Integrated Strategy for High-Risk Management

Strengthening Management Functions

A Biannual Update to the Government Accountability Office

September 2020

Homeland Security

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

Dear Comptroller General Dodaro:

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

Despite challenging operational circumstances since our last update, the Department has maintained focus on the issues at the core of GAO's high-risk designation. In 2010, DHS and GAO agreed on 30 outcomes that serve as a goal post reflecting the level of maturity DHS management functions must reach in order to address the underlying challenges that contributed to GAO's high-risk designation. As of March 2020, GAO rated 77% (23 of 30) of the GAO outcomes as either Fully Addressed or Mostly Addressed,[1] including all outcomes in acquisition, information technology, and human capital. Since 2017 DHS has advanced four outcomes to Fully Addressed. As it stands today, *Strengthening Department of Homeland Security Management Functions* is the only High-Risk area to have met the majority of GAO's five criteria for removal from the High-Risk List.[2] The enclosed corrective action plans outline the steps DHS is taking to advance the remaining 13 of 30 outcomes not yet rated as Fully Addressed.

In particular, the Department has redoubled focus on the outcomes related to financial management. Although only two of the eight financial management outcomes are Fully Addressed, the remaining outcomes represent areas in which DHS has shown some of the most significant and sustained progress. In light of this progress, DHS believes the state of financial management no longer constitutes a high-risk of poor stewardship of resources, impaired service delivery, or program failure. The highlights of our progress include —

- Receiving seven, going on eight, consecutive unmodified opinions on our financial statements;
- Reducing the number of material weaknesses from ten to two as of the FY 2019 audit, with solid plans in place to get to zero;
- Achieving an improper payments rate of 0.43% which is extremely low for an agency of this size; and

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[1] Subsequent to the release of the 2019 High-Risk Series report (GAO-19-157SP), GAO notified DHS that two additional outcomes – APM 5 and HCM 6 – had advanced from Partially Addressed to Mostly Addressed.
[2] GAO, *High-Risk Series: Substantial Efforts Needed to Achieve Greater Progress on High-Risk Areas*, GAO-19-157SP (Washington, D.C.: March 6, 2019), page 28.

- Successfully implementing a new financial system for Countering Weapons of Mass Destruction; staying on track for the Transportation Security Administration (TSA) to go-live on the new system this fall; successfully planning for the U.S. Coast Guard (USCG) to go live the following year. This GAO outcome will be Mostly Addressed when TSA goes live and Fully Addressed when USCG goes live the following year.

DHS has also placed special emphasis on employee morale, a critical need during the uncertainty caused by the COVID-19 pandemic. Top leadership is working tirelessly to ensure employees are supported with both information and equipment specific to the pandemic, while continuing to implement employee engagement action plans to ensure employees' routine needs are met. An example of evolving employee engagement is the development of virtual training for our acquisition workforce as part of the Department's commitment to improve program management and acquisition outcomes, and enhance training opportunities overall. We appreciate GAO's partnership with DHS as we refine how we assess and improve employee morale.

In light of our long and successful partnership with GAO to address high-risk issues, we trust that you will give serious consideration to the Department's request to have *Strengthening DHS Management Functions* removed from the High-Risk List. In any event, the Department will continue to work with GAO to address remaining issues and sustain progress whether management functions are part of the High-Risk List or specific audits. We value GAO's insights as we continuously evaluate and enhance our management capabilities.
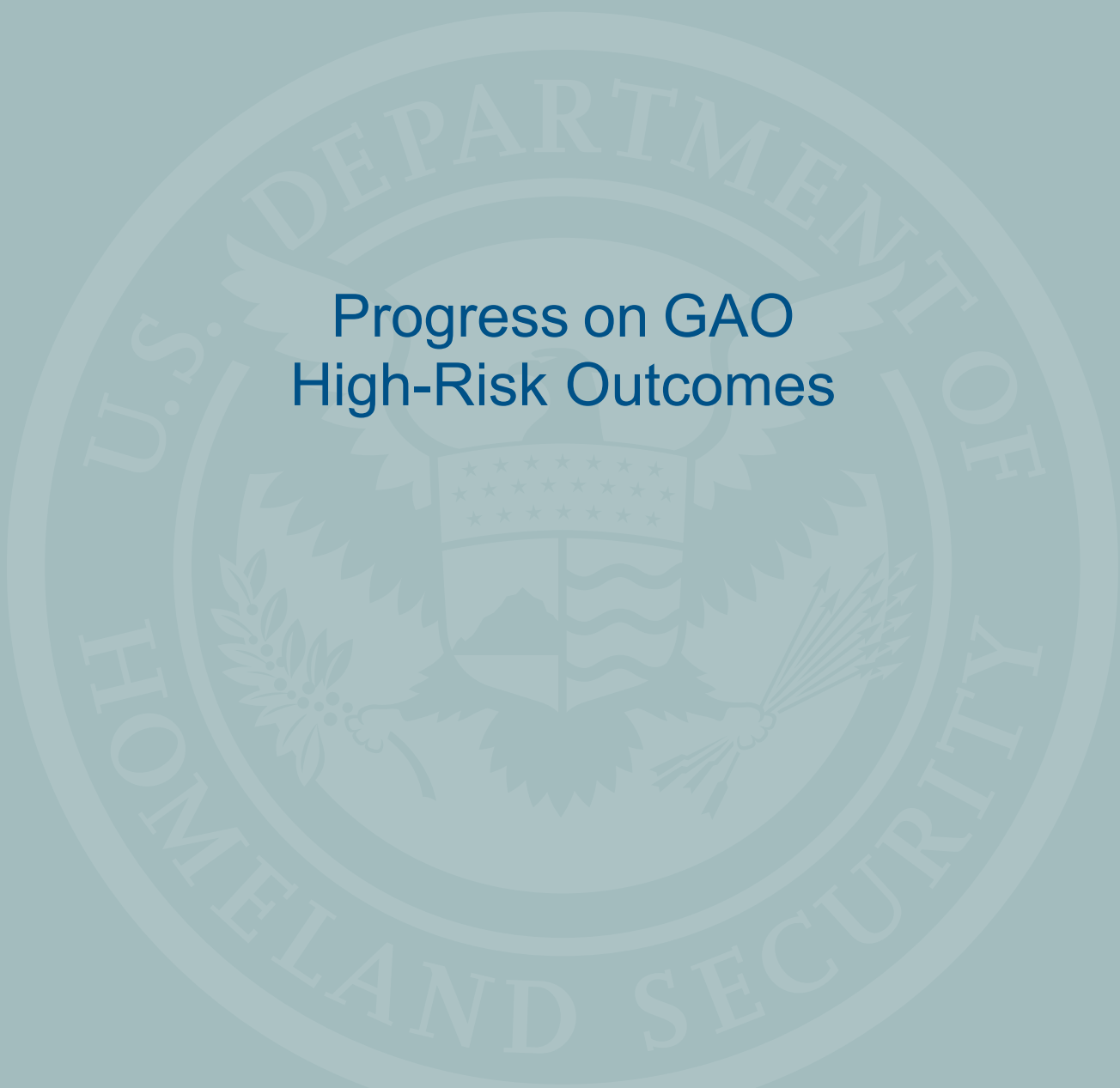
Sincerely,

RANDOLPH D ALLES
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R. D. Alles
Deputy Under Secretary for Management

Progress on GAO
High-Risk Outcomes

Progress on GAO
High-Risk Outcomes

Progress on GAO High-Risk Outcomes

This document provides corrective action plans for achieving the 13 outcomes that have not yet achieved a Fully Addressed rating by GAO. In 2010, GAO identified the outcomes and DHS agreed that achieving them was critical to addressing challenges within the Department's management areas and improving integration of management functions across DHS. The outcomes cover the functional areas of financial management, human capital, information technology, acquisition, and management integration. GAO rates the Department's progress on the outcomes using the following scale:

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

Subsequent to each *Integrated Strategy* update, GAO meets with DHS officials to provide feedback on progress, identify areas where additional work remains, and review outcome ratings. In recent years, DHS has steadily improved its progress as measured by the number of outcomes receiving a Fully Addressed or Mostly Addressed rating. For example, as of June 2020, GAO rated DHS as Fully Addressed or Mostly Addressed for 77% (23 of 30) of the outcomes, up from 70% in 2018 and 47% in 2015. *Table 1* provides a functional-level summary of 2019 GAO outcome ratings.

Table 1. Summary of GAO Outcome Ratings by Functional Area

Functional Area	Total GAO Outcomes	Fully Addressed	Mostly Addressed	Partially Addressed	Initiated
Financial Management	8	2	0	3	3
Human Capital Management	7	5	2	0	0
Information Technology Management	6	5	1	0	0
Acquisition Management	5	2	3	0	0
Management Integration	4	3	0	1	0
Total as of March 2019	**30**	**17**	**6**	**4**	**3**

The Department first issued the *Integrated Strategy* in 2011 and has maintained a practice of updating GAO twice yearly.[2]

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[1] GAO, *High-Risk Series: Progress on Many High-Risk Areas, While Substantial Efforts Needed on Others*, GAO-17-317 (Washington, D.C.: February 15, 2017), page 366.

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

Financial Management Outcome #2

Outcome Lead: Alyssa Smiley

Outcome Executive: Stacy Marcott

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

GAO 2020 Outcome Rating

Initiated	Partially Addressed	Mostly Addressed	Fully Addressed

CURRENT STATUS

To advance to Fully Addressed, DHS must obtain an unmodified opinion on ICOFR and demonstrate capacity to maintain an effective system of internal controls. DHS continues to make significant progress by achieving its seventh unmodified audit opinion on the 2019 DHS financial statements and related footnotes. In addition, the sustainment of a "clean" financial statement opinion for seven years provides continued evidence that DHS has implemented the internal control over financial reporting sufficient to ensure that year-end financial reporting is not materially misstated.

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

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

- Built clearly defined, repeatable business processes, policies, and procedures that will sustain progress in resolving deficiencies and reducing their severity;

- Implemented and measured progress against a top-down, risk-based strategy that assesses the overarching control environment both at the Department and Component levels to prevent control failures, as well as detect and fix potential failures early;

- Implemented the Internal Control Maturity Model to objectively measure each Component's progress on obtaining a "clean" ICOFR opinion;

- Updated the FY 2020 Department-wide internal control assessment plan and the corresponding assessment procedures using a risk-based approach with qualitative and quantitative measures;

- Continued Deputy Secretary commitment and communication to Component Heads and the workforce on the importance of the audit and on prioritizing resources to implement the Department's find, fix, test, and assert strategy;

- Gained commitment from CFOs and Chief Information Officers (CIOs) of those Components that contribute to the Department's outstanding material weaknesses—through recurring meetings—to achieve annual Department-wide audit and ICOFR performance goals (commitments are required as an element of each Component's CFO and CIO performance plans);

- Implemented continuous monitoring of progress against Mission Action Plans (MAPs), identifying critical milestones, addressing audit risks, and reviewing mitigation strategies; and

CURRENT STATUS
• Held status reviews with Component representatives on a regular basis, depending upon the level of identified risk for their organization. Sustainment of controls is subsequently validated by positive ICOFR assessment results submitted by Components to the DHS CFO.

For FY 2020, the Department will continue to utilize a risk-based approach designed to prioritize high impact systems and critical IT and Federal Information System Controls Audit Manual controls. This approach will help define the scope for internal control assessments and prioritization for IT remediation of both external audit findings as well as internally identified deficiencies. For the internal IT control assessments of financial support systems, the Department has designated 40 critical controls that are to be addressed through assessments and adequate remediation efforts, if needed, in order to strengthen the IT internal control environment.

OUTCOME ACTION PLAN			
Actions	**Projected Date**	**Actual/Adjusted Date(s)**	**Reason for change/notes**
Obtain an unmodified (i.e., clean) opinion on internal control over financial reporting for FY 2024.	November 2016	November 2024	**Targeting a Fully Addressed rating.** The independent auditor will issue its report for FY 2024 in November 2024. Adjusted date because IT deficiencies are taking longer to fix than originally anticipated. DHS proposes this outcome be considered Fully Addressed when no material weaknesses exist and minimal significant deficiencies remain.
Components re-evaluate risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March, June, and August 2024		Components review the results of testing for the second and third quarters to continue to assess their progress as part of routine monitoring.
DHS CFO to review and validate Component completed remediation steps.	March, June, and August 2024		DHS CFO incrementally reviews and validates remediation steps completed by Components.
DHS CFO will work with Components to assess FY 2020 audit risks and develop corrective actions.	December 2023		
Components re-evaluate risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March, June, and August 2023		Components review the results of testing for the second and third quarters to continue to assess their progress as part of routine monitoring.
DHS CFO to review and validate Component completed remediation steps.	March, June, and August 2023		DHS CFO incrementally reviews and validates remediation steps completed by Components.

OUTCOME ACTION PLAN			
Actions	**Projected Date**	**Actual/Adjusted Date(s)**	**Reason for change/notes**
DHS CFO will work with Components to assess FY 2020 audit risks and develop corrective actions.	December 2022		
Demonstrate measurable progress by continuing to reduce weaknesses in internal control and business processes.	November 2022		The independent auditor will issue its report for FY 2022 in November 2022. Eliminate one significant deficiency
Components re-evaluate risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March, June, and August 2022		Components review the results of testing for the second and third quarters to continue to assess their progress as part of routine monitoring.
DHS CFO to review and validate Component completed remediation steps.	March, June, and August 2022		DHS CFO incrementally reviews and validates remediation steps completed by Components.
DHS CFO will work with Components to assess FY 2020 audit risks and develop corrective actions.	December 2021		
Components re-evaluate risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March, June, and August 2021		Components review the results of testing for the second and third quarters to continue to assess their progress as part of routine monitoring.
DHS CFO to review and validate Component completed remediation steps.	March, June, and August 2021		DHS CFO incrementally reviews and validates remediation steps completed by Components.
DHS CFO will work with Components to assess FY 2020 audit risks and develop corrective actions.	December 2020		
Demonstrate measurable progress by continuing to reduce weaknesses in internal control and business processes.	November 2020		**Targeting a Mostly Addressed rating.** The independent auditor will issue its report for FY 2020 in November 2020. DHS expects to downgrade one area of material weakness and clear one significant deficiency in FY 2020. DHS has designed a repeatable process to address the audit conditions and will be executing designed controls and testing to demonstrate effectiveness. DHS proposes this outcome be considered Mostly Addressed when the Financial Reporting material weakness area is reduced to a significant deficiency.

OUTCOME ACTION PLAN			
Actions	**Projected Date**	**Actual/Adjusted Date(s)**	**Reason for change/notes**
Components re-evaluate risks to sustain a clean audit opinion and reduce weaknesses in internal control and business processes.	March, June, and August 2020		March and June completed.
DHS CFO to review and validate Component completed remediation steps.	March, June, and August 2020		March and June completed.
DHS CFO will work with Components to assess FY 2019 audit risks and develop corrective actions.	December 2019		Completed.
Demonstrate measurable progress by continuing to reduce weaknesses in internal control and business processes.	November 2019	November 2020	**Targeting a Mostly Addressed rating.** The independent auditor issued its report for FY 2019 in November 2019. DHS did not meet its target to reduce one material weakness and clear one significant deficiency in FY 2019 because controls were not in place long enough to demonstrate effectiveness. DHS has developed strategy and approach that will be fully executed in FY 2020.
Components re-evaluated risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	June and August 2019	June and August 2019	Completed.
DHS CFO reviewed and validated Components completed remediation steps.	March, June, and August 2019	March, June, August 2019	Completed.
DHS CFO worked with Components to assess FY 2018 audit risks and develop corrective actions.	December 2018	January 2019	Completed.
Demonstrated measurable progress by continuing to reduce weaknesses in internal control and business processes.	November 2018	November 2018	The independent auditor issued its report for FY 2018 in November 2018. DHS developed a comprehensive strategy and approach that will steadily work toward remediating all outstanding material weaknesses.
Components ensured adequate resourcing by assessing resource requirements based on the developed risk-based approach and Component identified emerging risks.	N/A	September 2018	Completed.

OUTCOME ACTION PLAN			
Actions	**Projected Date**	**Actual/Adjusted Date(s)**	**Reason for change/notes**
Components re-evaluated risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March, June, September 2018	March, June, September 2018	Completed.
DHS CFO worked with Components to assess FY 2017 audit risks and develop corrective actions.	December 2017	January 2018	Completed.
Demonstrated measurable progress by continuing to reduce weaknesses in internal control and business processes.	November 2017	November 2017	For FY 2017, DHS remediated one material weakness. DHS developed a comprehensive strategy and approach that will steadily work toward remediating all outstanding material weaknesses.
Components ensured adequate resourcing by assessing resource requirements based on the developed risk-based approach and Component identified emerging risks.	N/A	October 2017	DHS CFO conducted a workforce analysis of internal control functions to benchmark resourcing by Component size.
DHS CFO reviewed and validated remediation steps completed by Components.	March, June, August 2017	March, June, August 2017	DHS CFO incrementally reviewed and validated remediation steps completed by Components.
Components re-evaluated risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March and June 2017	March, June, August 2017	Components completed testing for as part of routine monitoring.
DHS CFO reviewed and validated remediation steps completed by Components.	March 2017	March, June, August 2017	DHS CFO verified and validated U.S. Coast Guard property remediation. Remediation is in progress for all other Components.
DHS CFO worked with Components to assess FY 2017 audit risks and develop corrective actions.	December 2016	December 2016	Completed. Identified critical milestones. Tracking critical milestones on a monthly basis with Component CIOs/CFOs.
Demonstrated measurable progress by continuing to reduce weaknesses in internal control and business processes.	November 2016	November 2016	Completed. In FY 2016, DHS remediated one significant deficiency. DHS developed a comprehensive strategy and approach that will steadily work toward remediating all outstanding material weaknesses.
Components re-evaluated risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March and June 2016	July and September 2016	Completed.

OUTCOME ACTION PLAN			
Actions	**Projected Date**	**Actual/Adjusted Date(s)**	**Reason for change/notes**
DHS CFO reviewed and validated remediation steps completed by Components.	March 2016	March 2016	Completed.
DHS CFO engaged with Component CFOs to review the Components' status of addressing audit findings, risks, and mitigation strategies.	February–October 2016	February–October 2016	Completed.
DHS CFO worked with Components to assess FY 2015 audit risks and develop corrective actions.	December 2015	December 2015	Completed.
Demonstrated measurable progress by continuing to reduce weaknesses in internal control and business processes.	November 2015	November 2015	In FY 2015, DHS reduced one of four material weaknesses (reducing the number of materials weaknesses to three).
DHS CFO engaged with Component CFOs to review the status of addressing audit findings, risks, and mitigation strategies.	February 2015–October 2015	February 2015–October 2015	Completed.

Financial Management Outcome #4

Outcome Lead: Alyssa Smiley

Outcome Executive: Stacy Marcott

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

GAO 2020 Outcome Rating

Initiated	Partially Addressed	Mostly Addressed	Fully Addressed

CURRENT STATUS

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

The Department continues to make significant progress by achieving its seventh unmodified audit opinion on the 2019 DHS financial statements and related footnotes. In addition, the sustainment of a "clean" financial statement opinion for seven years provides continued evidence that DHS has implemented internal controls over financial reporting sufficient to ensure that year-end financial reporting is not materially misstated.

With two remaining areas of material weakness in internal controls—in Financial Reporting and Information Technology—the Department's Chief Financial Officer (CFO) is executing a multi-year plan to achieve an unmodified "clean" ICOFR opinion by FY 2024. DHS reported several accomplishments in recent *Integrated Strategy* updates (listed below) that remain integral to meeting the timeline for achieving a "clean" ICOFR opinion and further strengthening financial management.

- Built clearly defined, repeatable business processes, policies, and procedures that will sustain progress in resolving deficiencies and reducing their severity;

- Implemented and measured progress against a top-down, risk-based strategy that assesses the overarching control environment both at the Department level and the Component level to prevent control failures as well as detect and fix potential failures early;

- Implemented the Internal Control Maturity Model to objectively measure each Component progress on obtaining a "clean" ICOFR opinion;

- Updated the FY 2019 Department-wide internal control assessment plan and the corresponding assessment procedures using a risk-based approach using qualitative and quantitative measures;

- Continued Deputy Secretary commitment and communication to Component Heads and the workforce on the importance of the audit and on prioritizing resources to implement the Department's find, fix, test, and assert strategy;

- Gained commitment from CFOs and Chief Information Officers (CIOs) of those Components that contribute to the Department's outstanding material weaknesses—through the DHS CFO and CIO Councils—to achieve annual Department-wide audit and ICOFR performance goals (Commitments are required as an element of each Component's CFO and CIO performance plans);

- Implemented continuous monitoring of progress against the Mission Action Plans, identifying critical milestones, addressing audit risks, and reviewing mitigation strategies; and

CURRENT STATUS
• Held status reviews with Component representatives on a regular basis dependent upon the level of identified risk for their organization. Sustainment of controls is subsequently validated by positive ICOFR assessment results submitted by Components to the DHS CFO.

OUTCOME ACTION PLAN			
Actions	**Projected Date**	**Actual/Adjusted Date(s)**	**Reason for change/notes**
Sustain an unmodified (i.e., clean) opinion on internal control over financial reporting for two consecutive years (i.e., FY 2024 and FY 2025).	November 2017	November 2025	**Targeting a Fully Addressed rating**. The independent auditor will issue its report for FY 2025 in November 2025. Adjusted date because IT deficiencies are taking longer to fix than originally anticipated.
Components re-evaluate risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March, June, and August 2025		Components identify risks that could prevent sustainment of progress and develop appropriate risk response.
DHS CFO to oversee and review A-123 results.	March, June, and August 2025		CFO incrementally reviews Component A-123 assessment results and sustains progress.
Components re-evaluate risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March, June, and August 2024		Components review the results of testing for the second and third quarters to continue to assess their progress as part of routine monitoring.
DHS CFO to oversee and review A-123 results.	March, June, and August 2024		CFO incrementally reviews Component A-123 assessment results.
Components re-evaluate risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March, June, and August 2023		Components review the results of testing for the second and third quarters to continue to assess their progress as part of routine monitoring.
DHS CFO to oversee and review A-123 results.	March, June, and August 2023		CFO incrementally reviews Component A-123 assessment results.
Components re-evaluate risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March, June, and August 2022		Components review the results of testing for the second and third quarters to continue to assess their progress as part of routine monitoring.
DHS CFO to oversee and review A-123 results.	March, June, and August 2022		CFO incrementally reviews Component A-123 assessment results.

OUTCOME ACTION PLAN			
Actions	**Projected Date**	**Actual/Adjusted Date(s)**	**Reason for change/notes**
Components re-evaluate risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March, June, and August 2021		Components review the results of testing for the second and third quarters to continue to assess their progress as part of routine monitoring.
DHS CFO to oversee and review A-123 results.	March, June, and August 2021		CFO incrementally reviews Component A-123 assessment results.
Demonstrate measurable progress by continuing to reduce weaknesses in internal control and business processes.	November 2020		**Targeting a Partially Addressed Rating** The independent auditor will issue its report for FY 2020 in November 2020. DHS proposes this Outcome be considered Partially Addressed when the Financial Reporting material weakness area is reduced to a significant deficiency..
Components re-evaluate risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March, June, and August 2020		March and June complete
DHS CFO to oversee and review A-123 results.	March, June, and August 2020		March and June complete
Demonstrate measurable progress by continuing to reduce weaknesses in internal control and business processes.	November 2016	November 2020	Date has been revised to FY 2020. DHS has designed a repeatable process to address the audit conditions; however, controls were not in place long enough to demonstrate effectiveness. DHS will be executing designed controls and testing to demonstrate effectiveness.
DHS CFO worked with Components to prioritize FY 2019 scope to continue routine monitoring.	October 2018	October 2018	Completed.
Components ensured adequate resourcing by assessing resource requirements based on the developed risk-based approach and Component-identified emerging risks.	N/A	September 2018	Completed.
Components re-evaluated risks to sustaining a clean audit opinion and reducing weaknesses in internal control and business processes.	March, June, and September 2018	March, June, and September 2018	Completed.
DHS CFO oversaw and reviewed A-123 results.	March, June, and August 2018	March, June, and August 2018	Completed.

OUTCOME ACTION PLAN			
Actions	**Projected Date**	**Actual/Adjusted Date(s)**	**Reason for change/notes**
Components ensured adequate resourcing by assessing resource requirements based on the developed risk-based approach and Component-identified emerging risks.	N/A	April 2018	Completed.
DHS CFO worked with Components to prioritize FY 2018 scope to continue routine monitoring.	October 2017	November 2017	Completed.
Components re-evaluated risks to sustain a clean audit opinion and reduce weaknesses in internal control and business processes.	March, June, and August 2017	March, June, and August 2017	Completed.
DHS CFO oversaw and reviewed A-123 results.	March, June, and August 2017	March, June, and August 2017	Completed.
DHS CFO worked with Components to prioritize FY 2017 scope to continue routine monitoring.	October 2016	October 2016	Completed.
DHS CFO reviewed and validated Component-completed remediation steps.	March 2016	July and September 2016	Completed.
Components re-evaluated risks to sustain a clean audit opinion and reduce weaknesses in internal control and business processes.	March and June 2016	March 2016	Completed.
DHS CFO worked with Components to assess FY 2015 audit risks and develop corrective actions.	December 2015	December 2015	Completed.
Demonstrated measurable progress by continuing to reduce weaknesses in internal control and business processes.	November 2015	November 2015	In FY 2015, DHS reduced one of four material weaknesses.
DHS CFO engaged with Component CFOs to review their status toward addressing audit findings, risks, and mitigation strategies.	October 2015 and October 2016	October 2015 and October 2016	Completed.

Financial Management Outcome #5

Outcome Lead: Alyssa Smiley

Outcome Executive: Stacy Marcott

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

GAO 2020 Outcome Rating

Initiated	**Partially Addressed**	Mostly Addressed	Fully Addressed

CURRENT STATUS

The FY 2019 independent auditor report noted that DHS has demonstrated continued progress toward compliance with FFMIA and remediated some of the conditions identified in the prior year. DHS monitors and assesses Component financial systems for compliance with FFMIA Section 803(a) requirements for its core financial management systems. In addressing compliance, DHS follows the Office of Management and Budget (OMB) Compliance Framework.[2] The DHS Chief Financial Officer (CFO) ensures procedures are in place to provide guidance that summary adjustments posted in the financial system(s) are traceable to the transaction source, and ensures Components accurately report instances of non-conformance to generally accepted accounting principles. To further strengthen management, DHS, through a CFO/Chief Information Officer integrated approach and strategy, is conducting the following activities:

- Requiring Components to document necessary actions to remediate IT security control weaknesses in their corrective action plans. The Department's independent auditor reviews Component compliance with FFMIA annually.

- Continuing remediation efforts to downgrade the Financial Reporting weakness area to a significant deficiency by FY 2020 and reducing the severity of the IT weakness area to a significant deficiency by FY 2024 in order to meet OMB Circular A-123 Appendix D requirement for complying with FFMIA.

- Assessing the Department's FFMIA compliance utilizing the compliance framework as outlined in OMB Circular A-123. DHS plans to be FFMIA-compliant by FY 2024, as the Department expects to remediate the IT and Financial Reporting areas of material weakness by then, as well as achieve compliance with the Federal Information Security Modernization Act of 2014.

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

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

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

OUTCOME ACTION PLAN			
Actions	**Projected Date**	**Actual/Adjusted Date(s)**	**Reason for change/notes**
Components re-evaluate risks to sustain a clean audit opinion and reduce weaknesses in internal control and business processes.	March, June, and August 2022		Components review the results of testing for the second and third quarters to continue to assess their progress as part of routine monitoring.
Conduct quarterly risk assessments and incorporate results into Component risk management plans through recurring quarterly meetings.	December 2021; April and July 2022		Risk assessment meetings track progress being made on areas needing most improvement, or areas that would significantly impact ability to reduce weaknesses in internal control and business processes.
DHS CFO to engage with Component CFOs to review the status of addressing audit findings, risks, and mitigation strategies.	December 2021 through August 2022		Monthly action.
Components re-evaluate risks to sustain a clean audit opinion and reduce weaknesses in internal control and business processes.	March, June, and August 2021		Components review the results of testing for the second and third quarters to continue to assess their progress as part of routine monitoring.
Conduct quarterly risk assessments and incorporate results into Component risk management plans through recurring quarterly meetings.	December 2020; April and July 2021		Risk assessment meetings track progress being made on areas needing most improvement, or areas that would significantly impact ability to reduce weaknesses in internal control and business processes.
DHS CFO to engage with Component CFOs to review the status of addressing audit findings, risks, and mitigation strategies.	December 2020 through August 2021		Monthly action.
The Independent Auditor's Report notes further improvement in Component FFMIA compliance and indicates a reduction in the number of Components contributing to the IT and Financial Reporting conditions.	November 2016	November 2020	The independent auditor will issue its report for FY 2020 in November 2020. DHS did not meet its target to reduce one material weakness and clear one significant deficiency in FY2019 because controls were not in place long enough to demonstrate effectiveness. DHS has developed strategy and approach that will be fully executed in FY2020.
Assessed the Department's FFMIA compliance based on the results of DHS-wide assessment.	November 2019		Completed

OUTCOME ACTION PLAN			
Actions	**Projected Date**	**Actual/Adjusted Date(s)**	**Reason for change/notes**
Components re-evaluated risks to sustain a clean audit opinion and reduce weaknesses in internal control and business processes.	March, June, and August 2019	June and August 2019	Completed. March submission was extended to be submitted with June due to impact of lapse in appropriations
Conducted quarterly risk assessments and incorporate results into Component risk management plans through recurring quarterly meetings.	December 2018; April and July 2019	December 2018 and July 2019	Completed. April submission was extended to be submitted with July due to impact of lapse in appropriations
DHS CFO engaged with Component CFOs to review the status of addressing audit findings, risks, and mitigation strategies.	February–December 2019		Completed.
Assessed the Department's FFMIA compliance based on the results of DHS-wide assessment.	November 2018		Completed.
Components re-evaluated risks to sustain a clean audit opinion and reduce weaknesses in internal control and business processes.	March, June, and August 2018		Completed.
Conducted quarterly risk assessments and incorporate results into Component risk management plans through recurring quarterly meetings.	December 2017; April and July 2018		Completed.
DHS CFO engaged with Component CFOs to review the status of addressing audit findings, risks, and mitigation strategies.	February–December 2018		Completed.
DHS CFO to engage with Component CFOs to review the status of addressing audit findings, risks, and mitigation strategies.	February–December 2017	February–December 2017	Completed.
Assess the Department's FFMIA compliance based on the results of DHS-wide assessment.	November 2017	November 2017	Completed.
Components re-evaluated risks to sustain a clean audit opinion and reduce weaknesses in internal control and business processes.	March, June, and August 2017	March, June, and August 2017	Completed.
Conducted quarterly risk assessments and incorporated results into Component risk management plans through recurring quarterly meetings.	December 2016; April and July 2017	December 2016; April and July 2017	Completed.

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

Financial Management Outcomes #6–8

Outcome Lead: Jeffrey Bobich

Outcome Executive: Stacy Marcott

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

- Applying rigorous and disciplined information technology (IT) acquisition management processes throughout the program/project lifecycle that are consistent with applicable practices identified in Level 2 of the Carnegie Mellon Software Engineering Institute's Capability Maturity Model® Integration. These steps will help to ensure that the systems meet expected capabilities/requirements and associated mission benefits.

- Implementing oversight mechanisms to monitor contractors or shared service providers selected to implement the solution or modernize the existing systems. These steps will help to ensure that actual cost, schedule, and performance are within established threshold baselines, and variances are identified, tracked and addressed.

GAO 2020 Outcome Rating: FM 6 (USCG)

Initiated	Partially Addressed	Mostly Addressed	Fully Addressed

GAO 2020 Outcome Rating: FM 7 (FEMA) and 8 (ICE and ICE Customers)

Initiated	Partially Addressed	Mostly Addressed	Fully Addressed

CURRENT STATUS

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

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

During Q4 FY 2018, the FSM solution for the Countering Weapons of Mass Destruction Office (CWMD), TSA, and USCG —referred to as the "Trio"— transitioned from IBC to DHS data centers. This solution delivers a standardized baseline solution for the Trio with increased functionality and integration for CWMD. FSM also received Acquisition Review Board approval to begin implementation of TSA and USCG functionalities. Once configuration is complete and software has been implemented, financial and procurement operations at TSA and USCG are expected to improve.

Due to a lapse in appropriations in early FY 2019, implementation work for TSA and USCG was delayed. After reviewing the scope of the delayed work and associated impact to the timeline, DHS determined that an auditable solution that meets all TSA requirements could not be configured, tested, and the user community trained, in time for the planned go-live in

CURRENT STATUS

Q1 FY 2020. The system integrator has committed to having all TSA functionality complete by Q2 FY 2020, and TSA will go live on the solution in Q1 FY 2021. DHS committed to reevaluating the USCG timeline as work progressed and after the technical refresh for CWMD. Based on lessons learned from CWMD going live on the upgraded version of FSMS, work to date on TSA and USCG data conversions, and the need for adequate time for USCG interface development, system testing, and training, USCG go-live is planned to Q1 FY22.

JPMO

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

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

Trio (CWMD, TSA, and USCG) – **FM 6**:

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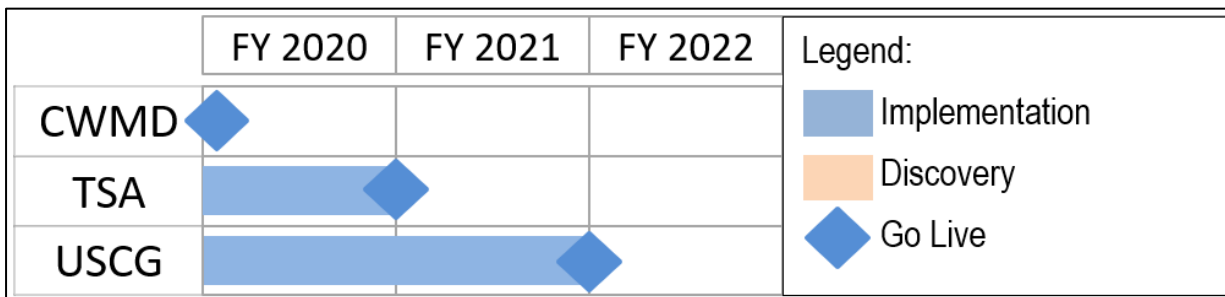- USCG is scheduled to transition to the solution in Q1 FY 2022. (See *Figure 3*).

Figure 3. Planned Timeline for Trio FSM Implementation

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

- ICE Customers include U.S. Citizenship and Immigration Services (USCIS), Cybersecurity and Infrastructure Security Agency (CISA), Science & Technology Directorate (S&T), and Departmental Management and Operations (DMO). The Department released solicitations for strategic sourcing vehicles for software – Enterprise Financial Management Systems (EFiMS) – and system integration – Enterprise Financial Systems Integrator (EFSI) – in October 2019. In November 2019, DHS received a protest of EFiMS in the Court of Federal Claims and immediately suspended all EFiMS work. As of January 2020, the litigation is still pending and EFiMS remains on hold. The target award for EFSI is Q2 FY 2020.

CURRENT STATUS
U.S. Secret Service (USSS):   • USSS completed the upgrade to Oracle Federal Financials Release 12.2 in Q1 FY 2018.

OUTCOME ACTION PLAN			
Actions	**Projected Date[1]**	**Actual/Adjusted Date(s)**	**Reason for change/notes**
FM 6			
USCG completes migration of their financial management systems.	October 2021		**Targeting a Fully Addressed rating for GAO Outcome FM 6.**
USCG go live.	October 2021		
USCG Data conversion and migration.	October 2021		Data will be incorporated from old to new system.
USCG Training.	October 2021		USCG Training Team will receive new system and business process training.
USCG Program status review.	September 2021		USCG will present documentation to support that the solution is ready for deployment and support.
USCG Test and acceptance.	September 2021		End users will test and accept system software based on their requirements and approved test plans.
DHS completes configuration and interfaces for USCG.	December 2020		System provider will configure system software to meet requirements.
TSA completes migration of their financial management systems.	October 2020		**Targeting a Mostly Addressed rating for GAO Outcome FM 6.**
TSA go live.	October 2020		
TSA Data conversion and migration.	October 2020		Data will be incorporated from old to new system.
TSA Training.	October 2020		TSA end users will receive new system and business process training.
TSA Test and acceptance.	October 2020		End users will test and accept system software based on their requirements and approved test plans.
TSA Program status review.	September 2020		TSA will present documentation to support that the solution is ready for deployment and support.

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[1] One of the planned strategic sourcing vehicles (EFiMS) is under litigation as of January 2020, and as a result all activities are on hold, and DHS cannot project completion dates for activities marked under FM 7 and 8.

OUTCOME ACTION PLAN			
Actions	**Projected Date[1]**	**Actual/Adjusted Date(s)**	**Reason for change/notes**
DHS implements system configurations for TSA.	February 2020		System provider will configure system software to meet requirements.
DHS completes configuration and interfaces for TSA.	March 2020		
CWMD refreshes to Release 12.2.7.	October 2019	October 2019	Completed.
DHS completed initial configuration to Release 12.2.7 for CWMD.	July 2019	July 2019	System provider configured system software to meet requirements.
DHS completed discovery for TSA and USCG in new hosted environment.	January 2018	July 2018	The system integrator delivered the final Discovery Report in July 2018.
Completed hosting migration of CWMD and CWMD go live in new hosted environment.	March 2018	August 2018	Completed.
Awarded integrator contract.	Q1 FY 2018	December 2017	Completed.
Awarded hosting task order.	September 2017	September 2017	Completed.
Hosting discovery phase.	August 2017	July 2017	Completed.
CWMD completes migration of their financial management systems to a federal shared service provider.	October 2015	November 2015	Go-live completed on November 5, 2015.
CWMD program status review.	September 2015	October 2015	The Under Secretary for Management was presented with documentation to support that the solution is ready for deployment and support.
CWMD training.	August 2015	October 2015	End users received new system and business process training.
CWMD test and acceptance.	August 2015	October 2015	Completed. Schedule adjusted due to late cycle testing.
CWMD data conversion and migration.	August 2015	September 2015	
CWMD system configuration.	March 2015	June 2015	System provider configured system software to meet requirements.
FM 7			
FEMA completes migration of their financial management systems.	TBD		**Targeting a Fully Addressed rating for GAO Outcome FM 7.**

OUTCOME ACTION PLAN			
Actions	**Projected Date[1]**	**Actual/Adjusted Date(s)**	**Reason for change/notes**
FEMA go live.	TBD		Component will present documentation to support that the solution is ready for deployment and support.
FEMA Program status review.	TBD		End users will receive new system and business process training.
FEMA Data conversion and migration.	TBD		End users will test and accept system software based on their requirements and approved test plans.
FEMA Training.	TBD		Data will be incorporated from old to new system.
FEMA Test and acceptance.	TBD		System provider will configure system software to meet requirements.
DHS completes configuration and interfaces for FEMA.	TBD		
Discovery phase.	TBD		
Select the system integrator.	TBD		
Select the software.	TBD		
Strategic Sourcing Software Licensing.	TBD		All work on the Enterprise Financial Management Software (EFiMS) procurement is on hold due to pending litigation.
Strategic Sourcing System Integration (SI).	Q2 FY 2020		Enterprise Financial Systems Integrator (EFSI) solicitation released October 2019 and pending award.
FM 8			
ICE and other ICE Customers (i.e., CISA, S&T, and DMO) complete migration of their financial management systems.	TBD		**Targeting a Fully Addressed rating for GAO Outcome FM 8.**
ICE and other ICE Customers go live.	TBD		Component will present documentation to support that the solution is ready for deployment and support.
ICE and other ICE Customers Program status review.	TBD		End users will receive new system and business process training.
ICE and other ICE Customers Data conversion and migration.	TBD		End users will test and accept system software based on their requirements and approved test plans.

OUTCOME ACTION PLAN			
Actions	**Projected Date[1]**	**Actual/Adjusted Date(s)**	**Reason for change/notes**
ICE and other ICE Customers Training.	TBD		Data will be incorporated from old to new system.
ICE and other ICE Customers Test and acceptance.	TBD		System provider will configure system software to meet requirements.
DHS completes configuration and interfaces for ICE and other ICE Customers.	TBD		
USCIS complete migration of their financial management systems.	TBD		**Targeting a Partially Addressed rating for GAO Outcome FM 8.** USCIS will be the first ICE Customer to pilot the financial management system. The Fully Addressed rating for GAO Outcome FM 8 will occur once ICE and other ICE Customers (i.e., CISA, S&T, and DMO) migrate to the financial management system.
USCIS go live.	TBD		Component will present documentation to support that the solution is ready for deployment and support.
USCIS Program status review.	TBD		End users will receive new system and business process training.
USCIS Data conversion and migration.	TBD		End users will test and accept system software based on their requirements and approved test plans.
USCIS Training.	TBD		Data will be incorporated from old to new system.
USCIS Test and acceptance.	TBD		System provider will configure system software to meet requirements.
DHS completes configuration and interfaces for USCIS.	TBD		
Discovery phase.	TBD		
Select the system integrator.	TBD		
Select the software.	TBD		
Strategic Sourcing Software Licensing.	TBD		All work on the Enterprise Financial Management Software (EFiMS) procurement is on hold due to pending litigation.

Strategic Sourcing System Integration (SI).	Q2 FY 2020		Enterprise Financial Systems Integrator (EFSI) solicitation released October 2019 and pending award.

Human Capital Management Outcome #6

Outcome Leads: Alisa Green

Outcome Executive: Clothilda Taylor

GAO Outcome: Federal Employee Viewpoint Survey (FEVS) – Improve the Department's scores on the Office of Personnel Management's (OPM) Federal Employee Viewpoint Survey within the four Human Capital Assessment and Accountability Framework indices: (1) leadership and knowledge management; (2) results-oriented performance culture; (3) talent management; and (4) job satisfaction.[1]

2020 GAO Outcome Rating

Initiated	Partially Addressed	**Mostly Addressed**	Fully Addressed

CURRENT STATUS

The Department must continue its progress improving employee engagement scores on the FEVS in order to advance to Fully Addressed. GAO has favorably recognized the employee engagement action planning cycle the Department has implemented within its operational Components.[2] The Department's action planning cycle integrating 2019 FEVS data into 2020 Component plans was delayed by the COVID-19 pandemic crisis but has continued.

DHS continues to experience improvements, as evidenced by a sustained increase in scores that began in 2016:

- From 2015 to 2019 the overall DHS employee engagement score increased a total of nine percentage points, a sustained trend that thought brought the score above the previous high score of 61 percent in 2010.

- DHS tied with the Department of the Army for the largest increase in employee engagement scores among very large agencies for 2017. In 2018, the Department increased in two engagement-related indices for the third straight year. The Global Satisfaction Index increased from 55 percent in 2017 to 56 percent in 2018, and the New Inclusion Quotient (IQ) Index increased from 52 percent in 2017 to 53 percent in 2018.

- In 2019, the Department's overall FEVS Employee Engagement Index (EEI) score was 62%, an increase of two percentage points over last year. The Global Satisfaction Index held steady at 56%, and the New IQ rose one percentage point to 54%.

- The United States Secret Service had the largest increase in employee engagement of any of the operational Components from 2017 to 2018 and again from 2018 to 2019. The EEI rose six percentage points in 2018 and seven percentage points in 2019, to 64%.

- The Transportation Security Administration, Federal Emergency Management Agency, Customs and Border Protection, Cybersecurity and Infrastructure Security Agency, U.S. Coast Guard, and U.S. Citizenship and Immigration Services also increased EEI scores in 2019.

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[1] In November 2018, GAO agreed to benchmark against the Employee Engagement Index (EEI) rather than the Human Capital Assessment and Accountability Framework (HCAAF) indices since the HCAAF had been sunsetted by the Office of Personnel Management.

[2] GAO, *High-Risk Series: Substantial Efforts Needed to Achieve Greater Progress on High-Risk Areas*, GAO-19-157SP (Washington, D.C.: March 6, 2019), page 188.

OUTCOME ACTION PLAN			
Actions	**Projected Date**	**Actual/Adjusted Date(s)**	**Reason for change/notes**
Receive 2021 FEVS results.	September 2021	November 2021	**Targeting a Fully Addressed rating.** DHS sustains improved FEVS scores.
Components update employee engagement action plans in response to 2020 FEVS results.	April 2021	August 2021	
Continued cycle of communication and Component employee engagement action plan implementation.	October 2020	February/March 2021	
Receive 2020 FEVS results.	September 2020	January/February 2021	DHS sustains improved FEVS scores.
Components update employee engagement action plans in response to 2019 FEVS results.	June 2020	August/September 2020	
Continued cycle of communication and Component employee engagement action plan implementation.	October 2019		
Receive 2019 FEVS results.	September 2019	December 2019	**Achieved a Mostly Addressed rating.** DHS sustained improved FEVS scores.
Components updated employee engagement action plans in response to 2018 FEVS results.	April 2019		
Continued cycle of communication and Component employee engagement action plan implementation.	October 2018		
Received 2018 FEVS results.	August 2018	August 2018	DHS sustained improved FEVS scores.
Components updated employee engagement action plans in response to 2017 FEVS results.	April 2018	April 2018	Complete.
Continue cycle of communication and Component employee engagement action plan implementation.	October 2017	Ongoing	Components have assessed their FEVS results and are implementing their action plans.

OUTCOME ACTION PLAN			
Actions	**Projected Date**	**Actual/Adjusted Date(s)**	**Reason for change/notes**
Received 2017 FEVS results.	August 2017	August 2017	Employee engagement scores increased by 4 percentage points in 2017, the second consecutive year DHS experienced an improvement.

Human Capital Management Outcome #7

Outcome Lead: Tyler Maxey/Neil Singh

Outcome Executive: Clothilda Taylor/Donna Seymour

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

GAO 2019 Outcome Rating

Initiated	Partially Addressed	Mostly Addressed	Fully Addressed

CURRENT STATUS

To advance to Fully Addressed, it is the Department's understanding that evidence must be provided to GAO that reflects (1) continued implementation and sustainment of the DHS rotation policy; (2) continued implementation of, and updates to, the DHS Workforce Development Plan (WDP); (3) continued annual reviews of Component training plans to ensure compliance with DHS policy; and (4) the use of DHS-wide training data to inform human capital programs is institutionalized.

The Department implemented Performance and Learning Management System (PALMS) capabilities in select Components to enhance the accessibility and comparability of DHS training data.[1] While PALMS serves a majority of DHS, it is not the sole enterprise solution for learning management. The Department will continue to leverage PALMS into fiscal year 2020 to allow time for the selection and implementation of follow on talent development and training capabilities for DHS. In addition, the Department has built data interchanges between the four learning management solutions and the Human Capital Enterprise Information Environment to create a central repository for the Department's training data, which allows for enterprise-wide reporting and data analytics.

The action plan that follows outlines the steps DHS is taking to address the requirements GAO has communicated, summarized above, for achieving and sustaining a Fully Addressed rating for this outcome.

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

OUTCOME ACTION PLAN			
Actions	**Projected Date**	**Actual/Adjusted Date(s)**	**Reason for change/notes**
Create a data feed of DHS training from current DHS Learning Management Systems to collect and analyze training in a useful format and training tool.	September 2020		**Targeting a Fully Addressed rating.**
Develop data reporting dashboard to display and analyze DHS training data.	November 2020		**Targeting a Fully Addressed rating.**
Validate data with DHS Components and develop initial DHS-wide training data report. Present initial training data report to the DHS Chief Learning Officers Council.	June 2021		**Targeting a Fully Addressed rating.**
Quarterly reporting of DHS-wide training data presented to DHS Chief Learning Officers Council.	August 2021		**Targeting a Fully Addressed rating.**
Conducted annual review of Component compliance with implementing the DHS Rotation Program.	December 2019		This review demonstrated continued implementation and sustainment of the DHS Rotations Program.
Established data interchanges to enable enterprise-wide reporting and analytics of DHS training data.	June 2019	November 2019	
Conducted annual review of Component compliance with DHS training policy.	December 2018	June 2019	DHS annually captures and tracks DHS-wide training and development data to provide evidence of Components' compliance with laws, regulations, and DHS learning and development policies, as well as provide data on trends and gaps in DHS mission training metrics.
Provided GAO with evidence of PALMS sustainment.	December 2018		PALMS is operational and metrics are published monthly to demonstrate usage.
Provided evidence reflecting implementation of the DHS Rotation Program.	September 2018	December 2018	Provided in December 2018.

	OUTCOME ACTION PLAN		
Actions	**Projected Date**	**Actual/Adjusted Date(s)**	**Reason for change/notes**
Provided evidence reflecting implementation of the FY 2018–2019 Workforce Development Plan.	September 2018	August 2018	Provided in August 2018 and June 2019.
Assessed Component compliance with DHS training policy.	December 2017	December 2017	DHS submitted to GAO the "DHS Component Training Plan Review Report" on December 28, 2017.
Assessed FY 2016–2017 WDP actions and developed FY 2018 plan.	December 2017	December 2017	DHS provided GAO with the FY 2016-2017 WDP Assessment Report in October 2017 and the FY 2018–2019 WDP in January 2018.
Rolled-out PALMS learning management system module in designated Components.	May 2017	CBP, 07/13/15 HQ, 10/06/15 FLETC, 12/10/15 ICE, 06/01/16	PALMS is currently deployed to designated Components.
Issued the Rotations Directive and Instruction.	September 2016	August 2016	Issued August 2016.
Provided evidence that gap analysis results are being used to improve knowledge, skills, and abilities.	September 2016	September 2016	Provided in September 2016.
Tracked compliance through the Human Resources Operations Audit.	December 2015	August 2015	Incorporated leadership development and training items.
Issued the Workforce Development Plan and implemented planned actions.	September 2015	October 2015	The FY 2016–2017 DHS Workforce Development Plan was issued in October 2015.
Issued the Directive and Instruction, "Employee Learning and Development."	July 2015	September 2016	Issued September 2016.
Issued the guides for Components and conducted assessments.	July 2015	April 2016	In April 2016, the *Needs Assessment Guide* and *Training Evaluation Guide* were published. Components were also assessed on their assessment and training evaluation practices.

IT Management Outcome #6

Outcome Lead: Dr. Thresa Lang
Outcome Executive: Karen Evans

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

- Demonstrating measurable progress in achieving effective information system controls by downgrading the Department's material weakness in financial systems security to a significant deficiency for two consecutive years and reducing the deficiencies that contribute to the significant deficiency, as reported by the independent auditors of the Department's financial statements;
- The federal desktop core configuration (FDCC) was replaced by the U.S. Government Configuration Baseline (USGCB), which included Windows 7 and Red Hat Enterprise Linux (RHEL 5). In 2018, DHS moved to Windows 10 and adopted the DoD Secure Host Baseline.
- Promptly develop remedial action plans and demonstrate sustained progress mitigating known vulnerabilities, based on risk, as determined by an independent assessment; and
- Implement key security controls and activities, as independently assessed by the Office of Inspector General or external auditor based on *Federal Information Security Management Act of 2002* (FISMA) reporting requirements.

GAO 2020 Outcome Rating

Initiated	Partially Addressed	Mostly Addressed	Fully Addressed

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

DHS continues enhancing the security of the Department's internal IT systems and networks in the following ways:
- Expanding the IT internal control program, which is a joint effort by the DHS Chief Information Officer (CIO) and the Chief Financial Officer (CFO), to assist in the monitoring and management of the IT internal controls for the Department and jointly support Components in efforts to strengthen IT general controls, systems security, and IT internal controls environments.
    - Gained commitment from CFOs and CIOs of the Components that contribute to the Department's outstanding material weaknesses to achieve annual Department-wide audit and Internal Controls over Financial Reporting (ICOFR) performance goals (commitments are required as an element of each Component's CFO and CIO performance plans.)
- Adjusting the schedule of Component IT security status meetings with the DHS Acting Under Secretary for Management (AUSM) to increase the meeting frequency for those with more complex remediation challenges and decrease the meeting frequency for Components that have consistently achieved noteworthy progress in addressing IT security weakness. The overall improvements in DHS IT security posture were the direct result of these meetings. As of July 2020, these executive-level meetings have been held with the following components:

CURRENT STATUS

- o Federal Emergency Management Agency (FEMA)
- o U.S. Secret Service (USSS)
- o U.S. Coast Guard (USCG)
- Issued the FY 2020 DHS Information Security Performance Plan to include new FISMA requirements and refine metrics to strengthen the Department's security posture.
- Performing Information Security Continuous Monitoring (ISCM) for Secret and Top-Secret systems that are connected within a DHS network. DHS Components are scored, and metrics are calculated on a monthly basis for National Security Systems (NSS) against ISCM guidance established by the DHS CIO. The CIO reports compliance metrics on an NSS-specific Scorecard providing for greater visibility on the cybersecurity posture of the NSS environment.
- Working across the Department to embed cybersecurity within the DHS Acquisition Lifecycle Framework (ALF). The DHS Chief Information Security Officer (CISO) initiated working groups and developed cybersecurity and acquisition policy and guidance to address challenges the working groups identified.
- To increase efficiencies and consolidate functions, the Cybersecurity Operations Center also known as the Enterprise Security Operations Center, (ESOC) was moved from the Chief Information Security Officer Directorate (CISO) to the Information Technology Operations Directorate (ITO). This will ultimately align OCIO with the Network Operations Security Center (NOSC) model, which provides real-time operational network intrusion detection and perimeter defense capabilities. The goal of this move is to modernize and defend DHS assets from hostile threats. Consolidating the security and network functions under ITO increases collaboration and integration in DHS's network. A more integrated workflow under a single directorate will make it easier to deploy, implement, and respond to capabilities preventing intrusions. This adjustment will allow CIO to focus on enterprise policy, compliance, and assessments in support of the DHS mission.
- Strengthening the Department's operational security posture through the enhanced cooperation of .gov and .mil network defenders with the DHS ESOC taking a lead role in coordination and information sharing amongst the DHS Component SOCs, USCG Cyber Command and Other Government Agencies. In addition, the DHS ESOC continues to close visibility gaps, setup enhanced monitoring of cloud connections, and increase storage of logs necessary for investigations.
- Continuing the SOC Optimization initiative to heighten ESOC visibility, unify incident responses, introduce a shared services model, and improve overall communication between Components. SOC Optimization will be pursued through the Cybersecurity Service Provider (CSP) Assessments of Component SOCs and the SOC Network Visibility working group with participation from all Component SOCs.

The DHS SOC Optimization will enable greater visibility, efficiency, and integration without sacrificing the autonomy and mission expertise unique to each Component SOC.

- The DHS CIO established a directive on August 14th, 2019 mandating a review of SOC Capabilities. Depending on assessment results, SOCs will be able to operate as an independent accredited SOC, act as a Service Provide to other SOCs, or need to buy services from a Service Provider. DHS has formed a CSP Program and established the DHS CSP Program Management Office (PMO). The DHS CSP PMO oversees all aspects of the DHS CSP Program for DHS and all DHS Components, under the oversight of the DHS Chief Information Security Officer (CISO) Council. Under this mandate, all DHS Components must participate in the CSP Assessment Process. The contracts Integrated Project Team, which is inclusive to this pursuit, is currently searching for the optimal enterprise vehicle.

CURRENT STATUS
• Under the CSP program, ICE and TSA have been fully assessed and achieved Center of Excellence (COE) accreditation. Component SOC who are deemed COE can provide services to other components.
• The remainder of the DHS component SOCs are currently being assessed under the CSP program. Due to COVID 19 closures, the assessment schedule was delayed, and the onsite assessment has shifted to fully remote. CSP assessments are scheduled to be completed by September 2020.
• The CDM program is providing the Department with the ability to use a consensus-based, interoperable toolset to manage our user, access, and incidents within our environment. The advancement in tools provides the Department with enhanced oversight and management of cyber security. All CDM Phases are being centrally managed through the OCISO CDM-PMO in collaboration with the Components & in partnership with DEFEND-A. DHS HQ CIO's decision to leverage the cybersecurity tools within the Components maximized sunk costs by the Components, improved tool maturity, and cybersecurity by:

      o Focusing the CDM program on Tenable tool integration for Phase I to improve the connection and transmission of Component CDM data to the Enterprise enclave.

      o Implementing Phase III Incident Response Reporting (IRR) capability within CBP's on premise environment and provided the Department with a central code repository to maintain and share cybersecurity playbooks across DHS.

      o Successfully migrated all Components Splunk environments into and existing ESOC environment to reduce cost, time, and increase capacity and accuracy of components' CDM data.

      o Setting a new strategic direction, "Go to Green" to improve endpoint counts. As of June 30, 2020, there are 240K endpoints. This was an effort through the CDM program to get enterprise Endpoints reporting to SPLUNK and Agency dashboard. This increased visibility from ~40k endpoints to over 170k endpoints in less than 6 months. In addition, it optimized component tool configurations to produce more complete data records. The HQ CDM team worked with each component to develop specific go-to-green plans to target unique data ingest errors.

      o Achieved 10 of 11 Components reporting to the DHS Dashboard; CISA is the exception. The plan to achieve CDM capabilities has been initiated in the first quarter of this fiscal year.

• The DHS OCISO enhanced the Plan of Action and Milestones (POA&M) monitoring program to ensure the completeness and quality of remediation activity and POA&M management. The program consists of two reviews, a Weakness Remediation Completeness Review and POA&M Quality Review, which are described below. Both reviews are based on remediation completion evidence and POA&M data maintained in the Information Assurance Compliance System (IACS).

      o Weakness Remediation Completeness Review: Provides DHS assurance that Components are remediating weaknesses or creating POA&Ms for weaknesses that cannot be remediated within 31 days of identification.

• POA&M Quality Review: Provides DHS assurance that POA&Ms are managed in accordance with the DHS Process Guide for POA&Ms, Attachment H, of the DHS 4300A Sensitive Systems Handbook. The supplemental guide describes the core process for remediating control deficiencies in Sensitive But Unclassified DHS Information systems.

• DHS OCISO is developing a DHS Cyber Security Risk Management Plan that, among other features, will establish cybersecurity risk tolerance levels based on an objective measure of DHS component or portfolio risk. This draft plan will be in place by September 2020 and will focus on improving protection measures to reduce the likelihood of losses

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due to cyber incidents. The plan will include alignment to MITRE Corporations Attack Techniques, Tactics and Common Knowledge (ATT&CK), which outlines protective strategies for adversarial techniques used to breach systems and disrupt services.

OUTCOME ACTION PLAN

Actions	Projected Date	Actual/Adjusted Date(s)	Reason for change/notes
Sustain "significant deficiency" status or less for two consecutive years (i.e., FY 2021–2020).	November 2021		**Targeting a Fully Addressed rating.**
Achieve "significant deficiency" status or less for FY 2021.	Q4 FY 2015	November 2021	A status of "significant deficiency" or less must be maintained for two consecutive years for this outcome to be Fully Addressed.
Completed actions to address three recommendations contained in the OIG FY 2018 FISMA report (OIG-19-60).	Q4 FY 2019	September 2019	All recommendations were closed in September 2019.
Completed actions to address five recommendations contained in the OIG FY 2017 FISMA report (OIG-18-56).	Q4 FY 2018	September 2019	All recommendations were closed in September 2019.
Completed actions to address four open recommendations contained in the OIG FY 2016 FISMA report (OIG-17-24).	Q4 FY 2017	May 2019	All recommendations were closed in May 2019.
Completed actions to address six open recommendations contained in the OIG's FY 2015 FISMA report (OIG-16-08).	Q4 FY 2016	May 2018	All recommendations were closed in May 2018.
Completed actions to address six open recommendations contained in the OIG's FY 2014 FISMA report (OIG-15-16).	Q4 FY 2015	March 2018	All recommendations were closed on March 22, 2018.
Oversee and assist Components in addressing deficiencies that contributed to the Department's material weakness in the IT security control and financial system functionality area to achieve a reduction to a significant deficiency by the independent auditors.	October 2015	Ongoing	**Sustaining a Mostly Addressed rating.** Existing, significant IT security control deficiencies must be remediated with no new significant deficiencies identified.
Continued to oversee and assist Components in addressing IT deficiencies.	September 2015	Ongoing	Meet with Components monthly to review progress and provide guidance as needed.

Acquisition Program Management Outcome #3

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

Outcome Executives:

Joseph Wawro, Director, Joint Requirements Council

Debra Cox, Executive Director, Program Accountability and Risk Management

Randolph Alles, Deputy Under Secretary for Management

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

GAO 2019 Outcome Rating:

Initiated	Partially Addressed	**Mostly Addressed**	Fully Addressed

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GAO found the JRC's approach to be generally sound.[1] To achieve a Fully Addressed rating, it is the Department's understanding that the JRC must sustain effective operations evidenced in part by its continued impact on investment decisions. The Component-composed JRC is the executive body that governs the Department's operational requirements process by generating, validating, and prioritizing capability gaps, needs, concepts of operation, and requirements. JRC validation is a critical step prior to investing in a capability. The JRC continues to operate effectively, benefiting DHS by:

- Providing comprehensive analytical assessment of operational needs and gaps across Components and the DHS enterprise, thereby improving field operational effectiveness and efficiency;
- Addressing capability gaps and prioritizing operational requirements;
- Driving collaboration and integration across DHS;
- Informing enterprise investment processes, such as Program and Budget Reviews (PBRs), Resource Allocation Plans (RAP) and Decisions (RAD), Resource Planning Priorities (RPP), and Acquisition Review Boards (ARBs) regarding capability gaps, needs, concepts of operation, and operational requirements;
- Ensuring traceability between DHS and Component strategic priorities and operational capability;
- Working throughout the Department on the development of requirements policy and training; and
- Solidifying leadership support through regular JRC updates and in-person and virtual meetings with Deputy Secretary, DHS Chief of Staff, and Deputy Under Secretary for Management.

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

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

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- Analyzing and validating over 300 requirements documents.

- Identifying over 310 capability gaps, along with mission needs and operational requirements to inform capability development and Research and Development (R&D) investments (as of July 2020).

- Training over 1550 users in four operational requirements concepts: Overview; Core Concepts; Developing and Managing DHS Requirements; and Knowledge Management/Decision Support (KM/DS) (as of July 2020).

- Maturing operational requirements development and management Department-wide by:
  - Continuing a requirements workforce assessment to inform a structure for DHS Component requirements organizations;
  - Working with Immigration and Customs Enforcement to establish their requirements organization;
  - Continuing to work closely with the recently established Cybersecurity and Infrastructure Security Agency (CISA) and Countering Weapons of Mass Destruction (CWMD) Office on requirements development and the maturation of their requirements workforce; and
  - Continuing to mature the partnership with the Transportation Security Administration (TSA), U.S. Customs and Border Protection (CBP), and the U.S. Coast Guard's (USCG) requirements organizations.

- Assisting Components in conducting requirements workforce assessments and establishing internal requirements policies, independent requirements offices, and training. For example, the JRC collaborated with the Homeland Security Operational Analysis Center to provide analytic support to develop requirements specifications and documentation for the Federal Emergency Management Agency.

- Establishing the DHS Requirements Management (RM) Specialization within the Technology Manager Acquisition Certification. This specialization is designed to improve and standardize requirements training across the Department. There are now 15 requirements personnel in the Department with this specialization.

- Developing an extensive new course, *Developing and Managing DHS Requirements*, as part of the RM curriculum. The course provides a comprehensive understanding of how to define, analyze, and manage requirements within DHS starting from capability analysis through solution. Through this course, acquisition professionals receive in-depth insight into the DHS requirements process and its relationship to overall acquisition management. First piloted through the Homeland Security Acquisition Institute in February 2019, five offerings have been held thus far (as of February 2020) with two more to be held in the remainder of FY 2020.

- Establishing the DHS Capability Gap Register (CGR) to provide a dataset of validated capability gaps to inform R&D investments. Analysis and prioritization of CGR Gaps will inform FY22-26 budget decisions and FY23-27 budget submissions.

- Providing a requirements perspective to inform the PA&E led DHS Strategic Review, Component Resource Allocation Plan (RAP) briefs, and Department Issue Teams. The Strategic Review is a process that examines Components' RAP submissions and informs the Resource Allocation Decision.

CURRENT STATUS

- Identifying joint requirements or commonality recommendations for action, including in shared mission areas such as Domain Awareness sensor integration, Counter Unmanned Aircraft Systems (C-UAS) and future vertical lift.

- Assisting S&T in obtaining funding for multiple joint requirements development efforts: DOMEX (document and media exploitation), Counter Unmanned Aerial Systems (C-UAS), Immigration Data Integration Initiative, DHS Readiness Reporting, National Vetting Center, and Next Generation Vertical Lift.

- Establishing JRC Director membership on the DHS C-UAS executive steering committee (ESC).

- Chartering a working group to build enterprise-wide C-UAS requirements. The work group became a sub-group of the Secretary's C-UAS ESC and developed a Capability Analysis Report (CAR) that captures enterprise C-UAS capability gaps and will guide requirements development at specific covered facilities and assets.

- Producing an Annex for the Secretary's Counter Unmanned Aircraft Systems Policy Guidance. The Annex outlines the Department's process for identifying, prioritizing, and approving which covered facilities and assets will receive CUAS capabilities. JRC is currently facilitating the Department-wide data call of covered assets, facilities, and events for prioritization through the analytic framework outlined in the annex. JRC continues to support development of the CUAS Joint Mission Need Statement (MNS) and Non-Materiel Change Recommendations (NMCR).

- Implementing requirements guidance into Fiscal Year (FY) 2022–2026 Resource Allocation Plan processes and informed DHS enterprise processes as a key stakeholder in PBR, R&D, ARBs, and strategy implementation.

- Recognizing commonality in biometrics requirements across the Department leading to the formation of a Biometrics ESC to ensure the Department's efforts are coordinated and the enterprise solution for biometrics can meet component operational requirements.

- Informing USCG and CBP efforts to arrive at a common integrated user interface solution for Maritime Aircraft Mission Systems, known as Minotaur Mission Management System, through the JRC-led Joint Operational Requirements Document (ORD). This ORD is currently being updated to reflect continued program evolution and is expected to go through the JRIMS process in Summer of 2020 (as of July 2020).
  - Operational demos were promising. During STORM FORCE 2018, both CBP and USCG aircraft shared real time data with CBP's Air and Marine Operations Center, USCG's Maritime Intelligence Fusion Center, and DoD, reflecting unprecedented levels of interoperability and commonality.

- Forming a working group and securing funding for a study to build common USCG/CBP medium vertical lift (i.e., H-60) requirements called Next Generation Vertical Lift (NGVL).
  - CBP is a member of DoD's Future Vertical Lift (FVL) leadership forum along with USCG. This effort takes the long-term view to jointness (platform replacements anticipated in mid-2030s), and sets the stage for a major, truly joint DHS aviation program.
  - A joint NGVL CAR has been drafted and is expected to go through the JRIMS process in Fall of 2020.

- Analyzing national interest-level requirements, harnessing operator expertise from across DHS and enabling end users to obtain enterprise capabilities to perform the mission:

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o <u>Immigration Data Integration Initiative</u>: JRC, through the Immigration Data Integration Initiative (IDII) Executive Steering Committee (ESC), ensured Unified Immigration Portal (UIP) requirements were integrated into the Immigration Data Integration (IDI) Capability Analysis Report (CAR) which was submitted for Department wide comments in February 2020.
o <u>CBP Wall System/Border Security Operational Requirements</u>: Defined the scope and improved measures of mission success of physical barriers, enforcement zones, and detection assets to maximize operational outcomes and mission success through effective capability in the field.
o <u>CBP Biometrics Entry-Exit</u>: Strengthened entry-exit analysis and requirements development through early collaboration between TSA, CBP, and the Office of Biometric Identity Management to identify common capability gaps and needs for biometric activities. Biometrics collaboration shaped requirements allowing for a broader range of solutions and enhanced the possibility of further integration with DHS systems.
o <u>U.S. Immigration and Customs Enforcement Immigration Data Modernization</u>: Led a robust requirements development approach for DHS-wide interconnectivity and open IT architecture.
o <u>DHS Maritime Patrol Aircraft Mission System Capability</u>: Spearheaded a joint operating document (J-ORD) mandating the first DHS joint capability between USCG and CBP. The J-ORD enables interoperability, information sharing, and communications among DHS aircraft performing national security and emergency response missions. Standardizing capability through the J-ORD will position DHS to leverage significant opportunities for efficiencies in lifecycle costs (e.g., acquisition, procurement, operator training, and mission support).

OUTCOME ACTION PLAN			
Actions	**Projected Date**	**Actual/ Adjusted Date(s)**	**Reason for Change/Notes**
Sustain effective operation of the JRC by fully implementing a process where operational requirements are integrated into processes for prioritizing investments.	September 2018	September 2020	**Targeting a Fully Addressed rating.** The adjusted date is to allow GAO time to conduct any necessary follow up to substantiate a Fully Addressed rating. DHS has fully integrated JRC participation into PBR (to include RAP/RAD and Strategic Review), ARB, and RPP development processes. The JRC actively informs DHS leadership prioritized investment decisions through integration with these processes.

Conduct training – JRIMS Overview, Core Concepts, Developing and Managing DHS Requirements and KM/DS.	Ongoing	Ongoing	As of July 2020, trained 1550 users in operational requirements JRIMS Overview, Core Concepts, Developing and Managing DHS Requirements, and KM/DS.
Validate Mission Need Statement and Operational Requirements Document for all Level 1 and 2 Master Acquisition Oversight List programs and submit recommendations to the DMAG.	Ongoing	Ongoing	All operational requirements are validated before acquisition decision events. As of July 2020, JRC analyzed and validated more than 300 requirements documents.
Fully implemented a process to ensure operational requirements are the foundation for R&D.	September 2018	July 2018	The DHS CGR provides senior leadership with a comprehensive view across DHS capabilities gaps and a dataset of validated requirements to inform R&D investments. Additionally, analysis and prioritization of CGR Gaps will inform FY22-26 budget decisions and FY23-27 budget submissions.
Fully implemented the KM/DS Tool.	September 2016	June 2017	Complete.
Incorporated decisions from the JRC process to inform the FY 2018 RAD.	September 2016	May 2017	The FY 2018 RAD links capability investments to operational requirements. Therefore, the JRC is impacting resource decisions.
Achieved full operating capability.	June 2016	September 2016	**Targeting a Fully Addressed Rating.** The JRC has achieved full operating capability and is executing the JRIMS process. GAO advanced the rating for this outcome to Mostly Addressed in the 2017 *High-Risk Series*.
Delivered the KM/DS Tool.	May 2016	September 2016	Complete.
Approved JRIMS directives and instruction manual.	January 2016	March and April 2016	The JRC/JRIMS directive was signed on March 9, 2016 and the manual on April 21, 2016. The first JRIMS manual update has been completed and will be implemented FY 2019.
Incorporated decisions from the JRC process to inform the FY 2017 RAD.	September 2015	September 2015	The JRC informed the FY 2017 RAD.
Achieved initial operating capability.	July–August 2015	August 2015	The JRC has achieved initial operating capability, which is evidenced by the JRIMS process execution.
Approved JRC charter.	November 2014	November 2014	The charter was approved and signed by the DHS Deputy Secretary on November 16, 2014.

Acquisition Program Management Outcome #4

Outcome Lead: John Wells

Outcome Executive: Debra Cox

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

GAO 2020 Outcome Rating

Initiated	Partially Addressed	**Mostly Addressed**	Fully Addressed

CURRENT STATUS

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

- Provided quarterly summary of critical staffing gap status to Component Acquisition Executive (CAE) Council.

- Implemented the new staffing plan format and requirements with Components. The Office of Program Accountability and Risk Management (PARM) works directly with CAE staffs and programs to develop plans and reviews them before they are finalized and submitted. Through this process, PARM has:

  o Conducted analysis of FY 2020 staffing plans to determine whether sufficient numbers of trained acquisition personnel were in place to execute programs;

  o Conducted Component- and Department-level analysis of staffing data to determine common or systemic Component and Department staffing issues to be addressed;

  o Delivered a comprehensive staffing analysis report to the Deputy Under Secretary for Management (DUSM) and provided recommendations to programs on efforts to mitigate critical staffing gaps;

  o Worked with Components to ensure all identified critical staffing gaps are being addressed and tracked through a quarterly critical staffing gap tracker. For example, the FY 2020 critical staffing gaps summaries showed that 68% of the critical gaps in FY 2020 had been addressed;

  o Met with CAEs to discuss identified staffing gaps to determine root causes and ways for the Department to assist in addressing gaps; and

  o Released an implementation memorandum establishing the format and schedule for annual staffing plan updates.

- Developed a plan to assist in addressing staffing gaps based on Component and Department level analyses and discussions with CAEs. As identified in 2019 Staffing Analysis and recommended by GAO, held on 26 Jun 2020 cross-Component DHS Acquisition Staffing IPT bringing together approximately 150 DHS staffing and workforce stakeholders. Began to identify and collect staffing and workforce challenges and projects to identify component best practices and to staff to sub-IPT WGs to coordinate and to plan implementation across the whole of DHS.

- Increased program manager certification compliance across all Level 1 and 2 programs from 69% to 98% since January 2013.

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- Continued reviewing staffing levels at all Acquisition Review Boards. If the Acquisition Decision Authority determines there is a need, an independent staffing assessment will be required as an Acquisition Decision Memorandum action item.

- Hosted annual Program Management Awards in September 2020 by virtually recognizing the recipients. The Program Management Awards recognize outstanding performance in acquisition activities across the Department.

- Continued participation in each DHS Acquisition Program Management 350B Capstone program management certification course by providing instruction on the Department's acquisition processes and oversight responsibilities. PARM ensures representatives are available at key points throughout the course to ensure students have access to acquisition experts. The program has been moved to a virtual environment to ensure participation remains consistent under current restraints caused by COVID-19 pandemic.

- Developed an Acquisition Program Management Professional Career Path Guide to provide career planning guidance and a preview of typical experiences, responsibilities, and duties associated with acquisition program management. It also provides strategies for developing and advancing professional development.

- Initiated a pilot Acquisition Program Management Mentoring and Coaching Program as a subset to the DHS Mentoring Program. Nine pairs of junior and senior acquisition program management professionals have been matched and are participating in the pilot. In addition to DHS Mentoring Program activities, participants will participate in additional activities specifically designed for the acquisition program management professional pairs.

- Completed a pilot Acquisition Program Management Leadership Development Challenge Program in July 2020 in coordination with the ICE CAE, four participants from ICE, and two participants from PARM. The program is designed to cultivate acquisition program management professionals and prepare them for increasing responsibilities in the DHS acquisition program management discipline by providing awareness of leadership goals and objectives, while building an understanding of how the various acquisition entities work together to successfully field capability. PARM plans to collect feedback and lessons learned in order to inform and improve program dynamics for FY21.

- Continued the focus on integrating human capital planning into acquisition program management, the Chief Procurement Officer (CPO) published the DHS FY 2018–2020 Acquisition Workforce Strategic Human Capital Plan (AW Strategy) in May 2018 to build on the many accomplishments achieved through the previous AW Strategy (FY 2013 – 2017). The FY 2018-2020 AW Strategy represents a collaborative effort across the DHS acquisition community that identifies the goals and objectives that will guide the Department's acquisition workforce efforts through 2020. A one-year addendum is planned to extend the AW Strategy through FY 2021 to align with the CPO Strategy that is effective through 2021.

- Issued approximately 2,700 certifications annually across ten disciplines with over 44,500 issued since the certification program began. There are currently 14,996 acquisition certifications held within DHS as of August 5, 2020.

- Graduated 50 participants from the CPO's expanded Education, Development, Growth, and Excellence (EDGE) Mentor Program for mid-level Contracting and Contracting Officer Representative acquisition professionals in July of 2020 for a total of 266

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graduates since program inception. DHS is currently soliciting for FY 2021 participants for the program's sixth cohort to begin in October 2020.
• Continued to improve the competitive, DHS-wide Executive Development Program for Acquisition Leaders by expanding training and mentoring opportunities. The program includes shadowing, mentoring, monthly developmental workshops, leadership training and group projects to provide opportunities for collaboration and teamwork. 188 leaders have graduated from this popular program and 19 are participating in 2020.

OUTCOME ACTION PLAN			
Actions	**Projected Date**	**Actual/Adjusted Date(s)**	**Reason for change/notes**
Demonstrate that repeatable processes are identifying staffing gaps and issues; staffing analyses identify root causes and common issues across the Department; actions to address gaps and issues are identified and communicated; and staffing gaps and issues are being addressed.	December 2020		**Targeting a Fully Addressed rating.** This sustained effort will demonstrate that the repeatable processes are helping the Department to address staffing issues and gaps.
Conduct higher-level, Component- and Department-wide staffing analysis.	Ongoing (in conjunction with annual staffing analysis cycle)		This is a new analytical effort that will bring greater visibility to near- and long-term staffing issues, with the intent of enabling DHS to better mitigate projected staffing shortfalls.
Assess annual program staffing plan updates and quarterly critical staffing gap reports.	Ongoing	Ongoing	Through regular, standardized processes, PARM will continue to monitor critical staffing gaps, identify staffing issues, and provide assistance to programs in addressing staffing issues and gaps.
Implement standardized processes to assess staffing plans, monitor critical staffing gaps and issues, and provide assistance to programs in addressing staffing issues and gaps.	April 2018	March 2018	This action implements a repeatable process to assess and assist in addressing staffing issues and critical staffing gaps.
Implement staffing Instruction to obtain program staffing plans and track changes in critical staffing gaps in DHS major acquisition programs to ensure critical staffing gaps are identified and are being addressed.	August 2017	October 2017	DHS Instruction 102-01-006, Acquisition Program Management Staffing, was promulgated on December 2, 2016 and new requirements piloted in 2017.
Analyzed staffing gaps and mitigation strategies identified in the FY 2015 staffing plans and assessed effectiveness of mitigation strategies and progress in filling staffing gaps.	August 2016	December 2016	Complete.

OUTCOME ACTION PLAN			
Actions	**Projected Date**	**Actual/Adjusted Date(s)**	**Reason for change/notes**
Reviewed Component staffing plans and assessed completeness and accuracy.	January 2016– February 2016	May 2016	In October 2015, PARM requested FY 2015 staffing plans with a January 2016 deadline. PARM received and reviewed all staffing plans.
Analyzed staffing gaps and mitigation strategies identified in the staffing plans, which addressed insufficient numbers of trained acquisition personnel.	April 2015	July 2015	Staffing plans and workforce planning data were submitted and analyzed for all Components, except one. PARM delivered the reports to leadership summarizing identified deficiencies and gaps.
Reviewed Component staffing plans and assessed completeness and accuracy.	May 2014– February 2015	February 2015	**Achieved a Mostly Addressed rating.** PARM reviewed all plans. Some staffing plan waivers were approved due to specific program characteristics.

Acquisition Program Management Outcome #5

Outcome Lead: Kenneth Marien

Outcome Executive: Debra Cox

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

GAO 2020 Outcome Rating

Initiated	Partially Addressed	**Mostly Addressed**	Fully Addressed

CURRENT STATUS

The Department acknowledges that achieving a Fully Addressed rating on this outcome is a multiyear effort but continues to seek additional clarity from GAO whenever feasible on the specific steps remaining to achieve this outcome. GAO has signaled an intent to monitor newer acquisitions as a means of assessing the extent to which the policies and procedures DHS has established, or refined, are having a positive influence on acquisition program performance.

The Department, through the Office of Program Accountability and Risk Management (PARM), continues to implement GAO's recommendations and demonstrate progress on this outcome, as evidenced by the following actions:

- The Department is working with Components to not only reduce the number of Level 1 and 2 programs in breach of their approved Acquisition Program Baseline (APB), but the duration that programs remain in breach.
  - As of June 2020, there were a total of six programs in breach of their approved APB.
  - It should be noted that the existence of program breaches alone is not necessarily an indicator of portfolio health. While the Department's goal is to minimize breaches and their potential impacts to cost and schedule, unforeseen events or external factors occasionally materialize and affect program performance.
- Sustained progress made on related GAO outcomes by, in part, ensuring that program documentation is approved for Acquisition Decision Events (ADEs).
  - Since December 2015, all programs are required to obtain approval for all *Directive*102-01, *Acquisition Management* required documentation. If a document is not submitted and approved, either Acquisition Reviews Boards (ARBs) are postponed, or a rationale is provided in the related Acquisition Decision Memoranda (ADM).
  - A policy memorandum that the DHS Chief Financial Officer issued in February 2016 requires major programs to have a certification of acquisition funds memorandum signed by the Component Senior Financial Officials at ADE-2A. PARM tracks funding certifications for DHS major programs jointly with the Program Analysis & Evaluation Division in the Office of the Chief Financial Officer.

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- o Since FY 2017, the Cost Analysis Division (CAD) has required annual updates to Life Cycle Cost Estimates to provide comparative data on planned and executed funds.
- Continued quarterly assessments using the improved Acquisition Program Health Assessment (APHA) report, which provides a more accurate picture of program performance.
  - o The APHA is conducted quarterly to allow for changes to be monitored over time and risks to be identified and mitigated before they lead to breaches.
  - o The APHA 2.0 has been operational since the October 2016 cycle. DHS stakeholders leveraged lessons learned from the first year of APHA collection and refined the ratings and weighted scores. Significant expansion was made in a new category for requirements and adding five technology factors to the framework. The tool was updated in 2019 and APHA Automation Release 2.10 provides real-time access to previous APHA reports, online notifications, commenting and adjudication actions within the tool. These improvements enhance data quality, simplify and integrate audit trail actions, and increase visibility of the assessments tracked and provided by raters. As a result, the cycle time to generate the final APHA report is reduced.
  - o Collaboration continues between the Office of the Chief Information Officer (OCIO) and PARM to mature the data collection process by integrating the APHA and the IT Health Assessment. DHS and GAO met in July 2018 to discuss the approach and gain GAO's concurrence to move forward with the integration. Following that discussion, the Department has continued moving toward an integrated approach. The new approach includes the development of a Chief Technology Officer Directorate (CTOD) Technical Assessment process which is currently under development by the DHS CIO Technical Assessments Branch and a reengineering of the APHA process described below.
  - o PARM is embarking on an effort to reengineer the existing APHA process, laying the foundation for a new APHA NextGen business framework. The initial focus is solely on business processes and the health assessment methodology with the goal of transitioning from descriptive to a predictive analytic model using evidence-based metrics. As of July 2020, PARM is negotiating the award of a contract under an existing Federally Funded Research and Development Center (FFRDC) agreement for assistance with this initiative.
- Established an interagency agreement with the Department of Commerce National Technical Information Service on data and innovation services to drive enhancements that increase standardization, value, insights, and the use of the data within APHA tools, the Digital Review and Adjudication Workflow (DRAW), and Unified View of Investments (UVI). This effort supports accelerating leadership's journey from raw information to data-driven decisions. PARM continues to optimize the exchange of data with UVI, which provides a unified, common operational "one-pager" to the essential management data guiding decisions and actions on major acquisitions. The one-pager's integrated view optimizes the cross-connected line of sight on the management records, audit, programmatic, staffing, contract, cost, budget planning, and financial execution data critical to leadership decision making. In July 2020, the Department of Commerce tasking was amended to include the development of a DHS Major Acquisition Program metrics dashboard capable of producing high level, DHS major acquisition program performance metrics for all acquisition programs on the DHS Master Acquisition Oversight List (MAOL) in an easy to interpret dashboard. This dashboard will enhance DHS oversight by ensuring senior leadership has relevant information to support decision making and awareness.
- PARM continues to provide monthly high visibility program slide decks to ensure that senior leaders, including the Deputy Under Secretary for Management as Chief Acquisition Officer and DHS ARB members have a common understanding of acquisition programs' status and key issues. In addition, PARM continues to have in-person (virtual during COVID 19 tempo) high-visibility meetings on a quarterly basis. High visibility program slides are formatted to include key

CURRENT STATUS

information on: 1) all programs in a breach status, 2) programs that are having execution issues (reported from various sources, including APHA) that require management attention, 3) status of ADM action items for the entire portfolio, 4) potential new start programs, and 5) other information related to the health of the DHS portfolio. High visibility slides are released to the entire ARB for comment prior to delivery to the Chief Acquisition Officer.

- Facilitated acquisition oversight through Acquisition Review Boards (ARBs):

  o In FY 2019, 32 ARBs were held; 20 were ADEs or re-baseline decisions and 12 were program reviews. Thirty-six acquisition review team meetings were held to assess program readiness to conduct an ARB and 49 ADMs were signed by the CAO. Seven programs achieved full operational capability.

  o In FY 2020, as of June 2020, 22 ARBs were held; ten were ADEs or re-baseline decisions and twelve were program reviews. Nineteen acquisition review team meetings were held to assess program readiness to conduct an ARB and 34 ADMs were signed by the CAO.

- PARM continues to participate in annual CAE oversight reviews and individual program reviews for all Level 3 programs on the Master Acquisition Oversight List (MAOL). PARM began participating in portfolio reviews conducted by Component CAEs in FY 2017. PARM's participation in such reviews fulfills annual CAE oversight and Level 3 program review requirements stipulated by DHS *Directive* 102-01-010, *Level 3 Acquisition Management*. PARM is on track to complete all FY 2020 CAE oversight and Level 3 program reviews on time.

- PARM continues to coordinate with Components to ensure all Level 3 programs are appropriately baselined with approved APBs. Components are also required to maintain updated APB information in INVEST to allow PARM to track all Level 3 programs against approved cost, schedule, and performance parameters. Each quarter, PARM reports APB status of all Level 3 programs on the MAOL to DHS leadership, including cost, schedule, and/or performance breaches.

- Developed streamlined templates for Acquisition Program Baselines (APB), Capability Development Plans (CDP), Integrated Logistics Support Plans (ISLP), and Systems Engineering Life Cycle Tailoring Plans (SELC-TP). Developed training aids for Logistics and Risk Management. PARM is currently drafting a guide for Integrated Master Schedules and updating the Systems Engineering Guide.

- Established an independent cost assessment (ICA) functionality, under the leadership of the DHS Chief Financial Officer, within the CAD. The ICA process has improved program cost estimates and provides the ARB with additional data when assessing them.

- Stood up a technical assessment (TA) capability within the Science and Technology Directorate's Office of Systems Engineering & Standards Division (DOSES) that is required prior to all ADE-2As. The TAs focus on identifying programmatic technical risks that programs should manage. For IT programs, TAs are jointly signed by DOSES and the DHS Chief Information Officer. TAs have led to improved risk management and better outcomes.

- Developed a cybersecurity policy designed to coordinate cyber activities and support programs in ensuring cyber is appropriately addressed. Policy 102-01-012, *Cybersecurity Through the Acquisition Lifecycle Framework* was signed July 17, 2020.

- Supported the Chief Technology Officer with maturing the Enterprise Architecture Board (EAB) review process to ensure investments align with DHS Enterprise Architecture (EA) Principles and DHS architectural standards prior to entering an ADE. Updated policy to ensure EAB reviews are included as entrance criteria for all ADEs.

OUTCOME ACTION PLAN			
Actions	**Projected Date**	**Actual/Adjusted Date(s)**	**Reason for change/notes**
Determine and implement metric to monitor and track program health.	December 2022		**Targeting a Fully Addressed rating.** This action includes monitoring and tracking programs using the APHA report.
Demonstrate that DHS acquisition policies and processes are contributing to improved acquisition program performance.	December 2020	December 2019	**Achieved a Mostly Addressed rating.**
Demonstrated that all major programs are in compliance with policy documentation requirements.	December 2015	December 2015	All outstanding program documentation was completed as of December 2015. This is an ongoing action to ensure that programs approved for an ADE have program documents.
Began tracking program office health metrics.	August 2015	August 2015	This action included metrics to demonstrate compliance related to staffing.
Began tracking Department-level metrics.	August 2015	August 2015	This action included metrics to demonstrate Component Acquisition Executives' compliance with the Department's processes and policies.
Established program health metrics.	June 2015	June 2015	PARM also developed staffing metrics.
Established Department-level metrics to demonstrate compliance with processes and policies.	June 2015	June 2015	Complete.
Began tracking program metrics (i.e., cost, schedule, and performance).	May 2015	May 2015	This action included metrics related to the APB.
Reviewed and updated Directive 102-01-001, "Acquisition Management Instruction" to ensure that language is updated to include the Joint Requirements Council (JRC).	April 2015	April 2015	PARM incorporated elements from the Unity of Effort initiative, such as the JRC. This Instruction was updated to include touch points to the JRC.
Reviewed and updated Directive 102-01 to ensure language is updated to include the JRC.	March 2015	March 2015	This action was taken to incorporate new entities and processes being developed under the Unity of Effort initiative, such as the JRC.
Established cost, schedule, and performance metrics.	October 2014	February 2015	Established process to produce a quarterly Acquisition Metrics report.

Management Integration Outcome #1

Outcome Lead: Andrew Clayton

Outcome Executive: Janene Corrado

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

GAO 2020 Outcome Rating

Initiated	Partially Addressed	Mostly Addressed	Fully Addressed

CURRENT STATUS
The Department will advance the rating for this outcome by continuing to demonstrate sustainable progress on the 30 GAO outcomes.   • As of March 2020, GAO rated 77% (23 of 30) of outcomes as either Fully Addressed or Mostly Addressed,[1] including all outcomes in acquisition, information technology, and human capital. The Department's standing in 2020 marks a significant improvement compared to 47% (14 of 30) in 2015 and in 26% (8 of 31) in 2013.[2] Furthermore, since 2017 DHS has advanced four GAO outcomes to Fully Addressed.   • As of March 2019, *Strengthening Department of Homeland Security Management Functions* is the only High-Risk area to have met the majority of GAO's criteria for removal from the High-Risk List.[3]

OUTCOME ACTION PLAN			
Actions	**Projected Date**	**Actual/Adjusted Date(s)**	**Reason for change/notes**
Continue to monitor GAO outcomes and publish the biannual *Integrated Strategy*.	March and September 2023		DHS will publish two *Integrated Strategy* updates in 2023. DHS will transmit the final 2023 *Integrated Strategy* to GAO by September 2023.
Engage GAO on the status of this Outcome upon transmission of the March 2021 *Integrated Strategy*.	December 2022		**Targeting a Fully Addressed rating.** GAO reported that for DHS to achieve this Outcome, the Department needs to continue demonstrating sustainable progress in addressing the remaining outcomes that have yet to achieve a Fully Addressed rating.[4]

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[1] Subsequent to the release of the 2019 *High-Risk Series* report (GAO-19-157SP), GAO notified DHS that two additional outcomes – APM 5 and HCM 6 – had advanced from Partially Addressed to Mostly Addressed.

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

[3] GAO, *High-Risk Series: Substantial Efforts Needed to Achieve Greater Progress on High-Risk Areas*, GAO-19-157SP (Washington, D.C.: March 6, 2019), page 28.

[4] GAO, *High-Risk Series: Progress on Many High-Risk Areas, While Substantial Efforts Needed on Others*, GAO-17-317 (Washington, D.C.: February 15, 2017), page 371.

OUTCOME ACTION PLAN			
Actions	**Projected Date**	**Actual/Adjusted Date(s)**	**Reason for change/notes**
Continue to monitor GAO outcomes and publish the biannual *Integrated Strategy*.	March and September 2022		DHS will publish two *Integrated Strategy* updates in 2022.
Continue to monitor GAO outcomes and publish the biannual *Integrated Strategy*.	March and September 2021		DHS will publish two *Integrated Strategy* updates in 2021.
Engage GAO on the status of this Outcome upon transmission of the March 2020 *Integrated Strategy*.	December 2020		**Targeting a Mostly Addressed rating.** DHS will continue to demonstrate significant and sustainable progress on GAO outcomes to justify a Mostly Addressed in the 2021 GAO High-Risk Series update.
Continue to monitor GAO outcomes and publish the biannual *Integrated Strategy*.	March and September 2020	March and September 2020	Reports were transmitted to GAO in March 2020 and September 2020 respectively.
Continued to monitor GAO outcomes and publish the biannual *Integrated Strategy*.	March and September 2019	April and September 2019	This report is the second *Integrated Strategy* update for 2019. The first update was released on April 1, 2019.
Continued to monitor GAO outcomes and publish the biannual *Integrated Strategy*.	March and September 2018	March and September 2018	Reports were transmitted to GAO in March 2018 and September 2018 respectively.
Continued to monitor GAO outcomes and publish the biannual *Integrated Strategy*.	March and September 2017	April and September 2017	Reports were transmitted to GAO in April 2017 and September 2017 respectively.
Fully Addressed or Mostly Addressed 70% of GAO outcomes (21 of 30).	February 2017	February 2017	GAO published its biannual *High-Risk Series* and rated DHS as having Fully Addressed or Mostly Addressed 21 of 30 GAO outcomes.
Continued to monitor GAO outcomes and publish the biannual *Integrated Strategy*.	January and August 2016	January and August 2016	DHS published the January and August 2016 updates to the *Integrated Strategy*.

GAO High-Risk
Ratings Summary

GAO High-Risk
Ratings Summary

Functional Area	GAO Outcome	2017 GAO Ratings[1]	2020 GAO Ratings
FM 1	Clean opinion on all financial statements	Fully Addressed	Fully Addressed
FM 2	Clean opinion on internal controls	Partially Addressed	Partially Addressed
FM 3	Clean opinions for two years	Fully Addressed	Fully Addressed
FM 4	Clean opinions for two years on internal controls	Initiated	Initiated
FM 5	Compliance with FFMIA	Partially Addressed	Partially Addressed
FM 6	USCG Financial Systems Modernization	Partially Addressed	Partially Addressed
FM 7	FEMA Financial Systems Modernization	Initiated	Initiated
FM 8	ICE Financial Systems Modernization	Initiated	Initiated
HCM 1	Implement Human Capital Plan	Fully Addressed	Fully Addressed
HCM 2	Link workforce planning to other Department planning efforts	Fully Addressed	Fully Addressed
HCM 3	Enhance recruiting to meet current and long-term needs	Fully Addressed	Fully Addressed
HCM 4	Base human capital decisions on competencies and performance	Mostly Addressed	Fully Addressed
HCM 5	Seek employee input to strengthen human capital approaches	Mostly Addressed	Fully Addressed
HCM 6	Improve Federal Employee Viewpoint Survey Scores	Partially Addressed	Mostly Addressed
HCM 7	Assess and improve training, education & development programs	Mostly Addressed	Mostly Addressed
ITM 1	Achieve EAMFF Stage 4	Fully Addressed	Fully Addressed
ITM 2	Achieve ITIMF Stage 3	Fully Addressed	Fully Addressed
ITM 3	Achieve CMMI Level 2	Fully Addressed	Fully Addressed
ITM 4	Implement IT Human Capital Plan	Mostly Addressed	Fully Addressed
ITM 5	Adhere to IT Program Baselines	Mostly Addressed	Fully Addressed
ITM 6	Enhance IT Security	Mostly Addressed	Mostly Addressed
APM 1	Timely validate required acquisition documents	Fully Addressed	Fully Addressed
APM 2	Improve Component acquisition capabilities	Fully Addressed	Fully Addressed
APM 3	Establish and effectively operate the Joint Requirements Council	Mostly Addressed	Mostly Addressed
APM 4	Assess acquisition program staffing	Mostly Addressed	Mostly Addressed
APM 5	Establish oversight mechanisms to validate that acquisition programs are achieving goals and comply with Department policies	Partially Addressed	Mostly Addressed
MI 1	Implement actions / outcomes in each LOB	Partially Addressed	Partially Addressed
MI 2	Revise MI strategy to address previous recommendations	Fully Addressed	Fully Addressed
MI 3	Establish performance measures to assess ongoing progress	Fully Addressed	Fully Addressed
MI 4	Promote department-wide accountability through performance management system	Fully Addressed	Fully Addressed
Fully Addressed GAO Outcomes (out of 30)		**13 (43%)**	**17 (57%)**
Fully Addressed and Mostly Addressed GAO Outcomes (out of 30)		**21 (70%)**	**23 (77%)**

GAO Criteria	Definition	GAO Ratings as of March 2019[2]
Leadership Commitment	Demonstrated strong commitment and top leadership support.	Met
Capacity	Agency has the capacity (i.e., people and resources) to resolve the risk(s).	Partially Met
Action Plan	A corrective action plan exists that defines the root cause, solutions, and provides for substantially completing corrective measures, including steps necessary to implement solutions [GAO] recommended.	Met
Monitoring	A program has been instituted to monitor and independently validate the effectiveness and sustainability of corrective measures.	Met
Demonstrated Progress	Ability to demonstrate progress in implementing corrective measures and in resolving the high-risk area.	Partially Met

Met or Fully Addressed	Mostly Addressed

[1]Outcomes: GAO rates DHS progress using the following scale: **Fully Addressed** – Outcome is fully addressed; **Mostly Addressed** – Progress is significant and a small amount of work remains; **Partially Addressed** – Progress is measurable, but significant work remains; **Initiated** – Activities have been initiated to address the outcome, but it is too early to report progress (GAO-17-317, page 366).

[2]Criteria: GAO rates criteria using the following scale: **Met** – Actions have been taken that meet the criterion. There are no significant actions that need to be taken to further address this criterion; **Partially Met** – Some, but not all, actions necessary to meet the criterion have been taken; **Not Met** – Few, if any, actions towards meeting the criterion have been taken (GAO-17-317, page 52).