

Statement of Rafael Borrás
April 6, 2011
Confirmation Hearing
Rafael Borrás to be Under Secretary for Management
U.S. Department of Homeland Security

Chairman Lieberman, Senator Collins, Senator Akaka, and other distinguished members of this committee, I thank you for the opportunity to appear before you today as you consider my confirmation. It was a great honor to have been nominated by President Obama and it has been my great privilege to serve as the Under Secretary for Management (USM) at the Department of Homeland Security for a year under a recess appointment. I have worked to earn the trust and confidence of the Secretary, Deputy Secretary, Departmental leadership and employees. It is my sincere hope that through my work this past year, I have earned your confidence as well.

I would like to thank Secretary Napolitano and Deputy Secretary Lute for their support of the Management Directorate, as well as their personal support and encouragement. Additionally, I would like to thank the leadership and the employees of the Management Directorate. The fine work and dedication of the Management Directorate employees has enabled me to build on the progress that has already been made by my predecessors. While I recognize that continued progress to address our management challenges is needed, I strongly believe that we have laid a solid foundation to address the financial, acquisition, and human capital needs of the department.

Furthermore it has been my pleasure over the last year to have had extensive interactions with many members of this committee and their dedicated staff. This Department owes a great debt of gratitude to this committee for its leadership and support in meeting the management challenges associated with weaving together the twenty-two agencies that came together in 2003 upon the creation of the Department of Homeland Security.

Since my appointment, I have led the development and implementation of a comprehensive, strategic management approach focused on maturing organizational effectiveness within DHS. Through this effort, we are focused on enhancing the financial, acquisition, and human capital structures and processes necessary to meet DHS mission goals by integrating and aligning business functional areas at both the Departmental and Component levels. My approach has been built around three key elements:

1. Acquisition Enhancement: Improving upon the current Department acquisition processes and procedures – addressing the “front end” requirements as well as “back end” program management in order to minimize risk, encourage fiscal responsibility, and improve end to end execution across the entire acquisition life-cycle.
2. Financial Enhancement: Improving our financial systems and capabilities in both the management directorate and the components, emphasizing strong financial and analytical discipline throughout the department.

3. Human Capital Management Enhancement: Making sure we have the right people in the right positions at the right time, with the proper workforce balance between DHS and contract employees.

As part of this effort I have:

- Submitted the Department's first comprehensive Management Integration Plan to the Government Accountability Office (GAO), covering all Management Directorate lines-of-business. The plan provided detailed, specific action items to be addressed by the Department to further enhance and improve management operations. GAO has recognized the important progress the Department and the Management Directorate have made in management integration.
- Appointed a new Chief Procurement Officer and new leadership within the Department's acquisition program management and cost analysis offices. Under this new leadership team, we are developing enhanced approaches to risk management and oversight, with a specific emphasis on strengthened acquisition requirements and improved program management for major acquisitions. I have also convened several Departmental leadership forums with component acquisition executives to better refine these risk management strategies.
- Piloted the use of Executive Steering Committees (ESC) to provide ongoing, in depth reviews of key major acquisition programs. These newly chartered ESCs provide additional program oversight in addition to the existing Acquisition Review Boards (ARBs). ESC membership includes both Component and headquarters membership.
- Prioritized sound financial management. Under my leadership we have reduced financial material weaknesses (MW) from twelve to nine, audit qualifications from ten to one, and MW in internal controls from ten to six. I have personally chaired a series of Internal Controls over Financial Reporting (ICOFR) meetings with components to review the current state of our adherence to sound internal controls practices.
- Expanded the Office of Federal Assistance Programs Oversight (FAPO), from four to 23 positions to provide additional resources to ensure compliance with departmental policies regarding federal assistance programs. Also under my leadership, we have issued 11 new policies and procedures to govern financial assistance at DHS and established Financial Assistance Senior Accountable Officials (SAO) at each component which awards financial assistance. The Component SAO is responsible for ensuring publicly reported information is complete and accurate. For the first time, several Components are publicly reporting required financial assistance information.
- Provided executive oversight of the Consolidated Headquarters Project, which includes the St. Elizabeth's campus, and will result in a reduction of the total

number of locations housing DHS and Component headquarters facilities from more than 50 in the National Capital Region (NCR) to approximately ten.

- Overseen the establishment of Balanced Workforce Strategy Program Management Office, providing direction to create tools to assess and make decisions regarding the proper balance and effective use of federal and contractor workforces in achieving DHS missions. From FY 2009 to FY 2010, DHS reduced spending on professional services contracts by 11%, or \$420 million. The Department's FY 2012 budget request includes an additional \$106 million in cuts to contacts across the Department.

While the position of the Under Secretary for Management is the department's "Chief Management Officer," I have also addressed my role as the "Chief Good Government Officer," constantly asking if our actions represent good government practices, as well as making sure that we are responsible in our expenditures of tax payer monies. Whether through the budget process or my regular interactions with the components, I am mindful of our need to be good stewards of the "investments" that the tax payers are making to meet the critical mission needs of the department.

I am committed to continuing to work with this committee in ensuring that this Department meets our most pressing management challenges. My predecessors, Elaine Duke, Paul Schneider and Janet Hale have done an admirable job of building a foundation for sound management practices at DHS. I take it as my responsibility to build upon their efforts, adding value to the department's operators and helping to build a strong departmental management portfolio, in support of the Secretary and Deputy Secretary's leadership to unify DHS.

Once again, I thank you for the opportunity to appear before you. I am thrilled to serve at DHS, and blessed to once again be called a public servant. I hope that I have been able to convey the passion with which I approach the management of DHS, and hope to be able to continue to work with you for years to come.