

**Statement of
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**Before the
U.S. House of Representatives
Committee on Homeland Security
Subcommittee on Oversight and Management Efficiency**

**Subcommittee Hearing: Acquisition Oversight:
How Effectively Is DHS Safeguarding Taxpayer Dollars?**

**Wednesday, April 22, 2015
311 Cannon House Office Building**

Good afternoon, Chairman McCaul, Ranking Member Thompson, Chairman Perry, Ranking Member Watson Coleman, and the distinguished Members of the Subcommittee. Thank you for the opportunity to appear before you today.

I am Dr. Cedric J. Sims, Partner of the Evermay Consulting Group. I was the first Executive Director of the Department of Homeland Security (DHS) Office of Program Accountability and Risk Management, also known as PARM. I served in DHS Headquarters roles for over three years.

My federal career also includes eight plus years at the U.S. Secret Service. This window included the post-9/11 transition for the Secret Service from Treasury to DHS. I am a native Texan and graduate of Texas A&M University. I have over 22 years of experience in engineering and executive management applied to law enforcement, transportation, and homeland security pursuits. I have had the unique privilege to serve in private sector, state, and federal agencies.

In 2011, I led the development and implementation of the Office of Program Accountability and Risk Management with the highest-level support of the Under Secretary for Management and my peer Chief Executive Officers. This was a crucial time for the agency and the creation of PARM was designed to create an office responsible for program accountability and risk management. In the simplest terms, PARM has two fundamental responsibilities. The first is Program

Accountability – in order to ensure that all stakeholders are accountable to the program for its success. The second is Risk Management – in order to heighten executive awareness of inherent risks to help prioritize investment decisions. Improving upon Departmental acquisition, processes and procedures were put in place to address “front-end” requirements as well as “back-end” program management, in order to minimize risk, encourage fiscal responsibility, and improve end-to-end execution across the entire acquisition lifecycle.

In fiscal year 2011, acquisition programs represented nearly \$18 billion of the Department’s \$55 billion budget. In prior years, I had led the development of the Concept for Future Operations for the U.S. Secret Service that became the cornerstone of its nearly \$300-million Information Integration and Technology Transformation program. In my first role at DHS Headquarters, I supported the DHS Chief Information Officer’s review of over 79 major Information Technology (IT) programs that accounted for the vast majority of the \$6.4 billion DHS IT investment. There were pockets of excellence across DHS’s programs, but there were also some very troubled programs. Despite its large budget, DHS had very little department-wide institutionalization of process disciplines, standards, and tools for IT programs. Coincidentally, GAO had just delivered a letter to DHS in September of 2010, advising the Secretary of Homeland Security, “to strengthen its requirements development process.” In the letter, perennial program management

deficiencies were highlighted. The confluence of events was a clear call to action for reforms in program management.

I established PARM as an office to institute reforms with clear objectives:

- Rationalize the requirements development process;
- Improve and streamline governance;
- Solidify the Component Acquisition Executive (CAE) role;
- Enhance business intelligence; and
- Expand the Acquisition Corps while strengthen Program and Project Management training.

These were the guiding principles of PARM. By the time of my departure, three years later, the department was armed with the experience gained from the review of over 100 major programs and the conduct of over 70 acquisition review boards. We drew lessons from both successful and unsuccessful experiences. Acquisition decisions were well documented and expectations for program improvements were clear. The on-going body of work to be achieved was extensive but reflected a shared Departmental responsibility.

The successful delivery of major programs must continue to be a strategic business function of the Department. Nearly half of the DHS budget is dedicated to

obtaining goods and services to support and improve capabilities, including over \$16 billion in investments in acquisition programs. Those who directly carry out the mission require and deserve the tools and processes to help address their evolving mission needs effectively and efficiently.

There are a few points that should be kept in mind when reading the reports about the current state of acquisition management at DHS. First, consider the environment where the Department was deploying the earliest mission capabilities to meet rapidly evolving threats. We knew the acquisition processes were not perfect and needed maturing. This could only be achieved through a common discipline and set of practices that drive transparency and uniformity in decision-making.

Through Acquisition Management Directive 102-01 and subsequent revisions, we documented policy, governance, and processes requiring far more rigorous program management than previous DHS policies and practices. The DHS programs are still exhibiting various levels of adherence to the directive's guidance. However, I am encouraged by DHS Secretary Jeh Johnson's Unity Effort to drive more efficient and mature practices for managing investments.

Second, clear and rigorous practices absolutely needed to be established. The cornerstone of our acquisition review process is the program baseline. The

acquisition program baseline formally documents critical cost, schedule, and performance parameters that must be met to accomplish the program's goals. By tracking and measuring actual program performance against baseline, management is alerted to potential problems and can take corrective action. We implemented common tools for collection and dissemination of business intelligence such as the centralized Decision Support Tool (DST). Utilization of these tools helped us better manage the complex relationships between mission objectives, program strategy and performance metrics for a specific program.

Finally, in order for acquisition practices to continue to mature in terms of process and oversight, DHS must continue to work collaboratively with partners across the Homeland Security enterprise. During my tenure, none of the maturation, or any of these improvements in oversight, could have occurred without the on-going discipline of reviews, done both internally by DHS and its Components and externally by GAO and IG.

Ultimately, we must be ever vigilant to perform a much better job of successfully delivering best-in-class solutions to operators, stakeholders, and citizens.

Thank you for the opportunity to testify today. I am very happy to be here to support your efforts. I am here as a citizen, fully committed to the critical missions

of the Department of Homeland Security and defense of the people of the United States of America. I look forward to answering your questions.