



Highlights of [GAO-07-398T](#), a testimony before the Subcommittee on Homeland Security, Committee on Appropriations, House of Representatives

## Why GAO Did This Study

The Department of Homeland Security (DHS) plays a key role in leading and coordinating—with stakeholders in the federal, state, local, and private sectors—the nation's homeland security efforts. GAO has conducted numerous reviews of DHS management functions as well as programs including transportation and border security, immigration enforcement and service delivery, and disaster preparation and response. This testimony addresses:

- why GAO designated DHS's implementation and transformation as a high-risk area,
- management challenges facing DHS,
- programmatic challenges facing DHS, and
- actions DHS should take to strengthen its implementation and transformation efforts.

## What GAO Recommends

This testimony contains no recommendations. However, GAO has made numerous prior recommendations to DHS in reports addressing the issues identified in this statement. Although DHS generally concurred with these recommendations, it has not identified whether it has taken corrective actions to address most of the recommendations made.

[www.gao.gov/cgi-bin/getrpt?GAO-07-398T](http://www.gao.gov/cgi-bin/getrpt?GAO-07-398T).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Norman Rabkin at (202) 512-8777 or [rabkinn@gao.gov](mailto:rabkinn@gao.gov).

## HOMELAND SECURITY

# Management and Programmatic Challenges Facing the Department of Homeland Security

## What GAO Found

GAO designated implementing and transforming DHS as high risk in 2003 because DHS had to transform 22 agencies—several with existing program and management challenges—into one department, and failure to effectively address its challenges could have serious consequences for our homeland security. Despite some progress, this transformation remains high risk.

Managing the transformation of an organization of the size and complexity of DHS requires comprehensive planning and integration of key management functions that will likely span a number of years. DHS has made some progress in these areas, but much additional work is required to help ensure success. While DHS has developed a strategic plan, the plan does not link resource requirements to goals and objectives, and it does not involve key stakeholders to ensure resource investments target the highest priorities. DHS has also issued guidance and plans to assist management integration on a function by function basis, but lacks a comprehensive integration strategy with overall goals, a timeline, and a dedicated team to support its efforts. The latest independent audit of DHS's financial statements revealed 10 material weaknesses and confirmed that DHS's financial management systems still do not conform to federal requirements. DHS has also not institutionalized an effective strategic framework for information management, and its human capital and acquisition systems require further attention to ensure that DHS allocates resources efficiently and effectively.

Since GAO's 2005 high-risk update, DHS has taken actions to strengthen program activities. However, DHS continues to face programmatic and partnering challenges. To help ensure its missions are achieved, DHS must overcome continued challenges related to cargo, transportation, and border security; systematic visitor tracking; efforts to combat the employment of illegal aliens; and outdated Coast Guard asset capabilities. Further, DHS and the Federal Emergency Management Agency need to continue to develop clearly defined leadership roles and responsibilities; necessary disaster response capabilities; accountability systems to provide effective services while protecting against waste, fraud, and abuse; and the ability to conduct advanced contracting for emergency response goods and services.

DHS has not produced a final corrective action plan specifying how it will address its management challenges. Such a plan should define the root causes of known problems, identify effective solutions, have management support, and provide for substantially completing corrective measures in the near term. It should also include performance metrics and milestones, as well as mechanisms to monitor progress. It will also be important for DHS to become more transparent and minimize recurring delays in providing access to information on its programs and operations so that Congress, GAO, and others can independently assess its efforts. DHS may ultimately require a chief management official dedicated to the overall transformation process in order to expedite and help ensure sustainable success over time.