Office of the Inspector General (OIG)
- Office of the Under Secretary for Science and Technology (S&T)
- Transportation Security Administration (TSA)
- U.S. Citizenship and Immigration Services (CIS)
- U.S. Coast Guard (USCG)
- U.S. Customs and Border Protection (CBP)
- U.S. Immigration and Customs Enforcement (ICE)
- U.S. Secret Service (USSS)
- U.S. Visitor and Immigrant Status Indicator Technology (US-VISIT)

We conducted our work from September 2006 through June 2007 in accordance with generally accepted government auditing standards. See appendix I for more information about our scope and methodology.

Results in Brief

Although DHS's attrition rates for permanent non-senior-level employees decreased from 8.4 to 7.1 percent between fiscal years 2005 and 2006, the department's attrition rates were higher for both permanent non-senior-level and senior-level employees than the average attrition of comparable employees at all other cabinet-level departments. However, this was due, in part, to attrition rates of Transportation Security Officers (TSO) at the Transportation Security Administration (TSA), who compose roughly a third of all DHS employees. After excluding TSA's attrition rates for TSOs, DHS's overall attrition rate was 3.3 percent for both years. This compares to an average attrition rate during the same period of approximately 4.0 percent for other cabinet-level departments. For senior-level employees (those in SES or presidentially appointed positions), the rate of attrition was also higher for both years at DHS—14.5 and 12.8 percent respectively, than the average attrition at all cabinet-level departments (7 and 6 percent, respectively). With respect to the ability of DHS to fill vacant SES positions, DHS personnel at most of the components that we surveyed reported that filling senior-level positions was either not a challenge or posed a slight or moderate challenge. For example, when asked whether they faced challenges to hiring senior-level personnel due to a limited number of applicants with the necessary leadership skills, most reported that this was not a challenge or that it posed a slight or moderate challenge. With respect to collecting data for workforce planning, DHS reported that the department itself, plus 9 of 13 components, separately analyze attrition data for their workforces. Further, they reported that 11 components administer exit surveys to their employees leaving the agency. We have previously reported that these data are useful to agencies for workforce planning purposes.

DHS made use of various human capital flexibilities, in accordance with guidance from OPM, to recruit and retain employees in fiscal years 2005 and 2006. The flexibilities implemented by DHS included practices such as hiring incentives, performance awards, and more. Flexibilities frequently used by DHS, according to OPM's Central Personnel Data File, included individual and group cash awards and the Federal Career Intern Program (FCIP). These and other such practices were rated by all or most DHS human capital officials we interviewed as "very effective" recruitment or retention tools (14 of 14 on recruitment effectiveness and 10 of 14 on retention effectiveness). However, officials at 12 of 14 components also

stated that there were reasons why they could not make greater use of certain flexibilities, citing, for example, a lack of funding to implement them or that federal rules and regulations prevented them from making greater use of these flexibilities. For example, officials at eight DHS components stated that they wanted to use direct hire authority—a special authority that expedites hiring—but federal rules and regulations governing eligibility for direct hire authority prevented them from doing so by restricting the positions for which agencies can use the authority. DHS plans to increase the use of some human capital flexibilities as part of an effort to improve the hiring process, which is part of a broader ongoing effort to meet strategic human capital goals.

As of September 2006, a total of 36 IPA agreements were in place at DHS; of these, 17 were located in the agency's Science and Technology Directorate (S&T) for individuals performing program manager functions and duties. In addition, 61 personal services contracts were in place, with 36 in CBP for the services of individuals with subject matter expertise. Salaries for IPA individuals ranged from \$48,000 to \$248,000, with a median salary of \$133,540. For personal services contracts awarded to contractors, costs ranged from about \$300 for laboratory testing services to almost \$21 million for dental and other medical services.

Between its inception in March 2003 and April 2007, DHS filled 16 positions under the Vacancies Reform Act and complied with the tenure provision in all cases. However, during this same period, DHS did not always meet the related reporting requirements of the act and did not have one of the five management controls that we have reported are necessary to ensure compliance with the act, overall. Specifically, with respect to reporting, the act requires that agencies immediately report vacancies to Congress and the Comptroller General. We found that DHS did not meet this requirement for 3 of the 16 vacancies that occurred between March 2003 and April 2007: DHS failed to report vacancies in the position of Deputy Secretary in 2003, in the position of Commissioner of Customs in 2005, and in the position of Assistant Secretary for Immigration and Customs Enforcement in 2005. We also found that the DHS Office of General Counsel, which has responsibility within DHS for compliance with the act, did not have documented written procedures for compliance with the act—one of the five management controls we have reported as necessary to ensure compliance. We previously reported that documented procedures are a basic management control mechanism that can help to ensure that when DHS staff responsible for ensuring DHS's compliance with the Vacancies Reform Act leave or are reassigned, those who replace them will have established guidelines to follow. During the course of our

work, DHS did in fact reassign responsibility for compliance with the act from one attorney to another. To prepare for this transition, an informal outline about compliance was provided. However, informal outlines might not be sufficient to ensure that compliance-related procedures are understood and followed, and formal documented procedures rather than informal notes or outlines might better prepare a replacement to meet the act's requirements in a timely manner.

We are recommending that the Secretary of the Department of Homeland Security direct DHS's Office of General Counsel to develop written policies and procedures that clearly explain the duties of officials who may be responsible for ensuring compliance with the Vacancies Reform Act including the reporting requirements, and how these duties are to be carried out.

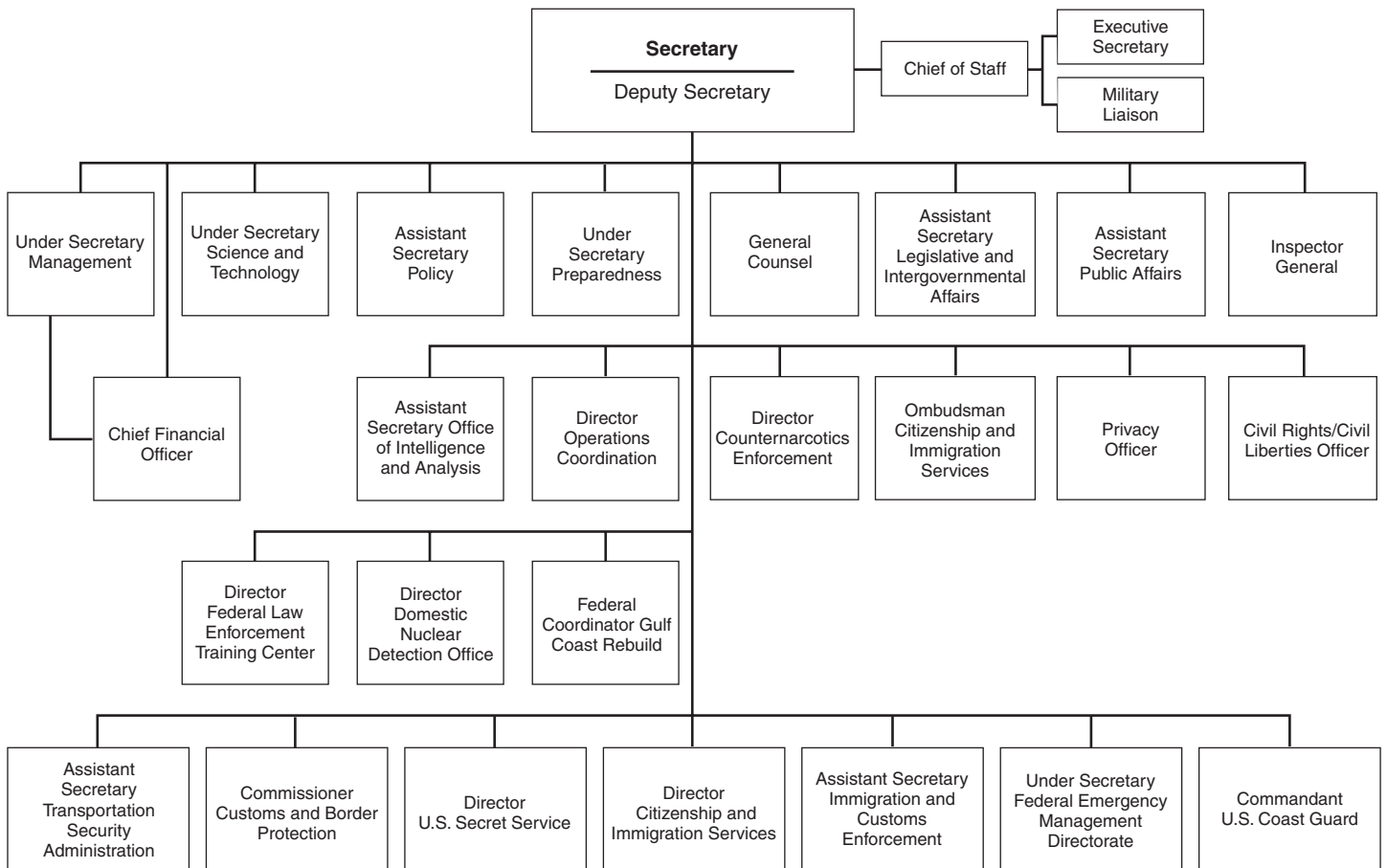
DHS reviewed a draft of this report and concurred with the recommendation. In its written response, DHS noted that a draft written policy and procedures to address this issue is being circulated within the department for comment and final clearance.

Background

DHS Organization

DHS was established by the Homeland Security Act of 2002 and became operational in March 2003 with the consolidation and alignment of 22 separate governmental agencies. The 22 individual agencies were formerly subordinate to eight departments: Agriculture, Commerce, Defense, Energy, Health and Human Services, Justice, Transportation, and the Treasury, and two independent offices (FEMA and the General Services Administration). In March 2005, Secretary Chertoff launched a “Second Stage Review,” which resulted in the reallocation of functions within DHS and the establishment, consolidation and/or alteration of organizational units, effective October 1, 2005. (See fig. 1 for the DHS organizational structure effective as of the time of our review.)

Figure 1: Department of Homeland Security Organization Chart



Source: DHS.

Human Capital Management

As we have reported in prior work, strategic human capital planning is the centerpiece of federal agencies' efforts to transform their organizations to meet the governance challenges of the 21st century.⁷ Generally, strategic workforce planning addresses two critical needs: (1) aligning an organization's human capital program with its current and emerging mission and programmatic goals and (2) developing long term strategies for acquiring, developing, motivating, and retaining staff to achieve

⁷ GAO, *Human Capital: Federal Workforce Challenges in the 21st Century*, [GAO-07-556T](#) (Washington, D.C.: Mar. 6, 2007).

programmatic goals. The long-term fiscal outlook and challenges to governance in the 21st century are prompting fundamental reexamination of what government does, how it does it, and who does it. Strategic human capital planning that is integrated with broader organizational strategic planning is critical to ensuring agencies have the talent they need for future challenges.

In the same report, we reported that top leadership in the agencies must provide the committed and inspired attention needed to address human capital and related organization transformation issues. Agencies' human capital planning efforts need to be fully integrated with mission and critical program goals. We reported that agencies too often do not have the components of strategic human capital planning needed to address their current and emerging challenges. Augmented efforts are needed to improve recruiting, hiring, professional development, and retention strategies to ensure that agencies have the talent needed to carry out their current and future missions. Overall, federal agencies need to ensure that they are using flexibilities available to them to recruit and hire top talent and to address the current and emerging demographic challenges facing the government.

Vacancies Reform Act

The Vacancies Reform Act was passed to ensure a clear understanding of what is to be done when certain presidentially appointed, Senate-confirmed (PAS) positions⁸ fall vacant.⁹ These positions constitute the highest level of staff in the federal executive branch, including the secretaries for cabinet-level departments and their deputy and assistant secretaries. Because most of these executives typically have relatively short tenures, positions often are vacated during presidential terms of office. At a change of administration, virtually all PAS positions are vacated. Under the Vacancies Reform Act, if a presidential appointee covered by the act dies, resigns, or is otherwise unable to perform the functions and duties of the office, the requirements of the act must be

⁸Some PAS positions are not covered by the act. For example, the act does not apply to members of multi-member boards or commissions, such as the Securities and Exchange Commission.

⁹ 5 U.S.C. §§ 3345-3349d.

followed. For covered PAS vacancies, the Vacancies Reform Act, among other things,

- Requires agencies to immediately report to the Senate, the House of Representatives, and the Comptroller General changes in PAS positions, including a vacancy and the date it occurs, the name of any person serving in an acting capacity and the date such service began, the name of any person nominated to fill a vacancy and the date such nomination is submitted to the Senate, and any rejection, withdrawal, or return of a nomination and the related date.
- Specifies who may serve as acting officer.
- Limits the service of acting officials to 210 days beginning on the date the vacancy occurred. At the end of the time limit, no one may serve in the position on an acting basis. The Vacancies Reform Act extends or resets the 210-day period under certain circumstances, such as suspending the time limit when a nomination is pending before the Senate and extending the limit by 90 days with respect to any vacancy existing during the 60-day period beginning at the start of a new administration. The Vacancies Reform Act also requires us to inform specified congressional committees, the President, and the Office of Personnel Management if an acting officer has served longer than the statutory limit.

After passage of the Vacancies Reform Act, we, together with the executive branch, developed a form, "Submission Under the Federal Vacancies Reform Act," which the White House instructed agencies to use beginning July 1999 to notify Congress and us of the reportable events under the Vacancies Reform Act. We maintain a computerized tracking system to collect and analyze data submitted by agencies.¹⁰ We receive agencies' reports and enter the data in our tracking system.

¹⁰ <http://www.gao.gov/legal.htm>.

Due to Relatively High Attrition Rates among Transportation Security Officers, DHS Attrition Rates Were Higher Than Other Cabinet-Level Departments for Fiscal Years 2005 and 2006

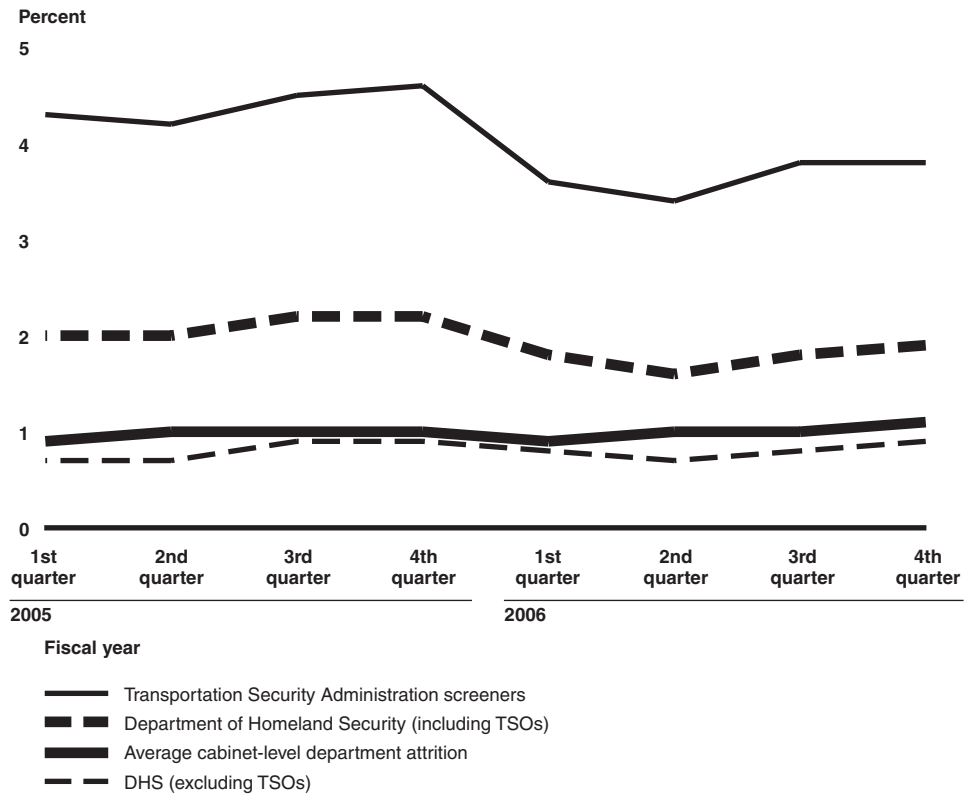
The attrition rate for permanent non-senior-level employees decreased from fiscal years 2005 to 2006, but was higher than other cabinet level departments in both years. The higher attrition rate among permanent non-senior-level employees was largely due to the attrition of TSA Transportation Security Officers (TSO). The attrition rate for senior-level employees—those in SES or presidentially appointed positions—was higher than the average senior-level attrition rate for all cabinet-level departments, but was not the highest rate of all departments. DHS reported that there is rarely great difficulty in finding senior executive service personnel with the skills and qualifications needed to fill vacant positions. DHS and some of its components use attrition and exit survey data for workforce planning.

DHS's Attrition Rate Affected by Attrition among TSA's Transportation Security Officers

An analysis of quarterly CPDF data for fiscal years 2005 and 2006 indicated that the attrition rate for DHS non-senior-level permanent employees declined from 8.4 percent in 2005 to 7.1 percent in 2006 (see fig. 2). However, both years' rates were higher than the average for all cabinet-level executive agencies of 4.0 percent in 2005 and 3.9 percent in 2006. (For purposes of our analysis, we restricted our definition of attrition to include permanent employees working either full- or part-time who left via resignation or transfer to another department.)

Within DHS, attrition by TSOs employed at TSA contributed significantly to the overall DHS attrition rate, with rates of 17.6 percent in 2005 and 14.6 percent in 2006 (see fig. 2). When we excluded TSOs, who represented 35.8 percent of DHS's permanent employees in 2005 and 34.0 percent in 2006, from DHS's overall attrition rate, the resulting attrition rate for DHS was 3.3 percent for both years. This attrition rate was lower than the average for all cabinet-level departments. Additional details about attrition at all cabinet-level departments for fiscal years 2005 and 2006 are provided in appendix III, table 9.

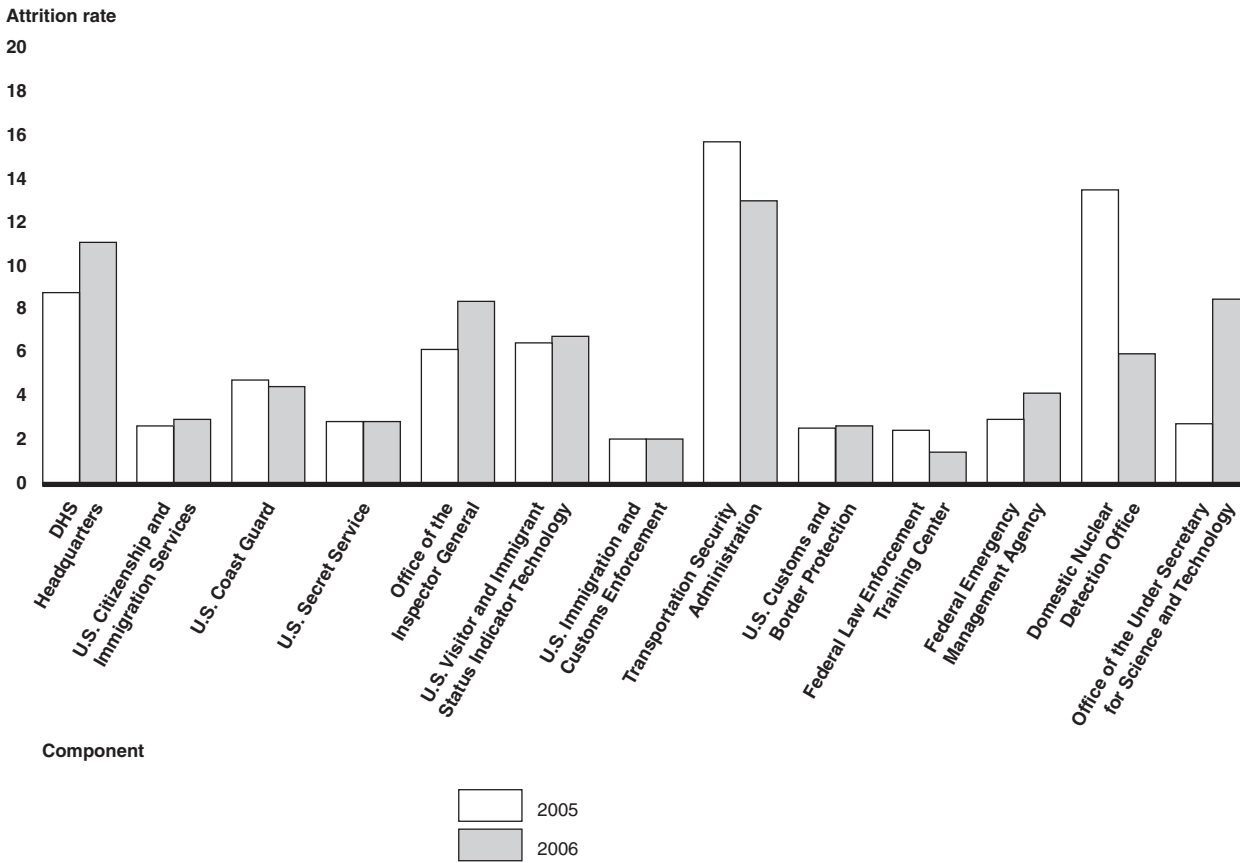
Figure 2: Comparison of DHS Attrition with Other Cabinet-Level Agencies on a Quarterly Basis during Fiscal Years 2005 & 2006



Source: GAO analysis of CPDF data.

Figure 3 and table 10 in appendix III provide additional detail about attrition at DHS component agencies for fiscal years 2005 and 2006.

Figure 3: Attrition at DHS Component Agencies during Fiscal Years 2005 & 2006



Source: GAO analysis of CPDF data.

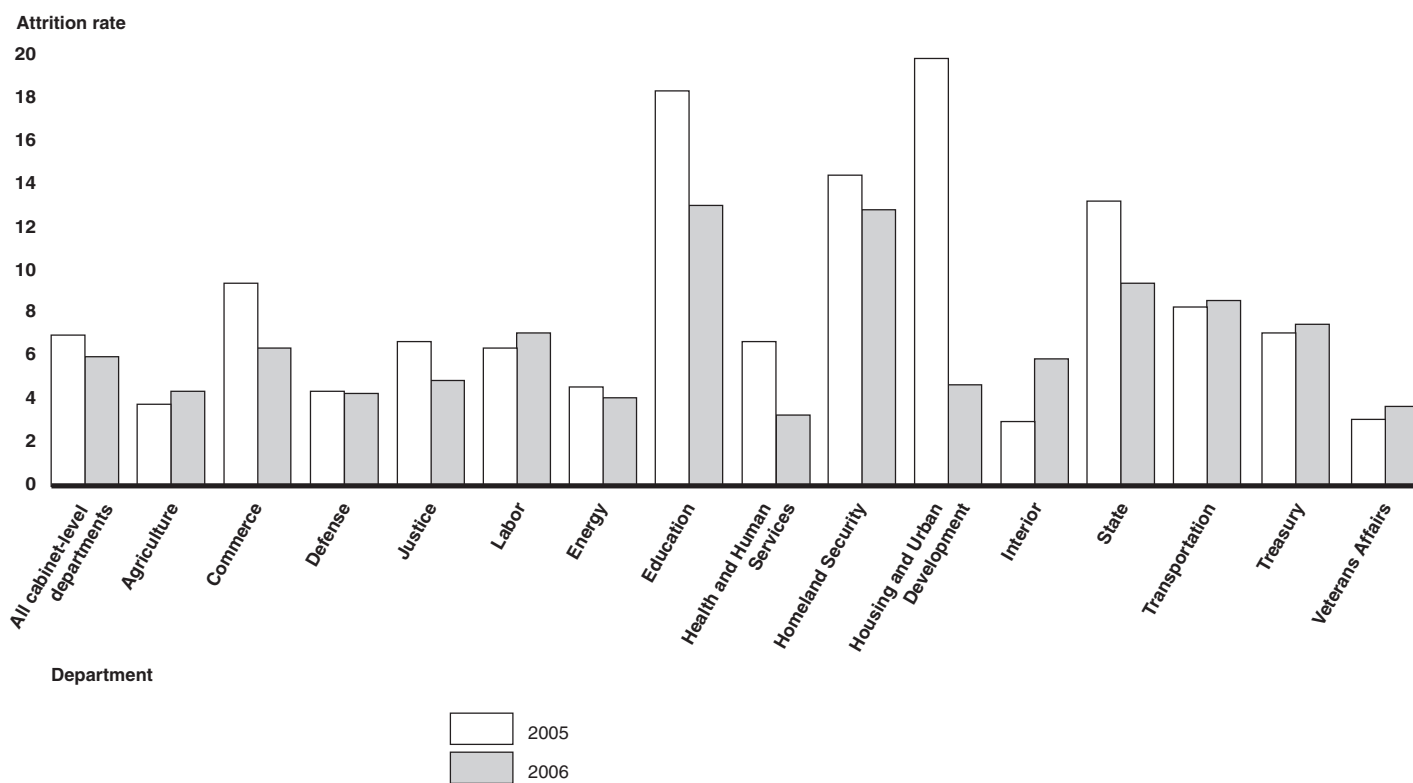
Though DHS Senior-Level Attrition Decreased between Fiscal Years 2005-2006, the Rate Was More Than Twice the Federal Average

DHS senior-level attrition rates were higher in fiscal years 2005 and 2006 than the average for all cabinet-level departments though some departments had higher attrition. The DHS attrition rate for senior-level employees was 14.5 percent in fiscal year 2005 and 12.8 percent in fiscal year 2006, while the average for all cabinet-level departments was 7 percent and 6 percent, respectively (see fig. 4). For the purposes of this engagement, we defined senior-level personnel as those in presidentially-appointed positions and employees in the SES. According to DHS, as of March 30, 2007, it (excluding TSA) had 24 presidential appointments (4 vacant) and 489 SES positions (111 vacant).¹¹ In addition, TSA had 1

¹¹ Seventy-three of the SES positions were new allocations effective March 2007.

presidential appointment (0 vacant) and 155 Transportation SES¹² positions (16 vacant). Table 11 in appendix III provides additional detail about senior-level attrition at cabinet-level departments for fiscal years 2005 and 2006.

Figure 4: Senior-Level Attrition at Cabinet-Level Departments during Fiscal Years 2005 and 2006



Source: GAO analysis of CPDF data.

We also analyzed senior-level attrition within DHS and found that Headquarters, TSA, and FEMA had the highest attrition at the senior-level. Over the 2-year period, DHS Headquarters experienced a turnover of more than half its senior employees through resignation or transfer to another executive branch department (17 of 62 individuals in 2005 and 19 of 56 in

¹² The Transportation SES is the pay plan TSA has for its senior executives. It provides higher pay levels than the governmentwide SES pay plan.

2006).¹³ TSA's turnover was 25 of 160 individuals in 2005 and 21 of 145 in 2006; and FEMA lost 4 of 34 individuals in 2005 and 7 of 34 in 2006. Appendix III, table 12, provides additional detail about senior-level attrition at DHS component agencies for fiscal years 2005 and 2006.

Few DHS Component Agencies Reported "Great" Challenges to Filling SES Vacancies

In response to our survey, few DHS component agency officials reported significant challenges to filling SES vacancies. Of four categories (limited number of applicants with the necessary leadership skills, limited number of applicants with the necessary technical skills, SES staffing/hiring process, and OPM 90-day quality review board process), the Domestic Nuclear Detection Office reported that the limited number of applicants with the necessary technical skills was a "great" or "very great" challenge to filling vacant SES positions. FEMA reported that the SES staffing and hiring process was a "great" or "very great" challenge to filling vacant SES positions. Further, CBP and Immigration and Customs Enforcement reported that the OPM 90-day qualifications review board process was a "great" or "very great" challenge to filling vacant SES positions. All other agencies reported that these four categories posed no challenge, slight challenge, or moderate challenge to filling vacancies. Additionally, no agency reported that a limited number of applicants with the necessary leadership skills was a "great" or "very great" challenge to filling vacant SES positions (see table 1).

¹³Two other offices experienced a similar turnover. US-VISIT lost 3 of 9 senior-level employees in 2005 and 1 of 6 in 2006; the Office of the Undersecretary for Science and Technology lost 3 of 10 in 2005 and 4 of 8 in 2006.

Table 1: SES Survey Responses on Challenges Faced in Filling SES Positions, by Type of Challenge

Level of challenge reported	Limited number of applicants with the necessary leadership skills	Limited number of applicants with the necessary technical skills	SES staffing/hiring process	OPM 90-day qualifications review board process
Not a challenge	Federal Law Enforcement Training Center Office of Intelligence Analysis Office of the Inspector General Office of Operations Science and Technology Directorate Transportation Security Administration U.S. Coast Guard	Federal Law Enforcement Training Center Office of the Inspector General Office of Operations Science and Technology Directorate U.S. Coast Guard	Federal Law Enforcement Training Center Office of General Counsel Office of the Inspector General Office of Operations Office of Preparedness Transportation Security Administration U.S. Secret Service	DHS Headquarters Domestic Nuclear Detection Office Federal Law Enforcement Training Center Office of General Counsel Office of Operations Science and Technology Directorate Transportation Security Administration US-VISIT
Slight or moderate challenge	CBP DHS Headquarters Domestic Nuclear Detection Office Federal Emergency Management Agency U.S. Immigration and Customs Enforcement Office of General Counsel Office of Preparedness U.S. Citizenship and Immigration Service U.S. Secret Service	CBP DHS Headquarters Federal Emergency Management Agency U.S. Immigration and Customs Enforcement Office of General Counsel Office of Intelligence Analysis Office of Preparedness Transportation Security Administration U.S. Citizenship and Immigration Service U.S. Secret Service	DHS Headquarters Domestic Nuclear Detection Office Office of Intelligence Analysis U.S. Coast Guard U.S. Citizenship and Immigration Enforcement CBP U.S. Immigration and Customs Enforcement US-VISIT Science and Technology Directorate	Federal Emergency Management Agency Office of Intelligence Analysis Office of the Inspector General Office of Preparedness U.S. Coast Guard U.S. Citizenship and Immigration Service
Great or very great challenge	None	Domestic Nuclear Detection Office	FEMA	CBP U.S. Immigration and Customs Enforcement

Source: GAO analysis of survey results.

DHS and Several
Component Agencies
Analyze Attrition Data and
Most Components
Administer Exit Surveys to
Assist with Workforce
Planning

DHS reported to us that it maintains and tracks attrition data for workforce monitoring and planning on agencywide and component-specific bases. The data that DHS maintains include breakdowns by separation type, average age, grade, gender, minority status, disability status, and other categories used to better understand attrition departmentwide. DHS provided its 2005-2008 Workforce Plan, which has information on succession planning by component. DHS also reported that it has a Workforce Planning Council that uses attrition data for various metrics including as a primary mechanism with regard to the President's Management Agenda.¹⁴ In addition, several components—U.S. Coast Guard, CBP, Citizenship and Immigration Service, Immigration and Customs Enforcement, TSA, the Preparedness Directorate, Office of the Inspector General, U.S. Secret Service, and FEMA—reported that they separately assess attrition for their workforces.

As we have reported, workforce planning is a key component to maintaining a workforce that can accomplish its mission.¹⁵ Strategic workforce planning focuses on developing and implementing the long-term strategies—clearly linked to an organization's mission and programmatic goals—for acquiring, developing, and retaining employees. Collecting data on attrition rates and the reasons for attrition are important to workforce planning. These data can be analyzed to identify gaps between an organization's current and future workforce needs, which can in turn become the basis for developing strategies to build a workforce that meets future needs.

We also reported that, in addition to attrition data, collecting information on why employees leave is useful for workforce planning.¹⁶ As we have noted, collection and analysis of data on the reasons for attrition (the type of information collected through exit surveys) could help agencies minimize the lost investment in training, particularly when new employees resign.

¹⁴ The President's Management Agenda consists of five initiatives with the purpose of "improving the management and performance of the federal government."

¹⁵ GAO, *Human Capital: Key Principles for Effective Strategic Workforce Planning*, [GAO-04-39](#) (Washington, D.C.: December 2003).

¹⁶ GAO, *Veterans Benefits Administration: Better Staff Attrition Data and Analysis Needed*, [GAO-03-452T](#) (Washington, D.C.: February 2003).

One approach to collecting such data is through exit surveys of employees who leave the agency. Of DHS's components, 7 currently use independently developed exit surveys; 4 use an exit survey developed by DHS's Chief Human Capital Office (CHCO); 1 component has an exit survey under development; and 1 does not use an exit survey. The seven components currently administering their own exit surveys are:

- FEMA;
- Office of the Inspector General;
- TSA;
- U.S. Coast Guard;
- CBP
- U.S. Secret Service; and
- U.S. Immigration and Customs Enforcement.

The four components using the exit survey developed by CHCO are:

- DHS Headquarters;
- Domestic Nuclear Detection Office;
- Science and Technology Directorate; and
- US-VISIT.

An exit survey is under development at the Federal Law Enforcement Training Center and U.S. Citizenship and Immigration Service does not use an exit survey. In general, the exit surveys request title, tenure, grade, race/ethnicity, type of separation (e.g., voluntary, involuntary, retirement, etc.), reason for leaving, and future intentions for employment.

DHS components are not currently required to report any information obtained from their exit surveys to DHS Headquarters. DHS officials in CHCO told us that they were evaluating whether to have all components use a single agencywide survey or to require all components to report certain information about departed employees to headquarters through a required report. The officials stated that they are developing a required report that components could populate with exit survey information that will be rolled out in the first quarter of fiscal year 2008. Officials noted that the components each have unique circumstances and it might be more effective to allow them to continue to use their own surveys, reporting certain common elements to DHS through the required report.

DHS Makes Use of Various Human Capital Flexibilities for Recruitment and Retention and Most Officials We Surveyed Rated Them as “Very Effective”

In fiscal years 2005 and 2006, DHS made use of various human capital flexibilities that the federal government has implemented over recent years to recruit and retain employees. Individual and group cash awards and the FCIP were used most frequently. Most DHS component officials we surveyed rated the flexibilities we reviewed as very effective for recruitment and retention and reported a desire to make greater use of flexibilities (see app. IV for more information). DHS is developing plans to advance its use of human capital flexibilities.

DHS Uses Various Human Capital Flexibilities

In fiscal years 2005 and 2006, DHS made use of various human capital flexibilities that are available to federal agencies. We have previously reported that the effective, efficient, and transparent use of human capital flexibilities must be a key component of agency efforts to address human capital challenges.¹⁷ To help agencies use flexibilities to address human capital challenges such as recruitment and retention, OPM has developed a handbook describing the available human capital flexibilities. For purposes of this report, we did not examine all human capital flexibilities available to DHS, which are reflected in the OPM handbook. Rather, we examined the flexibilities reported in the CPDF (which includes a record of each time an agency uses these flexibilities). Additionally, for the purposes of this report, we established three categories for the flexibilities we examined; (1) flexibilities involving DHS’s recruitment of new employees, (2) flexibilities involving DHS’s retention of current employees, and (3) flexibilities involving recruitment of new employees and/or retention of current employees. Tables 2, 3, and 4 describe the relevant flexibilities.

¹⁷ GAO, *Human Capital: Effective Use of Flexibilities Can Assist Agencies in Managing their Workforces*, [GAO-03-2](#) (Washington, D.C.: December 2002).

Table 2: Flexibilities Involving DHS's Recruitment of New Employees

Recruitment incentive	A monetary payment to a newly-hired employee when the agency has determined that the position is likely to be difficult to fill in the absence of such an incentive. In return, the employee must sign an agreement to fulfill a period of service with the agency of not less than 6 months and not more than 4 years.
Direct hire authority	A special authority that expedites hiring by eliminating competitive rating and ranking, veterans' preference, and "rule of three" procedures.
Veterans recruitment authority	A special authority that expedites hiring by allowing an agency to appoint an eligible veteran without competition.
Student career experience programs	Provides federal employment opportunities to students who are enrolled or accepted for enrollment as degree seeking students taking at least a half time course load. Provides work experience, which is directly related to the student's academic program and career goals. Students may be noncompetitively converted to term, career, or career-conditional appointments following completion of their academic and work experience requirements.
Federal Career Intern Program	Typically individuals are appointed to a 2-year internship. Upon successful completion of the internships, the interns may be noncompetitively converted to a permanent position. This program is for applicants placed into a 2-year training program whether or not the applicant was enrolled in an educational institution at the time of application.
Superior Qualifications Rate	A rate of basic pay for a newly-hired employee at a rate above the minimum rate of the appropriate GS grade because of (1) the superior qualifications of the candidate or (2) a special need of the agency for the candidate's services.

Source: GAO analysis of OPM data.

Table 3: Flexibilities Involving DHS's Retention of Employees

Quality step increase	A step increase to reward General Schedule employees at all grade levels who display high quality performance. It is a step increase that is given sooner than the normal time interval for step increases.
Individual and group cash award	A monetary award to recognize superior employee and group performance (also known as "spot" awards).
Individual and group suggestion/Invention award	A monetary award for suggestions, inventions, or a productivity gain.
Individual and group time-off award	An award of time-off to recognize superior employee and group performance.
Retention incentive	A monetary payment given to a current employee when the agency determines that the unusually high or unique qualifications of the employee or a special need of the agency for the employee's services makes it essential to retain the employee and if the employee would be likely to leave the federal service in the absence of a retention incentive.

Source: GAO analysis of OPM data.

Table 4: Flexibilities Involving DHS's Retention of Employees and/or Recruitment of New Employees

Special Rate or Critical Position Pay	A special rate is a rate of basic pay for employees in hard to fill or retain occupations nationwide or in specific locations. Critical position pay is a rate of pay greater than would otherwise be payable for the employee's position because the position has been designated critical.
Student Loan Repayment	The federal student loan repayment program permits agencies to repay federally insured student loans as a recruitment or retention incentive for candidates or current employees of the agency.
Foreign Language Award	A monetary award paid as a recruitment or retention incentive for law enforcement agents with foreign language skills.
Relocation Incentive	A monetary payment to a current employee who must relocate to a position in a different geographic area that is likely to be difficult to fill in the absence of such an incentive. In return, the employee must sign an agreement to fulfill a period of service of not more than 4 years with the agency
Reemployed annuitant waiver	A waiver given to rehired retired federal employees that exempts them from the offset or loss of their pension in order to meet temporary emergency hiring needs or when the agency has encountered exceptional difficulty in recruiting or retaining a qualified candidate for a particular position.

Source: GAO analysis of OPM data.

Our analysis of CPDF data indicated that in fiscal years 2005 and 2006, DHS made use of all the flexibilities we reviewed, with the exception of student loan repayments. However, data maintained by DHS officials indicated that DHS used the student loan repayment 18 times in 2005 and 13 times in 2006.¹⁸ Officials from seven component offices told us that they would have liked to use the student loan repayment, but were unable to do so for reasons such as a lack of funding, not having written policies and procedures in place to enable them to use student loan repayments, or managers not being aware of the flexibility. (See app. IV, tables 13 and 14, for more detail on DHS's use of flexibilities in fiscal years 2005 and 2006. See app. IV, table 21, for component responses regarding which flexibilities they would have liked to have used more often and why they did not use them.)

¹⁸ We did not find instances of DHS's use of student loan repayments in the CPDF because they had invalid CPDF codes, which prevented us from counting them as permanent employees; we reviewed the use of flexibilities for permanent employees only.

DHS Most Frequently Used Individual and Group Cash Awards and the Federal Career Intern Program

Awards Used as Retention Tools

Our analysis of DHS’s use of retention flexibilities indicated that in fiscal years 2005 and 2006, DHS used individual and group cash awards more often than other flexibilities involving retention, though components differed as to how frequently they used awards. The rate at which DHS used these flexibilities increased from 2005 to 2006. Specifically, in fiscal year 2005, DHS gave individual or group cash awards about 62 times per 100 permanent employees. In fiscal year 2006, the cash award rate more than doubled to 161 awards per 100 permanent employees (see table 5). In comparison, the median rate for all executive departments was 83 awards per 100 permanent employees (see app. IV, table 19).

Table 5: Number of Times DHS Used Flexibilities Related to Retention per 100 Permanent Employees

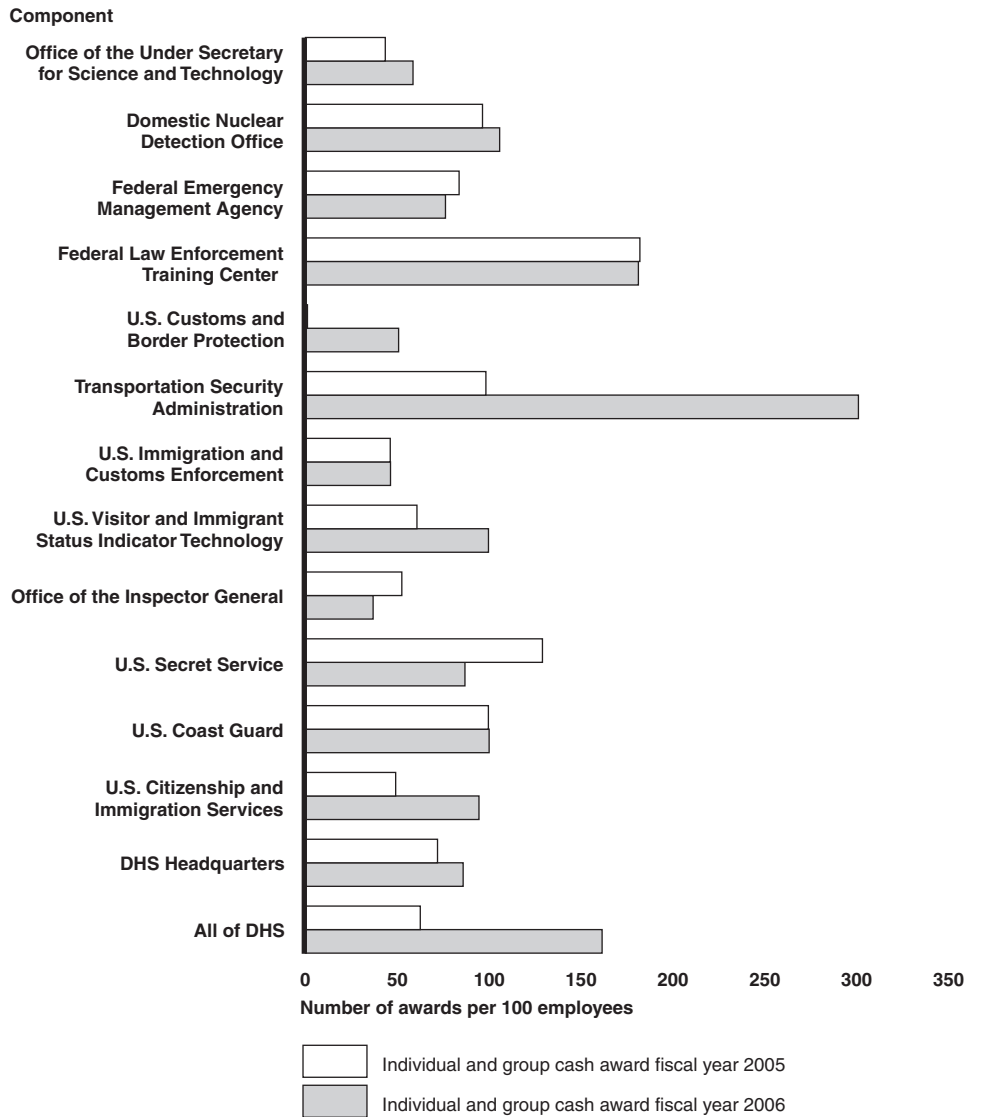
	Individual and Group Cash Award	Individual and Group Time-off Award	Individual and Group Suggestion Award	Quality Step Increase	Retention Incentive
Fiscal year 2005	62.46	24.42	0.02	0.81	0.16
Fiscal year 2006	161.40	20.08	0.01	0.66	0.93

Source: GAO analysis of CPDF data.

Between fiscal years 2005 and 2006, 7 of 13 components increased the frequency at which they gave individual and group cash awards per 100 permanent employees, 3 gave approximately the same number of awards, and 3 decreased the rate of awards (see fig. 5). TSA, in particular, greatly increased the rate at which it gave individual and group cash awards, making about 98 awards per 100 permanent employees in fiscal year 2005 and about 301 per 100 in fiscal year 2006.¹⁹ The median award amount for individual and group cash awards for all of DHS in fiscal year 2006 was \$500. The median amounts awarded ranged from a low at TSA of \$400 to a high of \$2,250 at US-VISIT. For additional information regarding DHS’s use of human capital flexibilities for permanent employees see appendix IV, tables 15, 17, and 19.

¹⁹ The increase in individual and group cash awards by TSA could be related to their plan to give most TSO’s a cash bonus from April through October of 2006.

Figure 5: Frequency with Which DHS Components Used Individual or Group Cash Awards per 100 Employees during Fiscal Years 2005 and 2006



Source: GAO analysis of CPDF data.

Note: We counted only one award per day, per person for each type of award; some unknown number of employees might have received more than one award per day, per type.

Federal Career Intern Program Used as Recruitment Tool

Our analysis of DHS’s use of recruitment flexibilities showed that in fiscal years 2005 and 2006, DHS used the FCIP more than any other as a recruitment tool, as compared to the number of new permanent hires. This program is for applicants placed into a 2-year training program whether or

not the applicant was enrolled in an educational institution at the time of application. Upon completion of the internship, the interns may be noncompetitively converted to a permanent position. DHS's use of FCIP increased from 15.5 percent of new hires in 2005 to 22.5 percent of new hires in 2006 (see table 6).

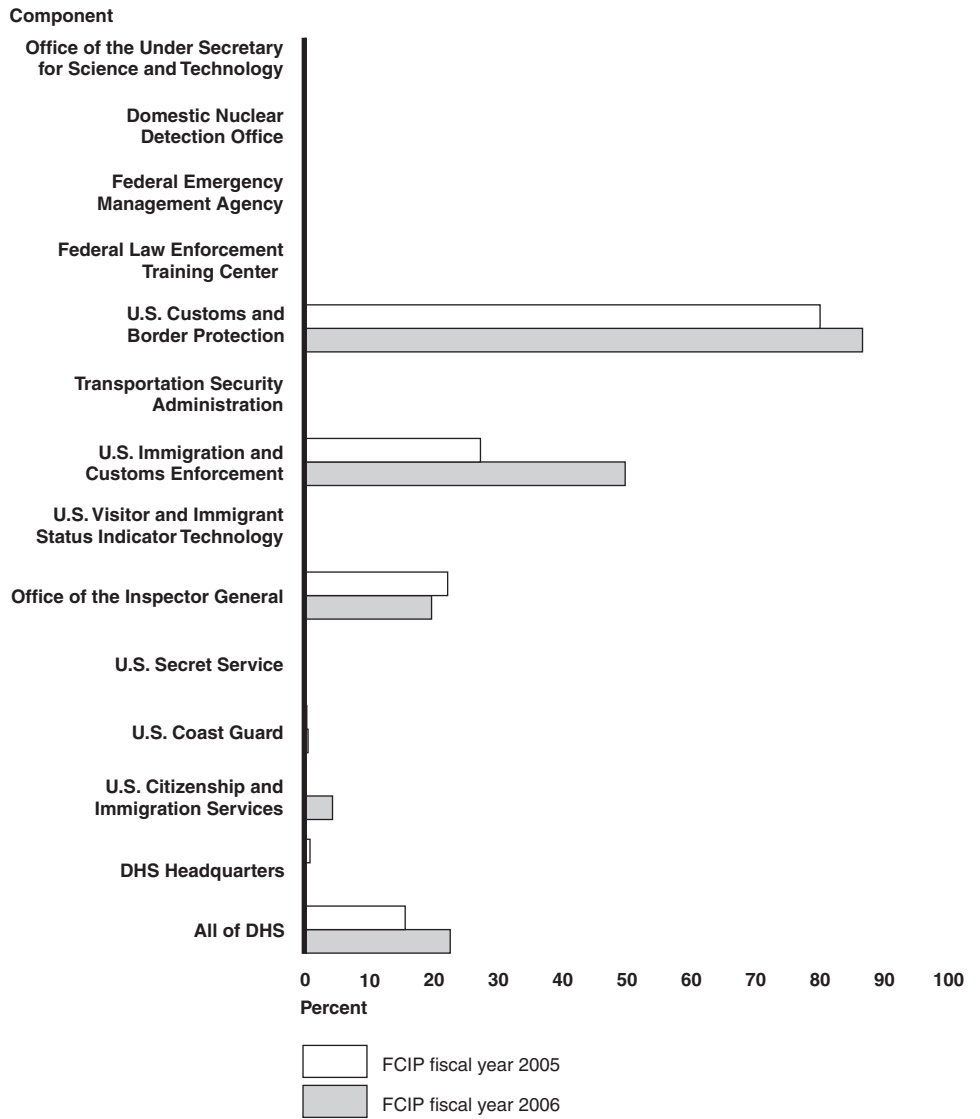
Table 6: Percent of New Permanent Hires for Which DHS Used Flexibilities Related to Recruitment

	Direct Hire Authority	FCIP	Recruitment Incentive	SCEP	Superior Qualifications	Veterans Recruitment Authority
Fiscal year 2005	0.94	15.51	0.49	0.30	1.20	0.49
Fiscal year 2006	0.79	22.48	0.10	0.41	1.04	0.35

Source: GAO analysis of CPDF data.

Though for all of DHS FCIP was the most frequently used human capital flexibility related to recruitment, only 4 of 13 components accounted for over 99 percent of FCIP use in fiscal years 2005 and 2006. In particular, CBP used FCIP for about 80 percent of new permanent hires in fiscal year 2005 and 87 percent in 2006, and ICE used FCIP for about 28 percent of new hires in fiscal year 2005 and 50 percent in fiscal year 2006 (see fig. 6). According to DHS officials the FCIP is uniquely situated to positions with high training requirements. Such positions include CBP border patrol agents and ICE immigration enforcement agents.

Figure 6: Percent of New Hires for Which DHS Components Used FCIP



Source: GAO analysis of CPDF data.

For additional information regarding DHS’s use of human capital flexibilities compared to the number of permanent new hires, see appendix IV, tables 16, 18, and 20.

Most DHS Components Rated Human Capital Flexibilities as “Very Effective” for Recruitment and Retention and Reported Interest in Making Greater Use of Human Capital Flexibilities

In response to our survey, DHS human capital officials at all of the 14 components²⁰ rated the majority of the flexibilities their components used as “very effective” for purposes of recruitment and officials at 10 of the 14 components rated the majority of flexibilities used as “very effective” for purposes of retention. Analysis of their survey responses indicated that they found the use of superior qualifications pay most effective for recruiting new employees, and quality step increases, retention incentives, and individual and group cash awards most effective for retaining employees. (See app. IV, figs. 7 and 8, for the components’ responses regarding the effectiveness of human capital flexibilities.)

Officials at 12 of the 14 components told us that there were instances in 2005 when they would have liked to make greater use of human capital flexibilities. They cited a lack of funding and/or federal rules and regulations regarding specific flexibilities as the primary reasons for not using them more often. For example, officials from TSA, the U.S. Secret Service, ICE, U.S. Coast Guard, and US-VISIT, said there were instances in fiscal year 2005 when they would have liked to use student loan repayments, but that they lacked the necessary funding to do so. We did not assess the adequacy of funding levels. There were also instances in fiscal year 2005 when officials from FLETC, the U.S. Coast Guard, ICE, U.S. Secret Service, US-VISIT, FEMA, and DHS Headquarters and the Management Directorate said they would have liked to use the direct hire authority, but were prevented from doing so by federal rules that limited the job series for which they could use direct hire authority. See appendix IV, table 21, for the components’ responses regarding which flexibilities they would have liked to use more often.

DHS Plans to Enhance the Use of Some Human Capital Flexibilities in Order to Improve Recruitment and Retention

DHS has plans to enhance the use of some human capital flexibilities as part of its effort to meet strategic human capital goals, such as improving the hiring process and implementing robust human capital programs. For example, to improve DHS-wide hiring practices, DHS plans to develop education and communication tools to promote hiring flexibilities and contemporary hiring processes for human resource professionals and managers by July 31, 2007. Also, as part of a DHS-wide retention initiative, DHS intends to communicate and educate human resource professionals

²⁰ For purposes of the GAO survey on flexibilities, we collected data separately for DHS Headquarters and the Management Directorate; however, the CPDF captures data for these two organizational components together as DHS Headquarters. As a result, our survey data reflect 14 components and the CPDF data reflect 13 components.

and managers on the use of retention incentives and work-life programs by July 31, 2007. By August 31, 2007, DHS intends to use the FCIP in occupations such as finance, human resource and acquisitions, as part of its efforts to create learning and development programs for DHS employees.

At TSA, where, as we have reported, the highest rates of attrition have occurred, other efforts are under way to enhance retention. For example, in August 2006, TSA began implementing a Career Progression Program for TSOs. The program includes new pay bands in an attempt to broaden career opportunities for Security Officers. According to TSA, the purpose of the Career Progression Program is to (1) ensure increased focus on technical proficiency; (2) establish career path options for TSO's for recruiting and retention improvement; and (3) enhance motivation of employees, leading to improved morale, attendance, and performance.

DHS IPAs and Personal Services Contracts Were in Place Primarily for Program Managers and Subject Matter Experts

Distribution of IPAs and Personal Services Contracts

Intergovernmental Personnel Act

The IPA is designed to facilitate the temporary hiring of skilled personnel or specialists to and from federal entities, state and local governments, colleges and universities, Indian tribal governments, and other eligible organizations. Such assignments may be used to achieve objectives such as assisting the transfer and use of new technologies by the federal government. DHS retains individuals through IPAs under a 2-year agreement that can be renewed once for 2 additional years, consistent with OPM regulations.

Personal Services Contracts

Federal agencies are normally required to obtain employees through competitive appointment or other procedures established in the civil service laws. However, certain agencies have specific statutory authority to utilize personal services contracts, which create an employer-employee relationship between the agency and the contractor's personnel. These agencies are prohibited from awarding a personal services contract for inherently governmental functions. Under DHS policy, obtaining personal services by contract is possible, provided the duties are of a temporary nature or in response to an urgent need and if DHS personnel with necessary skills are not available, the contract will not fill a staffing shortage, an excepted appointment cannot be obtained, and a non-personal services contract is not practicable.

As of September 30, 2006, a total of 36 IPA agreements were in place at DHS—roughly half (17) located in DHS's Science and Technology Directorate (S&T). In addition, 61 personal services contracts were in place, with most in CBP (36) and U.S. Coast Guard (24). Tables 7 and 8 show the distribution of IPAs and personal services contracts in these and other components.

Table 7: IPA Agreements in DHS as of September 30, 2006

Component or office	Total number of agreements
Domestic Nuclear Detection Office	4
Office of Intelligence Analysis	2
Office of Policy	1
Office of Preparedness	11
Science and Technology Directorate	17
CBP	1
Total	36

Source: DHS.

Table 8: Personal Services Contracts in DHS as of September 30, 2006

Component or office	Total number of contracts
Office of Preparedness	1
CBP	36
U.S. Coast Guard	24
Total	61

Source: DHS.

Most IPA individuals at DHS working in S&T were performing program manager functions and duties. For example, a program manager in one DHS office had responsibility for strategic, technical resource planning and execution of short and long range programmatic goals, as well as the evaluation of emerging technologies for potential insertion into assigned programs. A review of the DHS justifications for hiring these individuals indicated that they were considered to have senior technical, management, and operational expertise—qualifications considered essential for effective operations. The home organization or institutions of many of the individuals working at S&T were national laboratories and universities. See appendix V, table 22, for additional details.

Over half of the personal services contracts at DHS were located in CBP, to contract with individuals for personal services abroad. CBP entered into these contracts for a variety of services such as to validate security compliance for the Customs-Trade Partnership Against Terrorism program and for technical advisor services in a number of overseas locations. The remaining personal services contracts were located mostly at the U.S. Coast Guard for a variety of medical services; with one additional personal services contract entered into by DHS HQ for a procurement analyst in the Office of Preparedness. (See app. V, table 23, for additional details.)

Salary Ranges for IPAs and Contract Value for Personal Services Contracts

Salaries for IPAs across all DHS components, as of the end of fiscal year 2006, ranged from \$48,000 to \$248,000.²¹ The median salary of IPAs was \$133,540.

For personal services contracts, individual contract costs ranged from \$315 for 1 contract for laboratory testing services to a total of \$20.9 million for 6 contracts for dental and other medical services. DHS officials noted that the contract value amounts represent total contract obligations and may reflect more than the salaries paid to individuals for services. See appendix V, table 23, for additional details.

²¹ In comparison, the basic pay rate for members of the SES in 2006 ranged from \$109,808 to \$165,200, depending on the agency.

Authorities for IPAs and Personal Services Contracts

DHS has the authority to arrange the assignment of an employee of a state or local government to DHS for work of mutual concern to DHS and the state or local government.²² OPM provides agencies with guidance on IPAs that sets out the requirements for certification of the eligibility of participating organizations, requires a written agreement between all parties before an assignment can begin, and requires reporting of information requested by OPM.²³

According to DHS officials, an ethics review is required for every IPA agreement, which includes filing a confidential or public financial disclosure report. In August 2006, the Office of Government Ethics published a final rule clarifying that assignees to an agency from a state, local government, or other organization under the IPA are covered by the Standards of Ethical Conduct for Executive Branch Employees.

We discussed with DHS management controls, including policies and procedures in place to guard against conflict of interest. By law, any IPA individual on assignment to a federal agency, whether by appointment or on detail, is subject to a number of provisions governing the ethical and other conduct of federal employees. Officials told us that a DHS agency-wide policy to ensure the appropriateness of these agreements was awaiting final approval as of July 2007. They said the draft policy requires a conflict of interest briefing, completion of a financial disclosure form, and attendance at a required ethics briefing. The draft DHS-wide policy further states that a DHS designated agency ethics official and ethics officials of component chief counsel offices provide incoming IPA assignees with an ethics briefing on the conflict of interests statutes, the ethical standards of conduct, and the Hatch Act to which individuals will be subject upon their assignment.²⁴

In the meantime, DHS implemented a draft management directive to establish the agency's policy on temporary assignments of personnel between the federal government and state or local governments, institutions of higher education, Indian tribal governments, and other eligible organizations under the IPA program. The directive applies to all

²² 5 U.S.C. §§ 3371-76.

²³ 5 C.F.R. pt. 334.

²⁴ The Hatch Act, 5 U.S.C. §§ 7321-6, generally prohibits executive branch employees from running as candidates for election to a partisan political office; soliciting, accepting, or receiving political contributions; and engaging in political activities while on duty.

DHS components. DHS officials noted that every IPA agreement is reviewed by the specific office or component hiring the individual. DHS officials also noted that because S&T seeks IPA individuals with subject matter expertise and highly specialized skills in very specific areas, it developed more detailed guidance for its management officials effective May 2007. In a past GAO report, we reported on our examination of management controls established within S&T to help guard against conflicts of interest for IPA portfolio managers, since a portion of S&T research funds have gone to the national laboratories.²⁵

DHS was given personal services contracting authority in the Homeland Security Act (HSA).²⁶ With the exception of TSA, all DHS components are subject to the Federal Acquisition Regulation, the Homeland Security Acquisition Regulation, and the Homeland Security Acquisition Manual, which provide guidance on the use of personal services contracts. TSA retained separate authority to engage in personal services contracts that derives from the Federal Aviation Administration's procurement flexibilities. The FAA Acquisition Management System provides guidance on TSA's use of personal services contracts. CBP also has specific authority from the DHS annual appropriations acts and the Foreign Assistance Act of 1961 to enter into personal services contracts outside the United States.²⁷ Pursuant to 10 U.S.C. §1091, the U.S. Coast Guard is specifically authorized to award medical personal services contracts. This authority does not apply to DHS civilian entities.

According to DHS officials, there is no requirement that personal services contracts be submitted to DHS headquarters for review or approval. Instead, the contracts are negotiated and administered at the component level. A "determination and findings" may be completed by the contracting officer for each contract that specifies why the personal services contract is necessary. The contracting officer assigned to oversee the contract is responsible for reviewing the determination and findings. DHS regulations

²⁵ GAO, *Homeland Security: DHS Needs to Improve Ethics-Related Management Controls for the Science and Technology Directorate*, GAO-06-206 (Washington, D.C.: December 2005).

²⁶ Authorization to acquire the personal services of experts and consultants is included in section 832 of the Homeland Security Act, 6 U.S.C. § 392. This section includes authority to use personal service contracts, including authority to contract without regard to the pay limitation of 5 U.S.C. § 3109 when the services are necessary due to an urgent homeland security need.

²⁷ 22 U.S.C. § 2386.

also require a legal review of personal services contracts that is to be performed by the components' General Counsel.

DHS Complied with the Tenure Provisions of the Vacancies Reform Act, but Did Not Always Comply with the Act's Reporting Requirements and Did Not Implement All Necessary Management Controls

From its inception in March 2003 through April 2007, DHS did not violate the Vacancies Reform Act's 210-day tenure limit for acting officials. However, during that same period there were three occasions where DHS violated the act's requirement to immediately report vacancies for presidentially appointed, Senate-confirmed positions to the Congress and Comptroller General. In addition, DHS has only four of the five management controls in place that we identified in past work as essential for ensuring compliance with the Vacancies Reform Act.

DHS Has Complied with the 210-Day Tenure Provision of the Vacancies Reform Act

Our analysis indicated that, from its inception in March 2003 through April 2007, DHS had complied with the 210-day tenure provision of the act. The act limits the tenure of acting officials to 210 days. Acting officials at DHS had filled 16 positions subject to the act; in each instance the acting official discontinued service or the President sent a nomination to the Senate within the required 210 days.

DHS Has Not Consistently Met Reporting Requirements of the Act

Our analysis indicated that on three separate occasions DHS did not meet the reporting requirements of the act. The act requires agencies to immediately report actions related to vacancies in PAS positions to the Congress and us, so that we can monitor compliance with the tenure provision. DHS did not comply with the reporting requirement for 3 of the 16 vacancies between March 2003 and April 2007. In 2003, DHS failed to report a Deputy Secretary vacancy. In 2005, DHS failed to report both a vacancy for the Assistant Secretary at ICE and a vacancy in CBP for the Customs Commissioner. DHS complied with the tenure provisions of the act in these three instances.

DHS Has in Place Four of Five Management Controls Necessary to Ensure Compliance with the Vacancies Reform Act

In previous work, we identified five management controls essential to ensure compliance with the act.²⁸ The five management controls are as follows:

1. Agencies should clearly identify the offices responsible for compliance with each requirement of the act and any other offices that will assist by providing information.
2. Staff that play a role in compliance with the act should communicate frequently with each other.
3. The agency should prepare and maintain a list of the first assistants for each of its PAS positions.²⁹
4. Agencies should make career employees responsible for compliance with the act.
5. Agencies should document their Vacancies Reform Act procedures.

DHS has had four of these five management controls in place. First, DHS met the management control to clearly identify the offices responsible for compliance with each requirement of the act. Specifically, DHS's General Counsel officials told us that DHS has identified the Office of General Counsel and, in particular, the General Law Division, as having sole responsibility for DHS's compliance with the act. Second, DHS met the management control that staff that play a role in compliance with the act should communicate frequently with each other. For example, though officials from the General Law division have sole responsibility for compliance, officials told us that they also learn of relevant information from other components on an informal basis. Additionally, General Law Division staff have frequent contact with the DHS White House Liaison. Third, DHS has developed lists of first assistants and DHS officials told us that they keep the list up-to-date. Finally, DHS officials told us that the employees doing the work associated with the act's compliance are career employees; therefore, DHS met the fourth management control to make career employees responsible for compliance with the act.

²⁸ GAO, *Federal Vacancies Reform Act: Key Elements for Agency Procedures for Complying with the Act*, [GAO-03-806](#) (Washington, D.C.: July 2003).

²⁹ Under the Vacancies Reform Act, the first assistant becomes the acting officer unless the President directs someone else who meets one of the listed qualifications to serve in that role.

DHS did not meet the fifth management control of having documented policies and procedures. According to DHS officials, DHS does not have formally documented procedures for compliance with the Vacancies Reform Act. We previously reported that documented procedures are a basic management control mechanism that can help ensure that when DHS staff attorneys responsible for ensuring DHS's compliance with the Vacancies Reform Act leave or are reassigned; those who replace them will have established guidelines to follow.³⁰ During the course of our work, DHS did in fact reassign responsibility for the act from one attorney to another. According to DHS officials, to prepare for this transition, an informal outline about compliance was provided. However, formal documented procedures rather than informal notes or outlines might better prepare a replacement to meet the act's requirements in a timely manner.

Conclusions

In the 4 years since its creation as a cabinet-level agency, DHS has faced significant challenges related to transforming numerous legacy agencies and developing and implementing new strategies and programs for making the nation more secure. We understand that this has not been an easy task, and the challenges of recruiting, hiring, and retaining the right mix of individuals to carry the department's mission forward has contributed to the complexities facing DHS. Although DHS has efforts under way to attract and retain needed resources, the agency must continue its efforts to achieve an optimum human capital management strategy if it is to be successful in meeting its mission and goals.

DHS staff attorneys have not used formal written guidance describing compliance-related procedures that must be followed to meet the reporting requirements of the Vacancies Reform Act. Such written documentation is important for ensuring that staff attorneys and others can meet the tenure and reporting requirements of the act in the future.

Recommendation for Executive Action

To help ensure compliance with the requirements of the Vacancies Reform Act, we recommend that the Secretary of the Department of Homeland Security instruct the DHS Office of General Counsel to develop written policies and procedures that clearly explain the duties of officials

³⁰ See [GAO-03-806](#).

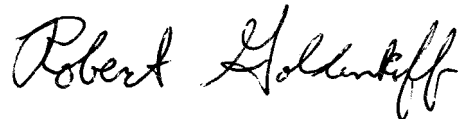
responsible for ensuring compliance with the act and how they are to carry out those duties.

Agency Comments

We provided a draft of this report to DHS for review and comment. DHS provided written comments on July 9, 2007, which are presented in appendix VI.

We are sending copies of this report to the appropriate congressional committees; the Secretary of Homeland Security; and other interested parties. In addition, this report will be available at no charge on the GAO Web site at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at 202-512-2757 or GoldenkoffR@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Key contributors to this report are listed in appendix VII.



Robert Goldenkoff
Acting Director, Homeland Security and Justice Issues

Appendix I: Scope and Methodology

For the attrition rate calculations, we analyzed data from the Office of Personnel Management's (OPM) Central Personnel Data File (CPDF) for fiscal years 2005 and 2006. We included personnel with database codes that:

- Identified them as permanent employees, whether full- or part-time.
- Indicated that they had separated from their agency of employment through resignation or transfer to another agency.

We did not include a small percentage (<1%) of individuals with inconsistent data such as multiple separations on a single day. The small percentage of employees with inconsistent data is congruent with the generally reliable data in the CPDF we have reported previously. See GAO, *OPM's Central Personnel Data File: Data Appear Sufficiently Reliable to Meet Most Customer Needs*, [GAO/GGD-98-199](#) (Washington, D.C.: September 1998).

To calculate the rates for each fiscal year, we divided the total number of separations from each agency or Department of Homeland Security (DHS) component by the average of the number of permanent employees in the CPDF as of the last pay period of the fiscal year before the fiscal year of the separations and the number of permanent employees in the CPDF as of the last pay period of the fiscal year of separations. To place the overall attrition rates for DHS and its component agencies in context, we compared DHS's rates to those for employees in other cabinet-level agencies. We did not make judgments as to what effect, if any, the attrition of permanent employees had on DHS.

To determine the attrition rate for senior-level employees, we analyzed CPDF data to identify all personnel coded as presidentially appointed or senior executive service employees. We then followed the same procedure described above focusing on this subset of individuals. The CPDF records actions pertaining to individuals rather than positions. As a result, it was possible to determine senior-level attrition, but not the history of positions. To determine the history of positions (when vacant and filled), we obtained monthly hardcopy printouts from DHS's Senior Executive Resources Database (August 2005-February 2007). The usefulness of the DHS data was limited in that position titles and organizational components within DHS and its component agencies changed frequently, making it impossible to accurately follow the status of all positions over time and we did not assess its reliability. As a result, we were unable to use these data and, therefore, unable to report on the history of vacancies in specific senior-level positions.

To obtain information on possible challenges that DHS might face in filling senior-level vacancies at the Senior Executive Service (SES) level, for this engagement we developed a self-report telephone survey and administered it to human capital officials from DHS headquarters and each component. We also spoke with DHS and component officials to determine what guidance they used in filling SES positions and what efforts they made to determine why individuals leave. Since presidential appointments are not made by DHS, we did not speak with DHS officials with regard to how these appointments are filled, or any related challenges. We did not make judgments as to how senior-level attrition or challenges in filling SES positions might affect DHS; assess the adequacy of the data that DHS and its components collect on attrition and the reasons for attrition; or the use of it in resulting workforce planning efforts. We did not assess the factors that account for the differences between the rates of attrition among DHS components or between the rates of attrition at DHS and other cabinet-level departments; some rates might be due to factors beyond the control of DHS or its components.

To gather information on DHS's use of human capital flexibilities, as well as that of other cabinet-level departments, we first developed a list of flexibilities by reviewing past GAO reports, OPM documentation, and the CPDF. We used CPDF data to calculate the number of occasions on which these flexibilities were administered in fiscal years 2005 and 2006. Specifically, we compared the number of times DHS used individual and group cash awards; individual and group time-off awards; individual and group suggestion/invention awards; quality step increases; and retention incentives, to the number of permanent employees at DHS. We also compared the number of times DHS used direct hire authority, FCIP, recruitment incentive, Student Career Experience Program, superior qualifications rate and veterans' recruitment authority to the number of new permanent hires. In addition, we reviewed the number of times DHS used relocation incentives, special rate or critical position pay, student loan repayment, and foreign language award. We also compared DHS's use of flexibilities to other federal agencies. Finally, we developed a self-report telephone survey and administered it to DHS headquarters' and components' officials, to gather information on the use and perceived effectiveness of the flexibilities, as well as information on possible impediments to increased use. We did not assess whether DHS used flexibilities appropriately or not. Additionally, we did not make judgments as to how the use or non-use of human capital flexibilities might affect DHS or assess the appropriateness of DHS's use of any specific human capital flexibilities, the reasons officials provided for using or not using them, or the appropriateness of OPM's rules. We did not assess the factors

that account for the differences between the rates that DHS components used flexibilities or between the rates DHS and other cabinet-level departments used flexibilities; some rates might be due to factors beyond the control of DHS or its components.

We believe that the CPDF data are sufficiently reliable for the purposes of this study. Regarding the CPDF, we have previously reported that governmentwide data from the CPDF for most of the key variables used in this study were 97 percent or more accurate.¹ For other variables used in this study, we have tested CPDF data and found them sufficiently reliable to indicate the extent of occurrence.

To gather information on how and to what extent DHS utilizes the Intergovernmental Personnel Act (IPA), we met with officials in the following DHS headquarters' offices: Human Capital and General Counsel. We reviewed data provided to us by DHS for IPAs in place throughout DHS as of September 30, 2006. We also obtained and reviewed relevant policies and procedures related to IPAs, including those related to internal controls over such arrangements. We did not evaluate the appropriateness of the individual IPA arrangements or the effectiveness of related management controls and we did not make judgments regarding how the use of IPA's might affect DHS.

To gather information on how and to what extent DHS utilizes personal services contracts, we met with officials in DHS Headquarters Chief Procurement Office. We requested and reviewed data pertaining to all personal services contracts in place throughout DHS as of September 30, 2006. We reviewed documents provided to us by DHS for personal services contracts, including those related to internal controls over such contractual arrangements. We did not evaluate the appropriateness of these contractual arrangements or the effectiveness of related management controls and we did not make judgments regarding how the use of personal service contracts might affect DHS.

We assessed the reliability of information supplied pertaining to IPA agreements and personal services contracts by interviewing agency officials knowledgeable about the data, and determined that the data were sufficiently reliable for the purposes of this report.

¹ GAO, *OPM's Central Personnel Data File: Data Appears Sufficiently Reliable to Meet Most Customer Needs*, GAO/GGD-98-199 (Washington, D.C.: September 1998).

To determine DHS compliance with the Vacancies Reform Act, we reviewed the act and reviewed information contained in our Executive Vacancy Database. Additionally, to resolve possible discrepancies between information maintained by DHS and information in our database, we met with DHS officials to discuss how DHS collects and verifies the accuracy of data that it sends to us, for inclusion in the Executive Vacancy Database. We also discussed with officials what management controls are in place to ensure compliance with the Vacancies Reform Act.

We performed our work from September 2006 to June 2007 in accordance with generally accepted government auditing standards.

Appendix II: DHS Component Agencies

Within OPM's Central Personnel Data File, the following were listed as component agencies of DHS, as of September 30, 2006:

- DHS Headquarters
- U.S. Citizenship and Immigration Services
- U.S. Customs and Border Protection
- U.S. Immigration and Customs Enforcement
- Domestic Nuclear Detection Office
- Federal Emergency Management Agency
- Federal Law Enforcement Training Center
- Office of the Inspector General
- Office of the Under Secretary for Science and Technology
- Transportation Security Administration
- U.S. Visitor and Immigrant Status Indicator Technology
- U.S. Coast Guard
- U.S. Secret Service

The following were identified as components of DHS Headquarters within CPDF:

- Assistant General Counsel Border and Transportation Security
- Assistant General Counsel Emergency Preparedness & Response
- Assistant General Counsel for Rules and Administration
- Assistant General Counsel General Law
- Assistant General Counsel Information Analysis and Infrastructure Protection
- Assistant General Counsel Science and Technology
- Board for Correction and Military Record
- Chief of Staff
- Citizenship and Immigration Services Ombudsman
- Deputy Chief for Intelligence
- Deputy Chief for Security Programs
- Deputy Chief of Intelligence
- Deputy Chief of Staff for Operations
- Deputy Chief of Staff for Policy
- DHS Headquarters
- Director Counternarcotics/USIC
- Director of Communications
- Director of Communications and Outreach
- Director of Internal Communications and Outreach
- Director of Legislative Operations/Management
- Director of Small and Disadvantaged Business Utilization
- Director of Speechwriting
- Director, Office of Counternarcotics Enforcement

- Executive Secretariat
- General Counsel Emergency Preparedness & Response
- Homeland Security Advisory Committee
- Homeland Security Labor Relations Board
- Immediate Office of the Deputy Secretary
- Immediate Office of the Secretary
- Incident Management Division
- National Capital Region Coordination
- National Programs Division
- Office for Domestic Preparedness
- Office of Civil Rights and Civil Liberties
- Office of General Counsel
- Office of International Affairs
- Office of Legislative Affairs
- Office of Operational Integration Staff
- Office of Public Affairs
- Office of Security
- Office of State and Local Affairs
- Office of State and Local Government Coordination
- Office of the Chief of Staff
- Office of the Director
- Office of the Privacy Officer
- Office of the Secretary
- Operations and Response Division
- Plans and Regional Policy Division
- Preparedness Division
- Press Secretary
- Resources and Requirements Division
- Senior Attorney Board for Correction and Military Record
- Shared Services
- Special Assistant to the Secretary-Private Sector
- State and Local Grant Division
- System Support Division
- Training Division

Appendix III: Attrition

The following tables relate to attrition at cabinet-level departments, including DHS, and DHS component agencies. For this report, attrition is defined as resignation or transfer from the department of employment. Rates were calculated by dividing the sum of the resignations and transfers for a given year by the mean number of employees on the first and last day of that fiscal year.

Table 9: Non-senior-level Attrition at Cabinet-Level Agencies, Fiscal Years 2005 & 2006

Cabinet-Level Agency	Fiscal year 2005				Fiscal year 2006			
	Attrition rate	Population	Resignations	Transfers	Attrition rate	Population	Resignations	Transfers
All cabinet-level agencies	4.0%	1,551,333	45,019	16,647	3.9%	1,550,721	45,200	15,827
Department of Agriculture	3.0%	90,113	1,865	831	3.3%	88,356	1,976	913
Department of Commerce	5.3%	35,495	1,496	394	7.1%	37,727	2,281	396
Department of Defense	3.7%	626,759	13,939	9,511	3.7%	632,459	14,823	8,882
Department of Justice	2.4%	100,920	1,795	650	2.5%	102,406	1,844	681
Department of Labor	3.0%	15,116	295	165	3.6%	14,828	350	185
Department of Energy	2.1%	14,291	175	132	2.5%	14,202	194	164
Department of Education	3.7%	4,012	80	68	4.3%	3,883	95	72
Department of Health and Human Services	2.3%	52,112	1,036	176	2.5%	52,850	1,110	201
Department of Homeland Security	8.4%	136,951	9,697	1,791	7.1%	138,037	8,353	1,507
Department of Housing and Urban Development	2.1%	9,696	111	96	1.9%	9,489	93	83
Department of Interior	3.5%	60,460	1,348	784	3.7%	59,001	1,422	737
Department of State	3.5%	18,249	412	222	3.5%	12,992	270	182
Department of Transportation	1.4%	54,468	423	314	1.4%	52,649	495	268
Department of Treasury	4.8%	118,827	5,014	644	4.4%	114,555	4,397	642
Department of Veteran Affairs	3.8%	213,864	7,333	869	3.9%	217,287	7,497	914

Source: GAO analysis of CPDF data.

Table 10: Non-senior-level Attrition at DHS Components, Fiscal Years 2005 & 2006

DHS component agency	Fiscal year 2005				Fiscal year 2006			
	Attrition rate	Population	Resignations	Transfers	Attrition rate	Population	Resignations	Transfers
All Department of Homeland Security	8.4%	136,951	9,697	1,791	7.1%	138,037	8,353	1,507
DHS Headquarters	8.8%	567	15	35	11.1%	898	37	63
Domestic Nuclear Detection Office	13.5%	422	27	30	6.0%	619	16	21
Federal Emergency Management Agency	3.0%	2,264	29	39	4.2%	2,224	39	54
Federal Law Enforcement Training Center	2.5%	848	6	15	1.5%	918	4	10
Office of the Inspector General	6.2%	454	6	22	8.4%	476	14	26
Office of the Under Secretary for Science and Technology	2.8%	141	3	1	8.5%	188	7	9
Transportation Security Administration	15.7%	59,072	8,406	864	13.0%	57,005	6,802	627
U.S. Citizenship and Immigration Services	2.7%	6,713	114	67	3.0%	7,247	132	82
U.S. Coast Guard	4.8%	6,675	155	164	4.5%	7,030	167	151
U.S. Customs and Border Protection	2.6%	40,886	722	331	2.7%	42,310	890	264
U.S. Immigration and Customs Enforcement	2.1%	14,082	141	149	2.1%	14,035	165	129
U.S. Secret Service	2.9%	4,688	70	68	2.9%	4,969	74	69
U.S. Visitor and Immigrant Status Indicator Technology	6.5%	139	3	6	6.8%	118	6	2

Source: GAO analysis of CPDF data.

Table 11: Senior-Level Attrition at Cabinet-Level Agencies, Fiscal Years 2005 and 2006

Cabinet-level agency	Fiscal year 2005				Fiscal year 2006			
	Attrition rate	Population	Resignations	Transfers	Attrition rate	Population	Resignations	Transfers
All cabinet-level agencies	7.0%	5,668	276	123	6.0%	5,744	203	139
Department of Agriculture	3.8%	347	11	2	4.4%	361	12	4
Department of Commerce	9.4%	362	20	14	6.4%	362	12	11
Department of Defense	4.4%	1,187	30	22	4.3%	1,221	19	34
Department of Justice	6.7%	656	32	12	4.9%	680	15	18
Department of Labor	6.4%	187	6	6	7.1%	184	6	7
Department of Energy	4.6%	455	15	6	4.1%	466	14	5
Department of Education	18.3%	104	14	5	13.0%	100	11	2
Department of Health and Human Services	6.7%	387	21	5	3.3%	400	10	3
Department of Homeland Security	14.4%	445	48	16	12.8%	454	44	14
Department of Housing and Urban Development	19.8%	106	16	5	4.7%	107	3	2
Department of Interior	3.0%	271	6	2	5.9%	272	10	6
Department of State	13.2%	197	21	5	9.4%	191	11	7
Department of Transportation	8.3%	230	10	9	8.6%	222	11	8
Department of Treasury	7.1%	439	19	12	7.5%	429	17	15
Department of Veteran Affairs	3.1%	295	7	2	3.7%	295	8	3

Source: GAO analysis of CPDF data.

Note: Senior-level attrition is of those in senior executive service or presidentially appointed positions. Due to the method of calculation, the number of vacant and filled senior-level positions at DHS listed in this table will not match the number reported by DHS and listed on pp. 14-15. See appendix I, scope and methodology, for more information about how these were calculated.

Table 12: Senior-Level Attrition at DHS Components, Fiscal Years 2005 and 2006

DHS component agency	Fiscal year 2005			Fiscal year 2006		
	Population	Resignations	Transfers	Population	Resignations	Transfers
All Department of Homeland Security	445	48	16	454	44	14
DHS Headquarters	56	15	4	62	12	5
Domestic Nuclear Detection Office	8	3	0	15	1	1
Federal Emergency Management Agency	34	1	3	34	5	2
Federal Law Enforcement Training Center	7	0	0	8	0	0
Office of the Inspector General	9	0	0	10	0	1
Office of the Under Secretary for Science and Technology	10	1	2	8	3	1
Transportation Security Administration	160	21	4	145	18	3
U.S. Citizenship and Immigration Services	16	2	0	17	0	0
U.S. Coast Guard	8	0	0	8	0	0
U.S. Customs and Border Protection	57	0	1	66	3	0
U.S. Immigration and Customs Enforcement	32	2	2	34	2	0
U.S. Secret Service	39	0	0	41	0	0
U.S. Visitor and Immigrant Status Indicator Technology	9	3	0	6	0	1

Source: GAO analysis of CPDF data.

Note: Senior-level attrition is of those in SES or presidentially appointed positions. Due to the method of calculation, the number of vacant and filled senior-level positions at DHS listed in this table will not match the number reported by DHS and listed on pp. 14-15. See appendix I, scope and methodology, for more information about how these were calculated.

Appendix IV: Human Capital Flexibilities

This appendix contains additional information on human capital flexibilities. Specifically, it includes information on the following:

- The number of times DHS components used human capital flexibilities in 2005 and 2006 (tables 13 and 14);
- The number of times per 100 employees that DHS used human capital flexibilities in 2005 and 2006 (tables 15 and 17);
- The percentage of new hires for which DHS components used human capital flexibilities in 2005 and 2006 (tables 16 and 18);
- Information on DHS's use of flexibilities compared to other executive branch agencies (tables 19 and 20); and
- Data from the GAO survey regarding how DHS human capital officials perceive the effectiveness of the flexibilities (figs. 7 and 8) and whether they would have liked to use the flexibilities more often (table 21).

Table 13: Number of Times DHS Components Used Human Capital Flexibilities in Fiscal Year 2005

Component	Recruitment Incentive	Direct Hire Authority	Veterans Recruitment Authority	SCEP	FCIP	Retention Incentive	Quality Step Increase
All Department of Homeland Security	76	146	76	47	2,400	223	1,108
DHS Headquarters	0	3	0	1	2	2	25
U.S. Citizenship and Immigration Services	0	25	2	3	0	0	511
U.S. Customs and Border Protection	0	21	29	14	2,330	0	41
U.S. Immigration and Customs Enforcement	2	1	14	0	51	57	6
Defense Nuclear Detection Office	0	95	0	0	0	2	16
Federal Emergency Management Agency	0	0	1	0	0	1	202
Federal Law Enforcement Training Center	0	1	3	3	0	0	46
Office of the Inspector General	0	0	1	0	15	0	2
Office of the Under Secretary for Science and Technology	0	0	0	0	0	0	5
Transportation Security Administration ^d	73	0	0	0	0	150	0
U.S. Coast Guard	1	0	26	25	2	9	220
U.S. Secret Service	0	0	0	1	0	2	26
U.S. Visitor and Immigrant Status Indicator Technology	0	0	0	0	0	0	8

Appendix IV: Human Capital Flexibilities

Individual and Group Cash Award	Individual and Group Suggestion Award	Individual and Group Time-off Award	Relocation Incentive	Superior Qualification	Student Loan Repayment ^a	Foreign Language Award ^b	Reemployed Annuitant Waiver ^c	Special Rate and Critical Position Pay
85,536	31	33,448	47	185	0	599	15	5,255
407	0	22	2	30	0	0	0	1
3,294	0	2,536	0	0	0	0	0	41
439	0	3,794	30	0	0	0	9	2,055
6,494	0	6,915	0	0	0	536	1	2,594
406	0	60	0	69	0	0	1	5
1,892	0	1,727	0	3	0	0	2	81
1,543	1	37	0	0	0	0	0	14
238	0	33	0	13	0	0	1	2
61	0	27	0	5	0	0	0	4
57,991	27	16,517	13	0	0	0	0	0
6,643	3	1,767	2	56	0	0	0	399
6,044	0	3	0	0	0	63	0	59
84	0	10	0	9	0	0	1	0

Source: GAO analysis of CPDF data.

Note: The table totals might not match the sum of the rows because there were data records with missing information.

^aDHS data indicated they used student loan repayment 18 times in fiscal year 2005. However, we did not find instances of DHS's use of student loan repayments in the CPDF because they had invalid CPDF codes that prevented us from counting them as permanent employees, and we reviewed the use of flexibilities for permanent employees only.

^bOnly law enforcement employees are eligible to receive foreign language awards.

^cThe count for re-employed annuitant waiver is the number of re-employed annuitants as of September 2005.

^dTSA is exempt from certain personnel rules that apply to most federal agencies. TSA officials told us that for this reason they do not use the following human capital flexibilities: direct hire authority, veterans' recruitment authority, and quality step increases.

Table 14: Number of Times DHS Components Used Human Capital Flexibilities in Fiscal Year 2006

Component	Recruitment Incentive	Direct Hire Authority	Veterans Recruitment Authority	SCEP	FCIP	Retention Incentive	Quality Step Increase
All Department of Homeland Security	16	124	55	65	3,548	1,286	911
DHS Headquarters	1	34	0	2	0	1	38
U.S. Citizenship and Immigration Services	0	9	6	15	21	0	147
U.S. Customs and Border Protection	0	26	3	16	3,156	2	81
U.S. Immigration and Customs Enforcement	0	6	8	8	359	687	40
Defense Nuclear Detection Office	0	27	0	0	0	1	30
Federal Emergency Management Agency	2	22	0	0	0	2	115
Federal Law Enforcement Training Center	0	0	1	7	0	2	64
Office of the Under Secretary for Science and Technology	0	0	0	0	0	0	4
Office of the Inspector General	0	0	0	0	9	0	17
Transportation Security Administration ^d	6	0	0	0	0	584	0
U.S. Coast Guard	6	0	37	17	3	5	337
U.S. Secret Service	0	0	0	0	0	2	32
U.S. Visitor and Immigrant Status Indicator Technology	0	0	0	0	0	0	6

Appendix IV: Human Capital Flexibilities

Individual and Group Cash Award	Individual and Group Suggestion Award	Individual and Group Time-off Award	Relocation Incentive	Superior Qualification	Student Loan Repayment ^a	Foreign Language Award ^b	Reemployed Annuitant Waiver ^c	Special Rate and Critical Position Pay
222,812	20	27,721	31	164	0	648	10	5,668
770	0	24	2	55	0	0	1	1
6,841	0	1,585	0	0	0	0	0	41
21,439	0	5,611	5	1	0	0	4	2,495
6,493	1	2,726	0	0	0	580	1	2,725
654	0	40	0	35	0	0	0	3
1,694	0	1,622	0	2	0	0	3	85
1,663	2	60	0	0	0	0	0	10
110	0	0	0	4	0	0	0	6
175	0	62	0	4	0	0	0	3
171,518	1	14,740	12	0	0	0	0	0
7,025	16	1,187	11	56	0	0	0	234
4,311	0	55	1	0	0	68	0	65
117	0	9	0	2	0	0	1	0

Source: GAO analysis of CPDF data.

Note: The table totals might not match the sum of the rows because there were data records with missing information.

^aDHS data indicated they used student loan repayment 13 times in fiscal year 2006. However, we did not find instances of DHS's use of student loan repayments in the CPDF because they had invalid CPDF codes that prevented us from counting them as permanent employees, and we reviewed the use of flexibilities for permanent employees only.

^bOnly law enforcement employees are eligible to receive foreign language awards.

^cThe count for re-employed annuitant waiver is the total number of re-employed annuitants as of September 2006.

^dTSA is exempt from certain personnel rules that apply to most federal agencies. TSA officials told us that for this reason they do not use the following human capital flexibilities: direct hire authority, veterans' recruitment authority, and quality step increases.

Table 15: Number of Times DHS Used Human Capital Flexibilities in Fiscal Year 2005 for Every 100 Permanent Employees

Component	Individual and Group Cash Award	Individual and Group Time-off Award	Individual and Group Suggestion Award	Quality Step Increase	Retention Incentive
All Department of Homeland Security	62.46	24.42	0.02	0.81	0.16
DHS Headquarters	71.84	3.88	0	4.41	0.35
U.S. Citizenship and Immigration Services	49.07	37.78	0	7.61	0
U.S. Customs and Border Protection	1.07	9.28	0	0.10	0
U.S. Immigration and Customs Enforcement	46.12	49.11	0	0.04	0.40
Defense Nuclear Detection Office	96.32	14.23	0	3.80	0.47
Federal Emergency Management Agency	83.59	76.3	0	8.92	0.04
Federal Law Enforcement Training Center	181.96	4.36	0.12	5.42	0
Office of the Inspector General	52.42	7.27	0	0.44	0
Office of the Under Secretary for Science and Technology	43.42	19.22	0	3.56	0
Transportation Security Administration	98.17	27.96	0.05	0	0.25
U.S. Coast Guard	99.52	26.47	0.04	3.30	0.13
U.S. Secret Service	128.94	0.06	0	0.55	0.04
U.S. Visitor and Immigrant Status Indicator Technology	60.65	7.22	0	5.78	0

Source: GAO analysis of CPDF data.

Note: The table totals might not match the sum of the rows because there were data records with missing information.

Table 16: Percent of New Permanent Hires for Which DHS Used Human Capital Flexibilities in Fiscal Year 2005

Component	Direct Hire Authority	FCIP	Recruitment Incentive	SCEP	Veterans Recruitment Authority	Superior Qualifications
All Department of Homeland Security	0.94	15.51	0.49	0.30	0.49	1.20
DHS Headquarters	1.00	0.67	0	0.33	0	10.03
U.S. Citizenship and Immigration Services	7.86	0	0	0.94	0.63	0
U.S. Customs and Border Protection	0.72	80.04	0	0.48	1	0
U.S. Immigration and Customs Enforcement	0.54	27.72	1.09	0	7.61	0
Defense Nuclear Detection Office	38.62	0	0	0	0	28.05
Federal Emergency Management Agency	0	0	0	0	0.81	2.42
Federal Law Enforcement Training Center	1.79	0	0	5.36	5.36	0
Office of the Inspector General	0	22.06	0	0	1.47	19.12
Office of the Under Secretary for Science and Technology	0	0	0	0	0	9.09
Transportation Security Administration	0	0	0.71	0	0	0
U.S. Coast Guard	0	0.23	0.12	2.90	3.02	6.50
U.S. Secret Service	0	0	0	1.1	0	0
U.S. Visitor and Immigrant Status Indicator Technology	0	0	0	0	0	21.95

Source: GAO analysis of CPDF data.

Note: We did not adjust percentages in usage to account for differences between agencies or DHS components such as the proportion of employees in different personnel systems.

Table 17: Number of Times DHS Used Human Capital Flexibilities in Fiscal Year 2006 for Every 100 Permanent Employees

Component	Individual and Group Cash Award	Individual and Group Time-off Award	Individual and Group Suggestion Award	Quality Step Increase	Retention Incentive
All Department of Homeland Security	161.40	20.08	0.01	0.66	0.93
DHS Headquarters	85.79	2.67	0	4.23	0.11
U.S. Citizenship and Immigration Services	94.4	21.87	0	2.03	0
U.S. Customs and Border Protection	50.67	13.26	0	0.19	0
U.S. Immigration and Customs Enforcement	46.26	19.42	0.01	0.29	4.89
Defense Nuclear Detection Office	105.65	6.46	0	4.85	0.16
Federal Emergency Management Agency	76.17	72.93	0	5.17	0.09
Federal Law Enforcement Training Center	181.15	6.54	0.22	6.97	0.22
Office of the Inspector General	36.80	13.04	0	3.58	0
Office of the Under Secretary for Science and Technology	58.51	0	0	2.13	0
Transportation Security Administration	300.88	25.86	0	0	1.02
U.S. Coast Guard	99.93	16.88	0.23	4.79	0.07
U.S. Secret Service	86.77	1.11	0	0.64	0.04
U.S. Visitor and Immigrant Status Indicator Technology	99.57	7.66	0	5.11	0

Source: GAO analysis of CPDF data.

Note: The table totals might not match the sum of the rows because there were data records with missing information.

Table 18: Percent of New Permanent Hires for Which DHS Used Human Capital Flexibilities in Fiscal Year 2006

Component	Direct Hire Authority	FCIP	Recruitment Incentive	SCEP	Veterans Recruitment Authority	Superior Qualifications
All Department of Homeland Security	0.79	22.48	0.10	0.41	0.35	1.04
DHS Headquarters	13.55	0	0.40	0.80	0	21.91
U.S. Citizenship and Immigration Services	1.78	4.15	0	2.96	1.19	0
U.S. Customs and Border Protection	0.71	86.61	0	0.44	0.08	0.03
U.S. Immigration and Customs Enforcement	0.83	49.65	0	1.11	1.11	0
Defense Nuclear Detection Office	30.68	0	0	0	0	39.77
Federal Emergency Management Agency	9.48	0	0.86	0	0	0.86
Federal Law Enforcement Training Center	0	0	0	7.78	1.11	0
Office of the Inspector General	0	19.57	0	0	0	8.70
Office of the Under Secretary for Science and Technology	0	0	0	0	0	22.22
Transportation Security Administration	0	0	0.06	0	0	0
U.S. Coast Guard	0	0.37	0.73	2.08	4.52	6.85
U.S. Secret Service	0	0	0	0	0	0
U.S. Visitor and Immigrant Status Indicator Technology	0	0	0	0	0	25.00

Source: GAO analysis of CPDF data.

Note: We did not adjust percentages in usage to account for differences between agencies or DHS components such as the proportion of employees in different personnel systems.

Table 19: Rate at Which DHS Used Human Capital Flexibilities in Fiscal Year 2006 per Every 100 Permanent Employees Compared to Median Rate at Which Executive Agencies Used Flexibilities in Fiscal Year 2006

Agency	Individual & Group Cash Award	Individual & Group Time-off Award	Individual and Group Suggestion Award	Quality Step Increase	Retention Incentive
Department of Homeland Security rates	161.40	20.08	0.01	0.66	0.93
Executive agency median rates	83.07	16.03	0.02	3.31	0.29

Source: GAO analysis of CPDF data.

Note: We did not adjust percentages in usage to account for differences between agencies or DHS components such as the proportion of employees in different personnel systems.

Table 20: Percentage of New Permanent Hires for Which DHS Used Human Capital Flexibilities in Fiscal Year 2006 Compared to the Median Percentage at Executive Agencies in Fiscal Year 2006

Agency	Direct Hire Authority	FCIP	Recruitment Incentive	SCEP	Superior Qualification	Veterans Recruitment Incentive
Department of Homeland Security percentage	0.79	22.48	0.10	0.41	1.04	0.35
Executive agency median percentage	1.49	6.70	2.21	2.06	3.03	0.45

Source: GAO analysis of CPDF data.

Note: We did not adjust rates in usage to account for differences between agencies or DHS components such as the proportion of employees in different personnel systems.

Figure 7: DHS Components Rate the Effectiveness of Human Capital Flexibilities for Recruiting New Staff

	U.S. Citizenship and Immigration Services	Transportation Security Administration	Federal Law Enforcement Training Center	U.S. Coast Guard	U.S. Secret Service	U.S. Immigration and Customs Enforcement	U.S. Customs and Border Protection	Office of the Under Secretary for Science and Technology	U.S. Visitor and Immigrant Status Indicator Technology	Office of the Inspector General	Federal Emergency Management Agency	Domestic Nuclear Detection Office	DHS Headquarters	Management Directorate
Superior qualification rate or special rate or critical position pay	●	●	●	●	●	●	●	●	●	●	●	●	●	●
Federal career intern program				●		●	●			●				
Student career experience effectiveness	●		●	●	●	●	●			●			●	●
Direct hire authority	⊙		●			●	●					●	●	●
Recruitment incentive		●		●	⊙									
Veterans recruitment authority	●		●			●	⊙		●	⊙	●			
Student loan repayment	○													
Foreign language award					●	●								
Reemployed annuitant waiver		●	●			●	●			●	●			

- Very effective
- ⊙ Somewhat effective
- Not very effective
- Component did not use the flexibility in fiscal year 2005

Source: GAO analysis of survey results.

Figure 8: DHS Components Rate the Effectiveness of Human Capital Flexibilities for Retaining Staff

	U.S. Citizenship and Immigration Services	Transportation Security Administration	Federal Law Enforcement Training Center	U.S. Coast Guard	U.S. Secret Service	U.S. Immigration and Customs Enforcement	U.S. Customs and Border Protection	Office of the Under Secretary for Science and Technology	U.S. Visitor and Immigrant Status Indicator Technology	Office of the Inspector General	Federal Emergency Management Agency	Domestic Nuclear Detection Office	DHS Headquarters	Management Directorate
Individual and group cash award	●	●	●	○	●	●	●	●	●	●	●	●	●	●
Individual and group cash time-off award	●	●	●	○	●	●	●	●	●	●	●	●	●	●
Quality step increase	●		●	○	●	●	●	●	Doesn't know	Doesn't know	●	●	●	●
Individual and group cash suggestion/invention award		●	Doesn't know											
Relocation incentive		●	●	●	●	●	●	●				●	●	
Retention incentive		●	●	●	●	●	●	●		●				
Superior qualification rate or special rate or critical position pay		●	●	NA	●	●	●	●	Doesn't know	●	●	●	●	●
Student loan repayment	●													
Foreign language award				●	●									

- Very effective
- Somewhat effective
- Not very effective
- Component did not use the flexibility in fiscal year 2005
- NA Component reported they only used the flexibility for new employees

Source: GAO analysis of survey results.

Table 21: Flexibilities Components Would Have Liked to Use More Often and the Factors That Prevented Them from Doing So

Flexibility	Lack of funding	OPM rules and regulations	Lack of written policies and procedures	Other	Total number of component officials saying they would have liked to use flexibility more
Recruitment Incentive	1	0	0	0	1
Direct Hire Authority	1	8	0	0	8 ^a
Re-employed Annuitant Waiver	1	3	0	1	5
SCEP	3	0	0	1	4
FCIP	0	0	0	2	2
Retention Incentive	0	1	1	1	3
Quality Step Increase	3	1	0	0	4
Individual and group cash awards	2	1	0	0	3
Individual and group suggestion awards	1	0	1	0	2
Individual and group time-off awards	0	0	0	2	2
Relocation incentive	2	1	0	0	3
Superior Qualifications Rate	0	1	0	0	1
Student loan repayment	5	0	2	1	7 ^a

Source: GAO analysis of survey results.

^aA component cited multiple reasons.

As part of our survey, we asked DHS components the following:

Were there any occasions where you would have liked to have used a flexibility, but were prevented from doing so?

If yes, did any of the following reasons prevent you from using the flexibility?

- Lack of funding
- Lack of support within the component
- Lack of support from DHS
- Lack of written policies and procedures
- Concerns about inconsistencies in implementation within DHS
- Lack of OPM guidance
- OPM rules and regulations
- Other

Appendix V: IPA and Personal Services Contracts

This appendix contains additional information on IPAs and personal services contracts. Specifically, it includes information on the following:

- The complete list of all 36 IPA agreements in place at DHS as of September 30, 2006.
- The name of the employing DHS component.
- The employer of the IPA individual.
- The position title and description of duties of each IPA individual.
- The complete list of all 61 personal services contracts in place at DHS as of September 30, 2006.
- The name of the DHS component that utilized the personal services contracts.
- The salary/contract value of each personal services contract.
- The name of the position and description of the assignment of each personal services contract.

Table 22: Intergovernmental Personnel Act Agreements at DHS as of September 30, 2006

DHS component	Number identifier	Employer	Position title and assignment description
U.S. Customs and Border Protection	1	Pacific Northwest National Laboratory	Systems Engineer. Provides leadership in the development of detailed specifications for nuclear detection systems. Leads system engineering studies, documenting the functions and requirements of global nuclear detection architecture, trades studies evaluating alternative technology solutions to fulfill the functions and requirements, and identifies capability gaps between existing technology and the detection requirements for the global architecture.
Domestic Nuclear Detection Office	2	National Technology Securities LLC	Test Scientist/Senior Scientist. Provides DHS with subject matter expertise relating to detection and sensor systems. Converts knowledge into specific test plans and protocols for detection systems. Leads the team responsible for data collection.
	3	Lawrence Livermore National Laboratory	Scientist. Manages projects and activities in the areas of nuclear and radiological forensics. Provides subject matter expertise, analysis of technical and operational requirements and performance specifications for information and knowledge management systems. Works on an interagency basis to ensure that defined roles, responsibilities and relationships are developed and implemented to ensure an effective national forensics program.
	4	Lawrence Livermore National Laboratory	Scientific Advisor. Provides DHS with subject matter expertise in radiation detection and sensor systems. Provides support in the development of a technical reachback capability. Develops and conducts radiation detection efforts. Serves as technical advisor for international cooperation and exchanges.

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DHS component	Number identifier	Employer	Position title and assignment description
	5	Los Alamos National Laboratory	Lead System Architect. Manages systems architecture development activities, support staff, and support contracts. Coordinates within DHS and externally (federal, state, and local) on the development of the architecture. Establishes baseline architecture. Develops system performance metrics and assessment methodologies. Develops and assesses architecture options.
Office of Intelligence Analysis	6	Sandia National Laboratories	Chief Scientist/Deputy Director. Discovers, defines and implements threat assessment approaches. Analyzes weapons of mass destruction-related intelligence.
	7	New Jersey Office of Homeland Security & Preparedness	Analyst. Serves as state liaison officer. Specialist in analytical operations, functions, techniques, and projects. Establishes link between state and national intelligence communities for information sharing.
Office of Policy	8	Center for Strategic and International Studies	Program Analyst. Provides expertise in studying and producing strategies to combat terrorist tactics and organizations. Conducts management surveys and research projects and provides advisory services to assess the effectiveness of program operations. Analyzes and evaluates quantitative or qualitative effectiveness of program operations in meeting established goals and objectives. Develops measurement criteria, procedures, and data collection instruments. Collects, reviews, evaluates, and interprets data.
Office of Preparedness	9	Fairmount, Colo., Fire Protection District	Assistant Fire Specialist. Provides support services to satisfy objectives of the Assistance to Firefighters Act Grant Program (AFG) through planning, implementation, monitoring, and analysis activities as outlined by the AFG program office. Conducts workshops for grant applicants. Reviews and makes recommendations on grant amendment requests. Provides technical assistance in the development of informational materials. Implements and maintains program activities relating to the AFG program. Tracks issues on a variety of fire service-related topics and makes recommendations as they apply to AFG. Recommends activities or program actions on grants and provides technical direction to grantees.
	10	University of Pittsburgh	Program Specialist. Provides support services to satisfy objectives of the AFG through planning, implementation, monitoring, and analysis activities as outlined by the AFG program office. Conducts workshops for grant applicants. Reviews and makes recommendations on grant amendment requests. Provides technical assistance in the development of informational materials. Implements and maintains program activities relating to the AFG program. Tracks issues on a variety of fire service-related topics and makes recommendations as they apply to AFG. Recommends activities or program actions on grants and provides technical direction to grantees.

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DHS component	Number identifier	Employer	Position title and assignment description
	11	City of Berkeley	Program Specialist. Provides support services to satisfy objectives of the AFG through planning, implementation, monitoring, and analysis activities as outlined by the AFG program office. Conducts workshops for grant applicants. Reviews and makes recommendations on grant amendment requests. Provides technical assistance in the development of informational materials. Implements and maintains program activities relating to the AFG program. Tracks issues on a variety of fire service-related topics and makes recommendations as they apply to AFG. Recommends activities or program actions on grants and provides technical direction to grantees.
	12	Town of Waterville Valley, N.H.	Program Specialist. Provides support services to satisfy objectives of the AFG through planning, implementation, monitoring, and analysis activities as outlined by the AFG program office. Conducts workshops for grant applicants. Reviews and makes recommendations on grant amendment requests. Provides technical assistance in the development of informational materials. Implements and maintains program activities relating to the AFG program. Tracks issues on a variety of fire service-related topics and makes recommendations as they apply to AFG. Recommends activities or program actions on grants and provides technical direction to grantees.
	13	New York City Police Department	Section Member/Program Manager. Serves as security specialist. Serves as a technical authority on threats to the national infrastructure and coordinates projects designed to improve the protection and reliability of our national infrastructure. Facilitates information sharing and program planning and implementation with industry representatives and other federal, state and local jurisdictions.
	14	Carnegie Mellon University	Acting Director, National Cybersecurity Division. Develops incident and warning non-disclosure policies. Assists the US CERT team in the development of non-disclosure policies and the analysis of key elements and related legal and regulatory factors affecting non-disclosure policies. Assists the US CERT team in identifying research and development needs and priorities. Assesses policies and working protocols to enhance information sharing and incident analysis as well as an assessment of opportunities for collaboration between the US CERT and regional CERT initiatives in other countries.
	15	Office of the Illinois State Fire Marshal	Program Specialist. Provides support services to satisfy objectives of the AFG through planning, implementation, monitoring and analysis activities as outlined by the AFG program office. Conducts workshops for grant applicants. Reviews and makes recommendations on grant amendment requests. Provides technical assistance in the development of informational materials. Implements and maintains program activities relating to the AFG program. Tracks issues on a variety of fire service-related topics and makes recommendations as they apply to AFG. Recommends activities or program actions on grants and provides technical direction to grantees.

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DHS component	Number identifier	Employer	Position title and assignment description
	16	University of North Carolina at Chapel Hill	Technical Advisor. Serves as the principal advisor regarding issues that impact the Federal government's ability to respond to disasters and terrorist attacks. Possesses a through knowledge of emergency medical preparedness and emergency medical services. Serves as point of contact in developing the master plan for overall medical preparedness operations and response.
	17	Idaho National Laboratory	Senior Technical Advisor. Provides expertise in risk analysis and systems interdependencies. Develops and refines risk-based methodology used to determine allocation of DHS resources to include comprehensive reviews and buffer zone protection plans. Provides overall guidance to risk-based analysis of infrastructure as it pertains to local, state, and federal grant programs. Directs coordinate infrastructure analytical efforts of agency personnel to develop critical tools to allow threat information to be evaluated.
	18	Georgetown University Medical Center	Technical Advisor. Provides technical leadership and operational management to the National Bio-surveillance Integration System (NBIS). Helps develop procedures for operation of the analysis team, designing analysis methods for event detection and characterization, making recommendations for analysis team training requirements and conducting regular team readiness assessments. Provides management and leadership of the team during exercises or actual events.
	19	Fairmount, Colo., Fire Protection District	Program Specialist. Provides support services to satisfy objectives of the AFG through planning, implementation, monitoring, and analysis activities as outlined by the AFG program office. Conducts workshops for grant applicants. Reviews and makes recommendations on grant amendment requests. Provides technical assistance in the development of informational materials. Implements and maintains program activities relating to the AFG program. Tracks issues on a variety of fire service-related topics and makes recommendations as they apply to AFG. Recommends activities or program actions on grants and provides technical direction to grantees.
Science and Technology Directorate	20	Lawrence Livermore National Laboratory	Center Director, Biothreat Characterization Center (BTCC)/NBAC. Provides DHS with senior technical, management and operational expertise essential for effective operations of S&T. Provides critical laboratory management experience needed for continuity of operations. Develops, manages, and executes a scientific program to assess the risks of biological threat agents. Assesses and identifies science and technology requirements in providing laboratory capability and predictive data.
	21	South Carolina Research Authority	Program Manager, Office of Systems Engineering and Development. Responsible for strategic, technical resource planning, and execution of short- and long-range programmatic goals. Promotes, coordinates, and maintains standardization and integration of program and portfolio support with other program managers. Evaluates emerging technologies for potential insertion into assigned programs. Establishes goals, measures, metrics, and priorities to focus on performance management.

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DHS component	Number identifier	Employer	Position title and assignment description
	22	Tufts University	Program Director, University Programs. Assists in establishing policies and programs related to universities and colleges to support U.S. leadership in science and technology. Ensures nationwide participation in DHS extramural programs. Establishes university-based centers for homeland security.
	23	Lawrence Livermore National Laboratory	Emergency Response Manager. Provides critical scientific expertise and radiological emergency response experience. Serves as a subject matter expert for radiological emergency response and consequences management. Facilitates the integration and coordination of emergency response assets. Supports First Responders training and preparedness. Participates in federal interagency working groups for emergency response and consequence management.
	24	Los Alamos National Laboratory	Intelligence Analyst. Provides technical analysis in the area of chemical weapons.
	25	Eastern Kentucky University	Deputy Director. Provides program and policy analysis. Coordinates interoperability programs, ensuring programs are linked with other federal, state, and local interoperability programs. Serves as primary liaison to public safety officials. Provides advice and guidance on federal, state, and local funding.
	26	Texas A&M University	Program Manager. Works as part of a highly integrated multi-disciplinary team to guide the formation of science and technology agendas. Oversees projects impacting readiness for biological defense. Provides expert advice on policy matters.
	27	DeWitt (N.Y.) Fire District	Program Specialist. Responsible for designing, setting up, implementing, and monitoring programs to develop tools, technologies, and systems to support homeland security at the state and local levels. Obtains information needed to assess and identify homeland security technology/systems needs and gaps. Generates requirements for enhancing state and local preparedness. Proposes priorities to allocate budget, staff, and resources. Develops strategic action plans and works with federal, state, and local governments to incorporate user requirements into homeland security efforts.
	28	Johns Hopkins University	Program Manager. Duties include systems engineering and project management for the design, development, integration, test and deployment of systems and processes to counter threats against critical infrastructures. Employee is knowledgeable in the fields of sensor systems, surveillance, software development, systems acquisition, systems engineering, and program management.
	29	Potomac Institute for Policy Studies	Program Manager. Provides expertise in concept development and management of prototypes and test beds to support the program plan. Responsible for solicitation, selection, initiation, and management of efforts in support of homeland security mission. Delivers capability, technology, components, prototypes, and test beds for programs.

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DHS component	Number identifier	Employer	Position title and assignment description
	30	Johns Hopkins University	Program Manager. Responsible for the solicitation, selection, initiation, and management of efforts in support of the homeland security mission. Delivers capability, technology, components, prototypes and test beds as specified in the program definition document. Responsible for identifying and initiating activities to transition technologies and capabilities in support of DHS missions. Responsible for monitoring the execution of programs, ensuring that program objectives are being met, and recommending remediation strategies.
	31	Pacific Northwest National Laboratory	Office Director. Responsible for developing strategy. Develops the plans, budgets, and prioritization of activities and performance measures within the portfolio. Coordinates within DHS and with federal agencies, academia, private industry, and research organizations as appropriate.
	32	Pacific Northwest National Laboratory	Program Manager. Develops strategy for preparing program plans and develops comprehensive program plans for the bioassays, forensics, and technical resource areas. Identifies primary user and key technical assets for bioassays, forensics, and attribution. Defines execution plans for providing needed infrastructure. Defines critical decision points, milestones, and deliverables. Develops consensus among primary users and key technical assets on the comprehensive program plans.
	33	Florida Department of Health	Program Manager/Science Advisor. Defines the vision, strategic plan, and requirements for future biomonitoring systems and for their integration into an integrated national biomonitoring system. Builds the interagency partnerships necessary to accomplish this strategy, clearly defining agency roles and responsibilities. Serves as principal spokesperson for BioWatch and related systems in a variety of interagency and technical forums.
	34	National Institute of Aerospace	Program Executive Officer. Responsible for congressionally mandated program for protection of commercial aircraft. Responsible for keeping program on schedule, within budget, and meeting all performance criteria. Responsibilities include program reviews, system requirements reviews, design reviews, independent reviews, concept of operations definition, modeling, simulation, performance prediction, and life-cycle cost estimates.
	35	Idaho National Laboratory	Intelligence Analyst. Serves as subject matter expert on terrorist biological capabilities, plans, and intentions.
	36	Sandia National Laboratories	Division Director. Provides leadership and support for developing, demonstrating, and implementing technology programs to prevent, detect, deter, and mitigate the use of biological weapons. Oversees multiple large and/or complex technical programs, projects, and initiatives by providing input to assess and identify technology needs and gaps. Prepares annual and outyear portfolio-specific roadmaps. Coordinates with various agencies and the intelligence community on biological defense countermeasures. Works with federal, state, or local governments and private-sector entities to provide expertise, equipment, technologies, procedures, protocols, and integrated systems.

Source: DHS data.

**Appendix V: IPA and Personal Services
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Table 23: Personal Services Contracts at DHS as of September 30, 2006

DHS component	Number of contractors	Number of contracts	Salary/contract value^a	Name of position and assignment description
Office of Preparedness	1	1	\$139,774	Procurement Analyst. Technical assistance.
U.S. Customs and Border Protection	19	19	\$60.00/hr. or \$480/day	C-TPAT Validator/Subject Matter Expert. Validating security compliance of participating shippers.
	1	1	\$156.00/hr.	Technical Consultant. Provide technical assistance in communications to a foreign country.
	1	1	\$60.00/hr. or \$480/day	Program Advisor/SME. Organizational Process Analyst/Advisor to a foreign country.
	1	1	\$60.00/hr. or \$480/day	Program Advisor/SME. Advises the Ministry of Defense and Internal Affairs in a foreign country.
	1	2	\$60.00/hr. or \$480/day	C-TPAT Validator/SME. Validating security compliance of participating shippers & SME in a foreign country program. IC conducted survey of the foreign countries fines, penalties and seizures policies and procedures to determine if a more streamlined and simplified approach should be accepted.
	1	1	\$164,409	Chief of Party. Provides customs guidance, recommendations and assistance to the Director General of Customs in a foreign country.
	1	1	\$122,566	Senior Advisor. Provides border security and related law enforcement assistance.
	1	2	\$122,267/ \$50 per hr. not to exceed \$2,000 per week	Advisor. Provides border operations advisory services to officers dealing with border security management and cross-border crime interdiction & SECI close out.
	1	1	\$133,049	Investigations Advisor. Training and guidance in investigative procedures.
	1	1	\$126,301	Senior Advisor. Provides border security and related law enforcement assistance.
	1	1	\$114,875	Advisor. Works with matters dealing with a foreign country's border services relating to the expedited flow of goods and persons involved in international trade.
	1	1	\$50 per hr. not to exceed \$2,000 per week	SECI close out.
	1	1	\$400 per day pay rate	Advisor under the SECI program.
	1	1	\$60.00/hr. or \$480/day	Subject matter expert under the GBSLE program; worked directly with the GBSLE in-country staff, CPB headquarters' staff and contracting officer with regard to the selection of the contractor to provide operational repairs and maintenance for the GBSLE-built facilities (to include the aviation hanger).
	1	1	\$5,000 per week	Training under EXBS Program. Conducted 2 single week seminars on Undercover Stress Management.

**Appendix V: IPA and Personal Services
Contracts**

DHS component	Number of contractors	Number of contracts	Salary/contract value ^a	Name of position and assignment description
	1	1	Firm fixed price of \$10,000	EXBS Program. Seminar on Undercover Stress Management in three foreign countries.
U.S. Coast Guard ^b	1	2	\$75,362	Other medical services, spare parts.
	1	1	\$4,475,662	Laboratory testing services, factory visit program.
	1	1	\$1,275	Medical/psychological consultation services.
	1	1	\$1,080	Medical/psychological consultation services. Domestic violence treatment.
	1	1	\$315	Laboratory testing services.
	1	1	\$18,000	Nursing Services, temporary nursing services.
	1	1	0 ^c	Other Medical Services, labor, supervision, transportation, training aids & training materials to conduct a basic hazardous waste management training course at USCG Air Station Cape Cod.
	1	6	\$20,970,099	Other medical services and dental services.
	1	2	\$11,458,660	Other medical services.
	1	1	\$258,488	Dentistry services, Dental Assistant.
	1	1	\$103,313	Laboratory testing services. Medical safety testing.
	1	1	\$275,000	Medical/Psychological consultation services. Provide laboratory services for Coast Guard clinics.
	1	1	\$4,000	Other medical services (DNA testing).
	1	1	\$172,800	Cardio-Vascular services. Provide fitness center services.
	1	1	\$43,658	Laboratory Technician Assistance.
	1	1	\$2,700	Medical/Psychological Consultation Services. Anger Management groups.
	1	1	\$662	Laboratory testing services. Determine whether the water meets drinkability standards.

Source: DHS data.

Legend

- GBSLE Georgia Border Security Law and Enforcement Program
- EXBS Export and Border Security Program
- C-TPAT Customs Trade Partnership Against Terrorism
- SECI Southeast European Cooperative Initiative

Note: Data represent 52 contractors, with a total of 61 individual contracts.

^aValues represent salaries for individuals as reported by agencies.

^bValues represent total contract obligations as of September 30, 2006, and may reflect costs in addition to the salaries paid to individuals.

^cValue represents a contract modification and is a separate transaction from the original award, which was signed on a previous date in fiscal year 2006.

Appendix VI: Comments from the Department of Homeland Security

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

US GAO

2007 JUL 12 PM 1:15



Homeland
Security

July 9, 2007

Mr. Robert Goldenkoff
Acting Director
Homeland Security and Justice Issues
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Mr. Goldenkoff:

Thank you for the opportunity to review and comment on the Government Accountability Office's (GAO) draft report GAO-07-758 entitled *Homeland Security: DHS Uses Various Human Capital Management Strategies to Recruit and Retain Staff, but Has Not Fully Complied with Vacancies Reform Act*.

We concur with the recommendation that to help ensure compliance with the requirements of the Federal Vacancies Reform Act (FVRA), the Department's Office of the General Counsel should develop written policies and procedures that clearly explain the duties of officials responsible for ensuring compliance with the act and how they are to carry out those duties. Prior to receiving this draft report, a written draft of FVRA policy and procedures was formulated. Currently the draft is being circulated for comment internally within the Department for final clearance. We hope to have a finalized copy available when we submit our 60 day letter which updates Congress and GAO on the progress of the recommendation.

Thank you again for the opportunity to comment on this draft report and we look forward to working with you on future homeland security issues.

Sincerely,

A handwritten signature in black ink that reads "Steven J. Pecinovsky".

Steven J. Pecinovsky
Director
Departmental GAO/OIG Liaison Office

www.dhs.gov

Appendix VII: GAO Contact and Acknowledgments

GAO Contact

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