

**Chairman Michael McCaul**  
**Opening Remarks**  
**As Prepared for Delivery**  
**Homeland Security Subcommittee on Oversight, Investigations, and Management**  
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*Is DHS Effectively Implementing a Strategy to Counter Emerging Threats?*

In December 2009, Homeland Security Secretary Janet Napolitano gave a speech to her Department. She said, “I see One DHS as a strong, efficient and focused Department—one where all the talents and skills that we possess as individuals and as components come together and come together in new and exciting ways to serve our missions.”

The Department of Homeland Security (DHS) is the third largest department in the Federal government with more than 200,000 employees and an annual budget of more than \$40 billion. Its transformation, according to the Government Accountability Office (GAO), is critical to achieving its homeland security mission. However, the agency has been criticized for excessive bureaucracy, waste, ineffectiveness and lack of transparency that have hindered its operations and wasted taxpayer dollars.

For example:

- The DHS Inspector General, in a November 2011 report, concludes the Department has major challenges mainly in the area of management, including acquisition, information technology, grants, and finances. These challenges hinder the Department’s efforts to become a cohesive, effective and efficient organization.
- The Government Accountability Office (GAO) concludes many DHS management functions are high risk, including acquisitions, information technology, finances, human capital and integration, all resulting in performance problems and mission delays.

Unless we fix these types of problems we will continue to see failures in DHS programs such as the Secure Border Initiative virtual fence, where in the end taxpayers received little if any return on a \$1 billion dollar investment. And Secretary Napolitano will certainly not attain her goal of “One DHS” until financial and management systems are integrated.

Our Subcommittee begins a series of hearings examining the challenges DHS faces. We will be focusing the hearings on three basic questions:

- What challenges does DHS face and put bluntly, what is wrong with DHS?,
- Why is it taking so long to become “One DHS?”, and
- Do DHS shortcomings hinder it from carrying out its core mission of securing the homeland?

Today we begin with the basics by examining the DHS strategy and its implementation to counter emerging threats. What is the DHS strategy?

The Congressional Research Service concludes there are several homeland security strategic documents with differing goals, priorities and definitions. These examples incorporate both White House and DHS strategy documents including:

- 2007 National Strategy for Homeland Security,
- 2010 National Security Strategy,
- National Strategy for Counterterrorism,
- Strategic Plan—One Team, One Mission, Securing Our Homeland,
- Quadrennial Homeland Security Review, and
- Bottom-Up Review.

In the 9/11 Recommendations Act of 2007, Congress mandated DHS develop a Quadrennial Homeland Security Review, a QHSR, to update strategies related to homeland security and align the strategy with the Department's programs and activities. The Department developed a QHSR and supplemented it with a Bottom-Up Review (BUR).

The GAO analyzed both of these documents and determined DHS only fully addressed three of the nine 9/11 Commission Act reporting requirements in the QSHR. DHS only partially addressed the other six through the QHSR and BUR reports. Most notably DHS did not identify how these reports are consistent with other national and DHS strategies.

All these different strategies are confusing to both Congress and more importantly the components which have to implement the strategies.

Just as important as identifying what the strategy is, is understanding how DHS will implement it.

The Wharton School of Business has a model of best practices for successful strategy implementation. Specifically, is there an action plan, is the headquarters' organizational structure the correct size, is there monitoring and control from headquarters for implementing the strategy and are core missions and initiatives linked together to prevent duplication?

The bottom line is that DHS needs a single strategic document which subordinate agencies can follow and make sure the strategy is effectively and efficiently implemented. This single document should conform to the National Security Strategy of the United States of America. If the agencies do not have a clearly established list of priorities it will be difficult to complete assigned missions.

We understand DHS has a wide diversity of missions including controlling our borders, security transportation, protecting the President, conducting sea search and rescue and researching radiation technology, to name just a few. Because of this diversity it is important to have a single comprehensive strategy. Additionally we must insure each agency—whether it is the Customs and Border Protection, Secret Service, Transportation Security Administration or the

Coast Guard—is effectively implementing the strategy by making sure headquarters has the proper monitoring and controls in place.

We ask these questions today to assist the Department and determine what Congress can do to move the Department toward the goal of becoming “One DHS.”

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