

# GAO Highlights

Highlights of [GAO-15-388T](#), a testimony before the Subcommittee on Oversight and Management Efficiency, Committee on Homeland Security, House of Representatives

## Why GAO Did This Study

GAO has regularly reported on government operations identified as high risk because of their increased vulnerability to fraud, waste, abuse, and mismanagement, or the need for transformation to address economy, efficiency, or effectiveness challenges. In 2003, GAO designated implementing and transforming DHS as high risk because DHS had to transform 22 agencies into one department, and failure to address associated risks could have serious consequences for U.S. national and economic security. While challenges remain for DHS across its range of missions, it has made considerable progress. As a result, in its 2013 high-risk update, GAO narrowed the scope of the high-risk area to focus on strengthening and integrating DHS management functions (human capital, acquisition, financial, and information technology). As requested, this statement discusses, among other things, DHS's progress and actions remaining in strengthening and integrating its management functions. This statement is based on GAO's 2015 high-risk update and reports and testimonies from September 2011 through February 2015. Among other things, GAO analyzed DHS strategies and interviewed DHS officials.

## What GAO Recommends

This testimony contains no new recommendations. GAO has made about 2,200 recommendations to DHS since 2003 to strengthen its management efforts, among other things. DHS has implemented more than 69 percent of these recommendations and has actions under way to address others.

View [GAO-15-388T](#). For more information, contact Rebecca Gambler at (202) 512-8777 or [gambler@gao.gov](mailto:gambler@gao.gov).

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## DEPARTMENT OF HOMELAND SECURITY

### Progress Made, but More Work Remains in Strengthening Management Functions

## What GAO Found

As GAO reported in its 2015 high-risk update report earlier this month, the Department of Homeland Security's (DHS) efforts to strengthen and integrate its management functions have resulted in the department meeting two and partially meeting three of GAO's criteria for removal from the high-risk list (see table).

**Assessment of Department of Homeland Security (DHS) Progress in Addressing the Strengthening DHS Management Functions High-Risk Area, as of February 2015**

Criterion for removal from high-risk list	Met <sup>a</sup>	Partially met <sup>b</sup>	Not met <sup>c</sup>
Leadership commitment	X		
Corrective action plan	X		
Capacity (having sufficient resources)		X	
Framework to monitor progress		X	
Demonstrated, sustained progress		X	
<b>Total</b>	<b>2</b>	<b>3</b>	<b>0</b>

Source: GAO analysis of DHS documents, interviews, and prior GAO reports. | GAO 15-388T

<sup>a</sup>Met: There are no significant actions that need to be taken to further address this criterion.

<sup>b</sup>Partially met: Some but not all actions necessary to generally meet the criterion have been taken.

<sup>c</sup>Not met: Few, if any, actions toward meeting the criterion have been taken.

For example, the department's Deputy Secretary, Under Secretary for Management, and other senior officials have continued to demonstrate leadership commitment by frequently meeting with GAO to discuss the department's plans and progress in addressing the high-risk area. DHS has also established a plan for addressing the high-risk area, which it has updated seven times since 2010. However, DHS needs to show additional progress in other areas. For example, in October 2014, DHS identified that it had resources needed to implement 7 of 11 initiatives the department had under way to address the high-risk area, but did not identify sufficient resources for the 4 remaining initiatives.

Key to addressing the department's management challenges is DHS demonstrating the ability to achieve sustained progress across 30 actions and outcomes that GAO identified and DHS agreed were needed to address the high-risk area. GAO found in its 2015 high-risk update report that DHS fully addressed 9 of these actions and outcomes, while work remains to fully address the remaining 21. Of the 9 actions and outcomes that DHS has addressed, 5 have been sustained as fully implemented for at least 2 years. For example, DHS fully met 1 outcome for the first time by obtaining a clean opinion on its financial statements for 2 consecutive years. DHS has also mostly addressed an additional 5 actions and outcomes, meaning that a small amount of work remains to fully address them. However, DHS has partially addressed 12 and initiated 4 of the remaining actions and outcomes. For example, DHS does not have modernized financial management systems, a fact that affects its ability to have ready access to reliable information for informed decision making. Addressing some of these actions and outcomes, such as modernizing the department's financial management systems and improving employee morale, are significant undertakings that will likely require multiyear efforts. In GAO's 2015 high-risk update report, GAO concluded that in the coming years, DHS needs to continue to show measurable, sustainable progress in implementing its key management initiatives and achieving the remaining 21 actions and outcomes.