

## **IT Program Assessment**

### **USCG - Core Accounting System (CAS) Suite**

#### **Review**

The DHS CIO conducted a comprehensive program review of the USCG - Core Accounting System (CAS) program during September 2011. Program observations include the following:

CAS is the primary accounting system for U.S. Coast Guard (USCG), Transportation Security Agency (TSA), and Domestic Nuclear Detection Office (DNDO) which hosts a suite of applications at USCG Finance Center in Chesapeake, VA. This investment enables the USCG, TSA, and DNDO (Primary beneficiaries) to procure and pay for resources (assets, services, logistic support) to accomplish their respective missions.

CAS is a legacy system in operations and maintenance (O&M) that, according to the Exhibit 300 submission, was initiated in 1998. The USCG halted all major upgrades and modification a few years ago and now only performs modifications in response to a critical need, audit findings, and/or poor system performance. Currently, the program is actively providing remediation plans in response to IT security-related Notice of Findings (NFRs) from an FY11 audit, which are being issued by the auditors.

Although the current CAS suite is able to facilitate many of the USCG financial and acquisition service requirements, the USCG is faced with significant issues, including:

- Inherent internal control weaknesses
- The inability to produce accurate, reliable, and timely financial information and reports
- Data discrepancies and errors
- The increasing difficulty to sustain the Federal Procurement Desktop
- Non-compliance with industry standards and regulatory requirements

Given its O&M Life-cycle status, CAS is assumed to remain the least-cost alternative for providing its DHS customers the mission-critical capabilities and functions of a core accounting system. The CAS Operational Analysis and E-Gov assessment performed in conjunction with the program's Exhibit 300 submission have validated this assumption. Without CAS, its current customers (Coast Guard, Transportation Security Agency (TSA), and Domestic Nuclear Detection Organization (DNDO)) would have no short-term alternative due to the cost and lead time associated with migration to any alternative.

#### **Mitigation Strategy**

In the wake of DHS' Transformation and System Consolidation (TASC) cancellation, DHS & USCG are reassessing alternatives. Until this is realized, the USCG will execute its Mission Action Plans (MAPs) to work toward its goal of audit readiness. These plans include enhancements and re-engineering to the CAS.

## **Assessment**

The CAS suite is in a steady state of operations and maintenance and receives minor enhancements to improve functionality. However the significant issues identified above cannot be ignored. According to an Operational Analysis Report issued in August 2011, the issues are largely attributed to the high degree of customization and the legacy business practices around which the systems were adapted. It goes on to say “The customizations in the CAS suite contribute to the inability to comply with federal guidelines and standards. Removing the customizations would help the CG to address many of the weaknesses in the CAS suite and assist with complying with federal guidelines and standards.” The CAS program is performing its best, however, the fundamental failings of the system to comply with federal guidelines and standards is of paramount importance. It is recognized that the USCG is now reassessing its’ effort to provide its future capability and the CAS program is commended for developing and executing MAPs to ensure the current capability meets audit readiness. The CIO assesses the USCG Core Accounting System program as Level 3 – Medium Risk.

**Score: 3**