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DHS Appropriations FY2016: Departmental Management and Operations

Updated March 16, 2016

Congressional Research Service
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R44186

CRS REPORT
Prepared for Members and
Committees of Congress

Summary

This report is part of a suite of reports that discuss appropriations for the Department of Homeland Security (DHS) for FY2016. It specifically discusses appropriations for the components of DHS included in the first title of the homeland security appropriations bill—the Office of the Secretary and Executive Management, the Office of the Under Secretary for Management, the DHS headquarters consolidation project, the Office of the Chief Financial Officer, the Office of the Chief Information Officer, Analysis and Operations, and the Office of Inspector General for the department. Collectively, Congress has labeled these components in recent years as "Departmental Management and Operations."

The report provides an overview of the Administration's FY2016 request for Departmental Management and Operations, the appropriations proposed by Congress in response, and those enacted thus far. Rather than limiting the scope of its review to the first title, the report includes information on provisions throughout the proposed bills and reports that directly affect these functions.

Departmental Management and Operations is the smallest of the four titles that carry the bulk of the funding in the bill. The Administration requested $1,396 million in total budgetary resources for these components in FY2016, $255 million more than was provided for FY2015. Although only 3.4% of the Administration's $41.4 billion request for the department, the proposed additional funding was 17.8% of the total net increase requested. While the Administration proposed increasing the budget of every component of Departmental Management and Operations, the largest increase, both in dollars ($167 million) and by percentage terms (441%), was to fund a revised plan for consolidation of DHS headquarters offices in the National Capital Region.

Senate-reported S. 1619 would have provided $1,346 million, a decrease of $50 million (3.6%) from the request and $205 million (18.0%) above FY2015.

House-reported H.R. 3128 would have provided $1,217 million, a $179 million (12.8%) decrease from the request and $76 million (6.7%) above FY2015.

On December 18, 2015, the President signed into law P.L. 114-113, the Consolidated Appropriations Act, 2016, Division F of which was the Department of Homeland Security Appropriations Act, 2016. The act included $1,546 million for these components in FY2016, $405 million more than was provided for FY2015, and $150 million more than was requested.

Additional information on the broader subject of FY2016 funding for the department can be found in CRS Report R44053, *Department of Homeland Security Appropriations: FY2016,* as well as links to analytical overviews and details regarding appropriations for other components.

This report will be updated if supplemental appropriations are provided for any of these components for FY2016.

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Introduction

This report is part of a suite of reports that discuss appropriations for the Department of Homeland Security (DHS) for FY2016. It specifically discusses appropriations for the components of DHS included in the first title of the homeland security appropriations bill—the Office of the Secretary and Executive Management, the Office of the Under Secretary for Management, the DHS headquarters consolidation project, the Office of the Chief Financial Officer, the Office of the Chief Information Officer, Analysis and Operations, and the Office of Inspector General for the department. Collectively, Congress has labeled these components in recent years as "Departmental Management and Operations."

The report provides an overview of the Administration's FY2016 request for Departmental Management and Operations, the appropriations proposed by Congress in response, and those enacted thus far. Rather than limiting the scope of its review to the first title, the report includes information on provisions throughout the proposed bills and reports that directly affect these functions.

The suite of CRS reports on homeland security appropriations tracks legislative action and congressional issues related to DHS appropriations, with particular attention paid to discretionary funding amounts. The reports do not provide in-depth analysis of specific issues related to mandatory funding—such as retirement pay—nor do they systematically follow other legislation related to the authorization or amending of DHS programs, activities, or fee revenues.

Discussion of appropriations legislation involves a variety of specialized budgetary concepts. The appendix to CRS Report R44053, *Department of Homeland Security Appropriations: FY2016*, explains several of these concepts, including budget authority, obligations, outlays, discretionary and mandatory spending, offsetting collections, allocations, and adjustments to the discretionary spending caps under the Budget Control Act (P.L. 112-25). A more complete discussion of those terms and the appropriations process in general can be found in CRS Report R42388, *The Congressional Appropriations Process: An Introduction*, by Jessica Tollestrup, and the Government Accountability Office's *A Glossary of Terms Used in the Federal Budget Process*.[1]

Note on Data and Citations

Except in summary discussions and when discussing total amounts for the bill as a whole, all amounts contained in the suite of CRS reports on homeland security appropriations represent budget authority and are rounded to the nearest million. However, for precision in percentages and totals, all calculations were performed using unrounded data.

Data used in this report for FY2015 amounts are derived from the Department of Homeland Security Appropriations Act, 2015 (P.L. 114-4) and the explanatory statement that accompanied H.R. 240 as printed in the *Congressional Record* of January 13, 2015, pp. H275-H322. Contextual information on the FY2016 request is generally from the *Budget of the United States Government, Fiscal Year 2016*, the FY2016 DHS congressional budget justifications, and the FY2016 DHS *Budget in Brief*.[2] However, most data used in CRS analyses in reports on DHS appropriations are drawn from congressional documentation to ensure consistent scoring

[1] U.S. Government Accountability Office, *A Glossary of Terms Used in the Federal Budget Process*, GAO-05-734SP, September 1, 2005, http://www.gao.gov/products/GAO-05-734SP.

[2] On April 14, 2015, the Administration submitted technical amendments to its budget request, but it presented no adjustments to its totals for the department. Therefore, modifications to authorization for Customs and Border Protection to use certain fee revenues are not reflected in this report.

whenever possible. Information on the FY2016 budget request and Senate-reported recommended funding levels is from S. 1619 and S.Rept. 114-68. Information on the House-reported recommended funding levels is from H.R. 3128 and H.Rept. 114-215. Information on FY2016 enacted appropriations is derived from P.L. 114-113, the Omnibus Appropriations Act, 2016—Division F of which is the Homeland Security Appropriations Act, 2016—and the accompanying explanatory statement published in Books II and III of the *Congressional Record* for December 17, 2015.

Summary of DHS Appropriations

Generally, the homeland security appropriations bill includes all annual appropriations provided for DHS, allocating resources to every departmental component. Discretionary appropriations[3] provide roughly two-thirds to three-fourths of the annual funding for DHS operations, depending how one accounts for disaster relief spending and funding for overseas contingency operations. The remainder of the budget is a mix of fee revenues, trust funds, and mandatory spending.[4]

Appropriations measures for DHS typically have been organized into five titles.[5] The first four are thematic groupings of components: Departmental Management and Operations; Security, Enforcement, and Investigations; Protection, Preparedness, Response, and Recovery; and Research and Development, Training, and Services. A fifth title contains general provisions, the impact of which may reach across the entire department, impact multiple components, or focus on a single activity.

The following pie chart presents a visual comparison of the share of annual appropriations requested for the components of each title, highlighting the title containing the components discussed in this report in purple. Departmental Management and Operations components made up about 3% of the discretionary appropriations requested for DHS for FY2016.

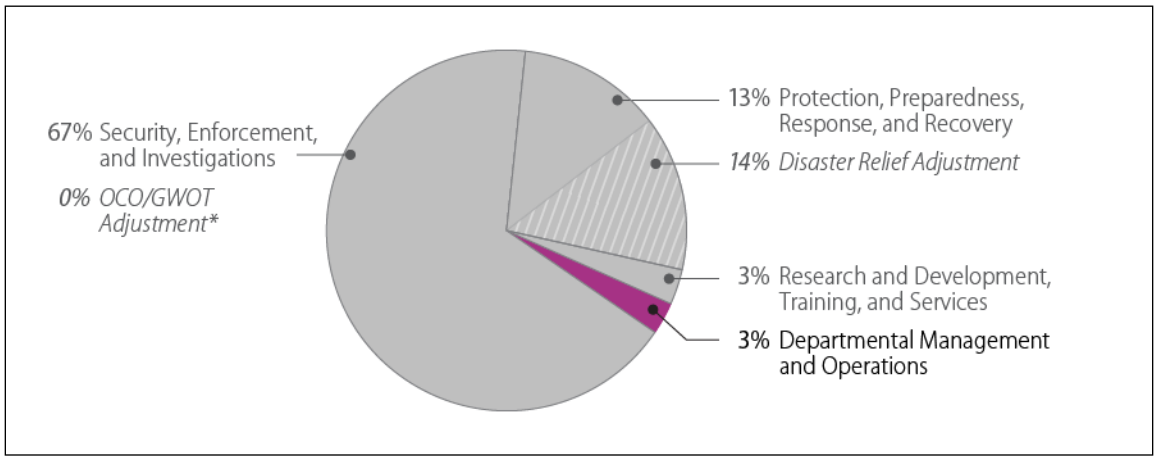
[3] Generally speaking, those provided through annual legislation.

[4] A detailed analysis of this breakdown between discretionary appropriations and other funding is available in CRS Report R44052, *DHS Budget v. DHS Appropriations: Fact Sheet*, by William L. Painter.

[5] Although the House and Senate generally produce symmetrically structured bills, this is not always the case. Additional titles are sometimes added by one of the chambers to address special issues. For example, the FY2012 House full committee markup added a sixth title to carry a $1 billion emergency appropriation for the Disaster Relief Fund (DRF). The Senate version carried no additional titles beyond the five described above. For FY2015, the House- and Senate-reported versions of the DHS appropriations bill were generally symmetrical.

Figure 1. Proportion of Requested DHS Discretionary Budget Authority by Title

(funding in general provisions distributed to recipient components)



Source: CRS analysis of data from U.S. Department of Homeland Security, *FY2016 Budget in Brief.*

Notes: *—The Administration requested $160 million to be transferred to DHS under the Overseas Contingency Operations/Global War on Terror (OCO/GWOT) allowable adjustment under the Budget Control Act. This amount rounds to zero for this calculation, and thus does not appear in the chart. Titles in italics and patterned wedges represent funding covered under adjustments to discretionary spending limits under the Budget Control Act.

Departmental Management and Operations

As noted above, Title I of the DHS appropriations bill provides funding for the department's management activities, Analysis and Operations (A&O) account, and the Office of the Inspector General (OIG). Funding is also included in Title V, General Provisions, for some of these components. The Administration requested $1,396 million in total budgetary resources for these accounts in FY2016, an increase of $255 million (22.3%) above the FY2015 enacted level. The Senate-reported bill would have provided $1,346 million, a decrease of $73 million (5.2%) from the request and $182 million (16.0%) above FY2015. The House-reported bill would have provided $1,217 million, a decrease of $178 million (12.8%) from the request, but $76 million (6.7%) above FY2015.

On December 18, 2015, the President signed into law P.L. 114-113, the Consolidated Appropriations Act, 2016, Division F of which was the Department of Homeland Security Appropriations Act, 2016. The act included $1,546 million for Title I components in FY2016, $405 million (35.5%) more than was provided for FY2015, and $150 million (10.7%) more than was requested.

Table 1 presents the enacted funding level for the individual components funded under Departmental Management and Operations for FY2015, as well as the amounts requested for these accounts for FY2016 by the Administration, recommended by the Senate and House appropriations committees, and provided by the enacted annual appropriation for FY2016. The table includes information on funding under Title I as well as other provisions in the bill.

Table 1. Budgetary Resources for Departmental Management and Operations Components, FY2015 and FY2016

(budget authority in millions of dollars)

Component/Appropriation	FY2015 Enacted	FY2016 Request	FY2016 Senate-Reported S. 1619	FY2016 House-Reported H.R. 3128	FY2016 Div. F, P.L. 114-113
Office of the Secretary and Executive Management	133	134	133	132	137
Emergent Threats[a]					[50]
Office of the Under Secretary for Management	188	193	185	194	197
DHS Headquarters Consolidation	—	216[b]	—	—	—
DHS Headquarters Consolidation (Title V)	[49]	—	[212]	[44]	[216]
Office of the Chief Financial Officer	52	54	53	56	56
Financial Systems Modernization (Title V)	[34]	[43][c]	[36]	[53]	[53]
Office of the Chief Information Officer	288	321	304	308	310
OCIO Cyber Security Fund	—	—	—	—	[100]
Analysis and Operations	256	269	263	265	265
Office of the Inspector General	119	142	134	141	137
Transfer to OIG from FEMA's DRF (Title III)	[24]	[24]	[24]	[24]	[24]
Net Discretionary Budget Authority: Title I	**1,035**	**1,329**	**1,074**	**1,096**	**1,103**
Net Discretionary Budget Authority: Total for Departmental Management and Operations Components	**1,141**	**1,396**	**1,346**	**1,217**	**1,546**
Total Gross Budgetary Resources for Departmental Management and Operations Components	**1,141**	**1,396**	**1,346**	**1,217**	**1,546**

Source: CRS analysis of P.L. 114-4 and its explanatory statement as printed in the *Congressional Record* of January 13, 2015, pp. H275-H322, the FY2016 DHS *Budget-in-Brief*, S. 1619, S.Rept. 114-68, H.R. 3128, H.Rept. 114-215, and Division F of P.L. 114-113 and its explanatory statement as printed in the *Congressional Record* of December 17, 2015, pp. H10161-H10210.

Notes: Table displays rounded numbers, but all operations were performed with unrounded data. Therefore, amounts may not sum to totals. FEMA = Federal Emergency Management Agency; DRF = Disaster Relief Fund.

Bracketed items represent funding not included in Title I, and therefore are only included in the second two totals.

a. This funding, Provided in Title V, is associated with the Office of the Secretary, as it was not attributed to any component through bill or explanatory statement language, and the Secretary has authority provided in the act to transfer it to other components (§543).

b. This amount includes more than $11 million in support costs for the facility, which generally has been appropriated in the Coast Guard's Operating Expenses account.

c. The Administration requested funding for this activity under the Office of the Chief Financial Officer.

d. The DHS Office of the Inspector General (OIG) also receives transfers from FEMA to pay for oversight of disaster-related activities that are reflected in the last two lines in these tables, including $24 million in FY2015 and $24 million requested for FY2016.

Departmental Management[6]

The departmental management accounts cover the general administrative expenses of DHS. They include the Office of the Secretary and Executive Management (OSEM), which is comprised of the Immediate Office of the Secretary and 11 entities that report directly to the Secretary; the Under Secretary for Management (USM) and its components—the offices of the Chief Readiness Support Officer (formerly, the Office of the Chief Administrative Officer [OCAO]), Chief Human Capital Officer (OCHCO), Chief Procurement Officer (OCPO), and Chief Security Officer (OCSO); the Office of the Chief Financial Officer (OCFO); and the Office of the Chief Information Officer (OCIO). The Administration has usually requested funding for the consolidation of its headquarters here as well, although this report treats that project separately, and does not include it in the totals in this section.

FY2016 Request

The Administration requested $702 million for departmental management, plus $43 million for a crosscutting financial systems consolidation effort in a general provision. This total included $134 million ($1 million, or 0.7% above the FY2015 level) for OSEM and $193 million for USM ($5 million, or 2.6% above the FY2015 level). The Administration requested $97 million for OCFO, including the $43 million noted above, for an overall increase of $12 million (12.4%) above the FY2015 level. Most of the increase was for the financial systems consolidation, which had been funded at $34 million in FY2015. The Administration requested $321 million for OCIO as well ($32 million, or 11.3% above the FY2015 level).

Senate-Reported S. 1619

S. 1619, as reported by the Senate Committee on Appropriations, included $675 million for departmental management in Title I and $36 million for the crosscutting financial systems consolidation effort in the general provisions. The proposed funding level was $18 million (2.6%) more than FY2015, and $33 million (4.4%) less than requested by the Administration.

House-Reported H.R. 3128

H.R. 3128, as reported by the House Committee on Appropriations, included $690 million for departmental management in Title I, and $53 million for the crosscutting financial systems

[6] Prepared by Barbara L. Schwemle, Analyst in American National Government, Government and Finance Division.

consolidation effort in the general provisions. The proposed funding level was $49 million (7.1%) more than FY2015 and $1 million (0.2%) less than requested by the Administration.

Division F of P.L. 114-113

The law provided total funding of $701 million for Departmental Management in Title I, and $203 million in three general provisions, not including the funding for DHS headquarters consolidation at St. Elizabeths. This was a decrease of $2 million or 0.3% from the President's request of $702 million under Title I, but an increase of $160 million in funding provided through general provisions, including $150 million to address emergent threats and support cybersecurity efforts. See **Table 2** for additional detail.

Departmental Management Component Details

Office of the Secretary and Executive Management (OSEM)

The Administration requested $134 million for OSEM and 597 full-time employee equivalents (FTEs). H.R. 3128, as reported, included $132 million for OSEM, $2 million (1.5%) less than requested. S. 1619, as reported, included $133 million, $1 million (0.7%) less than requested. Title I of P.L. 114-113 provided $137 million for OSEM, $3.2 million (2.4%) more than requested.

As in the Senate-reported bill, $13 million of OSEM funding was withheld from obligation until both the comprehensive plan to implement the biometric entry and exit data system and the report on visa overstay data by country are submitted, as required, within 30 days after the act's enactment, to the House Committees on Appropriations, the Judiciary, and Homeland Security and the Senate Committees on Appropriations, the Judiciary, and Homeland Security and Governmental Affairs. The explanatory statement specified that the visa overstay report must include (1) overstays from all nonimmigrant visa categories under the immigration laws, by each class and sub-class; and (2) numbers and rates of overstays for each class and sub-class of nonimmigrant categories per country.

The House committee recommended the requested $5 million for the Joint Requirements Council (JRC).[7] The committee report directed the department to keep the committee informed on the Council's efforts to examine and reform joint operations within DHS and to clearly display in its budget execution and justification materials efficiencies and savings achieved from JRC operations. The explanatory statement directed the JRC to provide quarterly briefings beginning no later than January 30, 2016, on its results with regard to improving and leveraging joint requirements across components.

The House report stated the committee's expectation that DHS would track the number of times that unmanned aircraft systems are used along the border, in a maritime environment, or in

[7] U.S. Department of Homeland Security, *Departmental Management and Operations, Office of the Secretary and Executive Management, FY2016 Congressional Justification*, p. 53. "The JRC is a senior requirements review board that: 1. Identifies crosscutting opportunities and common requirements among DHS Organizational Elements for non-IT investments and aids in determining how best to ensure that the Department uses its resources wisely and in the best interest of the American public; 2. Conducts reviews of non-IT mission needs statements, Department capital investment plans, portfolio management documents and special interest issues submitted in accordance with the DHS Planning, Programming, and Budgeting Guidance, and other documents/issues; 3. Makes programmatic recommendations to the Investment Review Board (IRB) on proposed new programs and changes to existing capital programs." (U.S. Department of Homeland Security, "Charter of DHS Joint Requirements Council," September 17, 2003, available at http://www.dhs.gov/sites/default/files/publications/mgmt_directive_1405_charter_dhs_joint_requirements_council.pdf.

support of state, local, and tribal law enforcement entities, to monitor compliance with laws and standards on privacy and civil liberties. The report also stated that committee's expectations that the department would submit, by the required deadlines, reports that (1) assess the feasibility, cost, and benefits of implementing a universal complaint system across the department, to ensure that complaints are promptly addressed, and (2) provide an update on the corrective action plan to address low employee morale and the poor climate for workplace innovation. The explanatory statement directed the department to expeditiously brief the House and Senate Appropriations Committees on the report (which is overdue) on a universal complaint system.

The House committee report directed the Office of Policy to provide a detailed description of all DHS countering violent extremism (CVE) programs and initiatives, including associated personnel and funding levels, within 60 days after the act's enactment as a means to ensure that the United States "is positioned to counter homegrown violent extremism and prevent domestic radicalization."[8] A new general provision at Section 543 in P.L. 114-113 provided $50 million "for emergent threats from violent extremism and from complex coordinated terrorist attacks." The funds may be transferred by the Secretary between appropriations upon 15 days advance notice to the House and Senate Appropriations Committees. The explanatory statement specified that the funds be allocated as $10 million for a CVE initiative to assist states and local communities to "prepare for, prevent, and respond to emergent threats from violent extremism"; up to $39 million for an initiative to assist states and local governments to "prepare for, prevent, and respond to complex, coordinated terrorist attacks with the potential for mass casualties and infrastructure damage";[9] and at least $1 million to expand or enhance the Joint Counterterrorism Awareness Workshop Series. The funds will be provided on a competitive basis directly to states, local governments, tribal governments, nonprofit organizations, or institutions of higher education.[10] The explanatory statement provided information on activities that would be eligible for funding.

According to the explanatory statement, the Office of Partnership and Engagement received $13 million, including an increase of $3.1 million for the Office of Community Partnerships. It directed the office to describe in detail its CVE programs and initiatives within 60 days after the act's enactment.

The House committee report also directed the Office of Policy to (1) continue developing border security metrics that are focused on reducing illegal import and entry and include measuring inflow rates, apprehension rates, and consequences for the department's jurisdiction over the Southwest Border and (2) brief the committee on such within 30 days after the act's enactment. The report directed the department to ensure that the office fully participates in interagency discussions on visa policy matters. The explanatory statement directed the office to coordinate with components to finalize the metrics, including those specified in the House report and survey and historical data, which can be assessed against operational and strategic requirements for improved security at the border. According to the statement, the metrics will inform decisions on resource allocations and management of the mission.

Within the Office of Policy, the House committee report directed the Office of Immigration Statistics (1) to develop and implement a plan to collect, analyze, and report appropriate data on immigration enforcement activities, including data on the use of prosecutorial discretion; (2) to include steps in the plan to ensure complete and accurate data on such activities from encounter to

[8] H.Rept. 114-215, p. 8.

[9] *Congressional Record*, daily edition, vol. 161, December 17, 2015, p. H10177.

[10] FY2017 budget request documentation indicates the FY2016 grants will be managed by the Federal Emergency Management Agency.

final disposition; and (3) to brief the committee on the plan within 60 days after the act's enactment. The explanatory statement included the directive and further specified that data, including those collected by the Executive Office for Immigration Review at the Department of Justice and the Office of Refugee Resettlement at the Department of Health and Human Services, on the department's effectiveness in enforcing immigration laws be considered and prioritized. According to the statement, the plan should result in outcome-based metrics on immigration enforcement that are consistent and able to be released to the public on a regular basis.

Both the House and Senate reports addressed the issue of increased trafficking in wildlife. The House report directed the Secretary to report, within 120 days after the act's enactment, on (1) the department's activities to address wildlife trafficking (rhinoceros horns and elephant ivory from Africa) and the illegal natural resources trade (illegally harvested timber); (2) its continued membership on the Presidential Task Force on Wildlife Trafficking; (3) efforts to improve coordination with the U.S. Fish and Wildlife Service (USFWS) Office of Law Enforcement; (4) steps taken to implement the National Strategy on Wildlife Trafficking; and (5) aligning resources to activities and initiatives that address wildlife trafficking and natural resources trade. The Senate report continued the requirement for a report on wildlife trafficking activities and recommended that CBP and the USFWS "improve cooperation and coordination among the agencies to better address"[11] this matter. The explanatory statement directed the Secretary to update the report on activities related to wildlife trafficking and illegal natural resources trade within 120 days after the act's enactment.

Under Secretary for Management (USM)

The Administration requested $193 million for the USM and 822 FTEs. S. 1619, as reported, included $184 million for the USM, $9 million (4.5%) less than requested. H.R. 3128, as reported, included $194 million for the USM, less than $1 million (0.2%) more than requested. Title I of Division F of P.L. 114-113 provided $197 million for the USM, $3.6 million (1.9%) more than requested. Of the total, the Human Resources Information Technology program received almost $8 million.

The House- and Senate-reported bills, and the law, again required the Under Secretary to include a Comprehensive Acquisition Status Report (CASR) in the FY2017 budget proposal and thereafter, within 45 days after the completion of each quarter. The House Appropriations Committee report directed that an unclassified version of the CASR be posted on the department's public website with all programs displayed by appropriation and PPA (Program/Project Activities), and that the Chief Acquisition Officer and each Component Acquisition Executive (CAE) provide briefings on all acquisition projects at levels 1, 2, and 3, within 30 days after the CASR is submitted. The explanatory statement specified that the briefings are to be provided on Level 1, Level 2, and special interest projects.

The House report stated that "The Committee is deeply troubled by the fact that DHS operational components remain unable to communicate with each other a decade after the 9/11 Commission highlighted the problem and after expending $430 million to address the problem."[12] Therefore, the committee directed the USM to provide a briefing to the committee on the "plan to achieve and maintain interoperable communications"[13] among DHS components within 90 days after the act's enactment. The report listed eight required information and data points for the contents of

[11] S.Rept. 114-68, p. 16.

[12] H.Rept. 114-215, p. 12.

[13] H.Rept. 114-215, p. 12.

the plan. The USM was directed to develop written guidance to manage the IT enterprise architecture by April 1, 2016, that "institutionalizes a consumption-based IT business model across DHS based on the acquisition of IT services rather than IT assets when appropriate and cost-effective; and defines and distinguishes IT sustainment costs versus new development and investment."[14] The explanatory statement directed the USM to brief the House and Senate Committees on Appropriations on a plan and timeline "to remedy the operational communications shortfalls [long known by the department] with existing communications capabilities"[15] within 90 days after the act's enactment. It also specified that the briefing must specifically address how the department will manage requirements and procurements for joint communications to ensure that interoperability across components is sustained.

Within USM subcomponents, the committees, and the explanatory statement, recommended the following appropriations:

- **Office of the Chief Security Officer**—Responding to a request for $67 million, the Senate report recommended $65 million, while the House report recommended $68 million, in part driven by increased funding of $2 million for Continuous Evaluation, "a technique used to investigate an individual's continued eligibility to access classified information or to hold a sensitive position."[16] The explanatory statement recommended $69 million, including the increase of $2 million for Continuous Evaluation.[17]
- **Office of the Chief Procurement Officer (OCPO)**—Responding to a request for $59 million, the Senate report recommended $59 million, while the House report recommended $61 million, driven in part by increased funding of $2 million for critical personnel needed by Program Accountability and Risk Management (PARM) to oversee major acquisition programs. The committee also recommended the requested funding to comply with the DATA Act, which requires that procurements have unique identification numbers. The explanatory statement recommended almost $61 million, including the increase of $2 million for PARM personnel.
- **Office of the Chief Human Capital Officer (OCHCO)**—Responding to a request for $34 million, of which $24 million was for salaries and expenses (S&E), the Senate report recommended less than $27 million, of which $19 million was for S&E. The House report recommended $31 million, of which almost $22 million was for S&E. One key difference was the treatment of the Administration's CyberSkills initiative: The Senate report noted that the $5 million in requested funding for the CyberSkills initiative was included in the recommended appropriations for the OCIO and NPPD, while the House report indicated the project was not funded. The Senate-reported bill provided less than $8 million for Human Resources Information Technology, almost $2 million less than the budget request and House-reported bill.[18] The explanatory statement recommended $32 million, of which $24 million was for S&E. Of the total, $2.5 million funded the CyberSkills initiative, $2.5 million funded management and

[14] H.Rept. 114-215, p. 14.

[15] *Congressional Record*, daily edition, vol. 161, December 17, 2015, p. H10163.

[16] H.Rept. 114-215, p. 14.

[17] *Congressional Record*, daily edition, vol. 161, December 17, 2015, p. H10163.

[18] S.Rept. 114-68 stated that the reduction "reflects available carryover balances for the program." (p. 18)

improvement of the hiring processes in components, and up to $350,000 funded the DHS Leader Development Program.

- **Office of the Chief Readiness Support Officer**—Responding to a request for $30 million, the Senate- and House-reported bills included $30 million, to be allocated as $27 million for salaries and expenses and almost $3 million for repairs to the Nebraska Avenue Complex. Noting substantial progress by the department in developing a common flying hour program, the House report directed the office to continue to provide quarterly updates on the program and to expand the Field Efficiencies Pilot Program to at least 10 additional cities by the end of FY2016, to further savings realized through cost avoidance.[19] The explanatory statement recommended almost $32 million, to be allocated as $27 million for S&E and more than $4 million for repairs to the Nebraska Avenue Complex.

Office of the Chief Financial Officer (OCFO)

As noted above, the Administration requested $97 million for the OCFO and 228 FTEs. Title I included $54 million for the OCFO and Title V included an additional $43 million for financial systems modernization efforts. The FY2016 request represented an $11 million, or 12.8%, increase above the $86 million provided to the CFO in FY2015.[20] S. 1619, as reported, included $53 million for the OCFO under Title I, and $36 million under Title V, for a total OCFO investment of $89 million, $8 million (8.2%) less than requested. The Senate Appropriations Committee report explained that the recommendation for funding Financial Systems Modernization at a level that was almost $7 million below the President's request was "due to program delays that have occurred since the budget request was formulated."[21] H.R. 3128, as reported, included $56 million for OCFO under Title I, and $53 million under Title V for the Financial Systems Modernization Program, for a total OCFO investment of $109 million, $12 million (12.4%) above the amount requested. Division F of P.L. 114-113 provided $56 million for OCFO in Title I and $53 million in Title V, for a total OCFO investment of $109 million, almost $13 million (13%) more than requested. Of the Title I funding, the explanatory statement recommended that $3 million "be used to improve financial management processes and cost estimation capabilities."[22] According to the statement, the Title V funding will enable the Secretary to allocate resources according to the program execution plan for modernization.

The House- and Senate-reported bills, and the law, provided that the Secretary must submit the Future Years Homeland Security Program (FYHSP) at the same time as the President's budget is submitted. The Senate Appropriations Committee report again specified that the FYHSP show funding by appropriation account and subordinate program, project, or activity and be accessible to the public. Both bills, and Division F of P.L. 114-113, continued a general provision at Section 513 requiring budget and staffing reports to be submitted to the House and Senate Appropriations Committees within 30 days after the close of each month, with specifications for information to be included. The House Appropriations Committee report included an additional content requirement that the staffing levels for each account be based on the most recent pay period.[23]

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[19] H.Rept. 114-215, p. 15.

[20] In FY2015, Title I included $52 million for the OCFO and Title V included an additional $34 million for financial systems modernization efforts.

[21] S.Rept. 114-68, pp. 20-21.

[22] *Congressional Record*, daily edition, vol. 161, December 17, 2015, p. H10164.

[23] H.Rept. 114-215, p. 18.

To facilitate oversight of the department's financial management activities, the House committee report directed the OCFO to develop a regulation on financial management to:

1. establish financial management policies;
2. ensure compliance with applicable accounting policy, standards, and principals;
3. establish, review, and enforce internal control policies, standards, and compliance guidelines for financial management;
4. ensure that complete, reliable, consistent, timely, and accurate information on disbursements is available in financial management systems; and
5. provide oversight of financial management activities and operations including developing budget requests and preparing for audits.[24]

The House committee report recommended funding of $3 million for subject matter experts and support staff to assist with developing the regulation and implementation of a common appropriations structure for the department.

Expressing persistent concerns about the transition to a federal shared service provider for financial management services, the House committee report directed GAO "to assess the risks of utilizing the Department of Interior's Business Center (IBC), whether the IBC is capable of expanding its services to additional Federal agencies, and [compare] the services and capabilities of Federal and commercial shared service providers."[25] The OCFO was directed to update the estimate of lifecycle costs to include all contract awards and projected overall costs "for every component of the department that plans to migrate to a Federal shared service provider."[26]

Noting that the budget justification materials are "woefully inadequate" and "undermine"[27] analysis and oversight of the budget request by the committees, the explanatory statement directed that the department's budget submission for FY2017, and thereafter, include tables that compare prior year actual, current year estimates, and projected year appropriations and obligations for all PPAs, subprograms, and FTE. It reminded the department that any significant new activity that has not been previously justified or funded requires a request for reprogramming or transfer of appropriations.

Office of the Chief Information Officer (OCIO)

The Administration requested $321 million for the OCIO and 382 FTEs. S. 1619, as reported, included $304 million for the OCIO, $17 million (5.3%) less than requested. H.R. 3128, as reported, included $308 million for the OCIO, $13 million (4.0%) less than requested. Both the Senate- and House-reported bills provided that, within the total amount appropriated, almost $105 million would fund OCIO salaries and expenses (S&E) (slightly less than requested). The House Appropriations Committee recommended $4 million more than the Senate Appropriations Committee for information technology services, while both committees recommended the requested level for infrastructure and security activities and the Homeland Secure Data Network.

Title I of Division F of P.L. 114-113 provided $310 million for OCIO, almost $11 million (3.3%) less than requested. Within the OCIO account, S&E received $110 million and development and acquisition of information technology equipment, software services, and related activities for the

[24] H.Rept. 114-215, p. 17.

[25] H.Rept. 114-215, p. 18.

[26] H.Rept. 114-215, p. 18.

[27] *Congressional Record*, daily edition, vol. 161, December 17, 2015, p. H10164.

department received $200 million.[28] The explanatory statement directed that the information technology funds be used to support requested initiatives, including the DHS Data Framework, Single Sign-On, security, the Federal Risk and Authorization Management Program, the Trusted Tester Program, and the Infrastructure Transformation Program.

In addition to the Title I resources for OCIO, Title V of Division F of P.L. 114-113 included a new general provision[29] which provided $100 million dollars for cybersecurity to safeguard and enhance the department's systems and capabilities. According to the explanatory statement, the "funding is in addition to base funding made available to the CIO and the components, and is intended to help the Department more quickly address known vulnerabilities and technology gaps through enhancements to the DHS network and perimeter security, better access controls, stronger authentication, equipment upgrades, data loss and theft prevention, and incident response and assessments."[30] Stating that "DHS must lead government agencies in protecting its own data and systems," the explanatory statement directed the CIO to "utilize a risk-based approach, using threat intelligence, to optimize the Department's cybersecurity investments and operations."[31] In addition, it directed the CIO to brief the committees on the department's cybersecurity spending, the obligation plan for the cybersecurity funds, and the metrics by which improvements in the DHS cybersecurity posture will be measured, within 45 days after the act's enactment.

The Senate report mandated that the OCIO support the Chief Human Capital Officer on the Cyberskills Support Initiative.[32] Noting that P.L. 114-4 did not include the requirement provided in the FY2015 Senate-reported bill that the CIO submit a multiyear investment plan for 2015 through 2018, the Senate report stated the expectation that the same level of information be provided in the annual budget justification. The OCIO was directed to provide semi-annual briefings on the execution of major initiatives and investment areas.[33]

The Senate report also expressed the expectation that the Digital Services Team members, requested in the budget, will be used to address challenges in immigration data reporting as the top priority and that DHS will make great progress on such reporting by December 2015. The House Appropriations Committee did not recommend funding for this program.[34] The explanatory statement recommended that up to $10 million of the S&E funds be used for Digital Services, in lieu of the House and Senate report language.

With regard to the department's data center consolidation efforts,[35] the Senate Appropriations Committee report stated the committee's expectation that DHS support the National Aeronautics and Space Administration in its use of the Data Center 1 facility and directed the department to

[28] This amount was allocated as follows: Information Technology Services ($91 million), Infrastructure and Security Activities ($54 million); and Homeland Secure Data Network ($55 million).

[29] §542.

[30] *Congressional Record*, daily edition, vol. 161, December 17, 2015, p. H10164.

[31] Ibid.

[32] S.Rept. 114-68, p. 23.

[33] S.Rept. 114-68. p. 24.

[34] For the FY2016 budget requests, see U.S. Department of Homeland Security, *Office of the Chief Information Officer, FY2016 Congressional Justification*, p. 7.

[35] Data center consolidation is designed to reduce the department's IT footprint, achieve efficiencies in operations, reduce energy consumption, and establish opportunities to share capabilities. (S.Rept. 114-68, p. 24)

continue periodic briefings on the execution of remaining data center migration funds, future plans for the data center, and the open market strategy for cloud services.[36]

To monitor progress in achieving the objectives of the DHS Information Technology Strategic Plan, the House report directed the OCIO to provide a briefing and quarterly updates on the enterprise architecture that supports the plan. Included in the briefing are to be details on savings achieved through data center consolidation and reducing commodity IT spending at the component level.

Stating the importance of "[p]reventing the compromise or unauthorized disclosure of sensitive digital content or other personally identifiable information,"[37] the House report directed the OCIO to continue working to prevent data loss at the enterprise level by using technology at the department's Trusted Internet Connection.

Table 2 outlines the funding levels for existing management functions.

Table 2. DHS Management Account Appropriations, FY2015-FY2016

(budget authority in rounded millions of dollars)

	FY2015	FY2016			
Appropriation / Sub-Appropriation	**Enacted**	**Request**	**Senate-Reported S. 1619**	**House-Reported H.R. 3128**	**Enacted**
Office of the Secretary and Executive Management	**133**	**134**	**133**	**132**	**137**
Immediate Office of the Secretary	8	9	9	9	9
Immediate Office of the Deputy Secretary	2	2	2	2	2
Office of the Chief of Staff	3	3	3	3	3
Executive Secretary	6	6	6	6	6
Office of Policy	38	39	39	37	39
Office of Public Affairs	6	6	5	5	5
Office of Legislative Affairs	5	5	5	5	5
Office of Partnership and Engagement (formerly Intergovernmental Affairs)	10	10	10	10	13
Office of General Counsel	20	20	19	19	19
Office of Civil Rights and Civil Liberties	22	21	21	22	22
Citizenship and Immigration Services Ombudsman	6	6	6	6	6
Privacy Officer	8	8	8	8	8
Under Secretary for Management	**188**	**193**	**185**	**194**	**197**
Immediate Office of the Under Secretary	3	3	3	3	3
Office of Security	64	67	65	68	69
Office of the Chief Procurement Officer	60	59	59	61	61

[36] S.Rept. 114-68, p. 24.

[37] H.Rept. 114-215, p. 19.

Appropriation / Sub-Appropriation	FY2015 Enacted	FY2016 Request	FY2016 Senate-Reported S. 1619	FY2016 House-Reported H.R. 3128	FY2016 Enacted
Office of the Chief Human Capital Officer	27	34	27	31	32
Office of the Chief Readiness Support Officer	33	30	30	30	32
Office of the Chief Financial Officer	**52**	**54**	**53**	**56**	**56**
Office of the Chief Information Officer	**288**	**321**	**304**	**308**	**310**
Total, Title I	**661**	**702**	**675**	**690**	**701**
General Provisions					
Financial Systems Improvements	34	43	36	53	53
Cybersecurity	—	—	—	—	100
Emergent Threats					50
Total: Departmental Management[a]	**695**	**745**	**711**	**743**	**904**

Source: CRS analysis of P.L. 114-4 and its explanatory statement as printed in the *Congressional Record* of January 13, 2015, pp. H275-H322, the FY2016 DHS *Budget-in-Brief,* S. 1619 and S.Rept. 114-68, H.R. 3128, and H.Rept. 114-215, Division F of P.L. 114-113 and its explanatory statement as printed in the *Congressional Record* of December 17, 2015, pp. H10161-H10210.

Notes: Table displays rounded numbers, but all operations were performed with unrounded data: therefore, amounts may not sum to totals.

a. This line does not include funding for DHS Headquarters Consolidation.

Issues for Congress

Several issues related to departmental management and administration were discussed by the House and Senate Appropriations Committees in considering the FY2016 Department of Homeland Security Appropriations bill. Among the issues were those related to acquisition matters, and the implementation of a common appropriations structure. These issues were, in part, related to the department's Unity of Effort initiative.[38] Brief discussions of each of these issues follow.[39]

[38] Secretary of Homeland Security Jeh Johnson announced the initiative in a memorandum issued on April 22, 2014, that stated that the department "must have better traceability between strategic objectives, budgeting, acquisition decisions, operational planning, and mission execution, in order to improve both Departmental cohesiveness and operational effectiveness." The memorandum further stated that the "changes are intended to transparently incorporate DHS Components into unified decision-making processes and the analytic efforts that inform decision-making." (U.S. Department of Homeland Security, "Memorandum for DHS Leadership, Strengthening Departmental Unity of Effort," from Secretary Johnson, April 22, 2014, available at http://www.hlswatch.com/wp-content/uploads/2014/04/DHSUnityOfEffort.pdf.

[39] Discussion of other cross-cutting management issues addressed through appropriations can be found in CRS Report R44053, *Department of Homeland Security Appropriations: FY2016*, coordinated by William L. Painter.

Acquisition Matters

Noting that the USM is developing timelines and metrics for the procurement process, the Senate Appropriations Committee report directed DHS to provide a briefing within 120 days after the act's enactment "on its efforts to ensure an effective, efficient, and transparent procurement process" with metrics that are "consistent and repeatable"[40] for the purposes of reporting on such.

The House Appropriations Committee report stated that the "USM acts as the Department's Chief Acquisition Officer and Chief Performance Improvement Officer" and that the committee included several directives in the report "to build on the momentum of the Unity of Effort initiative."[41] The report directed the

- USM to develop written guidance by April 1, 2016, to (1) clarify the roles and responsibilities of the Office of Program Accountability and Risk Management (PARM) and the Office of the Chief Information Officer (OCIO) for overseeing program management of major IT acquisition programs; (2) require components to provide cost estimates for operations and maintenance for sustaining programs; (3) establish responsibility at the component level for tracking the adherence of sustainment programs to existing cost estimates; and (4) require components to enter data into the next generation Period Reporting System (nPRS) on a quarterly basis, and hold CAEs accountable for validating the information.
- Executive Director of PARM to provide an update on data for major acquisition programs by component, by each month of the prior fiscal year, and assessing its accuracy, completeness, and timeliness by April 15, 2016.
- USM to review the current structure of the OCPO, consider whether the name of the office accurately reflects its function, and determine whether PARM should report to a different supervisor.

The explanatory statement directed the Executive Director of PARM to provide quarterly briefings to the House and Senate Appropriations Committees on major acquisition programs, by component, beginning no later than April 15, 2016.

Common Appropriations Structure

Both Senate and House Appropriations Committee reports addressed potential reform of the structure of the appropriations accounts in the DHS budget. The House Appropriations Committee outlined the current state of affairs thusly:

> A key element of the Secretary's Unity of Effort initiative is to strengthen DHS budget processes. Integral to the effort is an appropriations framework that supports and standardizes budgeting and programming across the homeland security enterprise. With over 70 different appropriations and over 100 PPAs, DHS has functioned for over a decade with significant budget disparities and inconsistencies in component's *[sic]* appropriations accounts and PPAs. Without question, the current budget structure is a contributing factor to the failure to recognize how poorly components have been underexecuting personnel costs. More frustrating is that neither DHS nor the components can provide details on how the funds were spent. From the perspective of leaders making judgments about programs, the lack of uniformity and transparency makes it impossible to compare costs.

[40] S.Rept. 114-68, p. 19.

[41] H.Rept. 114-215, p. 11.

> Pursuant to Committee direction, DHS presented a notional common appropriations structure shortly after the President's fiscal year 2016 budget was submitted. The structure included four standard types of appropriations (Operations and Support; Procurement, Construction, and Improvements; Research and Development; and Federal Assistance) and specific periods of availability for each.[42]

The Senate Appropriations Committee report expressed the committee's belief that "following funds from planning through execution is critical to departmental oversight of the components as well as establishing a capability to make tradeoffs in resource allocation and budget development decisions." The committee directed the department to work closely with it and stated that a proposal that reduced transparency or congressional oversight and controls, or "create[d] a distraction through the time and opportunity costs associated with such a change," would not be accepted.[43]

The House Appropriations Committee took their stance more explicitly, noting in their report:

> This structure makes sense. It enables cost comparisons between components and simplifies the transition from legacy financial management systems to modernized systems. Implementing this methodology is a strategic imperative and must move forward with haste. To that end, a general provision is included in title V of the bill mandating that the fiscal year 2017 budget request be presented to the Congress in this format and be fully implemented upon the enactment of full year appropriations for fiscal year 2017.[44]

In addition to mandating the implementation of the common appropriations structure, the House committee directed DHS to "begin developing a standard template for the budget justification material based" on that structure and incorporate the template into the FY2018 budget request. The template would provide that the justification for each appropriation would "start from a zero base and build to the requested level." Furthermore, beginning with the FY2017 budget request, and for each fiscal year thereafter, the justification materials must "include tables that compare prior year actual, estimates of current year, and the projected budget year appropriations and obligations, for all PPAs, programs, subprograms, and FTE."

- Noting the language in the House report about the need for a common appropriations account structure, the explanatory statement mentioned that the law included a modified version of the provision that the House bill proposed. The new general provision[45] authorized the Secretary to include with the budget justification an account structure under which each appropriation under each agency heading either remains the same as FY2016 or falls within the four categories of appropriations outlined in the notional common structure previously outlined by DHS. The general provision establishes a timeline, procedures and requirements for the Secretary to be able to transfer and reprogram funds into the new structure, including a number of materials to be submitted by the CFO by April 1, 2016, including technical assistance on new legislative language in the account structure;
- tables comparing FY2015, FY2016, and FY2017 funding in the account structure;
- comparisons across components that the account structure facilitates;

[42] H.Rept. 114-215, p. 16.

[43] S.Rept. 114-68, p. 21.

[44] H.Rept. 114-215, p. 16. The general provision referred to is §558.

[45] Section 563.

- a revised interim financial management policy manual that has been requested from the CFO;
- an outline of changes in the financial management policy manual necessary for the account structure;
- proposed changes to requirements for transfers and reprogramming, including technical assistance on legislative language;
- CFO certification that the department's financial systems can report in the new account structure; and
- a plan to provide training on and to implement the account structure.

DHS Headquarters Consolidation[46]

As of February 2015, the Department of Homeland Security's headquarters footprint occupied space in approximately 50 separate locations in the greater Washington, DC, area.[47] This is largely a legacy of how the department was assembled in a short period of time from 22 separate federal agencies that were themselves spread across the National Capital region. The fragmentation of headquarters is cited by the department as a major contributor to inefficiencies, including time lost shuttling staff between headquarters elements; additional security, real estate, and administrative costs; and reduced cohesion among the components that make up the department.

To unify the department's headquarters functions, the department and General Services Administration (GSA) approved a multi-year $3.4 billion master plan to create a new DHS headquarters on the grounds of St. Elizabeths in Anacostia. According to GSA, this would be the largest federal office construction since the Pentagon was built during World War II. Originally, $1.4 billion of this project was to be funded through the DHS budget, and $2 billion through the GSA.[48] Phase 1A of the project—a new Coast Guard headquarters facility—has been completed with the funding already provided by Congress and is now in use.

Not all DHS functions in the greater Washington, DC, area are slated to move to the new facility. The Administration has sought funding several times in recent years for consolidation of some of those other offices to fewer locations to save money on lease costs.

FY2016 Request

As part of the Administration's budget request, DHS and GSA requested $204 million and $380 million, respectively, as the FY2016 tranche of design and construction funding to support a new "enhanced plan" for DHS headquarters consolidation. This new plan represents a revision of the original project, reducing its cost and size through efficiencies, faster completion, altering the mix of component headquarters that would move to the campus, and consolidating FEMA's headquarters to the West Campus rather than the East Campus of St. Elizabeths. The $3.4 billion projected cost for the original 4.5 million gross square-foot plan of record had grown to $4.5 billion: The revised project would provide 3.6 billion gross square feet of office space, at a cost of

[46] Prepared by William L. Painter, Analyst in Emergency Management and Homeland Security Policy, Government and Finance Division.

[47] CRS briefing from DHS Legislative Affairs, March 12, 2015.

[48] U.S. Congress, House Committee on Appropriations, Subcommittee on Homeland Security, *Homeland Security Headquarters Facilities*, 111th Cong., 2nd sess., March 25, 2010 (Washington: GPO, 2010), pp. 335-366.

$3.7 billion. The revised project would also house an additional 3,000 headquarters personnel compared to the original plan, bringing the total to 17,000—more than half of the total DHS headquarters personnel in the National Capital Region.

Requested GSA funding would support continued work on perimeter security, completing road access improvements (including a new highway interchange), rehabilitating buildings to hold elements of the Office of the Secretary and the Under Secretary, and continuing design and historic preservation activities.[49] Requested DHS funding would support construction, as well as reconfiguration of part of the USCG headquarters to accommodate 40% more personnel, including other DHS headquarters functions. The request for DHS also included roughly $11 million for operational support costs for the existing facility and construction site, bringing the total request for headquarters consolidation to almost $216 million.

Senate-Reported S. 1619

Section 537 of Senate-reported S. 1619 includes $212 million for DHS headquarters and mission support consolidation, $4 million (1.9%) below the amount requested through DHS, and $164 million (336.8%) above the FY2015 enacted level. The section also includes a requirement that the department provide an expenditure plan within 90 days of enactment, while the committee report also requires quarterly briefing for the committee on headquarters and mission support consolidation activities.[50]

The Senate committee report also specifically mentions the project in its overview of issues affecting the department, noting:

> The bill includes funds to continue progress on the Department's headquarters consolidation at the St. Elizabeths campus. In the National Capital Region, 32,000 headquarters employees of the Department and its components operate from 50 locations, most of them leased with many of those leases now expiring. While cost concerns have been raised in the past regarding the St. Elizabeths project, the Department now has a more affordable enhanced plan and the timing of these lease expirations strengthens the case. The benefits of consolidation are coupled with cost avoidance and cost savings. While the proposed fiscal year 2016 effort to bring remaining secretarial offices and the Management Directorate to St. Elizabeths makes sense, the Committee will take a fresh look each year to ensure that the investment continues to be worthwhile.[51]

House-Reported H.R. 3128

Section 535 of House-reported H.R. 3128 includes $44 million for DHS headquarters consolidation, $172 million (79.6%) below the request for DHS, and $5 million (9.7%) below the FY2015 enacted level. The House report notes:

> The Committee appreciates changes to the DHS Consolidation Plan that have reduced requirements and costs.... Importantly, the new plan would save DHS $1,200,000,000 over 30 years compared to the costs of continuing to rely on multiple rented facilities across the Washington, DC region over the same time period. Given the constraints of the current budget environment, however, the recommendation provides only that portion of the

[49] U.S. General Services Administration, *FY2016 Congressional Justification* (Washington, 2015), p. FBF-20.

[50] S.Rept. 114-68, p.20.

[51] S.Rept. 114-68, p. 5.

> request related to existing operations at the consolidated headquarters location, which is included in title V of the bill.[52]

Unlike in the Senate-reported bill, there is no expenditure plan or briefing requirement.

Division F of P.L. 114-113

Section 539 of Division F of P.L. 114-113 included almost $216 million for the DHS headquarters consolidation, which includes over $3 million for security services. This is less than 0.1% less than requested for the overall project. The department is required to submit an expenditure plan for these funds no later than 90 days after the enactment of the act.[53]

The $557 million in combined funding provided in FY2016 through DHS and GSA in FY2016 for this project represents the largest tranche of funding provided for DHS headquarters consolidation since 2009, and the largest combined amount provided to date through annual appropriations legislation for DHS headquarters consolidation.[54]

Analysis and Operations[55]

The Analysis and Operations account includes resources for both the Office of Intelligence and Analysis (I&A) and the Office of Operations Coordination. I&A is responsible for managing the DHS intelligence enterprise and for collecting, analyzing, and sharing intelligence information for and among all components of DHS, and with the state, local, tribal, and private sector homeland security partners. Because I&A is a member of the intelligence community,[56] its budget comes in part from the classified National Intelligence Program.[57] The Office of Operations Coordination develops and coordinates departmental and interagency operations plans. It also manages the National Operations Center, the primary 24/7 national-level hub for domestic incident management, operations coordination, and situational awareness, fusing law enforcement, national intelligence, emergency response, and private sector information.

FY2016 Request

The Administration requested $269 million for the Analysis and Operations account (see **Table 1**).

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[52] H.Rept. 114-215, p. 15.

[53] $341 million for this project was also provided for the project in FY2016 under GSA's section of P.L. 114-113, $39 million less than requested.

[54] In FY2009, the project received a combined $1,094 million, $650 million of which was provided through supplemental appropriations legislation.

[55] Prepared by Jerome P. Bjelopera, Specialist in Organized Crime and Terrorism, Domestic Social Policy Division.

[56] The intelligence community (IC), as defined in 50 U.S.C. 401a(4), includes the Central Intelligence Agency, the National Security Agency, the National Reconnaissance Office, the National Geospatial-Imagery Agency, the Defense Intelligence Agency, the Bureau of Intelligence and Research of the State Department, the Office of Intelligence and Analysis of the Treasury Department, and DHS's I&A, as well as intelligence elements within the Federal Bureau of Investigation, the Drug Enforcement Administration, the Department of Energy, the Army, the Navy, the Air Force, the Marine Corps, and the Coast Guard.

[57] The National Intelligence Program "funds Intelligence Community (IC) activities in six Federal departments, the Central Intelligence Agency, and the Office of the Director of National Intelligence. The IC provides intelligence collection, the analysis of that intelligence, and the responsive dissemination of intelligence to those who need it—including the President, the heads of Executive Departments, military forces, and law enforcement agencies." See http://www.gpo.gov/fdsys/pkg/BUDGET-2013-BUD/pdf/BUDGET-2013-BUD-8.pdf.

Senate-Reported S. 1619

Senate-reported S. 1619 recommended that the Analysis and Operations account receive $263 million, $6 million (2.1%) below the amount requested by the Administration. The committee required a briefing from DHS's Chief Intelligence Officer on the I&A expenditure plan for FY2016 no later than 60 days after the date of S. 1619's enactment. DHS was also directed to continue its semiannual briefings to the committee on state and local fusion centers.[58] As part of the first FY2016 briefing related to fusion centers, the committee expected DHS to assess the feasibility of establishing a state-level "center of excellence" featuring a focus on threats to cybersecurity and critical infrastructure in the United States. The center would focus on enhancing multi-agency, multi-discipline public private partnerships to improve threat information sharing and collaboration among federal, state, and private sector critical infrastructure entities. The assessment shall consider authorities and costs for such a center incurred by partner agencies.

House-Reported H.R. 3128

House-reported H.R. 3128 recommended $265 million for Analysis and Operations, $4 million (1.6%) below the amount requested by the Administration and $1 million more than Senate-reported S. 1619. The committee directed DHS to make available $300,000 for enhancing the Criminal Intelligence Enterprise, a national initiative designed to identify, prioritize, and catalog the criminal and terrorist threat groups that present the greatest concern to each major city and county.

Division F of P.L. 114-113

Division F of P.L. 114-113 (the Homeland Security Appropriations Act, 2016) provided $265 million in appropriations for Analysis and Operations, $4 million below the amount requested by the Administration, $2 million more than Senate-reported S. 1619, and the same as House-reported H.R. 3128.

Office of the Inspector General[59]

The DHS Office of the Inspector General (OIG) is intended to be an independent, objective body that conducts audits and investigations of the department's activities to prevent waste, fraud, and abuse. The OIG is required by law[60] to keep Congress informed about problems within the department's programs and operations and reviews and makes recommendations regarding existing and proposed legislation and regulations related to the department. The OIG is required to report to Congress and to the Secretary of DHS.[61]

[58] For information on fusion centers see http://www.dhs.gov/state-and-major-urban-area-fusion-centers.

[59] Prepared by Barbara L. Schwemle, Analyst in American National Government, Government and Finance Division, and William L. Painter, Analyst in Emergency Management and Homeland Security Policy, Government and Finance Division.

[60] 5 U.S.C. Appendix.

[61] U.S. Department of Homeland Security, *Budget-in-Brief: Fiscal Year 2016*, Washington, DC, p. 25.

FY2016 Request

The Administration requested a $142 million appropriation for the OIG, $24 million (20.0%) more than was appropriated in FY2015.

The Administration also requested a $24 million transfer from the Disaster Relief Fund (DRF) specifically for oversight of disaster relief activities. Transfers from the DRF are a long-standing means of supporting the DHS OIG's annual budget for oversight of disaster relief, first occurring in FY2004, the first annual appropriations act for the department.[62]

The OIG noted in their budget justifications that their initial request submitted to the Office of Management and Budget (OMB) was larger than what the President ultimately requested—almost $2 million more in appropriations and almost $18 million more by transfer from the DRF for oversight of disaster relief. The President's request for the OIG was reduced from the funding level of the OIG's original proposal as a part of the budget formulation process.[63] The OIG went on to note:

> We made our request after benchmarking our staffing against comparable Offices of Inspector General and assessing our ability to address high risk areas in DHS. This process revealed that we have been historically underfunded and unable to address the risk [sic], particularly in the area of DHS integration and acquisition management.[64]

Senate-Reported S. 1619

Senate-reported S. 1619 included a $134 million appropriation for the OIG, almost $8 million (5.5%) below the amount requested, and $16 million (13.4%) above the amount appropriated in FY2015. The Senate-reported bill included the requested transfer from the DRF for disaster relief oversight activities.

House-Reported H.R. 3128

House-reported H.R. 3128 included a $141 million appropriation for the OIG, $1 million (0.8%) below the amount requested, and almost $23 million ($19.0%) above the amount appropriated in FY2015. Like the Senate-reported bill, the House-reported bill included the requested transfer from the DRF for disaster relief oversight activities.

Division F, P.L. 114-113

The omnibus included a $137 million appropriation for the OIG, almost $5 million (3.4%) below the amount requested, and almost $19 million ($18.9%) above the amount appropriated in FY2015. Like both the House- and Senate-reported bills, the omnibus included the requested transfer from the DRF for disaster relief oversight activities.

Issues for Congress

Issues surrounding the DHS OIG are generally issues that impact the broader oversight community, or are issues that are shared throughout the broader community of inspectors general.

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[62] P.L. 108-90.

[63] For additional information on the unique aspects of OIG budget processes, see CRS Report R43814, *Federal Inspectors General: History, Characteristics, and Recent Congressional Actions*, by Wendy Ginsberg and Michael Greene.

[64] U.S. Department of Homeland Security, *Departmental Management and Operations, Office of Inspector General Audits, inspections and Investigations*, Fiscal Year 2016 Congressional Justification, Washington, DC, p. 2.

A much fuller analysis is available in the discussion of statutory Offices of Inspectors General in CRS Report R43814, *Federal Inspectors General: History, Characteristics, and Recent Congressional Actions*, by Wendy Ginsberg and Michael Greene, and CRS Report RL30240, *Congressional Oversight Manual*, by Alissa M. Dolan et al.

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