



Highlights of [GAO-03-799](#), a report to House Government Reform Committee

Why GAO Did This Study

With annual obligations for goods and services totaling \$1.7 billion, the Immigration and Naturalization Service (INS) is one of the largest of 23 entities coming into the Department of Homeland Security (DHS). INS's procurement organization will continue to acquire goods and services under DHS.

GAO was asked to review INS's contracting processes to assess whether INS has an adequate infrastructure to manage its acquisitions and to determine whether INS is following sound contracting policies and procedures in awarding and managing individual contracts.

What GAO Recommends

GAO is recommending that DHS take several actions to mitigate procurement risk as it integrates INS's procurement function. DHS should assess and develop strategies to improve oversight, strategic use of information, workforce planning, and contract management. In written comments on a draft of this report, DHS agreed with the recommendations and indicated that it will proceed in accordance with them.

www.gao.gov/cgi-bin/getrpt?GAO-03-799.

To view the full product, including the scope and methodology, click on the link above. For more information, contact David Cooper at (617) 788-0555 or cooperd@gao.gov.

CONTRACT MANAGEMENT

INS Contracting Weaknesses Need Attention from the Department of Homeland Security

What GAO Found

INS does not have the basic infrastructure—including oversight, information, and an acquisition workforce—in place to ensure that its contracting activity is effective, principally, as follows:

- Oversight of procurement is difficult because procurement managers are placed at a low level within the organization, and they do not have the leverage to hold employees across the agency accountable for compliance with procurement policies. Further, procurement activities are not coordinated well because INS has not made effective use of cross-functional teams—consisting of procurement, program, budget, financial, and legal representatives—throughout the acquisition process.
- Procurement managers are unable to make strategic decisions that would allow them to maximize spending power across the agency because INS's information systems do not provide visibility into what is being spent agencywide for goods and services and who the major vendors are.
- INS's acquisition workforce is struggling to manage effectively large and mission-critical procurements. Despite growth in mission requirements and the overall workforce during the past decade, the agency has not been able to attract and retain the necessary contracting staff. Further, INS lacks a strategic acquisition workforce plan to help identify the knowledge, skills, and abilities the agency needs to ensure it can meet current and future requirements.

In addition, acquisition planning, competition, and contractor monitoring have been inadequate on some large contracts. The lack of adequate advanced planning for several detention center contracts and one large information technology management contract limited opportunities for full and open competition. Contractor performance monitoring has, in some cases, been inadequate to provide assurance that INS received the goods or services it paid for or that quality standards were met. GAO did not find significant or widespread compliance problems with other contract criteria we reviewed.

Because INS has become a significant part of DHS and brings with it a procurement function that needs attention, it is imperative for DHS leadership to address these problems early in the development of the new department.