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Highlights

Highlights of [GAO-08-1164T](#), a testimony before the Subcommittee on Management, Investigations, and Oversight, Committee on Homeland Security, House of Representatives

Why GAO Did This Study

Since it was created in 2003, the Department of Homeland Security (DHS) has obligated billions of dollars annually to meet its expansive homeland security mission. The department's acquisitions support complex and critical trade, transportation, border security, and information technology investments. In fiscal year 2007, DHS spent over \$12 billion on procurements to meet this mission including spending for complex services and major investments.

Prior GAO work has found that while DHS has made some initial progress in developing its acquisition function since 2003, acquisition planning and oversight for procurement and major acquisitions need improvement. This testimony discusses GAO's findings in these areas and is based on GAO's body of work on acquisition management issues.

What GAO Recommends

While GAO is making no new recommendations in the testimony, GAO has made numerous recommendations over the past several years to improve DHS's acquisition management. DHS has generally concurred with these recommendations, but actions still need to be taken to fully address them.

To view the full product, including the scope and methodology, click on [GAO-08-1164T](#). For more information, contact John P. Hutton at (202) 512-4841 or huttonj@gao.gov.

DEPARTMENT OF HOMELAND SECURITY

Progress and Continuing Concerns with Acquisition Management

What GAO Found

Recognizing the need to improve its acquisition outcomes, DHS has taken some steps to integrate disparate acquisition processes and systems that the component organizations brought with them when the department was formed. However, we have reported that more needs to be done to develop clear and transparent policies and processes for all acquisitions, and to develop an acquisition workforce to implement and monitor acquisitions.

With regard to acquisition planning, DHS did not assess the risk of hiring contractors to perform management and professional support services that have the potential to increase the risk that government decisions may be influenced by, rather than independent from, contractor judgments. Planning for services procured through interagency and performance-based contracting methods was also lacking. For example, DHS did not always consider alternatives to ensure good value when selecting among interagency contracts. Shortcomings in DHS's use of a performance-based approach for complex acquisitions included a lack of well-defined requirements, a complete set of measurable performance standards, or both, at the time of contract award or the start of work. Contracts for several investments we reviewed experienced cost overruns, schedule delays, or less than expected performance.

Acquisition oversight also has consistently been identified as needing improvement. While the Chief Procurement Officer (CPO) has recently implemented a departmentwide oversight program, evaluations of the outcomes of acquisition methods and contracted services have not yet been conducted. Further, the CPO continues to face challenges in maintaining the staffing levels needed to fully implement the oversight program, and CPO authority to ensure that components comply with the procurement oversight plan remains unclear.

Selected Department of Homeland Security Missions and Assets



Baggage Screening



Border Security Patrol



National Security Cutter

Source: DHS.