OFFICE OF INSPECTOR GENERAL

U.S. Customs and Border Protection's Acquisition Management of Aviation Fleet Needs Improvement to Meet Operational Needs

Homeland Security

August 9, 2021

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OFFICE OF INSPECTOR GENERAL
Department of Homeland Security

Washington, DC 20528 / www.oig.dhs.gov

August 9, 2021

MEMORANDUM FOR: Troy A. Miller
Senior Official Performing the Duties of the Commissioner
U.S. Customs and Border Protection

FROM: Joseph V. Cuffari, Ph.D.
Inspector General
Glenn Sklar for

SUBJECT: *U.S. Customs and Border Protection's Acquisition Management of Aviation Fleet Needs Improvement to Meet Operational Needs*

For your action is our final report, *U.S. Customs and Border Protection's Acquisition Management of Aviation Fleet Needs Improvement to Meet Operational Needs.* We incorporated the formal comments provided by your office.

The report contains four recommendations aimed at improving U.S. Customs and Border Protection's (CBP) acquisition management of its aviation fleet to meet operational needs. Your office concurred with three of the four recommendations. Based on information provided in your response to the draft report, we consider recommendations 1 and 2 open and unresolved. As prescribed by the Department of Homeland Security Directive 077-01, *Follow-Up and Resolutions for the Office of Inspector General Report Recommendations*, within 90 days of the date of this memorandum, please provide our office with a written response that includes your (1) agreement or disagreement, (2) corrective action plan, and (3) target completion date for each recommendation. Also, please include responsible parties and any other supporting documentation necessary to inform us about the current status of the recommendations. Until your response is received and evaluated, the recommendations will be considered open and unresolved.

Based on information provided in your response to the draft report, we consider recommendations 3 and 4 open and resolved. Once your office has fully implemented the recommendations, please submit a formal closeout letter to us within 30 days so that we may close the recommendations. The memorandum should be accompanied by

evidence of completion of agreed-upon corrective actions and of the disposition of any monetary amounts. Please send your response or closure request to OIGAuditsFollowup@oig.dhs.gov.

Consistent with our responsibility under the *Inspector General Act of 1978, as amended,* we will provide copies of our report to congressional committees with oversight and appropriation responsibility over the Department of Homeland Security. We will post the report on our website for public dissemination.

Please call me with any questions, or your staff may contact Bruce Miller, Deputy Inspector General for Audits, at (202) 981-6000.

Attachment

DHS OIG Highlights

U.S. Customs and Border Protection's Acquisition Management of Aviation Fleet Needs Improvement to Meet Operational Needs

August 9, 2021

Why We Did This Audit

U.S. Customs and Border Protection's (CBP) Air and Marine Operation's (AMO) aviation assets are critical tools for carrying out its interdiction capabilities and surveillance missions. Failure to successfully acquire and deploy aviation assets, and associated technology, hampers AMO's ability to fulfill its mission. We conducted this audit to determine to what extent CBP's aviation fleet is managed to meet operational mission needs.

What We Recommend

We made four recommendations to improve AMO's acquisition management of its aviation fleet to meet operational needs.

For Further Information:
Contact our Office of Public Affairs at (202) 981-6000, or email us at DHS-OIG.OfficePublicAffairs@oig.dhs.gov

What We Found

CBP did not effectively manage its aviation fleet acquisitions to meet operational mission needs. Specifically, AMO acquired and deployed 16 multi-role enforcement aircraft (MEA) that did not contain the necessary air and land interdiction capabilities to perform its mission. In addition, CBP AMO initiated the MEA and medium lift helicopter programs without well-defined operational requirements and key performance parameters — critical items in the acquisition planning process.

This occurred because CBP did not provide oversight and guidance to ensure AMO acquisition personnel followed key steps required by the Department of Homeland Security Acquisition Lifecycle Framework. As a result, AMO expended approximately $330 million procuring MEA that, at the time of acceptance, did not effectively respond to emergent air threats along the northern or southern borders, and experienced schedule delays deploying the medium lift helicopter. AMO has taken steps to improve management of its aviation fleet acquisitions to obtain solutions to its mission needs. However, without continued oversight and effective guidance, AMO risks aviation acquisitions taking longer to deliver, at a greater cost, and without needed capabilities.

CBP Response

CBP concurred with recommendations 2, 3, and 4 but did not concur with recommendation 1. Appendix A contains CBP's management comments in their entirety. We consider recommendations 1 and 2 open and unresolved. Recommendations 3 and 4 are open and resolved.

Background

Air and Marine Operations (AMO) is a Federal law enforcement agency within U.S. Customs and Border Protection (CBP), serving as the Nation's expert in aviation and maritime law enforcement. AMO's mission is to protect the American people and critical infrastructure through the coordinated use of air and marine forces. AMO uses a fleet of maritime and aviation assets to detect, interdict, and prevent acts of terrorism and unlawful movement of people, illegal drugs, and other contraband across America's borders. AMO defines interdiction as the ability to intercept, disrupt, and apprehend threats to the United States in the air, sea, and land domains. Specifically,

- marine interdiction involves air-to-water interdiction of people and vessels illegally crossing maritime borders;
- land interdiction includes air-to-ground interdiction of people and conveyances illegally crossing land borders; and
- air interdiction is air-to-air interdiction of aircraft illegally crossing the U.S. borders in the air.

As of November 2020, AMO managed an inventory of 236 aircraft. AMO has 14 types of aviation assets, including unmanned, rotary-wing, and fixed-wing aircraft. In 2006, AMO initiated its Strategic Air and Marine program (StAMP) to replace aging aviation and marine assets. At the time of our review, StAMP had two active projects — the multi-role enforcement aircraft (MEA) and the H-60 Black Hawk medium lift helicopter (MLH) — which were categorized as separate Level 1 programs of record and are shown in Figure 1.

Figure 1. Photos of the MEA (Left) and the MLH (Right)
Source: CBP.gov

In 2009, AMO began acquiring MEAs to replace 26 aging patrol aircraft. According to the 2008 Operational Requirements Document, the MEA must be a multi-purpose, fixed-wing, multi-engine aircraft capable of performing enforcement operations, including:

- marine interdiction,
- limited air-to-air interdiction,
- land interdiction,
- logistical transportation of cargo and people, and
- signal intelligence gathering.

The aircraft should be capable of detecting and tracking suspect vessels through sensors and must include the air interdiction capability to search, detect, track, and identify slow moving airborne targets of interest. On average, the MEA costs approximately $21 million per aircraft.

In 2009, the AMO MLH program began to replace 10 older model helicopters on loan from the U.S. Army. After six MLHs went through the recapitalization process, AMO decided it was inefficient to continue with recapitalization and instead elected to convert the remaining 10 older MLHs for younger models or utility type helicopters. According to the Operational Requirements Documents, AMO required MLHs that could perform multiple interdiction roles, including marine, land, and air interdiction; air mobility; special operations support; search and rescue and vertical lift capability. On average, each MLH costs approximately $15 million.

In July 2016, the Department designated the MEA and MLH acquisitions as Level 1 major acquisition programs due to the high-dollar, high-interest nature of the acquisitions. DHS Level 1 acquisition programs are governed by DHS acquisition policy and must be approved by the DHS Chief Acquisition Officer. DHS acquisition policy requires major acquisition programs to follow four phases outlined in the DHS Acquisition Lifecycle Framework. DHS uses the framework to ensure acquisitions receive consistent and efficient management, support, review, and approval throughout the acquisition lifecycle, as shown in Figure 2.

Figure 2. DHS Acquisition Lifecycle Framework

Source: Office of Inspector General (OIG) analysis of *DHS Acquisition Management Instruction 102-01-001*

To move through each phase, the component program office is responsible for preparing all required acquisition documents and obtaining approvals from DHS acquisition officials. The component is also responsible for planning and executing acquisition programs within cost, schedule, and performance parameters.

The "Need" phase of the acquisition lifecycle generally starts with a component identifying a program's mission needs and capability gaps. DHS acquisition policy requires the component to submit an Operational Requirements Document during the "Analyze Select" phase to identify and provide a number of performance parameters that need to be met by a program to provide useful capability to the user in order to close the capability gap(s) identified in the Mission Needs Statement. Key performance parameters are the most important and non-negotiable requirements that a program must meet to fulfill its mission. The parameters must be quantifiable, measurable, and testable. Failure to meet key performance parameters may lead to a program's cancellation. At the time of our review, both the MEA and MLH programs were in the "Produce" phase of the DHS Acquisition Lifecycle Framework.

We conducted this audit to determine to what extent CBP's aviation fleet is managed to meet operational mission needs. Our audit focused on the MEA and MLH — AMO's two active aviation acquisitions.

Results of Audit

CBP AMO Did Not Effectively Manage Its Aviation Fleet Acquisitions to Meet Operational Mission Needs

CBP did not effectively manage its aviation fleet acquisitions to meet operational mission needs. Specifically, CBP AMO acquired 16 MEAs that did not contain the necessary air and land interdiction capabilities to perform its mission. In addition, AMO initiated the MEA and MLH programs without well-defined operational requirements and key performance parameters — critical items in the acquisition planning process. This occurred because CBP did not provide oversight and guidance to ensure AMO acquisition personnel followed key steps required by the DHS Acquisition Lifecycle Framework. As a result, AMO expended approximately $330 million procuring MEA that, at the time of acceptance, did not effectively respond to emergent air threats along the northern or southern borders and experienced schedule delays deploying the medium lift helicopter. AMO has taken steps to improve management of its aviation fleet acquisitions to obtain solutions to its mission needs. However, without continued oversight and effective guidance, AMO risks aviation

acquisitions taking longer to deliver, at a greater cost, and without needed capabilities.

AMO Did Not Effectively Manage the Multi-Role Enforcement Aircraft Acquisition

AMO acquired MEAs that did not contain the necessary air and land interdiction requirements to accomplish its mission. The Operational Requirements Document identified the need for an MEA capable of marine, land, and air interdiction. However, AMO purchased 16 MEAs with only the marine interdiction configuration. After AMO acquired the first 12 marine-only MEAs, it revised the Acquisition Program Baseline with a new approach for obtaining the desired capability. Specifically, AMO's updated acquisition strategy specified that AMO would retrofit the aircraft with the required capabilities instead of purchasing an aircraft to fully meet its needs.

AMO did not initially establish well-defined key performance parameters to evaluate the MEA's performance. DHS acquisition policy states that key performance parameters must be quantifiable, measurable, and testable. We determined MEA's key performance parameters did not meet those requirements. For instance, one key performance parameter in the 2010 revised Operational Requirements Document stated the MEA must include marine search radar with air-to-air capability. Marine search radar is an essential tool that allows AMO to identify and track targets of interest. However, AMO did not include specific requirements to measure the radar's performance, such as the required distance or rate of detection. AMO also omitted key performance parameters related to land interdiction and included inessential requirements, such as necessitating a multi-band communications package. According to AMO, the 2015 updated Operational Requirements Document and its subsequent air interdiction annex in 2018 meet current DHS acquisition policy requirements for key performance parameters.

We also determined AMO did not effectively manage the test and evaluation process for the MEA. DHS acquisition policy requires a component to perform operational tests during the "Obtain" phase to demonstrate an aircraft's operational effectiveness and suitability prior to full rate production. However, AMO did not test the MEA for air-to-air interdiction capability due to "system immaturity" and ignored undesirable land-interdiction test results. According to the Letter of Assessment,[1] MEA land-interdiction test results only partially met system requirements, citing issues with an unusable ground moving target

[1] A Letter of Assessment is a document that provides results regarding the adequacy of the operational test and the operational effectiveness and operational suitability of the system under test. The assessment, by the Director, Operational Test and Evaluation, provides the Acquisition Decision Authority with an oversight judgment of operational test execution, conclusions drawn, and recommendations.

indicator and regional-only maps, among others. AMO addressed and corrected these issues during the 2015 Operational Assessment and Validation, which DHS validated in the second Letter of Assessment in 2016. However, the 2015 Operational Assessment and Validation did not assess air and land interdiction because they were no longer identified as requirements. AMO recognized that the desired outcome to obtain a single aircraft capable of marine, air-to-air, and land interdiction, and logistical transportation of cargo and people was not obtainable. As a result, AMO elected to prioritize marine interdiction and retrofit the aircraft with the required capabilities.

CBP did not ensure efficient use of taxpayer dollars. CBP spent approximately $330 million procuring MEA that, at the time of acceptance, did not effectively respond to emergent air threats along the northern or southern borders. In April 2019, DHS acquisition officials approved CBP's request to retrofit MEAs with marine-only capabilities with air interdiction capabilities, and MEA inventory as of November 2020 was 21.

CBP Did Not Effectively Manage the Medium Lift Helicopter Acquisition

Similarly, AMO did not have well-defined operational requirements and key performance parameters to evaluate the MLH. According to the 2007 Operational Requirements Document, the MLH must be capable of "interdiction, air mobility, special operations, search and rescue, and communications." AMO did not provide specific requirements or elaborate on vital system requirements. Further, in January 2016, DHS' Joint Requirement Council (JRC) found the MLH's initial key performance parameters did not comply with DHS policy to include quantifiable, measurable, or testable metrics and required AMO to revise the Operational Requirements Document.[2] According to AMO, the JRC explained that the key performance parameters were not system capabilities or characteristics considered essential for mission accomplishment.

As a result, AMO has experienced significant delays deploying medium lift helicopters to the field. According to AMO, as of November 2020, 12 years after establishing the need to replace its aging helicopters, AMO had only received six recapitalized and three converted helicopters.

CBP Did Not Provide Guidance and Oversight to Ensure Acquisition Personnel Followed Critical Steps in the DHS Acquisition Lifecycle

These MEA and MLH acquisition issues occurred because CBP did not provide necessary oversight to ensure program office staff complied with all DHS

[2] Acquisition Decision Memorandum, "U.S. Customs and Border Protection's Strategic Air and Marine Program UH-60L Program," January 2016.

acquisition guidelines. CBP's Component Acquisition Executive (CAE) is responsible for managing and overseeing all component acquisition functions, including establishing procedures, aligning and managing its acquisition portfolio in compliance with applicable Department regulations, participating in acquisition review boards, and reviewing all operational test and evaluation reports.

However, CBP's CAE did not ensure program officials completed all required acquisition planning documents before proceeding with full production and deployment of both the MEA and MLH programs. As part of its oversight responsibility, the CAE is responsible for ensuring compliance with the Department's Acquisition Lifecycle Framework. We identified missing or incomplete acquisition documents that program officials should have provided for CAE review in accordance with DHS acquisition policy. Some of the missing documents included the mission needs statement, capability analysis report, and the post-implementation review. In particular, the CAE did not ensure AMO program officials updated the MLH program's Acquisition Program Baseline to reflect updated requirements and revised timelines accurately. The Acquisition Program Baseline is the "contract" between the program manager and the acquisition decision authority detailing what will be delivered, how it will perform, when it will be delivered, and what it will cost. It also contains the intermediate markers to measure progress. It is critical for the Acquisition Program Baseline to include accurate and updated cost, schedule, and performance measures. AMO officials indicated the MEA project's inception predated DHS acquisition guidance requirements. Yet, DHS acquisition policy applies to all ongoing acquisitions and requires the completion of acquisition documents for accountability.

We also attributed AMO's prior non-compliance with DHS acquisition requirements to inadequate guidance. Although CBP issued the *CBP Operational Requirements Development Directive* in August 2019,[3] the directive does not provide a formal process for developing requirements. Specifically, the directive does not specify what operational documents to develop, the timeframe for completion, or who should oversee the process. Additionally, it does not provide clear examples of what constitutes well-defined operational requirements or key performance parameters. If component staff refer only to CBP's directive to guide acquisition decisions, they may be unaware of other DHS requirements not included in CBP's guidance.

AMO officials attributed these problems to a lack of resources. According to AMO acquisition management staff, they are stretched thin across aviation acquisition programs, making it difficult to meet schedules and milestones.

[3] *CBP Directive 1000-1520, U.S. Customs and Border Protection Operational Requirements Development Directive*, August 2019.

AMO's Capability Gap Analysis Process also confirmed critical staffing shortages in the number of trained personnel and tools to support acquisitions. To address the staffing problem, DHS' Office of Program Accountability and Risk Management is in the process of preparing a staffing model using data from across CBP.

Conclusion

AMO must maintain interdiction capabilities to effectively deter and respond to emergent threats and surge to areas when there are changes in adversary tactics. Without oversight, CBP AMO cannot ensure its aircraft are meeting these critical system performance requirements; it also has no way of applying lessons learned for determining future capability needs. If CBP continues to manage its aviation programs in this manner, it risks all AMO aviation acquisitions taking longer to deliver, at greater cost, and without needed capabilities.

Recommendations

Recommendation 1: We recommend CBP's Component Acquisition Executive update its acquisition policy to include a formalized process for developing operational requirements, all key requirements from DHS' Acquisition Lifecycle policy, and alignment with DHS guidance.

Recommendation 2: We recommend CBP's Component Acquisition Executive review the Multi-Role Enforcement Aircraft and the Medium Lift Helicopter programs to ensure they comply with all DHS Acquisition Lifecycle requirements. Specifically, CBP's Component Acquisition Executive should determine whether the Acquisition Program Baseline for the Medium Lift Helicopter program reflects revised requirements accurately.

Recommendation 3: We recommend CBP AMO conduct a post-implementation review of the Multi-Role Enforcement Aircraft program to determine whether the deployed system is meeting capability needs, take corrective actions as appropriate, and apply lessons learned for future acquisitions.

Recommendation 4: We recommend CBP AMO conduct a post-implementation review of the Medium Lift Helicopter program to determine whether the deployed system is meeting capability needs, take corrective actions as appropriate, and apply lessons learned for future acquisitions.

Management Comments and OIG Analysis

CBP provided formal written comments in response to the draft report. We included a copy of CBP's response in its entirety in Appendix A. CBP concurred with recommendations 2, 3, and 4. CBP did not concur with recommendation 1.

Additionally, CBP raised concerns about conclusions and assertions in our report. CBP asserted the OIG's report demonstrated a significantly uninformed understanding of DHS' Acquisition Lifecycle Framework and relied on outdated documentation, resulting in an overly negative conclusion about the cost and success of the MEA acquisition. Specifically, CBP asserted that the original Operational Requirements Document for the MEA program was not explicit and allowed the program manager discretion to develop a path forward based on experience and lessons learned over time. We disagree with this assertion. Although we recognize acquisition documents evolve throughout the acquisition lifecycle, the Operational Requirements Document is not designed to be used at the program manager's discretion. Its purpose is to identify critical performance parameters the acquisition program management office must meet. According to DHS acquisition policy, these key performance parameters are non-negotiable and must be met for the capability to fulfill the mission need. In addition, we did not base our findings solely on the original Operational Requirements Document. We reviewed acquisition documentation relevant to the acquisition. We found that although CBP used three subsequent Operational Requirements Documents, CBP AMO continued to accept aircraft that did not fully meet mission needs.

CBP also strongly disagreed with our conclusion that AMO did not effectively manage the MLH acquisition program. CBP admitted that, although key performance parameters were not well-defined in the original 2008 Operational Requirements Document, they were amended in 2019 to meet DHS' Joint Requirements Integration and Management System (JRIMS) requirements. According to CBP, the only programmatic delays were in response to new requirements from the Federal Aviation Administration. We recognize the CBP MLH program incurred a schedule breach in January 2018 due to new Federal Aviation Administration requirements. However, the MLH program also incurred a separate schedule breach in January 2018 when it was unable to meet the JRIMS requirements. Although CBP amended its schedule and key performance parameters to reach full operational capability from FY 2022 to FY 2025, these revisions are not reflected in the MLH Acquisition Program Baseline.

CBP also expressed concern over our conclusion that CBP did not effectively manage the test and evaluation process for the MEA. CBP asserted we made

conflicting statements that (1) AMO "ignored undesirable land-interdiction test results" and (2) "AMO addressed and corrected these issues…." Although AMO addressed and corrected marine interdiction issues during the 2015 Operational Assessment and Validation, air-to-air and land interdiction were not assessed because they were no longer key performance parameters. AMO recognized that the desired outcome to obtain a single aircraft capable of marine, air-to-air, and land interdiction, was not obtainable. As a result, AMO elected to prioritize marine interdiction and retrofit the aircraft with the required capabilities even though it had accepted 12 MEA that did not contain the necessary air and land interdiction capabilities as defined in the Operational Requirements Document. We stand by the report's conclusions because we found CBP ignored undesirable test results.

CBP emphasized that this audit was neither timely nor current, as it took almost 2.5 years from the announcement date of October 26, 2018. According to CBP, the draft report does not accurately describe the efforts and improvements that have gone into the management of CBP's aviation fleet acquisitions. CBP added that it does not have any record of our audit team engaging CBP's Office of Acquisition and CAE staff. As stated in the report's Objective, Scope, and Methodology section, we conducted numerous interviews with AMO program office staff responsible for developing program requirements, as well as acquisition management and operational analyses and reviews. We evaluated oversight reviews and justifications necessary for departmental acquisitions to progress through DHS' Acquisition Lifecycle Framework. This included reviewing acquisition requirements documents, acquisition decision memoranda, acquisition program baselines, test and evaluation master plans, and operational test and evaluation reports. As such, we believe the report provides value to the Department, Congress, and the public.

We also received technical comments from the Department and revised the report where appropriate. We consider recommendations 1 and 2 open and unresolved. Recommendations 3 and 4 are open and resolved. A summary of the Department's responses and our analysis follows.

CBP Response to Recommendation 1: Non-concur. According to CBP, its acquisition policy aligns with DHS policies. CBP leadership believes that creating a separate formalized process independent of the Department's policies is redundant and unnecessary. Further, CBP asserted that the Office of Acquisition routinely updates its policies and guidance to ensure continued alignment with department-wide policies as a normal practice whenever DHS issues new or revised policies, instructions, guidance, or templates. CBP requested that the recommendation be closed as implemented upon issuance of the final report.

OIG Analysis: Although CBP did not concur with our recommendation, the CBP Office of Acquisition plans to update acquisition policy to reflect changes in the Department's acquisition guidance that occurred during that last year. We consider this recommendation unresolved. It will remain open until CBP provides an estimated completion date along with copies of its updated policies.

CBP Response to Recommendation 2: Concur. According to CBP, the CAE already reviews the MEA and MLH programs to ensure they comply with all DHS acquisition requirements. Further, CBP's CAE requires that acquisition documentation, including the Acquisition Program Baseline, reflect the current state of the program. Therefore, the current MLH Acquisition Program Baseline does not need to be updated at this time. Should the MLH program's requirements change, CBP will ensure the Acquisition Program Baseline is updated to reflect those changes. CBP requested that the recommendation be closed as implemented upon issuance of the final report.

OIG Analysis: Although CBP concurred with the recommendation, we find the CAE's actions do not meet the intent of the recommendation. CBP AMO did not update the Acquisition Program Baseline with the revised key performance parameters and schedule following the September 2019 revision to the MLH Operational Requirements Document. According to the MLH Program Manager, the Acquisition Program Baseline was not updated because CBP AMO was "investigating approaches" to get from 20 to 35 helicopters. Rather than update the Acquisition Program Baseline with the new key performance parameters, only to re-baseline later with updated lifecycle cost estimates and schedule, CBP AMO elected to re-baseline the program with one major update to the Acquisition Program Baseline. Without an approved Acquisition Program Baseline, the MLH program does not have established cost, schedule, and performance goals. We consider this recommendation unresolved. It will remain open until the CBP AMO provides an updated copy of the MLH program's Acquisition Program Baseline.

CBP Response to Recommendation 3: Concur. CBP AMO is conducting a post-implementation review of the MEA. CBP's Office of Acquisition will make the post-implementation review report available to other acquisition programs so they may apply any appropriate lessons learned. The estimated completion date is July 30, 2021.

OIG Analysis: CBP's action is responsive to the recommendation. We consider this recommendation resolved and open. It will remain open until CBP's Office of Acquisition provides a copy of the post-implementation review of the MEA program.

CBP Response to Recommendation 4: Concur. CBP AMO is planning to conduct a post-implementation review of the MLH program. CBP's Office of

Acquisition will make the post-implementation review available to other acquisition programs so they may apply any appropriate lessons learned. The estimated completion date is May 31, 2022.

OIG Analysis: CBP's action is responsive to the recommendation. We consider this recommendation resolved and open. It will remain open until CBP's Office of Acquisition provides a copy of the post-implementation review of the MLH program.

Objective, Scope, and Methodology

The Department of Homeland Security Office of Inspector General was established by the *Homeland Security Act of 2002* (Public Law 107–296) by amendment to the *Inspector General Act of 1978*.

We conducted this audit to determine to what extent CBP's aviation fleet is managed to meet operational mission needs. To accomplish our objective, we reviewed *DHS Instruction 102-01-001, Acquisition Management Instruction*; *DHS Guidebook 102-01-103-01, Systems Engineering Life Cycle Guidebook*; and the U.S. Government Accountability Office's *Standards for Internal Control in the Federal Government*. We interviewed AMO acquisition program management and obtained acquisition documents related to the MEA and MLH programs. We reviewed prior DHS OIG and Government Accountability Office reports and congressional testimonies.

To understand how CBP AMO established operational requirements for its aviation fleet, we conducted interviews with staff at AMO's program offices responsible for developing program requirements, acquisition management, and operational analyses and reviews. To understand mission needs and operational requirements, we interviewed AMO personnel at CBP headquarters and conducted a site visit at the National Air Security Operations Center, and the Air and Marine Branch in Jacksonville, Florida. We also obtained and analyzed aircraft mission data from AMO's Tasking, Operations and Management Information System, which includes performance metrics reporting.

To evaluate AMO's management of aviation acquisitions, we reviewed and analyzed DHS acquisition guidance, contracts, and lifecycle documents for the MEA and MLH programs. We evaluated oversight reviews and justifications necessary for departmental acquisitions to progress through DHS' Acquisition Lifecycle Framework. This included reviewing documents such as:

- Capability Analysis Report
- Mission Need Statement

- Concept of Operations
- Acquisition Program Baseline
- Acquisition Plan
- Operational Requirements Document
- U.S. Customs and Border Protection Operational Requirements Development Directive
- Quarterly Performance Measures Reports, Assessments, and Briefs
- Acquisition Decision Memoranda

To assess AMO's test and evaluation of the multi-role enforcement aircraft, we reviewed Test and Evaluation Master Plans and Operational Test and Evaluation Reports. We also obtained and reviewed letters of assessment issued by the DHS Director of Operational Test and Evaluation on system performance during operational testing to analyze the MEA program's progress in meeting key performance parameters.

To determine the extent to which CBP's policies and processes reflect key DHS acquisition requirements, we compared the Department's current policies for requirements and acquisition management to CBP's 2019 *Operational Requirements Development Directive* to identify any significant shortfalls. Specifically, we assessed the joint requirements directives and instruction manual, DHS' Acquisition Management Directive 102-01, Acquisition Management Instruction 102-01-001, and other related guidance. Our assessment of CBP's policies and procedures would not disclose all material weakness in the control structure. However, our assessment disclosed that AMO lacked oversight and guidance to ensure acquisition personnel followed key steps required by the DHS Acquisition Lifecycle Framework. We discussed these weaknesses in the body of the report.

We conducted this performance audit between October 2018 and May 2021 pursuant to the *Inspector General Act of 1978, as amended*, and according to generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based upon our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based upon our audit objectives.

The Office of Audit major contributors to this report are Carolyn Hicks, Director; Paul Exarchos, Audit Manager; Ardeth Savery, Auditor-in-Charge; Edgardo Prats-Reyes, Program Analyst; Falon Strong, Auditor; Lindsey Koch, Communications Analyst; Garrick Greer, Independent Referencer; and Matthew Noll, Independent Referencer.

Appendix A
CBP Comments to the Draft Report

1300 Pennsylvania Avenue, NW
Washington, DC 20229

U.S. Customs and Border Protection

June 11, 2021

MEMORANDUM FOR: Joseph V. Cuffari, Ph.D.
Inspector General

FROM: Henry A. Moak, Jr.
Senior Component Accountable Official
U.S. Customs and Border Protection

6/11/2021
X
Signed by: HENRY A MOAK JR

SUBJECT: Management Response to Draft Report: "U.S. Customs and Border Protection's Acquisition Management of Aviation Fleet Needs Improvement to Meet Operational Needs" (Project No. 18-129-AUD-CBP)

Thank you for the opportunity to comment on this draft report. The Department of Homeland Security's (DHS or the Department) U.S. Customs and Border Protection (CBP) appreciates the work of the Office of Inspector General (OIG) in planning and conducting this review.

CBP's Air and Marine Operations (AMO) safeguards our nation by anticipating and confronting security threats through aviation and maritime law enforcement expertise, innovative capabilities, and partnerships at the border and beyond. AMO monitors thousands of miles of air, maritime, and land borders around the clock to: (1) defend the United States against terrorist threats; (2) detect and deter illicit trafficking in persons, drugs, weapons, money, and other contraband; and (3) disrupt criminal networks.

Essential to AMO's mission success is a fleet of aircraft enabling CBP to detect, identify, classify, track, and interdict threats; from tracking down drug smugglers in the dead of night to performing life-saving rescues on land and sea. In particular, two platforms provide capabilities that, when used together with other capabilities employed by AMO, significantly increase the probability of mission success: (1) the Multi-Role Enforcement Aircraft (MEA); and (2) the Medium-Lift Helicopter (MLH).

Senior CBP leadership strongly disagrees with the OIG's overall conclusion that "CBP did not effectively manage its aviation fleet acquisitions to meet operational needs." In particular, leadership is concerned that OIG's draft report demonstrates a significantly uninformed understanding of DHS' acquisition lifecycle framework, resulting in overly negative conclusions about the cost and success of the MEA program. As discussed with

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OIG throughout this nearly three-year-long audit, both the MEA and MLH programs participated in CBP-level and DHS-level governance reviews in compliance with pre-2015 contemporaneous requirements which only required a limited number of reviews and was authorized to move forward; however, it seems the OIG is faulting CBP for not having the number and types of reviews required today.

OIG does not seem to fully appreciate that originally, CBP's MEA program was created to: (1) consolidate the capabilities of disparate aircraft types into a single aviation platform; (2) promote fleet standardization; and (3) reduce operating costs. As such, the program supports law enforcement and emergency response operations by providing sensor-equipped surveillance aircraft that collect, record, and transmit real-time imagery to tactical and strategic command and control centers. Further, the MEA fills capability gaps created by the: (1) end of the DHC-8 medium-range patrol aircraft production line; (2) termination of the PC-12 single-engine aircraft contract; and (3) planned retirement of 26 aging twin-engine patrol aircraft inherited by CBP from a variety of sources upon its consolidation under DHS. Today, all 22 MEA aircraft are fully mission-capable in air-to-air intercept and interdiction, maritime interdiction and surveillance, and air mobility and cargo requirements, and can conduct classic land interdiction.

For more than 25 years, CBP employed the MLH platform for counterdrug operations, counterterrorism, customs enforcement, investigations, disaster relief, and border security missions over land and along the maritime approaches to the United States. The MLH enables CBP to insert and support agents in remote and dangerous locations, while also providing situational awareness and ensuring officer safety, and the MLH can operate in conditions unsafe for most other aircraft. It is important to note that the MLH program is executed under an interagency agreement with the U.S. Army, in which CBP leverages the Army's production facility to reduce the cost of modifying former medevac helicopters and converting them to a CBP-missionized configuration.

OIG's Conclusions are Based on Outdated Information

Senior CBP leadership strongly takes issue with the OIG's reliance on outdated documentation to support findings in its draft report. For example, the OIG relied on operational requirements documents (ORD) that are more than a decade old, that consequently only document the early intent of the MEA and MLH programs, and thus do not accurately reflect the programs' evolution and maturity over time.

The original ORD for the MEA program was created in 2008. While that ORD was not explicit about the approach to performing the MEA's various missions (i.e., whether each aircraft would be configured to perform every mission simultaneously, or if aircraft could be reconfigured as needed for specific missions), the original intent was to provide reconfigurable aircraft. The lack of explicit language in that ORD provided the program

manager with the discretion to develop a path forward based on experience and lessons learned over time.

Since 2008, in subsequent Joint Requirements Integration and Management System (JRIMS) and acquisition documentation, this intent to have reconfigurable aircraft was explicitly clarified. Additionally, the evolution of technology available from the private sector during the past decade requires the MEA platform to have specialized configurations to meet individual missions. Consequently, measurements of effectiveness and suitability were clarified explicitly in follow-on MEA ORDs and their configuration annexes, and these ORDs address that capabilities can, and should, be delivered incrementally.

CBP's Programs Comply with Guidance

The MEA's 2015 Initial Operational Capability (IOC) ORD clarifies that the program was pursuing incremental delivery of capability, and that aircraft would be specialized for each mission. The 2015 IOC ORD also establishes an IOC for marine, and limited land, interdiction capability, and addresses a full operational capability for land dismounted moving target indicator capability, measurable air interdiction requirements, and law enforcement technical collection capabilities, which would be included in subsequent annexes to the baseline IOC ORD. DHS approved the baseline MEA ORD with key performance parameters (KPP) for marine interdiction and air mobility and communications. The DHS Joint Requirements Council subsequently validated, and the DHS Under Secretary of Management approved, its air (in 2019) and land (in 2021) interdiction annexes with measurements of performance and KPPs for air and land interdiction capability.

The air interdiction annex was used in development and testing of the updated software for the MEA's existing maritime radar. This updated software was a phenomenal overnight gain in capability and dramatically increased the value of the MEA fleet, adding significant security to our nation. The reverse-compatible software enabled the existing MEAs' radar to meet all air interdiction requirements in addition to maritime interdiction, rolled into a regularly scheduled software update for onboard technology. Consequently, AMO's MEAs meet approved IOC ORD requirements and deliver improved capability to CBP. CBP believes this program is a model for others to follow regarding the value received for the taxpayer's investment.

Regarding the MLH, senior CBP leadership strongly disagrees with the OIG's conclusion that AMO did not effectively manage the MLH acquisition. Although KPPs were not well-defined in the original 2007 ORD, the KPPs were amended when the ORD was updated in 2019 to meet current DHS JRIMS requirements.

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It is unclear how the OIG can support its conclusion that delays in deploying MLHs to the field are somehow tied to ORDs. The only programmatic delays experienced, to date, are in response to new requirements from the Federal Aviation Administration regarding its Automatic Dependent Surveillance–Broadcast technology update, which the OIG's draft report does not mention. It is also important to note that, over time, AMO identified efficiencies in cost, improved capabilities, and engaged in a different conversion effort for continuation of the MLH program. For example, in cooperation with the U.S. Army, rebuilding older UH-60A airframes was deemed to be a less cost-efficient recapitalization effort than purchasing and modifying already-existing UH-60L airframes, leading to a program pivot when modernizing the MLH fleet.

Furthermore, senior CBP leadership is very concerned that the OIG's claim that CBP "did not effectively manage the test and evaluation process for the MEA" is based on outdated documentation that led to an inaccurate conclusion. On page 5, the draft report states that AMO "ignored undesirable land-interdiction test results," yet two sentences later states "AMO addressed and corrected these issues…" These statements in the same paragraph are clearly conflicting. What's more, the U.S. Government Accountability Office's annual assessment[1] of select DHS major acquisition programs, now in its eighth year of reviewing CBP's MEA and MLH programs, has never identified any test and evaluation-related concerns such as those levied by the OIG.

OIG's Report is Not Timely

Senior CBP leadership is also concerned that the findings in the OIG's draft report are neither timely nor current, and therefore do not accurately describe the efforts and improvements that have gone into the management of CBP's aviation fleet acquisitions. Specifically, the OIG announced this audit on October 26, 2018, and released a draft for technical and management comments on March 22, 2021, almost two and a half years after the audit began. Despite this extended period of audit fieldwork, CBP has no record that the OIG ever engaged CBP's Office of Acquisition and Component Acquisition Executive staff at any time during this period, which raises concerns about the completeness of the OIG's fieldwork and the appropriateness of the OIG's recommendations. For example, only after the draft report was released and after CBP provided OIG technical comments highly critical of the draft, did OIG reach out to CBP's Component Acquisition Executive (CAE) staff—for the first time—to request acquisition documentation which CBP believes would have changed OIG's conclusions had the documentation been received earlier.

Most significantly, the draft report does not note that, to date: (1) AMO delivered 22 MEA aircraft capable of providing both air and maritime interdiction; (2) the MEA

[1] Most recent report is GAO-21-175, "DHS Annual Assessment: Most Acquisition Programs Are Meeting Goals but Data Provided to Congress Lacks Context Needed for Effective Oversight" dated January 19, 2021.

program complies with DHS's current acquisition lifecycle framework policy, and (3) program officials regularly brief program status to a large number of CBP and DHS acquisition governance officials, working groups, and others.

The draft report contained four recommendations for CBP, including one with which CBP non-concurs (Recommendation 1), and three with which CBP concurs (Recommendations 2, 3, and 4). Attached find our detailed response to each recommendation. CBP previously submitted technical comments addressing several accuracy and contextual issues under a separate cover for the OIG's consideration.

Again, thank you for the opportunity to comment on this draft report. Please contact me if you have any questions.

Attachment

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Attachment: Management Response to Recommendations Contained in 18-129-AUD-CBP

OIG recommended that CBP's CAE:

Recommendation 1: Update its acquisition policy to include a formalized process for developing operational requirements, all key requirements from DHS' Acquisition Lifecycle policy, and alignment with DHS guidance.

Response: Non-concur. CBP is bound by DHS acquisition policies, and consequently, CBP's own acquisition policies simply supplement, or clarify, DHS' policies. CBP acquisition policy aligns with DHS policies, and CBP leadership believes that creating a separate formalized process independent of the Department's policies is redundant and unnecessary. Further, CBP's Office of Acquisition (OA) routinely updates its policies and guidance to ensure continued alignment with Department-wide policies as a normal practice whenever DHS issues new or revised policies, instructions, guidance, or templates.

CBP requests that the OIG consider this recommendation resolved and closed, as implemented.

Recommendation 2: Review the Multi-Role Enforcement Aircraft and the Medium Lift Helicopter programs to ensure they comply with all DHS Acquisition Lifecycle requirements. Specifically, CBP's CAE should require AMO to update the Acquisition Program Baseline (APB) for the Medium Lift Helicopter program to reflect revised requirements accurately.

Response: Concur. CBP leadership agrees with this recommendation insofar as it describes one of the basic functions of the CAE oversight role, as CBP's CAE oversees the development of acquisition documentation for both the MEA and MLH programs. For example, CBP's CAE already performs the first part of the recommendation, to "review the MEA and MLH programs to ensure they comply with all DHS Lifecycle requirements." CBP program officials discussed as much with OIG's audit team during a meeting on May 6, 2021 and noted that the programs are in compliance with DHS acquisition policy. Further, CBP's CAE addresses the second part of the recommendation, to "require AMO to update the APB for the MLH program to reflect requirements accurately," as CBP's CAE requires that acquisition documentation, including the APB, reflect the current state of the program. Moreover, as a program matures and evolves, the CAE oversees the development of updated acquisition documents that are affected by changes in the program.

As written, the latter part of this recommendation suggests that the APB is outdated and implies that there is urgency to update the MLH APB. However, the current APB reflects the program's approved baseline and requirements and does not need to be updated at this time. Should the MLH program's requirements change, in accordance with DHS acquisition policy, the APB will be updated to reflect those changes.

CBP requests that the OIG consider this recommendation resolved and closed, as implemented.

OIG recommended that CBP AMO:

Recommendation 3: Conduct a post implementation review of the Multi-Role Enforcement Aircraft program to determine whether the deployed system is meeting capability needs, take corrective actions as appropriate, and apply lessons learned for future acquisitions.

Response: Concur. As required by DHS's Acquisition Management Directive, D-102, dated February 25, 2019, and ADE-3 Acquisition Decision Memorandum, dated September 3, 2019, AMO is in the process of conducting a post-implementation review of the MEA. Once complete, OA will make the post-implementation review report available to other acquisition programs so they may apply any appropriate lessons learned. Estimated Completion Date (ECD): July 30, 2021.

Recommendation 4: Conduct a post implementation review of the Medium Lift Helicopter program to determine whether the deployed system is meeting capability needs, take corrective actions as appropriate, and apply lessons learned for future acquisitions.

Response: Concur. AMO is currently in the planning phase to conduct a post-implementation review of the MLH program. OA will make the post-implementation review report available to other acquisition programs so they may apply any appropriate lessons learned. ECD: May 31, 2022.

Appendix B
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