MEMORANDUM FOR DHS LEADERSHIP

FROM: Secretary Johnson

SUBJECT: Strengthening Departmental Unity of Effort

The Department of Homeland Security has many strengths, starting with the professionalism, skill, and dedication of its people and the rich history and tradition of its Components. These strengths have allowed the Department to achieve many successes in the short time since its creation. It is clear to me, however, that DHS has yet to reach its full potential as an organization. Such potential is difficult to achieve and takes even the best organizations many years. Complicating matters is the difficult budget environment we currently face.

Resource constraints also provide the impetus to build and mature our organization into one that is greater than the sum of its parts—one that operates with much greater unity of effort. As I noted in my recent testimony on our FY 2015 budget request, I am committed to improving our planning, programming, budgeting, and execution processes through strengthened Departmental structures and increased capability. We 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.

To be clear, these changes are not designed to centralize decision-making authority and processes within an opaque DHS Headquarters. To the contrary, these changes are intended to transparently incorporate DHS Components into unified decision-making processes and the analytic efforts that inform decision-making. Our collective goal is to better understand the broad and complex DHS mission space and empower DHS Components to effectively execute their operations.

To accomplish this task, we will capitalize on existing structures and create new capability where needed—for example, as revealed by our recent Integrated Investment Life Cycle Management pilot study, which tested the linkages between interrelated strategy, capabilities and resources, programming and budgeting, and major acquisition oversight processes. That effort underscored the need to further strengthen all elements of the process, particularly the upfront development of strategy, planning, and joint requirements. Our collective task is to institutionalize improvements to support our primary objective: the effective execution of our missions. I have identified several initial focus areas that are intended to build organizational capacity, in order to develop action plans and implement change. Each requires our immediate attention.

1. Departmental Leadership Forum: The Department has not had a forum for its most senior leadership—Component heads, Under Secretaries, and the heads of select other offices—to gather regularly with me and the Deputy Secretary in an environment of trust, and
openly place on the table issues, arguments, and disagreements concerning our most challenging issues. This is changing. The Department’s Chief of Staff is now scheduling twice monthly Department Senior Leaders Council meetings, hosted by me, to discuss issues of overall policy, strategy, operations and Departmental guidance. The Deputy Secretary is hosting weekly Deputies Management Action Group meetings, and will use that group to move forward specific initiatives in joint requirements development, program and budget review, acquisition reform, operational planning, and joint operations.

2. **Departmental Management Processes for Investments:** The strategic decisions of the Department’s senior leadership are only as good as the processes that support and give effect to those decisions. Although much work has been done to date in the areas of joint requirements analysis, program and budget review, and acquisition oversight, more needs to be done to turn strategy into results. To that end, in order to improve our investment processes, I direct the following:

   a. Under the direction of the Undersecretary for Management, the Chief Financial Officer will strengthen and enhance the Department’s programming and budgeting process by incorporating the results of strategic analysis and joint requirements planning into portfolios for review by issue teams. Substantive, large-scale alternative choices will be presented to the Deputies Management Action Group as part of the annual budget development. This review process will also include the Department’s existing programmatic and budgetary structure, not just new investments. It will include the ability for DHS to project the impact of current decisions on resource issues such as staffing, capital acquisitions, operations and maintenance, and similar issues that impact the Department’s future ability to fulfill its mission responsibilities.

   b. The Deputy Secretary, through the Deputies Management Action Group, will lead an expedited review to provide strategic alternatives for developing and facilitating a DHS Component-driven joint requirements process. This joint requirements process will include oversight of a development test and evaluation capability, identification of priority gaps and overlaps in Departmental capability needs, provision of feasible technical alternatives to meet capability needs, and recommendations to me on the creation of joint programs and joint acquisitions to meet Departmental mission needs.

   c. The Undersecretary for Management will conduct a full review of the Department’s acquisition oversight framework, and update the processes described in Directive 102-01. The result must be a transparent, coherent continuum of activities that link and integrate Departmental strategy and planning, development of joint requirements, programming and budgeting decisions, capital investment planning, and the effective and efficient execution of major acquisitions and programs.
3. **DHS Headquarters Strategy, Planning, and Analytical Capability:** The actions directed in this memorandum require a focused, collaborative Department-level strategy, planning, and analytical capability that fully understands Component capabilities in these areas and coordinates with similar Component-level functions, in order to support more effective DHS-wide decision-making and operations. As the Secretary of Homeland Security, it is my responsibility to understand from a Departmental perspective how the activities, operations, and programs of each individual Component fit together in order to best meet Departmental mission responsibilities in a constrained resource environment. In some cases, this involves developing a fuller, broader understanding of how the Department meets its operational responsibilities, such as securing our air, land, and sea borders. In other cases, this involves understanding how individual Component resources and activities are collectively integrated and employed in a unified Departmental framework that is agile and flexible to meet current and emerging threats when needed. We used this approach in a limited way for the development of the *Blueprint for a Secure Cyber Future*, TSA’s Security Strategy for Mass Transit and Passenger Rail, the QHSR study on countering biological threats and hazards, and the cross-Departmental Inbound Threat Study.

My goal in focusing the collective DHS Headquarters strategy, planning, and analytic capability, which will harness a number of existing planning and analytic cells throughout DHS, is not to eliminate the need for Component-level planning or analysis. To the contrary, I intend for this focused DHS Headquarters capability to work together with the planning and analytical organizations within each Component to develop a comprehensive picture of the Department’s mission responsibilities and functional capabilities, and to identify points of friction or gaps, thus framing the corresponding choices that must be made. This capability must be integrated into, not created and employed in isolation from, existing Departmental functions that are critical to day-to-day mission execution and mission support activities. In addition to supporting the other actions in this memorandum, I direct the following specific tasks:

a. The Assistant Secretary for PLCY’s Office of Strategy, Planning, Analysis & Risk will stop work on the current version of the FY14-18 DHS Strategic Plan, and instead will be prepared to lead the Department’s senior leadership in a strategic planning effort through the Department Senior Leaders Council to set the vision and specific, mission-focused outcomes for DHS for the next five years. Annual resource planning guidance and operational planning guidance must be based on the Department leadership’s strategic plan for addressing challenges over this time period. The decisions we reach now, especially with respect to investments, will dictate what capabilities our successors will have in the future. The Assistant Secretary for PLCY’s Office of Strategy, Planning, Analysis & Risk will work with representatives from all of your organizations to develop the Department’s FY14-18 Strategic Plan from that vision. The Department Senior Leaders Council meeting and subsequent meetings will be scheduled on release of this memorandum.
b. The Deputy Secretary and the Department’s Chief of Staff, supported by the Assistant Secretary for PLCY’s Office of Strategy, Planning, Analysis & Risk, will provide direction, focus, and harmonization of current operational planning and coordination activities and the analytic capability of the Office of Program Analysis and Evaluation with Management Directorate’s Office of the Chief Financial Officer, in order to strengthen integrated resource planning, the development of operational planning guidance, and the conduct of strategic analyses in specific portfolios and issue areas. Better synchronization across DHS Headquarters capabilities in these areas will increase DHS Headquarters’ capability to effectively conduct and coordinate strategy, planning, and analytic activities.

4. **Departmental Processes for Enhancing Coordinated Operations**: The strategic decisions of the Department’s senior leadership and the investments our Department makes in current and future capabilities will only be effective if cross-department operations are planned and executed in a coordinated fashion. Many DHS operations are conducted solely by a single Component, although successful examples of joint operational activities exist in seaports such as Charleston, SC, Miami, FL, San Diego, CA, and Seattle, WA, and through organizations chartered under the National Interdiction Command and Control Plan such as Joint Interagency Task Force-South in Key West, FL, the El Paso Intelligence Center in El Paso, TX, and the Air and Marine Operations Center in Riverside, CA. Targeted examinations of specific mission- and function-related issues are necessary to enhance DHS-wide operational planning efforts, leading to more effective operations. Further, operational planning guided by my strategic intent, with outcomes and quantified targets, will better inform the joint requirements process and future resource decisions. Supporting these objectives, I direct the following:

a. The Deputy Secretary, through the Deputies Management Action Group, will lead a 60-day review and provide strategic alternatives for future coordinated operations. This effort will evaluate unity of effort options for enhancing DHS operational mission effectiveness in specific locations and geographic regions, or for the integration of cross-Departmental functions.

b. The Deputy Secretary, through the Deputies Management Action Group, will oversee an effort to develop a DHS strategic framework for the security of the U.S. Southern Border and approaches by August 1, 2014, along with a set of nested “campaign plans” for specific geographic areas or problem sets. As an initial part of this effort, the Assistant Secretary for PLCY’s Office of Strategy, Planning, Analysis & Risk will lead an activity to develop the overall strategic guidance, including outcomes with quantified targets, upon which the framework and campaign plans will be based. Plan development will be led by a senior USCG official, working with responsible DHS Components and DHS Headquarters elements. The strategic framework and campaign plans will include approaches for improved information sharing, sensor integration, and unified command and control structures as appropriate.
c. The Deputy Secretary, through the Deputies Management Action Group, will lead a 60-day review to provide the Department's senior leadership with strategic options for enhancing DHS homeland security mission effectiveness internationally, through joint policy liaison and operational activity in overseas locations and geographic regions across all DHS components. It is imperative that we explore every opportunity to extend our homeland security efforts, in cooperation with our interagency and foreign partners, far beyond the borders of the United States. I understand that the Department has conducted several evaluations of its international footprint, but in today's budget environment we need to look more closely to make sure we are not leaving gaps nor have unnecessary overlaps in deployment and staffing.

Enhancing the effectiveness and unity of DHS operations to better fulfill our mission responsibilities is my primary reason for making these important changes. I recognize that what I am directing represents a departure in some ways from current DHS Headquarters and Component approaches to management and operations. But in adding structure and transparency, combined with collaborative, forthright senior leader engagement, we will build together a stronger, more unified, and enduring DHS. I intend to discuss these initiatives at the next Department Senior Leaders Council meeting, and will begin codifying these efforts in appropriate Department directives, beginning with the resource planning guidance for FY 2017-2021 and the DHS Strategic Plan for FY 2014-2018. I look forward to your active support of these steps and your frank, forthright participation in the meetings that will follow.
Distribution

To:
Gil Kerlikowski, Commissioner, CBP
Craig Fugate, Administrator, FEMA
Tom Winkowski, Acting Director, ICE
John Pistole, Administrator, TSA
ADM Robert Papp, Commandant, USCG
Lori Scialabba, Acting Director, USCIS
Julia Pierson, Director, USSS
Suzanne Spaulding, Under Secretary, NPPD
John Cohen, Principal Deputy Under Secretary, I&A
Chris Cummisky, Acting Under Secretary, MGMT
Dan Gerstein, Acting Under Secretary, S&T
David Heyman, Assistant Secretary for Policy
Karen Neuman, Chief Privacy Officer
Megan Mack, Officer for Civil Rights and Civil Liberties
Rich Chavez, Director, OPS

Cc:
Deputy Secretary Mayorkas
Chief of Staff Marrone
Stevan Bunnell, General Counsel
Chip Fulghum, Acting Chief Financial Officer, MGMT
Luke McCormick, Chief Information Officer, MGMT
Brian de Vallance, Acting Assistant Secretary, OLA
Clark Stevens, Assistant Secretary, OPA
Phil McNamara, Assistant Secretary, IGA
Michael Stroud, Assistant Secretary, PSO
Alan Bersin, Assistant Secretary and Chief Diplomatic Officer, OIA
Alan Cohn, Assistant Secretary for Strategy, Planning, Analysis & Risk, PLCY
Kathryn Brinsfield, Acting Assistant Secretary and Chief Medical Officer, OHA
Huban Gowadia, Director, DNDO
Connie Patrick, Director, FLETC
Elisa Montoya, Executive Secretary
RDML June Ryan, Military Advisor to the Secretary