

**20 YEARS AFTER 9/11: TRANSFORMING DHS TO  
MEET THE HOMELAND SECURITY MISSION**

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**HEARING**

BEFORE THE

**SUBCOMMITTEE ON  
OVERSIGHT, MANAGEMENT,  
AND ACCOUNTABILITY**

OF THE

**COMMITTEE ON HOMELAND SECURITY  
HOUSE OF REPRESENTATIVES  
ONE HUNDRED SEVENTEENTH CONGRESS**

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## **20 YEARS AFTER 9/11: TRANSFORMING DHS TO MEET THE HOMELAND SECURITY MIS- SION**

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**Thursday, September 30, 2021**

U.S. HOUSE OF REPRESENTATIVES,  
COMMITTEE ON HOMELAND SECURITY,  
SUBCOMMITTEE ON OVERSIGHT, MANAGEMENT,  
AND ACCOUNTABILITY,  
*Washington, DC.*

The subcommittee met, pursuant to notice, at 2:01 p.m., via Webex, Hon. J. Luis Correa (Chairman of the subcommittee) presiding.

Present: Representatives Correa, Titus, Torres, Meijer, Bishop, and Harshbarger.

Also present: Representative Langevin.

Mr. CORREA. The Subcommittee on Oversight, Management, and Accountability will now come to order.

Without objection, the Chair is authorized to declare the subcommittee in recess at any time.

Let me begin by thanking everyone for joining us today.

This month, as you know, we have commemorated 20 years since the tragic 9/11 cowardly attack on our country that essentially led to the creation of the Homeland Security Department and this committee.

As we look back on the last two decades, it is impossible to ignore how much has changed. The threats to our homeland and the ones we face today have grown beyond foreign terrorists to include cyber attacks, climate change, and domestic violent extremism. To meet these new threats, the Department of Homeland Security has evolved as well.

A department that was once barely more than a collection of 22 Federal agencies has matured to become more cohesive and, therefore, more effective. But ensuring the Department's many components work together, coordinated in tandem, is a daily effort that still needs much more work.

Over the years, several Secretaries of Homeland Security have made it a priority to unify the departments and to consolidate management functions within a strong centralized headquarters. Many DHS components existed as independent agencies for decades before the Department was created, and each had its own histories and each its own cultures. Although these agencies have been brought together under one umbrella, they don't always work together as they should. DHS headquarters often lack the ability to

adequately coordinate these policies, resources, and oversight as a whole.

We have made progress. Today, DHS has created new offices to better coordinate information sharing, strategic planning, and overlapping operations. Today, I look forward to hearing from two representatives from DHS's Management Directorate about how the Department has changed and evolved over the last 20 years and how it is taking on new and evolving challenges.

I also look forward to hearing from the Government Accountability Office, which has provided consistent oversight over the Department since its creation, especially through its biannual "High-Risk List," which is a report that identifies Government operations with significant vulnerabilities to fraud, waste, and abuse and mismanagement.

When this department, DHS, was first created, GAO added implementing and transforming the new Department of Homeland Security to its "High-Risk List." In 2003, GAO noted that such a task was, "an enormous undertaking that will take time to achieve in an effective and efficient manner," but that failure to do so, "would expose our Nation to potentially very serious consequences." DHS has transformed itself over the last 20 years, and its designation on the "High-Risk List" has changed as well.

Now, GAO's recommendations are more focused on improving the Department's management functions. Although DHS has made significant progress over the years, it continues to struggle with integrating and strengthening the core functions that affect every single aspect of the agency. This includes the management of information technology, human capital, acquisition, finances—all of which are housed within the Department's Management Directorate.

These remain on the list, in many ways because they are issues that offer the most challenges to a decentralized headquarters. The constant push and pull between operational components and headquarters have hampered the Department's ability to develop a strong and unified approach to these core issues.

But taking on these problems is key to ensuring that DHS can continue to protect the homeland from all threats—those we faced 20 years ago and those that we are facing now and those that we will face in the future.

I do look forward to hearing more about how DHS has grown into the agency it is today, as well as how we can help them—we can help them continue to mature and meet these enduring and evolving challenges.

With that, I thank you again, all, for joining us today.

[The statement of Chairman Correa follows:]

STATEMENT OF CHAIRMAN LOU CORREA

SEPTEMBER 30, 2021

This month, we commemorate 20 years since the tragic 9/11 terrorist attacks, which led to the creation of the Department of Homeland Security and this committee. As we look back on the last two decades, it's impossible to ignore how much has changed. The threats our homeland faces today have grown beyond foreign terrorists to include cyber attacks, climate change, and domestic violent extremism.

To meet these new and existing threats, the Department of Homeland Security has evolved as well. A Department that was once barely more than a collection of 22 disparate Federal agencies has matured to become more cohesive and therefore

more effective. But ensuring the Department's many components work in tandem is a daily effort and there is still much progress to be made.

Over the years, several Secretaries of Homeland Security have made it a priority to unify the Department and to consolidate management functions within a strong, centralized headquarters. Many DHS components existed as independent agencies for decades before the Department was created, and each had their own distinct histories and cultures. Although these agencies had been brought together under one umbrella, they didn't always function as one cohesive Department. DHS headquarters often lacked the ability to adequately coordinate policies, resources, and oversight of the Department as a whole. But significant improvements have been made. DHS has created new offices to better coordinate information sharing, strategic planning, and overlapping operations.

Today, I look forward to hearing from two representatives of DHS's Management Directorate about how the Department has evolved over the last 20 years and how it is tackling on-going and new challenges. I also look forward to hearing from the Government Accountability Office (GAO), which has provided consistent oversight over the Department since its creation, particularly through its biennial High-Risk List—a report which identifies Government operations with significant vulnerabilities to fraud, waste, abuse, and mismanagement.

When DHS was first created, GAO added "Implementing and Transforming the New Department of Homeland Security" to its High-Risk List. In 2003, GAO noted that such a task was an "enormous undertaking that will take time to achieve in an effective and efficient manner." But that failure to do so would "expose the Nation to potentially very serious consequences." DHS has transformed itself over the last nearly 20 years, and its designation on the High-Risk List has changed as well.

Now, GAO's recommendations are more narrowly focused on improving the Department's management functions. Because although DHS has made significant progress over the years, it continues to struggle with integrating and strengthening the core functions that affect every single aspect of the agency. This includes the management of information technology, human capital, acquisition, and finances, all of which are housed within the Department's Management Directorate. They remain on the list in many ways because they are the issues that suffer the most from a decentralized headquarters. The constant push and pull between operational components and headquarters have hampered the Department's ability to develop a strong and unified approach to these core issues.

But tackling these problems is key to ensuring that DHS can continue to protect the homeland from all threats, those we faced 20 years ago and those we may face in the future. I look forward to hearing more about how DHS has grown into the agency it is today as well as how we can help them continue to mature and meet these enduring challenges.

Mr. CORREA. I would like to recognize the Ranking Member of the subcommittee, the gentleman from Michigan, Mr. Peter Meijer, for his opening statement.

Mr. Meijer, welcome.

Mr. MEIJER. Thank you, Mr. Chairman, for holding this important hearing today.

Thank you to our witnesses from DHS and GAO.

This hearing comes at a critical time for the Department of Homeland Security. DHS was created in the wake of the most devastating terrorist attacks to occur on U.S. soil, and when we lost nearly 3,000 Americans on 9/11, we vowed as a Nation to prevent any such attack from occurring again.

We passed the 20-year anniversary of 9/11 this month and find ourselves facing a multifaceted threat landscape that is constantly evolving. As new threats continue to emerge, we are also seeing conditions that resemble those that existed in the days leading up to the tragic attacks 20 years ago.

The United States has withdrawn from Afghanistan, and there is real concern that the swift Taliban takeover of the country, coupled with the mismanaged U.S. withdrawal, has left a vacuum in which terrorist groups will reconstitute and proliferate.

At the same time, DHS is leading the enormous task of vetting and resettling over 60,000 evacuees from Afghanistan into the United States. Operations Allies Welcome will be a complicated, time-consuming effort for the Department, and DHS does not have the luxury of focusing solely on this issue.

The threat landscape has expanded beyond the actions of foreign terrorist organizations like al-Qaeda that served as the original catalyst for the creation of the Department. But, as a result, DHS must be prepared to handle an increasing number of new threats, including cyber attacks, challenges on the border with migrant surges, and encroachment on U.S. economic security as foreign actors seek unique ways to negatively influence our democracy. DHS must be prepared to handle all of these threats and more.

We recognize and commend the dedicated work the Department and its employees have undertaken and all that they have accomplished over the past 20 years. It is no easy task to create a new organization, and even more difficult to combine 22 distinct entities into 1 cohesive unit.

Where DHS has certainly made great strides over the years, it remains lacking in several key areas. The Government Accountability Office published its most recent “High-Risk List” in March of this year. The list delineates high-risk Government programs and operations as well as providing a status report of the Government’s efforts to address these high-risk areas.

This year, GAO emphasized that the Department must continue implementing its integrated strategy for high-risk management, which outlines progress related to strengthening and integrating information technology, financial management, human capital management, and acquisitions.

By GAO’s assessment, DHS is still lacking in areas to build capacity in its acquisition programs, IT, and financial systems. The these areas are critical to supporting the safety and security of DHS’s numerous missions at home and abroad.

Specifically, of the 5 management functions GAO assesses for every program and operation, DHS is meeting 3 of them but only partially meeting 2, the 2 regarding capacity and demonstrated progress functions. I cannot stress how vital it is that DHS missions have the proper people, resources, and systems in place to reduce risks in its programs and operations.

This could not be clearer than in DHS’s efforts to help Afghan evacuees. DHS has appointed Bob Fenton, a regional FEMA administrator, to lead the interagency Unified Coordination Group in charge of vetting and resettling evacuees from Afghanistan.

This gives DHS the incredible responsibility for the lives of tens of thousands of evacuees while it is still dealing with other domestic challenges, including the on-going COVID-19 pandemic and the fallout from the worst hurricane season on record. The demands on DHS personnel are compounded by shortages of personnel in key areas across the Department, which GAO cited as limiting factors in their 2021 report.

Before coming to Congress, I witnessed first-hand as countries struggled with these kinds of crises around the world. I led disaster-response operations both in the United States and abroad, assisting communities that have been impacted by natural disasters,

and I spent close to 2 years in Afghanistan as a conflict analyst with the humanitarian aid community, working to protect aid workers who were delivering vital assistance to those in need.

Without the full support of my coworkers, I would have been at a loss in these disaster-relief efforts. Similarly, without proper capacity at every level in DHS, each of its components will struggle for success.

In terms of DHS's ability to demonstrate progress, I am interested to learn what steps DHS takes or plans to take to resolve these high-risk areas. It is imperative that we see the Department's acquisition processes, IT systems, and financial oversight capacity, as well as human capital and management, functioning at the highest possible levels. With the current global threat landscape in massive flux, we cannot leave anything to chance with the programs and operations meant to keep our homeland secure.

Mr. Chairman, thank you again for holding this hearing, and I sincerely look forward to hearing our witnesses' testimony today and working closely with the Department to ensure it reaches its full and vital potential.

[The statement of Ranking Member Meijer follows:]

STATEMENT OF RANKING MEMBER PETER MELJER

Thank you, Mr. Chairman, for holding this important hearing today, and thank you to our witnesses from DHS and GAO.

This hearing comes at a critical time for the Department of Homeland Security. DHS was created in the wake of the most devastating terrorist attacks to occur on U.S. soil. We lost nearly 3,000 Americans on 9/11, and we vowed as a Nation to prevent any such attack from occurring again.

We passed the 20-year anniversary of 9/11 this month and find ourselves facing a multifaceted threat landscape that is constantly evolving. As new threats continue to emerge, we are also seeing conditions that resemble those that existed in the days leading up to the tragic attacks 20 years ago. The United States has withdrawn from Afghanistan and there is real concern that the swift Taliban takeover of the country, coupled with the egregiously mismanaged U.S. withdrawal, has left a vacuum in which terrorist groups will proliferate. At the same time, DHS is leading the enormous task of vetting and resettling over 60,000 evacuees from Afghanistan into the United States.

Operation Allies Welcome will be a complicated, time-consuming effort for the Department, and DHS unfortunately cannot focus solely on this issue. The threat landscape has expanded beyond the actions of Foreign Terrorist Organizations like al-Qaeda that served as the catalyst to create the Department. As a result, DHS must be prepared to handle an increasing number of new threats such as cyber attacks, surges of migrants that undermine our Nation's border security, and encroachments on U.S. economic security as foreign bad actors seek unique ways to negatively influence our democracy.

DHS must be prepared to handle all these threats and more. We recognize and commend the dedicated work the Department and its employees have undertaken and all they have accomplished over the past 20 years. It is no easy task to create an entirely new organization. It is even more difficult to combine 22 distinct entities into one cohesive unit. While DHS has certainly made great strides over the years, it remains lacking in several key areas.

The Government Accountability Office published its most recent High-Risk List in March of this year. This list delineates high-risk Government programs and operations as well as a status report of the Government's efforts to address high-risk areas. This year, GAO emphasized that the Department must continue implementing its Integrated Strategy for High-Risk Management, which outlines progress related to strengthening and integrating information technology, financial management, human capital management, and acquisitions.

By GAO's assessment, DHS is still lacking in areas to build capacity in its acquisition programs, information technology, and financial systems management. These areas are critical to supporting the safety and security of DHS's numerous missions at home and abroad. Specifically, of the 5 management functions GAO assesses for

every program and operation, DHS is meeting three of them, but only partially meeting two, the two regarding capacity and demonstrated progress functions.

I cannot stress enough how vital it is to DHS missions to have the proper people, resources, and systems in place to reduce risks in its programs and operations. This couldn't be clearer than in DHS's efforts to help Afghan evacuees. DHS has appointed Bob Fenton, a regional FEMA administrator, to lead the interagency Unified Coordination Group in charge of vetting and resettling evacuees from Afghanistan. This gives DHS the incredible responsibility for the lives of tens of thousands of evacuees while it is still dealing with other domestic challenges, including the ongoing COVID-19 pandemic and the fallout from the worst hurricane season on record. The demands on DHS personnel are compounded by personnel shortages in key areas across the Department, which GAO cited as limiting factors in their 2021 report.

Before coming to Congress, I witnessed first-hand as communities struggled with these kinds of crises around the world. I led disaster response operations both in the United States and abroad, assisting communities that had been impacted by natural disasters, and I spent 2 years in Afghanistan as a conflict analyst with the humanitarian aid community, working to protect aid workers who were delivering vital assistance to those in need. Without the full support of my coworkers, I would have been at a loss in those disaster relief efforts. Similarly, without proper capacity at every level in DHS, each of its components will struggle for success.

In terms of DHS's ability to demonstrate progress, I am very interested to learn what steps DHS plans to take to resolve high-risk areas. It is imperative that we see the Department's acquisition processes, IT systems, financial oversight, and human capital management functioning at the highest possible levels. With the current global threat landscape in massive flux, we cannot leave anything to chance with the programs and operations meant to keep our homeland secure.

Mr. Chairman, thank you again for holding this hearing. I am sincerely looking forward to hearing our witnesses' testimonies today and working closely with the Department to ensure it reaches its full potential.

Mr. CORREA. I want to thank the Ranking Member for his comments. I want to thank the Ranking Member also for your service to our country. Duly noted. Thank you very much.

Members are also reminded the committee will operate according to the guidelines laid out by the Chairman and the Ranking Member in their February 3 colloquy regarding remote procedures.

Without objection, Members on the subcommittee shall be permitted to sit and question the witnesses—that is, Members not on the subcommittee shall be permitted to sit and question the witnesses.

Member statements may be submitted for the record.  
[The statement of Chairman Thompson follows:]

STATEMENT OF CHAIRMAN BENNIE G. THOMPSON

SEPTEMBER 30, 2021

I have been a Member of this committee since it was stood up, and I have witnessed the many challenges DHS has faced since it was established. For example, shortly after the Department's creation, it was placed on the Government Accountability Office's (GAO's) High-Risk List given the challenges associated with consolidating 22 existing Federal agencies into one new Department. After much progress, in 2013, GAO and the Department agreed to 30 specific outcomes DHS needed to achieve for removal from the High-Risk List.

I am encouraged by the fact that, over the last 8 years, DHS has fully addressed 17 of these 30 outcomes. I look forward to hearing more about the Department's efforts to address the remaining challenges as well as any recommendations GAO has for achieving that goal.

One exercise that assists the Department in addressing challenges and establishing long-term strategies is the development of the Quadrennial Homeland Security Review (QHSR). The QHSR is a statutorily-required, comprehensive examination of the homeland security strategy of the United States. Despite several public promises from DHS officials that its release was imminent, the Trump administration failed to issue the 2017 QHSR. Unfortunately, that means it's been 7 years since the last QHSR was issued. While the Management Directorate is not specifi-

cally responsible for drafting the QHSR, I sincerely hope that current leadership completes a timely QHSR.

I am committed to ensuring that the Department is well-positioned to meet the challenges it faces today. The Trump administration left key DHS leadership positions vacant, undermining the Department's progress toward adequate coordination of policy, resources, and oversight.

Accordingly, in July, I introduced the "DHS Reform Act" to improve DHS operations and address lessons learned from the mismanagement, waste, and abuse under President Trump. The Act promotes continuity and confidence in Department leadership by placing additional restrictions on who can serve in "acting" roles. It also authorizes the under secretary for management to serve a 5-year term, which will ease transitions from one administration to the next. The Act takes steps to codify the spirit of former-Secretary Jeh Johnson's "Unity of Effort" campaign.

For example, the legislation would centralize oversight of DHS' multi-billion-dollar portfolio of acquisition programs under the Management Directorate. Furthermore, the Act strengthens Constitutional protections in the Department's programs and activities by granting the DHS Privacy Office and Office for Civil Rights and Civil Liberties additional authorities and further integrating those offices with operational components. These are just a few of the Act's highlights, and I anticipate working with leadership at the Department to make these reforms a reality.

I also look forward to working with the acting under secretary for management—who has a wealth of experience serving in many roles throughout the Department—as well as the chief human capital officer on efforts to address challenges facing the Department. Finally, I always appreciate the straightforward testimony offered by GAO and look forward to hearing from Mr. Currie.

Mr. CORREA. If I can, I would like to turn now to our panel of witnesses.

First, we have Mr. Chris Currie. Mr. Currie is a director on the Homeland Security and Justice Team at the Government Accountability Office, or GAO. He leads the agency's work on emergency management, disaster response and recovery, and DHS management and high-risk issues. Mr. Currie has been with GAO since 2002 and has been the recipient of numerous agency awards, including the Meritorious Service Award in 2008.

Welcome, Mr. Currie.

Our second witness is Mr. Tex Alles, who serves as the acting under secretary for management at DHS. In this role, he oversees all aspects of the Department's management functions, including financial, human capital, information technology, procurement, security, and asset management. Mr. Alles has served in many senior leadership roles since joining the Department in 2012 and most recently served as director of the Secret Service.

Our final witness is Ms. Angela Bailey, chief human capital officer at DHS. Ms. Bailey is responsible for the Department's human capital program, including human resource policy, recruitment, and hiring, and employee development. She has dedicated more than 40 years as a career public servant, with 34 of those years in human resources. Ms. Bailey was appointed to her current position in January 2016.

Without objection, the witnesses' full statements will be inserted into the record.

I will now ask each witness to summarize his or her statement in 5 minutes, and I will begin with Mr. Currie.

Welcome, sir.

**STATEMENT OF CHRIS CURRIE, DIRECTOR, HOMELAND SECURITY AND JUSTICE TEAM, GOVERNMENT ACCOUNTABILITY OFFICE**

Mr. CURRIE. Thank you, sir. Thank you, Chairman Correa, Ranking Member Meijer, and others. It is honor to be here to discuss GAO's work on DHS.

As you and the Ranking Member said in your opening statement, DHS has been on GAO's "High-Risk List" since it first opened its doors in 2003. We did this because combining 22 separate agencies was a massive challenge. Many of its agencies already had major challenges from the start, and the effective creation was critical to National security as well.

I think it is important in this hearing to reflect over the last 20 years on how DHS has evolved and the tremendous transformational progress they have made. There are several reasons for the progress, which you talked about in your opening statement.

First has been leadership commitment. At GAO, we have more than 30 high-risk areas across Government and many more that we have taken off the list over the years. There is not an agency or a management team more committed or involved in addressing these issues than the ones at DHS. For example, they meet with us quarterly. They do a strategy twice a year. We have seen tremendous commitment to these issues.

Second, DHS devotes resources to these issues and measures progress, which is critical. For example, dedicated teams manage each individual outcome area and ensure accountability in the agency.

Another reason for progress has been consistent Congressional oversight over 20 years. Hearings like this one and hearings in the Senate keep the spotlight pointed on this issue and encourage steady progress. As a result, DHS has transformed from a fragmented department without a clear culture to the third-largest Cabinet agency with almost 250,000 people and arguably the most diverse and difficult mission in all of Government. I have personally seen this over the last 19 years working with the Department.

However, while progress has been made, it is still the newest department, and more work is needed before we can take it off our "High-Risk List." Specifically, we monitor DHS progress across several key areas, including human capital, IT management, acquisitions, and financial management. So far, DHS has addressed 18 of the 30 areas that we measure and is working to address the remaining 12.

I would like to highlight some of the most challenging areas left to address.

In the area of acquisitions, DHS continues to implement more disciplined processes to better manage acquisitions across the Department. However, in our most recent look at major acquisitions, we found that 10 of the 24 major acquisition programs we looked at did not meet cost or schedule goals. In some cases, this was because DHS underestimated a program's complexity or the requirements needed for the program.

Financial management has been another very challenging area. While DHS has made progress, the initial challenge was so great that there is still a long way to go. To use a private-sector analogy,

you can imagine if 22 large corporations had to combine financial systems and processes.

For example, DHS has now received a clean audit opinion on its financial statements for 8 years straight, which is a major achievement. However, it struggles to modernize several of its financial systems. Specifically, DHS needs to effectively implement its long-term systems modernization efforts at the Coast Guard and particularly at FEMA, who manages this lion's share of the Department's dollars and grants that go out the door.

FEMA's system is over 25 years old and manages a huge well-over-\$100-billion portfolio of DHS funds, including grants. They have only begun steps to begin the modernization of FEMA, and it is going to be many more years before there is a new system in place.

Last, I have to talk about employee morale. This has been a focus of much attention over the years, and the story is way more complicated than simply saying DHS ranks last among large departments. No issue likely frustrates the folks on this hearing from DHS more.

We have seen tremendous efforts to understand the root causes of this issue and determine how to address it. The bottom line is that some DHS components have high morale scores and others don't. The larger components, like TSA and CBP, consistently rank lower and bring the collective Departmental scores down.

What we have seen is that more focused oversight and attention is needed on the components and more accountability by their leadership. It is very hard for top-level DHS actions to trickle deep into the components and make change. Component heads and management are the key to making progress in their respective agencies, and we have recently made a number of recommendations to ensure this happens.

This concludes my statement, and I look forward to the questions.

[The prepared statement of Mr. Currie follows:]

PREPARED STATEMENT OF CHRIS CURRIE

SEPTEMBER 30, 2021

HIGHLIGHTS

Highlights of GAO-21-105418, a testimony before the Subcommittee on Oversight, Management, and Accountability, Committee on Homeland Security, House of Representatives.

*Why GAO Did This Study*

The events of September 11, 2001, led to profound changes in Government agendas, policies, and structures to confront homeland security threats. In 2003, DHS began operations, with missions to prevent terrorist attacks and reduce the country's vulnerability to future terrorism. GAO's High-Risk List identifies programs and operations (such as DHS's management functions) that are vulnerable to waste, fraud, abuse, or mismanagement, or in need of transformation. GAO's 5 criteria for removing areas from the High-Risk List guide the assessment of DHS's progress.

This statement addresses DHS's progress and actions needed to strengthen its management functions. It is based on reports in GAO's high-risk series, including its most recent March 2021 update, as well as selected updates on DHS's efforts as of September 2021. For this work, GAO analyzed DHS documents and data and interviewed DHS officials.

*DHS Progress against High-Risk List Removal Criteria*

**Figure 1: GAO's 2021 High-Risk Rating for Strengthening Department of Homeland Security Management Functions**



Source: GAO analysis. | GAO-21-105418

**DEPARTMENT OF HOMELAND SECURITY.—PROGRESS MADE STRENGTHENING MANAGEMENT FUNCTIONS, BUT WORK REMAINS**

*What GAO Found*

Shortly after the Department of Homeland Security (DHS) was formed, GAO designated implementing and transforming DHS as a high-risk area to the Federal Government because it had to transform 22 agencies—several with major management challenges—into one department.

*Progress made.*—In 2013, GAO reported that challenges remained for DHS across its range of missions, but that the Department had made considerable progress transforming its original component agencies into a single Cabinet-level department. As a result, GAO narrowed the scope of the high-risk area to focus on strengthening DHS management functions—specifically acquisition, information technology, financial, and human capital management.

DHS's efforts to strengthen and integrate its management functions have resulted in the Department meeting 3 of 5 criteria for removal from GAO's High-Risk List—demonstrating leadership commitment, having an action plan, and monitoring the effectiveness of its actions. DHS has partially met the remaining two criteria for removal—having sufficient capacity and demonstrating progress.

Several factors contributed to DHS's success in narrowing the scope of the high-risk area. These include:

- DHS's top leaders demonstrated leadership commitment and support for addressing the Department's challenges, which helped ensure sustained, consistent progress in this high-risk area.
- DHS consistently communicated its efforts and regularly sought constructive and specific feedback from GAO on its strategy and approach to addressing the high-risk area.

*Work remaining.*—Continued progress for this high-risk area depends on DHS addressing its remaining management challenges. For example, DHS needs to make additional progress identifying and allocating resources in acquisition and financial management. For instance:

- DHS lacks acquisition support staffing plans and has not clearly defined which acquisition positions are critical for oversight responsibilities, limiting DHS's insight into whether it has appropriate staff to carry out its duties.
- DHS's financial statement auditor identified several capacity-related issues, including resource limitations and inadequate staff training, resulting in material weaknesses in its 2020 financial statements.

DHS also has work remaining to demonstrate progress implementing corrective measures. Specifically, of the 30 outcome measures GAO uses to gauge the Department's progress, DHS has not yet fully addressed 12 of 30 measures. For example, DHS needs to effectively implement its long-term financial systems modernization efforts and use Department-wide training data to inform its human capital programs.

In the coming years, DHS needs to continue implementing its remaining work and sustaining its progress to-date.

Chairman Correa, Ranking Member Meijer, and Members of the subcommittee: I am pleased to be here today to discuss the Department of Homeland Security's (DHS) management challenges and its progress in addressing them. The Nation recently passed the 20-year anniversary of the September 11, 2001, terrorist attacks. The events of that day led to profound changes in Government agendas, policies, and structures to confront homeland security threats facing the Nation. Most notably, DHS began operations in 2003 with key missions that included preventing terrorist attacks from occurring in the United States, reducing the country's vulnerability to terrorism, and minimizing the damages from any attacks that may occur. This milestone provides an opportunity to reflect on the progress DHS has made since its establishment and challenges it continues to face.

In 2003, shortly after the Department was formed, we designated Implementing and Transforming DHS as a high-risk area to the Federal Government.<sup>1</sup> DHS has since taken steps to address this high-risk area, including implementing key homeland security operations and achieving important goals in many areas. For example, DHS has implemented 73 percent of the approximately 6,200 recommendations we have made since 2003, resulting in strengthened program management, performance measurement, and other impacts. As DHS matured and evolved, we narrowed the focus of this high-risk area in 2013 to Strengthening DHS Management Functions. This narrowing recognized DHS's progress and the significant challenges that remained. We continue to closely monitor DHS's efforts and regularly meet with DHS management to discuss progress.

Our 5 criteria for removing areas from the High-Risk List guide our discussions with DHS and our assessments of its progress. Specifically, the agency must have: (1) A demonstrated strong commitment and top leadership support to address the risks (leadership commitment); (2) the capacity—the people and other resources—to resolve the risks (capacity); (3) a corrective action plan that identifies the root causes, identifies effective solutions, and provides for substantially completing corrective measures in the near term, including but not limited to steps necessary to implement solutions we recommended (action plan); (4) a program instituted to monitor and independently validate the effectiveness and sustainability of corrective measures (monitoring); and (5) the ability to demonstrate progress in implementing corrective measures (demonstrated progress).

My statement discusses DHS's progress addressing high-risk issues and remaining actions needed to strengthen and integrate its management functions. This statement is based on reports in our high-risk series, including our most recent March 2021 high-risk update, as well as selected updates on employee engagement as of September 2021 based on our on-going monitoring of DHS's efforts to address this high-risk area.<sup>2</sup> For this work, we analyzed DHS strategies and other documents related to the Department's efforts to address its high-risk areas and interviewed DHS officials, among other actions. More detailed information on the scope and methodology of our prior work can be found within each specific report. We provided the information from our on-going monitoring effort to DHS for review. DHS provided technical comments, which we incorporated as appropriate.

We conducted the work on which this statement is based in accordance with generally accepted Government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

<sup>1</sup> GAO's High-Risk List identifies programs and operations that are vulnerable to waste, fraud, abuse, or mismanagement, or in need of transformation. We issue an update to the High-Risk List every 2 years at the start of each new session of Congress. Our most recent update was issued in March 2021. See GAO, *High-Risk Series: Dedicated Leadership Needed to Address Limited Progress in Most High-Risk Areas*, GAO-21-119SP (Washington, DC: Mar. 2, 2021).

<sup>2</sup> See, for example, GAO-21-119SP; GAO, *High Risk: Important Progress Made, but More Work Needed to Strengthen DHS Management*, GAO-19-475T (Washington, DC: Apr. 3, 2019), and *High-Risk Series: An Update*, GAO-13-283 (Washington, DC: Feb. 2013).

## DHS CONTINUES TO WORK TO ADDRESS ITS HIGH-RISK ISSUES

*DHS's Progress Led to Narrowing the High-Risk Focus to DHS Management Functions*

In 2003, we designated implementing and transforming DHS as high-risk because DHS had to transform 22 agencies—several with major management challenges—into one department. Further, failure to effectively address DHS's management and mission risks could have serious consequences for U.S. National and economic security. Given the significant effort required to build and integrate a department as large and complex as DHS, our initial high-risk designation addressed the Department's initial transformation and subsequent implementation efforts.

In 2007 and 2009, we reported that DHS made progress implementing its range of missions and that it needed to address various programmatic and management challenges. DHS's initial focus on implementing its mission was understandable given the critical homeland security needs facing the Nation at the time, as well as the unique challenges facing DHS in creating, integrating, and transforming the Department.

In 2011, we reported in our assessment of DHS's progress and challenges 10 years after 9/11 that the Department had implemented key homeland security operations and achieved important goals in many areas, thus creating a foundation for reaching its potential.<sup>3</sup> However, we also identified that DHS needed to complete more work to address weaknesses in its operational and implementation efforts, including strengthening the efficiency and effectiveness of those efforts. We further reported that continuing weaknesses in DHS's management functions had been a key theme hindering the Department's implementation efforts.

In 2013, we reported that challenges remained for DHS across its range of missions, but that the Department had made considerable progress transforming its original component agencies into a single Cabinet-level department. As a result, we narrowed the scope of the high-risk area to focus on strengthening DHS management functions—acquisition, information technology (IT), financial, and human capital management—in addition to integrating these management functions. Management integration requires DHS to implement actions and outcomes in each management area to develop consistent or consolidated processes and systems within and across its management functional areas (such as better managing investments and management functions across the Department's component agencies). We also changed the name of the high-risk area to Strengthening DHS Management Functions to reflect this focus.<sup>4</sup>

*DHS Has Made Progress in Strengthening Its Management Functions, but Work Remains*

DHS's efforts to strengthen and integrate its acquisition, IT, financial, and human capital management functions have resulted in the Department meeting 3 of 5 criteria for removal from the High-Risk List—leadership commitment, action plan, and monitoring. DHS has partially met the remaining two criteria—capacity and demonstrated progress, as shown in figure 1.

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<sup>3</sup>GAO, *Department of Homeland Security: Progress Made and Work Remaining in Implementing Homeland Security Missions 10 Years after 9/11*, GAO-11-881 (Washington, DC: Sept. 7, 2011). This report addressed DHS's progress in implementing its homeland security missions since it began operations, work remaining, and issues affecting implementation efforts. Drawing from over 1,000 GAO reports and Congressional testimony related to DHS programs and operations, and approximately 1,500 recommendations made to strengthen mission and management implementation, this report addressed progress and remaining challenges in such areas as border security and immigration, transportation security, and emergency management, among others.

<sup>4</sup>GAO-13-283.

**Figure 1: GAO's 2021 High-Risk Rating for Strengthening Department of Homeland Security Management Functions**



Source: GAO analysis. | GAO-21-105418

**Leadership commitment.**—DHS's top leaders have continued to demonstrate commitment and support for addressing the Department's management challenges. They have also taken actions to institutionalize this commitment to help ensure the success of the Department's efforts. For example, the deputy under secretary for management issued strategic guidance to DHS's component agencies encouraging investment in areas critical to DHS management functions, including financial system modernization, human resource training, and career development programs. Furthermore, top DHS leaders, such as the under secretary for management and the Department's chief executive officers, routinely meet with GAO management to discuss progress on this high-risk area.

**Action plan and Monitoring.**—DHS's Management Directorate produced the Department's first Integrated Strategy for High-Risk Management in January 2011 and has since issued 19 updated versions. DHS's next update is planned for fall 2021. The most recent strategy from March 2021 describes DHS's progress and planned corrective actions to further strengthen its management functions. If effectively implemented and sustained, the Integrated Strategy for High-Risk Management provides a path for DHS to be removed from our High-Risk List.

**Capacity.**—DHS has partially demonstrated sufficient capacity (i.e., the people and other resources to resolve the identified risks) but needs to make additional progress identifying and allocating resources in acquisition and financial management. In October 2020, we reviewed DHS component acquisition executive (CAE) roles and responsibilities for oversight, policy, and acquisition workforce and found that not all CAEs prepared support staffing plans, and DHS has not clearly defined which acquisition positions are critical to carry out oversight responsibilities.<sup>5</sup> Without complete support staffing plans and clearly defined critical positions—the expertise needed at minimum to support oversight of cost, schedule, and performance—DHS lacks insight into whether it has the appropriate staff to carry out primary oversight responsibilities. Additionally, in 2020, DHS's financial statement auditor identified several capacity-related issues, including resource limitations, inadequate

<sup>5</sup> Component acquisition executives—with the exception of those in DHS's Management Directorate—are senior acquisition executives below the department level within DHS components. For example, DHS components include the United States Coast Guard, Customs and Border Protection, and the Transportation Security Administration. Component acquisition executives have acquisition responsibilities in four key areas: Oversight, policy, acquisition workforce, and acquisition data support. The Management Directorate differs because organizationally it resides at the department level, has 5 separate component acquisition executives (or individuals performing the duties of the component acquisition executive), and provides support to the DHS operational components. GAO, *Homeland Security Acquisitions: DHS Has Opportunities to Improve Its Component Acquisition Oversight*, GAO-21-77 (Washington, DC: Oct. 20, 2020).

management, and inadequate staff training as causes for the material weaknesses reported.<sup>6</sup>

*Demonstrated progress.*—The final criterion, demonstrated progress (i.e., the ability to demonstrate progress in implementing corrective measures), remains partially met. In 2010, we identified 30 specific outcomes in the areas of acquisition management, IT management, financial management, human capital management, and management integration that are critical to addressing the Department’s overall management challenges. DHS agreed with these outcomes, and they have since become the key criteria by which we gauge DHS’s demonstrated progress. As of September 2021, DHS has fully addressed 18 of the 30 outcomes, mostly addressed 4, partially addressed 5, and initiated actions to address the remaining 3, as shown in table 1.

TABLE 1: GAO ASSESSMENT OF DEPARTMENT OF HOMELAND SECURITY (DHS) PROGRESS ACROSS MANAGEMENT AREAS, AS OF SEPTEMBER 2021

Key Management Function	Fully Addressed <sup>1</sup>	Mostly Addressed <sup>2</sup>	Partially Addressed <sup>3</sup>	Initiated <sup>4</sup>	Total
Acquisition management .....	2	3	.....	.....	5
Information technology management .....	5	.....	1	.....	6
Financial management .....	2	.....	3	3	8
Human capital management .....	6	1	.....	.....	7
Management integration .....	3	.....	1	.....	4
<b>Total .....</b>	<b>18</b>	<b>4</b>	<b>5</b>	<b>3</b>	<b>30</b>

Source: GAO analysis of DHS documents, interviews, and prior GAO reports./GAO–21–105418

- <sup>1</sup>“Fully addressed”: Outcome is fully addressed.
- <sup>2</sup>“Mostly addressed”: Progress is significant and a small amount of work remains.
- <sup>3</sup>“Partially addressed”: Progress is measurable, but significant work remains.
- <sup>4</sup>“Initiated”: Activities have been initiated to address the outcome, but it is too early to report progress.

In recent years, DHS has made particular progress in the areas of IT management and human capital management. Specifically, since 2017, DHS has taken steps to fully address 5 outcomes across these 2 management areas. First, DHS fully addressed 2 IT management outcomes by: (1) Providing on-going oversight and support to troubled IT investments to help improve their cost, schedule, and performance and (2) demonstrating significant progress in implementing its IT strategic workforce planning initiative. Additionally, the Department fully addressed 3 key human capital management outcomes by: (1) Demonstrating that components are basing hiring decisions and promotions on human capital competencies, (2) strengthening efforts to obtain employee input, and (3) improving its employee engagement scores as measured by the Office of Personnel Management’s (OPM) Federal Employee Viewpoint Survey.<sup>7</sup>

Important progress and remaining work in all of the 5 management functions includes:

- *Acquisition management.*—DHS has taken steps to strengthen requirements development across the Department, such as re-establishing the Joint Requirements Council in June 2014.<sup>8</sup> However, DHS continues to face challenges in ef-

<sup>6</sup>DHS Office of Inspector General, *Independent Auditors’ Report on DHS’s Fiscal Year Financial Statements and Internal Control over Financial Reporting*, OIG–21–08 (Washington, DC: Nov. 13, 2020).

<sup>7</sup>The Federal Employee Viewpoint Survey is a tool that measures employees’ perceptions of whether and to what extent conditions characterizing successful organizations are present in their agency.

<sup>8</sup>In November 2014, in response to a GAO recommendation, DHS reestablished the Joint Requirements Council that it had dissolved in 2006, to review requirements submitted by DHS’s component agencies (e.g., the Transportation Security Administration). The purpose of the council is to validate and prioritize operational requirements—those capabilities that are necessary

fectively executing its acquisition portfolio. In May 2018, we found that enhancements to DHS's acquisition management, resource allocation, and requirements policies largely reflected key portfolio management practices. However, in January 2021, we found that 10 of the 24 major acquisition programs we assessed with approved schedule and cost baseline goals did not meet a goal at some point in fiscal year 2020.<sup>9</sup>

Some of these instances were because of factors outside of a program's control, such as the Coronavirus Disease 2019 pandemic. However, we also reported that in some instances, DHS did not implement sound acquisition practices. For example, 2 of the 10 programs failed to meet their cost or schedule goals because of an underestimation of the programs' complexity or requirements. Further, we found that some of the programs that were meeting their currently established goals were at risk of future cost growth or schedule slips. Although the Department had various assessment mechanisms to review individual program progress, it had not yet established an integrated approach to assess the performance of and inform oversight of its overall acquisition portfolio.

- *IT management.*—DHS has continued to sustain and mature its Department-wide Enterprise Architecture program over the past 6 years. For example, in response to our recommendations, the DHS chief information officer developed a fiscal year 2020–2023 Enterprise Architecture Strategic Plan to provide strategic direction for delivering IT services and solutions across the Department.<sup>10</sup> Further, in response to other recommendations, the Department has continued to manage its IT investments using an IT portfolio management approach.<sup>11</sup> For example, in fiscal year 2020, the Office of the Chief Information Officer (OCIO) produced portfolio data and analysis related to each of the Department's 7 IT portfolios. OCIO officials reported that the chief information officer and other DHS leadership used this information to support IT investment oversight and resource allocation recommendations. This portfolio management approach should enable DHS to identify potentially duplicative investments and opportunities to consolidate investments, as well as reduce component-specific investments.

In addition, DHS has made progress implementing recommendations identified in the fiscal years 2016 to 2018 DHS Office of the Inspector General's (OIG) reports related to IT security weaknesses. However, much work remains for DHS to enhance its information security program. In September 2020, the OIG reported that the Department's information security program was ineffective for fiscal year 2019.<sup>12</sup> Specifically, the OIG identified that DHS did not have an effective strategy or Department-wide approach to manage risks for all of its systems, nor did it apply timely security patches and updates to mitigate critical and high-risk security vulnerabilities on selected components' systems, among other issues.

Additionally, in fiscal year 2020, the Department's financial statement auditor identified that DHS had ineffective design and implementation of controls to remediate IT findings, including insufficient corrective actions to address deficiencies that have existed for several years in multiple information systems. Further, for the 17th consecutive year, the auditor designated deficiencies in IT systems controls as a material weakness for financial reporting purposes. As a result, since our 2019 report, DHS has moved from a mostly addressed to a partially addressed rating for one IT management area outcome on IT security. OCIO officials informed us that they are taking steps to address this outcome, such as conducting an independent verification and validation of plans of actions and milestones and performing configuration audit checks for selected operating systems.

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to conduct DHS's mission—for all major acquisitions and to ensure that objective, analytical rigor supports these requirements.

<sup>9</sup>GAO, *DHS Annual Assessment: Most Acquisition Programs Are Meeting Goals but Data Provided to Congress Lacks Context Needed for Effective Oversight*, GAO-21-175 (Washington, DC: Jan. 19, 2021).

<sup>10</sup>GAO, *Homeland Security: DHS Enterprise Architecture Continues to Evolve but Improvements Needed*, GAO-07-564 (Washington, DC: May 09, 2007), and GAO, *Homeland Security: Efforts Under Way to Develop Enterprise Architecture, but Much Work Remains*, GAO-04-777 (Washington, DC: Aug. 06, 2004).

<sup>11</sup>GAO, *Information Technology: DHS Needs to Further Define and Implement Its New Governance Process*, GAO-12-818 (Washington, DC: July 25, 2012).

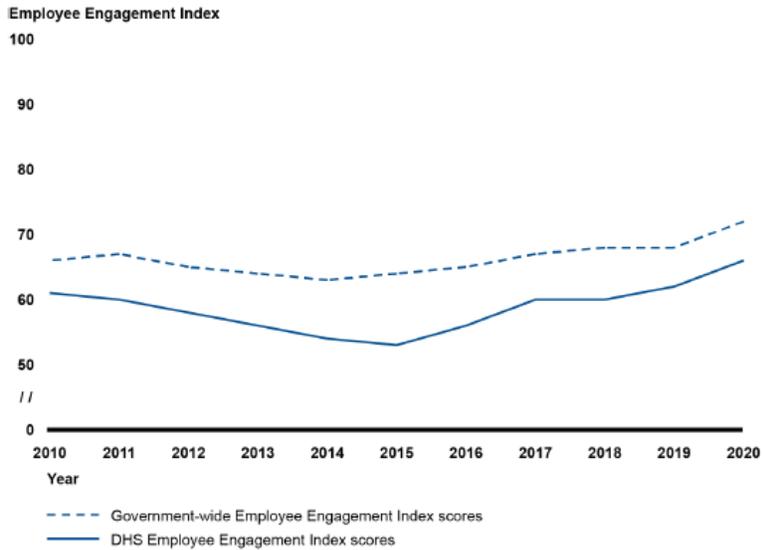
<sup>12</sup>DHS Office of Inspector General, *Evaluation of DHS's Information Security Program for Fiscal Year 2019 (REDACTED)*, OIG-20-77 (Washington, DC: Sept. 30, 2020).

- Financial management.**—DHS received an unmodified audit opinion on its financial statements for 8 consecutive years—fiscal years 2013 to 2020.<sup>13</sup> However, for fiscal years 2019 and 2020, DHS’s financial statement auditor reported 2 material weaknesses in the areas of: (1) Financial reporting, and (2) IT controls and information systems, as well as instances of noncompliance with laws and regulations. According to the auditor, these two material weaknesses led to an adverse opinion on internal controls over financial reporting. These deficiencies hamper DHS’s ability to provide reasonable assurance that its financial reporting is reliable and the Department is in compliance with applicable laws and regulations. For DHS to obtain and sustain an unmodified audit opinion on its internal controls over financial reporting, and to achieve substantial compliance with the Federal Financial Management Improvement Act of 1996, DHS needs to continue to strengthen its financial management controls and ensure that key controls are in place to address the auditor’s findings related to the two material weaknesses.

In addition, much work remains to modernize DHS components’ financial management systems and business processes. Specifically, DHS needs to effectively implement its long-term financial systems modernization efforts at the U.S. Coast Guard, the Federal Emergency Management Agency, and U.S. Immigration and Customs Enforcement. DHS also needs to ensure that key controls are in place to address the auditor’s findings.

- Human capital management.**—Since our March 2021 High-Risk report, DHS has fully addressed an outcome related to its employee engagement scores on OPM’s Federal Employee Viewpoint Survey. DHS has made continued improvements in its Employee Engagement Index, which OPM calculates from the Federal Employee Viewpoint Survey. Starting in 2015, DHS reversed a 5-year downward trend in its scores on the Employee Engagement Index. After 4 consecutive years of improvements, DHS surpassed its 2010 benchmark in 2019, and its Employee Engagement Index in 2020 was the second consecutive year above the 2010 benchmark (see fig. 2).

**Figure 2: Department of Homeland Security (DHS) Employee Engagement Index Scores 2010–2020**



GAO analysis of Federal Employee Viewpoint Survey data. | GAO-21-105418

<sup>13</sup>An unmodified opinion, sometimes referred to as a clean opinion, is expressed when the auditor concludes that management has presented financial statements fairly and in accordance with generally accepted accounting principles.

To address the remaining human capital management outcome, DHS must complete steps to use Department-wide training data to inform its human capital programs. DHS anticipates completing action on this outcome in fall 2021.

- *Management integration.*—Since 2019, DHS has communicated management priorities through the Department planning, programming, budgeting, and execution process. Specifically, in fiscal year 2019, the deputy under secretary for management issued strategic guidance to components encouraging investment in areas critical to DHS management functions. To achieve this outcome, DHS must continue to demonstrate sustainable progress integrating its management functions within and across the Department, as well as fully address the other 12 outcomes it has not yet fully achieved.

Significant effort is required to build and integrate a department as large and complex as DHS, and continued progress for this high-risk area depends on DHS addressing the remaining management outcomes. Several factors have contributed to DHS's success in narrowing the scope of the high-risk area so far and are helping it to make progress on its remaining challenges. These include top DHS leaders demonstrating leadership commitment and support for addressing the Department's challenges; consistently communicating its efforts and regularly seeking feedback from us on its strategy and approach to addressing the high-risk area; establishing an action plan for addressing the high-risk area; and identifying performance measures to monitor its progress. In the coming years, DHS needs to continue implementing the remaining work across its key management functions and sustaining its progress to date. We will continue to monitor DHS's efforts in this high-risk area to determine if the outcomes are achieved and sustained over the long term.

Chairman Correa, Ranking Member Meijer, and Members of the subcommittee, this completes my prepared statement. I would be happy to respond to any questions you may have at this time.

Mr. CORREA. Thank you very much, Mr. Currie.

Now I would like to recognize Mr. Alles to summarize his statement for 5 minutes.

**STATEMENT OF RANDOLPH “TEX” ALLES, ACTING UNDER SECRETARY FOR MANAGEMENT, DEPARTMENT OF HOMELAND SECURITY**

Mr. ALLES. Good afternoon, Chairman Correa, Ranking Member Meijer, and distinguished Members of the subcommittee.

It is a privilege to appear before you today along with Chief Human Capital Officer Angie Bailey to discuss the maturation of our Department of Homeland Security's management functions as well as some of our challenges, which Chris has laid out for us.

DHS employees rise to every challenge, and the challenges are many. The Management Directorate provides vital mission support services designed to enable front-line operators to more effectively respond to these challenges.

Since the founding of the Department in 2003, the challenge for DHS leadership has been to integrate the numerous diverse organizations brought together in the aftermath of 9/11. Most of these organizations had unique and sometimes long-standing management practices and systems already in place.

Because of these challenges, the GAO designated implementing and transforming DHS as an area on its “High-Risk List” in 2003. After a decade of hard work, GAO acknowledged the Department's significant progress in 2013, narrowing the high-risk areas to focus on 5 key management functions: Acquisition and program management, information technology, financial management, human capital, and the integration of management functions across the Department.

I am pleased to report that DHS has “fully” or “mostly addressed” 22 of the 30 high-risk outcomes, and GAO is a valued

partner in this effort. In light of our demonstrated sustained progress, we are working closely with GAO to narrow and re-scope our high-risk designation for DHS's management functions with the goal of removal from the list in the relatively near future.

So I want to highlight some of the specific challenges and successes.

DHS leadership has long made supporting and strengthening the work force a top priority, all the more so during the COVID-19 pandemic. Angie Bailey, our CHCO, will discuss these efforts in more detail.

As the chief acquisition officer of the Department, I oversee all major acquisition programs, and I recognize the critical role of sound acquisition management in meeting needs. Of the 5 acquisition outcomes, all are "fully" or "mostly addressed." We are on track to close the "mostly addressed" outcomes by demonstrating sustained progress with existing initiatives and program staffing and oversight, specifically maturing and enhancing our acquisition program health assessment procedures.

DHS has made substantial progress in maturing the Department's IT security and capabilities, and GAO has recognized that success by rating 5 of the 6 IT outcomes as "fully addressed." The sixth outcome, enhanced IT security, was previously considered "mostly addressed," and, in January 2021, GAO informed the DHS CIO of their intent to downgrade this rating to "partially addressed." Over this last year, CIO has made progress toward resolution of the issues raised, which are highlighted in my statement for the record.

The Department is very proud of obtaining its eighth consecutive clean financial audit opinion. We are optimistic that we will earn a ninth opinion in fiscal year 2021. Our remaining financial management challenges are rooted in our outdated financial systems, so our Financial Systems Modernization Program will provide components with modern, efficient, and compliant business systems, including financial procurement and asset management functions.

The remaining financial management outcomes focus on modernizing procurement and asset management systems used by FEMA and ICE, and DHS is moving forward with a system that serves those components. We expect to report significant progress over the next 3 to 5 years.

The Under Secretary of Management Office is responsible for driving progress across the directorate and in part with respect to management functions. So, even while dealing with the immediate threat of COVID, the Management Directorate has remained focused on long-term issues. For example, we are achieving significant environmental and financial benefits through the National Capitol Region real property strategy that includes consolidation of DHS organizations on St. Elizabeth's campus and within the National Capitol Region.

So, further remain focused on opportunities for small business, and, in so doing, we have been recognized by the Small Business Administration with an A or A-plus grade on its Small Business Procurement Scorecard for the past 12 years.

Since being placed on the "High-Risk List," DHS has made tremendous and sustained progress in addressing the central issues

that resulted in GAO's high-risk designation. We appreciate GAO's strong partnership and willingness to continue our discussions about re-scoping and eventually removing management functions from the "High-Risk List."

Thank you again for this opportunity to appear before you to discuss the Department's management functions and challenges, and I will welcome any questions you have in a few moments. Thank you, sir.

[The joint prepared statement of Mr. Alles and Ms. Bailey follows:]

JOINT PREPARED STATEMENT OF RANDOLPH D. "TEX" ALLES AND ANGELA BAILEY

SEPTEMBER 30, 2021

Chairman Correa, Ranking Member Meijer, and distinguished Members of the subcommittee: It is a privilege to appear before you today to discuss the maturation of the Department of Homeland Security's (DHS) management functions, as well as some of our remaining challenges.

On a daily basis, the more than 240,000 men and women of DHS respond to our Nation's most serious threats. DHS employees rise to every challenge, and the challenges are many. DHS is aggressively pursuing the administration's priorities and addressing some of the most critical and evolving threats to the United States. We are focused on easing the burdens of the COVID-19 pandemic, responding to natural disasters such as Hurricane Ida, promoting a safe, orderly, and humane immigration system, combatting Domestic Violent Extremism, and detecting, mitigating, recovering from, and responding to, malicious cyber attacks.

In his role as deputy under secretary for management, Mr. Alles currently leads the Management Directorate. The Directorate includes mission support functions designed to enable front-line operators to more effectively respond to these daily challenges. Having formerly served as director of the U.S. Secret Service and in multiple operational leadership positions at U.S. Customs and Border Protection, Mr. Alles keenly appreciates how crucial effective and efficient management functions are to successful mission performance.

In her role as chief human capital officer, Ms. Bailey currently leads the Office of the Chief Human Capital Officer (OCHCO). She joined DHS in January 2016 as a career Federal executive with more than 38 years of service, 32 of those in human resources.

#### GAO HIGH-RISK LIST

Passage of the Homeland Security Act of 2002 brought together numerous diverse organizations to form the new Department. These organizations had existing, unique, and sometimes long-standing management processes. Since 2003, the challenge for DHS leadership has been to integrate these disparate systems and processes, many of which were inefficient, costly, and did not meet basic standards of internal controls and security requirements. Developing these organizations into a cohesive team would be a challenge for a mature organization in calm times. For DHS, brought together in the immediate aftermath of the 9/11 attacks with an urgent need to maximize mission focus and protect the country, the task of integration has been Herculean. We could not be prouder of how far the Department has come.

Because of these challenges, the Government Accountability Office (GAO) designated "Implementing and Transforming DHS" an area on its High-Risk List in 2003. After a decade of hard work, GAO acknowledged the Department's significant progress and in 2013 narrowed the high-risk area to focus on 5 key management functional areas: Acquisition and program management, information technology (IT) management, financial management, human capital management, and integration of management functions across the Department.

We must emphasize what a valued partner GAO has been throughout the Department's maturation. The feedback provided by both GAO and the DHS Office of Inspector General (OIG), coupled with the sustained commitment by successive DHS leaders to implement this feedback, has materially contributed to the significant progress we have made across all high-risk areas. We remain dedicated to implementing and resolving audit recommendations as we continue to improve DHS.

To help focus the organization on strengthening management functions, we developed the DHS Integrated Strategy for High Risk Management (Integrated Strategy).

The Integrated Strategy is a detailed playbook that is updated biannually and defines a clear path to achieving GAO high-risk outcomes (GAO outcomes)—the goals DHS and GAO mutually agreed on as clear measures of maturation for DHS management functions. First issued by DHS in 2011, the Integrated Strategy is recognized as a best practice and is now required by statute.<sup>1</sup> This strategy serves as a rudder to guide our progress, which is substantial.

As assessed by GAO, DHS fully or mostly addressed roughly 73 percent of GAO's outcomes. This leaves only 8 of 30 outcomes where GAO indicates a significant amount of work remains. In light of our demonstrated and sustained progress, we are working closely with GAO to narrow and re-scope the high-risk designation for DHS's management functions. With years of progress behind us, and external indicators to confirm our success—such as 8 consecutive clean financial audit opinions—management functions no longer represent a significant threat to the Department's mission execution. We have initiated discussions with GAO about removing the high-risk designation altogether and finding other avenues through which to focus GAO's continued oversight on areas that require sustained investment of effort and resources, particularly in information systems security and financial systems modernization.

The following examines our progress and remaining challenges within the Strengthening DHS Management Functions area on the GAO High-Risk List and highlights additional on-going initiatives to strengthen Management's contributions to DHS mission execution.

#### HUMAN CAPITAL

Supporting and strengthening the workforce has long been a top priority for DHS leadership. Across the Department, leadership continues to emphasize workforce engagement with the goal of improving agency-wide employee satisfaction. To attract, incentivize, and retain a diverse and talented workforce, DHS is implementing Department-wide human capital solutions to build career paths and develop a continuous pipeline of leaders, inspire creativity and innovation, and maximize employee performance while encouraging work-life balance. Through dedicated workplace inclusion, DHS continues to build a workforce that reflects our Nation to accomplish our homeland security missions.

OCHCO is the lead organization for overseeing efforts to address GAO outcomes related to human capital, and every DHS organization—down to first-line supervisors—has a vital role to play in developing and maintaining a high-performing and engaged workforce.

Seven of 30 GAO outcomes relate to human capital. Six of the 7 are fully addressed: (1) Implement human capital plan, (2) Link workforce planning to other Department planning efforts, (3) Enhance recruiting to meet current and long-term needs, (4) Base human capital decisions on competencies and performance, (5) Seek employee input to strengthen human capital approaches, and (6) Improve Federal Employee Viewpoint Survey (FEVS) scores. GAO rates the seventh outcome in human capital as “mostly addressed” with only a small amount of work remaining: Assess and improve training, education, and development programs. These actions are all in advanced stages of maturity.

With respect to the Department's FEVS scores, GAO notified DHS in advance of this hearing that they were upgrading this outcome from “mostly” to “fully addressed.” We would like to thank GAO for acknowledging the tremendous progress DHS has made in improving employee engagement and overall employee satisfaction, as evidenced by steady, year-over-year increases since 2015 in both the Employee Engagement Index (EEI) and the Global Satisfaction Index (GSI). From 2015 to 2020, the overall DHS EEI increased a total of 13 percentage points, a sustained trend that brings the score to 66 percent, and the GSI increased 14 percentage points to 61 percent.

As an agency with many front-line workers, COVID-19 poses special challenges for DHS. Working with OCHCO's Workforce Health and Safety Division (WHS), which provides on-going guidance and policy based on information from the Centers for Disease Control and Prevention, Department of Labor, and the Safer Federal Workforce Task Force, DHS leadership implemented public health protections across the Department. WHS immediately established communication procedures to continually update employees and their families regarding workplace protocols and available resources. WHS continues to provide assistance to employees working in an environment shaped by the pandemic.

<sup>1</sup>6 U.S.C. 341.

## ACQUISITION MANAGEMENT

The Office of Program Accountability and Risk Management (PARM) is the DHS executive office for acquisition program management oversight. PARM partners across components on governance, assessment, and support services for major acquisitions. With support from the Office of the Chief Procurement Officer (OCPO), PARM is the lead organization for addressing GAO high-risk recommendations and outcomes related to acquisition management.

Five of the GAO high-risk outcomes relate to acquisition management. Two are fully addressed: (1) Timely validate required acquisition documents, and (2) Improve component acquisition capabilities. The remaining three are mostly addressed: (1) Establish and effectively operate the Joint Requirements Council (JRC), (2) Assess acquisition program staffing, and (3) Establish oversight mechanisms to validate that acquisitions policies are achieving goals and comply with Department policies.

The JRC is effective at helping identify common gap areas across the DHS components and making joint requirements and commonality recommendations. For example, the JRC fostered unprecedented cross-component collaboration growth in areas including Countering Unmanned Aircraft Systems, Next Generation Vertical Lift, Combating Transnational Criminal Organizations, and Document and Media Exploitation. 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.

Regarding the acquisition program staffing outcome, in September 2020, PARM undertook a comprehensive staffing analysis report providing recommendations to mitigate critical staffing gaps; 68 percent of fiscal year 2020 critical staffing gaps are now addressed. The 2021 review/analysis began in May 2021 and is nearing completion. In addition to analyzing and addressing staffing gaps, PARM focuses on staffing plan development and implementation along with training and certification of the workforce to bolster effective program management. As of September 2021, DHS program manager certification across all major programs (with a life-cycle cost estimate greater than \$300 million) stands at 94 percent.

Finally, with regard to the GAO outcome concerning acquisition program oversight, we have taken the following steps: (1) Closely monitoring programs in breach of their acquisition program baseline; (2) requiring program documentation such as life-cycle cost estimates, certifications of funds availability, and approval documents for each acquisition decision event in the program life cycle; (3) closely monitoring program health through our monthly High Visibility Program briefings with the Acquisition Review Board, quarterly Acquisition Program Health Assessments, and targeted Acquisition Review Board Program Reviews; and (4) enhancing program data quality and availability, and providing data to the Unified View of Investments, which provides leadership with information to support decisions on major acquisitions.

## INFORMATION TECHNOLOGY

The Office of the Chief Information Officer (OCIO) provides infrastructure, governance, and oversight to deliver mission capabilities securely, efficiently, and effectively. OCIO serves as the lead office for GAO high-risk recommendations and outcomes related to IT.

Six of the GAO outcomes relate to IT. Five are fully addressed: (1) Achieve Enterprise Architecture Management Maturity Framework Stage 4, (2) Achieve Information Technology Investment Management Framework Stage 3, (3) Achieve Capability Maturity Model Integration Level 2, (4) Implement IT human capital, and (5) Adhere to IT program baselines.

The sixth outcome—Enhance IT Security—was previously considered mostly addressed. In January 2021, GAO informed the DHS OCIO of their intent to downgrade their rating to partially addressed. The basis for this determination was primarily the DHS OIG's fiscal year 2019 Federal Information Security Modernization Act (FISMA) assessment and the fiscal year 2020 Independent Auditors' Report on DHS Financial Statements and Internal Control. While DHS does not concur with GAO's assessment, OCIO has made progress toward resolution of the issues raised in the FISMA assessment and the Independent Auditors' Report.

The Chief Information Security Officer continues to coordinate with the OIG to ensure an effective and transparent fiscal year 2021 FISMA assessment. In November 2020, the OIG issued its fiscal year 2020 FISMA Cyberscope report that includes preliminary results for the fiscal year 2020 FISMA assessment. In the Cyberscope report, OIG noted an improvement in DHS's FISMA rating giving the

Department an overall rating of “Effective.” This rating was earned as a result of demonstrated improvement in the Department’s information security program.

#### FINANCIAL MANAGEMENT

The Office of the Chief Financial Officer (OCFO) is responsible for the Department’s budget, financial reporting and policy, financial systems, financial assistance oversight, internal controls, cost analysis, program analysis and evaluation, and liaison with GAO and OIG auditors. OCFO serves as the lead office for GAO high-risk recommendations and outcomes related to financial management.

Eight of the GAO outcomes are in financial management, five of which are either fully or partially addressed: (1) Obtain a clean financial audit opinion, (2) Sustain a clean financial audit opinion, (3) Obtain a clean internal control audit opinion, (4) Comply with the Federal Financial Management Improvement Act, and (5) the United States Coast Guard (USCG) Financial Systems Modernization.

The Department is very proud of obtaining a clean financial audit opinion. DHS first earned this opinion at the end of fiscal year 2013 and has sustained it since then. Based on progress to date, we are optimistic that we will earn a ninth consecutive clean opinion for fiscal year 2021.

Progress toward the other three outcomes has been initiated: (1) Sustain a clean internal control audit opinion, (2) Federal Emergency Management Agency (FEMA) Financial Systems Modernization, and (3) U.S. Immigration and Customs Enforcement (ICE) Financial Systems Modernization.

DHS is the only Federal department required by law to obtain an internal control audit opinion.<sup>2</sup> This is effectively a second annual audit opinion that is focused strictly on controls and processes. Thus, even if a clean financial statement opinion is earned, the existence of any control weaknesses can prevent a clean internal control opinion. Although we believe this requirement is no longer necessary to ensure accurate financial reporting, we continue working toward a clean internal control opinion with a target of fiscal year 2024.

Many of our remaining financial management challenges are rooted in outdated financial systems; our Financial Systems Modernization (FSM) program helps remediate these conditions. The FSM program is intended to provide components with modern, efficient, and compliant business systems, including financial, procurement, and asset management functions. Our first major modernization project was the USCG system. Two other DHS components—the Transportation Security Administration (TSA) and the Countering Weapons of Mass Destruction Office (CWMD)—used USCG’s legacy system and successfully transitioned to a new FSM solution in fiscal year 2021 and fiscal year 2016, respectively. USCG is on track to transition starting in October 2021 and should be in full production in the first quarter of fiscal year 2022, after which time its legacy system will begin to sunset.

The remaining GAO outcomes focus on achieving modern integrated financial, procurement, and asset management systems in FEMA and ICE. DHS is moving forward with both systems, and we expect to report significant progress over the next 3 to 5 years. Our current notional schedule has FEMA, ICE, and smaller DHS components (which use the current ICE system) moving to FSM solutions in a phased approach starting at the end of fiscal year 2024 and continuing through the end of fiscal year 2026.

#### MANAGEMENT INTEGRATION

The under secretary for management’s office is responsible for driving progress across the Directorate and the Department with respect to management functions. DHS’s rapid response to the COVID–19 pandemic demonstrated particularly well management’s capacity, ability, and readiness to integrate key functions across our lines of business and components to support operations. To achieve a fully addressed outcome for management integration, we will continue to demonstrate sustainable progress integrating management functions within and across the Department.

The human capital efforts discussed above dovetailed with the award of Department-wide and component contracts by OCPO, that included innovative solutions and provided critical pandemic-related supplies and services, all while supporting small businesses whenever possible. DHS is continuously focused on opportunities for small businesses that bring innovative solutions to bear in solving challenges, and in doing so, garnered DHS a letter grade of A or A+ from the Small Business Administration on its Small Business Procurement Scorecard for the past 12 years.

Even while dealing with the immediate threat of COVID–19, the management directorate has remained focused on long-term issues. We established processes and

<sup>2</sup>Pub. L. 108–330, Sec. 4.

goals to reduce the effects of climate change, while increasing resiliency. Our Resilience Framework includes assessments for climate and man-made vulnerabilities in all our critical assets, including energy and water, facilities, information communication technology, and transportation. Smart buildings and electric vehicles are a requisite part of our strategy that we are actively planning.

We will also achieve significant environmental and financial benefits through the National Capital Region Real Property Strategy that includes consolidation of DHS organizations on the St. Elizabeths campus and within the National Capital Region (NCR), reducing the DHS footprint in the NCR by over 1.2 million square feet with a cost avoidance of \$1.3 billion over the next 30 years.

We continue to increase not just the security of our physical assets, but that of our human capital as well through increasingly comprehensive and continuous electronic vetting and monitoring of potentially threatening activities from within. The Department made substantial progress toward fully implementing the Federal Personnel Vetting Core Doctrine through the Federal Government's on-going Trusted Workforce (TW) 2.0 efforts. On July 14, 2021, DHS finalized the TW 2.0 Implementation Plan for the Department. In August 2021, DHS self-certified for TW 1.25 compliance, and in the second quarter of fiscal year 2022, DHS intends to request certification from the Office of the Director of National Intelligence for TW 1.5 compliance.

Recognizing that cybersecurity is a National security and economic security imperative—and with the support of Congress through establishing new Title VI authorities—DHS will launch the Cybersecurity Talent Management System (CTMS) in November to establish an innovative means to hire and retain the very best cyber talent. Through the DHS Cybersecurity Service, we will provide a competitive public service career experience for cybersecurity professionals with the opportunity for tactical compensation, exciting career development, and the ability to shape the future of cybersecurity.

#### CONCLUSION

Since being placed on the High-Risk List, DHS has made tremendous and sustained progress in addressing the central issues that resulted in GAO's high-risk designation by integrating a myriad of disparate organizations and functions into a cohesive and effective Department, one that is greater than the sum of its parts. Without a doubt, the areas of human capital, acquisition management, information technology, and financial management were high risks for the Department in its early years. We have made significant and sustained progress since then. Some challenges remain in IT and financial management; however, we have demonstrated significant progress in those areas and expect further improvement in the years ahead.

As of March 2021, Strengthening Department of Homeland Security Management Functions is one of only two High-Risk areas remaining on the list that meet the majority of GAO's criteria for removal.<sup>3</sup> We appreciate GAO's strong partnership and willingness to continue our discussions about re-scoping and removal of the Strengthening DHS Management Functions high-risk area to more accurately reflect the state of management at DHS.

It is our honor to serve the Department and lead the remarkable public servants that fulfill the Management Directorate's essential roles in our critical homeland security mission. Thank you again for the opportunity to appear before you to discuss the Department's management functions and challenges. We welcome any questions you have.

Mr. CORREA. Thank you, Mr. Alles.

Now I would like to recognize Ms. Angela Bailey to summarize her statement in 5 minutes.

Welcome.

#### **STATEMENT OF ANGELA BAILEY, CHIEF HUMAN CAPITAL OFFICER, DEPARTMENT OF HOMELAND SECURITY**

Ms. BAILEY. Thank you, Mr. Chairman.

<sup>3</sup>GAO, *High-Risk Series: Dedicated Leadership Needed to Address Limited Progress in Most High-Risk Areas*, GAO-21-119SP (Washington, DC: March 3, 2021), page 19. In 2021, DOD Support Infrastructure Management met all 5 criteria and was removed from the list.

Chairman Correa, Ranking Member Meijer, and distinguished Members of the subcommittee, it is a privilege to appear before you today alongside Mr. Alles, deputy under secretary for management, to provide additional information about our one remaining human capital outcome and our employee engagement efforts.

I was here early last year talking to this subcommittee about employee engagement and morale at DHS, and I am pleased to report continued progress despite the tremendous challenges we face.

DHS is a living, breathing organization made up of more than 240,000 human beings. They worry about the same things all Americans worry about. They struggle with student loan debt, child care responsibilities, taking care of sick or elderly family members, or missing yet another family vacation, birthday, or anniversary due to work obligations.

On top of that, every day, our people perform some of the most difficult, dangerous, and at times heartbreaking and thankless work in the Nation, and they do it well. Our people work through holidays and nights and weekends. They are always vigilant and ready.

But the work they do is often directly affected by some of the most critical issues facing society, like the pandemic and natural disasters that dominate media headlines. For example, over 80 percent of DHS employees worked unpaid during previous Government shutdowns, and 65 percent have held the front lines during the COVID-19 pandemic.

We can't change the work, but we can continue to explore and implement ways to support our people affected by that work. Through our efforts on DHS initiatives like employee and family readiness and leadership and other developmental programs, we have increased support for our employees and their families across the Department.

Our operational components continue working to meet employee and family needs through their efforts like resilience and suicide-prevention programs at U.S. Customs and Border Protection; intensive local action planning at select airports by the TSA; emergency back-up child care in FEMA; diversity and inclusion education and awareness programs within the U.S. Coast Guard consisting of over 100 change agents; and taking action to rebuild morale and provide opportunities for employees to voice their concerns and share feedback at USCIS after the furlough threat in 2020.

We also share ideas and best practices with each other, leading, for example, to U.S. Immigration and Customs Enforcement adapting TSA's successful local action planning to their own organization's resources, structures, and needs, and headquarters implementing emergency back-up child care as well.

Federal Employee Viewpoint Survey scores reflect the positive effects of these efforts. For example, CBP's Employee Engagement Index, otherwise known as EEI, increased 15 percentage points since 2015. TSA's EEI has increased 11 percentage points. The overall DHS EEI has increased 13 percentage points. In fact, 5 of our components equal or surpass the Government-wide average.

In an agency as large, diverse, and geographically distributed as DHS, this is significant. It is so significant that both OPM and GAO have recognized the hard work that has gone in to these posi-

tive trends. I would like to thank the GAO team for continuous support and its productive relationship that they have had with us.

All of this hard work has really led to us being able to achieve “fully addressed” on all but one human capital outcome, and we are close on the one that remains. It is a very productive partnership.

As Mr. Currie and DUSM Alles noted, for the remaining human capital outcome, the Department made significant progress with continued implementation and sustainment of a variety of programs. The remaining work is to institutionalize the use of DHS-wide training data to inform human capital programs in 2022.

Thank you again for the opportunity to testify today. The Department would not be successful without your support and the work of our brave men and women who sacrifice each day to make our country safe.

I look forward to your questions.

Mr. CORREA. I want to thank again all our witnesses today for their time and their testimony.

I want to remind the subcommittee that each one of us will have 5 minutes to ask their questions of the panelists.

I will recognize myself now for 5 minutes of questions. Five minutes is not too long, so let me start out with Ms. Bailey.

Great progress. It looks like we are doing some good work at Homeland Security.

My question to you is focused on morale. We have talked about this in the past. This is what I see as an interesting challenge at homeland: 240,000 employees. That is bigger than most of my cities in California. That is big. Yet each one of those individuals working for you is part of that line of defense for the homeland.

FBI officers, nobody can deny the fact that they should be paid well, they should have benefits, they should be 30-year career agents. They are the best of the best at what they are doing.

Yet you have TSA employees at the airport, where they are, a lot of them, part-time. A lot of them are struggling to get health benefits, until recently, with TSA. Turnover is unbelievable. Yet those are the folks that are watching that monitor, that screen, looking at people, trying to figure out whether there is something there that can get into an airplane that would do us major harm.

How can we help you, not you by yourself, but how can we as a legislature help you make the argument that we need to bring these people up to speed, need to make them professionals, we need to pay them well, we need to make sure that their attitude, you know, their—that they know that their mission—but we pay them accordingly?

Please.

Ms. BAILEY. Thank you for your question, Mr. Chairman.

Yes, TSA—you raise a very important point for us and one that we have put a lot of attention and effort into. I know Mr. Pecoske is fully supportive of the efforts that we are making to ensure that we raise the pay of our TSOs. Because, as you said, in some cases, in some of our major locations, they can actually be paid more to work at a local retail or at a fast food restaurant than they can for TSA. So it is a primary concern of ours and something that we intend to address.

The second issue also has to do with making sure that we provide them their MSPB appeal rights. I am pleased to say that, just this week, we were able to work a deal with MSPB to ensure that our employees do have those appeal rights available to them.

Then with regard to their actual morale or engagement and their working life, some of the things that we are very pleased about is the initiatives that we have put into our employee and family readiness initiatives—

Mr. CORREA. What do we need to make those folks full-time instead of part-time?

You know, flipping hamburgers, my daughter did that last summer, OK? She got paid well, but she wanted to get out of there as quickly as possible. I want to make sure that our TSA employees aren't there part-time and wanting to get out of that job for the next job that offers them a dollar more an hour.

Ms. BAILEY. Right. So that is a very good question as well, Mr. Chairman. One of the things that we are striving to do is get the balance between part-time and full-time appropriate. Because there are some instances where we have found where our employees do want part-time so that they can raise their families or they can continue to go to school and have different opportunities.

The other thing that we really stress within TSA is that it is also a foot into the Federal Government, it is a foot into DHS. We do find that many of our TSOs have the actual opportunity to promote within TSA and/or to go on to CBP, Secret Service, and then on to ICE.

So we have found that by having specific career progression for them throughout this law enforcement community is something that they have really valued and that they look forward to as putting more effort into that as well.

Mr. CORREA. So a couple of things. I would just argue that the typical FBI agent probably knows that they can go maybe part-time, or some of the other Federal agents can go part-time, depending on the family situation.

TSA employees, they get an opportunity to become an FBI agent, they move on. But how do you make it attractive for them to be there for 30 years?

I have 30 seconds left. You are not going to answer that in 30 seconds. But, you know, these are some of the issues we need to work on, because, again, the weakest link in the chain is one that will break, and we can't afford any, you know, failures in our defense of the homeland.

So I look forward to working with all of you. I don't want to criticize you; I want to work with you to make sure it is a win-win situation.

With that, I will recognize the Ranking Member for 5 minutes of his questions.

Welcome, sir.

Mr. MEIJER. Thank you, Mr. Chairman.

Thank you to those statements from all of our witnesses here today.

Mr. Currie, I just wanted to, I guess, follow up a little bit on what the Chairman was mentioning in terms of concerns on the employee side and on the morale side. Mr. Currie, you had men-

tioned that if you take out, I believe it was, the Coast Guard and TSA from the broader DHS work force that it would be a much different picture.

Can you elaborate a little bit more on what is distinctive about the TSA and Coast Guard relative to the rest of the DHS work force, and also to what extent both the TSA being a wholly new creation with a very unique mission relative to the rest of DHS and also the Coast Guard having that dual role of uniformed defense and a quasi-military capacity depending on its orientation?

Mr. CURRIE. Yes, sir, sure. So, actually, if I said that, I was incorrect. It is TSA and Customs and Border Protection, so CBP, are the two. But that is a great question. I will break that down. I think—

Mr. MELJER. I heard “USCG” and not “CBP,” so I apologize. But, yes—but also just, if you could better kind-of truncate how you view those cultural differences.

Mr. CURRIE. Well, and, actually, I think you make a great point, because the Coast Guard’s morale is pretty high comparatively, because they were a legacy component well before DHS had a strong mission, strong tie to the Department of Defense, as you probably know well.

But let me talk a little bit about TSA and CBP. I think there are a couple of things going on there.

First of all, they are by far the largest components, you know, with, together, over 100,000 employees.

I think, also, second, they really do represent what Ms. Bailey was saying, like, the front line, have to be there every day, day in and day out, no-break kind-of employees, protecting our border, scanning international passengers, scanning international cargo, you know, all the tough things that we think about at DHS.

I have to tip my cap. I mean, we have tremendous respect for those folks. You know, they don’t have the luxury of working remotely like a lot of us in the professional world have been able to do over the last year and a half. They have no choice. COVID has really impacted them hard.

But they are the largest. I think they have the toughest mission. Everything they do is under constant public scrutiny. If you think about a lot of other Federal workers, they don’t have somebody watching them do their job every day. So I just think they have a tremendously difficult mission.

Then I think, you know, what we just talked about with TSA. I think this is why, in our view, it is so critical that we really zone in to these components and figure out how, culturally, we can make some changes and, frankly, hold their leadership accountable.

Ms. Bailey and Mr. Alles, from the DHS standpoint, can do a lot, and they have. But unless the supervisors and the managers deep within those components feel accountable for morale, I don’t think it is going to be a huge priority.

Mr. MELJER. Well, thank you for that, Mr. Currie.

I just want to, kind-of, pull up a little bit to the 40,000-foot level. You mentioned specific things going down to that supervisory level. On the whole, you know, the GAO’s “High-Risk List” is something that DHS has been on for close to 20 years. Can you give a bit of a sense of how unique that is to DHS? I mean, are there other Fed-

eral agencies that have been on it for a very long time? I know DOD is sort-of in its own specific category there, but among, I would say, more comparable Executive branch agencies?

Mr. CURRIE. Yes, sir. As you know well, DOD is always in a special category. But, yes, so there are some that have been on since the inaugural “High-Risk List” since 1990. For example, Medicare, improper payments in Medicare have been on there for that whole time. But there are others that have been on for less than that, 4 to 6 years, that have gone on and come back off. Also, there are some that have gone on, come off, and then go on again a couple years later because the problems came back.

So I wouldn’t say it is out of the realm of ordinary that something as big and complicated as the Department—and here is the other part: It is not just the management issues; it is the criticality for National security. I wouldn’t say it is an odd thing that they are still on the list.

Mr. MEIJER. Thank you, Mr. Currie.

My time is running short, so I just want to ask Mr. Alles real quick: GAO narrowed down their “High-Risk List” area in 2013, recognizing key mission-related areas, such as the Quadrennial Homeland Security Review. But DHS has not published a QHSR since 2014, obviously 7 years ago. Any plans for completing that in the short-term, sir?

Mr. ALLES. Yes, sir. The Secretary has promised to produce that. It is produced through the Office of Plans and Policy and up through management. So I can direct a more specific answer to them to get back to you with that, if that is OK.

Mr. MEIJER. Thank you.

Mr. Chairman, with that, I yield back.

Mr. CORREA. Thank you very much, Mr. Meijer.

Now the Chair will now recognize other Members for questions that they may ask of the witnesses. In accordance with the guidelines laid out by the Chairman and Ranking Member in their February 3 colloquy, I will recognize Members in order of seniority, alternating between the Majority and Minority.

Members are reminded to unmute themselves when they are recognized for questions.

Let me start out with Mr. Torres from New York.

Welcome, Mr. Torres.

Mr. TORRES. I actually think there is a more senior Member on, so I would be happy to defer.

Mr. CORREA. Alternating between—who is the other Member—oh, let’s see, who else do we have here? Mr. Langevin? Is that who you are talking about? Mr. Langevin?

Mr. TORRES. I thought I saw Congresswoman Titus, but—

Mr. CORREA. Ms. Titus, are you—

Mr. TORRES. That is who I thought.

Mr. CORREA. Ms. Titus, welcome.

Thank you, Mr. Torres.

Ms. TITUS. Well, thank you very much, Mr. Torres. I don’t mean to ever cut a line. I appreciate you recognizing that I am running back and forth.

Thank you, Mr. Chairman.

I would like to direct my question to Ms. Bailey, and it is about the diversification of the work force. I think we strengthen the work force if we do diversify it, and so that is something I have been working on. There are a number of HBCUs, Hispanic-serving institutions, our veterans out there. The more we reach out to them and try to bring them in, I think the stronger we become.

I had a bill that passed out of this committee, and I thank the Chairman for his support of it. It passed the House, and it was in the NDAA that we approved, but now we have to get it out of the Senate. It is called the Homeland Security Acquisition Professional Career Program Act, and it codifies training programs in these institutions that I mentioned for our work force.

I wonder if you would just comment on the importance of having qualified and diverse professionals to supply the things that we need to keep our country safe?

Ms. BAILEY. Yes. Thank you very much for the question. It is something that we have been working extremely hard at.

One of the things that I am really proud about is that the DHS work force is actually 47 percent diverse. In fact, we are higher than the Government-wide average of 38 percent. Often I am asked, well, what about, you know—that is because of TSA and CBP. But even if you take them out, we are still 40 percent diverse.

Our Hispanic population is at 22 percent. Women represent 35 percent. In our non-LEO occupations, such as my own, we are up to 48 percent. In our SES, we have 31 percent women representation. Our veterans are at 26 percent. We have maintained an exemplary rating since fiscal year 2017.

So we have put a tremendous amount of effort into recruiting and going out and making sure that we really seek talent from all segments of society. We have also put much effort into making sure that our leadership development programs really help raise up everyone within the Department so that they are ready, capable to be able to go into our SES ranks.

So the one area that I would say that remains a challenge for us is our representation of women in law enforcement. Mr. Mayorkas has challenged us to be able to get to 30 percent by 2023. There is an initiative that is going on within the women-in-law-enforcement community to—I think it is 30 by 2030, but we have challenged ourselves to make that 30 by 2023.

So, with that, you know, we look forward to working with you to ensure that we can improve our diversity even more, but we are really heading toward 50 percent of DHS will have some type of diverse representation across all of our components.

Ms. TITUS. Well, I am glad to hear those numbers.

I would also just hope that you really target minority-serving institutions when you do recruiting, because, often, they are not aware that these career opportunities exist.

Furthermore, I don't know what your policy is on internships or mentorships, but those often work well to bring young people into some of these professions.

Ms. BAILEY. Absolutely, Congresswoman. You hit the nail on the head. Our internship programs—in fact, this summer, we just did

a cyber sprint and we hired over 300 people and put out another 500 tentative job offers, so that is, like, 800 people.

We created a cyber honors program. The Secretary has created a Secretary's cyber honors program. With that, we have put folks into that as well.

So internship programs are hugely beneficial for us. Going to these minority-serving institutions is where we have found just tremendous talent. So we are very supportive of those efforts.

Ms. TITUS. Well, thank you. Go over there to the Senate and tell them that, so they will pass this bill on the Senate side.

Well, thank you very much.

Thank you again, Mr. Torres.

I will yield back.

Mr. CORREA. Mrs. Harshbarger. Yes? Welcome.

Mrs. HARSHBARGER. Yes, I can hear you now. Can you hear me?

Mr. CORREA. Yes.

Mrs. HARSHBARGER. Great. Thank you, Mr. Chairman, Ranking Member Meijer, and all the guests here today.

You know, I have a question. I don't know who wants to answer this. But, you know, I live in a rural district with a smaller airport. You know, the President's Executive Order on vaccination for these Federal employees is set to take effect prior to Thanksgiving. You know, that is a heavy travel period and one of the busiest weeks of the year.

I guess my question is, in a smaller airport like in my district, there is going to be a significant work force disadvantage to the TSA employees, and they are going to be laid off due to that vaccine requirement, especially if that area is smaller.

Can you walk us through what plan DHS has for employees that are not going to be vaccinated at that time? That could be detrimental not just to DHS or those TSA employees but to a lot of different facilities. Can anybody answer that?

Mr. ALLES. Yes, ma'am. I will start off, and I will let Angie pitch in also.

First off, we want to make sure we fully engage the work force with what the intent is of the administration on the vaccination program. So first off is to lay out the time line for those vaccinations and then make available a location where you can get vaccinated, which are fairly wide, even in numerous locations through your local pharmacies.

So we want to start in that area there, and then, you know, we want to encourage them. We certainly don't want to lose employees over vaccination. So, I mean, that is kind-of our starting point as we work this down. I think really communicating with them and making vaccines available is a critical part of this effort.

Angie, do you want to fill in more on that?

Ms. BAILEY. Yes. I would say that we had our OVOW, which is our Operation Vaccinate Our Workforce, where we made sure that we actually partnered with VA to provide as much vaccination support as we could to our mission-critical positions, and that included our TSA operations in, like, the small airport that you mentioned. Seventy-seven percent of those folks that were eligible that had requested it actually did get their vaccinations.

On whole, DHS is 64 percent—we have had our employees respond. We are at 64 percent of our work force has been vaccinated. That is on par with the Nation as well.

So, to Mr. Alles' point, we are going to put a full-court press on educating our work force, make sure that we get them as many facts as we can so that they can make an informed decision. We are providing them a time table of when they need to have their first shot and their second shot.

We are working with OMB Privacy and Civil Rights and Civil Liberties to make sure that we have a reasonable accommodation process put in place to address anybody who has a medical or religious exemption.

So we are not in the business of removing our employees. We are in the business of trying to make sure that we educate them, that we provide them every opportunity to get vaccinated or to put in for reasonable accommodations. Because this Nation's security and safety is—you know, it is a National security issue for us to make sure that we have every DHS employee that we can on board.

Mrs. HARSHBARGER. Well, it is a National security risk, because if you have these rural areas—and that is where I am seeing from. You know, I am also in the Doctors Caucus, and when we look at these statistics Nation-wide, we see that the rural areas are the ones that have, I guess, a lower percentage of vaccination.

So I guess my question is, again, what is the plan when we don't have employees to work those stations?

You know, I push for PreCheck in a lot of rural areas. People don't know what they don't know, and we want them to know that they can go ahead, if they are a lower risk, go ahead and sign up for that PreCheck.

But what are we going to do? We can't afford to close those smaller airports. So does DHS have a plan to fill those spots in case they do have to lay them off for that?

Mr. ALLES. Yes, I think I would say, as we have already described, ma'am, that our intent is to encourage employees in the vaccination. I mean, if there are shortages there in those airports, we will have to address those in stride through additional hiring or, you know, temporarily moving employees to keep things open.

I think, actually, the specifics of the question may be best referred, though, to TSA, because I don't want to speak to them on how they would actually address the operations part of it.

Mrs. HARSHBARGER. OK. Well, I know it is coming up on us pretty darn quick. We have about a month-and-a-half to get a strategy put together. But thank you for your answers.

With that, I yield back, sir.

Mr. CORREA. Thank you, Mrs. Harshbarger.

I will now recognize Mr. Torres. Yes?

Mr. TORRES. I am sorry, Mr. Chair, I think Mr. Langevin is on. Congressman Langevin is more senior.

Mr. CORREA. He is, but he is not on the committee.

Mr. TORRES. Oh, he is not?

Mr. CORREA. I want him to be on the committee, but I still have to send him, I guess, more flowers before he decides to.

Mr. TORRES. I just assume that I am always the least senior, so—

Mr. CORREA. That is right.

Mr. TORRES. I have the glimpses of seniority.

So, as all of you know, January 6 was obviously a wake-up call about the depth of domestic terrorism in the United States, particularly within the ranks of law enforcement.

I know DHS is the largest law enforcement agency in the Federal Government. Secretary Mayorkas in April said that he was going to conduct a review of how to best prevent, detect, and respond to domestic terrorism, particularly within the ranks of DHS, domestic extremism.

I am curious to know, what is the status of the review, and when can we expect to see the findings of the review?

That is for the under secretary.

Mr. ALLES. I will take that, sir.

So he just testified, the Secretary, a few days ago on this particular topic and made the note that this is one of our most important missions, is to not only provide National intelligence about domestic violent extremists but also to ensure that our head—not our headquarters, but our Department is secure in that regard too.

So, in that regard, we are going to increase training opportunities and other support to help identify individuals at risk of radicalization—

Mr. TORRES. Mr. Under Secretary, I asked, what is the status of the review, and when can we expect a report? I am glad it is a priority, but I am asking for—

Mr. ALLES. He did commit to providing the report to the committee, to the full committee. That is due back to him in October sometime, and, depending on his time lines, it should be sometime after that.

Mr. TORRES. Thank you.

My next question is for GAO. I know, Mr. Currie, you identified TSA as a troubled entity within DHS, as well as Border Patrol. I am curious, what is your assessment of ICE?

Mr. CURRIE. Well, in terms of the morale score, sir?

Mr. TORRES. Performance, morale. I mean, you classified DHS as a high-risk agency. If I understood your testimony correctly, TSA is a disproportionate driver of that. I am interested to know where ICE ranks.

Mr. CURRIE. Yes. Well, so, under the management areas, in terms of ICE, there are a few critical issues.

One, we do have some morale concerns there, them being a law enforcement organization within the Department that doesn't have as high a morale as some other components. So there is a concern there that needs to be addressed. It is not that I am less concerned about ICE than TSA or CBP; it is just, when you talk about overall morale of the Department, they are a little bit smaller.

You know, also, obviously, they have a tremendously difficult mission right now too. So I am concerned about their work force and the morale of the work force too.

The other thing we look at, too, in the management area is their financial systems too. ICE is 1 of the 3 components in DHS that has one of the oldest legacy financial management systems left over from since before the Department started, and they have a

ways to go before they are able to modernize that as well. So we have concerns there.

Mr. TORRES. Does each have to have its own financial—I mean, why not have, like, shared or centralized systems?

Mr. CURRIE. Well, that—sir—

Mr. TORRES. Administrator?

Mr. CURRIE [continuing]. That question is the question on financial management.

Mr. TORRES. Oh, I guess under secretary. Why not have centralized systems for—

Mr. CURRIE. No, that—yes, that was the goal from the beginning, was to centralize. At the very beginning, the idea was, we are going to take 22 legacy agencies, some were created, some were existing, and we are going to put all these together into one system. I think very quickly we saw that that was just not possible.

So, right now, there is kind-of a hybrid. Some still have the old systems. Like I mentioned, FEMA's is over 25 years old. Some—

Mr. TORRES. Why isn't it possible?

Mr. CURRIE. Well, and some—for example, with FEMA, it is just a matter of—first of all, they got started a little bit late, trying to modernize them. Then there are so many different systems just within FEMA's system. At one point, they were managing over 20 different grant programs with different systems. So they manage a ton of money. Just, it has taken a long time, and there has been—

Mr. TORRES. You are telling me it is impossible to create one centralized system that can administer all those grants, sir?

Mr. CURRIE. You know, nothing is impossible, but I can say over 20 years that to do this across DHS into one system has been very difficult.

Now, they have been able to do this in some components and be successful. I think they are just down to some of the most challenging components.

Mr. TORRES. I just want to quickly interject, because I heard a contradiction between the two testimonies.

You identified 30 management areas, and you said DHS has made progress in 18 of those or has achieved its goals in 18 of those. But I heard the under secretary say 22.

So I am curious to know what is the disconnect between your two testimonies.

Mr. CURRIE. Well, there are different ratings, so what I was referring to is the ones that are fully addressed and completed. There are others that are partially. So I think that was the difference.

Mr. TORRES. Of everything that remains, what is the most urgent?

Mr. CURRIE. I think, right now, the most urgent—I classify “urgent” and “challenging” as the same, because, to me, the most challenging are going to be the hardest to address and they need the most focus and the most resources.

I think, you know, financial management is the one that is going to take the longest to address across the Department and there is still the most work to be done. I think even DHS has said they are still on a horizon of it being at least probably 5 years until some of these issues are addressed. So I am very concerned about that.

But, you know, I continue to be concerned about morale too. You know, while we give DHS a lot of credit because there has been consistent steady progress and improvements last year, you know, almost every agency in Government improved last year.

So I don't think anybody at DHS would say they are where they want to be in terms of employee morale, which has cascading effects, sir. You know, it affects recruitment, it affects retention. It just has such a huge impact on the mission. I think that is another major area I am concerned about.

Mr. TORRES. My time has expired. Long expired.

Mr. CORREA. Thank you, Mr. Torres.

Now, Mr. Meijer, unless you object, I will go to Mr.—do you have any other Republican Members on your side right now?

Mr. MEIJER. Mr. Chairman, I am not seeing any of my colleagues on this side of the aisle, so no objection.

Mr. CORREA. Unless you object, I will go to Mr. Langevin.

Mr. LANGEVIN. Very good. Thank you, Mr. Chairman.

Mr. CORREA. Welcome, sir.

Mr. LANGEVIN. I thank you and the Ranking Member for allowing me to sit in on this subcommittee. I am proud to be on the Homeland Security Committee, but haven't had the pleasure of serving on this subcommittee, but maybe in the future. But glad I could participate in this subcommittee hearing.

I thank the witnesses for their testimony.

I would like to start, if I could, with Ms. Bailey.

Ms. Bailey, what percentage of cybersecurity billets within the Department of Homeland Security are unfilled right now?

Obviously, cybersecurity is the National security and economic security challenge of our time. We need all hands on deck; we need every billet filled. I know that DHS is still underresourced there in terms of bodies.

Can you give me an idea of how many are unfilled right now?

Ms. BAILEY. I think we have—well, thank you for your question, Congressman.

You know, I am not sure. I may have to get back to you on the exact number. I know we have close to 10,000 positions that are identified as being—as being identified as being cyber. One of the things that we were trying to do with our sprint was at least to address 10 percent of our vacancies.

So I think that we are somewhere around 80 percent, but I really need to get back to you—80 percent filled, not vacant.

Mr. LANGEVIN. Yes.

Ms. BAILEY. So I need to get—I need to get back to you with regard to the exact number.

Mr. LANGEVIN. So you would say approximately 20 to maybe 30 percent is a reasonable estimation?

Ms. BAILEY. I think it is around 10 to 20 percent, because—

Mr. LANGEVIN. OK.

Ms. BAILEY [continuing]. We had a really significant push this summer, and we far exceeded what we wanted to be. I think we are somewhere around 2,000 vacancies, if I am not mistaken, and so this summer we were able to, again, get almost 1,000 of those filled.

Mr. LANGEVIN. Well, I strongly hope that when you do look at the actual numbers that it is closer to the 10 percent, not 20 percent or more. Because even at 20 percent, I would certainly characterize that vacancy rate as unacceptable and, you know, feel that it is troubling. I mean, I find it a troubling statistic.

But could you please explain to the committee what you plan to do to address this vacancy rate going forward?

Ms. BAILEY. Certainly.

I do want to make sure that I was clear on this. We have around 2,000—we had around 2,000 vacancies this summer, and we filled almost 800 of them, of those 2,000. So we have made significant progress against making sure that we have all of our positions filled.

Now, with regard to some of the things that we are doing, one of the things that I am very pleased to say is that—and this is with Congress's support—we were able to implement our Cyber Talent Management System, which will give us an incredible ability to recruit and hire, pay, and retain, train our cyber work force in a way that we have never been able to do within the Federal Government.

So that will give us the ability to, like, reach out to and establish partnerships with some of the minority-serving institutions, as well as, you know, being able to qualify folks who have maybe been successful at a hackathon, you know, won a National hackathon award.

So, by being incredibly creative and inventive and actually breaking apart everything that is known as far as Civil Service goes, we will have the advantage of being able to, again, really go after the talent that is in this Nation, pay them in accordance with what the market is paying, and then be able to retain them in a way that we have never been able to before.

Mr. LANGEVIN. OK. Thank you. Very important.

Let me ask you this. Congress granted DHS the authority to implement its Cyber Talent Management System in 2014, yet the Department is just now preparing to launch that system.

So the authorities in question give the Department broad authority to create new positions necessary to carry out its responsibilities. So what roles and responsibilities does the Department envision CTMS helping to fill? What resources does the Department require to meet these hiring goals?

Ms. BAILEY. Well, we do plan to use that to fill a variety of our cybersecurity needs, everything from forensics, to network investigations, to what you would consider typical cybersecurity positions.

So, in working with CISA and with our CIO, we have been able to really identify the kinds of skills that they need so that we can get the talent into those particular positions.

We anticipate, right off the bat, of bringing in close to 150 people and then just keep expanding it from there and, you know, across the board. So I think you will be pleased with where we are by next spring, considering that we will have it fully implemented and ready to recruit and hire on Day 1.

Mr. LANGEVIN. Thank you. Thank you.

Mr. Chairman, I have one last question at this time, but if—

Mr. CORREA. Please, go ahead. Go ahead and ask it, sir.

Mr. LANGEVIN. Thank you. Thank you, Mr. Chairman.

Well, basically, last question, I would like to focus now on the Cybersecurity and Infrastructure Security Agency. Given that CISA is a new agency with a critical mission, it is important that it be able to hire the cybersecurity talent necessary to execute that mission. For example, giving CISA the authority to grant cybersecurity fellowships that brings in outside talent could be very helpful.

How is the Department supporting and empowering CISA to ensure it can bring on the cybersecurity talent it needs?

Ms. BAILEY. Well, one of the things that we are doing is working very closely—I have a very good relationship with both the director and the deputy director of CISA, and it gives us the opportunity to really dive in and figure out exactly where they have their needs. We are really making use—we will make use of our Cyber Talent Management System to address many of the needs that you have addressed.

The fellowship programs or the internship programs, all of those will still exist as well, by the way. So, you know, we are not just simply going and saying CTMS is the only thing that we are going to do. We will make use of all the hiring authorities, including the Schedule A hiring authority that we have that helps us reach deep down in and be able to get the talent that we need.

Mr. LANGEVIN. I certainly hope so. It is a vital mission. So is it possible that you could come and brief us on CTMS in, say, December or so?

Ms. BAILEY. Yes, absolutely. Absolutely, Congressman. More than happy to come brief you on CTMS.

Mr. LANGEVIN. All right. Thank you very much.

Mr. Chairman, I appreciate the extra time and your allowing me to ask questions as part of the subcommittee today. Thank you very much. I yield back.

Mr. CORREA. Mr. Langevin, please come by anytime. We love to have your sharing of your good comments on the committee and questions, of course.

Are there any other Members in the committee that have not asked a question? Any other Members?

Then I would ask Mr. Peter Meijer if he is interesting in going for a second round of questions. Are you OK with that?

Mr. MEIJER. Absolutely, Mr. Chairman.

Mr. CORREA. OK.

I want to follow up—I will start out with 5 minutes here. I want to kind-of follow up with some of Mr. Langevin's thoughts there.

You know, one of my prior lives, I used to chair a committee in Sacramento, California, that had jurisdiction over CalPERS and CalSTRS, some of the biggest pension funds in the Western world. The challenge was always trying to keep the good asset managers working for CalPERS and CalSTRS. Once Wall Street found out that they were actually really good, they were hired away, because we just could not afford to pay them the multimillion-dollar salaries that Wall Street could afford to pay them.

My question to you is obvious. I mean, how do we keep the good cyber folks on your payroll and not having them essentially be taken away by the private sector?

Mr. ALLES. If I could comment, I think there are two aspects. One is what Angela talked about—

Mr. CORREA. Yes, Mr. Alles.

Mr. ALLES [continuing]. The Cyber Talent Management System. I think we discussed the other part yesterday. It is the appeal for the mission. In fact, I have had several people call me that want to work for the Department, not because it pays well. They want to do it because they are interested in protecting the Nation, and there is an appeal to them because of the mission of the Department. I think that is an important part of it that we had kind-of discussed yesterday.

So that is a key part. You know, obviously, that is how the military appeals to people. They are not doing that job because they are getting paid a lot of money; they are doing it because they feel it is a service to their Nation. So I think that is a key part.

Mr. CORREA. Ms. Bailey.

Ms. BAILEY. I would also say, to add to what Mr. Alles said, one of the other things is that we completely understand that this is a field in which they are not going to stay with us for 30 years. They are not going to stay in any business, whether it is private, public, nonprofit, it doesn't matter. So what we have done is create a system in which they can come in and out of Federal Government in a very easy way.

Today, under the current Civil Service rules, you can't do that. Like, when you come in, often—well, often what happens is, whenever you leave and then you come back in, you basically can't be paid for any of your experience or education that you have received, although OPM has worked to change some of those rules just recently.

But when we designed CTMS, we designed it with that in mind knowing that this is not only a generation but it is also an occupation that is not going to stay with us. So we are OK with that.

What we have to do is make sure that, when they are here, that they are given the kinds of resources and experiences that they are looking for and then, whenever they go back out to private sector, that we keep track of them and that we then, whenever we have new opportunities, we reach out to them and bring them back in.

So it is something that we actually have planned for, rather than trying to assume that they are all going to want a 30-year career.

Mr. CORREA. Thank you very much.

With that, I will call on Mr. Peter Meijer for his questioning. Thank you very much, sir.

Mr. MEIJER. Thank you, Mr. Chairman.

Ms. Bailey, I just had a brief question. During COVID, Congress gave agencies special Schedule A COVID hiring authority. Can you share a little bit more about how DHS utilized that hiring authority and if you think that hiring authority might be a positive model for the future?

Ms. BAILEY. Yes. Thank you for your question, Ranking Member.

It was an important authority. I will tell you that it was mostly used by CISA, where they could go out and get some of the talent

that they needed. We only actually used it for about 52 positions, and headquarters used it for some of their positions as well.

So is it important? Sure. I mean, every time we are given a new hiring authority, we make full use of those hiring authorities, I will tell you that.

One of the things, though, that I will say that I would love to see us do is, rather than—because we have over 100 special hiring authorities on the books that can be used by all agencies. One of the things we would really like to do is just net that down.

We have our Enhanced Hiring Act that actually had made it into the last Congress. But one of the things that we would love with that is the ability to just have one streamlined hiring authority for our veterans and then make sure we maintain 20 percent veterans on board at all times within DHS and then have the ability to go out and make partnerships and relationships with all of the different academies, as well as, you know, the universities, as well as private sector and some of these different specialized groups to be able to bring that talent on board within DHS.

So, you know, like, if I had my dream, that would be it, that we could really have our Enhanced Hiring Act be something that complements what we are trying to do with our Cyber Talent Management System.

Mr. MELJER. Thank you, Ms. Bailey.

Mr. Currie, just kind-of sticking a little bit on cyber but pivoting over to the acquisitions side of the house, I know that, obviously, DHS has faced challenges in effectively executing that portfolio. We have seen that with the Coast Guard cutter acquisitions and also at CISA's National Cybersecurity Protection System.

The GAO report mentioned that one action that remains is for DHS to establish and effectively operate the Joint Requirements Council to review and validate component-driven capability requirements that drive the Department-wide acquisitions and also work to identify and eliminate unintended redundancies.

Can you share to what extent there has been progress in this area and conclude with what remains to be done?

Mr. CURRIE. There has been a lot of progress in this area. I mean, I think we have seen the JRC in existence for long enough to know that it is the right organization with the right processes to oversee the requirements development.

I think we are pretty close to probably addressing that, maybe in another 6 months or so. I think we want to spend some time validating this, though, and actually seeing the results over the next 6 months.

You know, we do still have some concerns that, while there is a lot more acquisition discipline and process, we still want to see more programs within cost and schedule, we want to see more successes. I just don't think we are seeing enough actual successes.

Because, you know, it is not just about having the discipline and the processes. I mean, the whole purpose of that is you want to see effective implementation of these programs into homeland to achieve the mission. We just haven't seen enough of that yet to feel like that is not a high-risk issue.

Mr. MELJER. Are there any other acquisition programs across the Government, whether within DOD or within more specialized agen-

cies or components, that you look at as a model or, you know, areas that you would suggest that DHS emulate?

Mr. CURRIE. Well, there is no doubt that acquisitions is tough across all Federal Government, I mean, especially DOD. I mean, it is hard for me to say DOD is better than—you know, they have challenges, too, as you know well.

But I think that DHS has a unique challenge here, though, because a lot of times what they are trying to do is they are trying to apply commercially-available technologies or other sort of things to a very, very specific homeland application. I think that is where sometimes we run into some challenges.

For example, you know, the USM and I were talking the other day about the biodetection system, you know, where the DHS is trying to implement a system that will, you know, within minutes, detect a bio attack on our homeland. Well, it is very, very difficult because the technology is just not available yet. So the idea is good, but, you know, it is just not ready to go in the homeland, whereas you may be able to use a technology like that on a more experimental basis in the warfighter scene or in theater or something like that.

So DHS just has a number of very unique challenges.

Mr. MELJER. Thank you, Mr. Currie.

Mr. Chairman, my time is expiring, and I believe we also just had a vote call, for your awareness. With that, I yield back.

Mr. CORREA. Mr. Torres, did you want to ask a couple of questions?

Mr. TORRES. I would be able to ask a question, but if you feel you have to end the hearing, that is—

Mr. CORREA. Go ahead, shoot. You have about 12 minutes. Go ahead.

Mr. TORRES. OK.

Well, actually, we are going to vote on one of my bills. I have a bill that would require the under secretary for management, I believe, to issue Department-wide guidance to require DHS contractors to submit a bill of materials identifying the origin of software components. The legislation was meant as a response to SolarWinds.

So my question for the under secretary is, what actions has the agency taken to shore up our cybersecurity in the wake of SolarWinds?

Mr. ALLES. Yes. So, in the wake of SolarWinds, we are developing a Unified Cybersecurity Maturity Model, because SolarWinds is more complex than just looking at FISMA scores. In fact, those kind-of evaluate the knowns. In this case, this is what we call a zero-day exploit. So a lot of this is going to address our cybersecurity domains, access control, audit and accountability, risk management systems, and communication protections.

It is based on the domains established in DOD's CMMC, Cybersecurity Maturity Model Certification, which will help make sure that the supply chain, which is how they got into our systems through the SolarWinds supply chain, through security issues with that contractor, will help ensure the contractors' networks are secure.

It will also include implementation of a zero-trust architecture, a supply chain risk management system, and then enhance our cybersecurity provider program and our identity verification management systems.

Mr. TORRES. Can I ask a question about EINSTEIN in particular? My understanding is that EINSTEIN lacks the capacity to detect anomalous threats intruding—

Mr. ALLES. Right.

Mr. TORRES [continuing]. Into the Federal network. Is that accurate? What are we doing to address that deficiency?

Mr. ALLES. Yes, sir. EINSTEIN was formed to address known threats. So, by definition, a zero-day exploit is not going to be an EINSTEIN-protected—

Mr. TORRES. So are we creating an EINSTEIN 4 or an entirely new capacity to confront unknown anomalous threats?

Mr. ALLES. It would be a different capacity, as I mentioned—zero-trust architecture, securing your supply chain, making sure your contractors are secure on their side.

Mr. TORRES. One other question. What is the time line for finalizing that?

Mr. ALLES. For all these efforts, we are just getting them under way. I would give that probably a couple of years to be fully implemented.

Mr. TORRES. All right. That was the extent of my questioning. I just wanted to follow up on the supply chain security.

I don't know if GAO has any thoughts on DHS's preparedness in relation to a supply chain attack like SolarWinds?

Mr. CURRIE. Yes, sir, we do. I am not our cybersecurity expert, but we have definitely have done a ton of work in that area, and I can get you all that information.

Mr. TORRES. That would be great.

OK. That is the extent of my questioning. Thank you, Mr. Chair.

Mr. CORREA. Thank you, Mr. Torres.

Mrs. Harshbarger, I believe you are next.

Mrs. HARSHBARGER. Well, I think I am good. If I have a question, I will just give it to you in writing.

So thank you, Mr. Chairman.

Mr. CORREA. I want to thank all of you. I want to thank the witnesses for being here today and for your testimony, and Members for your questions.

Members of the committee may have additional questions of the witnesses, and we ask that you respond expeditiously to them when they ask them in writing.

The Chair reminds Members that the committee record will remain open for 10 business days.

Without any further objections or business, this committee hearing is now adjourned.

Thank you very much.

[Whereupon, at 3:16 p.m., the subcommittee was adjourned.]