

**AMENDMENT IN THE NATURE OF A SUBSTITUTE
TO H.R. 4228
OFFERED BY MR. DUNCAN OF SOUTH CAROLINA**

Strike all after the enacting clause and insert the following:

1 SECTION 1. SHORT TITLE.

2 This Act may be cited as the “DHS Acquisition Ac-
3 countability and Efficiency Act”.

4 SEC. 2. TABLE OF CONTENTS.

5 The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. Findings.
- Sec. 4. Definitions.

TITLE I—ACQUISITION AUTHORITIES

- Sec. 101. Acquisition authorities for Under Secretary for Management.
- Sec. 102. Acquisition authorities for Chief Financial Officer.
- Sec. 103. Acquisition authorities for Chief Information Officer.
- Sec. 104. Chief Procurement Officer.
- Sec. 105. Requirements to ensure greater accountability for acquisition programs.

TITLE II—ACQUISITION PROGRAM MANAGEMENT DISCIPLINE

- Sec. 201. Acquisition Review Board.
- Sec. 202. Requirements to reduce duplication in acquisition programs.
- Sec. 203. Government Accountability Office review of Board and of requirements to reduce duplication in acquisition programs.

**TITLE III—ACQUISITION PROGRAM MANAGEMENT
ACCOUNTABILITY AND TRANSPARENCY**

- Sec. 301. Congressional notification and other requirements for major acquisition program breach.
- Sec. 302. Multiyear acquisition strategy.
- Sec. 303. Acquisition reports.

Sec. 304. Government Accountability Office review of multiyear acquisition strategy.

Sec. 305. Office of Inspector General report.

1 **SEC. 3. FINDINGS.**

2 Congress finds the following:

3 (1) The Department of Homeland Security does
4 not consistently implement its policies and Govern-
5 ment and private sector best practices for acquisi-
6 tions and procurement.

7 (2) It is difficult to determine the cost of the
8 Department's major acquisition programs because
9 the Department has not provided consistent, com-
10 parable updates on an annual basis. As of January
11 2014, the Department identified over 80 major ac-
12 quisition programs costing over \$300,000,000, and,
13 based on 2011, estimates it plans to spend about
14 \$170,000,000,000 in the future on major acquisition
15 programs.

16 (3) Since 2005, the Government Accountability
17 Office has placed Department acquisition manage-
18 ment activities on its "High-Risk List", which iden-
19 tifies Government operations that have greater sus-
20 ceptibility to fraud, waste, abuse, and mismanage-
21 ment or greater need for transformation to address
22 economy, efficiency, or effectiveness challenges.

23 (4) While the Department has taken actions to
24 address some high-risk acquisition program manage-

1 ment issues, many programs continue to experience
2 challenges with funding instability, workforce short-
3 falls, reliable cost estimates, realistic schedules,
4 agreed-upon baseline objectives, and consistent and
5 reliable data needed to accurately measure program
6 performance.

7 (5) Of the 77 Department major acquisition
8 programs in 2011, the Government Accountability
9 Office identified 42 programs that experienced cost
10 growth, schedule slips, or both. The Department re-
11 ported that the magnitude of the cost growth for 16
12 of the 42 programs, which increased from almost
13 \$20,000,000,000 to over \$50,000,000,000 in 2011,
14 had an aggregate increase of 166 percent.

15 (6) In 2012, the Government Accountability Of-
16 fice found that only 20 of 63 programs had Depart-
17 ment-approved acquisition program baselines. The
18 Government Accountability Office also reported that
19 the Department planned to spend more than \$105
20 billion on programs lacking acquisition program
21 baselines.

22 **SEC. 4. DEFINITIONS.**

23 (a) IN GENERAL.—In this Act:

24 (1) SECRETARY.—The term “Secretary” means
25 the Secretary of Homeland Security.

1 (2) DEPARTMENT.—The term “Department”
2 means the Department of Homeland Security.

3 (3) CONGRESSIONAL HOMELAND SECURITY
4 COMMITTEES.—The term “congressional homeland
5 security committees” means—

6 (A) the Committee on Homeland Security
7 of the House of Representatives and the Com-
8 mittee on Homeland Security and Govern-
9 mental Affairs of the Senate; and

10 (B) the Committee on Appropriations of
11 the House of Representatives and of the Sen-
12 ate.

13 (b) ADDITIONAL DEFINITIONS.—In this Act:

14 (1) ACQUISITION.—The term “acquisition” has
15 the meaning provided in section 131 of title 41,
16 United States Code.

17 (2) BEST PRACTICES.—The term “best prac-
18 tices”, with respect to acquisition, means a knowl-
19 edge-based approach to capability development that
20 includes identifying and validating needs; assessing
21 alternatives to select the most appropriate solution;
22 clearly establishing well-defined requirements; devel-
23 oping realistic cost assessments and schedules; se-
24 curing stable funding that matches resources to re-
25 quirements; demonstrating technology, design, and

1 manufacturing maturity; using milestones and exit
2 criteria or specific accomplishments that dem-
3 onstrate progress; adopting and executing standard-
4 ized processes with known success across programs;
5 establishing an adequate workforce that is qualified
6 and sufficient to perform necessary functions; and
7 integrating these capabilities into the Department’s
8 mission and business operations.

9 (c) AMENDMENTS TO DEFINITIONS IN HOMELAND
10 SECURITY ACT OF 2002.—Section 2 of the Homeland Se-
11 curity Act of 2002 is amended—

12 (1) by inserting “(a) IN GENERAL.—In this
13 Act,”;

14 (2) in section 2(2)—

15 (A) by inserting “(A)” after “(2)”; and

16 (B) by adding at the end the following new
17 subparagraph:

18 “(B) The term ‘congressional homeland se-
19 curity committees’ means—

20 “(i) the Committee on Homeland Se-
21 curity of the House of Representatives and
22 the Committee on Homeland Security and
23 Governmental Affairs of the Senate; and

1 “(ii) the Committee on Appropriations
2 of the House of Representatives and of the
3 Senate.”; and

4 (3) by adding at the end the following new sub-
5 section:

6 “(b) ACQUISITION-RELATED DEFINITIONS.—In this
7 Act, the following definitions apply:

8 “(1) ACQUISITION.—The term ‘acquisition’ has
9 the meaning provided in section 131 of title 41,
10 United States Code.

11 “(2) ACQUISITION DECISION AUTHORITY.—The
12 term ‘acquisition decision authority’ means the au-
13 thority, held by the Secretary acting through the
14 Under Secretary for Management or Deputy Sec-
15 retary—

16 “(A) to ensure compliance with Federal
17 law, the Federal Acquisition Regulation, and
18 Department acquisition management directives;

19 “(B) to review (including approving, halt-
20 ing, modifying, or cancelling) an acquisition
21 program through the life cycle of the program;

22 “(C) to ensure that program managers
23 have the resources necessary to successfully
24 execute an approved acquisition program; and

1 “(D) to ensure good program management
2 of cost, schedule, risk, and system performance
3 of the acquisition, including assessing acquisi-
4 tion program baseline breaches and directing
5 any corrective action for such breaches.

6 “(3) ACQUISITION DECISION EVENT.—The term
7 ‘acquisition decision event’, with respect to an in-
8 vestment or acquisition program, means a predeter-
9 mined point within the acquisition phases of the in-
10 vestment or acquisition program at which the invest-
11 ment or acquisition program will undergo a review
12 prior to commencement of the next phase.

13 “(4) ACQUISITION DECISION MEMORANDUM.—
14 The term ‘acquisition decision memorandum’, with
15 respect to an acquisition, means the official acquisi-
16 tion decision event record that includes a docu-
17 mented record of decisions, exit criteria, and as-
18 signed actions for the acquisition as determined by
19 the person exercising acquisition decision authority
20 for the acquisition.

21 “(5) ACQUISITION PROGRAM BASELINE.—The
22 term ‘acquisition program baseline’, with respect to
23 an acquisition program, means a summary of the
24 cost, schedule, and performance parameters, ex-
25 pressed in standard, measurable, quantitative terms,

1 which must be met in order to accomplish the goals
2 of the program.

3 “(6) CAPABILITY DEVELOPMENT PLAN.—The
4 term ‘capability development plan’, with respect to a
5 proposed acquisition, means the document that the
6 Acquisition Review Board approves for the first ac-
7 quisition decision event related to validating the
8 need of a proposed acquisition.

9 “(7) COMPONENT ACQUISITION EXECUTIVE.—
10 The term ‘Component Acquisition Executive’ means
11 the senior acquisition official within a Component
12 who is designated in writing by the Under Secretary
13 for Management, in consultation with the Compo-
14 nent head, with authority and responsibility for lead-
15 ing a process and staff to provide acquisition and
16 program management oversight, policy, and guid-
17 ance to ensure that statutory, regulatory, and higher
18 level policy requirements are fulfilled, including com-
19 pliance with Federal law, the Federal Acquisition
20 Regulation, and Department acquisition manage-
21 ment directives established by the Under Secretary
22 for Management.

23 “(8) LIFE CYCLE COST.—The term ‘life cycle
24 cost’, with respect to an acquisition program, means
25 all costs associated with research, development, pro-

1 curement, operation, integrated logistics support,
2 and disposal under the program, including sup-
3 porting infrastructure that plans, manages, and exe-
4 cutes the program over its full life, and costs of com-
5 mon support items incurred as a result of the pro-
6 gram.

7 “(9) MAJOR ACQUISITION PROGRAM.—The term
8 ‘major acquisition program’ means a Department
9 acquisition program that is estimated by the Sec-
10 retary to require an eventual total expenditure of at
11 least \$300,000,000 (based on fiscal year 2014 con-
12 stant dollars) over its life cycle cost.”.

13 **TITLE I—ACQUISITION** 14 **AUTHORITIES**

15 **SEC. 101. ACQUISITION AUTHORITIES FOR UNDER SEC-** 16 **RETARY FOR MANAGEMENT.**

17 Section 701 of the Homeland Security Act of 2002
18 (6 U.S.C. 341) is amended—

19 (1) in subsection (a)(2), by striking “Procure-
20 ment” and inserting “Acquisition and procurement”;
21 and

22 (2) by adding at the end the following:

23 “(d) ACQUISITION AND RELATED RESPONSIBIL-
24 ITIES.—

1 “(1) IN GENERAL.—Notwithstanding section
2 1702(b) of title 41, United States Code, the Under
3 Secretary for Management is the Chief Acquisition
4 Officer of the Department. As Chief Acquisition Of-
5 ficer, the Under Secretary shall have the authority
6 and perform the functions as specified in section
7 1702(b) of such title, and perform all other func-
8 tions and responsibilities delegated by the Secretary
9 or described in this subsection.

10 “(2) DUTIES AND RESPONSIBILITIES.—In addi-
11 tion to the authority and functions specified in sec-
12 tion 1702(b) of title 41, United States Code, the du-
13 ties and responsibilities of the Under Secretary for
14 Management related to acquisition include the fol-
15 lowing:

16 “(A) Advising the Secretary regarding ac-
17 quisition management activities, taking into ac-
18 count risks of failure to achieve cost, schedule,
19 or performance parameters, to ensure that the
20 Department achieves its mission through the
21 adoption of widely accepted program manage-
22 ment best practices and standards.

23 “(B) Exercising the acquisition decision
24 authority to approve, halt, modify (including
25 the recession of approvals of program mile-

1 stones), or cancel major acquisition programs,
2 unless the Under Secretary delegates the au-
3 thority to a Component Acquisition Executive
4 pursuant to paragraph (3).

5 “(C) Establishing policies for acquisition
6 that implement an approach that takes into ac-
7 count risks of failure to achieve cost, schedule,
8 or performance parameters that all Components
9 of the Department shall comply with, including
10 outlining relevant authorities for program man-
11 agers to effectively manage acquisition pro-
12 grams.

13 “(D) Ensuring that each major acquisition
14 program has a Department-approved acquisi-
15 tion program baseline.

16 “(E) Ensuring that the heads of Compo-
17 nents and Component Acquisition Executives
18 comply with Federal law, the Federal Acquisi-
19 tion Regulation, and Department acquisition
20 management directives.

21 “(3) DELEGATION OF ACQUISITION DECISION
22 AUTHORITY.—

23 “(A) LEVEL 3 ACQUISITIONS.—The Under
24 Secretary for Management may delegate acqui-
25 sition decision authority in writing to the rel-

1 evant Component Acquisition Executive for an
2 acquisition program that has a life cycle cost
3 estimate of less than \$300,000,000.

4 “(B) LEVEL 2 ACQUISITIONS.—The Under
5 Secretary for Management may delegate acqui-
6 sition decision authority in writing to the rel-
7 evant Component Acquisition Executive for a
8 major acquisition program that has a life cycle
9 cost estimate of at least \$300,000,000 but not
10 more than \$1,000,000,000 if all of the following
11 requirements are met:

12 “(i) The Component concerned pos-
13 sesses working policies, processes, and pro-
14 cedures that are consistent with Depart-
15 ment-level acquisition policy.

16 “(ii) The Component Acquisition Ex-
17 ecutive has adequate, experienced, dedi-
18 cated program management professional
19 staff commensurate with the size of the
20 delegated portfolio.

21 “(iii) Each major acquisition program
22 concerned has written documentation
23 showing that it has a Department-ap-
24 proved acquisition program baseline and it

1 is meeting agreed-upon cost, schedule, and
2 performance thresholds.

3 “(4) RELATIONSHIP TO UNDER SECRETARY
4 FOR SCIENCE AND TECHNOLOGY.—Nothing in this
5 subsection shall diminish the authority granted to
6 the Under Secretary for Science and Technology
7 under this Act. The Under Secretary for Manage-
8 ment and the Under Secretary for Science and
9 Technology shall cooperate in matters related to the
10 coordination of acquisitions across the Department
11 so that investments of the Directorate of Science
12 and Technology can support current and future re-
13 quirements of the Components.”.

14 **SEC. 102. ACQUISITION AUTHORITIES FOR CHIEF FINAN-**
15 **CIAL OFFICER.**

16 Section 702 of the Homeland Security Act of 2002
17 (6 U.S.C. 342) is amended by adding at the end of sub-
18 section (b)(2) the following new subparagraph:

19 “(J) Notwithstanding section 902 of title
20 31, United States Code, provide leadership over
21 financial management policy and programs for
22 the Department as they relate to the Depart-
23 ment’s acquisitions programs, in consultation
24 with the Under Secretary for Management.”.

1 **SEC. 103. ACQUISITION AUTHORITIES FOR CHIEF INFORMA-**
2 **TION OFFICER.**

3 Section 703 of the Homeland Security Act of 2002
4 (6 U.S.C. 343) is amended by adding at the end the fol-
5 lowing new subsection:

6 “(c) ACQUISITION RESPONSIBILITIES.—Notwith-
7 standing section 11315 of title 40, United States Code,
8 the acquisition responsibilities of the Chief Information
9 Officer, in consultation with the Under Secretary for Man-
10 agement, shall include the following:

11 “(1) Serve as the lead technical authority for
12 information technology programs and establish de-
13 partmental information technology priorities, poli-
14 cies, processes, standards, guidelines, and proce-
15 dures.

16 “(2) Oversee the management of the Homeland
17 Security Enterprise Architecture and ensure that,
18 before each acquisition decision event, approved in-
19 formation technology acquisitions comply with de-
20 partmental information technology management
21 processes, technical requirements, and the Homeland
22 Security Enterprise Architecture, and in any case in
23 which information technology acquisitions do not
24 comply with Departmental management directives,
25 make recommendations to the Acquisition Review
26 Board regarding such noncompliance.

1 “(3) Be responsible for providing recommenda-
2 tions to the Acquisition Review Board established in
3 section 836 of this Act on information technology
4 programs, and be responsible for developing infor-
5 mation technology acquisition strategic guidance.”.

6 **SEC. 104. CHIEF PROCUREMENT OFFICER.**

7 (a) IN GENERAL.—Title VII of the Homeland Secu-
8 rity Act of 2002 (6 U.S.C. 341 et seq.) is amended by
9 adding at the end the following new section:

10 **“SEC. 708. CHIEF PROCUREMENT OFFICER.**

11 “(a) IN GENERAL.—There is a Chief Procurement
12 Officer of the Department, who shall report directly to the
13 Under Secretary for Management. The Chief Procurement
14 Officer is the senior procurement executive for purposes
15 of section 1702(c) of title 41, United States Code, and
16 shall perform procurement functions as specified in such
17 section. The Chief Procurement Officer also shall perform
18 other functions and responsibilities set forth in this section
19 and as may be assigned by the Under Secretary for Man-
20 agement.

21 “(b) RESPONSIBILITIES.—The Chief Procurement
22 Officer shall—

23 “(1) exercise leadership and authority to the ex-
24 tent delegated by the Under Secretary for Manage-
25 ment over the Department procurement function;

1 “(2) issue acquisition regulations and policies;

2 “(3) account for the integrity, performance, and
3 oversight of Department procurement and con-
4 tracting functions and be responsible for ensuring
5 that a procurement’s contracting strategy and plans
6 are consistent with the intent and direction of the
7 Acquisition Review Board established in section 836
8 of this Act;

9 “(4) serve as the Department’s business advisor
10 and main liaison to industry on procurement-related
11 issues by providing advice on industry engagement,
12 acquisition policy, oversight of the procurement
13 function, and development of the acquisition work-
14 force;

15 “(5) oversee a centralized certification and
16 training program, in consultation with the Under
17 Secretary for Management, for the entire Depart-
18 ment acquisition workforce while using, to the great-
19 est extent practicable, best practices and acquisitions
20 training opportunities already in existence within the
21 Federal Government, the private sector, or univer-
22 sities and colleges, as appropriate;

23 “(6) delegate or retain contracting authority, as
24 appropriate, except as provided in section 701(d)(3)
25 of this Act;

1 **“SEC. 709. REQUIREMENTS TO ENSURE GREATER AC-**
2 **COUNTABILITY FOR ACQUISITION PRO-**
3 **GRAMS.**

4 “(a) **REQUIREMENT TO ESTABLISH MECHANISM.—**
5 Within the Management Directorate, the Under Secretary
6 for Management shall establish a mechanism to prioritize
7 improving the accountability, standardization, and trans-
8 parency of major acquisition programs of the Department
9 in order to increase opportunities for effectiveness and ef-
10 ficiencies and to serve as the central oversight function
11 of all Department acquisition programs.

12 “(b) **RESPONSIBILITIES OF EXECUTIVE DIREC-**
13 **TOR.—**The Under Secretary for Management shall des-
14 ignate an Executive Director to oversee the requirement
15 under subsection (a). The Executive Director shall report
16 directly to the Under Secretary and shall carry out the
17 following responsibilities:

18 “(1) Monitor the performance of Department
19 acquisition programs regularly between acquisition
20 decision events to identify problems with cost, per-
21 formance, or schedule that Components may need to
22 address to prevent cost overruns, performance
23 issues, or schedule delays.

24 “(2) Assist the Chief Acquisition Officer in
25 managing the Department’s acquisition portfolio.

1 “(3) Conduct oversight of individual acquisition
2 programs to implement Department acquisition pro-
3 gram policy, procedures, and guidance with a pri-
4 ority on ensuring the data it collects and maintains
5 from its Components is accurate and reliable.

6 “(4) Serve as the focal point within the Depart-
7 ment for policy, process, and procedure regarding
8 life cycle cost estimating and analysis.

9 “(5) Serve as the focal point and coordinator
10 for the acquisition life cycle review process and as
11 the executive secretariat for the Acquisition Review
12 Board established under section 836 of this Act.

13 “(6) Advise the persons having acquisition deci-
14 sion authority in making acquisition decisions con-
15 sistent with all applicable laws and in establishing
16 clear lines of authority, accountability, and responsi-
17 bility for acquisition decisionmaking within the De-
18 partment.

19 “(7) Engage in the strategic planning and per-
20 formance evaluation process required under section
21 306 of title 5, United States Code, and sections
22 1105(a)(28), 1115, 1116, and 9703 of title 31,
23 United States Code, by supporting the Chief Pro-
24 curement Officer in developing strategies and spe-
25 cific plans for hiring, training, and professional de-

1 velopment in order to rectify any deficiency within
2 the Department's acquisition workforce.

3 “(8) Oversee the Component Acquisition Execu-
4 tive structure to ensure it has sufficient capabilities
5 and complies with Department policies.

6 “(9) Develop standardized certification stand-
7 ards in consultation with the Component Acquisition
8 Executives for all acquisition program managers.

9 “(10) In the event that a program manager's
10 certification or actions need review for purposes of
11 promotion or removal, provide input, in consultation
12 with the relevant Component Acquisition Executive,
13 into the relevant program manager's performance
14 evaluation, and report positive or negative experi-
15 ences to the relevant certifying authority.

16 “(11) Provide technical support and assistance
17 to Department acquisitions and acquisition per-
18 sonnel in conjunction with the Chief Procurement
19 Officer.

20 “(12) Prepare the Department's Comprehensive
21 Acquisition Status Report, as required by the De-
22 partment of Homeland Security Appropriations Act,
23 2013 (division D of Public Law 113-6; 127 Stat.
24 343) and section 840 of this Act, and make such re-

1 port available to congressional homeland security
2 committees.

3 “(13) Prepare the Department’s Quarterly Pro-
4 gram Accountability Report as required by section
5 840 of this Act, and make such report available to
6 the congressional homeland security committees.

7 “(c) RESPONSIBILITIES OF COMPONENTS.—Each
8 head of a Component shall comply with Federal law, the
9 Federal Acquisition Regulation, and Department acquisi-
10 tion management directives established by the Under Sec-
11 retary for Management. For each major acquisition, each
12 head of a Component shall establish a complete life cycle
13 estimate with supporting documentation, complete a cost-
14 benefit analysis with supporting documentation, and en-
15 sure that all acquisition program information provided by
16 the Component is complete, accurate, timely, and valid.”.

17 (b) CLERICAL AMENDMENT.—The table of contents
18 in section 1(b) of the Homeland Security Act of 2002 (6
19 U.S.C. 101 et seq.) is further amended by adding after
20 the item relating to section 708 the following new item:

“Sec. 709. Requirements to ensure greater accountability for acquisition pro-
grams.”.

1 **TITLE II—ACQUISITION PRO-**
2 **GRAM MANAGEMENT DIS-**
3 **CIPLINE**

4 **SEC. 201. ACQUISITION REVIEW BOARD.**

5 (a) IN GENERAL.—Subtitle D of title VIII of the
6 Homeland Security Act of 2002 (6 U.S.C. 391 et seq.)
7 is amended by adding at the end the following new section:

8 **“SEC. 836. ACQUISITION REVIEW BOARD.**

9 “(a) IN GENERAL.—The Under Secretary for Man-
10 agement shall establish an Acquisition Review Board (in
11 this section referred to as the ‘Board’) to strengthen ac-
12 countability and uniformity within the Department acqui-
13 sition review process, review major acquisition programs,
14 and review the use of best practices.

15 “(b) COMPOSITION.—The Deputy Secretary or Under
16 Secretary for Management shall serve as chair of the
17 Board. The Chief Financial Officer, Chief Information Of-
18 ficer, Chief Procurement Officer, and Executive Director
19 referred to in section 709(b) of this Act shall also serve
20 on the Board. The Board shall also ensure participation
21 by other relevant Department officials, including at least
22 two Component heads or their designees, as permanent
23 members of the Board.

24 “(c) MEETINGS.—The Board shall meet every time
25 a major acquisition program needs authorization to pro-

1 ceed from acquisition decision events through the acquisi-
2 tion life cycle and to consider any major acquisition pro-
3 gram in breach as necessary. The Board may also be con-
4 vened for non-major acquisitions that are deemed high-
5 risk by the Executive Director referred to in section
6 709(b) of this Act. The Board shall also meet regularly
7 for purposes of ensuring all acquisitions processes proceed
8 in a timely fashion to achieve mission readiness.

9 “(d) RESPONSIBILITIES.—The responsibilities of the
10 Board are as follows:

11 “(1) Determine whether a proposed acquisition
12 has met the requirements of key phases of the acqui-
13 sition life cycle framework and is able to proceed to
14 the next phase and eventual full production and de-
15 ployment.

16 “(2) Oversee executable business strategy, re-
17 sources, management, accountability, and alignment
18 to strategic initiatives.

19 “(3) Support the person with acquisition deci-
20 sion authority for an acquisition in determining the
21 appropriate direction for the acquisition at key ac-
22 quisition decision events.

23 “(4) Conduct systematic reviews of acquisitions
24 to ensure that they are progressing in compliance

1 with the approved documents for their current acqui-
2 sition phase.

3 “(5) Validate the acquisition documents of each
4 major acquisition program, including the acquisition
5 program baseline, to ensure the reliability of under-
6 lying data.

7 “(6) Ensure that practices are adopted and im-
8 plemented to require consideration of trade-offs
9 among cost, schedule, and performance objectives as
10 part of the process for developing requirements for
11 major acquisition programs prior to the initiation of
12 the capability development plan, second acquisition
13 decision event, including, at a minimum, the fol-
14 lowing practices:

15 “(A) Department officials responsible for
16 acquisition, budget, and cost estimating func-
17 tions are provided with the appropriate oppor-
18 tunity to develop estimates and raise cost and
19 schedule matters before performance objectives
20 are established for capabilities when feasible.

21 “(B) Full consideration of possible trade-
22 offs among cost, schedule, and performance ob-
23 jectives for each alternative is considered.

24 “(e) ACQUISITION PROGRAM BASELINE REPORT RE-
25 QUIREMENT.—If the Under Secretary for Management

1 approves a major acquisition program to proceed beyond
2 the acquisition decision event requiring a capability devel-
3 opment plan before it has a Department-approved acquisi-
4 tion program baseline, then the Under Secretary for Man-
5 agement shall create and approve an acquisition program
6 baseline report on the decision, and the Secretary shall—

7 “(1) within seven days after an acquisition deci-
8 sion memorandum is signed, notify in writing the
9 congressional homeland security committees of such
10 decision; and

11 “(2) within 60 days after the acquisition deci-
12 sion memorandum is signed, submit a report to such
13 committees stating the rationale for the decision and
14 a plan of action to require an acquisition program
15 baseline for the program.

16 “(f) BEST PRACTICES DEFINED.—In this section,
17 the term ‘best practices’ has the meaning provided in sec-
18 tion 4(b) of the DHS Acquisition Accountability and Effi-
19 ciency Act.”.

20 (b) CLERICAL AMENDMENT.—The table of contents
21 in section 1(b) of the Homeland Security Act of 2002 (6
22 U.S.C. 101 et seq.) is further amended by adding after
23 the item relating to section 835 the following new item:

“Sec. 836. Acquisition Review Board.”.

1 **SEC. 202. REQUIREMENTS TO REDUCE DUPLICATION IN AC-**
2 **QUISITION PROGRAMS.**

3 (a) IN GENERAL.—Subtitle D of title VIII of the
4 Homeland Security Act of 2002 (6 U.S.C. 391 et seq.)
5 is further amended by adding at the end the following new
6 section:

7 **“SEC. 837. REQUIREMENTS TO REDUCE DUPLICATION IN**
8 **ACQUISITION PROGRAMS.**

9 “(a) REQUIREMENT TO ESTABLISH POLICIES.—In
10 an effort to reduce duplication and inefficiency for all De-
11 partment investments, including major acquisition pro-
12 grams, the Under Secretary for Management shall estab-
13 lish Department-wide policies to integrate all phases of the
14 investment life cycle and help the Department identify,
15 validate, and prioritize standards for common Component
16 requirements for major acquisition requirements in order
17 to increase opportunities for effectiveness and efficiencies.

18 “(b) MECHANISMS TO CARRY OUT REQUIREMENT.—
19 The Under Secretary for Management shall coordinate the
20 actions necessary to carry out subsection (a), using such
21 mechanisms as considered necessary by the Secretary to
22 help the Department reduce duplication and inefficiency
23 for all Department investments, including major acquisi-
24 tion programs.

25 “(c) COORDINATION.—In coordinating the actions
26 necessary to carry out subsection (a), the Under Secretary

1 for Management shall consult with Component Acquisition
2 Executives and any other department officials, including
3 the Under Secretary for Science and Technology or his
4 designee, with specific knowledge of Department or Com-
5 ponent acquisition capabilities to prevent unnecessary du-
6 plication of requirements.

7 “(d) ADVISORS.—The Under Secretary for Manage-
8 ment shall seek and consider input within legal and ethical
9 boundaries from members of Federal, State, local, and
10 tribal governments, nonprofit organizations, and the pri-
11 vate sector, as appropriate, on matters within their au-
12 thority and expertise in carrying out the Department’s
13 mission.

14 “(e) MEETINGS.—The Under Secretary for Manage-
15 ment shall meet at least quarterly and communicate with
16 Components often to ensure that Components do not over-
17 lap or duplicate spending or priorities on major invest-
18 ments and acquisition programs within their areas of re-
19 sponsibility.

20 “(f) RESPONSIBILITIES.—In carrying out this sec-
21 tion, the responsibilities of the Under Secretary for Man-
22 agement are as follows:

23 “(1) To review and validate the requirements
24 documents of major investments and acquisition pro-

1 grams prior to acquisition decision events of the in-
2 vestments or programs.

3 “(2) To ensure the requirements and scope of
4 a major investment or acquisition program are sta-
5 ble, measurable, achievable, at an acceptable risk
6 level, and match the resources planned to be avail-
7 able.

8 “(3) Before any entity of the Department
9 issues a solicitation for a new contract, coordinate
10 with other Department entities as appropriate to
11 prevent duplication and inefficiency and—

12 “(A) to implement portfolio reviews to
13 identify common mission requirements and
14 crosscutting opportunities among Components
15 to harmonize investments and requirements and
16 prevent overlap and duplication among Compo-
17 nents; and

18 “(B) to the extent practicable, to stand-
19 ardize equipment purchases, streamline the ac-
20 quisition process, improve efficiencies, and con-
21 duct best practices for strategic sourcing.

22 “(4) To ensure program managers of major in-
23 vestments and acquisition programs conduct anal-
24 yses, giving particular attention to factors such as
25 cost, schedule, risk, performance, and operational ef-

1 iciency in order to determine that programs work as
2 intended within cost and budget expectations.

3 “(5) To propose schedules for delivery of the
4 operational capability needed to meet each Depart-
5 ment investment and major acquisition program.

6 “(g) BEST PRACTICES DEFINED.—In this section,
7 the term ‘best practices’ has the meaning provided in sec-
8 tion 4(b) of the DHS Acquisition Accountability and Effi-
9 ciency Act.”.

10 (b) CLERICAL AMENDMENT.—The table of contents
11 in section 1(b) of the Homeland Security Act of 2002 (6
12 U.S.C. 101 et seq.) is further amended by adding after
13 the item relating to section 836 the following new item:

 “Sec. 837. Requirements to reduce duplication in acquisition programs.”.

14 **SEC. 203. GOVERNMENT ACCOUNTABILITY OFFICE REVIEW**
15 **OF BOARD AND OF REQUIREMENTS TO RE-**
16 **DUCE DUPLICATION IN ACQUISITION PRO-**
17 **GRAMS.**

18 (a) REVIEW REQUIRED.—The Comptroller General
19 of the United States shall conduct a review of the effec-
20 tiveness of the Acquisition Review Board established
21 under section 836 of the Homeland Security Act of 2002
22 (as added by section 201) and the requirements to reduce
23 duplication in acquisition programs established under sec-
24 tion 837 of such Act (as added by section 202) in improv-
25 ing the Department’s acquisition management process.

1 (b) SCOPE OF REPORT.—The review shall include the
2 following:

3 (1) An assessment of the effectiveness of the
4 Department in increasing program management
5 oversight, best practices and standards, and dis-
6 cipline among the Components of the Department,
7 including in working together and in preventing
8 overlap and duplication.

9 (2) An assessment of the effectiveness of the
10 Department in instilling program management dis-
11 cipline.

12 (3) A statement of how regularly each major
13 acquisition program is reviewed by the Board, how
14 often the Board stops major acquisition programs
15 from moving forward in the phases of the acquisition
16 life cycle process, and the number of major acquisi-
17 tion programs that have been halted because of
18 problems with operational effectiveness, schedule
19 delays, or cost overruns.

20 (c) REPORT REQUIRED.—The Comptroller General
21 shall submit to the congressional homeland security com-
22 mittees a report on the review required by this section not
23 later than one year after the date of the enactment of this
24 Act. The report shall be submitted in unclassified form
25 but may include a classified annex.

1 **TITLE III—ACQUISITION PRO-**
2 **GRAM MANAGEMENT AC-**
3 **COUNTABILITY AND TRANS-**
4 **PARENCY**

5 **SEC. 301. CONGRESSIONAL NOTIFICATION AND OTHER RE-**
6 **QUIREMENTS FOR MAJOR ACQUISITION PRO-**
7 **GRAM BREACH.**

8 (a) IN GENERAL.—Subtitle D of title VIII of the
9 Homeland Security Act of 2002 (6 U.S.C. 391 et seq.)
10 is further amended by adding at the end the following new
11 section:

12 **“SEC. 838. CONGRESSIONAL NOTIFICATION AND OTHER RE-**
13 **QUIREMENTS FOR MAJOR ACQUISITION PRO-**
14 **GRAM BREACH.**

15 “(a) BREACH DEFINED.—The term ‘breach’, with re-
16 spect to a major acquisition program, means a failure to
17 meet any cost, schedule, or performance parameter speci-
18 fied in the acquisition program baseline.

19 “(b) REQUIREMENTS WITHIN DEPARTMENT IF
20 BREACH OCCURS.—

21 “(1) NOTIFICATIONS.—

22 “(A) NOTIFICATION OF POTENTIAL
23 BREACH.—If a major acquisition program has a
24 potential for a breach, notification of the poten-
25 tial breach shall be made by the program man-

1 ager for that program to the head of the Com-
2 ponent concerned and to the Component Acqui-
3 sition Executive for the program.

4 “(B) NOTIFICATION OF ACTUAL
5 BREACH.—If an actual breach occurs in a
6 major acquisition program, notification of the
7 breach shall be made to the head of the Compo-
8 nent concerned, to the Component Acquisition
9 Executive for the program, to the Executive Di-
10 rector referred to in section 709(b) of this Act,
11 and to the Under Secretary for Management.

12 “(C) NOTIFICATION TO SECRETARY.—If a
13 major acquisition program has a potential for a
14 breach that is likely to result in a cost overrun
15 greater than 20 percent or a delay greater than
16 12 months from the costs or schedule set forth
17 in the acquisition program baseline for the pro-
18 gram, the Secretary shall be notified not later
19 than five business days after the potential
20 breach is identified.

21 “(2) REMEDIATION PLAN AND ROOT CAUSE
22 ANALYSIS.—

23 “(A) IN GENERAL.—The Under Secretary
24 for Management or his designee shall establish
25 a date for submission within the Department of

1 a breach remediation plan and root cause anal-
2 ysis in accordance with this subsection.

3 “(B) REMEDIATION PLAN.—The remedi-
4 ation plan required under this subsection shall
5 be submitted in writing to the head of the Com-
6 ponent concerned, the Executive Director re-
7 ferred to in section 709(b) of this Act, and the
8 Under Secretary for Management. The plan
9 shall—

10 “(i) explain the circumstances of the
11 breach;

12 “(ii) provide prior cost estimating in-
13 formation;

14 “(iii) propose corrective action to con-
15 trol cost growth, schedule delays, or per-
16 formance issues;

17 “(iv) in coordination with Component
18 Acquisition Executive, discuss all options
19 considered, including the estimated impact
20 on cost, schedule, or performance of the
21 program if no changes are made to current
22 requirements, the estimated cost of the
23 program if requirements are modified, and
24 the extent to which funding from other

1 programs will need to be reduced to cover
2 the cost growth of the program; and

3 “(v) explain the rationale for why the
4 proposed corrective action is recommended.

5 “(C) ROOT CAUSE ANALYSIS.—The root
6 cause analysis required under this subsection
7 shall determine the underlying cause or causes
8 of shortcomings in cost, schedule, or perform-
9 ance of the program, including the role, if any,
10 of the following:

11 “(i) Unrealistic performance expecta-
12 tions.

13 “(ii) Unrealistic baseline estimates for
14 cost or schedule or changes in program re-
15 quirements.

16 “(iii) Immature technologies or exces-
17 sive manufacturing or integration risk.

18 “(iv) Unanticipated design, engineer-
19 ing, manufacturing, or technology integra-
20 tion issues arising during program per-
21 formance.

22 “(v) Changes in procurement quan-
23 tities.

24 “(vi) Inadequate program funding or
25 changes in planned out-year funding from

1 one five-year funding plan to the next five-
2 year funding plan as outlined in the Fu-
3 ture Years Homeland Security Program
4 required under section 874 of this Act.

5 “(vii) Legislative, legal, or regulatory
6 changes.

7 “(viii) Inadequate program manage-
8 ment personnel, including lack of training,
9 credentials, certifications, or use of best
10 practices.

11 “(3) CORRECTION OF BREACH.—The Under
12 Secretary for Management or his designee shall es-
13 tablish a date for submission within the Department
14 of a program of corrective action that ensures that
15 one of the following actions has occurred:

16 “(A) The breach has been corrected and
17 the program is again in compliance with the re-
18 vised acquisition program baseline parameters.

19 “(B) A revised acquisition program base-
20 line has been approved.

21 “(C) The program has been halted or can-
22 celled.

23 “(c) REQUIREMENTS RELATING TO CONGRESSIONAL
24 NOTIFICATION IF BREACH OCCURS.—

1 “(1) NOTIFICATION TO CONGRESS.—If a notifi-
2 cation is made under subsection (b)(1)(B) for a
3 breach in a major acquisition program with a cost
4 overrun greater than 15 percent of the acquisition
5 program baseline, or with a schedule delay of more
6 than 180 days in the delivery schedule specified in
7 the acquisition program baseline, or with an antici-
8 pated failure for any key performance threshold or
9 parameter specified in the acquisition program base-
10 line, the Under Secretary for Management shall no-
11 tify the congressional homeland security committees
12 of the breach in the next quarterly Comprehensive
13 Acquisition Status Report after the Under Secretary
14 for Management receives the notification from the
15 program manager under subsection (b)(1)(B).

16 “(2) SUBSTANTIAL VARIANCES IN COSTS OR
17 SCHEDULE.—If a likely cost overrun is greater than
18 20 percent or a likely delay is greater than 12
19 months from the costs and schedule described in the
20 acquisition program baseline for a major acquisition
21 program, the Under Secretary for Management shall
22 include in the notification required in (c)(1) a writ-
23 ten certification, with supporting explanation, that—

24 “(A) the acquisition is essential to the ac-
25 complishment of the Department’s mission;

1 “(B) there are no alternatives to such ca-
2 pability or asset that will provide equal or
3 greater capability in both a more cost-effective
4 and timely manner;

5 “(C) the new acquisition schedule and esti-
6 mates for total acquisition cost are reasonable;
7 and

8 “(D) the management structure for the ac-
9 quisition program is adequate to manage and
10 control performance, cost, and schedule.

11 “(3) SUBMISSIONS TO CONGRESS.—Not later
12 than 90 business days after submission to such com-
13 mittees of a breach notification under paragraph (1)
14 for a major acquisition program, the Under Sec-
15 retary for Management shall submit to such commit-
16 tees the following:

17 “(A) A copy of the remediation plan and
18 the root cause analysis prepared under sub-
19 section (b)(2) for the program.

20 “(B) A statement describing the action or
21 actions that have occurred pursuant to sub-
22 section (b)(3) for the program, with a justifica-
23 tion for the action or actions.

24 “(d) ADDITIONAL ACTIONS IF BREACH OCCURS.—

1 “(1) PROHIBITION ON OBLIGATION OF
2 FUNDS.—If a notification is made under subsection
3 (b)(1)(B) for a breach that is in a major acquisition
4 program, funds appropriated for the major acquisi-
5 tion program shall not be obligated until the Under
6 Secretary for Management submits the certification
7 with respect to the program described in paragraph
8 (3) to the congressional homeland security commit-
9 tees.

10 “(2) CERTIFICATION.—For purposes of para-
11 graph (1), the certification described in this para-
12 graph is a certification that—

13 “(A) the Department has adjusted or re-
14 structured the program in a manner that ad-
15 dresses the root cause or causes of the cost
16 growth in the program; and

17 “(B) the Department has conducted a
18 thorough review of the breached program’s ac-
19 quisition decision event approvals and the cur-
20 rent acquisition decision event approval for the
21 breached program has been adjusted as nec-
22 essary to account for the restructured pro-
23 gram.”.

24 (b) CLERICAL AMENDMENT.—The table of contents
25 in section 1(b) of the Homeland Security Act of 2002 (6

1 U.S.C. 101 et seq.) is further amended by adding after
2 the item relating to section 837 the following new item:

“Sec. 838. Congressional notification and other requirements for major acquisition program breach.”.

3 **SEC. 302. MULTIYEAR ACQUISITION STRATEGY.**

4 (a) IN GENERAL.—

5 (1) AMENDMENT.—Subtitle D of title VIII of
6 the Homeland Security Act of 2002 (6 U.S.C. 391
7 et seq.) is further amended by adding at the end the
8 following new section:

9 **“SEC. 839. MULTIYEAR ACQUISITION STRATEGY.**

10 “(a) MULTIYEAR ACQUISITION STRATEGY RE-
11 QUIRED.—Not later than one year after the date of the
12 enactment of this section, the Secretary shall submit to
13 the appropriate homeland security committees a multiyear
14 acquisition strategy to guide the overall direction of the
15 acquisitions of the Department while allowing flexibility
16 to deal with ever-changing threats and risks and to help
17 industry better understand, plan, and align resources to
18 meet the future acquisition needs of the Department. The
19 strategy shall be updated and included in each Future
20 Years Homeland Security Program required under section
21 874 of this Act.

22 “(b) CONSULTATION.—In developing the strategy,
23 the Secretary shall consult with others as the Secretary
24 deems appropriate, including headquarters, Components,

1 employees in the field, and when appropriate, individuals
2 from industry and the academic community.

3 “(c) FORM OF STRATEGY.—The report shall be sub-
4 mitted in unclassified form but may include a classified
5 annex for any sensitive or classified information if nec-
6 essary. The Department also shall publish the plan in an
7 unclassified format that is publicly available.

8 “(d) CONTENTS OF STRATEGY.—The strategy shall
9 include the following:

10 “(1) PRIORITIZED LIST.—A systematic and in-
11 tegrated prioritized list developed by the Under Sec-
12 retary for Management or his designee in coordina-
13 tion with all of the Component Acquisition Execu-
14 tives of Department major acquisition programs
15 ranked based on mission and greatest security risks
16 to the homeland that Department and Component
17 acquisition investments seek to address.

18 “(2) INVENTORY.—A plan to develop a reliable
19 Department-wide inventory of investments and real
20 property assets to help the Department plan, budg-
21 et, schedule, and acquire upgrades of its systems
22 and equipment and plan for the acquisition and
23 management of future systems and equipment.

24 “(3) FUNDING GAPS.—A plan to address fund-
25 ing gaps between funding requirements for major ac-

1 quisition programs and known available resources in-
2 cluding, to the maximum extent practicable, ways of
3 leveraging best practices to identify and eliminate
4 overpayment for items to prevent wasteful pur-
5 chasing, achieve the greatest level of efficiency and
6 cost savings by rationalizing purchases, aligning
7 pricing for similar items, and utilizing purchase tim-
8 ing and economies of scale.

9 “(4) IDENTIFICATION OF CAPABILITIES.—An
10 identification of test, evaluation, modeling, and sim-
11 ulation capabilities that will be required to support
12 the acquisition of the technologies to meet the needs
13 of the plan and ways to leverage to the greatest ex-
14 tent possible the emerging technology trends and re-
15 search and development trends within the public and
16 private sectors and an identification of ways to en-
17 sure that the appropriate technology is acquired and
18 integrated into the Department’s operating doctrine
19 and procured in ways that improve mission perform-
20 ance.

21 “(5) FOCUS ON FLEXIBLE SOLUTIONS.—An as-
22 sessment of ways the Department can improve its
23 ability to test and acquire innovative solutions to
24 allow needed incentives and protections for appro-
25 priate risk-taking in order to meet its acquisition

1 needs with resiliency, agility, and responsiveness to
2 assure the Nation's homeland security.

3 “(6) FOCUS ON ADDRESSING DELAYS AND BID
4 PROTESTS.—An assessment of ways the Department
5 can improve the acquisition process to minimize cost
6 overruns in requirements development, procurement
7 announcements, requests for proposals, evaluation of
8 proposals, protests of decisions and awards and
9 through the use of best practices as defined in sec-
10 tion 4(b) of the DHS Acquisition Accountability and
11 Efficiency Act and lessons learned by the Depart-
12 ment and other Federal agencies.

13 “(7) FOCUS ON IMPROVING OUTREACH.—An
14 identification and assessment of ways to increase op-
15 portunities for communication and collaboration with
16 industry, small and disadvantaged businesses, intra-
17 government entities, university centers of excellence,
18 accredited certification and standards development
19 organizations, and national laboratories to ensure
20 that the Department understands the market for
21 technologies, products, and innovation that is avail-
22 able to meet its mission needs to inform the require-
23 ments-setting process and before engaging in an ac-
24 quisition, including—

1 “(A) methods designed especially to engage
2 small and disadvantaged businesses and a cost-
3 benefit analysis of the tradeoffs that small and
4 disadvantaged businesses provide, barriers to
5 entry for small and disadvantaged businesses,
6 and unique requirements for small and dis-
7 advantaged businesses; and

8 “(B) within the Department Vendor Com-
9 munication Plan and Market Research Guide,
10 instructions for interaction by program man-
11 agers with such entities to prevent misinter-
12 pretation of acquisition regulations and to per-
13 mit freedom within legal and ethical boundaries
14 for program managers to interact with such
15 businesses with transparency.

16 “(8) COMPETITION.—A plan regarding competi-
17 tion as described in subsection (e).

18 “(9) ACQUISITION WORKFORCE.—A plan re-
19 garding the Department acquisition workforce as de-
20 scribed in subsection (f).

21 “(10) FEASIBILITY OF WORKFORCE DEVELOP-
22 MENT FUND PILOT PROGRAM.—An assessment of
23 the feasibility of conducting a pilot program to es-
24 tablish an acquisition workforce development fund as
25 described in subsection (g).

1 “(e) COMPETITION PLAN.—The strategy shall also
2 include a plan (referred to in subsection (d)(8)) that shall
3 address actions to ensure competition, or the option of
4 competition, for major acquisition programs. The plan
5 may include assessments of the following measures in ap-
6 propriate cases if such measures are cost effective:

7 “(1) Competitive prototyping.

8 “(2) Dual-sourcing.

9 “(3) Unbundling of contracts.

10 “(4) Funding of next-generation prototype sys-
11 tems or subsystems.

12 “(5) Use of modular, open architectures to en-
13 able competition for upgrades.

14 “(6) Acquisition of complete technical data
15 packages.

16 “(7) Periodic competitions for subsystem up-
17 grades.

18 “(8) Licensing of additional suppliers, including
19 small businesses.

20 “(9) Periodic system or program reviews to ad-
21 dress long-term competitive effects of program deci-
22 sions.

23 “(f) ACQUISITION WORKFORCE PLAN.—

24 “(1) ACQUISITION WORKFORCE.—The strategy
25 shall also include a plan (referred to in subsection

1 (d)(9)) to address Department acquisition workforce
2 accountability and talent management that identifies
3 the acquisition workforce needs of each Component
4 performing acquisition functions and develops op-
5 tions for filling those needs with qualified individ-
6 uals, including a cost-benefit analysis of contracting
7 for acquisition assistance.

8 “(2) ADDITIONAL MATTERS COVERED.—The
9 acquisition workforce plan shall address ways to—

10 “(A) improve the recruitment, hiring,
11 training, and retention of Department acquisi-
12 tion workforce personnel in order to retain
13 highly qualified individuals that have experience
14 in the acquisition life cycle, complex procure-
15 ments, and management of large programs;

16 “(B) empower program managers to have
17 the authority to manage their programs in an
18 accountable and transparent manner as they
19 work with the acquisition workforce;

20 “(C) prevent duplication within Depart-
21 ment acquisition workforce training and certifi-
22 cation requirements through leveraging already-
23 existing training within the Federal Govern-
24 ment, academic community, or private industry;

1 “(D) achieve integration and consistency
2 with Government-wide training and accredita-
3 tion standards, acquisition training tools, and
4 training facilities; and

5 “(E) designate the acquisition positions
6 that will be necessary to support the Depart-
7 ment acquisition requirements, including in the
8 fields of—

9 “(i) program management;

10 “(ii) systems engineering;

11 “(iii) procurement, including con-
12 tracting;

13 “(iv) test and evaluation;

14 “(v) life cycle logistics;

15 “(vi) cost estimating and program fi-
16 nancial management; and

17 “(vii) additional disciplines appro-
18 priate to Department mission needs.

19 “(g) FEASIBILITY OF WORKFORCE DEVELOPMENT
20 FUND PILOT PROGRAM.—The strategy shall also include
21 an assessment (referred to in subsection (d)(10)) of the
22 feasibility of conducting a pilot program to establish a
23 Homeland Security Acquisition Workforce Development
24 Fund (in this subsection referred to as the ‘Fund’) to en-
25 sure the Department acquisition workforce has the capaci-

1 ity, in both personnel and skills, needed to properly per-
2 form its mission and ensure that the Department receives
3 the best value for the expenditure of public resources. The
4 assessment shall address the following:

5 “(1) Ways to fund the Fund, including the use
6 of direct appropriations, or the credit, transfer, or
7 deposit of unobligated or unused funds from Depart-
8 ment Components into the Fund to remain available
9 for obligation in the fiscal year for which credited,
10 transferred, or deposited and to remain available for
11 successive fiscal years.

12 “(2) Ways to reward the Department acquisi-
13 tion workforce and program managers for good pro-
14 gram management in controlling cost growth, lim-
15 iting schedule delays, and ensuring operational effec-
16 tiveness through providing a percentage of the sav-
17 ings or general acquisition bonuses.

18 “(3) Guidance for the administration of the
19 Fund that includes provisions to do the following:

20 “(A) Describe the costs and benefits asso-
21 ciated with the use of direct appropriations or
22 credit, transfer, or deposit of unobligated or un-
23 used funds to finance the Fund.

1 “(B) Describe the manner and timing for
2 applications for amounts in the Fund to be sub-
3 mitted.

4 “(C) Explain the evaluation criteria to be
5 used for approving or prioritizing applications
6 for amounts in the Fund in any fiscal year.

7 “(D) Explain the mechanism to report to
8 Congress on the implementation of the Fund on
9 an ongoing basis.

10 “(E) Detail measurable performance
11 metrics to determine if the Fund is meeting the
12 objective to improve the acquisition workforce
13 and to achieve cost savings in acquisition man-
14 agement.”.

15 (2) CLERICAL AMENDMENT.—The table of con-
16 tents in section 1(b) of the Homeland Security Act
17 of 2002 (6 U.S.C. 101 et seq.) is further amended
18 by adding after the item relating to section 838 the
19 following new item:

“Sec. 839. Multiyear acquisition strategy.”.

20 (b) CONFORMING AMENDMENT TO FUTURE YEARS
21 HOMELAND SECURITY PROGRAM.—Section 874(a) of the
22 Homeland Security Act of 2002 (6 U.S.C. 454(a)) is
23 amended—

24 (1) by striking “and” at the end of paragraph
25 (2);

1 (2) by striking the period at the end of para-
2 graph (3) and inserting “; and”; and

3 (3) by adding at the end the following new
4 paragraph:

5 “(4) include the multiyear acquisition strategy
6 required under section 839 of this Act.”.

7 **SEC. 303. ACQUISITION REPORTS.**

8 (a) IN GENERAL.—Subtitle D of title VIII of the
9 Homeland Security Act of 2002 (6 U.S.C. 391 et seq.)
10 is further amended by adding at the end the following new
11 section:

12 **“SEC. 840. ACQUISITION REPORTS.**

13 “(a) COMPREHENSIVE ACQUISITION STATUS RE-
14 PORT.—

15 “(1) IN GENERAL.—The Under Secretary for
16 Management each year shall submit to the congress-
17 sional homeland security committees, at the same
18 time as the President’s budget is submitted for a fis-
19 cal year under section 1105(a) of title 31, United
20 States Code, a comprehensive acquisition status re-
21 port. The report shall include the following:

22 “(A) The information required under the
23 heading ‘Office of the Under Secretary for
24 Management’ under Title I of division D of the
25 Consolidated Appropriations Act, 2012 (Public

1 Law 112-74) (as required under the Depart-
2 ment of Homeland Security Appropriations Act,
3 2013 (Public Law 113-6).

4 “(B) A listing of programs that have been
5 cancelled, modified, paused, or referred to the
6 Under Secretary for Management or Deputy
7 Secretary for additional oversight or action by
8 the Board, Department Office of Inspector
9 General, or the Comptroller General.

10 “(C) A listing of established Executive
11 Steering Committees, which provide governance
12 of a program or related set of programs and
13 lower-tiered oversight, and support between ac-
14 quisition decision events and Component re-
15 views, including the mission and membership
16 for each.

17 “(2) INFORMATION FOR MAJOR ACQUISITION
18 PROGRAMS.—For each major acquisition program,
19 the report shall include the following:

20 “(A) A narrative description, including
21 current gaps and shortfalls, the capabilities to
22 be fielded, and the number of planned incre-
23 ments or units.

24 “(B) Acquisition Review Board (or other
25 board designated to review the acquisition) sta-

1 tus of each acquisition, including the current
2 acquisition phase, the date of the last review,
3 and a listing of the required documents that
4 have been reviewed with the dates reviewed or
5 approved.

6 “(C) The most current, approved acquisi-
7 tion program baseline (including project sched-
8 ules and events).

9 “(D) A comparison of the original acquisi-
10 tion program baseline, the current acquisition
11 program baseline, and the current estimate.

12 “(E) Whether or not an independent
13 verification and validation has been imple-
14 mented, with an explanation for the decision
15 and a summary of any findings.

16 “(F) A rating of cost risk, schedule risk,
17 and technical risk associated with the program
18 (including narrative descriptions and mitigation
19 actions).

20 “(G) Contract status (including earned
21 value management data as applicable).

22 “(H) A lifecycle cost of the acquisition,
23 and time basis for the estimate.

1 (1) Complying with the requirements in section
2 839 of the Homeland Security Act of 2002, as
3 added by section 302 of this Act.

4 (2) Establishing clear connections between De-
5 partment objectives and acquisition priorities.

6 (3) Demonstrating that Department acquisition
7 policy reflects program management best practices
8 and standards.

9 (4) Ensuring competition or the option of com-
10 petition for major acquisition programs.

11 (5) Considering potential cost savings through
12 using already-existing technologies when developing
13 acquisition program requirements.

14 (6) Preventing duplication within Department
15 acquisition workforce training requirements through
16 leveraging already-existing training within the Fed-
17 eral Government, academic community, or private
18 industry.

19 (7) Providing incentives for program managers
20 to reduce acquisition and procurement costs through
21 the use of best practices and disciplined program
22 management.

23 (8) Assessing the feasibility of conducting a
24 pilot program to establish a Homeland Security Ac-
25 quisition Workforce Development Fund.

1 (b) REPORT REQUIRED.—The Comptroller General
2 shall submit to the congressional homeland security com-
3 mittees a report on the review required by this section.
4 The report shall be submitted in unclassified form but
5 may include a classified annex.

6 **SEC. 305. OFFICE OF INSPECTOR GENERAL REPORT.**

7 (a) REVIEW REQUIRED.—No later than 2 years fol-
8 lowing the submission of the report submitted by the
9 Comptroller General of the United States as required by
10 section 304, the Department's Inspector General shall
11 conduct a review of whether the Department has complied
12 with the multiyear acquisition strategy (pursuant to sec-
13 tion 839 of the Homeland Security Act of 2002) and ad-
14 hered to the strategies set forth in the plan. The review
15 shall also consider whether the Department has complied
16 with the requirements to provide the Acquisition Review
17 Board with a capability development plan for each major
18 acquisition.

19 (b) REPORT REQUIRED.—The Inspector General
20 shall submit to the congressional homeland security com-
21 mittees a report of the review required by this section. The
22 report shall be submitted in unclassified form but may in-
23 clude a classified annex.

