



Committee on  
**HOMELAND SECURITY**  
Chairman Michael McCaul

*Opening Statement*

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**Statement of Subcommittee Chairman Scott Perry (R-PA)  
Subcommittee on Oversight and Management Efficiency**

**“Acquisition Oversight: How Effectively Is DHS Safeguarding Taxpayer Dollars?”**

**Remarks as Prepared**

The Department of Homeland Security (DHS) spends billions of taxpayer dollars each year on a variety of programs intended to better secure the homeland, including systems to secure the border, screen travelers, protect cyber infrastructure, and respond to disasters, among other missions. DHS’s current major acquisition programs ultimately may cost taxpayers over \$200 billion. Needless to say, strong accountability and oversight is needed to guard against waste, fraud, and abuse.

Since its creation, DHS has had its share of acquisition failures. Customs and Border Protection’s (CBP) Secure Border Initiative Network (SBI-Net) and the Coast Guard’s Deepwater program remain models of how not to manage an acquisition program. SBI-Net alone cost taxpayers over \$1 billion with few results from that investment. Since 2005, watchdogs at the Government Accountability Office (GAO) have had DHS’s acquisition management on its “High-Risk List.” Despite steps taken by DHS to issue an acquisition policy that reflects program management practices and create an office focused on acquisition oversight, programs continue to put taxpayer dollars at risk.

Most importantly, acquisition mismanagement also puts our security at risk. Men and women on the frontlines securing our borders, protecting our airports, and defending our shores will need to wait longer for systems that may not fully meet their operational needs; this is unacceptable. Several examples in a GAO report released today highlight systems being delivered later than promised: CBP’s Integrated Fixed Towers, over six years late; Coast Guard’s Long Range Surveillance Aircraft, nine years late; and its National Security Cutter, four years late. In addition, of seven programs that GAO reviewed, cost estimates increased by 40 percent over what DHS originally approved. As a result, DHS expects to spend almost \$10 billion more than they originally estimated on these programs. GAO also found that DHS authorized programs to deploy capabilities without operational testing, including three programs managed by CBP and the Coast Guard. Having served as a combat aviator in Iraq, I’m incredulous that DHS expects its personnel to use equipment that hasn’t been field tested. In

other instances, testing may have been done after key decisions were made. Bottom line, testing isn't about checking the box, it's about ensuring that the tools we give to frontline operators actually work.

DHS must do better oversight of its acquisition programs. A GAO report issued last month showed that DHS has an ad-hoc approach for some of its oversight efforts because of a lack of written roles and responsibilities. DHS also has done a poor job over the years of holding programs accountable to its acquisition policy. As DHS Inspector General John Roth noted in our first hearing this Congress, “[there aren't] really any consequences for that disobedience.” Exactly one year ago today, Secretary Johnson announced his unity of effort initiative to improve the execution of DHS missions. Although DHS has created several new mechanisms to discuss key decisions, it remains to be seen if these efforts are leading to improved outcomes and better safeguarding of taxpayer dollars.

Improving acquisition outcomes at DHS remains a priority for this Committee. Last Congress, the House passed the first-ever bill that comprehensively reforms the DHS acquisition process. The bill empowered senior DHS officials to hold programs accountable, established strong accountability for programs with significant cost and schedule growth, and required an effective strategy to inform DHS major purchases. This legislation was praised by numerous stakeholders, including the Comptroller General, DHS Inspector General, Secretary Johnson, and industry groups. As the Committee reengages acquisition legislation this Congress, this hearing will provide areas on which to focus. I look forward to examining DHS's acquisition programs and processes to better understand what must be done to fix long standing problems. Until these problems are fixed, we can't be certain that the billions DHS spends will result in better acquisition outcomes for the taxpayer and frontline operators.

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