

Highlights of [GAO-12-947](#), a report to the Subcommittee on Oversight, Investigations, and Management, Committee on Homeland Security, House of Representatives

Why GAO Did This Study

DHS bought over \$14 billion in goods and services in fiscal year 2011—over one quarter of its budget—and processed over 100,000 transactions to support its homeland security missions. In 2005, DHS established an oversight program to provide department-level insight into components' procurement of goods and services and to identify successful acquisition management approaches. DHS has also established specific initiatives, such as a strategic sourcing program in 2003 to reduce procurement costs and gain other efficiencies by consolidating requirements. GAO (1) assessed DHS's efforts to implement procurement oversight, and (2) identified DHS components' use of strategic sourcing to leverage their buying power. To do this, GAO reviewed procurement oversight policies and guidance, interviewed officials from OCPO and DHS components, reviewed prior GAO reports, reviewed on-site review findings and recommendations, and examined DHS and component documentation of oversight and strategic sourcing efforts.

What GAO Recommends

Based on DHS's actions in response to the recommendation contained in the draft report, GAO recommends that the Secretary of Homeland Security direct the Chief Procurement Officer to review and ensure consistency between the new procurement oversight directive and guidebook and with the department's current procurement oversight efforts.

View [GAO-12-947](#). For more information, contact John Hutton at (202) 512-4841 or huttonj@gao.gov.

HOMELAND SECURITY

DHS Has Enhanced Procurement Oversight Efforts, but Needs to Update Guidance

What GAO Found

The Department of Homeland Security's (DHS) Office of the Chief Procurement Officer (OCPO) continues to implement and has improved some aspects of its procurement oversight but has not sufficiently updated its guidance. OCPO's oversight has helped ensure that DHS components receive and address constructive assessments of their compliance with procurement regulations and policies. The oversight also has increased the Chief Procurement Officer's visibility into components' progress against procurement-related metrics. For example, OCPO establishes annual procurement goals for the components and tracks their progress in quarterly reports. OCPO has been less consistent in—but continues to hone its implementation of—other aspects of the program, such as self assessments and parts of its acquisition planning reviews. However, until GAO sent DHS a draft of this report recommending that DHS issue updated policy and guidance to reflect changes to the department's procurement oversight efforts, the department did not issue updated policy or guidance. This has led to a lack of clarity among components regarding what the oversight efforts entail. For example, some components did not complete a required self assessment in 2011. GAO's review of the revised policy and guidance found inconsistencies between the two and with current oversight efforts.

Examples of Procurement-Related Goals OCPO Established and Tracked in 2011 and 2012, for the Transportation Security Administration

Topic	2011 Goal	Tracked in 2011 Quarterly Report	2012 Goal
Percent of obligated dollars awarded competitively	≥74%	Yes	≥76%
Percent of contracts awarded to small businesses	≥23%	Yes	≥23%
Accuracy of Federal Procurement Data System-Next Generation Data ^a	≥92%	Yes	≥93%

Source: GAO analysis of DHS documents.

^aFor all elements subject to annual Office of Federal Procurement Policy certification.

DHS component officials stated that most of their efforts to leverage buying power are through the department's strategic sourcing program, which provides departmentwide contract vehicles for the purchase of specific items or services. According to DHS data, the department's spending through strategic sourcing contract vehicles has increased steadily from \$1.8 billion in fiscal year 2008 to almost \$3 billion in fiscal year 2011, representing about 20 percent of DHS's procurement spending for that year. The Office of Management and Budget has recognized some of DHS's strategic sourcing efforts as best practices. DHS policies encourage components to consider, but do not require, the use of strategic sourcing contract vehicles. The Chief Procurement Officer has identified increasing strategic sourcing as a departmentwide priority and OCPO encourages the utilization and development of strategic sourcing contract vehicles in a variety of ways, including hosting quarterly training sessions and posting contract information on the strategic sourcing web page. In addition, while components have leveraged contracts with other agencies, many found it more efficient to use DHS's strategic sourcing contract vehicles. DHS components generally do not use other components' contracts.