Department of Homeland Security

# Office of Inspector General

## U.S. Citizenship and Immigration Services' Progress in Transformation

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Preface

The Department of Homeland Security (DHS) Office of Inspector General (OIG) was established by the *Homeland Security Act of 2002* (Public Law 107-296) by amendment to the *Inspector General Act of 1978*. This is one of a series of audit, inspection, and special reports prepared as part of our oversight responsibilities to promote economy, efficiency, and effectiveness within the Department.

This report addresses the strengths and weaknesses of the U.S. Citizenship and Immigration Services' Office of Transformation Coordination and Office of Information Technology. It is based on interviews with employees and officials of relevant agencies and institutions, direct observations, and a review of applicable documents.

The recommendations herein have been developed to the best knowledge available to our office, and have been discussed in draft with those responsible for implementation. We trust this report will result in more effective, efficient, and economical operations. We express our appreciation to all of those who contributed to the preparation of this report.

Frank Deffer
Assistant Inspector General
Information Technology Audits

# Table of Contents/Abbreviations

Executive Summary ..... 1

Background ..... 2

Results of Audit ..... 6

Progress Made, But Transformation Implementation Delayed ..... 6

Other Factors Limit Transformation Progress ..... 10

USCIS Has Taken Steps To Address Challenges ..... 13

Recommendations ..... 15

Management Comments and OIG Analysis ..... 15

## Appendices

Appendix A: Purpose, Scope, and Methodology ..... 17
Appendix B: Management Comments to the Draft Report ..... 19
Appendix C: Major Contributors to this Report ..... 22
Appendix D: Report Distribution ..... 23

## Abbreviations

| | |
|---|---|
| CIO | Chief Information Officer |
| CLAIMS | Computer Linked Application Information Management System |
| DHS | Department of Homeland Security |
| FY | Fiscal Year |
| IT | information technology |
| OIG | Office of Inspector General |
| OIT | Office of Information Technology |
| OTC | Office of Transformation Coordination |
| PIPT | Program Integrated Product Team |
| TLT | Transformation Leadership Team |
| USCIS | United States Citizenship and Immigration Services |
| WIPT | Working Integrated Product Team |

# OIG

***Department of Homeland Security***
***Office of Inspector General***

## Executive Summary

In 2005, the United States Citizenship and Immigration Services (USCIS) embarked on an enterprise-wide program to transform its fragmented, paper-based business processes to a flexible and efficient process supported by an integrated technical environment. In July 2009, we reported that USCIS established a structure to manage transformation initiatives and implemented pilot programs; however, pilot success was restricted by ineffective planning, business process reengineering efforts were incomplete, and stakeholder participation levels fluctuated. We recommended that USCIS communicate an updated transformation approach, include stakeholder participation in defining requirements, and assess pilot program results.

We conducted a follow-up audit to determine USCIS' progress in implementing its business and information technology transformation. Since our 2009 report, USCIS has completed a number of activities to prepare for its first transformation deployment and improved its coordination and communication with stakeholders. However, implementation of the transformation program has been delayed because of changes in the deployment strategy and insufficiently defined system requirements. Other challenges, such as governance and staffing problems, further delayed the program. As a result, USCIS continues to rely on paper-based processes to support its mission, which makes it difficult for USCIS to process immigration benefits efficiently, combat identity fraud, and provide other government agencies with the information required to identify criminals and possible terrorists quickly.

USCIS has taken steps to address these challenges by moving to a more agile transformation approach, improving its program monitoring and governance, and focusing on staffing issues. We recommend that USCIS ensure that process documentation provides sufficient detail, develop and implement a governance structure to enable streamlined decision making, and ensure that staff with the necessary skills are in place.

## Background

The USCIS mission is to secure America's promise as a nation of immigrants by providing accurate and useful information to its customers, granting immigration and citizenship benefits, promoting an awareness and understanding of citizenship, and ensuring the integrity of the immigration system. To accomplish its mission, USCIS has more than 18,000 government employees and contractors working at 250 offices worldwide. USCIS provides its services through a structure that consists of its headquarters office in Washington, D.C., four service centers, 33 district offices, 133 application support centers, three regional offices, three overseas district offices, eight asylum offices, six telephone centers, the National Records Center, and the National Benefits Center. USCIS receives approximately 6 million immigration applications and petitions for legal review and adjudication each year. On any given day, USCIS' federal and contract employees process 30,000 applications for immigration benefits, issue 6,000 permanent resident cards, adjudicate 200 refugee applications and 230 asylum applications, and naturalize 3,000 new citizens.

USCIS provides nearly all of its services using paper forms. Customers submit paper application forms that USCIS staff sort, check for errors, electronically scan into images or copy, and manually verify and enter the data into several systems, one of which is the Computer Linked Application Information Management System (CLAIMS), for processing. Through CLAIMS, USCIS provides automated support to process applications, determine the status of pending applications, and track fees collected. Other paper documents used to verify a customer's identity, such as birth certificates and drivers' licenses, are collected, electronically scanned into images or copied, filed, and manually correlated to the number assigned to each application.

USCIS adjudications officers determine whether an applicant is eligible for benefits by reviewing the paper documentation submitted, performing background checks, and in some cases interviewing and obtaining biometric information from the applicant. USCIS staff use automated and manual methods to conduct background checks on applicants through systems such as the Interagency Border Information System, which is managed by U.S. Customs and Border Protection. To schedule appointments for interviews and to collect biometric information, USCIS staff

use the Scheduling Notification for Applicant Processing System, a fingerprint scheduling program that extracts information from CLAIMS. Customers use the InfoPass scheduling system on the USCIS website or mail in forms to schedule appointments with local information officers.

USCIS issues paper evidence of benefits, such as permanent resident cards, and stores the information about the status of applicants both electronically and in applicants' paper files. Document production of benefits has mostly been centralized through the Integrated Card Production System. USCIS maintains a paper set of documents on individuals to document their immigration status and citizenship. USCIS staff can locate these records through the National File Tracking System. In addition, the Central Index System, a department-wide index, maintains immigrant and non-immigrant status information on individuals, and tracks the location of applicants' paper files.

USCIS' paper-based processes require that USCIS obtain, ship, process, and store a significant number of documents. The annual cost of shipping, storing, and handling these paper files is approximately $314 million. The volume of documents stored is illustrated in figure 1, a photograph of the file room in USCIS' National Benefits Center, just one location where documents are stored.

**Figure 1: National Benefits Center File Room**

Recognizing that dependence on paper files makes it difficult to process immigration benefits efficiently, USCIS embarked on an enterprise-wide transformation program in 2005 to transition the agency from a fragmented, paper-based operational environment to

a centralized and consolidated account-based environment using electronic adjudication. USCIS' strategy involved digitizing applicant filings, either by scanning in the hard copy documents received or by providing electronic filing capability; obtaining modern case management software to enable electronic adjudication of all cases; and modernizing the USCIS website and its supporting information technology (IT) to provide useful web services for its customers.

In 2007, USCIS developed a multi-year strategy for deploying the capabilities needed to achieve its transformation goals. The strategy called for creating and implementing new business processes and IT systems incrementally over a 6-year period. USCIS planned to implement the reengineered business processes in four increments that correlated with USCIS' major lines of business: (1) Citizenship, (2) Immigrant, (3) Humanitarian, and (4) Non-Immigrant. Figure 2 shows the transformation phases and their implementation timeframes as of March 2008.

| Increment | Line of Business Functions | Timeframe |
|---|---|---|
| One | Citizenship<br>Naturalization, Military Naturalization, and International Adoptions | Fiscal Year (FY) 2009 |
| Two | Immigrant<br>Permanent Residence | FY 2010 – FY 2011 |
| Three | Humanitarian<br>Refugee, Asylum, Parole, Temporary Protected Status | FY 2012 |
| Four | Non-Immigrant<br>Non-immigrant Workers | FY 2013 |

**Figure 2: Transformation Implementation Timeframes, March 2008**

USCIS' Office of Transformation Coordination (OTC) is responsible for coordinating transformation initiatives across USCIS, including managing and overseeing efforts to move the agency from a paper-based business to a more efficient electronic environment. OTC's mission is to lead, manage, and facilitate a comprehensive transformation of people, processes, and technologies that will enhance national security, promote operational excellence, and provide superior customer service to those seeking immigration benefits.

Because the transformation efforts rely on IT modernization, OTC and the Office of Information Technology (OIT) maintain an ongoing partnership to accomplish transformation goals. OIT's

mission is to provide the information services, strategic vision, leadership, technical expertise, and capabilities necessary to enable USCIS to deliver effective, efficient, economical, and secure immigration services. OIT leads USCIS in the design, development, delivery, and deployment of IT services and solutions. Figure 3 shows OTC and OIT within the USCIS organization.

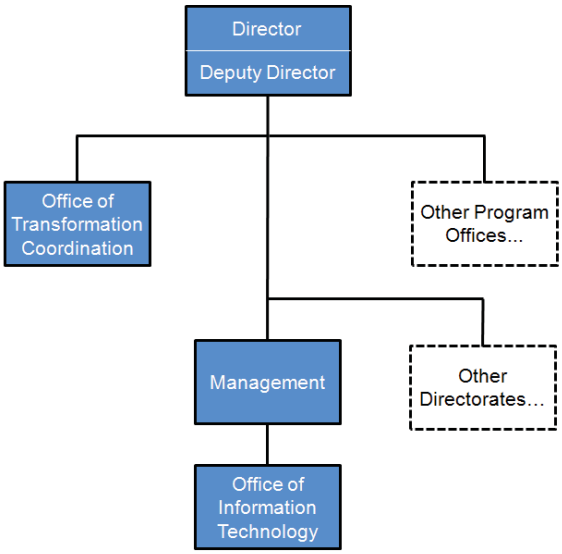


**Figure 3: USCIS Simplified Organization Chart**

In November 2008, USCIS awarded a contract to International Business Machines Corporation to serve as the solution architect. The contract called for the solution architect to provide services, including planning, requirements gathering, design, and development, to modernize and transform USCIS business processes, beginning with the Citizenship line of business. USCIS has obligated more than $500 million for the transformation program since FY 2008.

In July 2009, we reported that USCIS had established a structure to manage its transformation initiatives and an approach to deploy new business and IT capabilities.[1] The success of pilot programs to test the new IT capabilities, however, had been restricted by ineffective planning and limited implementation reviews. In addition, the business process reengineering efforts needed to support the transformation were incomplete, and stakeholder understanding and participation in the transformation program had

[1] *U.S. Citizenship and Immigration Services' Progress in Modernizing Information Technology* (OIG-09-90), July 2009.

been limited. We recommended that the Acting Deputy Director, USCIS:

- Develop an updated transformation approach, strategy, or plan to communicate end-state business processes and IT solutions to stakeholders.
- Develop and implement a plan to achieve sufficient and consistent stakeholder participation in process reengineering and requirements definition activities.
- Complete evaluations to document the results and lessons learned from the pilot and proof-of-concept programs.

In response, USCIS updated its Transformation Strategic Plan, Concept of Operations, and Transformation Program Communications Plan. In addition, USCIS developed a Stakeholder Management Plan and completed lessons learned documentation. Based on USCIS' actions, we closed these recommendations. As part of this audit, we revisited these areas in assessing USCIS' progress in implementing its transformation program.

# Results of Audit

## Progress Made, But Transformation Implementation Delayed

USCIS has made progress toward transformation since our 2009 report. Specifically, USCIS has completed a number of activities to prepare for its first IT system deployment in December 2011. In addition, USCIS has improved its coordination and communication with internal and external stakeholders.

Although USCIS has made progress, implementation of the transformation has been delayed. Specifically, USCIS has extended the timeline for its initial deployment of electronic capabilities from 2009 to 2011 and has reduced the scope of the deployment.

### Progress Made

USCIS has completed a number of IT system development activities to prepare for its first IT deployment in December 2011. USCIS has also improved the coordination between OTC and OIT, provided information to and obtained feedback from USCIS staff, and increased communication with external stakeholders.

Activities Completed for First IT Deployment

USCIS has completed steps in preparation for a planned deployment of capabilities in December 2011. Specifically, USCIS has gathered requirements, created the high-level design, and has begun testing the first development cycle and phase of the first release of the new system.

The first release will include delivering core capabilities such as online accounts, case management, and electronic filing for one benefit type. In this planned release, a customer will be able to set up an account, make payments, provide supporting evidence, and check the status of his or her application electronically. An adjudicator will be able to receive evidence electronically, perform background checks, assess risk and fraud, and issue notices and proof of benefit.

At the time of our fieldwork, USCIS had completed the development of processes for nine forms for the Non-Immigrant line of business and ten forms for the Citizenship line of business. Further, as of May 2011, the transformation program had documented and reengineered more than 170 Non-Immigrant processes for users. In addition, USCIS had completed initial interface requirements documents with all federal partners with interfaces in the first system release.

According to senior IT and program officials, USCIS expects to meet the December 2011 scheduled date for this release.

Coordination and Communication

USCIS has improved its coordination and communication with internal and external stakeholders. In June 2010, both OTC and OIT brought in new leaders, who have worked to improve coordination between the offices. OTC created and staffed the position of transformation IT project manager, who has made changes to improve coordination. For example, the manager has positioned OIT staff in transformation working groups. One-third of OIT staff now work on the transformation program in some capacity. Further, OIT is coordinating with OTC to ensure a successful transition from the legacy IT environment to the transformed environment. For example, to help ensure that the agency's IT infrastructure is ready for transformation, OIT has provided additional workstations for testing and deployment sites and purchased sufficient software licenses.

In addition, USCIS has increased its outreach and engagement with other internal stakeholders. For example, USCIS staff who perform immigration processing serve as members of the transformation working groups and as subject matter experts to ensure that the requirements for the new technology reflect their business needs. In May and June 2010, transformation program staff conducted surveys, focus groups, and interviews to gather feedback from USCIS leaders and staff about the transformation program. USCIS created the Transformation Liaison Program in June 2010 to communicate to the agency's workforce. In February and March 2011, the transformation liaisons and OTC staff demonstrated how customer accounts will be established and cases will be managed electronically. Approximately 5,000 USCIS staff participated in these demonstrations. The liaisons and OTC staff responded to feedback provided by participants at each session.

USCIS also has increased its coordination with external stakeholders. USCIS holds frequent meetings with external stakeholders, including other federal agencies, customers, and other organizations. Specifically, it meets quarterly with federal stakeholders such as U.S. Customs and Border Protection, U.S. Immigration and Customs Enforcement, the Department of State, and the Department of Justice to develop the agreements and interfaces necessary to share information. USCIS conducted customer and advocate information sessions nationwide to incorporate immigration applicant feedback into the transformation program. Further, USCIS gathered feedback from more than 230 other organizations, including law firms, nonprofit organizations, software developers, trade associations, and universities.

## Transformation Implementation Delayed

Although USCIS has made progress, implementation of the transformation program has been delayed. Specifically, USCIS extended its timeline for its first deployment because of a change in its deployment strategy. In addition, the lack of sufficiently defined requirements prior to selecting the IT system solution led to a reduction in the scope of the first deployment.

### Deployment Timeline

USCIS has extended its timeline for deploying a new IT system. USCIS' March 2008 transformation plans called for deploying the technology to support reengineered processes for its Citizenship

line of business in 2009. This deployment was to include web-based account setup and customer electronic filing of 20 different Citizenship forms. In addition, USCIS planned to deploy the technology supporting the electronic completion of 21 forms for its Immigrant line of business by the end of FY 2011. However, USCIS had not deployed the new technology for either line of business as of May 2011.

USCIS did not meet its original deployment goals because it revised its deployment strategy in December 2009. Specifically, USCIS reversed the order in which it planned to reengineer processes and implement electronic capabilities for each line of business, as shown in figure 4.

| Line of Business Functions | March 2008 Timeframe | Original Order of Deployment | December 2009 Timeframe | Revised Order of Deployment |
|---|---|---|---|---|
| Citizenship<br>Naturalization, Military Naturalization, and International Adoptions | FY 2009 | 1 | Q4 FY 2013 – FY 2014 | 4 |
| Immigrant<br>Permanent Residence | FY 2010 - FY 2011 | 2 | Q4 FY 2012 | 2 |
| Humanitarian<br>Refugee, Asylum, Parole, Temporary Protected Status | FY 2012 | 3 | Q2 FY 2013 | 3 |
| Non-Immigrant<br>Non-immigrant Workers | FY 2013 | 4 | Q3 FY 2011 – FY 2012 | 1 |

**Figure 4: Revised Transformation Implementation Timeframes**

USCIS initially planned to begin its transformation with the Citizenship line of business, which is generally the last step in the immigration process. USCIS' rationale for deploying Citizenship first was to eliminate the need for applicants who began their interactions with USCIS by completing forms electronically to transition back to paper forms for subsequent processes. In the transformed environment, applicants would file Citizenship forms electronically, and the paper documents that they had filed during earlier steps in the process would be digitized.

After beginning the transformation of the Citizenship line of business, transformation program leadership determined that the costs of digitizing the previously received paper forms for Citizenship applicants would be higher than originally estimated. Reversing the order of the deployment to begin with the Non-Immigrant line of business and end with the Citizenship line of business would reduce the immediate costs of the transformation by reducing the amount of paper forms that would need to be

digitized. In addition, a USCIS analysis of deployment alternatives indicated that beginning deployment with the Non-Immigrant line of business would enable USCIS to establish customer accounts and perform electronic adjudication earlier. However, the change also resulted in USCIS extending the timeline for its first deployment from FY 2009 to FY 2011.

Deployment Scope

USCIS also has reduced the scope of its initial transformation deployment. In March 2010, USCIS planned to deploy the first release of capabilities for the Non-Immigrant line of business by the third quarter of FY 2011. This release was to provide end-to-end electronic case management for approximately 17 Non-Immigrant benefit types or forms. USCIS customers filed approximately 2.3 million of these forms in FY 2008. As of May 2011, the approved plan for the first Non-Immigrant release included delivering capabilities for one of the 17 forms, the *Application to Extend/Change Nonimmigrant Status*, by December 2011. USCIS received approximately 191,000 of these applications in FY 2008.

The reduction in scope for the first release was necessary because USCIS had not sufficiently defined its requirements before the IT system solution was selected. Based on its initial understanding of the processes and requirements, the solution architect concluded that an out-of-the-box system would provide the capabilities needed to enable customers to complete forms electronically and USCIS adjudicators to review the forms electronically. However, the USCIS working groups that identified system requirements did not limit the requirements to the constraints of the out-of-the-box system. USCIS envisioned that the new system would fully automate the entire benefits process, such as automatically assigning work to USCIS employees and automatically checking for potential criminal and fraudulent activity. In September 2010 and again in January 2011, the solution architect informed USCIS that it would have to reduce the scope of the deployment to include the additional requirements and meet the December 2011 deadline for deployment.

## Other Factors Limit Transformation Progress

Other factors have contributed to delays in USCIS realizing its transformation goals. Specifically, USCIS' transformation governance structure, as implemented, did not promote timely and effective decision

making. In addition, USCIS has faced challenges in staffing its transformation effort.

**Governance Structure**

According to federal guidance, agencies are required to implement IT governance structures and to ensure effective acquisition of IT resources.[2] USCIS has appropriately established a governance structure for the transformation program but still faces a number of challenges. The structure is made up of three primary groups: the Transformation Leadership Team (TLT), the Program Integrated Product Team (PIPT), and Working Integrated Product Teams (WIPTs).

- TLT—The TLT is comprised of USCIS executive-level management and provides strategic direction for the transformation program. The USCIS director and senior leadership from this team meet each week to discuss program direction, policy decisions, investment strategy, program scope, and acquisition strategy.

- PIPT—The PIPT, comprised of senior USCIS managers, was established by the TLT to serve as the transformation program's executive board. The board oversees the management of the program schedule, cost, and performance; oversees the WIPTs; and reports status and escalates issues to the TLT when not able to reach decisions at the PIPT level. This executive board meets three times a week.

- WIPTs—The WIPTs work directly with the solution architect to define the transformed business processes and help design the operational aspects of the technology to meet those needs. These teams make recommendations to the PIPT regarding operational, regulatory, policy, cost, and schedule impacts.

Although USCIS established a transformation governance structure, the structure has weaknesses that have contributed to transformation delays. Transformation leadership told us the governance structure was too complex and unwieldy, with too

[2] The *Clinger-Cohen Act of 1996*; Office of Management and Budget Circular A-130, *Management of Federal Information Resources*; and Office of Management and Budget Circular A-11, Part 7, *Planning, Budgeting, Acquisition and Management of Capital Assets*, provide regulations and guidance for investment review and capital planning activities.

many stakeholders and boards involved in making decisions. Specifically, the transformation chief, transformation program manager, transformation IT project manager, and the USCIS Chief Information Officer (CIO) expressed concerns with the length of time it has taken to make a decision. In addition, IT officials noted the volume of decisions that have been escalated to the PIPT or TLT levels.

Many subject matter experts in the field, as well as headquarters staff, voiced similar concerns with the governance structure's decision-making processes. Specifically, staff described frustration over program leadership's reversal of, or revisiting, major program decisions. For example, program leadership initially decided that electronic filing would not be mandatory and later proposed to reverse that decision. Leadership has also changed its decision on which capabilities would be included in the first release for the Non-Immigrant line of business. After reviewing the transformation program, the DHS CIO concluded that the program had an overly complex governance structure that required too many formal meetings and checkpoints for review, consensus building, and decision making. The DHS CIO recommended that the agency develop a more streamlined governance structure to improve the decision-making process.

**Staffing Challenges**

The transformation program has also faced staffing challenges. OTC had 98 authorized positions as of May 2011. However, from July 2010 to May 2011, the number of vacancies in OTC ranged from 30% to 45% of its authorized positions. For example, at the time of our fieldwork, 6 of 15 positions were vacant in the increment and release management division, which is responsible for integration management and release delivery and deployment. In addition, 9 of 24 positions were vacant in the business integration division, which is responsible for working group support, strategic business analysis, and business architecture. Further, OTC experienced staff turnover, including the departure of two division directors. According to the DHS CIO, the large amount of internal turnover in the program's staffing was a risk. After reviewing the transformation program, the DHS CIO concluded that USCIS did not have enough experienced program staff to support a more effective, agile transformation approach.

The transformation program has had difficulty hiring staff because the skills required are very specific. According to OTC officials,

they need people with the right program management skills, experience, and competencies to contribute to the program effectively. For example, program staff told us they had difficulty finding people with the skills required to develop schedules and cost estimates and perform engineering activities.
The solution architect has also experienced staffing shortages. The solution architect could not meet the schedule for a design milestone for the new system due to a shortage of 12 to 15 people with the necessary skills to staff the design team. The solution architect also experienced high turnover, with more than 200 personnel departing the project between November 2008 and March 2011. In addition, the solution architect had challenges filling positions to work on designing, building, and testing the new system.

## USCIS Has Taken Steps To Address Challenges

USCIS has recognized its challenges and has taken steps to address them. Specifically, USCIS has moved to a more agile transformation approach and strengthened program monitoring to help identify and address problems that can lead to further implementation delays. USCIS has also adjusted its governance structure to facilitate decision making and taken steps to address its staffing shortages.

### Transformation Approach and Monitoring

In response to recommendations from the DHS CIO, USCIS made its transformation program approach more agile. Specifically, the DHS CIO recommended that USCIS deploy releases incrementally in 6-month cycles instead of following the original plan, which called for fewer, larger releases. According to the DHS CIO, smaller releases of capabilities are beneficial because there is less risk to ongoing operations. The DHS CIO recommended that USCIS identify core functionality and begin development before the completion of the system design in order to identify and understand underlying problems more quickly. As discussed previously, USCIS plans to deploy core capabilities and one form type in the first Non-Immigrant release, and will deploy additional capabilities and form types in 6-month intervals thereafter.

USCIS has also strengthened its methods for monitoring transformation progress. For example, transformation program staff developed a critical task schedule in August 2010 to ensure that each USCIS office is aware of planned activities and milestones. As of March 2011, program staff were restructuring the critical task schedule to align better with stakeholder

requirements and provide increased traceability of tasks. In addition, transformation program management had improved coordination with the solution architect. For example, USCIS employees have been embedded in teams with the solution architect, which has increased the visibility of potential problems. In February 2011, USCIS began requiring the solution architect to report any newly identified risks immediately. Further, OTC holds daily "escalation" meetings at which the solution architect identifies and discusses threats to meeting the program schedule. The OTC Chief said that this process has allowed potential problems to be addressed as they arise.

**Governance**

USCIS has taken steps to improve transformation decision making. For example, in February 2011, transformation program management determined that the current decision structure did not enable rapid and timely support for design, development, and testing decisions for the IT system release, and proposed the addition of internal decision-making bodies. To facilitate rapid decision making, USCIS created a release integration team and a design and construction support team. The release integration team manages and makes decisions for the design and construction of an overall release. The design and construction support team oversees the design and construction of release components and supports rapid decision making on issues that require escalation.

**Staffing Improvements**

USCIS has taken action to address staffing challenges. OTC developed a staffing plan to track specific responsibilities, occupation information, job location, and whether the position can be sourced from within USCIS for each of its vacancies. OTC monitors the status of vacancy announcements, including which office is responsible for the next step in the hiring and onboarding process for each position. Further, the OTC Chief reviews every resume to ensure that OTC is getting the right people. Despite these actions, a USCIS program official familiar with the program's staffing needs said that OTC still faces difficulty in recruiting people with highly specialized skills, such as systems engineering, risk management, cost analysis, program control, and communication.

## Recommendations

We recommend that the Chief, Office of Transformation Coordination:

**Recommendation #1:** Complete business and technology process documentation to provide the detail necessary to implement the transformation program effectively.

**Recommendation #2:** Revise its current governance structure to enable more streamlined program decision making.

**Recommendation #3:** Ensure that transformation program staff possess the necessary skills to implement the transformation program.

## Management Comments and OIG Analysis

We obtained written comments on a draft of this report from the Chief of Staff, Office of the Director, USCIS. The Chief of Staff concurred with our recommendations and provided details on steps being taken to address specific findings and recommendations in the report. We have included a copy of the comments in their entirety in appendix B.

In response to recommendation 1, the Chief of Staff stated that OTC is working toward the use of a modified agile development approach, where new functionality is released every 6 months after an integrated requirements/development phase. The Chief of Staff stated that this will require a tailored documentation approach, which USCIS is exploring with the DHS Office of the Chief Information Officer. We look forward to learning about progress made toward addressing this recommendation. We consider this recommendation to be resolved and open.

In response to recommendation 2, the Chief of Staff stated that USCIS is working on restructuring its governance and decision-making process to accommodate the current phase of the project, which is focused on the development and deployment of the USCIS Electronic Immigration System. Additionally, the Chief of Staff said that working with DHS and USCIS senior leadership, OTC will streamline the current governance and decision-making processes while maintaining transparency and ensuring USCIS leadership is actively informed and involved. We are encouraged

by the steps taken to address this recommendation, and look forward to learning about progress made in revising the current governance structure. We consider this recommendation to be resolved and open.

In response to recommendation 3, the Chief of Staff stated that OTC is using all of the recruitment and staffing tools available to fill its vacancies. The Chief of Staff said that OTC recently hired 13 highly qualified individuals and was able to generate a larger pool of qualified candidates by including repayment of relocation expenses. This technique also has helped USCIS attract highly qualified individuals from USCIS and throughout the Department who can serve as subject matter experts in key areas such as program management, communications, and training and who also possess unique understanding of USCIS' operational and business requirements. The Chief of Staff said that OTC has taken additional steps to ensure that all divisions and staff members possess the necessary skills in project management, scheduling, and contract administration, including emphasizing to employees that sufficient funding has been allotted to ensure that all appropriate training requests can be approved.

The Chief of Staff also said that OIT has assigned highly qualified personnel from its existing pool of resources to support OTC, and is working on a staffing campaign to hire individuals with enterprise solution architecture, agile development, and IT project management skills. We recognize the progress made in this area since our audit, and look forward to learning more about continued progress. We consider this recommendation to be resolved and open.

The objective of this audit was to determine USCIS' progress in implementing IT modernization initiatives and addressing our prior recommendations.

We researched and reviewed federal laws and executive guidance related to USCIS' immigration benefits processes and systems. We reviewed recent Government Accountability Office and OIG reports to identify prior findings and recommendations. In addition, we searched the Internet to obtain published reports, documents, and news articles regarding USCIS operations and the transformation initiative. We evaluated documents that USCIS provided in November 2009, March 2010, May 2010, and October 2010, including updated action plans and milestones, on activities to address our July 2009 report recommendations. Using this information, we designed a data collection approach, consisting of focused meetings and document analysis, to conduct our follow-up review. We developed a series of questions and discussion topics for our meetings.

Subsequently, we conducted information-gathering meetings at USCIS headquarters and field offices and gathered supporting documentation to meet our audit objectives. At headquarters, we met with senior leaders of the transformation effort, including the Chief and Deputy Chief of OTC, and staff involved with the transformation to discuss USCIS business and IT transformation. We were particularly interested in transformation planning, business process reengineering, requirements gathering, and transformation program implementation activities. We collected numerous documents from these offices about USCIS accomplishments, current initiatives, and future plans for transformation.

We met with the USCIS CIO and Deputy CIO to obtain updates on coordination with OTC, lessons learned from past pilot programs, and the outlook for transformation. We met with OIT personnel to learn about coordination in planning and implementing transformation, as well as about current and past transformation efforts and OIT involvement. To support their comments, these officials provided copies of transformation-related documentation. In addition, we met with the DHS CIO to discuss transformation progress and challenges.

We conducted audit fieldwork from February to May 2011 at USCIS headquarters in Washington, D.C.; USCIS service centers

in St. Albans, Vermont; Laguna Niguel, California; and Lincoln, Nebraska; and the National Benefits Center in Lee's Summit, Missouri. In addition, we met with USCIS staff in regional offices in South Burlington, Vermont, and Los Angeles, California; in field offices with some district office representation in Los Angeles, California; St. Albans, Vermont; and Kansas City, Missouri; and at an asylum office and telephone center in Los Angeles, California.

At USCIS field locations, we toured facilities, observed demonstrations of select business processes and systems use, and led information-gathering meetings with senior managers, IT specialists, immigration service officers, and other employees. We discussed recent and past activities regarding the transformation program, local IT development practices, and user involvement and communications with headquarters concerning the transformation. Where possible, we obtained reports and other materials to support the information provided during the meetings.

We conducted this performance audit between February 2011 and May 2011 pursuant to the *Inspector General Act of 1978*, as amended, and according to generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based upon our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based upon our audit objectives.

The principal OIG points of contact for this audit are Frank Deffer, Assistant Inspector General for Information Technology Audits, and Richard Harsche, Director of Information Management. Appendix C lists major OIG contributors to the audit.

**U.S. Department of Homeland Security**
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U.S. Citizenship and Immigration Services

OCT 13 2011

# Memorandum

TO: Frank Deffer
Assistant Inspector General

FROM: Rebecca Carson
Chief of Staff

SUBJECT: USCIS's Progress in Transformation, OIG-11-032 Draft Report

**Recommendation #1: Complete business and technology process documentation to provide the detail necessary to implement the transformation program effectively.**

**USCIS's Response:** USCIS concurs with this recommendation. The original Request for Proposals (RFP) for the Solution Architect (SA) dated October 12, 2007, contained a Statement of Objectives (SOO) instead of a Statement of Work (SOW). The RFP listed the results expected by USCIS, as the SA contract did not dictate the mechanisms by which a transformed environment would be achieved. This approach was approved by the Department of Homeland Security (DHS), who manages the SA contract, and by the Office of Management and Budget (OMB). OMB understood that USCIS had reengineered business processes and requirements that would be transferred to the SA, an approach which distinguishes the SA from a traditional Lead Systems Integrator (LSI). The SA was then required to engineer and implement the solution under direct oversight of the Office of Transformation and Coordination (OTC) (e.g. milestone reviews, incremental acceptance of services and capabilities, etc.) and participate in organizational change activities. The requirements for Increment One were detailed in a 424-page Enterprise Segment Activity Roadmap (ESAR) dated February 29, 2008. Additionally, a separate 291-page ESAR covering all increments and releases was finalized on February 20, 2008. These requirements were provided to the SA, which in turn engineered the solution and presented a strategy and approach to implementing the solution in accordance with the requirements of the SA contract. USCIS Subject Matter Experts conducted a thorough analysis of the SA's solution and determined that, while the solution as presented was viable, a resequencing of the software releases and some refinements to the functionality contained within each of the software releases would yield a more effective approach to transforming the agency's business processes.

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Currently, OTC exercises more oversight over the SA contract than originally envisioned by DHS and OMB. The DHS Acquisition Directive 102 (AD-102) issued in November of 2008, requires an increased level of government oversight and much greater involvement in information technology decisions. After the implementation of AD-102, OTC, in conjunction with the SA, produced increment level documents in November 2008 and updated documents. In addition, AD-102 documents were updated and new ones produced for the Project Planning Review (PPR) in March 2010 and the Acquisition Decision Review in 2012. OTC is currently working towards the use of a modified agile development approach, where new functionality is released every six months after an integrated requirements/development phase. This will require a tailored documentation approach, which USCIS is exploring with the DHS Office of the Chief Information Officer (OCIO).

**Recommendation #2: Revise its current governance structure to enable more streamlined program decision making.**

**USCIS's Response:** USCIS concurs with this recommendation. The USCIS governance structure that was put in place at the onset of this program was appropriate and necessary to ensure a complete and thorough vetting of the USCIS business processes and the validation of detailed requirements for the automation of those processes. USCIS is currently working on restructuring its governance and decision-making process to accommodate the current phase of the project which is focused on the development and deployment of the USCIS Electronic Immigration System (ELIS). Working with the DHS and USCIS senior leadership, OTC will streamline the current governance and decision-making processes while maintaining transparency and ensuring USCIS leadership is actively informed and involved.

**Recommendation #3: Ensure that transformation program staff possesses the necessary skills to implement the transformation program.**

**USCIS's Response:** USCIS concurs with this recommendation. The OTC is utilizing all of the recruitment and staffing tools available to fill its vacancies. The OTC recently hired 13 highly-qualified individuals. We were able to generate a larger pool of qualified candidates by announcing vacancies that include repayment of relocation expenses. This technique has proven especially successful in attracting highly-qualified individuals from USCIS and other DHS offices across the United States who can serve as subject matter experts in key areas such as program management, communications, and training and who also possess unique understanding of USCIS's operational and business requirements.

OTC has taken additional steps to ensure that all divisions and staff members possess the necessary skills in project management, scheduling, and contract administration. OTC leadership has emphasized in all-hands meetings that every OTC employee is expected to take advantage of relevant training opportunities as sufficient funding has been allotted to ensure that all appropriate training requests can be approved. OTC is strongly encouraging staff to become Project Management Professional (PMP) certified, and is funding PMP preparation courses and testing fees.

USCIS's Progress in Transformation, OIG-11-032 Draft Report
Page 3

The USCIS Office of Information Technology (OIT) has assigned highly qualified personnel from its existing pool of resources to support OTC. Additionally, OIT is working on a staffing campaign to hire individuals with unique qualifications such as Enterprise Solution Architecture, Agile Development, and Information Technology (IT) Project Management skills and experience on large-scale IT projects. OIT is targeting individuals with domain expertise in Middleware, Application, Business Intelligence, Data Warehouse, and Service Orientated Architectures. These new hires will provide support to the USCIS ELIS system as well as USCIS legacy systems to ensure the agency's business functions are supported through USCIS's transformed operating environment.

OIT provides its staff training opportunities on Change, Configuration, and Release Management, Agile Development, Section 508 Compliance, and Information Security. OIT also encourages its staff members to become PMP, Certified Information Systems Security Professional (CISSP), and ScrumMaster certified.

## Appendix C
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