

Integrated Strategy for High-Risk Management

Strengthening Department of Homeland Security Management Functions
A Biannual Update to the Government Accountability Office

September 2021



**Homeland
Security**

This page intentionally left blank



Homeland
Security

September 24, 2021

The Honorable Gene L. Dodaro
Comptroller General of the United States
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548

Dear Comptroller General Dodaro:

On behalf of the Department of Homeland Security (DHS or the Department), I am pleased to submit an update to the DHS *Integrated Strategy for High-Risk Management (Integrated Strategy)*. The biannual *Integrated Strategy* outlines the Department's framework for addressing the *Strengthening Department of Homeland Security Management Functions* area on the Government Accountability Office (GAO) High-Risk List (the List).

The enclosed corrective action plans outline the steps DHS is taking to achieve the remaining 12 (of 30) GAO outcomes that have yet to garner a "Fully Addressed" rating from GAO. Collectively, the 30 outcomes, agreed to by GAO and DHS in 2010, serve as a goal post reflecting the level of maturity necessary to address the underlying challenges that contributed to GAO's high-risk designation. As a byproduct of our progress toward the outcomes, DHS has met the majority of GAO's five criteria for removal from the List—making *Strengthening Department of Homeland Security Management Functions* one of only two areas currently on the List to do so.¹

In light of our demonstrated and sustained progress, the Department believes it is time to reconsider GAO's high-risk designation in order to account for the fact that DHS management functions do not constitute a "high-risk" to mission delivery or our Nation's security. We look forward to continuing the dialogue with GAO about narrowing the focus of this engagement to more accurately reflect the state of DHS management functions today, or removing *Strengthening Department of Homeland Security Management Functions* from the List altogether.

On behalf of DHS, I want to express my appreciation for the constructive relationship we have cultivated with GAO through nearly two decades of partnering on this important work. The Department continues to value and welcome GAO's role in assessing DHS programs.

Sincerely,

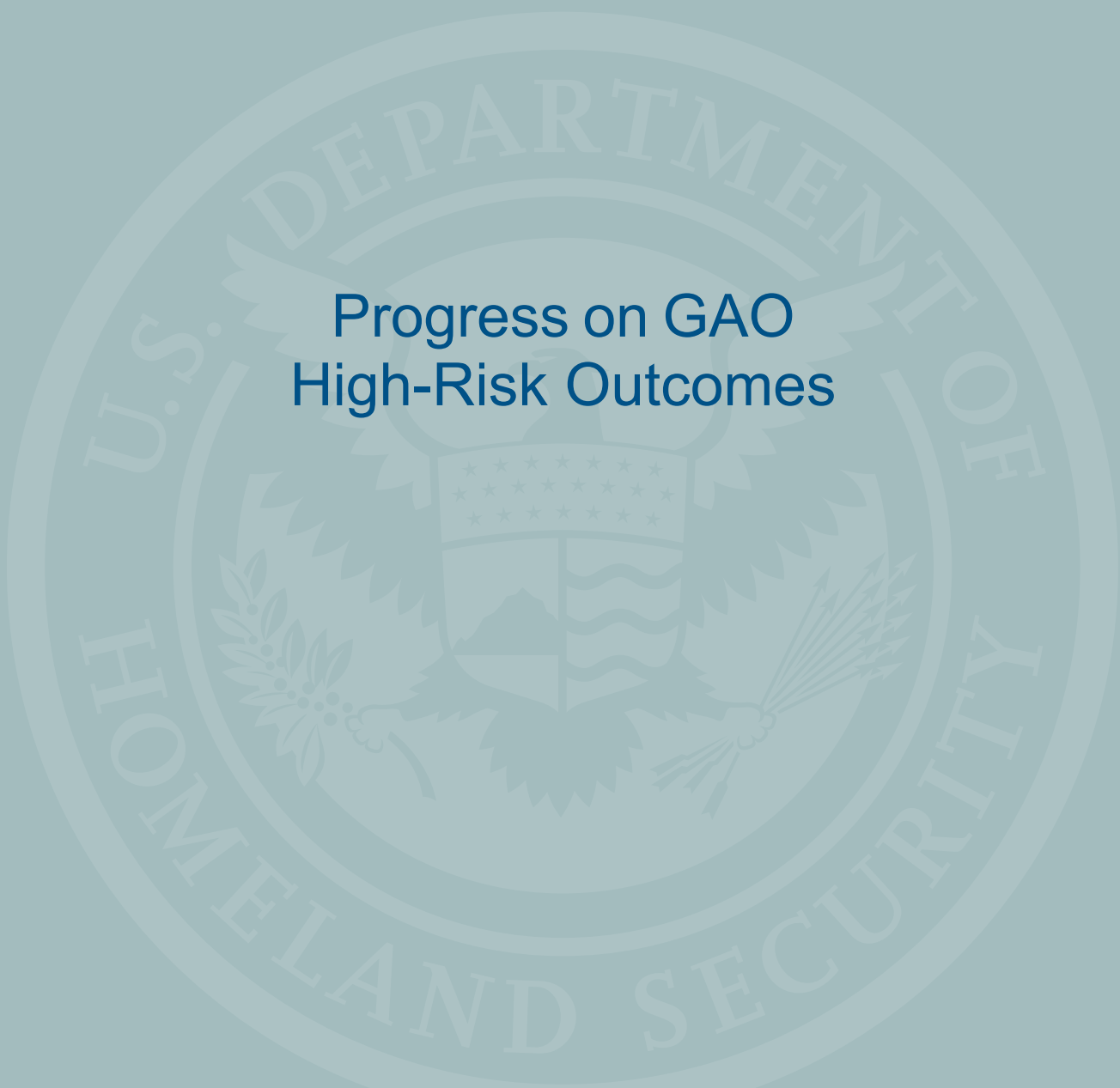
RANDOLPH
D ALLES

R.D. Alles

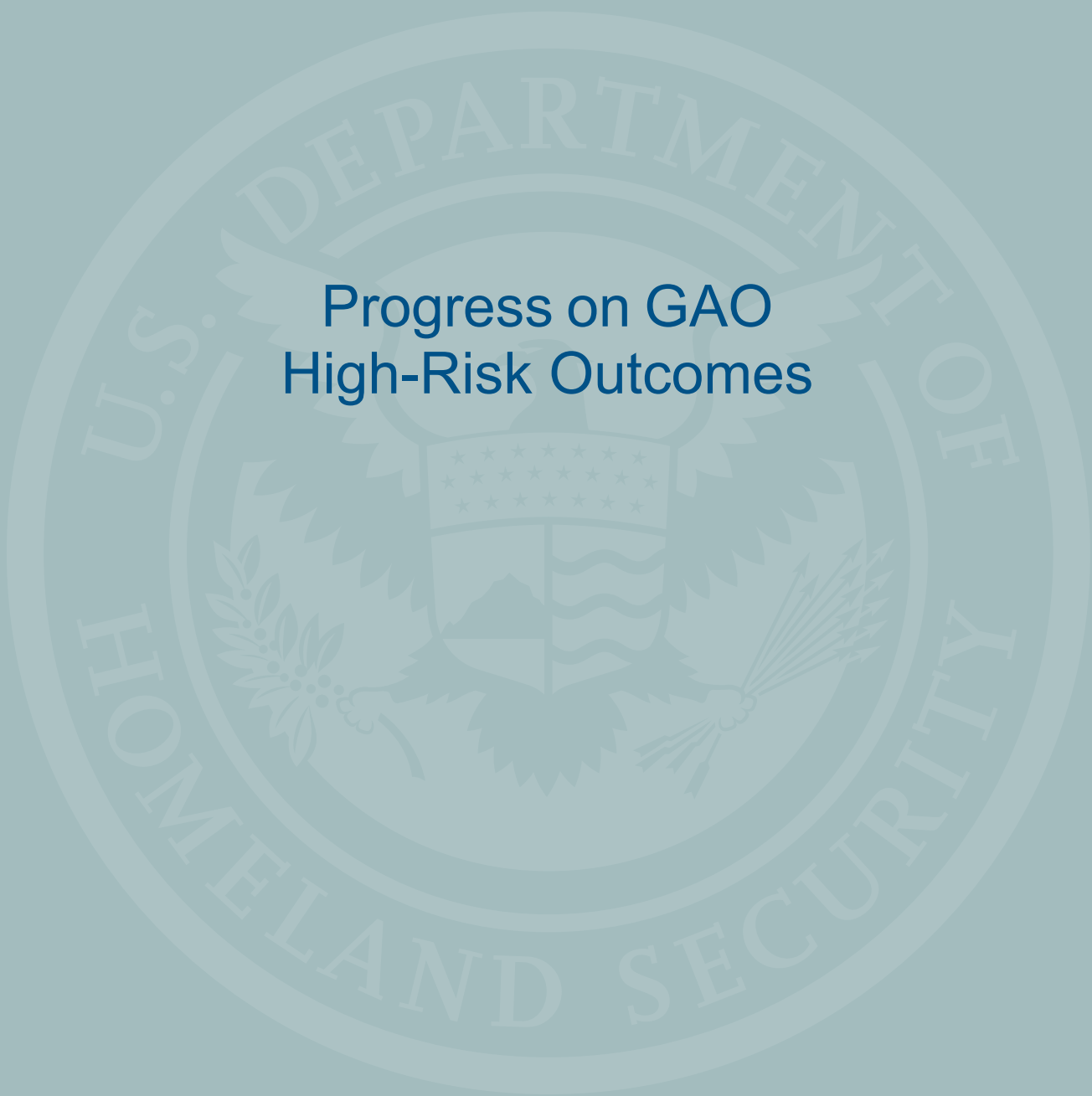
Deputy Under Secretary for Management

Digitally signed by
RANDOLPH D ALLES
Date: 2021.09.24 17:21:16
-04'00'

¹ GAO, *High-Risk Series: Dedicated Leadership Needed to Address Limited Progress in Most High-Risk Areas*, GAO-21-119SP (Washington, D.C.: March 3, 2021) page 180.



Progress on GAO High-Risk Outcomes



Progress on GAO High-Risk Outcomes

Progress on GAO High-Risk Outcomes

This document provides corrective action plans for achieving the 12 outcomes that have not yet achieved a Fully Addressed rating by GAO. In 2010, GAO identified the outcomes and DHS agreed that achieving these goals is critical to addressing challenges within the Department’s management areas and improving integration of management functions across DHS. The outcomes cover the functional areas of financial management, human capital, information technology, acquisition, and management integration. GAO rates the Department’s progress on the outcomes using the following scale:

- **Fully Addressed:** Outcome is fully addressed.
- **Mostly Addressed:** Progress is significant, and a small amount of work remains.
- **Partially Addressed:** Progress is measurable, but significant work remains.
- **Initiated:** Activities have been initiated to address the outcome, but it is too early to report progress.¹

Subsequent to each *Integrated Strategy* update, GAO meets with DHS officials to provide feedback on progress, identify areas where additional work remains, and review outcome ratings. In recent years, DHS has steadily improved its progress as measured by the number of outcomes receiving a Fully Addressed or Mostly Addressed rating. For example, as of September 2021, GAO rated DHS as Fully Addressed or Mostly Addressed for 73% (22 of 30) of the outcomes, up from 70% in 2017 and 47% in 2015. *Table 1* provides a functional-level summary of 2021 GAO outcome ratings.

Table 1. Summary of GAO Outcome Ratings by Functional Area

Functional Area	Total GAO Outcomes	Fully Addressed	Mostly Addressed	Partially Addressed	Initiated
Financial Management	8	2	0	3	3
Human Capital Management	7	6	1	0	0
Information Technology Management	6	5	0	1	0
Acquisition Management	5	2	3	0	0
Management Integration	4	3	0	1	0
Total as of September 2021	30	18	4	5	3

The Department first issued the *Integrated Strategy* in 2011 and has maintained a practice of updating GAO twice yearly.² In general, the *Integrated Strategy* report provides updated action plans for the outcomes that have not yet achieved a Fully Addressed rating from GAO.

¹ GAO, *High-Risk Series: Dedicated Leadership Needed to Address Limited Progress in Most High-Risk Areas*, GAO-21-119SP (Washington, D.C.: March 3, 2021), page 180.

² Congress codified this practice by requiring DHS to report to GAO every six months. *National Defense Authorization Act for Fiscal Year 2017*, Public Law 114-328 § 1903(b) ((codified at 6 U.S.C. § 341(a)(11)), page 674.

Financial Management Outcome #2

Outcome Lead: Alyssa Smiley

Outcome Executive: Stacy Marcott

GAO Outcome: Obtain an unmodified opinion on internal control over financial reporting (ICOFR) to demonstrate effective internal controls.

GAO 2021 Outcome Rating

Initiated	Partially Addressed	Mostly Addressed	Fully Addressed
-----------	----------------------------	------------------	-----------------

CURRENT STATUS

To advance to Fully Addressed, DHS must obtain an unmodified opinion on ICOFR and demonstrate an effective system of internal controls. DHS continues to make significant progress by achieving its eighth unmodified audit opinion on the 2020 DHS financial statements and related footnotes. In addition, the sustainment of a “clean” financial statement opinion for eight years provides continued evidence that DHS has implemented the internal control over financial reporting sufficient to ensure that year-end financial reporting is not materially misstated.

In FY 2020, DHS also fully remediated a long-standing significant deficiency over Property, Plant, and Equipment. Furthermore, the Department remediated the portion of the Financial Reporting material weakness associated with actuarial retirement liabilities – these liabilities totaled \$67.3 billion at the end of FY 2020 – roughly half of total DHS liabilities.

With two remaining areas of material weakness in internal controls—in Financial Reporting and Information Technology—the Department’s Chief Financial Officer (CFO) is executing a multi-year plan to achieve an unmodified “clean” ICOFR opinion by FY 2024. The Department recognizes remediation of the remaining areas of material weakness is the most challenging phase of the strategy to achieve a “clean” ICOFR opinion, due to the complexity resulting from DHS’s many CFO-designated systems (with a combination of legacy systems as well as some in various stages of modernization), the need to rely on manual compensating controls in the interim, and the abundance of information and data utilized in DHS business process activities. The Department anticipates making substantial annual progress and continues to build upon its successful internal control enterprise approach, demonstrating incremental and sustainable progress each year and remains collectively focused on the FY 2024 target.

DHS reported several accomplishments in recent *Integrated Strategy* updates (listed below) that remain integral to meeting the timeline for achieving a “clean” ICOFR opinion and further strengthening financial management.

- Built clearly defined, repeatable business processes, policies, and procedures that will sustain progress in resolving deficiencies and reducing their severity;
- Implemented and measured progress against a top-down, risk-based strategy that assesses the overarching control environment both at the Department and Component levels to prevent control failures, as well as detect and fix potential failures early;
- Implemented the Internal Control Maturity Model to objectively measure each Component’s progress on obtaining a “clean” ICOFR opinion;
- Updated the FY 2021 Department-wide internal control assessment plan and the corresponding assessment procedures using a risk-based approach with qualitative and quantitative measures;

CURRENT STATUS

- Continued DHS Senior Leadership commitment and communication to Component Heads and the workforce on the importance of the audit and on prioritizing resources to implement the Department’s find, fix, test, and assert strategy;
- Gained commitment from CFOs and Chief Information Officers (CIOs) of those Components that contribute to the Department’s outstanding material weaknesses—through recurring meetings—to achieve annual Department-wide audit and ICOFR performance goals (commitments are required as an element of each Component’s CFO and CIO performance plans);
- Implemented continuous monitoring of progress against Mission Action Plans, identifying critical milestones, addressing audit risks, and reviewing mitigation strategies; and
- Held status reviews with Component representatives on a regular basis, depending upon the level of identified risk for their organization. Sustainment of controls is subsequently validated by positive ICOFR assessment results submitted by Components to the DHS CFO.

Going forward in FY 2022, the Department will continue to utilize a risk-based approach designed to prioritize high impact systems and critical IT to incorporate and assess controls utilizing the GAO Federal Information System Controls Audit Manual. This approach will help define the scope for internal control assessments and prioritization for IT remediation of both external audit findings as well as internally identified deficiencies. For the internal IT control assessments of financial support systems, the Department has designated 40 critical controls that are to be addressed through assessments and adequate remediation efforts, if needed, in order to strengthen the IT internal control environment.

At present, all Components have established corrective action plans and are submitting monthly updates to report on remediation progress. For Components that most heavily contribute to the financial reporting and information technology material weaknesses, regular meetings have been established between DHS and Component CFO and CIO leadership levels as necessary to discuss remediation efforts, internal assessments and results, challenges, and potential risk areas.

OUTCOME ACTION PLAN

Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Obtain an unmodified (i.e., clean) opinion on internal control over financial reporting for FY 2024.	November 2016	November 2024	<p>Targeting a Fully Addressed rating.</p> <p>The independent auditor will issue its report for FY 2024 in November 2024.</p> <p>Adjusted date because IT deficiencies are taking longer to fix than originally anticipated.</p> <p>DHS proposes this outcome be considered Fully Addressed when no material weaknesses exist, and minimal significant deficiencies remain.</p>

OUTCOME ACTION PLAN			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Components re-evaluate risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March, June, and August 2024		Components review the results of testing for the second and third quarters to continue to assess their progress as part of routine monitoring.
DHS CFO to review and validate Component completed remediation steps.	March, June, and August 2024		DHS CFO incrementally reviews and validates remediation steps completed by Components.
DHS CFO will work with Components to assess FY 2023 audit risks and develop corrective actions.	December 2023		The independent auditor will issue its report for FY 2023 in November 2023. DHS anticipates significant progress in downgrading the remaining material weakness by FY 2023 with minimal deficiency areas outstanding.
Components re-evaluate risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March, June, and August 2023		Components review the results of testing for the second and third quarters to continue to assess their progress as part of routine monitoring.
DHS CFO to review and validate Component completed remediation steps.	March, June, and August 2023		DHS CFO incrementally reviews and validates remediation steps completed by Components.
DHS CFO will work with Components to assess FY 2022 audit risks and develop corrective actions.	December 2022		
Demonstrate measurable progress by continuing to reduce weaknesses in internal control and business processes.	November 2022		Targeting a Mostly Addressed rating. The independent auditor will issue its report for FY 2022 in November 2022. DHS expects to downgrade one area of material weakness and clear one significant deficiency in FY 2022. DHS has designed a repeatable process to address the audit conditions and will be executing designed controls and testing to demonstrate effectiveness. DHS proposes this outcome be considered Mostly Addressed when the Financial Reporting material weakness area is reduced to a significant deficiency.

OUTCOME ACTION PLAN			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Components re-evaluate risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March, June, and August 2022		Components review the results of testing for the second and third quarters to continue to assess their progress as part of routine monitoring.
DHS CFO to review and validate Component completed remediation steps.	March, June, and August 2022		DHS CFO incrementally reviews and validates remediation steps completed by Components.
DHS CFO will work with Components to assess FY 2021 audit risks and develop corrective actions.	December 2021		
Components re-evaluate risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March, June, and August 2021		Partially Complete: Components review the results of testing for the second and third quarters to continue to assess their progress as part of routine monitoring.
DHS CFO to review and validate Component completed remediation steps.	March, June, and August 2021		Partially Complete: DHS CFO incrementally reviews and validates remediation steps completed by Components.
DHS CFO will work with Components to assess FY 2020 audit risks and develop corrective actions.	December 2020	January / February 2021	Completed.
Demonstrate measurable progress by continuing to reduce weaknesses in internal control and business processes.	November 2020	November 2022	While DHS had planned to clear the Financial Reporting material weakness in the FY 2020 audit report, both the Financial Reporting and Information Technology material weaknesses remain. However, DHS was able to clear the Property, Plant, and Equipment significant deficiency and reduced the Financial Reporting area of weakness associated with actuarial liabilities.
Components re-evaluate risks to sustain a clean audit opinion and reduce weaknesses in internal control and business processes.	March, June, and August 2020		Completed.
DHS CFO to review and validate Component completed remediation steps.	March, June, and August 2020		Completed.
DHS CFO will work with Components to assess FY 2019 audit risks and develop corrective actions.	December 2019		Completed.
Components re-evaluated risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	June and August 2019	June and August 2019	Completed.

OUTCOME ACTION PLAN			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
DHS CFO reviewed and validated Components completed remediation steps.	March, June, and August 2019	March, June, August 2019	Completed.
DHS CFO worked with Components to assess FY 2018 audit risks and develop corrective actions.	December 2018	January 2019	Completed.
Demonstrated measurable progress by continuing to reduce weaknesses in internal control and business processes.	November 2018	November 2018	Completed. The independent auditor issued its report for FY 2018 in November 2018. DHS developed a comprehensive strategy and approach that will steadily work toward remediating all outstanding material weaknesses.
Components ensured adequate resourcing by assessing resource requirements based on the developed risk-based approach and Component identified emerging risks.	N/A	September 2018	Completed.
Components re-evaluated risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March, June, September 2018	March, June, September 2018	Completed.
DHS CFO worked with Components to assess FY 2017 audit risks and develop corrective actions.	December 2017	January 2018	Completed.
Demonstrated measurable progress by continuing to reduce weaknesses in internal control and business processes.	November 2017	November 2017	Completed. For FY 2017, DHS remediated one material weakness. DHS developed a comprehensive strategy and approach that will steadily work toward remediating all outstanding material weaknesses.
Components ensured adequate resourcing by assessing resource requirements based on the developed risk-based approach and Component identified emerging risks.	N/A	October 2017	Completed. DHS CFO conducted a workforce analysis of internal control functions to benchmark resourcing by Component size.
DHS CFO reviewed and validated remediation steps completed by Components.	March, June, August 2017	March, June, August 2017	Completed. DHS CFO incrementally reviewed and validated remediation steps completed by Components.
Components re-evaluated risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March and June 2017	March, June, August 2017	Completed. Components completed testing for as part of routine monitoring.

OUTCOME ACTION PLAN

Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
DHS CFO reviewed and validated remediation steps completed by Components.	March 2017	March, June, August 2017	Completed. DHS CFO verified and validated U.S. Coast Guard property remediation. Remediation is in progress for all other Components.
DHS CFO worked with Components to assess FY 2017 audit risks and develop corrective actions.	December 2016	December 2016	Completed. Identified critical milestones. Tracking critical milestones on a monthly basis with Component CIOs/CFOs.
Demonstrated measurable progress by continuing to reduce weaknesses in internal control and business processes.	November 2016	November 2016	Completed. In FY 2016, DHS remediated one significant deficiency. DHS developed a comprehensive strategy and approach that will steadily work toward remediating all outstanding material weaknesses.
Components re-evaluated risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March and June 2016	July and September 2016	Completed.
DHS CFO reviewed and validated remediation steps completed by Components.	March 2016	March 2016	Completed.
DHS CFO engaged with Component CFOs to review the Components' status of addressing audit findings, risks, and mitigation strategies.	February–October 2016	February–October 2016	Completed.
DHS CFO worked with Components to assess FY 2015 audit risks and develop corrective actions.	December 2015	December 2015	Completed.
Demonstrated measurable progress by continuing to reduce weaknesses in internal control and business processes.	November 2015	November 2015	Completed. In FY 2015, DHS reduced one of four material weaknesses (reducing the number of materials weaknesses to three).
DHS CFO engaged with Component CFOs to review the status of addressing audit findings, risks, and mitigation strategies.	February 2015–October 2015	February 2015–October 2015	Completed.

Financial Management Outcome #4

Outcome Lead: Alyssa Smiley

Outcome Executive: Stacy Marcott

GAO Outcome: Sustain unmodified opinions for at least two consecutive years on internal control over financial reporting (ICOFR).

GAO 2021 Outcome Rating

Initiated	Partially Addressed	Mostly Addressed	Fully Addressed
-----------	---------------------	------------------	-----------------

CURRENT STATUS

To advance to Partially Addressed, DHS must reduce the financial reporting material weakness to a significant deficiency in order to position the Department to obtain its first unmodified opinion on internal control over financial reporting (ICOFR).

The Department continues to make significant progress by achieving its eighth unmodified audit opinion on the 2020 DHS financial statements and related footnotes. In addition, the sustainment of a “clean” financial statement opinion for eight years provides continued evidence that DHS has implemented internal controls over financial reporting sufficient to ensure that year-end financial reporting is not materially misstated.

In FY 2020, DHS also fully remediated a long-standing significant deficiency over Property, Plant, and Equipment. Furthermore, the Department remediated the portion of the Financial Reporting material weakness associated with actuarial retirement liabilities – these liabilities totaled \$67.3 billion at the end of FY 2020 – roughly half of total DHS liabilities.

With two remaining areas of material weakness in internal controls—in Financial Reporting and Information Technology—the Department’s Chief Financial Officer (CFO) is executing a multi-year plan to achieve an unmodified “clean” ICOFR opinion by FY 2024. The Department recognizes remediation of the remaining areas of material weakness is the most challenging phase of the strategy to achieve a “clean” ICOFR opinion, due to the complexity resulting from DHS’s many CFO-designated systems (with a combination of legacy systems as well as some in various stages of modernization), the need to rely on manual compensating controls in the interim, and the abundance of information and data utilized in DHS business process activities. The Department anticipates making substantial annual progress and continues to build upon its successful internal control enterprise approach, demonstrating incremental and sustainable progress each year and remains collectively focused on the FY 2024 target.

DHS reported several accomplishments in recent *Integrated Strategy* updates (listed below) that remain integral to meeting the timeline for achieving a “clean” ICOFR opinion and further strengthening financial management.

- Built clearly defined, repeatable business processes, policies, and procedures that will sustain progress in resolving deficiencies and reducing their severity;
- Implemented and measured progress against a top-down, risk-based strategy that assesses the overarching control environment both at the Department level and the Component level to prevent control failures as well as detect and fix potential failures early;

CURRENT STATUS

- Implemented the Internal Control Maturity Model to objectively measure each Component progress on obtaining a “clean” ICOFR opinion;
- Updated the FY 2021 Department-wide internal control assessment plan and the corresponding assessment procedures using a risk-based approach using qualitative and quantitative measures;
- Continued DHS Senior Leadership commitment and communication to Component Heads and the workforce on the importance of the audit and on prioritizing resources to implement the Department’s find, fix, test, and assert strategy;
- Gained commitment from CFOs and Chief Information Officers (CIOs) of those Components that contribute to the Department’s outstanding material weaknesses—through the DHS CFO and CIO Councils—to achieve annual Department-wide audit and ICOFR performance goals (Commitments are required as an element of each Component’s CFO and CIO performance plans);
- Implemented continuous monitoring of progress against the Mission Action Plans, identifying critical milestones, addressing audit risks, and reviewing mitigation strategies; and
- Held status reviews with Component representatives on a regular basis dependent upon the level of identified risk for their organization. Sustainment of controls is subsequently validated by positive ICOFR assessment results submitted by Components to the DHS CFO.

For FY 2021, Components have submitted commitment letters to the DHS leadership highlighting each Component’s plan and timeline to perform / submit assessment and remediation deliverables in support of the ICOFR business processes as well as for the CFO Designated Systems. Remediation and assessment efforts are ongoing in support of the Department’s find, fix, test, and assert strategy.

OUTCOME ACTION PLAN

Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Sustain an unmodified (i.e., clean) opinion on internal control over financial reporting for two consecutive years (i.e., FY 2024 and FY 2025).	November 2017	November 2025	<p>Targeting a Fully Addressed rating.</p> <p>The independent auditor will issue its report for FY 2025 in November 2025.</p> <p>Adjusted date because IT deficiencies are taking longer to fix than originally anticipated.</p>
Components re-evaluate risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March, June, and August 2025		Components identify risks that could prevent sustainment of progress and develop appropriate risk response.
DHS CFO to oversee and review A-123 results.	March, June, and August 2025		CFO incrementally reviews Component A-123 assessment results and sustains progress.

OUTCOME ACTION PLAN			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Demonstrate measurable progress by continuing to reduce weaknesses in internal control and business processes.	November 2024		<p>Targeting a Mostly Addressed Rating</p> <p>The independent auditor will issue its report for FY 2024 in November 2024.</p> <p>DHS proposes this Outcome be considered Mostly Addressed when all areas of material weakness have been reduced to a significant deficiency.</p>
DHS CFO to oversee and review A-123 results.	March, June, and August 2024		CFO incrementally reviews Component A-123 assessment results.
Components re-evaluate risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March, June, and August 2023		Components review the results of testing for the second and third quarters to continue to assess their progress as part of routine monitoring.
DHS CFO to oversee and review A-123 results.	March, June, and August 2023		CFO incrementally reviews Component A-123 assessment results.
Demonstrate measurable progress by continuing to reduce weaknesses in internal control and business processes.	November 2020	November 2022	<p>Targeting a Partially Addressed Rating</p> <p>DHS proposes this Outcome be considered Partially Addressed when the Financial Reporting material weakness area is reduced to a significant deficiency.</p> <p>DHS has designed a repeatable process to address the audit conditions. Enhanced audit scope and deficiencies highlighted related to Information Produced by the Entity that will take additional time to remediate.</p>
DHS CFO to oversee and review A-123 results.	March, June, and August 2022		CFO incrementally reviews Component A-123 assessment results.
Components re-evaluate risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March, June, and August 2021		Partially Complete: Components review the results of testing for the second and third quarters to continue to assess their progress as part of routine monitoring.
DHS CFO to oversee and review A-123 results.	March, June, and August 2021		Partially Complete: CFO incrementally reviews Component A-123 assessment results.

OUTCOME ACTION PLAN			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Components re-evaluate risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March, June, and August 2020		Completed.
DHS CFO to oversee and review A-123 results.	March, June, and August 2020		Completed.
DHS CFO worked with Components to prioritize FY 2019 scope to continue routine monitoring.	October 2018	October 2018	Completed.
Components ensured adequate resourcing by assessing resource requirements based on the developed risk-based approach and Component-identified emerging risks.	N/A	September 2018	Completed.
Components re-evaluated risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March, June, and September 2018	March, June, and September 2018	Completed.
DHS CFO oversaw and reviewed A-123 results.	March, June, and August 2018	March, June, and August 2018	Completed.
Components ensured adequate resourcing by assessing resource requirements based on the developed risk-based approach and Component-identified emerging risks.	N/A	April 2018	Completed.
DHS CFO worked with Components to prioritize FY 2018 scope to continue routine monitoring.	October 2017	November 2017	Completed.
Components re-evaluated risks to sustain a clean audit opinion and reduce weaknesses in internal control and business processes.	March, June, and August 2017	March, June, and August 2017	Completed.
DHS CFO oversaw and reviewed A-123 results.	March, June, and August 2017	March, June, and August 2017	Completed.
DHS CFO worked with Components to prioritize FY 2017 scope to continue routine monitoring.	October 2016	October 2016	Completed.
DHS CFO reviewed and validated Component-completed remediation steps.	March 2016	July and September 2016	Completed.
Components re-evaluated risks to sustain a clean audit opinion and reduce weaknesses in internal control and business processes.	March and June 2016	March 2016	Completed.

OUTCOME ACTION PLAN

Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
DHS CFO worked with Components to assess FY 2015 audit risks and develop corrective actions.	December 2015	December 2015	Completed.
Demonstrated measurable progress by continuing to reduce weaknesses in internal control and business processes.	November 2015	November 2015	In FY 2015, DHS reduced one of four material weaknesses.
DHS CFO engaged with Component CFOs to review their status toward addressing audit findings, risks, and mitigation strategies.	October 2015 and October 2016	October 2015 and October 2016	Completed.

Financial Management Outcome #5

Outcome Lead: Alyssa Smiley

Outcome Executive: Stacy Marcott

GAO Outcome: Achieve substantial compliance with the *Federal Financial Management Improvement Act* of 1996 (FFMIA) as reported annually by its independent auditors in accordance with the Act.¹

GAO 2021 Outcome Rating

Initiated	Partially Addressed	Mostly Addressed	Fully Addressed
-----------	----------------------------	------------------	-----------------

CURRENT STATUS

The FY 2020 independent auditor report noted that DHS has demonstrated continued progress toward compliance with FFMIA and remediated some of the conditions identified in the prior year. DHS monitors and assesses Component financial systems for compliance with FFMIA Section 803(a) requirements for its core financial management systems. In addressing compliance, DHS follows the Office of Management and Budget (OMB) Compliance Framework.² The DHS Chief Financial Officer (CFO) ensures procedures are in place to provide guidance that summary adjustments posted in the financial system(s) are traceable to the transaction source, and ensures Components accurately report instances of non-conformance to generally accepted accounting principles. To further strengthen management, DHS, through a CFO / Chief Information Officer (CIO) integrated approach and strategy, is conducting the following activities:

- Requiring Components to document necessary actions to remediate information technology (IT) security control weaknesses in their corrective action plans. The Department's independent auditor reviews Component compliance with FFMIA annually.
- Continuing remediation efforts to downgrade the Financial Reporting weakness area to a significant deficiency by FY 2022 and reducing the severity of the IT weakness area to a significant deficiency by FY 2024 in order to meet OMB Circular A-123 Appendix D requirement for complying with FFMIA.
- Assessing the Department's FFMIA compliance utilizing the compliance framework as outlined in OMB Circular A-123. DHS plans to be FFMIA-compliant by FY 2024, as the Department expects to remediate the IT and Financial Reporting areas of material weakness by then, as well as achieve compliance with the Federal Information Security Modernization Act of 2014.

For FY 2021, Components have submitted commitment letters to the DHS leadership highlighting each Component's plan and timeline to perform / submit assessment and remediation deliverables in support of the ICOFR business processes as well as for the CFO Designated Systems. Remediation and assessment efforts are ongoing in support of the Department's find, fix, test, and assert strategy.

¹ *Federal Financial Management Improvement Act (FFMIA)*, Congress Public Law No. 104-208, 104th, September 30, 1996.

² Office of Management and Budget, *Management's Responsibility for Internal Control, OMB Circular A-123* (Washington, D.C.: September 20, 2013), *Appendix D, Compliance with the Federal Financial Management Improvement Act of 1996*.

OUTCOME ACTION PLAN			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Substantially comply with the requirements of FFMIA as reported by the independent auditor.	November 2016	November 2024	<p>Targeting a Fully Addressed rating.</p> <p>The independent auditor will issue its report for FY 2024 in November 2024. Remediation of IT findings are taking longer to fix.</p> <p>The Department proposes this outcome be considered Fully Addressed when DHS downgrades the material weaknesses in Financial Reporting and in IT, to satisfy the FFMIA requirement regarding Federal financial management system requirements, based on OMB's updates to Circular A-123.</p>
Components re-evaluate risks to sustain a clean audit opinion and reduce weaknesses in internal control and business processes.	March, June, and August 2024		Components review the results of testing for the second and third quarters to continue to assess their progress as part of routine monitoring.
Conduct quarterly risk assessments and incorporate results into Component risk management plans through recurring quarterly meetings.	December 2023; April and July 2024		Risk assessment meetings track progress being made on areas needing most improvement, or areas that would significantly impact ability to reduce weaknesses in internal control and business processes.
DHS CFO to engage with Component CFOs to review the status of addressing audit findings, risks, and mitigation strategies.	December 2023 through August 2024		Monthly action.
Components re-evaluate risks to sustain a clean audit opinion and reduce weaknesses in internal control and business processes.	March, June, and August 2023		Components review the results of testing for the second and third quarters to continue to assess their progress as part of routine monitoring.
Conduct quarterly risk assessments and incorporate results into Component risk management plans through recurring quarterly meetings.	December 2022; April and July 2023		Risk assessment meetings track progress being made on areas needing most improvement, or areas that would significantly impact ability to reduce weaknesses in internal control and business processes.
DHS CFO to engage with Component CFOs to review the status of addressing audit findings, risks, and mitigation strategies.	December 2022 through August 2023		Monthly action.

OUTCOME ACTION PLAN			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
The Independent Auditor's Report notes further improvement in Component FFMIA compliance and indicates a reduction in the number of Components contributing to the IT and Financial Reporting conditions.	November 2022		<p>Targeting a Mostly Addressed Rating</p> <p>The independent auditor will issue its report for FY 2022 in November 2022.</p> <p>DHS proposes this Outcome be considered Mostly Addressed when the Financial Reporting material weakness area is reduced to a significant deficiency.</p> <p>Based on the DHS strategy and Component plans to resolve existing deficiencies, DHS is targeting to reduce the Financial Reporting area of material weakness in FY 2022.</p>
Conduct quarterly risk assessments and incorporate results into Component risk management plans through recurring quarterly meetings.	December 2021; April and July 2022		Risk assessment meetings track progress being made on areas needing most improvement, or areas that would significantly impact ability to reduce weaknesses in internal control and business processes.
DHS CFO to engage with Component CFOs to review the status of addressing audit findings, risks, and mitigation strategies.	December 2021 through August 2022		Monthly action.
Components re-evaluate risks to sustain a clean audit opinion and reduce weaknesses in internal control and business processes.	March, June, and August 2021		Partially Complete: Components review the results of testing for the second and third quarters to continue to assess their progress as part of routine monitoring.
Conduct quarterly risk assessments and incorporate results into Component risk management plans through recurring quarterly meetings.	December 2020; April and July 2021		Partially Complete: Risk assessment meetings track progress being made on areas needing most improvement, or areas that would significantly impact ability to reduce weaknesses in internal control and business processes.
DHS CFO to engage with Component CFOs to review the status of addressing audit findings, risks, and mitigation strategies.	December 2020 through August 2021		Partially Complete: Monthly action.

OUTCOME ACTION PLAN			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
The Independent Auditor's Report notes further improvement in Component FFMI compliance and indicates a reduction in the number of Components contributing to the IT and Financial Reporting conditions.	November 2016	November 2020	Completed. While DHS had planned to clear the Financial Reporting material weakness in the FY 2020 audit report, both the Financial Reporting and Information Technology material weaknesses remain. However, DHS was able to clear the Property, Plant, and Equipment significant deficiency and removed a Component from contributing to the IT area of material weakness.
Assessed the Department's FFMI compliance based on the results of DHS-wide assessment.	November 2019		Completed.
Components re-evaluated risks to sustain a clean audit opinion and reduce weaknesses in internal control and business processes.	March, June, and August 2019	June and August 2019	Completed. March submission was extended to be submitted with June due to impact of lapse in appropriations
Conducted quarterly risk assessments and incorporate results into Component risk management plans through recurring quarterly meetings.	December 2018; April and July 2019	December 2018 and July 2019	Completed. April submission was extended to be submitted with July due to impact of lapse in appropriations
DHS CFO engaged with Component CFOs to review the status of addressing audit findings, risks, and mitigation strategies.	February–December 2019		Completed.
Assessed the Department's FFMI compliance based on the results of DHS-wide assessment.	November 2018		Completed.
Components re-evaluated risks to sustain a clean audit opinion and reduce weaknesses in internal control and business processes.	March, June, and August 2018		Completed.
Conducted quarterly risk assessments and incorporate results into Component risk management plans through recurring quarterly meetings.	December 2017; April and July 2018		Completed.
DHS CFO engaged with Component CFOs to review the status of addressing audit findings, risks, and mitigation strategies.	February–December 2018		Completed.
DHS CFO to engage with Component CFOs to review the status of addressing audit findings, risks, and mitigation strategies.	February–December 2017	February–December 2017	Completed.

OUTCOME ACTION PLAN			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Assess the Department's FFMI compliance based on the results of DHS-wide assessment.	November 2017	November 2017	Completed.
Components re-evaluated risks to sustain a clean audit opinion and reduce weaknesses in internal control and business processes.	March, June, and August 2017	March, June, and August 2017	Completed.
Conducted quarterly risk assessments and incorporated results into Component risk management plans through recurring quarterly meetings.	December 2016; April and July 2017	December 2016; April and July 2017	Completed.
The Independent Auditor's Report notes further improvement in Component FFMI compliance and indicates a reduction in the number of Components contributing to the IT and Financial Reporting condition.	November 2016		Targeting a Partially Addressed rating. FY 2016 Independent Auditor's Report noted that DHS progressed toward compliance with FFMI and remediated some of the conditions identified in the prior year.
Components re-evaluated risks to sustain a clean audit opinion and reduce weaknesses in internal control and business processes.	June 2016	June 2016	Completed.
Assessed the Department's FFMI compliance based on the results of DHS-wide assessment.	May 2016	June 2016	Completed.
Conducted quarterly risk assessments and incorporated results into Component risk management plans through recurring quarterly meetings.	March 2016	March 2016	Completed.
DHS CFO engaged with Component CFOs to review the status of addressing audit findings, risks, and mitigation strategies.	February–December 2016	February–December 2016	Completed.
DHS CFO engaged with Component CFOs to review the status of addressing audit findings, risks, and mitigation strategies.	February–December 2015	February–December 2015	Completed.
The Independent Auditor's Report noted improvement in Component FFMI compliance.	November 2015	November 2015	Completed. Improvement from five Components noted to four in the Independent Auditor's Report.
Components re-evaluated risks to sustain a clean audit opinion and reduce weaknesses in internal control and business processes.	June 2015	June 2015	Completed.

OUTCOME ACTION PLAN

Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Assessed the Department's FFMIA compliance based on the results of DHS-wide assessment.	May 2015	May 2015	Completed.

Financial Management Outcomes #6–8

Outcome Lead: Jeffrey Bobich

Outcome Executive: Stacy Marcott

GAO Outcome: Effectively manage the implementation of a financial management system solution or modernization of existing systems for the U.S. Coast Guard (USCG) and its customers; Federal Emergency Management Agency (FEMA); and U.S. Immigration and Customs Enforcement (ICE) and its customers by:

- Applying rigorous and disciplined information technology (IT) acquisition management processes throughout the program/project lifecycle that is consistent with software engineering best practices. These steps will help to ensure that the systems meet expected capabilities/requirements and associated mission benefits.
- Implementing oversight mechanisms to monitor contractors or shared service providers selected to implement the solution or modernize the existing systems. These steps will help to ensure that actual cost, schedule, and performance are within established threshold baselines, and variances are identified, tracked and addressed.

GAO 2021 Outcome Rating: FM 6 (USCG)



GAO 2021 Outcome Rating: FM 7 (FEMA) and 8 (ICE and ICE Customers)



CURRENT STATUS

DHS consolidated action plans for financial systems modernization (FSM) efforts into a single plan that reflects the Department’s consolidated strategy and program management approach.

DHS initially planned to move USCG’s financial systems to a shared services solution hosted by the Department of the Interior, Interior Business Center (IBC). In late 2016, IBC informed DHS it could no longer sustain the Coast Guard’s (USCG) FSM implementation, nor could it support further engagement activities with other DHS Components, as planned. DHS and IBC agreed that preserving the investment DHS made was paramount and determined the best path forward was to move the software solution to a new hosting location or data center. DHS or the new host location would also assume operation of the system and would transition Transportation Security Administration (TSA) and USCG to the solution.

During Q4 FY 2018, the FSM solution for the Countering Weapons of Mass Destruction Office (CWMD), TSA, and USCG —referred to as the “Trio”— transitioned from IBC to DHS data centers. This solution delivers a standardized baseline solution for the Trio with increased functionality and integration for CWMD. FSM also received Acquisition Review Board approval to begin implementation of TSA and USCG functionalities.

The system integrator delivered all TSA functionality in FY 2020, and TSA went live on the solution in Q1 FY 2021. In Q3 FY 2021, the solution was moved to a cloud environment. USCG is on track to transition to the solution in Q1 FY 2022. At that time, this outcome will be fully addressed.

CURRENT STATUS

JPMO

DHS established a Joint Program Management Office (JPMO) to provide FSM oversight, program management, execution, priorities, risk, cost, and schedule. In Q4 FY 2018, the JPMO received approval of a Joint Concept of Operations and the Joint Operational Requirements Document.

DHS has prioritized essential system modernizations for the Components with the highest business need and projected greatest potential return on investment for improved and standardized business processes. The revised action plan for GAO outcomes FM 6-8 reflects the current status and timelines discussed below.

Trio (CWMD, TSA, and USCG) – FM 6:

- DHS awarded contracts for the new hosting provider in Q4 FY 2017 and system deployment vendor in Q1 FY 2018.
- DHS on-boarded a new system deployment vendor in Q1 FY 2018.
- The solution at IBC transitioned to DHS data centers in Q4 FY 2018.
- CWMD continues to use the solution, now in DHS data centers.
- DHS completed a technical refresh of the solution software in Q1 FY 2020.
- TSA successfully transitioned to the solution in Q1 FY 2021.
- The solution was moved from DHS data centers to the cloud in Q3 FY 2021.
- USCG is scheduled to transition to the solution in Q1 FY 2022. (See *Figure 3*).

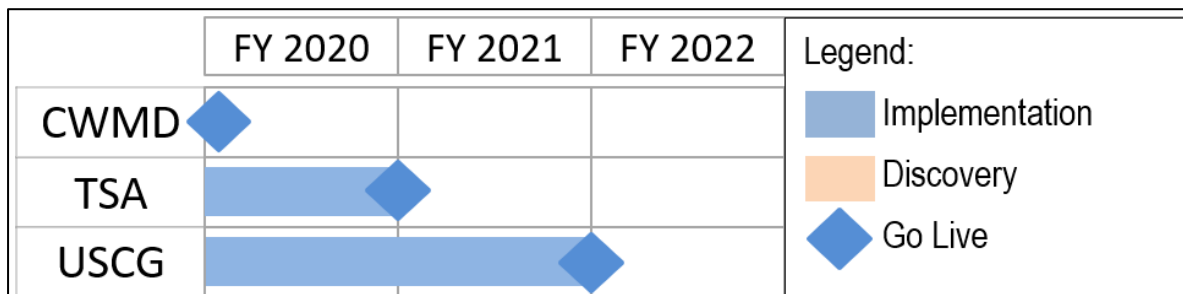


Figure 3. Planned Timeline for Trio FSM Implementation

FEMA (FM 7) and ICE and ICE Customers (FM 8):

- ICE Customers include U.S. Citizenship and Immigration Services (USCIS), Cybersecurity and Infrastructure Security Agency (CISA), Science & Technology Directorate (S&T), and Departmental Management and Operations (DMO). The Department released solicitations for strategic sourcing vehicles for software – Enterprise Financial Management Software (EFiMS), and systems integration – Enterprise Financial Systems Integrator (EFSI) – in October 2019. EFSI was awarded in November 2020. DHS successfully defended against a subsequent protest, and the EFSI vehicle has been available since March 2021. In November 2019, DHS received a protest of EFiMS in the Court of Federal Claims and paused all EFiMS work. The litigation regarding the Request for Proposal was dismissed in October 2020. EFiMS was awarded in Q4 FY2021. Once any protests are resolved and task order awards are complete for EFiMS and EFSI, detailed implementation milestones will be provided.

CURRENT STATUS

- DHS Deputy Under Secretary for Management, as the Acquisition Decision Authority, approved both the FEMA (FM 7) and ICE and ICE Customers (FM 8) as DHS Level II acquisition programs on January 12, 2021, upon their successful conclusion of the Needs phase acquisition milestone. Further work on these programs will depend on successful Component task order award(s) under the EFiMS and EFSI strategic sourcing vehicles.

OUTCOME ACTION PLAN

Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
FM 6			
USCG completes migration of their financial management systems.	October 2021		Targeting a Fully Addressed rating for GAO Outcome FM 6.
USCG go live.	October 2021	November 2021	
USCG Data conversion and migration.	October 2021	November 2021	Data will be incorporated from old to new system.
USCG Training.	October 2021	February 2022	USCG Training Team will receive new system and business process training.
USCG Program status review.	September 2021	October 2021	USCG will present documentation to support that the solution is ready for deployment and support.
USCG User Acceptance Testing.	September 2021	September 2021	End users will test and accept system software based on their requirements and approved test plans.
USCG System Integration Testing.	June 2021	June 2021	Completed: Systems Integrator completed test and accepted system software based on their requirements and approved test plans.
DHS completes configuration and interfaces for USCG.	December 2020	July 2021	Completed: Some Interface, RICEW development and CR work has been extended (I/F RICEW Dev Complete – May 2021, Non-I/F RICEW Dev Completed – June 2021.
TSA completes migration of their financial management systems.	October 2020	October 2020	TSA migration is complete.
TSA go live.	October 2020	October 2020	TSA went live on 30 October 2020
TSA Data conversion and migration.	October 2020	October 2020	Data was incorporated from old to new system.
TSA Training.	October 2020	October 2020	TSA training extended beyond go-live

OUTCOME ACTION PLAN			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
TSA Test and acceptance.	October 2020	September 2020	TSA UAT ended in September 2020
TSA Program status review.	September 2020	October 2020	TSA ADE-2C occurred in October 2020 prior to go-live.
DHS implements system configurations for TSA.	February 2020	May 2020	Some TSA RICEW development extended to May 2020, but was complete in time for System Integration Testing.
DHS completes configuration and interfaces for TSA.	March 2020	May 2020	Some TSA RICEW development extended to May 2020, but was complete in time for System Integration Testing.
CWMD refreshes to Release 12.2.7.	October 2019	October 2019	Completed.
DHS completed initial configuration to Release 12.2.7 for CWMD.	July 2019	July 2019	System provider configured system software to meet requirements.
DHS completed discovery for TSA and USCG in new hosted environment.	January 2018	July 2018	The system integrator delivered the final Discovery Report in July 2018.
Completed hosting migration of CWMD and CWMD go live in new hosted environment.	March 2018	August 2018	Completed.
Awarded integrator contract.	Q1 FY 2018	December 2017	Completed.
Awarded hosting task order.	September 2017	September 2017	Completed.
Hosting discovery phase.	August 2017	July 2017	Completed.
CWMD completes migration of their financial management systems to a federal shared service provider.	October 2015	November 2015	Go-live completed on November 5, 2015.
CWMD program status review.	September 2015	October 2015	The Under Secretary for Management was presented with documentation to support that the solution is ready for deployment and support.
CWMD training.	August 2015	October 2015	End users received new system and business process training.
CWMD test and acceptance.	August 2015	October 2015	Completed. Schedule adjusted due to late cycle testing.
CWMD data conversion and migration.	August 2015	September 2015	

OUTCOME ACTION PLAN			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
CWMD system configuration.	March 2015	June 2015	System provider configured system software to meet requirements.
FM 7			
FEMA completes migration of their financial management systems.	TBD		Targeting a Fully Addressed rating for GAO Outcome FM 7.
FEMA go live.	TBD		Component will present documentation to support that the solution is ready for deployment and support.
FEMA Program status review.	TBD		End users will receive new system and business process training.
FEMA Data conversion and migration.	TBD		End users will test and accept system software based on their requirements and approved test plans.
FEMA Training.	TBD		Data will be incorporated from old to new system.
FEMA Test and acceptance.	TBD		System provider will configure system software to meet requirements.
DHS completes configuration and interfaces for FEMA.	TBD		
Discovery phase.	TBD		
Select the system integrator.	TBD		Dependent on software IDIQ.
Select the software.	TBD		Dependent on software IDIQ.
Strategic Sourcing Software Licensing vehicle.	TBD	September 2021	Enterprise Financial Management Software (EFIMS) was awarded in September 2021.
Strategic Sourcing System Integration (SI) vehicle.	Q2 FY 2020	March 2021	Completed: Enterprise Financial Systems Integrator (EFSI) vehicle was awarded November 2020, and protest resolved favorably in March 2021.
FM 8			
ICE and other ICE Customers (i.e., CISA, S&T, and DMO) complete migration of their financial management systems.	TBD		Targeting a Fully Addressed rating for GAO Outcome FM 8.

OUTCOME ACTION PLAN			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
ICE and other ICE Customers go live.	TBD		Component will present documentation to support that the solution is ready for deployment and support.
ICE and other ICE Customers Program status review.	TBD		End users will receive new system and business process training.
ICE and other ICE Customers Data conversion and migration.	TBD		End users will test and accept system software based on their requirements and approved test plans.
ICE and other ICE Customers Training.	TBD		Data will be incorporated from old to new system.
ICE and other ICE Customers Test and acceptance.	TBD		System provider will configure system software to meet requirements.
DHS completes configuration and interfaces for ICE and other ICE Customers.	TBD		
USCIS complete migration of their financial management systems.	TBD		Targeting a Partially Addressed rating for GAO Outcome FM 8. USCIS will be the first ICE Customer to pilot the financial management system. The Fully Addressed rating for GAO Outcome FM 8 will occur once ICE and other ICE Customers (i.e., CISA, S&T, and DMO) migrate to the financial management system.
USCIS go live.	TBD		Component will present documentation to support that the solution is ready for deployment and support.
USCIS Program status review.	TBD		End users will receive new system and business process training.
USCIS Data conversion and migration.	TBD		End users will test and accept system software based on their requirements and approved test plans.
USCIS Training.	TBD		Data will be incorporated from old to new system.
USCIS Test and acceptance.	TBD		System provider will configure system software to meet requirements.
DHS completes configuration and interfaces for USCIS.	TBD		

OUTCOME ACTION PLAN			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Discovery phase.	TBD		
Select the system integrator.	TBD		Dependent on software IDIQ.
Select the software.	TBD		Dependent on software IDIQ.
Strategic Sourcing Software Licensing vehicle.	TBD	September 2021	Enterprise Financial Management Software (EFIMS) was awarded in September 2021.
Strategic Sourcing System Integration (SI) vehicle.	Q2 FY 2020	March 2021	Completed. Enterprise Financial Systems Integrator (EFSI) vehicle was awarded November 2020, and protest resolved favorably in March 2021.

Human Capital Management Outcome #7

Outcome Lead: Tyler Maxey/Neil Singh

Outcome Executive: Patrick Newman

GAO Outcome: Assess Development Programs – Develop and implement a mechanism to assess education, training, and other development programs and opportunities to help employees build and acquire needed skills and competencies. This includes making demonstrated, sustained progress in implementing and assessing a formal training and development strategy, providing formal and on-the-job training opportunities, supporting individual development plans, developing rotational assignments and opportunities, and allowing for formal and informal mentoring relationships among employees and managers.

GAO 2021 Outcome Rating



CURRENT STATUS

The Department's efforts relating to this outcome include (1) continued implementation and sustainment of the DHS rotation policy; (2) continued implementation of, and updates to, the DHS Workforce Development Plan (WDP); and (3) continued annual reviews of Component training plans to ensure compliance with DHS policy. In order to advance to Fully Addressed, it is the Department's understanding that additional evidence must be provided to GAO that reflects the use of DHS-wide training data to inform human capital programs.

The Department implemented Performance and Learning Management System (PALMS) capabilities in select Components to enhance the accessibility and comparability of DHS training data.¹ While PALMS serves a majority of DHS, it is not the sole enterprise solution for learning management. The Department will continue to leverage PALMS through Q4 FY23 with the new bridge contract that is being finalized and implementation of follow on talent development and training capabilities for DHS. In addition, the Department has built data interchanges between the four learning management solutions and the Human Capital Enterprise Information Environment to create a central repository for the Department's training data, which allows for enterprise-wide reporting and data analytics.

The action plan that follows outlines the steps DHS is taking to address the requirements GAO has communicated, summarized above, for achieving and sustaining a Fully Addressed rating for this outcome. Several identified actions have been completed and advanced since the March 2021 updates to GAO.

¹ Components leveraging PALMS learning management system module: U.S. Customs and Border Protection (CBP), Federal Law Enforcement Training Centers (FLETC), U.S. Immigration and Customs Enforcement (ICE), U.S. Citizenship and Immigration Services (USCIS), U.S. Secret Service (USSS), Cybersecurity and Infrastructure Security Agency (CISA), and Headquarters.

OUTCOME ACTION PLAN			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Revise and update the Rotation Program Directive and Instruction to ensure alignment with current federal regulations and detail guidance.	September 2021	January 2022	Targeting a Fully Addressed rating. Finalizing the DHS Employee Details Directive and Instruction; followed by the revision/update of the Rotation Program Directive and Instruction.
Quarterly reporting of DHS-wide training data presented to DHS Chief Learning Officers Council.	August 2021	October 2021	Targeting a Fully Addressed rating.
Validated data with DHS Components and developed initial DHS-wide training data report.	June 2021	September 2021	Completed The initial DHS-wide training data report was successfully developed. Pending delivery to the Chief Learning Officers Council (CLOC).
Developed data reporting dashboard to display and analyzed current DHS training data.	November 2020	July 2021	Completed DHS completed a database and dashboard with 500 million DHS training records going back to 2015. This is updated every 6 hours.
Finalized and implemented DHS Workforce Development Plan FY2021-2024.	April 2021	April 2021	Completed
Reviewed DHS Component Training Plans per DHS policy.	March 2021		Completed
Rotations Program quarterly meetings provided program updates and gather information from component representatives.	February 2021		Completed
Created a data feed of DHS training from current DHS Learning Management Systems to collect and analyze training in a useful format and training tool.	December 2020	December 2020	Completed

OUTCOME ACTION PLAN			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Conducted annual review of Component compliance with implementing the DHS Rotation Program.	December 2019		Completed. This review demonstrated continued implementation and sustainment of the DHS Rotations Program.
Established data interchanges to enable enterprise-wide reporting and analytics of DHS training data.	June 2019	November 2019	Completed.
Conducted annual review of Component compliance with DHS training policy.	December 2018	June 2019	Completed. DHS annually captures and tracks DHS-wide training and development data to provide evidence of Components' compliance with laws, regulations, and DHS learning and development policies, as well as provide data on trends and gaps in DHS mission training metrics.
Provided GAO with evidence of PALMS sustainment.	December 2018		Completed. PALMS is operational and metrics are published monthly to demonstrate usage.
Provided evidence reflecting implementation of the DHS Rotation Program.	September 2018	December 2018	Completed. Provided in December 2018.
Provided evidence reflecting implementation of the FY 2018–2019 Workforce Development Plan.	September 2018	August 2018	Completed. Provided in August 2018 and June 2019.
Assessed Component compliance with DHS training policy.	December 2017	December 2017	Completed. DHS submitted to GAO the "DHS Component Training Plan Review Report" on December 28, 2017.
Assessed FY 2016–2017 WDP actions and developed FY 2018 plan.	December 2017	December 2017	Completed. DHS provided GAO with the FY 2016-2017 WDP Assessment Report in October 2017 and the FY 2018–2019 WDP in January 2018.
Rolled-out PALMS learning management system module in designated Components.	May 2017	CBP, 07/13/15 HQ, 10/06/15 FLETC, 12/10/15 ICE, 06/01/16	Completed. PALMS is currently deployed to designated Components.
Issued the Rotations Directive and Instruction.	September 2016	August 2016	Completed. Issued August 2016.
Provided evidence that gap analysis results are being used to improve knowledge, skills, and abilities.	September 2016	September 2016	Completed. Provided in September 2016.

OUTCOME ACTION PLAN			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Tracked compliance through the Human Resources Operations Audit.	December 2015	August 2015	Completed. Incorporated leadership development and training items.
Issued the Workforce Development Plan and implemented planned actions.	September 2015	October 2015	Completed. The FY 2016–2017 DHS Workforce Development Plan was issued in October 2015.
Issued the Directive and Instruction, “Employee Learning and Development.”	July 2015	September 2016	Completed. Issued September 2016.
Issued the guides for Components and conducted assessments.	July 2015	April 2016	Completed. In April 2016, the <i>Needs Assessment Guide</i> and <i>Training Evaluation Guide</i> were published. Components were also assessed on their assessment and training evaluation practices.

IT Management Outcome #6

Outcome Lead: Kenneth Bible/Luis Coronado

Outcome Executive: Eric Hysen

GAO Outcome: Enhance Information Technology (IT) Security – Establish enhanced security of the Department’s internal IT systems and networks as evidenced by:

- Demonstrating measurable progress in achieving effective information system controls by downgrading the Department’s material weakness in financial systems security to a significant deficiency for two consecutive years and reducing the deficiencies that contribute to the significant deficiency, as reported by the independent auditors of the Department's financial statements;
- Implement the federal desktop core configuration on applicable devices and instances across Components, as determined by an independent assessment;
- Promptly develop remedial action plans and demonstrate sustained progress mitigating known vulnerabilities, based on risk, as determined by an independent assessment; and
- Implement key security controls and activities, as independently assessed by the Office of Inspector General or external auditor based on *Federal Information Security Management Act of 2002* (FISMA) reporting requirements.

GAO 2021 Outcome Rating



CURRENT STATUS

To reach Fully Addressed, DHS must achieve and sustain a downgrade of its material weakness in financial systems security to a significant deficiency for two consecutive years. The Department has implemented continuous monitoring of progress against the remediation work plan, identifying critical milestones, addressing audit risks, and reviewing mitigation strategies.

In January 2021, GAO informed DHS Office of the Chief Information Officer (OCIO) of their intent to downgrade this outcome from “mostly addressed” to “partially addressed” based on the results of the Office of the Inspector General’s (OIG) FY 2019 Federal Information Security Modernization Act (FISMA) assessment and the FY 2020 Independent Audit report. For the reasons explained in the Department’s response to the OIG and further discussed in meetings with GAO, DHS OCIO does not concur with GAO’s assessment. However, DHS OCIO continues to work toward resolution of the issues raised by OIG and the auditor, KPMG.

DHS is taking several steps to address the issues noted in the FISMA assessment and the independent auditor report. Specifically, the DHS Chief Information Security Officer (CISO) has held meetings with the Department of Defense (DoD) and the U.S. Coast Guard (USCG) CIOs to discuss USCG’s FISMA reporting through DoD. Action items from meeting include developing a project plan and approach for the DHS OCIO’s increased involvement in oversight of USCG systems. The CISO has also led meetings with the Federal Emergency Management Agency (FEMA) CIO and CISO to discuss FEMA’s progress, and to identify support from Headquarters and steps that FEMA is taking to improve its information security environment. The CISO will continue to meet with FEMA on a regular basis throughout the year.

CURRENT STATUS

CISOD, OCFO and KPMG continue regularly scheduled meetings to assess progress toward the prior year IT Notice of Finding and Recommendations (NFRs) ensuring closure is focused for FY 2021. Satisfying this objective entails (1) redirecting full-time personnel resources to oversee and manage daily activities of the financial audits, (2) improving processes to help guide the submission of financial audits from “*cradle-to-grave*” for prior year and newly FY 2021 issued audits, and (3) identifying and implementing necessary tools to allow for accurate reporting and risk identification. Accurate reporting allows OCIO to view dependencies across the enterprise in order to effectively collaborate remediation and corrective action with associated Components. This reporting helps OCIO to improve the planning and scheduling of GO-LIVE deployments. As a result, CISOD successfully delivered prior year Management (MGT) and Consolidated (CONS) IT NFRs for closure consideration; and is preparing FY21 MGT and CONS IT NFRs for closure walkthroughs. DHS HQ OCIO CISOD has increased management and oversight of the financial audits through its continuous engagement with OCFO, KPMG and (the addition of) the Office of the Inspector General (OIG).

The CISO will meet with the OIG regarding the FY 2021 FISMA assessment once that assessment begins. In November 2020, the OIG issued its FY 2020 FISMA Cyberscope report that includes preliminary results for the FY 2020 FISMA assessment. In the Cyberscope report, OIG noted an improvement in DHS’s FISMA rating giving the Department overall rating of “Effective.” This rating was earned due to DHS achieving a maturity level of “Managed and Measurable” for three out of five functions and demonstrates improvements in the Department’s information security program. DHS is addressing the deficiencies the OIG noted in the two FISMA functions that were not rated as “Managed and Measurable.”

DHS continues enhancing the security of the Department’s internal IT systems and networks in the following ways:

Internal Controls

- Expanded the IT internal control program, which is a joint effort by the DHS CIO and the Chief Financial Officer (CFO), to assist in the monitoring and management of the IT internal controls for the Department and jointly support Components in efforts to strengthen IT general controls, systems security, and IT internal controls environments.
- Gained commitment from Component CFOs and CIOs that contribute to the Department’s outstanding material weaknesses to achieve annual Department-wide audit and Internal Controls over Financial Reporting (ICOFR) performance goals (commitments are required as an element of each Component’s CFO and CIO performance plans.)
- Participated in quarterly Internal Control, Risk and Systems training in coordination with CFO. The purpose of the training is to assist Components in identifying and assessing risk that related to processes, as well as, IT to help ensure that Components can incorporate adequate risk response and internal control.
- Continued to hold Component IT remediation status meetings with executive-level personnel in FY 2021. These meetings were held with Federal Emergency Management Agency (FEMA), U.S. Secret Service (USSS), and U.S. Coast Guard (USCG), who have the most complex remediation challenges. This is an ongoing

CURRENT STATUS

initiative to ensure Component leadership and the Chief Information Security Officer Directorate (CISOD) are collaborating to develop solutions to resolve these challenges and reduce the IT material weakness.

- Issued the Fiscal Year (FY) 2020 DHS Information Security Performance Plan to include new FISMA requirements and refine metrics to strengthen the Department's security posture.

Continuous Monitoring

- Performed Information Security Continuous Monitoring (ISCM) for the Homeland Security Data Network (HSDN). All other networks are either isolated local area networks (LANs) with no external connectivity or standalones.
 - Since the 2019 Novel Coronavirus (COVID-19) office closures and manpower shortages, HSDN has been satisfying continuous monitoring reporting activities through scans, updates, and configuration management activities.
 - DHS CISO is looking to revitalize the National Security Systems (NSS) scorecard reporting during the 2021 calendar year.
- Provided the Department with the ability to use a consensus-based, interoperable toolset to manage our endpoints, user, access, and incidents within our environment to present a holistic situational awareness across the agency. The advancement in tools provides the Department with enhanced oversight and management of cybersecurity. All Continuous Diagnostics and Monitoring (CDM) Phases are being centrally managed through the OCIO CDM-PMO in collaboration with the Components & in partnership with DEFEND-A. The DHS CIO's decision to leverage PMO resulted in a cost avoidance of \$23.1M by eliminating license fees, and an additional \$106M savings over GSA listed prices:
 - Focused the CDM program on Tenable, Tanium, and ForeScout tool integration for Phase I to improve the connection and transmission of Component CDM data to the Enterprise enclave.
 - Implemented Phase II Identity and Access Management (IAM) for USER, TRUST, and CRED (UTC) data of Components' active end users into the central DHS SailPoint instance and successfully completed Limited Production Implementation (LPI) by ingesting the 796 OIG UTC active account users with a total of 448,128 active user accounts for all DHS Components.
 - Implemented Phase III Incident Response Reporting (IRR) capability within U.S. Customs and Border Protection and U.S. Immigration and Customs Enforcement Amazon Web Services (AWS) Gov Cloud environments and provided the Department with a central code repository to maintain and share cybersecurity playbooks across DHS, as well as, successfully trained thirty-three (33) Cybersecurity Analysts as Swimlane Certified Security Orchestration, Automation and Response (SOAR) Administrators/Developers for DHS.
 - Successfully migrated all Components Splunk environments into an existing Network Operations Security Center (NOSC) environment to reduce cost, time, and increase capacity and accuracy of Components' CDM data.
 - Set a new, "Go to Green" strategic direction to improve endpoint counts. As of September 30, 2020, there are 281,000 endpoints. This was an effort through the CDM program to get enterprise endpoints reporting to Splunk and Agency dashboards. This increased visibility from ~40,000 endpoints to over ~280,000 endpoints in the past year. Additionally, this action optimized component tool configurations to produce more complete data records. The Headquarters

CURRENT STATUS

CDM team worked with each Component to develop specific go-to-green plans to target unique data ingest errors.

- Achieved 11 of 11 Components reporting to the DHS Dashboard in the 4th Quarter of FY 2021. The plan to achieve CDM capabilities was initiated in the first quarter of FY 2021.
- Enhanced the Plan of Action and Milestones (POA&M) monitoring program to ensure the completeness and quality of remediation activity and POA&M management. The program consists of two reviews, a Weakness Remediation Completeness Review and POA&M Quality Review, which are described below. Both reviews are based on remediation completion evidence and POA&M data maintained in the Information Assurance Compliance System (IACS), reflected on the FISMA Weakness Remediation Scorecard.
 - Performed periodic DHS Weakness Remediation Reviews and automated checks via the scorecard to provide assurance that Components are continuously monitoring their risk and remediating weaknesses for DHS's Weakness Remediation Review process. If weakness cannot be remediated within 30 days of identification, a POA&M must be created in IACS to be tracked and managed.
 - Performed periodic POA&M Quality Reviews and automated checks via the scorecard to provide assurance that POA&M are created and managed in accordance with the DHS Process Guide for POA&M, Attachment H, of the DHS 4300A Sensitive Systems Handbook and the FY 2021 Information Security Performance Plan (ISPP) requirements. The supplemental guide describes the core process for remediating control deficiencies in Sensitive But Unclassified DHS information systems. The POA&M must include the required details to describe the issue, the milestones associated, severity, identification source, point of contact, scheduled completion date, funding, and risk elements – at a minimum.

Chief Information Security Office

- For FY 2021, CISOD performed Independent Verification and Validation (IV&V) of Component IT Notice of Findings and Recommendations (NFR) remediation. The purpose of review was to ensure Components and system personnel have taken appropriate steps to remedy findings identified by the annual DHS Financial Statement Audit.
 - CISOD recommended one (1) IT NFR package for closure and provided several recommendations to system personnel for other IT NFRs. These recommendations assisted system personnel in making the necessary remediation updates to bolster their closure packages. The revised packages were presented to KPMG for evaluation.
 - CISOD is currently working to make improvements to the IV&V process, including but not limited to; revised Verification and Validation and IV&V templates that are easier to work with, combining reporting capabilities to the enhanced POA&M process, and developing guides and training to assist Components across to agency to better document and test their remediation efforts.
- Developed a DHS Cybersecurity Risk Management Plan that, among other features, will establish cybersecurity risk tolerance levels based on an objective measure of DHS Component or portfolio risk. CISA reviewed the draft plan in August 2020 at the request of the Office of Management and Budget. CISA's comments were incorporated into the existing draft strategy in September 2020. The strategy focuses on improving

CURRENT STATUS

protection measures to reduce the likelihood of losses due to cyber incidents. The plan includes alignment to the MITRE Attack Techniques, Tactics and Common Knowledge (ATT&CK) framework, which outlines protective strategies for adversarial techniques used to breach systems and disrupt services.

Acquisitions

- Worked across the Department to embed cybersecurity within the DHS Acquisition Lifecycle Framework. DHS CISO worked in conjunction with DHS Program Accountability and Risk Management (PARM) and DHS Science and Technology (S&T) to develop the DHS Instruction 102.01.012 – *Cybersecurity Through the Acquisition Lifecycle* Framework, finalized on July 17, 2020. DHS CISO, PARM, DHS Chief Technology Officer have engaged with CAE Staff Forum, CAE Council, ITPMCOE presentations, and CTO council to propagate these messages.

Organizational Structure

- To increase efficiencies and consolidate functions, moved the Cybersecurity Operations Center (formerly known as the ESOC), from the CISOD to the Information Technology Operations Directorate (ITOPs). This allowed the CIO to align like network and security operations capabilities into a single CIO Directorate, in FY 2021.
- Realignment enabled the creation of the NOSC by combining network and security operating entities into a single cohesive unit, thus allowing for real-time operational network monitoring, intrusion detection, and perimeter defense across the enterprise; decreasing performance and security incident response times; and creating a potential for cost avoidance in the reduction of duplicate operational functions. In addition, the DHS NOSC continues to close visibility gaps, setup enhanced monitoring of cloud connections, and increase storage of logs necessary for investigations.
 - The DHS NOSC is taking a lead role in coordination and information sharing amongst the DHS Component Security Operations Center (SOC)s, USCG Cyber Command and other government agencies, which is strengthening the Department's operational security posture through the enhanced cooperation of .gov and .mil network defenders.
 - Successes achieved in Phases 1 and 2 of the NOSC standup include:
 - Realigned Security and Network Operations under ITOPs
 - Established NOSC as an organization unit within ITOPs
 - Alerting of DHS CIO, Management, and Components of NOSC capabilities, mission, and associated changes from the stakeholder's perspective
 - Established Alternate Operational locations - NCR, Stennis, and Chandler
 - Hired Initial Fed Staff - Tier 1
 - Cross training of federal staff in NOSC operations
 - Realigned contract support efforts (SOC and Network Operations Centers) – Currently underway
 - Integrated Cloud Support Services within NOSC
 - Constructed dashboard and Standardized Tool List
 - Constructed Standard NOSC and Cloud Service Support Cost Model

CURRENT STATUS

SOC Optimization

- Continued the SOC Optimization initiative to heighten NOSC visibility, unify incident responses, introduce a shared services model, and improve overall communication between Components. SOC Optimization will be pursued through the Cybersecurity Service Provider (CSP) Assessments of Component SOC and Network Operations Centers in addition to the SOC Network Visibility working group. The DHS SOC Optimization will enable greater visibility, efficiency, and integration without sacrificing the autonomy and mission expertise unique to each Component SOC.
- Established a directive on August 14, 2019 mandating a review of SOC Capabilities.
 - Formed a CSP Program and established the DHS CSP Program Management Office in August 2019. The DHS CSP Program Management Office oversees all aspects of the DHS CSP Program for DHS and all DHS Components under the oversight of the DHS CISO Council. Under this mandate, all DHS Components must participate in the CSP Assessment Process. The contracts Integrated Project Team, which is inclusive to this pursuit, established a vendor assessment framework that ensures vendors are assessed fairly and consistently. Additionally, the framework was approved by the Office of the Chief Procurement Officer and may also be leveraged for future procurement actions.
 - Assessed all Component SOC under the CSP program. CSP assessments were completed in September 2020. U.S. Immigration and Customs Enforcement, Transportation Security Administration, FEMA, and DHS HQ NOSC achieved Center of Excellence (COE) accreditation. Component SOC who are deemed COE can provide services to other Components.
 - The assessment schedule was delayed due to COVID-19 office closures. The CSP team demonstrated resiliency and adapted to the changing environments by reworking the methodology to support remote assessments due to the pandemic and the onsite assessment has shifted to fully remote.

OUTCOME ACTION PLAN

Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Achieve and sustain “significant deficiency” status or less for two consecutive years (i.e., FY 2024 and 2025).	November 2021	November 2025	<p>Targeting a Fully Addressed rating.</p> <p>The independent auditor will issue its report for FY 2025 in November 2025.</p> <p>Adjusted date because IT deficiencies are taking longer to fix than originally anticipated.</p>
Complete actions to address five (5) recommendations contained in the OIG FY 2019 FISMA report (OIG-20-77).	Q1 FY 2022	September 2021	<p>Completed.</p> <p>Recommendations 1, 3, and 5 are open and resolved, recommendation 2 is unresolved and open, and recommendation 4 is resolved and closed.</p>

OUTCOME ACTION PLAN

Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Completed actions to address three (3) recommendations contained in the OIG FY 2018 FISMA report (OIG-19-60).	Q4 FY 2019	September 2019	Completed. All recommendations were closed in September 2019.
Completed actions to address five recommendations contained in the OIG FY 2017 FISMA report (OIG-18-56).	Q4 FY 2018	September 2019	Completed. All recommendations were closed in September 2019.
Completed actions to address four open recommendations contained in the OIG FY 2016 FISMA report (OIG-17-24).	Q4 FY 2017	May 2019	Completed. All recommendations were closed in May 2019.
Completed actions to address six open recommendations contained in the OIG's FY 2015 FISMA report (OIG-16-08).	Q4 FY 2016	May 2018	Completed. All recommendations were closed in May 2018.
Completed actions to address six open recommendations contained in the OIG's FY 2014 FISMA report (OIG-15-16).	Q4 FY 2015	March 2018	Completed. All recommendations were closed on March 22, 2018.
Oversee and assist Components in addressing deficiencies that contributed to the Department's material weakness in the IT security control and financial system functionality area to achieve a reduction to a significant deficiency by the independent auditors.	October 2015	Ongoing	Sustain a Mostly Addressed rating. Existing, significant IT security control deficiencies must be remediated with no new significant deficiencies identified.
Continued to oversee and assist Components in addressing IT deficiencies.	September 2015	Ongoing	Meet with Components monthly to review progress and provide guidance as needed.

Acquisition Program Management Outcome #3

Outcome Lead: Steven Truhlar, Chief of Staff, Joint Requirements Council

Outcome Executives:

Joseph Wawro, Director, Joint Requirements Council

Debra Cox, Executive Director, Program Accountability and Risk Management

R.D. Alles, Deputy Under Secretary for Management

GAO Outcome: Joint Requirements Council – Establish and effectively operate the required Joint Requirements Council (JRC) to review and validate Component-driven capability requirements that drive non-materiel and acquisition programs Department wide and identify and eliminate any unintended redundancies. The JRC would help DHS inform its annual budget process for funding major programs and reduce the occurrence of major programs receiving funding without validation of requirements.

GAO 2021 Outcome Rating:



CURRENT STATUS

The Component-composed JRC is the executive body that governs the Department’s operational requirements process by generating, validating, and prioritizing capability gaps, needs, concepts of operation, and requirements. JRC validation is a critical step prior to the Department investing in a capability.

In a 2016 review, GAO found the JRC’s approach to be generally sound.¹ To achieve a Fully Addressed rating, it is the Department’s understanding that the JRC must sustain effective operations evidenced in part by the JRC’s continued impact on investment decisions. The JRC has grown increasingly effective in helping to identify common gap areas across the DHS enterprise and make joint requirements and commonality recommendations. Today, the JRC operates as designed and is fully integrated with the Department’s research and development, acquisition, and resource allocation processes. DHS has achieved the desired end-state – to effectively establish and operate the JRC.

The JRC continues to operate effectively, benefiting DHS by:

- Analyzing national interest-level requirements, harnessing operator expertise from across DHS and enabling end users to obtain enterprise capabilities to perform the mission;
- Providing comprehensive analytical assessment of operational needs and gaps across Components and the DHS enterprise, thereby improving field operational effectiveness and efficiency and ensuring traceability between DHS and Component strategic priorities and operational capability;
- Driving collaboration and integration across DHS resulting in an unprecedented growth in cross-component cooperation in areas including Countering Unmanned Aircraft Systems, Next Generation Vertical Lift, Combating Transnational Criminal Organizations, and Digital Forensics / Document and Media Exploitation (DF/DOMEX);
- Informing enterprise investment processes, such as the Program and Budget Review (PBR) with its PBR Issue Teams, Resource Allocation Plans (RAP) and Decisions (RAD);

¹ GAO, *Joint Requirements Council’s Initial Approach Is Generally Sound, and It Is Developing a Process to Inform Investment Priorities*, GAO-17-171 (Washington, D.C.: October 24, 2016).

CURRENT STATUS

Resource Planning Priorities (RPP); and Acquisition Review Boards (ARBs) regarding capability gaps, needs, concepts of operation, and operational requirements;

- Working throughout the Department on the development of requirements policy and training; and
- Solidifying leadership support through regular JRC updates and in-person and virtual meetings with Deputy Secretary, DHS Chief of Staff, and Deputy Under Secretary for Management.

Established in 2014, the JRC has made sufficient and sustained progress to meet a Fully Addressed rating. Accomplishments include:

Analyzing and Operationalizing Requirements:

- Analyzed and validated over 425 requirements documents (as of July 2021).
 - JRC, through the Immigration Data Integration Initiative Executive Steering Committee (ESC), ensured Unified Immigration Portal requirements were integrated into the Immigration Data Integration Capability Analysis Report (CAR) which entered the Joint Requirements Integration and Management System (JRIMS) process and was validated and endorsed in November 2020.
 - JRC validated two CARs that identified common capability gaps in DF/DOEMEX across multiple DHS organizations needed to combat Transnational Organized Crime and violent extremists. JRC is supporting Intelligence & Analysis, U.S. Immigration and Customs Enforcement (ICE), U.S. Coast Guard (USCG) and U.S. Customs and Border Protection (CBP) in the development of a Joint Non-materiel Change Recommendation (J-NMCR) and a Joint Mission Need Statement (J-MNS) to develop solution approaches to the capability gaps identified.
 - JRC is driving the development of the Counter-Unmanned Aircraft Systems (C-UAS) J-MNS and J-NMCR. This endeavor includes USCG, CBP, Transportation Security Administration (TSA), and Federal Protective Service as signators, as well as participation from U.S. Secret Service, ICE, Management Directorate and Science & Technology Directorate.

Identifying Capability Gaps:

- Identified over 400 capability gaps, along with mission needs and operational requirements to inform capability development and Research and Development (R&D) investments (as of January 2021).
- Established the DHS Capability Gap Register (CGR) to provide a dataset of validated capability gaps to inform R&D investments. CGR analysis and gap prioritization informed FY22-26 budget decisions and are informing the FY23-27 budget process.

Driving Collaboration and Integration:

- Currently have three chartered DHS Cross-Component Portfolio Teams analyzing high-priority capability gaps that are cross-cutting in the following areas:
 - Cybersecurity
 - DF/DOEMEX
 - Biometrics
- Established JRC Director membership on the DHS C-UAS ESC.

CURRENT STATUS

- Chartered a working group to build enterprise-wide C-UAS requirements. The work group became a sub-group of the Secretary's C-UAS ESC and developed a Capability Analysis Report (CAR), J-MNS, and J-NMCR to capture enterprise C-UAS capability gaps and needs to guide requirements development at specific covered facilities and assets.
- Produced an Annex for the Secretary's Counter Unmanned Aircraft Systems Policy Guidance. The Annex outlines the Department's process for identifying, prioritizing, and approving which covered facilities and assets will receive CUAS capabilities. JRC facilitated a Department-wide data call of covered assets, facilities, and events for prioritization through the analytic framework outlined in the annex.
- Recognized commonality in biometrics requirements across the Department leading to the formation of a Biometrics ESC to ensure the Department's efforts are coordinated and the enterprise solution for biometrics can meet Component operational requirements.
- Strengthened Biometric entry-exit analysis and requirements development through early collaboration between TSA, CBP, and the Office of Biometric Identity Management to identify common capability gaps and needs for biometric activities. Biometrics collaboration shaped requirements allowing for a broader range of solutions and enhanced the possibility of further integration with DHS systems.
- JRC established a Memorandum of Agreement with the Biometrics Capabilities ESC to establish coordination and two-way information flow to identify gaps and potential biometric requirements for integration of DHS biometrics capabilities.
- Informed USCG and CBP efforts to arrive at a common integrated user interface solution for Maritime Aircraft Mission Systems, known as Minotaur Mission Management System, through the JRC-led Joint Operational Requirements Document (ORD). This ORD was updated to reflect continued program evolution and completed JRIMS with validation and endorsement in August 2020.
- Formed a working group and securing funding for a study to build common USCG/CBP medium vertical lift (i.e., H-60) requirements called Next Generation Vertical Lift (NGVL).
 - CBP is a member of DoD's Future Vertical Lift leadership forum along with USCG. This effort takes the long-term view to jointness (platform replacements anticipated in mid-2030s), and sets the stage for a major, truly joint DHS aviation program.
 - A joint NGVL CAR has been drafted and is expected to go through the JRIMS process in 2021.
- Led a robust requirements development approach for DHS-wide interconnectivity and open IT architecture for ICE Immigration Data Modernization. The ICE Investigative Data Analytics Mission Need Statement (MNS) completed Department-wide review in April 2021.

Providing Input to the Budget Process:

- Implemented requirements guidance into Fiscal Year (FY) 2023–2027 Resource Allocation Plan processes by providing a requirements perspective to inform the Program and Analysis & Evaluation-led DHS Strategic Review, Component Resource Allocation Plan briefs, and PBR Issue Teams. The Strategic Review is a process that

CURRENT STATUS

examines Components' RAP submissions and informs the Resource Allocation Decision.

- Informed DHS enterprise processes as a key stakeholder in PBR, R&D, and ARBs.

Developing and Providing Training:

- Trained over 2,388 users in four operational requirements concepts: Overview; Core Concepts; Developing and Managing DHS Requirements; and Knowledge Management/Decision Support (KMDS) (as of July 2021).
- Transformed JRC developed/led classroom courses into virtual instruction to ensure uninterrupted requirements development and management training throughout the Department during the COVID-19 pandemic. JRC has delivered eight virtual instructor led courses and anticipates delivering two more during the remainder of FY21.
- Established the DHS Requirements Management (RM) Specialization within the Technology Manager Acquisition Certification in May 2019. This specialization is designed to improve and standardize requirements management knowledge, skills and abilities across the Department. Twenty-six (26) requirements personnel have attained this certification/specialization.
- Developed an extensive course, *Developing and Managing DHS Requirements*, as part of the RM curriculum. The course provides a comprehensive understanding of how to define, analyze, and manage requirements within DHS starting from capability analysis through solution. Through this course, acquisition professionals receive in-depth insight into the DHS requirements process and its relationship to overall acquisition management. First piloted through the Homeland Security Acquisition Institute in February 2019, eight offerings have been held thus far (as of July 2021) with one more to be held in the remainder of FY 2021.

Developing the Acquisition Workforce and Building Requirements Analytic Capability:

- Completed a requirements workforce assessment framework to provide recommended structures for DHS Component requirements organizations;
- Working with ICE to establish their requirements organization;
- Worked closely with the Cybersecurity and Infrastructure Security Agency and Countering Weapons of Mass Destruction Office on requirements development and the maturation of their requirements workforce. A cross-component Portfolio Team was chartered to identify commonalities across cybersecurity information sharing and analysis capabilities;
- Continued to partner with the TSA, CBP, and the USCG's requirements organizations through regular outreach, meetings and constant coordination of requirements development, resulting in sharing of best practices and processes; and
- Assisting Components and HQ offices (e.g. Civil Rights/Civil Liberties) in requirements generation, conducting requirements workforce assessments and establishing internal requirements policies, independent requirements offices, and training.

OUTCOME ACTION PLAN			
Actions	Projected Date	Actual/ Adjusted Date(s)	Reason for Change/Notes
Sustain effective operation of the JRC by fully implementing a process where operational requirements are integrated into processes for prioritizing investments.	September 2018	December 2021	Targeting a Fully Addressed rating. The adjusted date is to allow GAO time to conduct any necessary follow up to substantiate a Fully Addressed rating. DHS has fully integrated JRC participation into PBR (to include RAP/RAD and Strategic Review), ARB, and RPP development processes. The JRC actively informs DHS leadership prioritized investment decisions through integration with these processes.
Conduct training – JRIMS Overview, Core Concepts, Developing and Managing DHS Requirements and KM/DS.	Fully Addressed/ Ongoing	Fully Addressed/ Ongoing	Completed. As of July 2021, trained 2,388 users in operational requirements JRIMS Overview, Core Concepts, Developing and Managing DHS Requirements, and KMDS.
Validate Mission Need Statement and Operational Requirements Document for all Level 1 and 2 Master Acquisition Oversight List programs and submit recommendations to the DMAG.	Fully Addressed/ Ongoing	Fully Addressed/ Ongoing	Completed. All operational requirements are validated before acquisition decision events. As of July 2021, JRC analyzed and validated more than 425 requirements documents.
Fully implemented a process to ensure operational requirements are the foundation for R&D.	September 2018	July 2018	Completed. The DHS CGR provides senior leadership with a comprehensive view across DHS capabilities gaps and a dataset of validated requirements to inform R&D investments. Additionally, analysis and prioritization of CGR Gaps informed FY22-26 budget decisions and are informing the FY23-27 budget process
Fully implemented the KM/DS Tool.	September 2016	June 2017	Completed.
Incorporated decisions from the JRC process to inform the FY 2018 RAD.	September 2016	May 2017	Completed. The FY 2018 RAD links capability investments to operational requirements. Therefore, the JRC is impacting resource decisions.
Achieved full operating capability.	June 2016	September 2016	Achieved Mostly Addressed Rating The JRC has achieved full operating capability and is executing the JRIMS process. GAO advanced the rating for this outcome to Mostly Addressed in the 2017 <i>High-Risk Series</i> .

OUTCOME ACTION PLAN			
Actions	Projected Date	Actual/ Adjusted Date(s)	Reason for Change/Notes
Delivered the KM/DS Tool.	May 2016	September 2016	Completed.
Approved JRIMS directives and instruction manual.	January 2016	March and April 2016	Completed. The JRC/JRIMS directive was signed on March 9, 2016 and the manual on April 21, 2016. The first JRIMS manual update has been completed and will be implemented FY 2019.
Incorporated decisions from the JRC process to inform the FY 2017 RAD.	September 2015	September 2015	Completed. The JRC informed the FY 2017 RAD.
Achieved initial operating capability.	July–August 2015	August 2015	Completed. The JRC has achieved initial operating capability, which is evidenced by the JRIMS process execution.
Approved JRC charter.	November 2014	November 2014	Completed. The charter was approved and signed by the DHS Deputy Secretary on November 16, 2014.

Acquisition Program Management Outcome #4

Outcome Lead: John Ward

Outcome Executive: Debra Cox

GAO Outcome: Trained Acquisition Personnel – Assess and address that sufficient numbers of trained acquisition personnel are in place at the Department and Component levels. Lack of adequate staff, both in terms of skills and staffing levels, increases the risk of insufficient program planning and contractor oversight, and has been associated with negative cost and schedule outcomes in major acquisition programs. These findings emphasize the importance of sufficient and experienced staff for successful acquisition outcomes.

GAO 2021 Outcome Rating



CURRENT STATUS

The Department continues to make progress toward a Fully Addressed rating, as evidenced by the following actions:

Staffing Gap Analysis and Tracking:

- In September 2020, the Office of Program Accountability and Risk Management (PARM) delivered a comprehensive staffing analysis report to the Deputy Under Secretary for Management (DUSM) and provided recommendations to programs on efforts to mitigate critical staffing gaps. The recommendations were: Improve Staffing Definitions, Create a Predictive Staffing Model, Develop Acquisition Specific Training, Improve Acquisition Program Staffs' Certification Compliance Rate, Establish a DHS Acquisition Career Management Program, Fill Vacancies Using All Existing Hiring Authorities, and Develop Communication Channels. The 2021 review/analysis started in May 2021. The report will be completed September 30, 2021 and will include an updated status of the recommendations from the FY 2020 report.
- DHS Major programs continue to better identify their acquisition staffing needs and staffing gaps. This allows the Components and Department to prioritize and focus on addressing staffing gaps and challenges.
- Continued reviewing staffing levels at all Acquisition Review Boards. If the Acquisition Decision Authority determines there is a need, an independent staffing assessment will be required as an Acquisition Decision Memorandum action item.

Staffing Plan Development and Implementation:

- On June 26, 2020, PARM established cross-Component DHS Acquisition Staffing Integrated Project Teams (IPT) bringing together approximately 150 DHS staffing and workforce stakeholders. During the October 2020 IPT meeting, the DHS Acquisition Workforce Staffing Lexicon status was presented. The DHS Lexicon was updated with the definitions and indicate each term in use by Acquisition Workforce Staffing Division. The final DHS Lexicon extended definitions, annotation, and usage sample field were updated in March 2021.
- The Chief Procurement Officer (CPO) published a one-year addendum to extend the DHS FY 2018–2020 Acquisition Workforce Strategic Human Capital Plan (AW Strategy) through FY 2021 to align with the CPO Strategy that is effective through 2021. The Strategy continues the focus on integrating human capital planning and

CURRENT STATUS

workforce development into acquisition program management. The AW Strategy represents a collaborative effort across the DHS acquisition community that identifies the goals and objectives that will guide the Department's acquisition workforce efforts. Development of an FY 2022-2026 plan is in progress.

Training and Certification:

- As of September 2021, DHS's program manager certification compliance across all Level 1 and 2 programs was 94%.
- Continued participation by PARM in each DHS Acquisition Program Management 350B Capstone program management certification course by providing instruction on the Department's acquisition processes and oversight responsibilities. PARM ensures representatives are available at key points throughout the course to ensure students have access to acquisition experts. The program has been moved to a virtual environment to ensure participation remains consistent under current restraints caused by COVID-19 pandemic.
- DHS awards approximately 2,700 certifications annually across ten acquisition disciplines with over 46,000 awarded since the certification program began in 2006. In FY 2021, 1,674 certification requests were approved. There are currently 16,819 acquisition certifications held within DHS, as of September 2021.
- Completed a major revision/update to FTE 100, Fundamentals of Test and Evaluation Course for delivery in late September 2021. FTE 100 is designed to provide an understanding of fundamental principles and policies of Test and Evaluation (T&E). The course describes the relationship of T&E processes within the Acquisition Life Cycle framework and outlines the critical role that T&E provides in reducing risk and providing timely and accurate information during system acquisition.
- Began revision of AQN 101, DHS Fundamentals of System Acquisition Course to better support the learning objectives of the acquisition workforce. This course is an early requirement for most DHS certifications. In addition to updating the content for currency, the course is being restructured to increase learning material in several areas including cybersecurity, requirements development, risk management and test and evaluation. The revised course is expected to be completed in February 2022 for delivery in March 2022.
- The Education, Development, Growth and Excellence Mentoring Program completed the FY 2021 season graduating the largest cohort to date. Mid-level acquisition personnel and mentors throughout the Department at locations across the nation participate virtually. In addition to other workshops and training, the program added a seven-event "speaker series" for 2021 featuring senior acquisition leaders that motivated participants and provided insight into a successful career in acquisition. The program has graduated 360 participants since inception in 2015.
- Expanded critical digital IT acquisition-related skills across DHS through implementation of the Federal Digital IT Acquisition Professional (DITAP) Program, a comprehensive training and development program that culminates in the award of the Office of Federal Procurement Policy's (OFPP) Core-Plus Certification in Contracting for Digital Services, (FAC-C-DS). There are currently 75 DITAP graduates at DHS with 20 more graduating in May 2022.

CURRENT STATUS

- Launched a new series of six DHS DITAP Learning Events designed to complement the Federal program and connect and develop DHS DITAP Program graduates and other acquisition professionals in the digital service community.
- Created a DHS DITAP Alumni Group and Community of Practice, the first digital service community of practice in the Federal government. The initiative includes a series of monthly virtual "coffee chats" for DHS DITAP Program Alumni and provides the DHS Community of DITAP graduates opportunities to network and discuss pertinent or interesting digital service topics or projects. Also developed a dedicated DHS DITAP website that further builds a proactive and vibrant community of experts around the DITAP program and digital services. The web page features a DITAP Alumni contact list, case studies, relevant templates/examples, links to USDS and digital service-related sites, as well as recordings of digital service webinars and learning cafes.

OUTCOME ACTION PLAN

Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Demonstrate that repeatable processes are identifying staffing gaps and issues; staffing analyses identify root causes and common issues across the Department; actions to address gaps and issues are identified and communicated; and staffing gaps and issues are being addressed.	December 2020	September 2022	<p>Targeting a Fully Addressed rating.</p> <p>This sustained effort will demonstrate that the repeatable processes are helping the Department to address staffing issues and gaps.</p>
Update the DHS Staffing Lexicon.	September 30, 2021	March 12, 2021	<p>Completed.</p> <p>Improve Data Management, Definition Engagement with Components</p>
Conduct higher-level, Component- and Department-wide staffing analysis.	Ongoing (in conjunction with annual staffing analysis cycle)	Ongoing (in conjunction with annual staffing analysis cycle)	This is a new analytical effort that will bring greater visibility to near- and long-term staffing issues, with the intent of enabling DHS to better mitigate projected staffing shortfalls.
Assess annual program staffing plan updates and quarterly critical staffing gap reports.	Ongoing	Ongoing	Through regular, standardized processes, PARM will continue to monitor critical staffing gaps, identify staffing issues, and provide assistance to programs in addressing staffing issues and gaps.
Implement standardized processes to assess staffing plans, monitor critical staffing gaps and issues, and provide assistance to programs in addressing staffing issues and gaps.	April 2018	March 2018	Completed. This action implements a repeatable process to assess and assist in addressing staffing issues and critical staffing gaps.

OUTCOME ACTION PLAN			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Implement staffing Instruction to obtain program staffing plans and track changes in critical staffing gaps in DHS major acquisition programs to ensure critical staffing gaps are identified and are being addressed.	August 2017	October 2017	Completed. DHS Instruction 102-01-006, Acquisition Program Management Staffing, was promulgated on December 2, 2016 and new requirements piloted in 2017.
Analyzed staffing gaps and mitigation strategies identified in the FY 2015 staffing plans and assessed effectiveness of mitigation strategies and progress in filling staffing gaps.	August 2016	December 2016	Completed.
Reviewed Component staffing plans and assessed completeness and accuracy.	January 2016– February 2016	May 2016	Completed. In October 2015, PARM requested FY 2015 staffing plans with a January 2016 deadline. PARM received and reviewed all staffing plans.
Analyzed staffing gaps and mitigation strategies identified in the staffing plans, which addressed insufficient numbers of trained acquisition personnel.	April 2015	July 2015	Completed. Staffing plans and workforce planning data were submitted and analyzed for all Components, except one. PARM delivered the reports to leadership summarizing identified deficiencies and gaps.
Reviewed Component staffing plans and assessed completeness and accuracy.	May 2014– February 2015	February 2015	Achieved a Mostly Addressed rating. PARM reviewed all plans. Some staffing plan waivers were approved due to specific program characteristics.

Acquisition Program Management Outcome #5

Outcome Lead: Kenneth Marien

Outcome Executive: Debra Cox

GAO Outcome: Acquisition Process Compliance – Establish and demonstrate measurable progress in achieving goals that improve program compliance with the Department’s established processes and policies. This includes specific metrics for tracking conformance with the Department’s established methodologies as well as metrics for cost, schedule, and performance measured against DHS-approved baselines. For major acquisitions, demonstrate that actual cost and schedule performance for major acquisitions is within established threshold baselines, and that baselined system capabilities/requirements and associated mission benefits have been achieved. Program cost, schedule, and performance, as well as changes in these factors over time, can provide useful indicators of the health of acquisition programs. When assessed regularly for changes and the reasons for the changes, such indicators can be valuable tools for improving insight and oversight of individual programs and total portfolios of major acquisitions.

GAO 2021 Outcome Rating



CURRENT STATUS

The Department believes that all acquisition programs within the portfolio are in compliance with established processes and policies and that adequate management and oversight is in place to continually monitor program cost, schedule, and performance against DHS-approved baselines.

The Department, through the Office of Program Accountability and Risk Management (PARM), effectively manages acquisition program policy, governance, and oversight, as evidenced by the following:

Closely Monitoring Programs in Breach

- As of September 2021, there are a total of three programs in breach of their approved Acquisition Program Baseline (APB), representing a 50% reduction in the number of breach programs over the last year (three programs removed from breach status). In accordance with DHS acquisition policy, the remaining three breach programs are aggressively executing DHS-approved remediation plans in an effort to rebaseline and remove the programs from breach status by the end of 2021. A detailed status of each breach program is provided to the DHS Chief Acquisition Officer and Acquisition Review Board (ARB) on a monthly basis to assess progress on remediation efforts and provide assistance, as appropriate.
- It should be noted that the existence of program breaches alone is not necessarily an indicator of portfolio health. While the Department’s goal is to eliminate breaches and their potential impacts to cost and schedule, unforeseen events or external factors occasionally materialize that affect program performance. Examples of external factors that have resulted in recent program breaches include: COVID-19 related impacts to supply chains and program testing activities, hurricanes that have impacted USCG ship construction along the Gulf Coast, and delays in acquiring land to deploy CBP capabilities along the southern border.

CURRENT STATUS

Requiring Program Documentation

- DHS ensures that programs obtain approval for all *Directive 102-01-001, Acquisition Management* required documentation for Acquisition Decision Events (ADEs). If a required document is not submitted and approved, either ARB meetings are postponed, or rationale for the deferral is provided in the associated Acquisition Decision Memoranda (ADM). This approach is consistent with *Directive 102-01-001, Acquisition Management*, Section V.F.2.
- *Directive 102-01-001, Acquisition Management* requires major programs to have a certification of acquisition funds memorandum signed by the Component Senior Financial Officials at ADE-2A. PARM tracks funding certifications for DHS major programs jointly with the Office of the Chief Financial Officer. This process ensures that cost baselines and associated spend plans established at each ADE are fully resourced and executable.
- Since FY 2017, the Office of the Chief Financial Officer Cost Analysis Division (CAD) has required annual updates to Life Cycle Cost Estimates to provide comparative data on planned and executed funds. Additionally, CAD has established an independent cost assessment (ICA) capability that has contributed to the improvement in program cost estimates Department-wide. These processes allow the Department to continually track program performance to ensure conformance with established cost thresholds.

Continuously Monitoring Program Health

- PARM continues to conduct quarterly portfolio assessments using the improved Acquisition Program Health Assessment (APHA) tool and report, which provide an accurate picture of program performance.
 - The APHA is conducted quarterly to allow for changes to be monitored over time and risks to be identified and mitigated before they lead to breaches.
 - The improved APHA, or APHA 2.0, has been operational since the October 2016 cycle. DHS stakeholders leveraged lessons learned from the first year of APHA collection and refined the ratings and weighted scores. Improvements included the addition of a new requirements category and five technology factors. The tool was updated again in 2019 to provide real-time access to previous APHA reports, online notifications, and commenting and adjudication actions within the tool. PARM has also continued to identify and implement process improvements over this period as well. These improvements enhance data quality, simplify, and integrate audit trail actions, and increase visibility of the assessments tracked and provided by raters. As a result, the cycle time to generate the final APHA report is reduced.
- PARM began to reengineer the existing APHA 2.0 to evolve its health assessment approach given improvements in program oversight and support processes in other areas. Over the last several cycles, PARM's insights derived from other oversight processes have outpaced APHA 2.0. The APHA 3.0 framework is still in the early stages. PARM is currently working with a federally funded research and development center (MITRE) to identify additional improvements for implementation, if appropriate.

Enhancing Program Data Quality and Availability

- PARM initiated a data innovation and analytics effort to enhance and improve on the structuring, standardization, value, insights, and use of PARM's authoritative source data across its applications and tools used to provide information on acquisition programs on the DHS Master Acquisition Oversight List (MAOL). The goal of this business intelligence project is to provide PARM with an authoritative, centralized data analytics platform and services hub that can further insights and improvements towards increasing data quality, responsiveness, and more evidenced-based, data-driven decisional analytics and reporting. Requirements and solution discovery began in March 2020 with active development work still underway towards operationalizing a minimum viable product.
- PARM continues to optimize the exchange of data with Unified View of Investments (UVI), which provides a unified, common operational "one-pager" to support and guide decisions and actions on major acquisitions. The one-pager's integrated view optimizes the cross-connected line of sight on the management records, audit, programmatic, staffing, contract, cost, budget planning, and financial execution data critical to leadership decision making.

Ensuring Strong Governance and Oversight:

- PARM continues to provide monthly High Visibility Program Briefings to ensure that senior leaders, including the Deputy Under Secretary for Management as Chief Acquisition Officer and DHS ARB members have a common understanding of acquisition programs' status and key issues.
 - High Visibility Program Briefing slides are formatted to include key information on: 1) all programs in a breach status, 2) programs that are having execution issues (reported from various sources, including APHA) that require management attention, 3) status of ADM action items for the entire portfolio, 4) potential new start programs, and 5) other information related to the health of the DHS portfolio. High Visibility Program Briefing slides are released to the entire ARB for comment prior to delivery to the Chief Acquisition Officer.
- In late FY 2020, PARM established individual monthly meetings with each Component Acquisition Executive (CAE) to enhance collaboration and better focus on issues affecting individual Component portfolios. These meetings are attended by the PARM Executive Director, each CAE and various staff members and are guided by a standard agenda that addresses readiness for upcoming ARBs, outstanding ADM action items and other emerging issues impacting portfolio performance.
- PARM continues to participate in annual CAE oversight reviews and individual program reviews for all Level 3 programs on the Master Acquisition Oversight List (MAOL). PARM began participating in portfolio reviews conducted by Component CAEs in FY 2017. PARM's participation in such reviews fulfills annual CAE oversight and Level 3 program review requirements stipulated by DHS *Directive* 102-01-010, *Level 3 Acquisition Management*. PARM completed all FY 2020 CAE oversight and Level 3 program reviews on time and is currently conducting the FY 2021 CAE oversight and Level 3 review cycle.

OUTCOME ACTION PLAN			
Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Demonstrate that DHS acquisition policies and processes are contributing to improved acquisition program performance.	December 2022	December 2021	Targeting a Fully Addressed rating. This action includes monitoring and tracking programs using the APHA report.
Demonstrated that all major programs are in compliance with policy documentation requirements.	December 2015	December 2015	Completed. All outstanding program documentation was completed as of December 2015. This is an ongoing action to ensure that programs approved for an ADE have program documents.
Began tracking program office health metrics.	August 2015	August 2015	Completed. This action included metrics to demonstrate compliance related to staffing.
Began tracking Department-level metrics.	August 2015	August 2015	Completed. This action included metrics to demonstrate Component Acquisition Executives' compliance with the Department's processes and policies.
Established program health metrics.	June 2015	June 2015	Completed. PARM also developed staffing metrics.
Established Department-level metrics to demonstrate compliance with processes and policies.	June 2015	June 2015	Completed.
Began tracking program metrics (i.e., cost, schedule, and performance).	May 2015	May 2015	Completed. This action included metrics related to the APB.
Reviewed and updated Directive 102-01-001, "Acquisition Management Instruction" to ensure that language is updated to include the Joint Requirements Council (JRC).	April 2015	April 2015	Completed. PARM incorporated elements from the Unity of Effort initiative, such as the JRC. This Instruction was updated to include touch points to the JRC.
Reviewed and updated Directive 102-01 to ensure language is updated to include the JRC.	March 2015	March 2015	Completed. This action was taken to incorporate new entities and processes being developed under the Unity of Effort initiative, such as the JRC.
Established cost, schedule, and performance metrics.	October 2014	February 2015	Completed. Established process to produce a quarterly Acquisition Metrics report.

Management Integration Outcome #1

Outcome Lead: Andrew Clayton

Outcome Executive: Janene Corrado

GAO Outcome: Management Integration Implementation – Implement the actions and outcomes specified within each management area (acquisition, information technology, financial, and human capital management) to develop consistent or consolidated processes and systems within and across its management functional areas.

GAO 2021 Outcome Rating

Initiated	Partially Addressed	Mostly Addressed	Fully Addressed
-----------	----------------------------	------------------	-----------------

CURRENT STATUS


The Department will advance the rating for this outcome by continuing to demonstrate sustainable progress integrating management functions within and across the Department, as well as fully addressing the remaining 12 outcomes not yet achieved.

- As of the March 2021 GAO High-Risk Series Report, GAO rated 73% (22 of 30) of outcomes as either Fully Addressed or Mostly Addressed,¹ including all outcomes in acquisition and human capital. The Department's standing in 2021 marks a significant improvement compared to 47% (14 of 30) in 2015 and in 26% (8 of 31) in 2013.² Furthermore, since 2017 DHS has advanced five GAO outcomes to Fully Addressed.
- In September 2021, GAO notified DHS that outcome HCM #6 (Increase Employee Engagement) was being advanced from Mostly Addressed to Fully Addressed due to sustained year-over-year improvements to the Department's scores on the Employee Engagement Index of the Federal Employee Viewpoint Survey.
- As of September 2021, *Strengthening Department of Homeland Security Management Functions* is one of only two remaining High-Risk areas to have met the majority of GAO's criteria for removal from the High-Risk List.³


¹ GAO, High-Risk Series: Dedicated Leadership Needed to Address Limited Progress in Most High-Risk Areas, GAO-21-119SP (Washington, D.C.: March, 3 2021).

² GAO reduced the total number of outcomes from 31 to 30 in March 2014, between the 2013 and 2015 *High-Risk Series* reports.

³ GAO, *High-Risk Series: Dedicated Leadership Needed to Address Limited Progress in Most High-Risk Areas*, GAO-21-119SP (Washington, D.C.: March, 3 2021), page 19. In 2021, DOD Support Infrastructure Management met all five criteria and was removed from the list. In addition, segments of three other areas improved sufficiently that GAO removed these segments from the list.

The background of the page features a large, faint, light blue watermark of the official seal of the U.S. Department of Homeland Security. The seal is circular and contains an eagle with its wings spread, holding an olive branch and arrows. The eagle's chest is covered by a shield with a top section of stars, a middle section of wavy lines, and a bottom section of a mountain range. The words "U.S. DEPARTMENT OF" are arched across the top, and "HOMELAND SECURITY" is arched across the bottom.

GAO High-Risk Ratings Summary

The background of the page features a large, faint, light blue watermark of the official seal of the U.S. Department of Homeland Security. The seal is circular and contains an eagle with its wings spread, perched atop a shield. The shield is divided into four quadrants: the top-left contains stars, the top-right contains wavy lines, the bottom-left contains a mountain range, and the bottom-right contains a bundle of arrows. The eagle's left talon holds an olive branch, and its right talon holds the bundle of arrows. The outer ring of the seal contains the text "U.S. DEPARTMENT OF HOMELAND SECURITY" in a serif font.

GAO High-Risk Ratings Summary



Functional Area	GAO Outcome	2019 GAO Ratings ¹	2021 GAO Ratings
FM 1	Clean opinion on all financial statements	Fully Addressed	Fully Addressed
FM 2	Clean opinion on internal controls	Partially Addressed	Partially Addressed
FM 3	Clean opinions for two years	Fully Addressed	Fully Addressed
FM 4	Clean opinions for two years on internal controls	Initiated	Initiated
FM 5	Compliance with FFIA	Partially Addressed	Partially Addressed
FM 6	USCG Financial Systems Modernization	Partially Addressed	Partially Addressed
FM 7	FEMA Financial Systems Modernization	Initiated	Initiated
FM 8	ICE Financial Systems Modernization	Initiated	Initiated
Human Capital Management (HCM)			
HCM 1	Implement Human Capital Plan	Fully Addressed	Fully Addressed
HCM 2	Link workforce planning to other Department planning efforts	Fully Addressed	Fully Addressed
HCM 3	Enhance recruiting to meet current and long-term needs	Fully Addressed	Fully Addressed
HCM 4	Base human capital decisions on competencies and performance	Fully Addressed	Fully Addressed
HCM 5	Seek employee input to strengthen human capital approaches	Fully Addressed	Fully Addressed
HCM 6	Improve Federal Employee Viewpoint Survey Scores	Partially Addressed	Fully Addressed
HCM 7	Assess and improve training, education & development programs	Mostly Addressed	Mostly Addressed
Information Technology Management (ITM)			
ITM 1	Achieve EAMFF Stage 4	Fully Addressed	Fully Addressed
ITM 2	Achieve ITIMF Stage 3	Fully Addressed	Fully Addressed
ITM 3	Achieve CMMI Level 2	Fully Addressed	Fully Addressed
ITM 4	Implement IT Human Capital Plan	Fully Addressed	Fully Addressed
ITM 5	Adhere to IT Program Baselines	Fully Addressed	Fully Addressed
ITM 6	Enhance IT Security	Mostly Addressed	Partially Addressed
Acquisition Management (APM)			
APM 1	Timely validate required acquisition documents	Fully Addressed	Fully Addressed
APM 2	Improve Component acquisition capabilities	Fully Addressed	Fully Addressed
APM 3	Establish and effectively operate the Joint Requirements Council	Mostly Addressed	Mostly Addressed
APM 4	Assess acquisition program staffing	Mostly Addressed	Mostly Addressed
APM 5	Establish oversight mechanisms to validate that acquisition programs are achieving goals and comply with Department policies	Partially Addressed	Mostly Addressed
Management Information (MI)			
MI 1	Implement actions / outcomes in each LOB	Partially Addressed	Partially Addressed
MI 2	Revise MI strategy to address previous recommendations	Fully Addressed	Fully Addressed
MI 3	Establish performance measures to assess ongoing progress	Fully Addressed	Fully Addressed
MI 4	Promote department-wide accountability through performance management system	Fully Addressed	Fully Addressed
Fully Addressed GAO Outcomes (out of 30)		17 (57%)	18 (60%)
Fully Addressed and Mostly Addressed GAO Outcomes (out of 30)		21 (70%)	22 (73%)

GAO Criteria	Definition	GAO Ratings as of 2021 ²
Leadership Commitment	Demonstrated strong commitment and top leadership support.	Met
Capacity	Agency has the capacity (i.e., people and resources) to resolve the risk(s).	Partially Met
Action Plan	A corrective action plan exists that defines the root cause, solutions, and provides for substantially completing corrective measures, including steps necessary to implement solutions [GAO] recommended.	Met
Monitoring	A program has been instituted to monitor and independently validate the effectiveness and sustainability of corrective measures.	Met
Demonstrated Progress	Ability to demonstrate progress in implementing corrective measures and in resolving the high-risk area.	Partially Met

Met or Fully Addressed	Mostly Addressed
------------------------	------------------

¹ **GAO Outcomes:** GAO rates DHS's progress using the following scale: **Fully Addressed** – Outcome is fully addressed; **Mostly Addressed** – Progress is significant and a small amount of work remains; **Partially Addressed** – Progress is measurable, but significant work remains; **Initiated** – Activities have been initiated to address the outcome, but it is too early to report progress. (Source: GAO-21-119SP, page 180).

² **GAO Criteria:** GAO rates agencies' progress using the following scale: **Met** – Actions have been taken that meet the criterion. There are no significant actions that need to be taken to further address this criterion; **Partially Met** – Some, but not all, actions necessary to meet the criterion have been taken; **Not Met** – Few, if any, actions towards meeting the criterion have been taken. (Source: GAO-21-119SP, page 4).