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HOMELAND SECURITY

Management and Programmatic Challenges Facing the Department of Homeland Security

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U.S. Government Accountability Office

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Why GAO Did This Study

The Department of Homeland Security (DHS) plays a key role in leading and coordinating—with stakeholders in the federal, state, local, and private sectors—the nation's homeland security efforts. GAO has conducted numerous reviews of DHS management functions as well as programs including transportation and border security, immigration enforcement and service delivery, and disaster preparation and response. This testimony addresses:

- why GAO designated DHS's implementation and transformation as a high-risk area,
- management challenges facing DHS,
- programmatic challenges facing DHS, and
- actions DHS should take to strengthen its implementation and transformation efforts.

What GAO Recommends

This testimony contains no recommendations. However, GAO has made numerous prior recommendations to DHS in reports addressing the issues identified in this statement. Although DHS generally concurred with these recommendations, it has not identified whether it has taken corrective actions to address most of the recommendations made.

What GAO Found

GAO designated implementing and transforming DHS as high risk in 2003 because DHS had to transform 22 agencies—several with existing program and management challenges—into one department, and failure to effectively address its challenges could have serious consequences for our homeland security. Despite some progress, this transformation remains high risk.

Managing the transformation of an organization of the size and complexity of DHS requires comprehensive planning and integration of key management functions that will likely span a number of years. DHS has made some progress in these areas, but much additional work is required to help ensure success. While DHS has developed a strategic plan, the plan does not link resource requirements to goals and objectives, and it does not involve key stakeholders to ensure resource investments target the highest priorities. DHS has also issued guidance and plans to assist management integration on a function by function basis, but lacks a comprehensive integration strategy with overall goals, a timeline, and a dedicated team to support its efforts. The latest independent audit of DHS's financial statements revealed 10 material weaknesses and confirmed that DHS's financial management systems still do not conform to federal requirements. DHS has also not institutionalized an effective strategic framework for information management, and its human capital and acquisition systems require further attention to ensure that DHS allocates resources efficiently and effectively.

Since GAO's 2005 high-risk update, DHS has taken actions to strengthen program activities. However, DHS continues to face programmatic and partnering challenges. To help ensure its missions are achieved, DHS must overcome continued challenges related to cargo, transportation, and border security; systematic visitor tracking; efforts to combat the employment of illegal aliens; and outdated Coast Guard asset capabilities. Further, DHS and the Federal Emergency Management Agency need to continue to develop clearly defined leadership roles and responsibilities; necessary disaster response capabilities; accountability systems to provide effective services while protecting against waste, fraud, and abuse; and the ability to conduct advanced contracting for emergency response goods and services.

DHS has not produced a final corrective action plan specifying how it will address its management challenges. Such a plan should define the root causes of known problems, identify effective solutions, have management support, and provide for substantially completing corrective measures in the near term. It should also include performance metrics and milestones, as well as mechanisms to monitor progress. It will also be important for DHS to become more transparent and minimize recurring delays in providing access to information on its programs and operations so that Congress, GAO, and others can independently assess its efforts. DHS may ultimately require a chief management official dedicated to the overall transformation process in order to expedite and help ensure sustainable success over time.

_____ **United States Government Accountability Office**

Mr. Chairman and Members of the Committee:

I appreciate the opportunity to appear before the committee to address management and programmatic challenges facing the Department of Homeland Security (DHS). I have spoken extensively about the fiscal crisis our nation faces with the coming retirement of the baby boom generation and the related growth in entitlement spending. The current financial condition in the United States is worse than is widely understood and is not sustainable. Meeting the long-term fiscal challenge will require (1) significant entitlement reform to change the path of those programs; (2) reprioritizing, restructuring and constraining other spending programs; and (3) additional revenues--such as through a reformed tax system. These efforts will require bipartisan cooperation and compromise.

Irrespective of our fiscal situation, it is important for federal departments—including DHS—to operate as efficiently and effectively as possible in carrying out their missions. At the same time, we also face new and uncertain threats to our security, both overseas and at home, that require continued attention. Without this focus, the consequences can be catastrophic. We designated the implementation and transformation of DHS as a high-risk area in 2003 and continued that designation in our 2005 update. In my testimony today, I will explain why we have decided to maintain this area on our 2007 high risk list. I will focus on four areas:

- why we originally designated DHS's implementation and transformation as a high-risk area,

- specific management challenges that DHS continues to face,

- examples of the program challenges that DHS faces, and

- actions DHS should take to strengthen its implementation and transformation efforts.

My comments today are based on our wide-ranging work on DHS since the 2005 high-risk update, as well as our institutional knowledge of homeland security and various government organizational and management issues. We conducted our work in accordance with generally accepted government auditing standards. A listing of GAO reports related to the transformation, management, and program challenges discussed in this statement are contained in Appendix 1.

Summary

We first designated DHS's implementation and transformation as high risk in 2003 because 22 disparate agencies had to transform into one department. Many of these individual agencies were facing their own management and mission challenges. But most importantly, the failure to effectively address DHS's management challenges and program risks could have serious consequences for our homeland security as well as our economy. We kept the DHS implementation and transformation on the high-risk list in 2005 because serious transformation challenges continued to hinder DHS's success. Since then, our and the DHS Inspector General's (IG) reports have documented DHS's progress and remaining challenges in transforming into an effective, integrated organization. For example, in the management area, DHS has developed a strategic plan, is working to integrate some management functions, and has continued to form necessary partnerships to achieve mission success. Despite these efforts, however, the DHS implementation and transformation continues to remain on the 2007 high-risk list because numerous management challenges remain. For example,

- Although DHS has issued guidance and plans to assist management integration on a function by function basis, DHS lacks a comprehensive management integration strategy with overall goals, timelines, and a team dedicated to support its integration efforts.
- The DHS strategic plan addresses five of six Government Performance and Results Act required elements and takes into account its non-homeland security missions, such as responding to natural disasters. However, DHS and its components must also improve planning by linking resource needs to its goals and promoting greater stakeholder involvement to ensure resource investments target the highest priorities.
- Several DHS programs have not developed outcome-based measures to assess performance.
- While the Secretary of DHS has expressed a commitment to risk management, DHS has not performed comprehensive risk assessments in transportation, trade, critical infrastructure, or the immigration and customs systems to guide resource allocation decisions.
- Since its creation, DHS has been unable to obtain an unqualified or "clean" audit opinion on its financial statements. The auditors continue to report 10 material internal control weaknesses and that DHS's financial systems do not substantially comply with federal requirements. These weaknesses highlight the concern that DHS, the second-largest government agency, may not be able to account for all of its funding and resources or have reliable financial information for management and budget purposes.

- DHS has not institutionalized an effective strategic framework for information management to, among other things, guide technology investments, and despite some progress, DHS's human capital—the centerpiece of its transformation efforts—and acquisition systems will require continued attention to help prevent waste and to ensure that DHS can allocate its resources efficiently and effectively.

DHS has taken some actions to strengthen program activities in areas such as cargo, transportation, and border security; Coast Guard acquisition management; disaster preparedness conducting advance contracting for goods and services; and immigration services. However, DHS continues to face programmatic and partnering challenges. To help ensure its missions are achieved, DHS must overcome continued challenges related to:

- strengthening cargo and passenger screening, visitor tracking, efforts to combat the employment of illegal aliens, and outdated Coast Guard asset capabilities;
- balancing its homeland security and other missions, such as disaster preparedness; and
- clearly defining leadership roles and responsibilities, developing necessary disaster response capabilities, and establishing accountability systems to provide effective services while protecting against waste, fraud, and abuse at the Federal Emergency Management Agency (FEMA).

To be removed from GAO's high-risk list,[1] agencies must do three things. First, they have to produce a corrective action plan that defines the root causes of identified problems, identifies effective solutions to those problems, and provides for substantially completing corrective measures in the near term. Such a plan should include performance metrics and milestones, as well as mechanisms to monitor progress. In the spring of 2006, DHS provided us with a draft corrective action plan that did not contain key elements we have identified as necessary for an effective corrective action plan, including specific actions to address identified objectives. Second, agencies must demonstrate significant progress in addressing the problems identified in their corrective action plan. To date, DHS has not been transparent in its efforts in strengthening its management areas and mission functions. While much of its sensitive work needs to be guarded from improper disclosure, DHS has not been

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[1]GAO, *Determining Performance and Accountability Challenges and High Risks*, GAO-01-159SP (Washington, D.C.: Nov. 1, 2000).

receptive towards oversight and its delays in providing Congress and us with access to various documents and officials have impeded our work. Finally, agencies, in particular top leadership, must demonstrate a commitment to achieve any remaining key objectives and sustain various improvements in their performance over the long term. Although DHS leaders have expressed their intent to integrate legacy agencies into the new department, they have not dedicated the resources needed to oversee this effort and have not been responsive to many directions from Congress and recommendations from study groups and accountability organizations like the IGs and GAO.

Background

In an effort to strengthen homeland security following the September 11, 2001, terrorist attacks on the United States, President Bush issued the National Strategy for Homeland Security in July 2002 and signed legislation creating DHS in November 2002.[2] The strategy set forth the overall objectives, mission areas, and initiatives to prevent terrorist attacks within the United States; reduce America's vulnerability to terrorism; and minimize the damage and assist in the recovery from attacks that may occur.

DHS, which began operations in March 2003, represented a fusion of 22 federal agencies to coordinate and centralize the leadership of many homeland security activities under a single department. Although the National Strategy for Homeland Security identified that many other federal departments (and other nonfederal stakeholders) are involved in homeland security activities, DHS has the dominant role in implementing the strategy. The strategy identified 6 mission areas and 43 initiatives. DHS was designated as the lead federal agency for 37 of the 43 initiatives, and has activities under way in 40 of the 43 initiatives.

The Homeland Security Act of 2002, which created DHS, represented a historic moment of almost unprecedented action by the federal government to fundamentally transform how the nation thinks of homeland security, including how it protects itself from terrorism. Also significant was the fact that many of the 22 departments brought together under DHS were not focused on homeland security missions prior to September 11, 2001. Rarely in the country's past had such a large and complex reorganization of government occurred or been developed with

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[2]Homeland Security Act of 2002, Pub. L. No. 107-296, 116 Stat. 2135.

such a singular and urgent purpose. The creation of DHS represented a unique opportunity to transform a disparate group of agencies with multiple missions, values, and cultures into a strong and effective cabinet department whose goals are to, among other things, protect U.S. borders and infrastructure, improve intelligence and information sharing, and prevent and respond to potential terrorist attacks. Together with this unique opportunity, however, came a significant risk to the nation that could occur if the department's implementation and transformation efforts were not successful.

Mission areas designated as high risk have national significance, while other areas designated as high risk represent management functions that are important for agency performance and accountability. The identified areas can have a qualitative risk that may be detrimental to public health or safety, national security, and economic growth, or a fiscal risk due to the size of the program in question. Examples of high-risk areas include federal governmentwide problems, like human capital management; large programs, like Social Security, Medicaid, and Medicare; and more narrow issues, such as contracting at a specific agency. The DHS transformation is unique in that it involves reorganization, management, and program challenges simultaneously.

DHS's Transformation

We first designated DHS's transformation as high risk in January 2003 based on three factors. First, DHS faced enormous challenges in implementing an effective transformation process, developing partnerships, and building needed management capacity because it had to effectively combine 22 agencies with an estimated 170,000 employees into one department. Second, DHS faced a broad array of operational and management challenges that it inherited from its component legacy agencies. For example, many of the major components that were merged into the department, including the Immigration and Naturalization Service, the Transportation Security Administration, the Customs Service, the Federal Emergency Management Agency, and the Coast Guard, brought with them existing challenges in areas such as strategic human capital, information technology, and financial management. Finally, DHS's national security mission was of such importance that the failure to effectively address its management challenges and program risks could have serious consequences on our intergovernmental system, our citizens' health and safety, and our economy.

Our prior work on mergers and acquisitions, undertaken before the creation of DHS, found that successful transformations of large

organizations, even those faced with less strenuous reorganizations than DHS, can take 5 to 7 years to achieve.[3] On the basis of the need for more progress in its transformation efforts, DHS's implementation and transformation stayed on our high-risk update for 2005. Further, in November of 2006, we provided the congressional leadership a listing of government programs, functions, and activities that warrant further congressional oversight.[4] Among the issues included were DHS integration and transformation efforts.

DHS Must Address Key Management Challenges

Managing the transformation of an organization of the size and complexity of DHS requires comprehensive planning, integration of key management functions across the department, and partnering with stakeholders across the public and private sectors. DHS has made some progress in each of these areas, but much additional work is required to help ensure sustainable success. Apart from these integration efforts, however, a successful transformation will also require DHS to follow through on its initial actions of building capacity to improve the management of its financial and information technology systems, as well as its human capital and acquisition efforts.

DHS Transformation and Integration

Thorough planning is important for DHS to successfully transform and integrate the management functions of 22 disparate agencies into a common framework that supports the organization as a whole. Our past work has identified progress DHS has made in its planning efforts.[5] For example, the DHS strategic plan addresses five of six Government Performance and Results Act required elements and takes into account its non-homeland security missions, such as responding to natural disasters. Furthermore, several DHS components have developed their own strategic

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[3]GAO, *Highlights of a GAO Forum: Mergers and Transformation: Lessons Learned for a Department of Homeland Security and Other Federal Agencies*, GAO-03-293SP (Washington, D.C.: Nov. 14, 2002).

[4]GAO, *Suggested Areas for Oversight for the 110th Congress*, GAO-07-235R (Washington, D.C.: Nov. 17, 2006).

[5]GAO, *Results Oriented Government: Improvements to DHS's Planning Process Would Enhance Usefulness and Accountability*, GAO-05-300 (Washington, D.C.: Mar. 31, 2005); *Homeland Security: Better Management Practices Could Enhance DHS's Ability to Allocate Investigative Resources*, GAO-06-462T (Washington, D.C.: Mar. 28, 2006); *Border Patrol: Available Data on Interior Checkpoints Suggest Differences in Sector Performance*, GAO-05-435 (Washington, D.C.: Jul. 22, 2005).

plans or strategic plans for missions within their areas of responsibility. For example, U.S. Immigration and Custom's Enforcement (ICE) has produced an interim strategic plan that identifies its goals and objectives, and the U.S. Customs and Border Protection (CBP) developed a border patrol strategy and an anti terrorism trade strategic plan. However, deficiencies in DHS's planning efforts remain. A DHS-wide transformation strategy should include a strategic plan that identifies specific budgetary, human capital, and other resources needed to achieve stated goals. The strategy should also involve key stakeholders to help ensure that resource investments target the highest priorities. DHS's existing strategic plan lacks these linkages, and DHS has not effectively involved stakeholders in the development of the plan. DHS has also not completed other important planning-related activities. For example, some of DHS's components have not developed adequate outcome-based performance measures or comprehensive plans to monitor, assess, and independently evaluate the effectiveness of their plans and performance.

Integrating core management functions like financial, information technology, human capital, and procurement is also important if DHS is to transform itself into a cohesive, high-performing organization. However, DHS lacks a comprehensive management integration strategy with overall goals, a timeline, and a dedicated team to support its management integration efforts. In 2005, we recommended that DHS establish implementation goals and a timeline for its management integration efforts as part of a comprehensive integration strategy, a key practice to help ensure success for a merger or transformation. Although DHS has issued guidance and plans to assist management integration on a function by function basis, it has not developed a plan that clearly identifies the critical links that should occur across these functions, the necessary timing to make these links occur, how these interrelationships will occur, and who will drive and manage them. In addition, although DHS had established a Business Transformation Office that reported to the Under Secretary for Management to help monitor and look for interdependencies among the individual functional management integration efforts, that office was not responsible for leading and managing the coordination and integration itself. In addition to the Business Transformation Office, we have suggested that Congress should continue to monitor whether it needs to provide additional leadership authorities to the DHS Under Secretary for Management or create a Chief Operating Officer/Chief Management Officer position which could help elevate, integrate, and institutionalize DHS's management initiatives.

Finally, DHS cannot successfully achieve its homeland security mission without working with other entities that share responsibility for securing the homeland. Partnering for progress with other governmental agencies and private sector entities is central to achieving its missions. Since 2005, DHS has continued to form necessary partnerships and has undertaken a number of coordination efforts with private sector entities. These include, for example, partnering with (1) airlines to improve aviation passenger and cargo screening, (2) the maritime shipping industry to facilitate containerized cargo inspection, (3) financial institutions to follow the money trail in immigration and customs investigations, and (4) the chemical industry to enhance critical infrastructure protection at such facilities.[6] In addition, FEMA has worked with other federal, state, and local entities to improve planning for disaster response and recovery. However, partnering challenges continue as DHS seeks to form more effective partnerships to leverage resources and more effectively carry out its homeland security responsibilities. For example, because DHS has only limited authority to address security at chemical facilities, it must continue to work with the chemical industry to ensure that it is assessing vulnerabilities and implementing security measures. Also, while TSA has taken steps to collaborate with federal and private sector stakeholders in the implementation of its Secure Flight program, these stakeholders stated that TSA has not provided them with the information they would need to support TSA's efforts as they move forward with the program.

Financial Management and Internal Controls

DHS has made limited improvements in addressing financial management and internal control weaknesses and continues to face significant challenges in these areas. For example, since its creation, DHS has been unable to obtain an unqualified or "clean" audit opinion on its financial statements. The independent auditor's report cited 10 material weaknesses—i.e., significant deficiencies in DHS's internal controls—showing no decrease from fiscal year 2005. These weaknesses included financial management oversight, financial reporting, financial systems

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[6]GAO, *Aviation Security: Significant Management Challenges May Adversely Affect Implementation of the Transportation Security Administration's Secure Flight Program*, GAO-06-374T (Washington, D.C.: Feb. 9, 2006); *Maritime Security: Enhancements Made, but Implementation and Sustainability Remain Key Challenges*, GAO-05-448T (Washington, D.C.: May 17, 2005); *Homeland Security: Better Management Practices Could Enhance DHS's Ability to Allocate Investigative Resources*, GAO-06-462T (Washington, D.C.: Mar. 28, 2006); and *Homeland Security: DHS Is Addressing Security at Chemical Facilities, but Additional Authority Is Needed*, GAO-06-899T (Washington, D.C.: June 21, 2006).

security, and budgetary accounting. Furthermore, the report found two other reportable conditions and instances of non-compliance with eight laws and regulations, including the Federal Managers' Financial Integrity Act of 1982, the Federal Financial Management Improvement Act of 1996, and the Federal Information Security Management Act of 2002.[7] While there continue to be material weaknesses in its financial management systems, DHS has made some progress in this area. For example, the independent auditor's fiscal year 2006 report noted that DHS had made improvements at the component level to improve financial reporting during fiscal year 2006, although many challenges were remaining. Also, DHS and its components have reported developing corrective action plans to address the specific material internal control weaknesses identified.

In addition to the independent audits, we have done work to assess DHS's financial management and internal controls. For example, in 2004, we reviewed DHS's progress in addressing financial management weaknesses and integrating its financial systems.[8] Specifically, we identified weaknesses in the financial management systems DHS inherited from the 22 component agencies, assessed DHS progress in addressing these weaknesses, identified plans DHS had to integrate its financial management systems, and reviewed whether the planned systems DHS was developing would meet the requirements of relevant financial management improvement legislation. On the basis of our work, we recommended that DHS (1) give sustained attention to addressing previously reported material weaknesses, reportable conditions, and observations and recommendations; (2) complete development of corrective action plans for all material weaknesses, reportable conditions, and observations and recommendations; (3) ensure that internal control weaknesses are addressed at the component level if they were combined or reclassified at the departmentwide level; and (4) maintain a tracking system of all auditor-identified and management-identified control weaknesses. These recommendations are still relevant today.

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[7]Department of Homeland Security, Office of Inspector General. *Independent Auditors' Report on DHS' FY 2006 Financial Statements.* OIG-07-10. (Washington, D.C.: November 2006).

[8]GAO, *Financial Management: Department of Homeland Security Faces Significant Financial Management Challenges*, GAO-04-774 (Washington, D.C.: July 19, 2004).

Information Technology

A departmentwide information technology (IT) governance framework—including controls (disciplines) aimed at effectively managing IT-related people, processes, and tools—is vital to DHS's transformation efforts. These controls and disciplines include

- having and using an enterprise architecture, or corporate blueprint, as an authoritative frame of reference to guide and constrain IT investments;
- defining and following a corporate process for informed decision making by senior leadership about competing IT investment options;
- applying system and software development and acquisition discipline and rigor when defining, designing, developing, testing, deploying, and maintaining systems;
- establishing a comprehensive information security program to protect its information and systems;
- having sufficient people with the right knowledge, skills, and abilities to execute each of these areas now and in the future; and
- centralizing leadership for extending these disciplines throughout the organization with an empowered Chief Information Officer.[9]

In early 2006, we testified on DHS's progress regarding its IT management controls. At the time, we reported that DHS had made efforts during the previous 3 to 4 years, to establish and implement IT management controls and disciplines, but progress in these key areas had been uneven, and more remained to be accomplished. Specifically, DHS had made improvements in its enterprise architecture by establishing departmentwide technology standards. It had also developed and initiated the implementation of a plan to introduce a shared services orientation to the architecture, particularly for information services, such as data centers and e-mail. In addition, to strengthen IT investment management, DHS established an acquisition project performance reporting system, aligned its investment management cycle and associated milestones with the department's annual budget preparation process, and linked investment management systems to standardize and make consistent the financial data used to make investment decisions. Further, to develop more effective information security management, DHS completed a comprehensive inventory of its major information systems and implemented a departmentwide tool that incorporates the guidance required to adequately complete security certification and accreditation

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[9]GAO, *Homeland Security: Progress Continues, but Challenges Remain on Department's Management of Information Technology*, GAO-06-598T (Washington, D.C.: Mar. 29, 2006).

for all systems. We have ongoing work that will update the status of DHS's IT management controls.

Despite these efforts, DHS must do more before each of these management controls and capabilities is fully mature and institutionalized. For example, our reviews of key nonfinancial systems shows that DHS has not consistently employed reliable cost-estimating practices, effective requirements development and test management, meaningful performance measurement, strategic workforce management, and proactive risk management, among other recognized program management best practices. In addition, DHS has not fully implemented a comprehensive information security program; and goals related to consolidating networks and e-mail systems, for example, remain to be fully accomplished. More work also remains in deploying and operating IT systems and infrastructure in support of DHS's core mission operations. For example, although a system to identify and screen visitors entering the country has been deployed and is operating, a related exit capability largely is not. In addition, the Automated Commercial Environment program has not yet demonstrated that it can accurately measure progress against its commitments because the data it uses are not consistently reliable.[10] DHS must also ensure that the Chief Information Officer is sufficiently empowered to extend management discipline and implement common IT solutions across the department. Until DHS fully establishes and consistently implements the full range of IT management disciplines embodied in its framework and related federal guidance and best practices, it will be challenged in its ability to effectively manage and deliver programs.

Human Capital Systems

DHS has made some progress in transforming its human capital systems, but more work remains.[11] Some of the most pressing human capital

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[10]GAO, *Information Technology: Customs Has Made Progress on Automated Commercial Environment System, but It Faces Long-Standing Management Challenges and New Risks*. GAO-06-580 May 31, 2006.

[11]GAO, *Department of Homeland Security: Strategic Management of Training Important for Successful Transformation*, GAO-05-888 (Washington, D.C.: Sept. 23, 2005); *Information on Immigration Enforcement and Supervisory Promotions in the Department of Homeland Security's Immigration and Customs Enforcement and Customs and Border Protection*, GAO-06-751R (Washington, D.C.: June 13, 2006); *Homeland Security: Visitor and Immigrant Status Program Operating, but Management Improvements Are Still Needed*, GAO-06-318T (Washington, D.C.: Jan. 25, 2006); and *Border Security: Stronger Actions Needed to Assess and Mitigate Risks of the Visa Waiver Program*, GAO-06-854 (Washington, D.C.: July 28, 2006).

challenges at DHS include (1) successfully completing its ongoing transformation, (2) forging a unified results-oriented culture across the department (line of sight), (3) linking daily operations to strategic outcomes, (4) rewarding individuals based on individual, team, unit, and organizational results, (5) obtaining, developing, providing incentives to, and retaining needed talent, and (6) most importantly, leadership both at the top, to include a chief operating officer (COO) or chief management officer (CMO). A strategic workforce plan is integral to defining the level of staffing, identifying the critical skills needed to mission achievement, and eliminating gaps to prepare the agency for future needs. In 2005, we reported that DHS had initiated strategic human capital planning efforts and published proposed regulations for a modern human capital management system.[12] We also reported that DHS's leadership was committed to the human capital system design process and had formed teams to implement the resulting regulations. Since our report, DHS has finalized its human capital regulations, and although certain labor management provisions are the subject of litigation, it is vital that DHS implement its human capital system effectively because strategic human capital management is the centerpiece of any transformation effort.[13] Further, since our 2005 update, DHS has taken some actions to integrate the legacy agency workforces that make up its components. For example, it standardized pay grades for criminal investigators at ICE and developed promotion criteria for investigators and CBP officers that equally recognize the value of the experience brought to ICE and CBP by employees of each legacy agency. DHS also made progress in establishing human capital capabilities for the US-VISIT program, which should help ensure that it has sufficient staff with the necessary skills and abilities to implement the program effectively. CBP also developed training plans that link its officer training to CBP strategic goals.

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[12]GAO, *Homeland Security: Overview of Department of Homeland Security Management Challenges*, GAO-05-573T (Washington, D.C.: Apr. 20, 2005).

[13]The Homeland Security Act gave DHS authorization to design a human capital management system to meet its unique missions. In January 2005, DHS announced its final human capital management system regulations. Although DHS intended to implement a new personnel system in 2005, court decisions have resulted in further delays. According to DHS OIG, these delays will impact the cost of implementation, the current development and implementation contract, and the ability to properly manage the workforce. Department of Homeland Security, Office of Inspector General. *Major Management Challenges Facing the Department of Homeland Security*, OIG-06-14 (Washington, D.C.: December 2005).

Despite these efforts, however, DHS must still (1) create a clearer crosswalk between departmental training goals and objectives and DHS's broader organizational and human capital goals, (2) develop appropriate training performance measures and targets for goals and strategies identified in its departmentwide strategic training plan, and (3) address our earlier recommendations that its new human capital system be linked to its strategic plan. We have also made recommendations to specific program offices and organizational entities to help ensure that human capital resources are provided to improve the effectiveness of management capabilities, and that human capital plans are developed that clearly describe how these components will recruit, train, and retain staff to meet their growing demands as they expand and implement new program elements. We are completing an updated review of DHS's human capital efforts and plan to report on our results soon. This report will discuss information on selected human capital issues at DHS: attrition rates at DHS; senior-level vacancies at DHS; DHS's use of human capital flexibilities, the Intergovernmental Personnel Act, and personal services contracts; and DHS's compliance with the Vacancies Reform Act.

Acquisition Management

DHS continues to face challenges in creating an effective, integrated acquisition organization. Since its inception in March 2003, DHS has made progress in implementing a strategic sourcing program to increase the effectiveness of its buying power and in creating a small business program. These programs have promoted an environment in which there is a collaborative effort toward the common goal of an efficient, unified organization. Strategic sourcing allows DHS components to formulate purchasing strategies to leverage buying power and increase savings for a variety of products like office supplies, boats, energy, and weapons, while its small business program works to ensure small businesses can compete effectively for the agency's contract dollars. However, DHS's progress toward creating a unified acquisition organization has been hampered by policy decisions. In March 2005, we reported that an October 2004 management directive, Acquisition Line of Business Integration and Management, while emphasizing the need for a unified, integrated acquisition organization, relies on a system of dual accountability between the chief procurement officer and the heads of the departments to make this happen.[14] This situation has created ambiguity about who is

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[14]GAO, *Homeland Security: Success and Challenges in DHS's Efforts to Create an Effective Acquisition Organization*, GAO-05-179 (Washington, D.C.: Mar. 29, 2005).

accountable for acquisition decisions. We also found that the various acquisition organizations within DHS are still operating in a disparate manner, with oversight of acquisition activities left primarily up to each individual component. Specifically, we reported that (1) there were components exempted from the unified acquisition organization, (2) the chief procurement officer had insufficient staff for departmentwide oversight, and (3) staffing shortages led the office of procurement operations to rely extensively on outside agencies for contracting support.[15] In March 2005, we recommended that, among other things, the Secretary of Homeland Security provide the Office of the Chief Procurement Officer with sufficient resources and enforcement authority to enable effective departmentwide oversight of acquisition policies and procedures, and to revise the October 2004 management directive to eliminate reference to the Coast Guard and Secret Service as being exempt from complying with the directive. Unless DHS addresses these challenges, it is at risk of continuing to exist as a fragmented acquisition organization. Because some of DHS's components have major, complex acquisition programs—for example, the Coast Guard's Deepwater program (designed to replace or upgrade its cutters and aircraft) and CBP's Secure Border Initiative—DHS needs to improve the oversight of contractors and should adhere to a rigorous management review process.

Programmatic Challenges Facing DHS

DHS continues to face challenges, many of which were inherited from its component legacy agencies, in carrying out its programmatic activities. These challenges include enhancing transportation security, strengthening the management of U.S. Coast Guard acquisitions and meeting the Coast Guard's new homeland security missions, improving the regulation of commercial trade while ensuring protection against the entry of illegal goods and dangerous visitors at U.S. borders and ports of entry, and improving enforcement of immigration laws, including worksite immigration laws, and the provision of immigration services. DHS must also effectively coordinate the mitigation and response to all hazards, including natural disaster planning, response, and recovery. DHS has taken actions to address these challenges, for example, by strengthening passenger and baggage screening, increasing the oversight of Coast Guard acquisitions, more thoroughly screening visitors and cargo, dedicating more resources to immigration enforcement, becoming more efficient in

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[15]GAO, *Homeland Security: Challenges in Creating an Effective Acquisition Organization*, GAO-06-1012T (Washington, D.C.: July. 27, 2006).

the delivery of immigration services, and conducting better planning for disaster preparation. However, challenges remain in each of these major mission areas.

Transportation Security

Despite progress in this area, DHS continues to face challenges in effectively executing transportation security efforts. We have recommended that the Transportation Security Administration (TSA) more fully integrate a risk management approach—including assessments of threat, vulnerability, and criticality—in prioritizing security efforts within and across all transportation modes; strengthen stakeholder coordination; and implement needed technological upgrades to secure commercial airports.[16] DHS has made progress in all of these areas, particularly in aviation, but must expand its security focus more towards surface modes of transportation and continue to seek best practices and coordinated security efforts with the international community. DHS and TSA have taken numerous actions to strengthen commercial aviation security, including strengthening passenger and baggage screening, improving aspects of air cargo security, and strengthening the security of international flights and passengers bound for the United States.[17] For example, TSA increased efforts to measure the effectiveness of airport screening systems through covert testing and other means and has worked to enhance passenger and baggage screener training. TSA also improved its processes for identifying and responding to threats onboard commercial aircraft and has modified airport screening procedures based on risk. Despite this progress, however, TSA continues to face challenges in implementing a program to match domestic airline passenger information against terrorist watch lists, fielding needed technologies to

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[16]GAO, *Aviation Security: Flight and Cabin Crew Member Security Training Strengthened, but Better Planning and Internal Controls Needed*, GAO-05-781 (Washington, D.C.: Sept. 6, 2005); *Aviation Security: Federal Action Needed to Strengthen Domestic Air Cargo Security*, GAO-06-76 (Washington, D.C.: Oct. 17, 2005; *Rail Transit: Additional Federal Leadership Would Enhance FTA's State Safety Oversight Program*, GAO-06-821 (Washington, D.C.: July 26, 2006); and *Aviation Security: TSA Oversight of Checked Baggage Screening Procedures Could Be Strengthened*, GAO-06-869 (Washington, D.C.: July 28, 2006).

[17]GAO, *Aviation Security: TSA Oversight of Checked Baggage Screening Procedures Could Be Strengthened*, GAO-06-869 (Washington, D.C.: Jul. 28, 2006); *Aviation Security: Federal Action Needed to Strengthen Domestic Air Cargo Security*, GAO-06-76 (Washington, D.C.: Oct. 17, 2005); and *Aviation Security: Enhancements Made in Passenger and Checked Baggage, but Challenges Remain*, GAO-06-371T (Washington, D.C.: Apr. 4, 2006).

screen airline passengers for explosives, and strengthening aspects of passenger rail security.[18] In addition, TSA has not developed a strategy, as required, for securing the various modes of transportation. As a result, rail and other surface transportation stakeholders are unclear regarding what TSA's role will ultimately be in establishing and enforcing security requirements within their transportation modes. We have recommended that TSA more fully integrate risk-based decision making within aviation and across all transportation modes, strengthen passenger prescreening, and enhance rail security efforts. We have also recommended that TSA work to develop sustained and effective partnerships with other government agencies, the private sector, and international partners to coordinate security efforts and seek potential best practices, among other efforts.

Coast Guard Acquisitions and Non-Homeland Security Missions

The Coast Guard needs to improve the management of its acquisitions and continue to enhance its security mission while meeting other mission responsibilities. We recommended that the Coast Guard improve its management of the Deepwater program by strengthening key management and oversight activities, implementing procedures to better ensure contractor accountability, and controlling future costs by promoting competition.[19] In April 2006, we reported the Coast Guard had made some progress in addressing these recommendations. For example, the Coast Guard has addressed our recommendation to ensure better contractor accountability by providing for better input from U.S. Coast Guard performance monitors.[20] However, even with these improvements, some Deepwater assets have recently experienced major setbacks due to design concerns in two classes of replacement cutters. Further, other Coast Guard acquisition programs—such as the Rescue 21 emergency distress and communications system—have experienced major cost increases, schedule delays, and performance shortfalls.

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[18]GAO, *Aviation Security: Management Challenges Remain for the Transportation Security Administration's Secure Flight Program,* GAO-06-864T (Washington, D.C.: June 14, 2006).

[19]GAO, *Contract Management: Coast Guard's Deepwater Program Needs Increased Attention to Management and Contractor Oversight,* GAO-04-380 (Washington, D.C.: Mar. 9, 2004).

[20]GAO, *Coast Guard: Changes to Deepwater Plan Appear Sound, and Program Management Has Improved, but Continued Monitoring is Warranted,* GAO-06-546 (Washington, D.C.: Apr. 28, 2006).

The Coast Guard has made progress in balancing its homeland security and traditional missions. The Coast Guard is unlike many other DHS components because it has substantial missions not related to homeland security. These missions include maritime navigation, icebreaking, protecting the marine environment, marine safety, and search and rescue for mariners in distress. Furthermore, unpredictable natural disasters, such as Hurricane Katrina, can place intense demands on all Coast Guard resources. The Coast Guard must continue executing these traditional missions and balance those responsibilities with its homeland security obligations, which have increased significantly since September 11.

Border Security and the Regulation of Trade

DHS has made some progress but still faces an array of challenges in securing the border while improving the regulation of commercial trade.[21] Since 2005, DHS agencies have made some progress in implementing our recommendations to refine the screening of foreign visitors to the United States, target potentially dangerous cargo, and provide the personnel necessary to effectively fulfill border security and trade agency missions. As of January 2006, DHS had a pre-entry screening capability in place in overseas visa issuance offices, and an entry identification capability at 115 airports, 14 seaports, and 154 land ports of entry. Furthermore, the Secretary of Homeland Security has made risk management at ports and all critical infrastructure facilities a key priority for DHS. In addition, DHS developed performance goals and measures for its trade processing system and implemented a testing and certification process for its officers to provide better assurance of effective cargo examination targeting practices. However, efforts to assess and mitigate risks of DHS's and the Department of State's implementation of the Visa Waiver Program remain incomplete, increasing the risk that the program could be exploited by someone who intends harm to the United States. Further, many of DHS's border-related performance goals and measures are not fully defined or adequately aligned with one another, and some performance targets are not realistic. For example, CBP has not yet put key controls in place to provide reasonable assurance that its screening system is effective at

[21]GAO, *Border Security: US-VISIT Program Faces Strategic, Operational, and Technological Challenges at Land Ports of Entry*, GAO-07-248 (Washington, D.C.: Dec. 6, 2006); *Border Security: Key Unresolved Issues Justify Reevaluation of Border Surveillance Technology Program*, GAO-06-295 (Washington, D.C.: Feb. 22, 2006); *Information Technology: Customs Has Made Progress on Automated Commercial Environment System, but It Faces Long-Standing Management Challenges and New Risks*, GAO-06-580 (Washington, D.C.: May 31, 2006); and *Homeland Security: Recommendations to Improve Management of Key Border Security Program Need to Be Implemented*, GAO-06-296 (Washington, D.C.: Feb. 14, 2006).

targeting oceangoing cargo containers with the highest risk of containing smuggled weapons of mass destruction, nor has it found a way to incorporate inspection results back into the targeting system. Other trade and visitor screening systems have weaknesses that must be overcome to better ensure border and trade security. For example, deficiencies in the identification of counterfeit documentation at land border crossings into the United States create vulnerabilities that terrorists or others involved in criminal activity could exploit. We also reported that DHS's Container Security Initiative to target and inspect high-risk cargo containers at foreign ports before they leave for the United States has not achieved key goals because of staffing imbalances, the lack of minimum technical requirements for inspection equipment used at foreign ports, and insufficient performance measures to assess the effectiveness of targeting and inspection activities.

Enforcement of Immigration Laws

DHS has taken some actions to improve enforcement of immigration laws, including worksite immigration laws, but the number of resources devoted to enforcing immigration laws is limited given that there are an estimated 12 million illegal aliens residing in the United States. DHS has strengthened some aspects of immigration enforcement, including allocating more investigative work years to immigration functions than the Immigration and Naturalization Service did prior to the creation of DHS. Nevertheless, effective enforcement will require more attention to efficient resource use and updating outmoded management systems.[22] In April 2006, ICE announced an interior enforcement strategy to bring criminal charges against employers who knowingly hire unauthorized workers. ICE has also reported increases in the number of criminal arrests and indictments for these violations since fiscal year 2004. In addition, ICE has plans to shift responsibility for identifying incarcerated criminal aliens eligible for removal from the United States from the Office of Investigations to its Office of Detention and Removal, freeing those investigative resources for other immigration and customs investigations. ICE has also begun to introduce principles of risk management into the allocation of its

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[22]GAO, *Information on Immigration Enforcement and Supervisory Promotions in the Department of Homeland Security's Immigration and Customs Enforcement and Customs and Border Protection*, GAO-06-751R (Washington, D.C.: June 13, 2006); *Immigration Enforcement: Weaknesses Hinder Employment Verification and Worksite Enforcement Efforts*, GAO-06-895T (Washington, D.C.: June 19, 2006); and *Homeland Security: Better Management Practices Could Enhance DHS's Ability to Allocate Investigative Resources*, GAO-06-462T (Washington, D.C.: Mar. 28, 2006).

investigative resources. However, enforcement of immigration enforcement laws needs to be strengthened and significant management challenges remain. DHS's ability to locate and remove millions of aliens who entered the country illegally or overstayed the terms of their visas is questionable, and implementing an effective worksite enforcement program remains an elusive goal. ICE's Office of Investigations has not conducted a comprehensive risk assessment of the customs and immigration systems to determine the greatest risks for exploitation by criminals and terrorists. This office also lacks outcome-based performance goals that relate to its objective of preventing the exploitation of systemic vulnerabilities in customs and immigration systems, and it does not have sufficient systems in place to help ensure systematic monitoring and communication of vulnerabilities discovered during its investigations. Moreover, the current employment verification process used to identify workers ineligible for employment in the United States has not fundamentally changed since its establishment in 1986, and ongoing weaknesses have undermined its effectiveness. We have recommended that DHS take actions to help address these weaknesses and to strengthen the current process by issuing final regulations on changes to the employment verification process which will reduce the number of documents suitable for proving eligibility to work in the United States. Some other countries require foreign workers to present work authorization documents at the time of hire and require employers to review these documents and report workers' information to government agencies for collecting taxes and social insurance contributions, and conducting worksite enforcement actions.

Provision of Immigration Services

Although DHS has made progress in reducing its backlog of immigration benefit applications, improvements are still needed in the provision of immigration services, particularly by strengthening internal controls to prevent fraud and inaccuracy.[23] Since 2005, DHS has enhanced the efficiency of certain immigration services. For example, U.S. Citizenship and Immigration Services (USCIS) estimated that it had reduced its backlog of immigration benefits applications from a peak of 3.8 million

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[23]GAO, *Immigration Benefits: Additional Efforts Needed to Help Ensure Alien Files Are Located when Needed*, GAO-07-85 (Washington, D.C.: Oct. 27, 2006); *Immigration Benefits: Additional Controls and a Sanctions Strategy Could Enhance DHS's Ability to Control Benefit Fraud*, GAO-06-259 (Washington, D.C.: Mar. 10, 2006); and *Immigration Benefits: Improvements Needed to Address Backlogs and Ensure Quality of Adjudications*, GAO-06-20 (Washington, D.C.: Nov. 21, 2005).

cases to 1.2 million cases from January 2004 to June 2005. USCIS has also established a focal point for immigration fraud, outlined a fraud control strategy that relies on the use of automation to detect fraud, and is performing fraud assessments to identify the extent and nature of fraud for certain benefits. However, DHS still faces significant challenges in its ability to effectively provide immigration services while at the same time protecting the immigration system from fraud and mismanagement. USCIS may have adjudicated tens of thousands of naturalization applications without alien files, and adjudicators were not required to record whether the alien file was available when they adjudicated the application. Without these files, DHS may not be able to take enforcement action against an applicant and could also approve an application for an ineligible applicant. In addition, USCIS has not implemented important aspects of our internal control standards or fraud control best practices identified by leading audit organizations. Such best practices would include (1) a comprehensive risk management approach, (2) mechanisms for ongoing monitoring during the course of normal activities, (3) clear communication agencywide regarding how to balance production-related goals with fraud-prevention activities, and (4) performance goals for fraud prevention.

Disaster Preparedness and Response

We have reported that DHS needs to more effectively coordinate disaster preparedness, response, and recovery efforts.[24] Since FEMA became part of DHS in March 2003, its responsibilities have been dispersed and its role has continued to evolve. Hurricane Katrina severely tested disaster management at the federal, state, and local levels and revealed weaknesses in the basic elements of preparing for, responding to, and recovering from any catastrophic disaster. Our analysis showed the need for (1) clearly defined and understood leadership roles and responsibilities; (2) the development of the necessary disaster capabilities; and (3) accountability systems that effectively balance the need for fast and flexible response against the need to prevent waste, fraud, and abuse. In September 2006, we recommended that Congress give federal agencies explicit authority to take actions to prepare for all types of catastrophic disasters when there is warning. We also recommended that DHS (1) rigorously re-test, train, and exercise its recent clarification of the

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[24]GAO, *Catastrophic Disasters: Enhanced Leadership, Capabilities, and Accountability Controls Will Improve the Effectiveness of the Nation's Preparedness, Response, and Recovery System*, GAO-06-618 (Washington, D.C.: Sept. 6, 2006).

roles, responsibilities, and lines of authority for all levels of leadership, implementing changes needed to remedy identified coordination problems; (2) direct that the National Response Plan (NRP) base plan and its supporting Catastrophic Incident Annex be supported by more robust and detailed operational implementation plans; (3) provide guidance and direction for federal, state, and local planning, training, and exercises to ensure such activities fully support preparedness, response, and recovery responsibilities at a jurisdictional and regional basis; (4) take a lead in monitoring federal agencies' efforts to prepare to meet their responsibilities under the NRP and the interim National Preparedness Goal; and (5) use a risk management approach in deciding whether and how to invest finite resources in specific capabilities for a catastrophic disaster.

DHS has made revisions to the NRP and released its Supplement to the Catastrophic Incident Annex—both designed to further clarify federal roles and responsibilities and relationships among federal, state and local governments and responders. However, these revisions have not been tested. DHS has also announced a number of actions intended to improve readiness and response based on our work and the work of congressional committees and the Administration. For example, DHS is currently reorganizing FEMA as required by the fiscal year 2007 DHS appropriations act.[25] DHS has also announced a number of other actions to improve readiness and response. However, there is little information available on the extent to which these changes are operational. Finally, in its desire to provide assistance quickly following Hurricane Katrina, DHS was unable to keep up with the magnitude of needs to confirm the eligibility of victims for disaster assistance, or ensure that there were provisions in contracts for response and recovery services to ensure fair and reasonable prices in all cases. We recommended that DHS create accountability systems that effectively balance the need for fast and flexible response against the need to prevent waste, fraud, and abuse. We also recommended that DHS provide guidance on advance procurement practices (pre-contracting) and procedures for those federal agencies with roles and responsibilities under the NRP so that these agencies can better manage disaster-related procurement, and establish an assessment process to monitor agencies' continuous planning efforts for their disaster-related procurement needs and the maintenance of capabilities.[26] For example, we identified a number

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[25]Pub. L. No. 109-295, 120 Stat. 303 (2006).

[26]See GAO-06-618.

of emergency response practices in the public and private sectors that provide insight into how the federal government can better manage its disaster-related procurements. These include both developing knowledge of contractor capabilities and prices and establishing vendor relationships prior to the disaster and establishing a scalable operations plan to adjust the level of capacity to match the response with the need.

Actions Needed to Strengthen DHS's Transformation and Integration Efforts

To be removed from our high-risk list, agencies need to develop a corrective action plan that defines the root causes of identified problems, identifies effective solutions to those problems, and provides for substantially completing corrective measures in the near term. Such a plan should include performance measures, metrics and milestones to measure their progress. Agencies should also demonstrate significant progress in addressing the problems identified in their corrective action plan. This should include a program to monitor and independently validate progress. Finally, agencies, in particular top leadership, must demonstrate a commitment to sustain initial improvements. This would include a strong commitment to address the risk(s) that put the program or function on the high-risk list and provide for the allocation of sufficient people and resources (capacity) to resolve the risk(s) and ensure that improvements are sustainable over the long term.

In the spring of 2006, DHS provided us a draft corrective action plan for addressing its transformation challenges. This plan addressed major management areas we had previously identified as key to DHS's transformation—management integration through the DHS management directorate and financial, information, acquisition, and human capital management. The plan identified an overall goal to develop and implement key department wide processes and systems to support DHS's transformation into a department capable of planning, operating, and managing as one effective department.

In the short term, the plan sought to produce significant improvements over the next 7 years that further DHS's ability to operate as one department. Although the plan listed accomplishments and general goals for the management functions, it did not contain (1) objectives linked to those goals that are clear, concise, and measurable; (2) specific actions to implement those objectives; (3) information linking sufficient people and resources to implement the plan; or (4) an evaluation program to monitor and independently validate progress toward meeting the goals and measuring the effectiveness of the plan.

In addition to developing an effective corrective action plan, agencies must show that significant progress has taken place in improving performance in the areas identified in its corrective action plan. While our work has noted progress at DHS, for us to remove the DHS implementation and transformation and from our high-risk list, we need to be able to independently assure ourselves and Congress that DHS has implemented many of our past recommendations, or has taken other corrective actions to address the challenges we identified. However, DHS has not made its management or operational decisions transparent enough so that Congress can be sure it is effectively, efficiently, and economically using the billions of dollars in funding it receives annually, and is providing the levels of security called for in numerous legislative requirements and presidential directives. Our work for Congress assessing DHS's operations has been significantly hampered by long delays in granting us access to program documents and officials, or by questioning our access to information needed to conduct our reviews. We are troubled by the impact that DHS's processes and internal reviews have had on our ability to assess departmental programs and operations. Given the problems we have experienced in obtaining access to DHS information, it will be difficult for us to sustain the level of oversight that Congress has directed and that is needed to effectively oversee the department, including the level of oversight needed to assess DHS's progress in addressing the existing transformation, integration, and programmatic challenges identified in this statement.

Finally, to be removed from our high-risk list, any progress that occurs must be sustainable over the long term. DHS's leaders need to make and demonstrate a commitment to implementing a transformed organization. The Secretary has stated such a commitment, most prominently as part of his "second stage review" in the summer of 2005, and more recently in remarks made at George Washington University's Homeland Security Policy Institute. However, appropriate follow-up is required to assure that transformation plans are effectively implemented and sustained, to include the allocation of adequate resources to support transformation efforts. In this regard, we were pleased when DHS established a Business Transformation Office, but we believe that the office's effectiveness was limited because the department did not give it the authority and responsibility needed to be successful. We understand that this office has recently been eliminated. Further, department leaders can show their commitment to transforming DHS by acting on recommendations made by the Congress, study groups, and accountability organizations such as its Office of the IG and GAO. Although we have also seen some progress in this area, it is not enough for us to conclude that DHS is committed to and

capable of quickly incorporating corrective actions into its operations. Therefore, until DHS produces an acceptable corrective action plan, demonstrates progress reforming its key management functions, and dedicates the resources necessary to sustain this progress, it will likely remain on our high-risk list.

Mr. Chairman and members of the committee, this completes my prepared statement. I would be happy to respond to any questions that you or other members of the committee may have at this time.

Contacts and Acknowledgements

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Appendix I: Related GAO Products

Implementing and Transforming the Department of Homeland Security

Implementation and Transformation

High-Risk Series: An Update. GAO-07-310. Washington, D.C.: January 31, 2007.

Suggested Areas for Oversight for the 110th Congress. GAO-07-235R. Washington, D.C.: November 17, 2006.

Homeland Security: DHS Is Addressing Security at Chemical Facilities, but Additional Authority Is Needed. GAO-06-899T. Washington, D.C.: June 21, 2006.

Homeland Security: Guidance and Standards Are Needed for Measuring the Effectiveness of Agencies' Facility Protection Efforts. GAO-06-612. Washington, D.C.: May 31, 2006.

Homeland Security: DHS Needs to Improve Ethics-Related Management Controls for the Science and Technology Directorate. GAO-06-206. Washington, D.C.: December 22, 2005.

Critical Infrastructure Protection: Department of Homeland Security Faces Challenges in Fulfilling Cybersecurity Responsibilities. GAO-05-434. Washington, D.C.: May 26, 2005.

Homeland Security: Overview of Department of Homeland Security Management Challenges. GAO-05-573T. Washington, D.C.: April 20, 2005.

Results-Oriented Government: Improvements to DHS's Planning Process Would Enhance Usefulness and Accountability. GAO-05-300. Washington, D.C.: March 31, 2005.

Department of Homeland Security: A Comprehensive and Sustained Approach Needed to Achieve Management Integration. GAO-05-139. Washington, D.C.: March 16, 2005.

Homeland Security: Further Actions Needed to Coordinate Federal Agencies' Facility Protection Efforts and Promote Key Practices. GAO-05-49. Washington, D.C.: November 30, 2004.

Highlights of a GAO Forum: Mergers and Transformation: Lessons Learned for a Department of Homeland Security and Other Federal Agencies. GAO-03-293SP. Washington, D.C.: November 14, 2002.

Determining Performance and Accountability Challenges and High Risks. GAO/OGC-00-12. Washington, D.C.: August 2000.

Financial Management and Internal Controls	*Financial Management Systems: DHS Has an Opportunity to Incorporate Best Practices in Modernization Efforts.* GAO-06-553T. Washington, D.C.: March 29, 2006.
	Financial Management: Department of Homeland Security Faces Significant Financial Management Challenges. GAO-04-774. Washington, D.C.: July 19, 2004.
Information Technology	*Information Technology: Customs Has Made Progress on Automated Commercial Environment System, but It Faces Long-Standing Management Challenges and New Risks.* GAO-06-580. May 31, 2006.
	Information Sharing: DHS Should Take Steps to Encourage More Widespread Use of Its Program to Protect and Share Critical Infrastructure Information. GAO-06-383. Washington, D.C.: April 17, 2006.
	Homeland Security: Progress Continues, but Challenges Remain on Department's Management of Information Technology. GAO-06-598T. Washington, D.C.: March 29, 2006.
	Information Technology: Management Improvements Needed on Immigration and Customs Enforcement's Infrastructure Modernization Program. GAO-05-805. Washington, D.C.: September 7, 2005.
	Information Technology: Federal Agencies Face Challenges in Implementing Initiatives to Improve Public Health Infrastructure. GAO-05-308. Washington, D.C.: June 10, 2005.

	Information Technology: Customs Automated Commercial Environment Program Progressing, but Need for Management Improvements Continues. GAO-05-267. Washington, D.C.: March 14, 2005.
Human Capital Systems	*Border Security: Stronger Actions Needed to Assess and Mitigate Risks of the Visa Waiver Program.* GAO-06-854. Washington, D.C.: July 28, 2006.
	Information on Immigration Enforcement and Supervisory Promotions in the Department of Homeland Security's Immigration and Customs Enforcement and Customs and Border Protection. GAO-06-751R. Washington, D.C.: June 13, 2006.
	Homeland Security: Visitor and Immigrant Status Program Operating, but Management Improvements Are Still Needed. GAO-06-318T. Washington, D.C.: January 25, 2006.
	Department of Homeland Security: Strategic Management of Training Important for Successful Transformation. GAO-05-888. Washington, D.C.: September 23, 2005.
Acquisition Management	*Homeland Security: Challenges in Creating an Effective Acquisition Organization.* GAO-06-1012T. Washington, D.C.: July 27, 2006.
	Homeland Security: Success and Challenges in DHS's Efforts to Create an Effective Acquisition Organization. GAO-05-179. Washington, D.C.: March 29, 2005.
	Homeland Security: Further Action Needed to Promote Successful Use of Special DHS Acquisition Authority. GAO-05-136. Washington, D.C.: December 15, 2004.
Transportation Security	*Transportation Security Administration: Oversight of Explosive Detection Systems Maintenance Contracts Can Be Strengthened.* GAO-06-795. Washington, D.C.: July 31, 2006.
	Aviation Security: TSA Oversight of Checked Baggage Screening Procedures Could Be Strengthened. GAO-06-869. Washington, D.C.: Jul. 28, 2006.

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Aviation Security: Management Challenges Remain for the Transportation Security Administration's Secure Flight Program. GAO-06-864T. Washington, D.C.: June 14, 2006.

Aviation Security: Enhancements Made in Passenger and Checked Baggage Screening, but Challenges Remain. GAO-06-371T. Washington, D.C.: April 4, 2006.

Aviation Security: Progress Made to Set Up Program Using Private-Sector Airport Screeners, but More Work Remains. GAO-06-166. Washington, D.C.: March 31, 2006.

Aviation Security: Significant Management Challenges May Adversely Affect Implementation of the Transportation Security Administration's Secure Flight Program. GAO-06-374T. Washington, D.C.: February 9, 2006.

Aviation Security: Federal Air Marshal Service Could Benefit from Improved Planning and Controls. GAO-06-203. Washington, D.C.: November 28, 2005.

Aviation Security: Federal Action Needed to Strengthen Domestic Air Cargo Security. GAO-06-76. Washington, D.C.: October 17, 2005.

Passenger Rail Security: Enhanced Federal Leadership Needed to Prioritize and Guide Security Efforts. GAO-05-851. Washington, D.C.: September 9, 2005.

Aviation Security: Flight and Cabin Crew Member Security Training Strengthened, but Better Planning and Internal Controls Needed. GAO-05-781. Washington, D.C.: September 6. 2005.

Aviation Safety: Oversight of Foreign Code-Share Safety Program Should Be Strengthened. GAO-05-930. Washington, D.C.: August 5, 2005.

Homeland Security: Agency Resources Address Violations of Restricted Airspace, but Management Improvements Are Needed. GAO-05-928T. Washington, D.C.: July 21, 2005.

Aviation Security: Secure Flight Development and Testing Under Way, but Risks Should Be Managed as System Is Further Developed. GAO-05-356. Washington, D.C.: March 28, 2005.

Aviation Security: Systematic Planning Needed to Optimize the Deployment of Checked Baggage Screening Systems. GAO-05-365. Washington, D.C.: March 15, 2005.

Coast Guard Acquisitions and Non-Homeland Security Missions

United States Coast Guard: Improvements Needed in Management and Oversight of Rescue System Acquisition. GAO-06-623. Washington, D.C.: May 31, 2006.

Coast Guard: Changes to Deepwater Plan Appear Sound, and Program Management Has Improved, but Continued Monitoring is Warranted. GAO-06-546. Washington, D.C.: April 28, 2006.

Risk Management: Further Refinements Needed to Assess Risks and Prioritize Protective Measures at Ports and Other Critical Infrastructure. GAO-06-91. Washington, D.C.: December 15, 2005.

Maritime Security: Enhancements Made, but Implementation and Sustainability Remain Key Challenges. GAO-05-448T. Washington, D.C.: May 17, 2005.

Cargo Security: Partnership Program Grants Importers Reduced Scrutiny with Limited Assurance of Improved Security. GA0-05-404. Washington, D.C.: March 11, 2005.

Coast Guard: Station Readiness Improving, but Resource Challenges and Management Concerns Remain. GAO-05-161. Washington, D.C.: January 31, 2005.

Contract Management: Coast Guard's Deepwater Program Needs Increased Attention to Management and Contractor Oversight. GAO-04-380. Washington, D.C.: March 9, 2004.

Border Security and the Regulation of Trade

Border Security: US-VISIT Program Faces Strategic, Operational, and Technological Challenges at Land Ports of Entry. GAO-07-248. Washington, D.C.: December 6, 2006.

Border Security: Stronger Actions Needed to Assess and Mitigate Risks of the Visa Waiver Program. GAO-06-854. Washington, D.C.: July 28, 2006.

Information Technology: Customs Has Made Progress on Automated Commercial Environment System, but It Faces Long-Standing Management Challenges and New Risks. GAO-06-580. Washington, D.C.: May 31, 2006.

Border Security: Key Unresolved Issues Justify Reevaluation of Border Surveillance Technology Program. GAO-06-295. Washington, D.C.: February 22, 2006.

Homeland Security: Recommendations to Improve Management of Key Border Security Program Need to Be Implemented. GAO-06-296. Washington, D.C.: February 14, 2006.

Border Security: Strengthened Visa Process Would Benefit from Improvements in Staffing and Information Sharing. GAO-05-859. Washington, D.C.: September 13, 2005.

Border Security: Opportunities to Increase Coordination of Air and Marine Assets. GAO-05-543. Washington, D.C.: August 12, 2005.

Border Security: Actions Needed to Strengthen Management of Department of Homeland Security's Visa Security Program. GAO-05-801. Washington, D.C.: July 29, 2005.

Border Patrol: Available Data on Interior Checkpoints Suggest Differences in Sector Performance. GAO-05-435. Washington, D.C.: July 22, 2005.

Enforcement of Immigration Laws

Immigration Enforcement: Weaknesses Hinder Employment Verification and Worksite Enforcement Efforts. GAO-06-895T. Washington, D.C.: June 19, 2006.

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Homeland Security: Contract Management and Oversight for Visitor and Immigrant Status Program Need to Be Strengthened. GAO-06-404. Washington, D.C.: June 9, 2006.

Homeland Security: Better Management Practices Could Enhance DHS's Ability to Allocate Investigative Resources. GAO-06-462T. Washington, D.C.: March 28, 2006.

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Immigration Benefits: Improvements Needed to Address Backlogs and Ensure Quality of Adjudications. GAO-06-20. Washington, D.C.: November 21, 2005.

Immigration Services: Better Contracting Practices Needed at Call Centers. GAO-05-526. Washington, D.C.: June 30, 2005.

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Catastrophic Disasters: Enhanced Leadership, Capabilities, and Accountability Controls Will Improve the Effectiveness of the Nation's Preparedness, Response, and Recovery System. GAO-06-618. Washington, D.C.: September 6, 2006.

Disaster Relief: Governmentwide Framework Needed to Collect and Consolidate Information to Report on Billions in Federal Funding for the 2005 Gulf Coast Hurricanes. GAO-06-834. Washington, D.C.: September 6, 2006.

Disaster Preparedness: Limitations in Federal Evacuation Assistance for Health Facilities Should be Addressed. GAO-06-826. Washington, D.C.: July 20, 2006.

Expedited Assistance for Victims of Hurricanes Katrina and Rita: FEMA's Control Weaknesses Exposed the Government to Significant Fraud and Abuse. GAO-06-655. Washington, D.C.: June16, 2006.

Hurricane Katrina: Comprehensive Policies and Procedures Are Needed to Ensure Appropriate Use of and Accountability for International Assistance. GAO-06-460. Washington, D.C.: April 6, 2006.

Continuity of Operations: Agency Plans Have Improved, but Better Oversight Could Assist Agencies in Preparing for Emergencies. GAO-05-577. Washington, D.C.: April 28, 2005.

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