

April 29, 2014

The Honorable Michael McCaul
Chairman
House Homeland Security Committee
Washington, D.C.

The Honorable Jeff Duncan
Chairman
House Homeland Subcommittee on Oversight
and Management Efficiency
Washington, D.C.

The Honorable Bennie Thompson
Ranking Member
House Homeland Security Committee
Washington, D.C.

The Honorable Ron Barber
Ranking Member
House Homeland Subcommittee on Oversight
and Management Efficiency
Washington, D.C.

Re: DHS Acquisition Accountability and Efficiency Act (H.R. 4228)

Dear Chairmen McCaul and Duncan and Ranking Members Thompson and Barber:

On behalf of the member companies of the Information Technology Alliance for Public Sector (ITAPS)¹, I am pleased to write expressing our support for the DHS Acquisition Accountability and Efficiency Act (H.R. 4228). The proposal would help make much-needed improvements to the Department of Homeland Security's acquisition management practices and policies, ranging from acquisition workforce training to greater transparency of the acquisition priorities of the Department. We appreciate the outreach and collaboration by the Committee and commend your staff for their efforts to address the questions and revisions we had concerning the legislation during the development process.

As you know, the Administration and the Congress have prioritized acquisition reform in 2014 and ITAPS is very involved in efforts to reform the acquisition practices of the federal government and improve the outcomes. Our views on acquisition reform are rooted in principles developed by our member companies and are intended to guide reform of the government's acquisition system. These principles include:

1. **Focus on Improving the Acquisition Workforce's Capabilities.** The government must better recruit, train, retain, and empower personnel with knowledge of information technology in order to develop better requirements, conduct improved market research and acquisition planning, procure best value technology, and better manage IT investments. We must provide opportunities for career enhancement through professional development, industry exchanges, cross training, etc., and provide competitive compensation for success. We must incentivize acquisition personnel to recognize and pursue best value and not just lowest cost. Right now, government

¹ The IT Alliance for the Public Sector (IT Alliance, ITAPS), a division of ITI, is an alliance of leading technology companies (including ICT companies and the defense industrial base (DIB)) offering the latest innovations and solutions to public sector markets. With a focus on the federal, state and local levels of government, as well as on educational institutions, the IT Alliance team advocates for improved procurement policies and practices, while identifying business development opportunities and sharing market intelligence with our industry participants. Visit itaps.itic.org to learn more.

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employees are rewarded for delivering the lowest price and not for the best value for the agency and the taxpayer. We must also encourage meaningful, frequent, and robust opportunities for industry and government to exchange ideas, technical specifications, and best practices to encourage a better outcome. We must enact reforms stated in the 25 Point Plan in order to empower better outcomes, and give the workforce the latest tools to conduct their duties in real time.

2. **Restore Eroded Preferences for Commercial Item Products and Services.** Unlike the research and development initiatives of the 1950's and 1960's, innovation is driven today by the private sector. By restoring preferences for commercial item products and services and acquiring them using commercial-like transactions, the government can leverage the latest state-of-the-art technologies, increase competition in federal procurements, and reduce costs associated with government-specific requirements. We must equip the workforce to buy commercial by educating them on the benefits instead of simply delivering a mandate.
3. **Better Manage IT Investments.** We need to establish a more meaningful IT program management career path and incentivize management that creates optimal outcomes for schedule, costs, and performance. Investments in IT should assess life-cycle costs as a means of determining best value for the taxpayer and diminish focus on finding only lowest cost. IT programs are consistently shown to be more successful when agency or department executives are engaged as leaders in determining IT investment and management decisions. The entire workforce, especially the management, must have a better understanding of requirements development and market research by engaging directly with industry during acquisition planning. There must be executive awareness in order to fulfill the objectives of the agencies through efficient acquisitions.
4. **Rationalize Oversight.** In order to encourage more competition in the federal public sector, we need to find ways to reduce barriers to entering and staying in the market. We should also identify ways to make oversight and the burdens it can create on agencies and vendors more effective, like eliminating duplicative or redundant requirements, assessing risk and liability, and creating effective relationship management. Also, data generated by the government must be captured by the government instead of requiring agencies and vendors to recreate information the government already possesses.
5. **Provide More Flexibility to Enable Technology Investment Options.** Currently, we do not fund IT investments to keep pace with product and service innovations. This out-of-date, multi-year process actually ends up costing the taxpayers more. We should enable more options and better IT investment decisions through funding flexibility, including the use of revolving and working capital funds. Although the budget is nestled in statute, managers should be allowed flexibility in order to find innovative solutions and acquisitions by offering flexible funding opportunities for IT.
6. **Align Acquisition Practices with Our Global Trade Interests.** We should ensure that our acquisition processes and practices support global trade and do not hamper the business of U.S.-based multi-national companies. Some of our acquisition practices are rooted in a time before the evolution of the global supply chain, cybersecurity threats, and international trade agreements.

They no longer make sense for procuring the best technology for the government mission and should be updated or scrapped. Recent examples of the lack of care for global trade interests include cybersecurity policies that lack indemnification clauses, supply chain regulations (DFARS 2012-D050), and location based-supply chain restrictions (Wolf language).

ITAPS supports your effort to require development of a multiyear acquisition strategy and to authorize the Under Secretary for Management to create centralized oversight over all DHS acquisition programs, including those of the components. This will help industry better understand, plan, and align resources to meet the future acquisition needs of DHS. We further support provisions to improving the DHS acquisition workforce's capabilities.

ITAPS and its member companies are committed to working with you to improve acquisitions at DHS to encourage efficiency and innovation while maximizing access and deployment of the most innovative capabilities. H.R. 4228 would be an important step forward in this effort. Should you have any questions, please feel free to contact Pam Walker, ITAPS Senior Director of Homeland Security at pwalker@itic.org or 202-626-5725 or me.

Sincerely,

A handwritten signature in black ink, appearing to read "A.R. Hodgkins", with a stylized flourish at the end.

A.R. "Trey" Hodgkins, III
Senior Vice President, Public Sector