COAST GUARD

Deepwater Program Management Initiatives and Key Homeland Security Missions

What GAO Found

With a recognition that too much control had been ceded to the system integrator under the Deepwater Program, the Coast Guard began this past year to shift the way it is managing the acquisition. Significant changes pertain to:

- increasing government management of the program as part of the Coast Guard's reorganized Acquisition Directorate,
- acquiring Deepwater assets individually as opposed to through a system-of-systems approach,
- improving information to analyze and evaluate progress, and
- developing an acquisition workforce with the requisite contracting and program management skills.

Many of these initiatives are just getting under way and, while they are positive steps, the extent of their impact remains to be seen.

The Coast Guard will likely continue to face challenges balancing its various missions within its resources for both the short and long term. For several years, we have noted that the Coast Guard has had difficulties fully funding and executing both homeland security missions and its non-homeland security missions. GAO's recent and ongoing work has shown that the Coast Guard's requirements continue to increase in such homeland security areas as providing vessel escorts, conducting security patrols of critical infrastructure, and completing inspections of maritime facilities here and abroad. In several cases, the Coast Guard has not been able to keep up with these security demands, in that it is not meeting its own requirements for vessel escorts and other security activities at some ports. In addition, there are indications that the Coast Guard's requirements are also increasing for selected non-homeland security missions.

Since 2001, we have reviewed the Deepwater Program and have informed Congress, the Department of Homeland Security, and the Coast Guard of the risks and uncertainties inherent with such a large acquisition. In March 2004, we made a series of recommendations to the Coast Guard. The Coast Guard has taken actions on many of them. Three recommendations remain open, as the actions have not yet been sufficient to allow us to close them. In past work on Coast Guard missions, GAO made recommendations related to strategic plans, human capital, performance measures, and program operations.