June 26, 2008

The Honorable Robert C. Byrd
Chairman
The Honorable Thad Cochran
Ranking Member
Subcommittee on Homeland Security
Committee on Appropriations
United States Senate

The Honorable David E. Price
Chairman
The Honorable Harold Rogers
Ranking Member
Subcommittee on Homeland Security
Committee on Appropriations
House of Representatives

Subject: Secure Border Initiative Fiscal Year 2008 Expenditure Plan Shows Improvement, but Deficiencies Limit Congressional Oversight and DHS Accountability

In November 2005, the Department of Homeland Security (DHS) announced the launch of Secure Border Initiative (SBI), a multiyear, multibillion-dollar program aimed at securing U.S. borders and reducing illegal immigration. Elements of SBI are carried out by several organizations within DHS. One component is the U.S. Customs and Border Protection’s (CBP) SBI program office,¹ which is responsible for developing a comprehensive border protection system using people; technology, known as SBI\textit{net}; and tactical infrastructure (TI)—pedestrian and vehicle fencing; roads; and lighting. Initially, the focus of SBI is on the U.S. southwest border areas, between the ports of entry, that CBP has designated as most in need of enhanced border security because of serious vulnerabilities.² In September 2006, CBP awarded a prime contract to the Boeing Company for 3 years, with three additional 1-year options. As the prime contractor, Boeing is responsible for acquiring, deploying, and sustaining selected SBI\textit{net} technology and tactical infrastructure projects, and for providing supply chain management for selected tactical infrastructure projects. For fiscal years 2005 through 2008, Congress appropriated more than $2.7 billion for the SBI program. For fiscal year 2009, the President’s budget includes a request for an additional $775 million for SBI.

¹The CBP SBI Program Executive Office, referred to in this report as the SBI program office, is responsible for overseeing all SBI activities; for acquisition and implementation, including establishing and meeting program goals, objectives, and schedules; for overseeing contractor performance; and for coordinating among DHS agencies.

²At a port of entry location, CBP officers secure the flow of people and cargo into and out of the country, while facilitating legitimate travel and trade.
The Fiscal Year 2008 Consolidated Appropriations Act required DHS to submit to the House and Senate Appropriations Committees an expenditure plan for the department’s efforts to establish a security barrier along the borders of the United States, including pedestrian and vehicle fencing as well as other forms of tactical infrastructure and technology.³ This plan was to address 15 legislative conditions and was submitted to Congress on March 31, 2008.⁴ As required by the act, we reviewed the plan and on April 7 and April 10, 2008, briefed staff of the House and Senate Appropriations Subcommittees, respectively, on our results. This correspondencetransmits these results and the full briefing is reprinted in enclosure I.

To determine whether the SBI fiscal year 2008 expenditure plan satisfied 15 legislative conditions as required by the Fiscal Year 2008 Consolidated Appropriations Act, we analyzed the SBI March 2008 expenditure plan and supporting documentation. We also interviewed cognizant program officials at CBP headquarters in Washington, D.C. We determined that the financial, staffing, and fencing data provided by DHS were sufficiently reliable for purposes of this product. We based our decision on an assessment for each respective area by questioning cognizant DHS officials about the source of the data and policies and procedures to maintain the integrity of these data. We conducted this performance audit from January 2008 to June 2008, in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the work to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our objectives.

Results in Brief

The SBI fiscal year 2008 expenditure plan, including related documentation and program officials’ statements, satisfied seven legislative conditions, partially satisfied seven legislative conditions, and did not satisfy one legislative condition.⁵ The 15 legislative conditions and the level of satisfaction are summarized in table 1.


⁵Satisfied means that the plan, in combination with supporting documentation and program officials’ statements, either satisfied or provides for satisfying each requirement of the condition that we reviewed. Also, for legislative conditions calling for a certification, we considered the condition satisfied if the cognizant official certified that the condition had been met. Partially satisfied means that the plan, in combination with supporting documentation and program officials’ statements, either satisfied or provides for satisfying some, but not all, key aspects of the condition that we reviewed. Not satisfied means that the plan, in combination with supporting documentation and program officials’ statements, does not satisfy any of the key aspects of the condition that we reviewed.
<table>
<thead>
<tr>
<th>Legislative condition</th>
<th>Status</th>
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<tr>
<td>Includes a detailed accounting of the program's progress to date relative to system capabilities or services, system performance levels, mission benefits and outcomes, milestones, cost targets, program management capabilities, identification of the maximum investment (including life cycle costs) required by the SBI network or any successor contract, and description of the methodology used to obtain these cost figures.</td>
<td>Partially satisfied</td>
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<tr>
<td>Describes how activities will further the objectives of SBI, as defined in the SBI multi-year strategic plan and how the plan allocates funding to the highest priority border security needs.</td>
<td>Not satisfied</td>
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<td>Includes an explicit plan of action defining how all funds are to be obligated to meet future program commitments, with the planned expenditure of funds linked to the milestone-based delivery of specific capabilities, services, performance levels, mission benefits and outcomes, and program management capabilities.</td>
<td>Partially satisfied</td>
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<td>Identifies staffing (including full-time equivalents, contractors, and detailers) requirements by activity.</td>
<td>Satisfied</td>
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<td>Describes how the plan addresses security needs at the northern border and the ports of entry, including infrastructure, technology, design, and operations requirements.</td>
<td>Satisfied</td>
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<td>Reports on costs incurred, the activities completed, and the progress made by the program in terms of obtaining operational control of the entire border of the United States.</td>
<td>Partially satisfied</td>
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<td>Includes a list of all open GAO and DHS Office of Inspector General (OIG) recommendations related to the program and the status of DHS actions to address the recommendations, including milestones to fully address them.</td>
<td>Satisfied</td>
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<td>Includes a certification by the DHS Chief Procurement Officer (CPO) that the program has been reviewed and approved in accordance with the investment management process of the department and that the process fulfills all capital planning and investment control requirements and reviews established by the Office of Management and Budget (OMB), including Circular A-11, part 7.</td>
<td>Satisfied</td>
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<td>Includes a certification by the DHS Chief Information Officer (CIO) that the system architecture of the program is sufficiently aligned with the information systems enterprise architecture of the department to minimize future rework, including a description of all aspects of the architectures that were and were not assessed in making the alignment determination, the date of the alignment determination, and any known areas of misalignment along with the associated risks and corrective actions to address any such areas.</td>
<td>Partially satisfied</td>
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<td>Includes a certification by the DHS CPO that the plans for the program comply with the federal acquisition rules, requirements, guidelines, and practices and a description of the actions being taken to address areas of noncompliance, the risks associated with them along with any plans for addressing these risks, and the status of their implementation.</td>
<td>Satisfied</td>
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<td>Includes a certification by the DHS CIO that the program has a risk management process that regularly and proactively identifies, evaluates, mitigates, and monitors risks throughout the system life cycle and communicates high risk conditions to CBP and DHS investment decision makers, as well as a listing of all the program’s high risks and the status of efforts to address them.</td>
<td>Partially satisfied</td>
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<tr>
<td>Includes a certification by the DHS Chief Human Capital Officer (CHCO) that the human capital needs of the program are being strategically and proactively managed and that current human capital capabilities are sufficient to execute the plans discussed in the report.</td>
<td>Satisfied</td>
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<tr>
<td>Includes an analysis by the Secretary for each segment – defined as no more than 15 miles, of fencing or tactical infrastructure – of the selected approach compared to other, alternative means of achieving operational control, including cost, level of operational control, possible unintended effects on communities, and other factors critical to the decision making process.</td>
<td>Partially satisfied</td>
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<td>Includes a certification by the DHS CPO that procedures to prevent conflicts of interest between the prime integrator and major subcontractors are established and that the SBI program office has adequate staff and resources to effectively manage the SBI program, SBI network contract, and any related contracts, including the exercise of technical oversight, and includes a certification by the DHS CIO that an independent verification and validation (IV&amp;V) agent is currently under contract for the projects funded under this heading.</td>
<td>Partially satisfied</td>
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<tr>
<td>Is reviewed by GAO.</td>
<td>Satisfied</td>
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Source: GAO analysis of DHS data.
The SBI expenditure plan is intended to provide Congress with the information needed to effectively oversee the program and hold DHS accountable for program results. Satisfying the conditions is important since the Fiscal Year 2008 Consolidated Appropriations Act required an expenditure plan that satisfies the 15 conditions summarized above to be submitted to and approved by the House and Senate Appropriations Committees before the agency could obligate $650 million of the approximately $1.2 billion appropriated for CBP fencing, infrastructure and technology. Satisfying the conditions is also important to minimize the program’s exposure to cost, schedule, and performance risks. The fiscal year 2008 plan states that it addresses our February 2007 recommendation that the plan include explicit and measurable commitments relative to the capabilities, schedule, costs, and benefits associated with individual program activities. However, based on our review, while the 2008 plan is more detailed than the 2007 plan, it does not provide detailed justification for all planned SBI expenditures, nor does it permit progress against program commitments to be adequately measured and disclosed. In addition, the 2008 plan does not clearly demonstrate how specific CBP SBI activities link with the DHS Secure Border Strategy and further the objectives of DHS’s overall border strategy, nor does it provide Congress with reasonable assurance that funding is used for the highest priority requirements.

We are recommending that the U.S. Customs and Border Protection’s Secure Border Initiative Executive Director ensure that future expenditure plans include an explicit description of how activities will further the objectives of SBI, as defined in the DHS Secure Border Strategy, and how the plan allocates funding to the highest priority border security needs. Because DHS has yet to implement our February 2007 recommendation that it ensure that future expenditure plans include explicit and measurable commitments relative to the capabilities, schedule, costs, and benefits associated with individual SBI net program activities, we are not making new recommendations with respect to these issues.

We requested comments on a draft of this report from the Secretary of Homeland Security or his designee. In a June 16, 2008, letter, DHS concurred with our recommendation and provided written comments, which are included in their entirety in enclosure II. DHS’s response also reflects additional information that it provided in a letter dated June 3, 2008, to Chairman Price in response to questions raised by our draft report. While we have not fully evaluated the information DHS has provided, the steps it has taken indicate that, should there be requirements for future expenditure plans with similar legislative conditions, DHS and CBP should be able to provide an expenditure plan that is more responsive to the legislative conditions.


7GAO-07-309.
Compliance with Legislative Conditions

The 15 legislative conditions and the level of satisfaction are summarized below.

- Legislative condition 1: Includes a detailed accounting of the program’s progress to date relative to system capabilities or services, system performance levels, mission benefits and outcomes, milestones, cost targets, program management capabilities, identification of the maximum investment (including life cycle costs) required by the SBI network or any successor contract, and description of the methodology used to obtain these cost figures (partially satisfied).

The expenditure plan includes information about the program’s progress to date for its various SBI\textit{net} and TI efforts and general cost information for proposed activities; however, other information required by the legislative condition is missing. For instance, the expenditure plan reports on the SBI\textit{net} program’s progress, including progress against key milestones, lessons learned, and efforts to improve SBI\textit{net} program management and performance measurement capabilities. However, the plan lacks detail on SBI\textit{net}'s capabilities, performance levels, benefits and outcomes, and milestones. For example, the Boeing prime contract introduced performance goals for SBI\textit{net}, such as the rate of detection of border entries, but the plan does not report on SBI\textit{net}'s progress toward meeting those goals. In addition, with regard to SBI TI, the expenditure plan includes progress toward 2008 mileage goals, fencing performance requirements, and cost targets for SBI TI contracts. However, it does not include other important TI-related information, such as life-cycle costs, future fencing costs, and information on TI program management capabilities such as internal communications and reporting channels, any formal process improvement programs, or tools for effective program management.

- Legislative condition 2: Describes how activities will further the objectives of SBI, as defined in the SBI multi-year strategic plan, and how the plan allocates funding to the highest priority border security needs (not satisfied).

The expenditure plan states that SBI activities align with DHS’s Secure Border Strategic Plan\textsuperscript{9} and that funding is allocated toward program priorities, but does not provide additional detail on these assertions. Specifically, the plan also states that CBP’s SBI program aligns with the DHS Secure Border Strategic Plan goal to “develop and deploy the optimal mix of personnel, infrastructure, and technology and response capabilities to identify, classify, and interdict cross-border violators.” However, beyond this statement, the expenditure plan does not demonstrate how specific CBP SBI activities link with that goal and further the objectives of DHS’s overall border strategy. Similarly, while the plan states that, “CBP prioritizes requirements and allocates funding to the highest priority requirements,” it does not provide detail to support this claim. For instance, the plan does not assign a priority to specific SBI activities, nor does it link funding decisions with priorities. As a result, the plan does not provide Congress with reasonable assurance that SBI program activities support DHS’s overall border strategy and that funding is allocated for the highest priority requirements as required by the legislative condition.


• Legislative condition 3: Includes an explicit plan of action defining how all funds are to be obligated to meet future program commitments, with the planned expenditure of funds linked to the milestone-based delivery of specific capabilities, services, performance levels, mission benefits and outcomes, and program management capabilities (partially satisfied).

The expenditure plan includes some of the information required by the condition; however, the plan does not link the planned expenditure of funds to the milestone-based delivery of specific program capabilities or services. With regard to SBI\textit{net}, the plan includes information such as budgeted amounts for specific SBI\textit{net} activities for fiscal year 2008. However, the plan states that CBP intends to spend all of the $411 million allocated to SBI\textit{net} within the fiscal year 2008 appropriation, but the plan does not link this planned expenditure of the funds to the planned technology efforts for fiscal year 2008. In addition, the expenditure plan and related documentation do not detail expected performance levels for fiscal year 2008 or link planned expenditures to mission benefits and outcomes for SBI\textit{net} efforts. With regard to SBI TI, the expenditure plan and related documentation include information required by the condition, such as budget amounts for specific SBI TI activities for fiscal year 2008, including pedestrian and vehicle fencing projects on the southwest border. The plan also presents planned SBI TI activities for calendar year 2008, including construction of a total of 370 miles of pedestrian fencing and 300 miles of vehicle fencing. However, the plan does not include milestone-based delivery of capabilities to ensure that the SBI program office will meet its 2008 goal of completing 670 miles of fencing by December 2008,\textsuperscript{10} nor does it include detailed expected performance levels for fiscal year 2008 or link planned expenditures to mission benefits and outcomes.

• Legislative condition 4: Identifies staffing (including full-time equivalents, contractors, and detailees) requirements by activity (satisfied).

The expenditure plan, including related documentation and program officials' statements, identifies staffing requirements by activity, and describes how the SBI program office has made progress toward meeting its staffing goals. The SBI program office, which includes the SBI\textit{net} and SBI TI offices, manages the SBI program. SBI staff work in Integrated Project Teams, which are teams that work across office functions, in order to draw on different areas of expertise to achieve their objectives. As of February 22, 2008, the program office had 249 government and contractor support staff, including 20 detailees, and had plans to increase its staff numbers by 110, to a total of 359 staff. In December 2007, the SBI office published the first version of its Strategic Human Capital Management Plan and is now in the early implementation phase. The plan outlines seven main goals for the office and activities to accomplish those goals, which align with federal government best practices.

\textsuperscript{10}Under the Fiscal Year 2008 Consolidated Appropriations Act, DHS is to identify the 370 miles, or other mileage determined by the Secretary, along the southwest border where fencing would be most practical and effective in deterring illegal entrants and complete construction of reinforced fencing along these miles no later than December 31, 2008. The Act also requires DHS to construct a total of 700 miles of reinforced fencing along the southwest border where fencing would be most practical and effective but does not provide a deadline. Pub. L. No. 110-161, § 564(a)(2)(B), 121 Stat. 1844, 2090-91 (2007).
• Legislative condition 5: Describes how the plan addresses security needs at the northern border and the ports of entry, including infrastructure, technology, design, and operations requirements *(satisfied)*.

The SBI expenditure plan broadly addresses the security needs at the northern border and ports of entry by providing a description of activities for the funds the SBI program office plans to expend; however, the northern border plan is in the preliminary stage and much more evaluation needs to be done as border security solutions are proposed and concepts tested. Specifically, the plan includes information about infrastructure, design, and operations requirements, as well as descriptions of how the $20 million of fiscal year 2007 funds for northern border security will be spent. In addition, a February 2008 CBP report to Congress about ongoing DHS northern border initiatives discussed steps that CBP is taking to address security needs at the northern border and the ports of entry, including increasing personnel (e.g., Border Patrol), upgrading land port inspection facilities, implementing SBI*net* technology and tactical infrastructure solutions, expanding liaison efforts with international stakeholders, and improving intelligence sharing with federal, state, and local law enforcement.11 We are evaluating the February 2008 report to Congress as mandated by the Implementing Recommendations of the 9/11 Commission Act of 200712 and expect to report on the results later this year.

• Legislative condition 6: Reports on costs incurred, the activities completed, and the progress made by the program in terms of obtaining operational control of the entire border of the United States *(partially satisfied)*.

The expenditure plan and related documentation report on obligations and budgeted amounts incurred, but the documentation does not attribute changes in the level of operational border control to SBI activities.13 Specifically, the expenditure plan reports obligations and budgeted amounts, but it does not clearly distinguish between the two, nor does it report program expenditures. However, CBP officials subsequently provided us with related documentation to clarify information in the plan related to appropriations, obligations, and expenditures. In addition, the plan discusses the progress of specific SBI activities and presents a breakdown of border miles under operational control for the U.S. southwest, northern, and coastal borders for fiscal years 2005 through 2007. However, the plan does not delineate between improvements in operational control that are directly attributable to SBI activities and those that could be caused by concurrent government actions, such as the hiring of additional Border Patrol agents, deploying National Guard members along U.S. borders, and coordinating efforts between DHS and local authorities.

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13DHS defines effective or operational control of U.S. borders as the ability to consistently: (1) detect illegal entries into the United States; (2) identify and classify these entries to determine the level of threat involved; (3) respond to these entries; and (4) bring events to a satisfactory law enforcement resolution.
• Legislative condition 7: Includes a list of all open GAO and DHS OIG recommendations related to the program and the status of DHS actions to address the recommendations, including milestones to fully address them (satisfied).

The expenditure plan, including related documentation and program officials’ statements, lists all open GAO and DHS OIG recommendations and provides the status and actions taken to address each one. The plan and related documentation list five open DHS OIG recommendations. CBP reports that it concurred with all five recommendations and is taking corrective actions to address these recommendations. In addition, the plan lists one open GAO recommendation. The GAO recommendation, made in February 2007, was to “ensure that future expenditure plans include explicit and measurable commitments relative to the capabilities, schedule, costs, and benefits associated with individual SBI\textit{net} program activities.” The plan states that the status of the recommendation depends on GAO’s review of the fiscal year 2008 expenditure plan. Based on our review, the fiscal year 2008 expenditure plan is more detailed and thorough than the fiscal year 2007 plan, but does not fully satisfy our February 2007 recommendation because it does not include explicit and measurable commitments relative to the capabilities, schedule, costs and benefits for individual SBI program activities.

• Legislative condition 8: Includes a certification by the DHS CPO that the program has been reviewed and approved in accordance with the investment management process of the department, and that the process fulfills all capital planning and investment control requirements and reviews established by OMB, including Circular A-11, part 7 (satisfied).

On March 20, 2008, the DHS CPO certified that the program had multiple reviews from DHS upper management, complied with capital planning and investment control procedures, per OMB Circular A-11, part 7, and underwent an out-of-cycle investment review. Specifically, a Deep Dive Review\textsuperscript{15} of the SBI\textit{net} program was conducted from September 11 through 20, 2007, by a team that included experts from various institutions, such as Johns Hopkins University and the Defense Acquisition University. However, the Deep Dive Review is not part of the DHS investment management process. In addition, DHS officials have indicated that the DHS Joint Requirement Council, responsible for reviewing the program and providing recommendations to the DHS Investment Review Board, has not been active. We have ongoing work on the oversight process of major acquisitions at DHS, including SBI\textit{net}, and plan to report on the results of that review in the fall of 2008.

\textsuperscript{14}We concur that one recommendation remains open.

\textsuperscript{15}The purpose of the Deep Dive Review was to review the progress of the program and to gain the perspective of independent technical experts. The scope of the review included both technology and program management aspects of SBI\textit{net}. 

• Legislative condition 9: Includes a certification by the DHS CIO that the system architecture of the program is sufficiently aligned with the information systems enterprise architecture of the department to minimize future rework, including a description of all aspects of the architectures that were and were not assessed in making the alignment determination, the date of the alignment determination, and any known areas of misalignment along with the associated risks and corrective actions to address any such areas (partially satisfied).

On March 26, 2008, the Acting DHS CIO conditionally certified that SBI was sufficiently aligned with the department’s enterprise architecture. The certification was based on a 6-month old DHS Enterprise Architecture Board (EAB) conditional approval of the program that preceded recent changes to the program. In addition, GAO has previously reported that the EAB’s architecture alignment decisions are not based on a documented methodology and explicit decision criteria, and are thus not verifiable. The EAB’s approval cited eight issues (i.e., areas of misalignment) that needed to be addressed. In general the issues were because of program documentation that needed to be updated to reflect the current state of the program and program aspects that were not part of the scope of the EAB’s alignment assessment. As of the DHS Acting CIO’s March 2008 conditional certification, this documentation had not been updated and the missing program aspects had not been assessed. This is important because the March 2008 conditional certification states that sufficient alignment with the DHS enterprise architecture depends upon completing each of the corrective actions associated with the eight areas of misalignment. The SBI program office is to submit a status report to the Enterprise Architecture Board. At that time, the DHS Acting CIO will reevaluate this conditional certification.

• Legislative condition 10: Includes a certification by the DHS CPO that the plans for the program comply with the federal acquisition rules, requirements, guidelines, and practices, and a description of the actions being taken to address areas of non-compliance, the risks associated with them along with any plans for addressing these risks, and the status of their implementation (satisfied).

On March 20, 2008, the DHS CPO certified that the plans for the SBI program complied with federal acquisition rules, requirements, guidelines, and practices. Specifically, DHS CPO officials noted that the program had multiple reviews from DHS upper management, that it underwent an out-of-cycle investment review (e.g., the Deep Dive Review) that officials had conducted, as well as contract and pricing reviews based on the Federal Acquisition Regulation (FAR) and DHS regulations. The DHS CPO officials did not identify any areas of noncompliance.

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• Legislative condition 11: Includes a certification by the DHS CIO that the program has a risk management process that regularly and proactively identifies, evaluates, mitigates, and monitors risks throughout the system’s life cycle and communicates high risk conditions to CBP and DHS investment decision makers as well as a listing of all the program’s high risks and the status of efforts to address them (partially satisfied).

On March 26, 2008, the DHS Acting CIO conditionally certified that the SBI\textit{net} program has a risk management process in place for the fiscal year 2008 expenditure plan. In the certification documentation, the DHS Acting CIO noted that the risk management process utilized by SBI\textit{net} is not vigorous enough to mitigate the risks of a program of its size. Currently, the SBI program office is working to improve its risk management process to better identify and monitor risks throughout the system’s life cycle, and the SBI program office is to submit revised documentation. At that time, the DHS Acting CIO will reevaluate this conditional certification.

• Legislative condition 12: Includes a certification by the DHS Chief Human Capital Officer (CHCO) that the human capital needs of the program are being strategically and proactively managed and that current human capital capabilities are sufficient to execute the plans discussed in the report (satisfied).

On February 14, 2008, the DHS Acting CHCO certified that the fiscal year 2008 expenditure plan provides specific initiatives to address hiring, development, and retention of employees in the SBI program. According to officials from the CHCO office, the Human Capital Assessment and Accountability Framework (HCAAF) was the primary criterion used for the basis of his certification. Specifically, the agency officials said that the SBI \textit{Strategic Human Capital Management Plan} issued in December 2007 is modeled after the HCAAF and addresses the areas outlined in the HCAAF. They said that the plan is aligned with DHS-wide human capital strategic planning initiatives, incorporates a section that deals with metrics, and shows how SBI is going to measure human capital needs.

• Legislative condition 13: Includes an analysis by the Secretary for each segment – defined as no more than 15 miles of fencing or tactical infrastructure – of the selected approach compared to other, alternative means of achieving operational control, including cost, level of operational control, possible unintended effects on communities, and other factors critical to the decision making process (partially satisfied).

The expenditure plan and related documentation include reports on fencing segments and possible effects on communities, but do not include information on costs per segment or a comparative analysis of alternative means of achieving operational control. The segment analyses in the plan partially comply with the legislative condition by including required information for segments that were 15 miles or less in length, such as possible unintended effects on communities and the environment, and other decision-making factors relevant to each segment. Additionally, the plan reports that the SBI program office estimates that pedestrian fencing will cost about $4 million per mile and vehicle fencing will cost about $2 million per mile. Further, the plan states that infrastructure will be constructed where it is most appropriate to achieve and maintain control of the border and that the SBI program

\footnotesize{\textsuperscript{17}The HCAAF was developed by OMB, the Office of Personnel Management, and GAO. The HCAAF includes strategic alignment, leadership, knowledge management, results-oriented performance culture, talent management, and accountability.}
office is considering possible effects on communities through town hall meetings, meetings with public groups and state and local officials, and open houses. However, the segment analyses do not include cost information per fencing segment, nor do they include comparative analyses of alternative means of achieving operational control, such as technology or additional Border Patrol agents at the border.

- Legislative condition 14: Includes a certification by the DHS CPO that procedures to prevent conflicts of interest between the prime integrator and major subcontractors are established and that the SBI program office has adequate staff and resources to effectively manage the SBI program, SBI network contract, and any related contracts, including the exercise of technical oversight, and includes a certification by the DHS CIO that an IV&V agent is currently under contract for the projects funded under this heading (partially satisfied).

The expenditure plan partially satisfied this condition because although the DHS CPO certified that the plan met necessary requirements, the DHS Acting CIO conditionally certified this condition. Specifically, in a March 20, 2008, certification, the DHS CPO noted that the SBI net technology prime contractor has an Organizational Conflict of Interest Mitigation Plan in place that delineates, among other things, responsibility for avoiding, identifying, evaluating, and resolving organizational conflicts of interest, and complies with FAR Subpart 9.5. In addition, the DHS CPO noted that CBP realigned its procurement function and created a separate Senior Executive Service Head of Contracting Activity (HCA) position that reports directly to CBP’s Assistant Commissioner of Finance, and has a functional relationship with the DHS CPO. Currently, the HCA is working with DHS CPO staff to develop an initial workforce plan that outlines the number of additional personnel required, skill sets required, and an approach for hiring and retaining the staffing needed.

On March 13, 2008, the DHS Acting CIO conditionally certified that the SBI program has an IV&V agent under contract for the fiscal year 2008 expenditure plan. The certification was conditional for two reasons: (1) although funding has been obligated for the SBI program to receive IV&V support via an existing CBP IV&V contract, the task order for this has not yet been awarded to an IV&V agent, and (2) although the CBP IV&V contract states that the chosen IV&V agent’s approach will comply with the Institute of Electrical and Electronics Engineers, Inc. (IEEE) standards, the agent’s documents proving this to be the case will not be available for review until after the task order is awarded. The DHS Acting CIO directed the SBI program office to submit the necessary documentation approximately 30 to 60 days after contract award and is to then review the documentation to ensure that the IV&V agent is executing a process that complies with DHS and IEEE standards.

- Legislative condition 15: Is reviewed by GAO (satisfied).

We reviewed the final version of the SBI expenditure plan that CBP submitted to Congress on March 31, 2008. We also reviewed draft versions of the plan as well as supporting documentation provided by CBP. We conducted our review from January 29 through April 2, 2008. On April 7, 2008, we briefed staff of the House of Representatives Committee on Appropriations, and on April 10, 2008, we briefed staff of the Senate Committee on Appropriations regarding the results of our review.

18FAR Subpart 9.5, Organizational and Consultant Conflicts of Interest.
Conclusions

The SBI fiscal year 2008 expenditure plan, including related documentation and program officials’ statements, satisfied 7, partially satisfied 7, and did not satisfy 1 of the 15 conditions legislated by Congress. The legislatively mandated expenditure plan requirement for SBI is a congressional oversight mechanism aimed at ensuring that planned expenditures are justified, performance against plans is measured, and accountability for results is established. The plan, combined with other available program documentation and program officials’ statements, does not provide sufficient justification for all planned SBI expenditures, nor does it permit progress against program commitments to be adequately measured and disclosed. In addition, the plan does not demonstrate how specific CBP SBI activities link with the goals of the DHS Secure Border Strategic Plan and how the activities further the objectives of DHS’s overall border strategy.

Although 7 of the 15 stated legislative conditions for the expenditure plan are fully satisfied, 8 others have gaps that, until they are addressed, could limit DHS’s ability to manage the program today. For example, the plan does not assign a priority to specific SBI activities nor does it link funding decisions with priorities, therefore Congress does not have reasonable assurance that funding is used for the highest priority requirements. Satisfying the legislative conditions is important because the expenditure plan is intended to provide Congress with the information needed to effectively oversee the program and hold DHS accountable for program results. Satisfying the legislative conditions is also important to minimize the program’s exposure to cost, schedule, and performance risks.

The SBI fiscal year 2008 expenditure plan is more detailed and thorough than the fiscal year 2007 plan. However, the 2008 plan does not satisfy our February 2007 recommendation that the plan include explicit and measurable commitments relative to the capabilities, schedule, costs, and benefits associated with individual SBI net program activities because, among other things, it does not provide complete information about the SBI schedule and costs. As investment in SBI-related projects continues, fulfilling this recommendation will become increasingly important to ensure accountability and transparency. Also, given that this is the second expenditure plan requested by Congress for CBP’s SBI program and that the DHS Acting CIO has stated that the SBI risk management program does not mitigate risks for a program of its size, it is even more important that the plan meet the legislative conditions and that our recommendation be fully implemented.

Recommendation for Executive Action

We recommend that the U.S. Customs and Border Protection’s Secure Border Initiative Executive Director ensure that future expenditure plans include an explicit description of how activities will further the objectives of SBI, as defined in the DHS Secure Border Strategic Plan, and how the plan allocates funding to the highest priority border security needs to provide Congress with information it needs to oversee the program.

19GAO-07-309.
Agency Comments and Our Evaluation

We requested comments on a draft of this report from the Secretary of Homeland Security or his designee. In a June 16, 2008, letter, the department provided written comments, which are summarized below and included in their entirety in enclosure II.

DHS concurred with our recommendation that CBP’s SBI Executive Director ensure that future expenditure plans include an explicit description of how activities will further the objectives of SBI, as defined in the DHS Secure Border Strategic Plan; and how the plan allocates funding to the highest priority border security needs to provide Congress with information it needs to oversee the program.

In addition, DHS’s response reflects information that the department provided in a letter dated June 3, 2008, to Chairman Price in response to questions raised by our draft report regarding the SBI fiscal year 2008 expenditure plan. In that letter, the Secretary of Homeland Security provided an addendum to the SBI 2008 expenditure plan to provide additional information regarding the eight legislative conditions that we determined were partially satisfied or not satisfied. For example, DHS provided information on its strategy for securing the Southwest land border between the ports of entry and updated information on the capabilities of the SBI investments supporting CBP operations. The addendum also outlined SBI inputs to effective control of the border by project, key milestone, completion date, obligations, and performance metric. In addition, the addendum included cost per mile and scheduled completion dates for fencing segments and provided more detailed information on the capabilities, costs, and performance outcomes of SBI tactical infrastructure and technology, as called for in the legislative conditions. CBP officials also told us that they intend to continue to provide Congress and GAO with segment-by-segment analysis of the alternatives for fencing as they are completed, in accordance with legislative condition 13.

Although we have not fully evaluated the information that DHS has provided, the steps CBP has taken in response to our draft report and Chairman Price’s inquiry indicate that, should there be requirements for future expenditure plans with similar legislative conditions, DHS and CBP should be able to provide an expenditure plan that is more responsive to the legislative conditions.

We are sending copies of this correspondence to the Chairmen and Ranking Members of other Senate and House committees that have authorization and oversight responsibilities for homeland security. We are also sending copies to the Secretary of Homeland Security, the Commissioner of U.S. Customs and Border Protection, and the Director of the Office of Management and Budget. Copies of this correspondence will also be available at no charge on the GAO Web site at http://www.gao.gov.
If you or your staff have any further questions about this correspondence, please contact Richard Stana at (202) 512-8777 or StanaR@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Key contributors of this report are listed in enclosure III.

Richard M. Stana
Director, Homeland Security and Justice Issues
Briefing Overview

- Objective, Scope, and Methodology
- Results in Brief
- Background
- Findings
- Concluding Observations
- Agency Comments and Our Evaluation
- Related GAO Products
Objective, Scope, and Methodology

Our objective was to determine whether U.S. Customs and Border Protection’s (CBP) Secure Border Initiative (SBI) fiscal year 2008 expenditure plan satisfies 15 legislative conditions as required by the Fiscal Year 2008 Consolidated Appropriations Act.¹

To accomplish our objective, we analyzed the SBI March 2008 expenditure plan and supporting documentation. We also interviewed cognizant program officials at the Department of Homeland Security’s (DHS) CBP headquarters in Washington, D.C. We determined that the financial, staffing, and fencing data provided by DHS were sufficiently reliable for purposes of this briefing. We based our decision on an assessment for each respective area by questioning cognizant DHS officials about the source of the data and policies and procedures to maintain the integrity of these data. We conducted this performance audit from January 2008 to April 2008, in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the work to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our objectives.

Results in Brief: Satisfaction of Legislative Conditions

The SBI 2008 expenditure plan, including related documentation and program officials’ statements, satisfied 7 legislative conditions, partially satisfied 7 legislative conditions, and did not satisfy 1 legislative condition. The following is a summary of the 15 legislative conditions and the level of satisfaction.

*Satisfied* means that the plan, in combination with supporting documentation and program officials’ statements, either satisfied or provides for satisfying each requirement of the condition that we reviewed. *Partially satisfied* means that the plan, in combination with supporting documentation and program officials’ statements, either satisfied or provides for satisfying some, but not all, key aspects of the condition that we reviewed. *Not satisfied* means that the plan, in combination with supporting documentation and program officials’ statements, does not satisfy any of the key aspects of the condition that we reviewed.
## Results in Brief:
### Satisfaction of Legislative Conditions (continued)

<table>
<thead>
<tr>
<th>Legislative conditions</th>
<th>Status(^a)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. A detailed accounting of the program’s progress to date relative to system capabilities or services, system performance levels, mission benefits and outcomes, milestones, cost targets, program management capabilities, identification of the maximum investment (including life cycle costs) required by the SBI network or any successor contract, and description of the methodology used to obtain these cost figures.</td>
<td>Partially satisfied</td>
</tr>
<tr>
<td>2. A description of how activities will further the objectives of SBI, as defined in the SBI strategic plan, and how the plan allocates funding to the highest-priority border security needs.</td>
<td>Not satisfied</td>
</tr>
<tr>
<td>3. An explicit plan of action defining how all funds are to be obligated to meet future program commitments, with the planned expenditure of funds linked to the milestone-based delivery of specific capabilities, services, performance levels, mission benefits and outcomes, and program management capabilities.</td>
<td>Partially satisfied</td>
</tr>
</tbody>
</table>

\(^a\) Satisfied means that the plan, in combination with supporting documentation and program officials’ statements, either satisfied or provides for satisfying each requirement of the condition that we reviewed. Partially satisfied means that the plan, in combination with supporting documentation and program officials’ statements, either satisfied or provides for satisfying some, but not all, key aspects of the condition that we reviewed. Not satisfied means that the plan, in combination with supporting documentation and program officials’ statements, does not satisfy any of the key aspects of the condition that we reviewed.
## Results in Brief:
### Satisfaction of Legislative Conditions (continued)

<table>
<thead>
<tr>
<th>Legislative conditions</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>4. An identification of staffing (including full-time equivalents, contractors, and detailees) requirements by activity.</td>
<td>Satisfied</td>
</tr>
<tr>
<td>5. A description of how the plan addresses security needs at the northern border and the ports of entry, including infrastructure, technology, design, and operations requirements.</td>
<td>Satisfied</td>
</tr>
<tr>
<td>6. A report on costs incurred, the activities completed, and the progress made by the program in terms of obtaining operational control of the entire border of the United States.</td>
<td>Partially satisfied</td>
</tr>
<tr>
<td>7. A listing of all open GAO and Office of Inspector General (OIG) recommendations related to the program and the status of DHS actions to address the recommendations, including milestones to fully address them.</td>
<td>Satisfied</td>
</tr>
</tbody>
</table>

*Satisfied* means that the plan, in combination with supporting documentation and program officials’ statements, either satisfied or provides for satisfying each requirement of the condition that we reviewed. *Partially satisfied* means that the plan, in combination with supporting documentation and program officials’ statements, either satisfied or provides for satisfying some, but not all, key aspects of the condition that we reviewed. *Not satisfied* means that the plan, in combination with supporting documentation and program officials’ statements, does not satisfy any of the key aspects of the condition that we reviewed.
## Results in Brief:
### Satisfaction of Legislative Conditions (continued)

<table>
<thead>
<tr>
<th>Legislative conditions</th>
<th>Status&lt;sup&gt;a&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>8. A certification by the DHS Chief Procurement Officer (CPO) that the program has been reviewed and approved in accordance with the investment management process of the Department, and that the process fulfills all capital planning and investment control requirements and reviews established by the Office of Management and Budget (OMB), including Circular A-11, part 7.&lt;sup&gt;b&lt;/sup&gt;</td>
<td>Satisfied</td>
</tr>
<tr>
<td>9. A certification by the DHS Chief Information Officer (CIO) that the system architecture of the program is sufficiently aligned with the information systems enterprise architecture of the Department to minimize future rework, including a description of all aspects of the architectures that were and were not assessed in making the alignment determination, the date of the alignment determination and any known areas of misalignment along with the associated risks and corrective actions to address any such areas.</td>
<td>Partially satisfied</td>
</tr>
</tbody>
</table>

<sup>a</sup>Satisfied means that the plan, in combination with supporting documentation and program officials’ statements, either satisfied or provides for satisfying each requirement of the condition that we reviewed. Partially satisfied means that the plan, in combination with supporting documentation and program officials’ statements, either satisfied or provides for satisfying some, but not all, key aspects of the condition that we reviewed. Not satisfied means that the plan, in combination with supporting documentation and program officials’ statements, does not satisfy any of the key aspects of the condition that we reviewed.

## Results in Brief:
### Satisfaction of Legislative Conditions (continued)

<table>
<thead>
<tr>
<th>Legislative conditions</th>
<th>Statusa</th>
</tr>
</thead>
<tbody>
<tr>
<td>10. A certification by the DHS CPO that the plans for the program comply with the Federal acquisition rules, requirements, guidelines, and practices, and a description of the actions being taken to address areas of non-compliance, the risks associated with them along with any plans for addressing these risks, and the status of their implementation.</td>
<td>Satisfied</td>
</tr>
<tr>
<td>11. A certification by the DHS CIO that the program has a risk management process that regularly and proactively identifies, evaluates, mitigates, and monitors risks throughout the system life cycle and communicates high risk conditions to CBP and DHS investment decision makers, as well as a listing of all the program’s high risks and the status of efforts to address them.</td>
<td>Partially satisfied</td>
</tr>
</tbody>
</table>

*Statusa* means that the plan, in combination with supporting documentation and program officials’ statements, either satisfied or provides for satisfying each requirement of the condition that we reviewed. **Partially satisfied** means that the plan, in combination with supporting documentation and program officials’ statements, either satisfied or provides for satisfying some, but not all, key aspects of the condition that we reviewed. **Not satisfied** means that the plan, in combination with supporting documentation and program officials’ statements, does not satisfy any of the key aspects of the condition that we reviewed.
## Results in Brief: Satisfactory Legislative Conditions (continued)

<table>
<thead>
<tr>
<th>Legislative conditions</th>
<th>Status(^a)</th>
</tr>
</thead>
<tbody>
<tr>
<td>12. A certification by the DHS Chief Human Capital Officer (CHCO) that the human capital needs of the program are being strategically and proactively managed, and that current human capital capabilities are sufficient to execute the plans discussed in the report.</td>
<td>Satisfied</td>
</tr>
<tr>
<td>13. An analysis by the Secretary for each segment, defined as no more than 15 miles, of fencing or tactical infrastructure, of the selected approach compared to other, alternative means of achieving operational control, including cost, level of operational control, possible unintended effects on communities, and other factors critical to the decision making process.</td>
<td>Partially satisfied</td>
</tr>
</tbody>
</table>

\(^a\)Satisfied means that the plan, in combination with supporting documentation and program officials’ statements, either satisfied or provides for satisfying each requirement of the condition that we reviewed. Partially satisfied means that the plan, in combination with supporting documentation and program officials’ statements, either satisfied or provides for satisfying some, but not all, key aspects of the condition that we reviewed. Not satisfied means that the plan, in combination with supporting documentation and program officials’ statements, does not satisfy any of the key aspects of the condition that we reviewed.
Results in Brief: Satisfaction of Legislative Conditions (continued)

<table>
<thead>
<tr>
<th>Legislative conditions</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>14. A certification by the DHS CPO that procedures to prevent conflicts of interest between the prime integrator and major subcontractors are established and that the SBI Program Office has adequate staff and resources to effectively manage the SBI program, SBI network contract, and any related contracts, including the exercise of technical oversight, and a certification by DHS CIO that an independent verification and validation agent is currently under contract for the projects funded under this heading.</td>
<td>Partially satisfied</td>
</tr>
<tr>
<td>15. Is reviewed by the GAO.</td>
<td>Satisfied</td>
</tr>
</tbody>
</table>

*Satisfied* means that the plan, in combination with supporting documentation and program officials’ statements, either satisfied or provides for satisfying each requirement of the condition that we reviewed. *Partially satisfied* means that the plan, in combination with supporting documentation and program officials’ statements, either satisfied or provides for satisfying some, but not all, key aspects of the condition that we reviewed. *Not satisfied* means that the plan, in combination with supporting documentation and program officials’ statements, does not satisfy any of the key aspects of the condition that we reviewed.
Background: SBI Program Operations

• In November 2005, DHS announced the launch of SBI, a multiyear, multibillion-dollar program aimed at securing U.S. borders and reducing illegal immigration. Elements of SBI will be carried out by several organizations within DHS.

• The CBP SBI Program Office is responsible for developing a comprehensive border protection system that is intended to enable CBP officers and U.S. Border Patrol agents and officers to gain effective control\(^1\) of the U.S. borders.

• The main focus of the SBI program is on the southwest border areas between the ports of entry\(^2\) that CBP has designated as having the highest need for enhanced border security because of serious vulnerabilities.

• Figure 1 shows U.S. Border Patrol sectors\(^3\) along the southwest border.

\(^1\)DHS defines effective, or operational, control of U.S. borders as the ability to consistently (1) detect illegal entries into the United States, (2) identify and classify these entries to determine the level of threat involved, (3) efficiently and effectively respond to these entries, and (4) bring events to a satisfactory law enforcement resolution.

\(^2\)At a port of entry location, CBP officers secure the flow of people and cargo into and out of the country, while facilitating legitimate travel and trade.

\(^3\)The U.S. Border Patrol has 20 sectors for which the Border Patrol is responsible for detecting, interdicting, and apprehending those who attempt illegal entry or to smuggle people or cargo—including terrorists or contraband, including weapons of mass destruction—across U.S. borders between official ports of entry.
Background: SBI Program Operations (continued)

Figure 1: Map of Border Patrol Sectors along the Southwest Border

Source: GAO analysis of CBP data.
Background: SBI Appropriations

Congress has appropriated more than $2.7 billion for fiscal years 2005 through 2008 (see table 1). For fiscal year 2009, the President’s Budget includes a request for an additional $775 million for SBI.

<table>
<thead>
<tr>
<th>Fiscal year</th>
<th>Appropriated authority</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>$38,480</td>
</tr>
<tr>
<td>2006</td>
<td>325,000</td>
</tr>
<tr>
<td>2007</td>
<td>1,187,565</td>
</tr>
<tr>
<td>2008</td>
<td>1,225,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$2,776,045</strong></td>
</tr>
</tbody>
</table>

Source: GAO analysis of CBP data.
Background: SBI Program Operations (continued)

- The SBI program office includes
  - the SBI\textit{net} office, which is responsible for technology projects (e.g., sensors, cameras, radars, communications systems, and mounted laptop computers for agent vehicles), and
  - the SBI Tactical Infrastructure (TI) office, which is responsible for pedestrian and vehicle fencing, lighting, and roads.

- In September 2006, CBP awarded a prime contract to the Boeing Company for 3 years, with three additional 1-year options. As the prime contractor, Boeing is responsible for acquiring, deploying, and sustaining selected SBI technology and tactical infrastructure projects, and providing supply chain management for selected tactical infrastructure projects.

- CBP is executing part of SBI’s activities through a series of task orders to Boeing for individual projects. As of February 15, 2008, CBP had awarded eight task orders to Boeing. Table 2 is a summary of the task orders awarded to Boeing for SBI projects.
## Background: SBI Program Operations (continued)

<table>
<thead>
<tr>
<th>Task order description</th>
<th>Date awarded</th>
<th>Task order obligation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Program Management:</strong> Related to mission engineering, facilities and infrastructure, systems engineering, test and evaluation, and program management services to develop and deploy the SBrinet system.</td>
<td>09/21/2006</td>
<td>$135.9</td>
</tr>
<tr>
<td><strong>Project 28:</strong> Boeing’s pilot project and initial implementation of SBrinet technology for 28 miles of the border in the Tucson sector.</td>
<td>10/20/2006</td>
<td>20.6</td>
</tr>
<tr>
<td><strong>Barry M. Goldwater Range:</strong> Related to the construction of 32 miles of fencing in the Yuma sector; also known as Project 37.</td>
<td>01/12/2007</td>
<td>122.2</td>
</tr>
<tr>
<td><strong>Fence Lab:</strong> Related to the testing of potential pedestrian and vehicle fence and barrier solutions.</td>
<td>03/16/2007</td>
<td>0.7</td>
</tr>
<tr>
<td><strong>Design:</strong> Related to the SBrinet deployment design solution, including design and locations for the SBrinet technology solution in the Yuma, Tucson, and El Paso sectors.</td>
<td>08/01/2007</td>
<td>69.0</td>
</tr>
<tr>
<td><strong>Project 28 Contractor Maintenance and Logistics Support:</strong> Provides Project 28 with the required maintenance and logistics support to operate the system.</td>
<td>12/07/2007</td>
<td>8.0</td>
</tr>
<tr>
<td><strong>Command, Control, Communications and Intelligence (C3I) and Common Operating Picture (COP):</strong> Provides for SBrinet operating software to design develop, and demonstrate a functional SBrinet C3I/COP system.</td>
<td>12/07/2007</td>
<td>64.5</td>
</tr>
<tr>
<td><strong>Supply and Supply Chain Management:</strong> The development and the implementation of a supply and supply chain management system solution to support execution of tactical infrastructure projects.</td>
<td>01/07/2008</td>
<td>733.3</td>
</tr>
</tbody>
</table>

Source: GAO analysis of CBP data.
Background: SBI\textit{net}

- SBI\textit{net} technology is intended to include the development and deployment of a COP that provides uniform data through a command center environment to Border Patrol agents in the field and all DHS agencies and to be interoperable with stakeholders external to DHS, such as local law enforcement.


- CBP describes Block 1 as the first phase of an effort to design, develop, integrate, test, and deploy a technology system of hardware, software, and communications to the Yuma, Tucson, and El Paso sectors, with deployment beginning in summer 2008 and completion expected in 2011.

- Boeing’s solution is to include a variety of sensors, communications systems, information technology, and command and control capabilities to enhance situational awareness of the responding officers (see figs. 2 and 3).
Background: SBI*net (continued)

Figure 2: Tower Deployed in Tucson Sector with Camera and Radar

Source: GAO.
Background: SBI\textit{net} (continued)

Figure 3: At Left, Mounted Laptop Installed in Border Patrol Vehicle; at Right, Command and Control Center in Tucson, Arizona

Source: GAO.
Background: SBI TI

- CBP, through the SBI program office, plans to deploy a total of 670 miles of fencing, including 370 miles of single-layer pedestrian fencing and 300 miles of vehicle fencing, by December 31, 2008.¹

- The SBI program office, through the SBI TI program, is using the U.S. Army Corps of Engineers (USACE) to contract for the construction of fencing and supporting infrastructure (such as lights and roads), complete required environmental assessments, and acquire necessary real estate.²

- See figures 4 and 5 for examples of fencing.

¹Under the Fiscal Year 2008 Consolidated Appropriations Act, DHS is to identify the 370 miles, or other mileage determined by the Secretary, along the southwest border where fencing would be most practical and effective in deterring illegal entrants and complete construction of reinforced fencing along these miles no later than December 31, 2008. The Act also requires DHS to construct a total of 700 miles of reinforced fencing along the southwest border where fencing would be most practical and effective but does not provide a deadline. Pub. L. No. 110-161, § 564(a)(2)(B), 121 Stat. 1844, 2090-91 (2007).

²The SBI program office contracted with Boeing Company to construct 32 miles of fencing in the Barry M. Goldwater Range. Deployment of this fencing has been completed, and the SBI program office plans to use USACE to contract for all remaining pedestrian fencing and vehicle barriers to be deployed through December 2008.
Background: SBI TI (continued)

Figure 4: At Left, Fencing Deployed at Sasabe, Arizona; at Right, Fencing Deployed at Yuma, Arizona

Source: GAO.
Background: SBI TI (continued)

Figure 5: Examples of Fencing Styles along the Southwest Border

The Picket Fence (upper left), Chain Link Fence (upper right) and Post & Rail with wire mesh (lower left) are examples of pedestrian fencing. The Normandy Vehicle Fence (lower right) is an example of vehicle fencing.
Legislative Condition #1: CBP’s SBI Program Progress (Partially Satisfied)

Legislative condition: Includes a detailed accounting of the program’s progress to date relative to system capabilities or services, system performance levels, mission benefits and outcomes, milestones, cost targets, program management capabilities, identification of the maximum investment (including life cycle costs) required by the Secure Border Initiative network or any successor contract, and description of the methodology used to obtain these cost figures.

The expenditure plan, including related documentation and program officials’ statements, partially satisfied this condition. Specifically, we examined the information provided for the SBI.net and the SBI TI areas within SBI. We found that the expenditure plan provides much useful information on program progress, plans and costs, but does not contain a detailed (emphasis added) accounting of the program’s progress to date relative to capabilities, costs, performance levels, etc., that is called for in the legislative condition.
Legislative Condition #1 (continued)

With regards to SBI\textit{net}, the expenditure plan reports the program’s progress to date in various technology efforts, such as Project 28 and Block 1.

For example, the plan

- provides progress made against key milestones for fiscal year 2007 and describes why some completion dates for activities have been revised;
- describes lessons learned from Project 28 and, in some instances, how these have and will affect Block 1 technology projects;
- includes efforts to build program management capabilities for SBI\textit{net}, such as the formal process improvement program developed to create and adopt key program management, acquisition, and operational activities;
- states that SBI\textit{net} is developing and maturing capabilities to evaluate system performance for technology projects; and
- includes the estimated fiscal years 2008 through 2013 investment required for implementing CBP’s SBI\textit{net} projects (approximately $3.5 billion).
Legislative Condition #1 (continued)

However, with regards to SBI\textit{net}, the expenditure plan does not contain a detailed accounting of the program's capabilities, performance levels, benefits and outcomes, and milestones. For example:

- the Boeing prime contract introduced performance goals for SBI\textit{net}, such as the rate of detection of border entries, but the expenditure plan does not report on SBI\textit{net}'s progress toward meeting performance goals; and

- the plan and supporting documentation indicate that CBP is continuing testing of Project 28, the outcomes of which CBP intends to use to help guide the development of the next COP. However, the plan and supporting documentation do not provide specific milestones for when testing of Project 28 will be complete or when the next version of the COP will be deployed; thus, it is unclear whether the testing outcomes can be used to influence this version of the COP. This is noteworthy since CBP officials have stated the importance of applying lessons learned from Project 28 to future SBI\textit{net} development. In addition, in February 2007 we reported that a greater number of concurrent SBI\textit{net} activities can increase the program's exposure to cost, schedule, and performance risks.\footnote{GAO, \textit{Secure Border Initiative: SBInet Expenditure Plan Needs to Better Support Oversight and Accountability}, GAO-07-309 (Washington, D.C.: February 2007).}
Legislative Condition #1 (continued)

With regard to SBI TI, the plan and related documentation include:

- progress to date in meeting the December 2008 goal (see table 3);

<table>
<thead>
<tr>
<th>Infrastructure type</th>
<th>Miles in place before SBI</th>
<th>Miles deployed through SBI</th>
<th>Total miles in place as of 2/21/08</th>
<th>Target for 12/31/08</th>
<th>Miles remaining to meet 12/31/08 target</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pedestrian fencing</td>
<td>78</td>
<td>90</td>
<td>168</td>
<td>370</td>
<td>202</td>
</tr>
<tr>
<td>Vehicle fencing</td>
<td>57</td>
<td>78</td>
<td>135</td>
<td>300</td>
<td>165</td>
</tr>
<tr>
<td>Total</td>
<td>135</td>
<td>168</td>
<td>303</td>
<td>670</td>
<td>367</td>
</tr>
</tbody>
</table>

Source: GAO analysis of CBP data.

- fencing requirements, such as the requirement for the pedestrian fence to have the capability of disabling a vehicle, and a design that will allow for expedient repair of damage or breaching;
- accomplishments from May 2007 through February 2008; and
- cost targets for the SBI TI contracts.
Legislative Condition #1 (continued)

However, the plan does not include some information about SBI TI required by the legislative condition:

- life cycle costs because, according to the plan, CBP officials have little or no history with estimating the cost for fence-related maintenance support;¹

- future fencing costs because, according to program officials, it is not yet possible to derive these estimates because of unknown factors such as the type of terrain where the fencing is to be constructed, the materials to be used, the costs of materials and labor, and the cost to acquire the land where fencing is to be built; and

- information on SBI TI program management capabilities such as internal communications and reporting channels, any formal process improvement programs, or tools for effective program management.

Legislative Condition #2: Describes How Activities Will Further the Objectives of SBI’s Strategic Plan (Not Satisfied)

Legislative condition: Describes how activities will further the objectives of SBI, as defined in the SBI multi-year strategic plan, and how the plan allocates funding to the highest priority border security needs.

The expenditure plan, including related documentation and program officials’ statements, did not satisfy the condition. While the plan asserts that SBI activities align with the DHS Secure Border Strategic Plan, it did not describe the linkage. Similarly, while the plan asserts that funding is allocated toward program priorities, it provides no additional detail with respect to priorities or funding decisions.

Legislative Condition #2 (continued)

The expenditure plan presents some of the goals and objectives of
• the DHS Strategic Plan,
• the DHS Secure Border Strategic Plan, and
• the CBP Strategic Plan.

The plan states that CBP’s SBI program aligns with the DHS Secure Border Strategic Plan goal to “develop and deploy the optimal mix of personnel, infrastructure, and technology and response capabilities to identify, classify, and interdict cross-border violators.” However, beyond this assertion, the expenditure plan does not clearly demonstrate how specific CBP SBI activities link with that goal and further the objectives of DHS’s overall border strategy.

In addition, while the plan states that, “CBP prioritizes requirements and allocates funding to the highest priority requirements,” it does not provide detail to support this claim. For instance, the plan does not assign a priority to specific SBI activities nor does it link funding decisions with priorities. As a result, the plan does not provide Congress with reasonable assurance that funding is used for the highest priority requirements.
Legislative Condition #3: Describes How Funds Are Obligated to Meet Future Program Commitments (Partially Satisfied)

Legislative condition: Includes an explicit plan of action defining how all funds are to be obligated to meet future program commitments, with the planned expenditure of funds linked to the milestone-based delivery of specific capabilities, services, performance levels, mission benefits and outcomes, and program management capabilities.

The expenditure plan, including related documentation and program officials’ statements, *partially satisfied* this condition. Specifically, the plan included some required information, such as budgeted amounts for SBI*net* and SBI TI activities for fiscal year 2008. However, all of the information required to meet the legislative condition was not provided, such as expected performance levels for fiscal year 2008 for SBI*net* and SBI TI program activities.
Legislative Condition #3 (continued)

With regard to SBI\textit{net}, the expenditure plan includes information required by the condition, such as

- budgeted amounts for specific SBI\textit{net} activities for fiscal year 2008, including the program areas related to technology; and

- planned SBI\textit{net} activities for fiscal year 2008 across a range of areas, including developing technology system requirements and deploying technology to geographical areas in Block 1.
Legislative Condition #3 (continued)

However, the plan and related documentation do not include information required by legislative condition #3 for SBI\textit{net}. For example, the documentation:

- Does not link the planned expenditure of funds to the milestone-based delivery of specific program capabilities or services. The plan states that CBP intends to spend all of the $411 million allocated to SBI\textit{net} within the fiscal year 2008 appropriation, but does not specify how this amount will be allocated among the planned fiscal year 2008 technology efforts described in the plan.

- Describes a new SBI\textit{net} task order to be awarded in March 2008 but does not provide an estimated total cost for it. As of April 2, 2008, SBI officials told us that they are negotiating the costs with the vendor.
Legislative Condition #3 (continued)

In addition, with regard to SBI\textit{net}, the plan and related documentation:

- Describe planned activities, but do not include a clear timeline for fiscal year 2008 interim milestones. For example, the plan states that CBP will break ground on two technology deployments later this summer, but specific start and end date estimates are not provided. In addition, according to the plan, CBP is planning to develop requirements for a future project later this year, but CBP documentation does not indicate whether this depends on the completion of interim technology efforts. SBI officials told us on April 2, 2008, that they have a draft master schedule that includes more details and interim milestones for SBI\textit{net} activities. However, the document is with CBP and DHS management for final approval.

- Do not include details about expected performance levels for fiscal year 2008 or link planned expenditures to mission benefits and outcomes.
Legislative Condition #3 (continued)

With regard to SBI TI, the expenditure plan includes information required by the condition, such as

- budget amounts for specific SBI TI activities for fiscal year 2008, including pedestrian and vehicle fencing projects on the southwest border, and

- planned SBI TI activities for calendar year 2008, including construction of a total of 370 miles of pedestrian fencing and 300 miles of vehicle fencing.
Legislative Condition #3 (continued)

However, for SBI TI, the plan and related documentation do not include

- milestone-based delivery of capabilities to ensure that the SBI office will meet its 2008 goal of completing 670 miles of fencing by December 2008; or

- detailed expected performance levels for fiscal year 2008 or link planned expenditures to mission benefits and outcomes.
Legislative Condition #4: Identifies Staffing Requirements by Activity (Satisfied)

Legislative condition: Identifies staffing (including full-time equivalents, contractors, and detailees) requirements by activity.

The expenditure plan, including related documentation and program officials’ statements, satisfied the condition because it identified staffing requirements by activity and how the program office has made progress toward meeting its staffing goals.
Legislative Condition #4 (continued)

As of February 22, 2008, CBP’s SBI program office, including its offices of SBInet and SBI TI, have 249 employees on-board and projects having 359 employees on-board by the end of fiscal year 2008 (see table 4).

<table>
<thead>
<tr>
<th>CBP SBI staff</th>
<th>Actual, February 22, 2008</th>
<th>Projected increases for fiscal year 2008</th>
<th>Projected total by the end of fiscal year 2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>SBInet</td>
<td>68</td>
<td>44</td>
<td>112</td>
</tr>
<tr>
<td>Program Office</td>
<td>33</td>
<td>21</td>
<td>54</td>
</tr>
<tr>
<td>Tactical Infrastructure</td>
<td>3</td>
<td>11</td>
<td>14</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>249</strong></td>
<td><strong>110</strong></td>
<td><strong>359</strong></td>
</tr>
</tbody>
</table>

Source: GAO analysis of CBP data.

*According to the plan, this includes 20 detailers.
Legislative Condition #4 (continued)

The SBI staff work in Integrated Project Teams, which are teams that work across office functions, in order to draw on different areas of expertise to achieve their objectives.

In December 2007, the SBI office published the first version of its Strategic Human Capital Management Plan and is now in the early implementation phase. The plan outlines seven main goals for the office and activities to accomplish those goals, which align with federal government best practices.
Legislative Condition #5: Describes How the Plan Addresses Security Needs at the Northern Border and Ports of Entry (Satisfied)

Legislative condition: Describes how the plan addresses security needs at the northern border and the ports of entry, including infrastructure, technology, design, and operations requirements.

The expenditure plan, including related documentation and program officials’ statements, satisfied the condition. The plan addressed the security needs at the northern border and ports of entry by providing a description of planned activities; however, the northern border plan is in the preliminary stage and much more evaluation needs to be done as border security solutions are proposed and concepts tested. At this preliminary stage, consideration has been given to the overall security needs of the northern border, but implementation strategies are in the early stages of development.
Legislative Condition #5 (continued)

The plan and related documentation includes information about infrastructure, design, and operations requirements, for example

- CBP’s Air and Marine plans to have five air wings in five northern border locations by spring 2008;
- CBP plans to install vehicle fencing along the U.S.-Canada border in the Blaine Sector in Washington state;
- CBP and SBI are developing up to four Programmatic Environmental Impact Statements based on northern border sectors; and
- elements of CBP, including Field Operations, Border Patrol, and Air and Marine, have worked together to determine the mix of personnel, technology, and infrastructure to achieve the maximum strategic advantage of the northern border.
A February 2008 CBP report¹ to Congress about ongoing DHS northern border initiatives discussed steps that CBP is taking to address security needs at the northern border and the ports of entry, specifically infrastructure, technology, design, and operations requirements, including

- increasing personnel (e.g., Border Patrol) along northern border;
- improving intelligence sharing with federal, state, and local law enforcement;
- implementing SBI\textit{net} technology and tactical infrastructure solutions;
- upgrading land port inspection facilities; and
- expanding liaison efforts with international stakeholders.

Additionally, GAO is evaluating the February 2008 report to Congress as mandated by section 731 of the Implementing Recommendations of the 9/11 Commission Act of 2007.²

¹U.S. Customs and Border Protection, Report to Congress on Ongoing DHS Initiatives to Improve Security along the U.S. Northern Border, (Feb. 29, 2008).

Legislative Condition #6: Reports on Costs Incurred, Activities Completed, and Progress (Partially Satisfied)

Legislative condition: Reports on costs incurred, the activities completed, and the progress made by the program in terms of obtaining operational control of the entire border of the United States.

The expenditure plan, including related documentation and program officials’ statements, partially satisfied the condition because it reports obligations and budgeted amounts. In addition, SBI officials provided us with aggregate expenditure data as of March 26, 2008. However, the plan does not attribute changes in the level of operational border control to SBI activities.
Legislative Condition #6 (continued)

The expenditure plan reports on “costs” for specific SBI activities but does not clearly distinguish between obligated or budgeted amounts, nor does it report program expenditures. CBP officials provided us with related program documentation to clarify information in the plan related to appropriations, obligations and expenditures.

The plan also discusses the progress of specific SBI activities and presents a breakdown of border miles under operational control for the U.S. southwest, northern, and coastal borders for fiscal years 2005 through 2007. However, it does not delineate between improvements in operational control that are directly attributable to SBI activities and those that are caused by concurrent government actions. Other concurrent activities include hiring of additional Border Patrol agents, deploying National Guard members along U.S. borders, and coordinating efforts between DHS and local authorities.
Legislative Condition #7: Lists All Open GAO and OIG Recommendations (Satisfied)

Legislative condition: Includes a list of all open GAO and OIG recommendations related to the program and the status of DHS actions to address the recommendations, including milestones to fully address them.

The expenditure plan, including related documentation and program officials’ statements, satisfied the condition. The plan lists the recommendations and provides the status and actions taken to address each one.
Legislative Condition #7 (continued)

The plan and related documentation list five open DHS OIG recommendations. CBP reports that it concurred with all five recommendations and is taking corrective actions to address these recommendations.

The plan lists one open GAO recommendation. The GAO recommendation, made in February 2007, was to “ensure that future expenditure plans include explicit and measurable commitments relative to the capabilities, schedule, costs, and benefits associated with individual SBI net program activities.” The plan states that the status of the recommendation depends on GAO’s review of the fiscal year 2008 expenditure plan.

Based on our review, the fiscal year 2008 expenditure plan is more detailed and thorough than the fiscal year 2007 plan, but does not fully satisfy our February 2007 recommendation because it does not include explicit and measurable commitments relative to the capabilities, schedule, costs and benefits for individual SBI program activities.

1We concur that one recommendation remains open.
Legislative Condition #8: Certification by the DHS CPO (Satisfied)

Legislative condition: Includes a certification by the DHS CPO that the program has been reviewed and approved in accordance with the investment management process of DHS, and that the process fulfills all capital planning and investment control requirements and reviews established by OMB, including Circular A-11, part 7.

The expenditure plan, including related documentation and program officials’ statements, satisfied the condition. The DHS CPO certified that the program underwent multiple reviews from DHS upper management, and that it complied with capital planning and investment control procedures, per OMB Circular A-11, Part 7.
Legislative Condition #8 (continued)

The DHS CPO also certified that the SBI program underwent an out-of-cycle investment review. Specifically, a Deep Dive Review of the SBI
net program,\(^1\) was conducted from September 11 through 20, 2007, by a team that included experts from various institutions, such as Johns Hopkins University and the Defense Acquisition University. However, the Deep Dive Review is not part of the DHS investment management process. In addition, DHS officials have indicated that the DHS Joint Requirement Council, responsible for reviewing the program and providing recommendations to the DHS Investment Review Board, has not been active.

We have ongoing work on the oversight process of major acquisitions at DHS, including SBI
net, and plan to report on the results of that review in the fall of 2008.

\(^1\)The purpose was to review the progress of the program and to gain the perspective of independent technical experts. The scope of the review included both technology and program management aspects of SBI
net.
Legislative Condition #9: Certification by the DHS CIO (Partially Satisfied)

Legislative condition: Includes a certification by the DHS CIO that the system architecture of the program is sufficiently aligned with the information systems enterprise architecture of the Department to minimize future rework, including a description of all aspects of the architectures that were and were not assessed in making the alignment determination, the date of the alignment determination, and any known areas of misalignment along with the associated risks and corrective actions to address any such areas.

The expenditure plan, including related documentation and program officials’ statements, partially satisfied the condition. The DHS Acting CIO conditionally certified this condition, and as part of this certification described aspects of the architecture that were and were not assessed, cited the date of the alignment determination, and identified areas of misalignment and associated corrective actions to address them. However, the DHS Acting CIO certification was based on a dated review of the program that was not grounded in an explicit methodology or alignment decision criteria. Moreover, the DHS Acting CIO conditional certification did not address the program risks associated with identified areas of misalignment.
Legislative Condition #9 (continued)

On March 26, 2008, the DHS Acting CIO conditionally certified that SBI\textit{net} was sufficiently aligned with the department’s enterprise architecture. Specifically:

- The certification was based on a 6-month old DHS Enterprise Architecture Board (EAB) conditional approval of the program that preceded recent changes to the program. In addition, GAO has previously reported that the EAB’s architecture alignment decisions are not based on a documented methodology and explicit decision criteria, and are thus not verifiable.\textsuperscript{1}

- The EAB’s approval cited eight issues (i.e., areas of misalignment) that needed to be addressed. In general the issues were due to
  - program documentation that needed to be updated to reflect the current state of the program, and
  - program aspects that were not part of the scope of the EAB’s alignment assessment.

Legislative Condition #9 (continued)

- As of the DHS Acting CIO’s March 2008 conditional certification, this documentation had not been updated and the missing program aspects had not been assessed. This is important because the DHS Acting CIO’s March 2008 conditional certification states that sufficient alignment with the DHS enterprise architecture depends upon completing each of the corrective actions associated with the eight issues.

- The SBI program office is to submit a status report to the EAB by May 30, 2008. At that time, the DHS Acting CIO will reevaluate this conditional certification.
Legislative Condition #10: Certification by the DHS CPO (Satisfied)

Legislative condition: Includes a certification by the DHS CPO that the plans for the program comply with the Federal acquisition rules, requirements, guidelines, and practices, and a description of the actions being taken to address areas of non-compliance, the risks associated with them along with any plans for addressing these risks, and the status of their implementation.

The expenditure plan, including related documentation and program officials’ statements, satisfied the condition. The DHS CPO certified that the program complied with Federal acquisition rules, requirements, guidelines, and practices.
Legislative condition #10 (continued)

On March 20, 2008, the DHS CPO certified that the plans for the SBI program complied with Federal acquisition rules, requirements, guidelines, and practices. Specifically, DHS CPO officials

- noted that the program had multiple reviews from DHS upper management, and that it underwent an out-of-cycle investment review (e.g., the Deep Dive Review);

- conducted contract and pricing reviews based on the Federal Acquisition Regulation (FAR) and DHS regulations; and

- did not identify any areas of non-compliance.
Legislative Condition #11: Certification by the DHS CIO (Partially Satisfied)

Legislative condition: Includes a certification by the DHS CIO that the program has a risk management process that regularly and proactively identifies, evaluates, mitigates, and monitors risks throughout the system life cycle and communicates high risk conditions to CBP and DHS investment decision makers, as well as a listing of all the program’s high risks and the status of efforts to address them.

The expenditure plan, including related documentation and program officials’ statements, partially satisfied the condition. The DHS Acting CIO conditionally certified this condition because, among other things, he said that the risk management process used by the SBI\textit{net} program is not vigorous enough to mitigate the risks of a program of its size.
Legislative Condition #11 (continued)

On March 26, 2008, the DHS Acting CIO conditionally certified that the SBI\textit{net} program has a risk management process in place for the fiscal year 2008 expenditure plan. In the certification documentation, the DHS Acting CIO noted that

- the risk management process utilized by SBI\textit{net} is not vigorous enough to mitigate the risks of a program of its size;
- the SBI\textit{net} program office is working to improve its risk management process to better identify and monitor risks throughout the system life cycle; and
- the SBI\textit{net} program office is to submit revised documentation by May 30, 2008. At that time, the DHS Acting CIO will reevaluate this conditional certification.
Legislative Condition #12: Certification by the DHS CHCO (Satisfied)

Legislative condition: Includes a certification by the DHS CHCO that the human capital needs of the program are being strategically and proactively managed, and that current human capital capabilities are sufficient to execute the plans discussed in the report.

The expenditure plan, including related documentation and program officials’ statements, satisfied the condition. The DHS Acting CHCO certified this condition because he determined that the SBI human capital plan meets federal government best practices.
Legislative Condition #12 (continued)

On February 14, 2008, the DHS Acting CHCO certified that the fiscal year 2008 expenditure plan provides specific initiatives to address hiring, development, and retention of employees in the SBI program.

According to officials from the CHCO office, the Human Capital Assessment and Accountability Framework (HCAAF) was the primary criterion used for the basis of his certification. Specifically, the agency officials said that the SBI Strategic Human Capital Management Plan issued in December 2007

- is modeled after the HCAAF,
- addresses the areas outlined in the HCAAF,
- incorporates a section that deals with metrics,
- shows how SBI is going to measure human capital needs, and
- is aligned with DHS-wide human capital strategic planning initiatives.

1The HCAAF was developed by OMB, the Office of Personnel Management, and GAO. The HCAAF includes strategic alignment, leadership, knowledge management, results-oriented performance culture, talent management, and accountability.
Legislative Condition #13: Analysis of Fencing Segments (Partially Satisfied)

Legislative condition: Includes an analysis by the Secretary for each segment, defined as no more than 15 miles, of fencing or tactical infrastructure, of the selected approach compared to other, alternative means of achieving operational control, including cost, level of operational control, possible unintended effects on communities, and other factors critical to the decision making process.

The expenditure plan, including related documentation and program officials’ statements, partially satisfied the condition because, among other things, it reports on fencing segments and possible effects on communities. However, the plan does not include information on cost per segment nor does it provide a comparative analysis of alternative means (e.g., the use of technology instead of fencing and vice versa) of achieving operational control.
Legislative Condition #13 (continued)

The segment analyses in the expenditure plan include
- segments that are 15 miles or less in length;
- possible unintended effects on communities and the environment (e.g., effects on wildlife, vegetation, and cultural and historic resources); and
- other decision making factors relevant to each segment (e.g., the average time it would take illegal entrants to blend in with the local population, the terrain, and possible smuggling threats).

Additionally, the expenditure plan reports that the SBI program office
- estimates that pedestrian fencing will cost about $4 million per mile and vehicle fencing will cost about $2 million per mile;
- plans to construct infrastructure where it is the most appropriate to achieve and maintain control of the border; and
- is considering possible effects on communities through town hall meetings, meetings with public groups and state/local officials, and open houses.

However, segment analyses do not include
- cost information per segment or
- comparative analyses of alternative means of achieving operational control.
Legislative Condition #14: Certifications by the DHS CPO and the DHS CIO (Partially Satisfied)

Legislative condition: Includes a certification by the DHS CPO that procedures to prevent conflicts of interest between the prime integrator and major subcontractors are established and that the SBI Program Office has adequate staff and resources to effectively manage the SBI program, SBI network contract, and any related contracts, including the exercise of technical oversight, and includes a certification by the DHS CIO that an independent verification and validation (IV&V) agent is currently under contract for the projects funded under this heading.

The expenditure plan, including related documentation and program officials’ statements, partially satisfied the condition. The DHS CPO certified that the SBI program office has established procedures to prevent conflicts of interest between the prime contractor and major subcontractors, and has adequate staff and resources to manage the program. In addition, the DHS Acting CIO conditionally certified this condition because, among other things, although funding has been obligated for the entire SBI program to receive IV&V support via an existing CBP IV&V contract, the task order for this has not yet been awarded to an IV&V agent.
Legislative Condition #14 (continued)

On March 20, 2008, the DHS CPO certified this condition on the basis of information from ongoing and past SBI reviews conducted by his office. Specifically:

- The DHS CPO noted that the SBI\textit{net} technology prime contractor has an Organizational Conflict of Interest Mitigation Plan in place that
  - delineates, among other things, responsibility for avoiding, identifying, evaluating, and resolving organizational conflicts of interest; and
  - complies with FAR Subpart 9.5.¹

- In addition, the DHS CPO noted that CBP realigned its procurement function and created a separate Senior Executive Service Head of Contracting Activity (HCA) position that reports directly to CBP's Assistant Commissioner of Finance, and has a functional relationship with the DHS CPO. Specifically, the HCA is working with DHS CPO staff to develop an initial workforce plan that outlines the number of additional personnel required, skill sets required, and an approach for hiring and retaining the staffing needed.

¹FAR Subpart 9.5, Organizational and Consultant Conflicts of Interest.
Legislative Condition #14 (continued)

On March 13, 2008, the DHS Acting CIO conditionally certified that the SBI program has an IV&V agent under contract for the fiscal year 2008 expenditure plan. The certification was conditional for two reasons:

- although funding has been obligated for the SBI program to receive IV&V support via an existing CBP IV&V contract, the task order for this has not yet been awarded to an IV&V agent; and

- although the CBP IV&V contract states that the chosen IV&V agent’s approach will comply with the Institute of Electrical and Electronics Engineers, Inc. (IEEE) standards, the agent’s documents proving this to be the case will not be available for review until after the task order is awarded.

The DHS Acting CIO directed the SBI program office to submit the necessary documentation 30 to 60 days after contract award. The DHS Acting CIO is to then review the documentation to ensure that the IV&V agent is executing a process that complies with DHS and IEEE standards.
Legislative Condition #15: Is Reviewed by GAO (Satisfied)

Legislative condition: Is reviewed by GAO.

Our review of the expenditure plan satisfied the condition.

- The SBI program office provided draft versions of the expenditure plan and supporting documentation.
- We also reviewed the final version of the plan submitted to Congress on March 31, 2008.
- We conducted our review from January 29 through April 2, 2008.
Concluding Observations

The fiscal year 2008 SBI expenditure plan, including related documentation and program officials’ statements, satisfied 7, partially satisfied 7, and did not satisfy 1 of the 15 conditions legislated by Congress. The legislatively mandated expenditure plan requirement for SBI is a congressional oversight mechanism aimed at ensuring that planned expenditures are justified, performance against plans is measured, and accountability for results is established.

The fiscal year 2008 SBI expenditure plan, combined with other available program documentation and program officials’ statements, does not provide sufficient justification for all planned SBI expenditures, nor does it permit progress against program commitments to be adequately measured and disclosed. Although 7 of the 15 stated legislative conditions for the expenditure plan are fully satisfied, 8 others have gaps that, until they are addressed, could limit DHS’s ability to manage the program today.
Concluding Observations (continued)

Satisfying the legislative conditions is important because the expenditure plan is intended to provide Congress with the information needed to effectively oversee the program and hold DHS accountable for program results. Satisfying the legislative conditions is also important to minimize the program’s exposure to cost, schedule, and performance risks.

The fiscal year 2008 expenditure plan is more detailed and thorough than the fiscal year 2007 plan. However, it does not fully satisfy our February 2007 recommendation that the plan include explicit and measurable commitments relative to the capabilities, schedule, costs, and benefits associated with individual SBI net program activities because, among other things, it does not provide complete information about the SBI schedule and costs. As investment in SBI-related projects continues, fulfilling this recommendation will become increasingly important to ensure accountability and transparency.

Given that this is the second expenditure plan requested by Congress for CBP’s SBI program and that the DHS Acting CIO has stated that the SBI risk management program does not mitigate risks for a program of its size, it is even more important that the plan meet the legislative conditions and that our recommendation be fully implemented.

Agency Comments and Our Evaluation

In commenting on a draft of this briefing, CBP officials generally agreed with most of our findings. However, they did not agree with our assessments that the expenditure plan did not satisfy legislative condition #2, and partially satisfied conditions #3 and #6.

Legislative condition #2 requires CBP to describe how activities will further the objectives of SBI’s multi-year strategic plan, and how the plan allocates funding to the highest priority border security needs. We stated that the expenditure plan did not satisfy this legislative condition because it did not clearly demonstrate how specific CBP SBI activities link with the overall goal of controlling the border, nor did it show how funding was allocated to the highest priority requirements. CBP commented that all SBI\textit{net} and SBI TI activities have clear strategic alignment to the various DHS, CBP, and SBI strategic plans, and that these activities are described throughout the expenditure plan and are paramount to achieving the goal of controlling the border. We agree that the expenditure plan shows some alignment to the strategic plans, but maintain our position because the expenditure plan and supporting documentation does not make detailed and explicit linkages to various SBI activities, nor does it show that funding is allocated to the highest priorities. Therefore, Congress is not in a position to understand how SBI’s specific activities contribute to these objectives, or to understand the priorities and how they are addressed.
Agency Comments and Our Evaluation (continued)

Legislative condition #3 requires an explicit plan of action defining how all funds are to be obligated to meet future program commitments, with the planned expenditure of funds linked to the milestone-based delivery of specific capabilities, services, performance levels, mission benefits and outcomes, and program management capabilities. We stated that the plan partially satisfies this legislative condition because it does not provide explicit information, for example, on expected performance levels for fiscal year 2008 SBI net and SBI TI program activities. CBP commented that the expenditure plan’s Executive Summary contains this information. We agree that the Executive Summary contains this information at a high level, but does not present the explicit plan of action required by the legislative condition. Therefore, we maintain our position that this condition is partially satisfied.
Agency Comments and Our Evaluation (continued)

Legislative condition #6 requires reports on costs incurred, the activities completed, and the progress made by the program in terms of obtaining operational control of the entire border of the United States. We stated that the plan partially satisfies this condition because it does not attribute changes in the level of operational border control to SBI activities. CBP commented that the plan clearly states the objectives for the construction of tactical infrastructure and links these efforts to the goal of gaining effective control of the border. We maintain our position that the plan partially satisfies this condition because it does not delineate between improvements in operational control that are directly attributable to SBI activities and those that are caused by concurrent government actions.

DHS, CBP and SBI officials also provided clarifying information that we incorporated as appropriate in this briefing.
Related GAO Products


June 16, 2008

Mr. Richard M. Stana
Director, Homeland Security and Justice Issues
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Mr. Stana:

The Department of Homeland Security (DHS) appreciates the opportunity to review and comment on the Government Accountability Office’s (GAO’s) draft report Secure Border Initiative: SBI Fiscal Year 2008 Expenditure Plan Shows Improvement, but Deficiencies Limit Congressional Oversight and DHS Accountability, GAO-08-739R. The fiscal year (FY) 2008 Consolidated Appropriations Act required the DHS to submit to Congress an expenditure plan for our efforts to establish a security barrier along the borders of the United States, including pedestrian and vehicle fencing as well as other forms of tactical infrastructure and technology. This plan was to address 15 legislative conditions and was submitted to Congress on March 13, 2008.

GAO found that the expenditure plan, including related documentation and program officials’ statements, satisfied seven legislative conditions, partially satisfied seven others, and did not satisfy one condition.

In addition to assessing the program’s fulfillment of the legislative conditions, GAO recommended that U.S. Customs and Border Protection’s (CBP’s) Secure Border Initiative Executive Director ensure that future expenditure plans include an explicit description of how activities will further the objectives of SBI, as defined in the DHS Secure Border Strategic Plan; and how the plan allocates funding to the highest priority border security needs to provide Congress with information it needs to oversee the program.

The Department agrees with the recommendation. CBP will ensure that future expenditure plans are developed in accordance with the legislative conditions and clearly document how SBI activities align with the Department’s Secure Border Strategic Plan, including budget-specific details regarding funding allocation for the highest priority border security needs. Department and CBP officials will continue to work with the GAO to improve future SBI Expenditure Plans to provide Congress with the information needed for better oversight.

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Enclosure II: Comments from the Department of Homeland Security

Our response to this draft report reflects the information that was provided to Chairman David Price, Subcommittee on Homeland Security, Committee on Appropriations regarding the Secure Border Initiative’s Expenditure Plan for FY 2008 in a letter dated June 3, 2008. In that letter the Secretary provided an addendum to the SBI FY 2008 expenditure plan addressing the legislative conditions that were partially satisfied or not satisfied.

The following replicates the Secretary’s response to Chairman Price.

The investment for the Border Security Fencing, Infrastructure, and Technology (BSFIT) account for securing America’s borders has been successful and continues to yield systematic and tangible results with the appropriations provided. For example, since the end of FY 2006, the miles of southern border under effective control increased by 204 miles. This increase can be attributed, in large part, to the investments in personnel, technology, and tactical infrastructure. As of May 2008, $1.3 billion dollars have been obligated of the FY 2007 and FY 2008 BSFIT appropriation. DHS’s U.S. Customs and Border Protection plans to obligate the full FY 2008 appropriation this calendar year upon release of the remaining FY 2008 appropriation.

The information below details the overall strategy for securing our southwest land border between the ports of entry. Also provided is an update on the capabilities our BSFIT investments have and will provide to CBP’s operators. This addendum to the FY 2008 expenditure plan addresses Chairman Price’s concerns in the following sections:

Conditions 2, 3, and 6:
- National Border Patrol Strategy
- Capabilities Enabling Effective Control of the Border
- Determining the Level of Control
- CBP Priorities for BSFIT Funding

Conditions 1, 9, 11, 13, and 14:
- SBI Tactical Infrastructure
- SBiner Technology

The Department is at the point where, if $175 million of the $650 million being held is not released immediately, a number of time-sensitive projects will be delayed including 19 pedestrian fencing projects that will be placed at high risk of not being completed by the congressionally mandated date of December 31, 2008.

National Border Patrol Strategy

Heretofore, BSFIT funding has been spent almost exclusively on CBP’s efforts to gain control of the border between the ports of entry. As such, the operational requirements of the Border Patrol have been the principal driver of BSFIT planning and expenditures.

CBP’s strategy to secure our Nation’s borders between the ports of entry is prescribed largely in the National Border Patrol Strategy. Below is a brief explanation of the principles employed by
Enclosure II: Comments from the Department of Homeland Security

Border Patrol Sector Chief Patrol Agents in determining their resource requirements and deployments in support of the National Strategy.

The primary goal of the National Border Patrol Strategy is Effective Control, which is achieved when a Chief Patrol Agent determines that agents deployed in any given area are able to:

- Detect an illegal entry into the United States between the Ports of Entry,
- Identify and classify the threat level associated with that illegal entry,
- Respond to the area of the illegal entry, and
- Bring the situation to a law enforcement resolution (i.e. arrest)

Effective Control is established through the proper mix of technology, personnel, and infrastructure (to include pedestrian and vehicle fencing) that will allow us to confront illegal cross border activity. The mix of these three components will vary depending on the challenges of the focus area.

- Technology is the baseline requirement for any area of operations. It allows us to detect the entries and to identify and classify the threat.
- Personnel provide the response to confront illegal cross border activity.
- Tactical Infrastructure supports the response by providing access, and also extends response time by deterring or slowing the ability to easily cross the border and escape.

The Strategy is to gain, maintain, and expand effective control.

- Gain: Deploy resources based on known threats, vulnerability, and risk
- Maintain: Sustain effective control once gained and seek efficiencies to allow us to hold the area with fewer resources
- Expand: As we gain control of any given area, smuggling activity will be displaced to other areas of operations. We will adjust deployment of resources to expand effective control to areas where smuggling activity shifts in reaction to our enforcement efforts.

It is important to note that the National Border Patrol Strategy, and BSFI funded activities, directly support DHS’s SBI Performance Goal 1.1 -- “Develop and deploy the optimal mix of personnel, infrastructure, technology, and response capabilities to identify, classify, and interdict cross-border violators.”

Capabilities Enabling Effective Control of the Border

Each Sector has developed operational plans to achieve effective control of the border in their area of responsibility (AOR). These plans are updated annually, and provide a baseline assessment of the current level of control throughout their AOR and the resources (e.g., Border
Enclosure II: Comments from the Department of Homeland Security

Patrol Agents, air support, fencing, radars, cameras, ground sensors, etc.) needed to ultimately gain effective control of their AOR.

Based on an analysis of the terrain and operational dynamic, the Border Patrol Planner will determine the right mix of technology, infrastructure, and personnel needed to detect, identify and classify, respond, and resolve illegal incursions in that area. The planner “rates” the different components’ capabilities. Some of the key components employed today are rated against the following capabilities:

- Sensors = Detection & Tracking
- Cameras = Identification and Classification
- Radars, Aircraft, Sensors = Detection and Tracking
- Pedestrian Fence = Persistent Pedestrian Impedance/Delay
- Vehicle Fence = Persistent Vehicle Impedance/Delay
- Border Patrol Agents = Response and Resolution

Determining the Level of Control

Since 2004, the Border Patrol has used a very complex, analytical process to determine the level of border security. It involves defined analysis of operational data, available resources, third party indicators, and the experience and professional expertise of the Border Patrol’s senior field managers.

Operational Data. The Border Patrol uses a variety of operational data to determine the current level of border security. Data include:

- sensor activations
- known entries
- agent observations
- apprehensions
- narcotic seizures
- border rescues/deaths
- assaults on agents, etc.

The data are examined in-depth. When reviewing apprehensions, considerations include:

- the country of citizenship of the illegal aliens
- method of entry (foot or vehicle)
- the size of the groups or smuggling loads involved
- the time and day of the activity
- the location of activity
- smuggling fees
- violence associated with the apprehensions

Narcotics seizures are analyzed in terms of the amount of narcotics involved in each seizure, the types of narcotics seized, and whether there were weapons involved. The analysis includes reviews of sector intelligence reports and interviews of apprehended aliens and smugglers.
Available Resources. The Border Patrol resources available are a critical consideration. Resources are assessed to determine whether available staffing levels are sufficient to deter illegal entries, adequately secure known smuggling routes, and respond to agent observations and sensor activations. This also includes an evaluation of the effectiveness of the available technology (sensors, night vision scopes, cameras, etc.) and their effectiveness at detecting and deterring entries. Further, the impact of existing tactical infrastructure and its role in facilitating deterrence or interdictions is reviewed.

Other Indicators. Other indicators of activity within the station’s AOR are considered. These include:

- intelligence reports concerning the political/economic/social climate of the region on the other side of the border and alien smuggling operations
- the volume of litter along known or new smuggling routes
- abandoned vehicles
- caches of narcotics
- breached fences
- the volume or “freshness” of footprints or vehicle tracks along known or new smuggling routes
- the activities at checkpoints in other AORs at which illegal aliens or narcotics entering through the AOR were apprehended or seized

Third Party Indicators. The analysis of operational data is then supplemented with the analysis of third party indicators. Examples of third party indicators include:

- local crime rates (vandalism, vehicle thefts, burglaries, assaults)
- hospital emergency room records concerning injured illegal aliens
- media reports
- information received from local police departments
- complaints from ranchers regarding missing livestock and damaged fences
- complaints from farmers about damaged crops
- traffic accidents involving illegal aliens
- citizen complaints
- abandoned vehicles or vessels found in remote areas
- complaints from Forest Service, Park Service, Bureau of Land Management, tribal officials, etc., concerning fires, litter, and desecration of protected areas involving illegal alien activity

Experience and Professional Expertise of Sector Chiefs. The compilation of all that is known about the situation within the AOR is then coupled with the experience and expertise of the Border Patrol agents and their knowledge of the AOR to determine the level of border security. Strategic definitions of effective control are assessed using the following criteria:
<table>
<thead>
<tr>
<th>Level of Control</th>
<th>Criteria</th>
</tr>
</thead>
</table>
| Effective Control           | Situation Awareness is High; Ability to Respond is High  
• Probability of detection is high,  
• The ability to identify and classify entries is high,  
• The Border Patrol’s ability to consistently respond to entries and resolve events is high, and  
• These miles are usually located in urban or high risk areas. |
| Initial Control Capabilities Established | Situation Awareness is High; however, the ability to respond is defined by accessibility to the area and/or availability of resources.  
• Probability of detection is high,  
• The ability to identify and classify entries is high, and  
• The Border Patrol’s ability to consistently respond to entries and resolve events may be limited due to a lack of resources (staff, technology or accessibility due to terrain.)  
• These miles are usually located in less urban areas. |
| Less Monitored              | Situation Awareness is Low; the ability to respond is defined by accessibility to the area and/or availability of resources.  
• Ability to conduct any of the four steps (detect, identify/classify, respond or resolve) may be limited due to remoteness, terrain, lack of resources, etc.  
• These miles are often located in less accessible rural or remote areas. |
| Remote/Low Activity         | Situation Awareness is Low; the ability to respond is defined by accessibility to the area and/or availability of resources.  
• Often located in extremely remote areas, where access is limited, alien traffic less active, and less traditional methods of border security must be employed. |

**Current Level of Control.** As highlighted below, as of March 31, 2008, there were 549 miles of the southern border considered under effective control. In the first six months in FY 2008, 63 additional miles of effective control were achieved through the deployment of additional fencing, sensor technology and increased personnel numbers.
Enclosure II: Comments from the Department of Homeland Security

<table>
<thead>
<tr>
<th>Miles Under Control, Southwest Border</th>
<th>Deployed Resources (National Total)</th>
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<tr>
<td></td>
<td>September</td>
</tr>
<tr>
<td>October 2005</td>
<td>241</td>
</tr>
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<td>12,349</td>
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<tr>
<td></td>
<td>14,923</td>
</tr>
<tr>
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<td>313.5</td>
</tr>
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</table>

*July 2006 data. March 2006 data not available.

While additional resources, tactical infrastructure, and technology will continue to contribute to enhancing effective control of the Nation’s borders, it is important to emphasize that effective control of a given segment is not necessarily gained through the deployment of just one tool or resource. In most cases, fencing will be complemented with technology and enforcement personnel. In some cases, such as pedestrian fencing in urban areas, sensors and cameras will be installed to alert agents to any attempted breaches of the fencing. In more rural areas where vehicle fencing is installed, any range of technologies may be required to detect, monitor, and facilitate a response to intrusions by foot.

Additionally, once established, border security levels remain dynamic. While the goal is always to increase the level of border security, security may decline as a result of many factors. These factors include the effect of enforcement efforts in adjacent stations or sectors, changes in the level or nature of criminal activity, or unanticipated declines in resources availability. Therefore, to maintain and expand on our established border security levels, it is critical to continue the appropriate application of personnel, technology, and tactical infrastructure.
CBP Priorities for BSFIT Funding

CBP’s priorities for using BSFIT funds to support DHS SBI Strategic Goal 1.1 and the National Border Patrol Strategy are:

SBI Tactical Infrastructure

1. Completion of 370 miles of pedestrian fence
2. Completion of 300 miles of vehicle fence

SBI/Net Technology

1. Deploy SBI/Net technology in the TUS-1 project area
2. Deploy SBI/Net technology in the AJO-1 project area
3. Northern Border Demonstration Project
4. Complete the deployment design work necessary to field SBI/Net technology in the remaining areas of the Tucson Sector.

Chairman Price’s specific concerns regarding SBI Tactical Infrastructure (TI) and SBI/Net technology deployment activities are discussed below. As an aid for this discussion, an overview of the key milestones, obligations, capabilities supported, and metrics DHS will use to measure mission effectiveness are found at Attachment 1.

SBI Tactical Infrastructure

Progress in Deploying Persistent Impedance Capability. Persistent impedance is the enduring capability to consistently and constantly slow, delay, and be an obstacle to movement. Pedestrian and vehicle fence are utilized to provide this capability along our borders. As of May 12, 2008, the SBI TI program has constructed fencing totaling 324.3 miles along the southwest border (179.3 miles of pedestrian and 145 miles of vehicle fence). There are 100 tactical infrastructure projects remaining and the SBI TI performance schedule, as set forth in Attachment 2, will assist in ensuring that our goal of constructing 670 miles of tactical infrastructure by the end of calendar year 2008 is met. Capability and performance outcomes are already being realized, for example:

- Barry M. Goldwater Range (BMGR). CBP deployed 31 miles of vehicle and pedestrian fencing on the southern border of the Barry M. Goldwater Range (BMGR) to mitigate illegal border crossings interfering with Department of Defense activities. As a result of this project, from January to April 2008, the number of apprehensions declined from 30,441 to 6,667 along the BMGR border area where the fencing is deployed, representing a 78 percent decline year-to-date from the same period in 2007. Similarly, only one single vehicle incursion occurred from October 2007 to May 2008, a decline from 172 vehicle incursions in the same period a year earlier. This project is a firm example of the value persistent impedance provides to CBP.
Analysis of Specific Segments of Miles Intended for Fencing. On May 13, 2008, the SBI Executive Director and other CBP officials met with Chairman Price’s staff to discuss the analysis of alternatives and provided two sample segment analyses for review and comment. CBP received feedback from Chairman Price’s staff on May 19, 2008, and has been working to revise our templates and analyses to address a request for additional details. There are extensive documentation and field experience-based judgments to support fencing decisions, but this knowledge base is not available in the construct the Chairman requested. The Department is, however, committed to producing a more user-friendly technical alternatives analysis along the lines the Chairman requested, and will deliver the analyses of alternatives to the Chairman’s office as they are completed in the coming weeks.

Pedestrian Fence Costs. As requested, to support the analysis of alternatives for pedestrian fence, Attachment 2 also provides a detailed listing of estimated pedestrian fence costs for projects scheduled to be completed this calendar year.

Life Cycle Fence Costs. The Department anticipates the fence will have a 20-year useful life. In addition to the cost of construction, the primary factor contributing to the life cycle cost is operation and maintenance (O&M). This O&M cost is largely influenced by costs of repair resulting from illegal activity. Moreover, given the magnitude of the current TI deployment activities, our ability to more accurately estimate O&M costs is limited. Heretofore, Border Patrol agents in the field have been repairing damaged fencing. Accordingly, we do not have historical cost data on fence repair upon which to estimate.

We are currently collecting information and believe that by early calendar year 2009, we will have enough history and experience from which we can assess the life cycle cost estimate, and plan more accurately for future budgets and program baselines. In the near term, the FY 2009 President’s budget requests $75 million for operations and maintenance of tactical infrastructure that we believe is sufficient to repair damages due to incursions and general maintenance after full construction is completed.

Program Management. As with other CBP SBI programs, SBILOG and SBI Transportation, the SBI Tactical Infrastructure Program Management Office (SBI TI PMO) is organized into a strong, matrix organization headed by a program manager who is certified in acquisition program management and reports directly to the SBI Program Executive Director. This strong, matrix organizational structure provides for the formation of Integrated Project Teams (IPTs) composed of the dedicated functional personnel required to execute SBI TI projects. Appropriate representatives of the U.S. Army Corp of Engineers and other government stakeholder organizations are active participants in the IPTs.

The SBI TI PMO was established in the fall 2007 to manage the unprecedented investment of tactical infrastructure along our southwest border. A comprehensive staffing plan, along with defined roles and responsibilities for each position in the office, was prepared and used to guide and manage priority staffing requirements. Moreover, an intensive and focused staffing effort is ongoing to ensure that the office is adequately staffed with the government professionals and contractor support necessary to accomplish its mission.
Recurring internal communications, reporting channels, and knowledge sharing systems have been established and are being utilized to integrate and align the office’s activities. This includes weekly senior staff meetings and integrated bi-weekly program management reviews. Program and project information is maintained in shared repositories and an Integrated Master Plan/Integrated Master Schedule has been developed. Of note is the information system and performance dashboard developed and maintained by the SBI TI PMO to track all fence projects, their schedule and costs, real estate acquisition, and supporting documents such as individual project statements of work and task orders. These tools and reporting structure provide a robust management program that has enabled visibility and mitigation of risks and issues as they arise.

**SBInet Technology**

*Progress in Deploying SBInet Technology Capability.* CBP is currently completing design of its first operational configuration for the SBInet technology solution. Laboratory integration and testing of production software and hardware began in late spring 2008, and pending successful integration and testing of the production software and hardware in a laboratory environment, we anticipate beginning tower construction and deployment in late summer 2008 with a target completion date of our first operational spiral in December 2008. The projects included in this deployment effort are TUS-1 located in a 23-mile area of the Tucson Sector and AJO-1 located in a 30-mile area in the Tucson Sector. Specific milestones associated with SBInet technology deployment this calendar year are included in Attachment 1. Going forward, CBP plans to complete SBInet deployment in the balance of the Tucson Sector in CY 2009, Yuma Sector in CY 2010, and El Paso Sector in CY 2011.

We have several key projects that support development and deployment of technology capability for CBP and the Border Patrol. These projects include:

- **Project 28.** Project 28 was implemented along 28 miles of border flanking the Sasabe, Arizona port of entry. This project was the initial demonstration of Boeing’s technology concept. As such, the system was designed to be an operational prototype that could be tested and evaluated to serve as the initial building block for the system’s future technology. After successful field testing, CBP formally accepted the prototype and completed the project in February 2008.

The lessons learned and information gathered from use of the system has allowed CBP to proceed on a deliberate path to future technology integration and deployment. Moreover, the system continues to provide technology capability to the Border Patrol in an area that previously did not have these resources. The system has increased our effectiveness, is providing operational value, and has supported the Border Patrol in apprehending over 3,520 illegal aliens and smugglers since late September 2007.

- **SBInet System Design.** Since September 19, 2006, CBP has been gathering operational requirements from its operators and developing the SBInet Block 1 system that will be deployed later this calendar year. Through this effort, they have completed:
  - a set of modeling and analytical tools
Enclosure II: Comments from the Department of Homeland Security

- a detailed assessment and refinement of the operator’s system performance requirements
- approximately 50 percent of all SBInet Block 1 design drawings
- source selection and vendor qualification for SBInet equipment providers (e.g., radars, cameras, communications)
- a hardware-in-the-loop System Integration Laboratory for component and full-system development and integration testing

Additionally, CBP has emplaced a systems engineering and program management cadre to support execution of the full SBInet portfolio of projects in both Arlington, Virginia, and Huntsville, Alabama.

**SBInet Common Operating Picture.** In December 2007, CBP began design, development, and testing of upgraded Common Operating Picture (COP) software for the SBInet Block 1 system. This software will deliver enhanced sensor management, scene understanding, and situational awareness for CBP operators. To date, CBP has completed:

- detailed operator requirements reviews
- development of a detailed software performance specification
- installation of a software integration laboratory in Arlington, Virginia
- engineering of initial graphic user interfaces (i.e., computer images and screens to be displayed to the operators) supported by hands-on prototyping with the Border Patrol
- coding of the initial release of software

This software is currently undergoing integration testing in the Huntsville, Alabama, System Integration Laboratory. Initial release of the software is planned for August 2008. The software will be deployed with the initial SBInet Block 1 system this calendar year.

**SBInet Deployment Laydown Design.** Beginning in the summer of 2007, CBP began the process of completing detailed plans for tower locations and access road, incorporating feedback from Border Patrol agents in the field, to support deployment of the SBInet system in the Tucson, Yuma, and El Paso Sectors. This effort included completing just over 200 site surveys for environmental and construction clearance, and hundreds of detailed engineering and assembly drawings for the initial Block 1 deployment. CBP plans to complete review and approval the TUS-1 design in June 2008, and AJO-1 design in September 2008.

**Performance Parameters.** At the start of the program CBP established performance metrics and parameters for the SBInet technology solution. When fully deployed on the southwest border, these system performance parameters include a range of metrics like probability of detection (95 percent), probability of identification (90 percent), and system operational availability (95 percent).
Enclosure II: Comments from the Department of Homeland Security

The system level performance parameters are expected to be achieved at the end of full deployment along the southwest border and take into account the full range of technologies that are planned to be part of the end state solution, e.g. ground based radars, cameras, air and marine assets, unattended ground sensors, etc. To ensure progress toward meeting these performance goals, each deployment task order will contain tailored performance metrics.

Appropriate performance metrics and parameters are determined by modeling, actual performance during system testing, and more importantly by the technology capabilities included in the individual deployments. Moreover, given that these metrics are predicted targets, we will also continue to utilize the current process for determining effective control as the key measure of merit for the overall system's performance. A discussion of the process to predict and validate performance parameters is provided in Attachment 3.

**CIO Conditional Certification for the SBlNet System.** The House Appropriations Committee had several questions and requests for additional information regarding the CIO’s conditional certification of the SBlNet system, each are addressed in turn below:

- **CIO Certification that the SBI system architecture is aligned to the DHS enterprise architecture.** The CIO only gave a conditional certification, which in turn was based on a conditional Enterprise Architecture Board (EAB) assessment. GAO found that necessary documentation of alignment has not been updated, and that corrective actions called for by the EAB have not been completed. GAO also found that the conditional CIO certification did not address program risks.

  On March 26, 2008, the EAB conditionally certified that the SBlNet’s program system architecture met the requirements of the DHS systems enterprise architecture for the FY 2008 Expenditure Plan. To support this conditional certification, the SBlNet technology system was reviewed by the EAB at Milestone Decision Points (MDP) 1 and 2 in FY 2007. MDP 1 conditions identified by the EAB were resolved with the submittal of MDP 2 in June 2007. Moreover, CBP is committed to continued participation in all EAB MDP reviews throughout the system life cycle.

  A status of the outstanding deliverables identified in the MDP 2 review has been provided to Chairman Price’s staff and is enclosed for reference in Attachment 4. We expect to have these items closed with the EAB in the fall 2008.

- **CIO certification of the SBlNet risk management process.** The CIO only gave a conditional certification because, among other things, he deemed the SBI risk management process inadequate for such a large program.

  In accordance with the DHS CIO conditional certification, CBP continues to progress with improvements to better identify and manage program risks and will provide the following revised documents for review in June 2008:

  - [ ] Risk Management Policy
  - [ ] Risk Management Plan
Enclosure II: Comments from the Department of Homeland Security

- Systems Life Cycle Catalog of high priority active risks, realized risks and issues
- Risk Management Status Report
- Any high risk communications to component and DHS investment decision makers (stakeholders).

- **CIO certification that there are no conflicts of interest between the prime integrator and subcontractors.** The CIO only gave a conditional certification as no independent verification and validation agent is yet under contract.

CBP does indeed have independent verification and validation support services under contract. The conditional certification recognizes that CBP is currently working to expand these existing support services under a separate competitive procurement that will support its long term needs. We expect this procurement to be awarded in late September 2008.

The Department would like to emphasize that we are committed to fulfilling the legislative requirements outlined in Public Law 110-161, the *Consolidated Appropriations Act of 2008*. While the Department remains committed to ensuring that taxpayers’ dollars are spent wisely, the Department is also aware of the urgency to proceed with the critical fencing and technology projects that will be funded with the $650 million being withheld by Congress.

Also, while all of our planned Projects are designed to support Border Patrol Agents in carrying out their mission more effectively and safely, one project we are particularly anxious to begin work on is the “Pack Truck Trail” project. Three Border Patrol Agents have lost their lives responding to border intrusions in this high traffic area. While persons can easily and quickly cross from Mexico into the U.S. and make their way to a residential area, responding agents must traverse very dangerous terrain to reach and intercept the intruders. Fencing and access roads here are critical to divert the illegal traffic and provide agents a safe route of travel through the area. Although we have the funding to carry out this project, as well as the J2 project, these are among the projects Chairman Price asked to be placed on hold pending receipt of a full alternative analysis. The analysis of alternatives for these projects was provided to Chairman Price’s office on May 29, 2008. We hope that CBP will be allowed to proceed with these projects as soon as possible.

Sincerely,

[Signature]

Penelope G. McCormack
Acting Director
Departmental GAO/OIG Liaison Office

Attachments
## BSFIT Inputs to Effective Control of the Border

**as of May 21, 2008**

<table>
<thead>
<tr>
<th>Projects and Activities</th>
<th>Key Milestones Remaining</th>
<th>Completion Date</th>
<th>FY 2007 Obligations</th>
<th>FY 2008 Obligations</th>
<th>Capability</th>
<th>Metric(^1)</th>
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<td>* Complete environmental stewardship plans (ESP)</td>
<td>06/2008</td>
<td></td>
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<td></td>
</tr>
<tr>
<td></td>
<td>* Complete sending value letters to property owners</td>
<td>06/2008</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>* Complete relocation process for home owners being relocated</td>
<td>07/2008</td>
<td></td>
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<tr>
<td>PF 225</td>
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<td>* All contracts awarded for fence segments</td>
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<td></td>
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\(^1\) Metric included in FY 2009 FYHSP
## ATTACHMENT 1

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<th>Projects and Activities</th>
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<td>• All contracts awarded for fence segments</td>
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*ATTACHMENT 1*
### ATTACHMENT 2

**PF 225 Detailed Cost Estimates and Schedules**

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**NOTE:** Cost per mile for pedestrian fence was requested by the Committee. Segment price estimates include construction and supply chain, planning/oversight, environmental compliance, design, and real estate.
### VF 300 Project Schedule

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ATTACHMENT 3

SBI\textit{net} Performance Assessment

SBI\textit{net} performance analysis and resulting prediction is based upon results of modeling and simulation. Therefore, high level modeling and simulation are developed to represent the system. These higher level models are decomposed into component models (radar, camera, unattended ground sensors (UGSs)) which are validated using engineering models. These engineering models have the required fidelity to represent the complex phenomenology of the environment, hardware, software, and human interaction. These engineering models rely on test results to anchor their performance estimates. SBI\textit{net} modeling and simulation have been validated to date using available field test data.

The method used to predict the detection and identification effectiveness of a particular SBI\textit{net} system solution is to estimate it in a simulation that models the performance and operations of the components (radar, camera and UGSs) in a 3-D terrain environment. The type, quality, and frequency of the sensor data delivered to the COP, the COP operator’s proficiency at interpreting the delivered data, and the routes of ingress and tactics used by illegal border crossers are key factors. The effectiveness of identification is dependent on detection effectiveness and therefore it is necessary to assess these two measures concurrently against the same intruder scenario.

Field tests will be conducted to validate the performance of the sensors (radar, camera, and UGS) as well as the system performance. The TUS-1 field test results will be incorporated into the model and the model will be rerun and compared to the requirements of the TUS-1 and AJO-1 projects. Once the models have been validated we will rerun the model with the TUS-1 field data to generate updated performance numbers and compare this performance to the project requirements. Moreover, given that these metrics are predicted targets, we will also continue to utilize the current process for determining effective control as the key measure of merit for the overall system’s performance.

Over time we will improve SBI\textit{net} modeling, simulation realism, and accuracy by incorporating the results of field testing. Future model validation will be accomplished using test data from the Huntsville System Integration Laboratory, the TUS-1 and AJO-1 system qualification tests, and system acceptance tests. Validated models will also provide a better representation of the system and trade studies can be used more effectively to optimize system performance.
Current Status of Certification of Enterprise Architecture Alignment

SBI\textit{net} was conditionally approved at Milestone Decision Point (MDP) 1 in January 2007. The MDP 1 conditions were resolved with the submittal of MDP 2 in June 2007. The DHS Enterprise Architecture Board (EAB) conditionally approved SBI\textit{net} at MDP 2. The following outlines and provides a status of the current outstanding conditions.

1. Updated Operational Requirements Document (ORD) and Acquisition Program Baseline (APB) with aligned key performance parameters should be submitted.

   \textbf{Status:} The ORD is undergoing an update and it is expected to be completed during the summer 2008. An updated draft APB is in process and is expected to be completed in summer 2008.

2. Program Plan and Integrated Master Schedule (IMS) do not include legacy system decommissioning and schedule.

   \textbf{Status:} The legacy system decommissioning will be addressed when C3I COP version 1.0 architecture is approved. Expected timeframe for this approval is fall 2008, following the completion of trade studies and business reviews. Legacy systems will not be decommissioned until we have full deployment across all borders where the legacy systems are in use.


   \textbf{Status:} The Program Plan, currently planned to be updated in the summer 2008 will be updated to include references of compliance with the HLS EA.

4. Technical Insertions shall be provided for all “new” instances based on the revised technical reference model mapping.

   \textbf{Status:} Technical insertions will be submitted summer 2008.

5. Block (0) P-28 is not compliant with the HLS EA. The SBI Program shall submit & receive approval of their plan to migrate from their current solution.

   \textbf{Status:} As a prototype, P-28 was not designed to comply with HLS EA. The results of the C3I COP trade study will identify the migration plan for HLS EA compliance.

6. The Tucson and Yuma designs have not been evaluated by the EAB.

   \textbf{Status:} Tucson and Yuma designs have been put on hold pending the TUS-1 and AJO-1 deployments.
ATTACHMENT 4

7. The Texas Mobile (TXM) design has not been reviewed by the EAB.
   Status: TXM designs have been put on hold pending the TUS-1 and AJO-1 deployments. In addition, TXM has been rolled into the El Paso Sector lay down.

8. The BMGR Phase III design has not been reviewed by the EAB.
   Status: BMGR Phase III designs have been put on hold pending the TUS-1 and AJO-1 deployments. In addition, BMGR Phase III has been rolled into the Yuma Sector lay down.
Enclosure III: GAO Contact and Staff Acknowledgments

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Staff Acknowledgments

In addition to the person named above, Susan Quinlan, Assistant Director; Deborah Davis, Assistant Director; Burns Chamberlain, Jeanette Espínola; Karen Febey; Michael Parr; Jamelyn Payan; David Perkins; Jeremy Rothgerber; and Leslie Sarapu made key contributions to this report.
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