



Highlights of [GAO-06-404](#), a report to congressional requesters

HOMELAND SECURITY

Contract Management and Oversight for Visitor and Immigrant Status Program Need to Be Strengthened

Why GAO Did This Study

The Department of Homeland Security (DHS) has established a multibillion-dollar program—U.S. Visitor and Immigrant Status Indicator Technology (US-VISIT)—to control and monitor the pre-entry, entry, visa status, and exit of foreign visitors. To deliver system and other program capabilities, the program relies extensively on contractors, some of whom are managed directly by US-VISIT and some by other agencies (including both DHS agencies, such as Customs and Border Protection, and non-DHS agencies, such as the General Services Administration). Because of US-VISIT's heavy reliance on contractors to deliver program capabilities, GAO was asked to determine whether DHS has established and implemented effective controls for managing and overseeing US-VISIT-related contracts.

What GAO Recommends

GAO is making recommendations to the Secretary of Homeland Security to ensure that effective contract management and financial controls are established and implemented both for contracts managed by the US-VISIT program office and for those managed by other agencies. In written comments on a draft of this report, DHS concurred with the recommendations. In oral comments, officials from other agencies provided comments aimed at clarifying selected GAO statements.

www.gao.gov/cgi-bin/getrpt?GAO-06-404.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Randolph C. Hite at (202) 512-3439 or McCoy Williams at (202) 512-9095.

What GAO Found

US-VISIT-related contracts have not been effectively managed and overseen. The US-VISIT program office established and implemented certain nonfinancial controls for those contracts that it managed directly, such as verifying that contractor deliverables satisfied established requirements. However, it did not implement effective controls for overseeing its contracts managed by other DHS agencies and by non-DHS agencies. Moreover, effective financial controls were not in place on any contracts that GAO reviewed (see table for agencies managing these contracts).

- The program office did not know the full extent of US-VISIT-related contract actions, and it had not performed key nonfinancial practices associated with understanding contractor performance in meeting the terms of these contracts. This oversight gap was exacerbated by the fact that the other agencies had not always established and implemented effective controls for managing their respective contracts. These other agencies directly managed more than half (56 percent) of the total US-VISIT-related contract obligations reported to GAO.
- The program office and other agencies did not implement effective financial controls. Without these controls, some agencies were unable to reliably report US-VISIT contracting expenditures. Further, the program office and these other agencies improperly paid and accounted for related invoices, including making duplicate payments and payments for non-US-VISIT services with funds designated for US-VISIT.

According to the US-VISIT program official responsible for contract matters, the program office has focused on contracts that it manages directly and decided to rely on the responsible agencies to manage the other contracts. Further, it has decided to use other agencies to properly manage financial matters for their respective contracts, and it also decided to rely on another agency for its own financial management services. Without effective contract management and oversight controls, the program office does not know that required program deliverables and mission results will be produced on time and within budget, and that proper payments are made.

Agencies Managing US-VISIT-Related Contracts

Managing organization	Purpose of contract actions managed
US-VISIT Acquisition and Program Management Office	Support for all aspects of US-VISIT
Architect Engineering Resource Center (Army Corps of Engineers)	On-site program management at ports of entry and economic impact assessment of US-VISIT implementation on northern and southern borders
General Services Administration	Facilities services related to US-VISIT work at ports of entry
Customs and Border Protection (DHS)	Systems development; hardware deployment
Immigration and Customs Enforcement (DHS)	Systems engineering; IT support services
Transportation Security Administration (DHS)	Systems development

Source: GAO analysis.