



**Statement of Subcommittee Chairman Scott Perry (R-PA)  
Oversight and Management Subcommittee  
House Homeland Security Committee**

*Probing DHS's Botched Management of the Human Resources Information Technology Program  
February 25, 2016*

Remarks as Prepared

The Department of Homeland Security (DHS) was created in 2002 to unify our government's efforts to secure America and improve coordination, management and information sharing across a multitude of federal agencies. DHS has become the third largest Federal department with over 240,000 employees. Twelve years ago, DHS began a program to consolidate and update fragmented human capital systems and processes known as the Human Resources Information Technology program (HRIT). This disjointed approach compromised DHS's ability to effectively perform its mission. For example, the lack of an efficient hiring process jeopardized DHS's ability to hire the skilled personnel necessary to provide disaster response. In 2010, DHS's Office of Inspector General reported that HRIT had failed to achieve any meaningful progress; in fact, in 2011, DHS identified over 400 human capital systems and applications still in use.

In a report being released today, the Government Accountability Office (GAO) found that after twelve years and at least \$180 million appropriated by Congress, DHS is no closer to improving its human capital management; 95 percent of the key HRIT strategic projects have not been completed - many were to be done four years ago. Yet today, DHS has no idea when or if these projects will be finished. HRIT is a poster child for inept management:

- Senior leaders on the Executive Steering Committee responsible for overseeing the work met only once in almost two years;
- DHS didn't maintain a schedule to know when projects would be done; and
- Officials failed to estimate the total costs of HRIT and failed to track how much has been spent to date.

Let's pause to think about this; DHS has no idea how \$180 million appropriated by the people's representatives in Congress have been spent, which is reprehensible and unacceptable. If businesses managed their budgets this way, they would be out of business. As a result of this botched management, DHS's systems remain outdated, inefficient, and at high risk to future waste. Of particular concern is DHS's inadequate progress in managing how employees separate, or "off-board," from the agency, which leaves the Department at high risk of security infractions. Given the recent hack of DHS employee data, a poor off-boarding process makes DHS vulnerable to cyber threats, as well as physical breaches at DHS facilities, which threatens employees and sensitive information.

Despite these failures, DHS says it has made progress in consolidating its performance management and learning system - PALMS - to track training for employees and maintain performance information on its workforce. The Department praised its efforts to consolidate these systems as a “success story” in a report required by legislation passed by this Subcommittee that was signed into law last year. Far from it, GAO found that implementation of PALMS remains a jumble with some components implementing PALMS, some not, and others only implementing part of the system. DHS was again reckless with taxpayer money by not fully estimating the costs, tracking total costs, developing a sufficient schedule, or monitoring risks to the project. DHS will have to continue to use cumbersome, time-consuming, and paper-based processes to manage the performance and training of its workforce. Without a more robust process for documenting employee performance, managers face significant hurdles in removing poor performers.

I appreciate the hard work of our watchdogs at GAO to bring these issues to light. Mr. Fulghum and Ms. Bailey, I’m outraged by the ineptitude laid out in this report. DHS violates the trust of the taxpayer when it doesn’t know how hundreds of millions of taxpayer dollars are spent. Undoubtedly, we’ll hear your plans to fix this mess and implement GAO’s fourteen recommendations; but I also want to know who has been and will be held accountable for this failure. The American people expect better from DHS fourteen years after its creation.

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