



Highlights of [GAO-13-547T](#), a testimony before the Subcommittee on Oversight and Management Efficiency, Committee on Homeland Security, House of Representatives

## Why GAO Did This Study

Since beginning operations in 2003, DHS has become the third-largest federal department, with more than 224,000 employees and an annual budget of about \$60 billion. Over the past 10 years, DHS has implemented key homeland security operations and achieved important goals to create and strengthen a foundation to reach its potential. Since 2003, GAO has issued more than 1,300 reports and congressional testimonies designed to strengthen DHS's program management, performance measurement efforts, and management processes, among other things. GAO has reported that overlap and fragmentation among government programs, including those of DHS, can cause potential duplication, and reducing it could save billions of tax dollars annually and help agencies provide more efficient and effective services. Moreover, in 2003, GAO designated implementing and transforming DHS as high risk because it had to transform 22 agencies into one department, and failure to address associated risks could have serious consequences. This statement addresses (1) opportunities for DHS to reduce fragmentation, overlap, and duplication in its programs; save tax dollars; and enhance revenue, and (2) opportunities for DHS to strengthen its management functions.

## What GAO Recommends

While this testimony contains no new recommendations, GAO previously made about 1,800 recommendations to DHS designed to strengthen its programs and operations. The department has implemented more than 60 percent of them and has actions under way to address others.

View [GAO-13-547T](#). For more information, contact Cathleen A. Berrick at (202) 512-3404 or [berrickc@gao.gov](mailto:berrickc@gao.gov).

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## DEPARTMENT OF HOMELAND SECURITY

### Opportunities Exist to Strengthen Efficiency and Effectiveness, Achieve Cost Savings, and Improve Management Functions

## What GAO Found

Since 2011, GAO has identified 11 areas across the Department of Homeland Security (DHS) where fragmentation, overlap, or potential duplication exists and 13 areas of opportunity for cost savings or enhanced revenue collections. In these reports, GAO has suggested 53 total actions to the department and Congress to help strengthen the efficiency and effectiveness of DHS operations. In GAO's 2013 annual report on federal programs, agencies, offices, and initiatives that have duplicative goals or activities, GAO identified 6 new areas where DHS could take actions to address fragmentation, overlap, or potential duplication or achieve significant cost savings. For example, GAO found that DHS does not have a department-wide policy defining research and development (R&D) or guidance directing components how to report R&D activities. Thus, DHS does not know its total annual investment in R&D, which limits its ability to oversee components' R&D efforts. In particular, GAO identified at least 6 components with R&D activities and an additional \$255 million in R&D obligations in fiscal year 2011 by DHS components that was not centrally tracked. GAO suggested that DHS develop and implement policies and guidance for defining and overseeing R&D at the department. In addition, GAO reported that by reviewing the appropriateness of the federal cost share the Transportation Security Administration (TSA) applies to agreements financing airport facility modification projects related to the installation of checked baggage screening systems, TSA could, if a reduced cost share was deemed appropriate, achieve cost efficiencies of up to \$300 million by 2030 and be positioned to install a greater number of optimal baggage screening systems. GAO has also updated its assessments of the progress that DHS and Congress have made in addressing the suggested actions from the 2011 and 2012 annual reports. As of March 2013, of the 42 actions from these reports, 5 have been addressed (12 percent), 24 have been partially addressed (57 percent), and the remaining 13 have not been addressed (31 percent). Although DHS and Congress have made some progress in addressing the issues that GAO has previously identified, additional steps are needed to address the remaining areas to achieve associated benefits.

While challenges remain across its missions, DHS has made considerable progress since 2003 in transforming its original component agencies into a single department. As a result, in its 2013 biennial high-risk update, GAO narrowed the scope of the area and changed its focus and name from *Implementing and Transforming the Department of Homeland Security* to *Strengthening the Department of Homeland Security Management Functions*. To more fully address this area, DHS needs to further strengthen its acquisition, information technology, and financial and human capital management functions. Of the 31 actions and outcomes GAO identified as important to addressing this area, DHS has fully or mostly addressed 8, partially addressed 16, and initiated 7. Moving forward, DHS needs to, for example, validate required acquisition documents in a timely manner, and demonstrate measurable progress in meeting cost, schedule, and performance metrics for its major acquisition programs. In addition, DHS has begun to implement a governance structure to improve information technology management consistent with best practices, but the structure covers less than 20 percent of DHS's major information technology investments.