

**OPENING STATEMENT OF CHAIRMAN CHRIS CARNEY (D-PA) AS PREPARED
SUBCOMMITTEE ON MANAGEMENT INVESTIGATIONS & OVERSIGHT
COMMITTEE ON HOMELAND SECURITY**

***“Creating ‘One DHS,’ Part I: Standardizing Department of
Homeland Security Financial Management”***

Thursday, October 29, 2009

This hearing is the first in a series of hearings the Subcommittee on Management, Investigations and Oversight will conduct regarding the Department of Homeland Security’s intention to create “One DHS.” One DHS, in part, will be achieved by consolidating various operational functions from the legacy agencies into Department-wide systems.

It’s been six years since the Department was established and it has yet to implement a Department-wide integrated financial management system. DHS receives billions of taxpayer dollars every year and, to date, has been unable to account for a majority of their appropriated funding the same way other departments and agencies can.

Today’s hearing will examine the Department’s myriad financial management systems; the steps the Department is taking to unify its financial operations into one integrated, standardized, auditable system; and best practices that will ensure the Department’s accounting methodologies will meet existing standards and protocols.

EMerge2, the Department’s initial attempt at financial management consolidation was unsuccessful. Unfortunately, some three years and millions of dollars after that effort ceased, many of the problems experienced as part of eMerge² are being experienced with the Department’s current effort, the Transformation And Systems Consolidation (TASC) program.

Problems include:

- integrating the Department’s myriad financial systems;
- determining how the Department can construct a system that will result in accurate and timely financial data;
- and ascertaining how the limited results of eMerge2 fit within with the Department’s current efforts.

The Government Accountability Office has suggested steps the Department could take to ensure a successful TASC program, as well as how TASC RFPs should be crafted in a way that will ensure DHS is satisfied with a final financial management and accounting system.

The Department has yet to show that it is taking any of these recommendations into consideration. Today, I hope to hear how the Department will ensure that TASC is a success, including a clear strategy that describes how it will be implemented and linked to existing Department business processes, policies, and legacy systems.