



**TESTIMONY OF
PAUL A. SCHNEIDER
ACTING DEPUTY SECRETARY
U.S. DEPARTMENT OF HOMELAND SECURITY
BEFORE THE US HOUSE OF REPRESENTATIVES
COMMITTEE ON HOMELAND SECURITY
*April 23, 2008***

Thank you Mr. Chairman, Representative King and members of the Committee. It is a pleasure to appear before you today to discuss how the Department of Homeland Security (DHS) is preparing for the administration change in 2009.

I appreciate the on-going discussion that DHS and the Committee have had on DHS's transition efforts and look forward to continuing the dialogue. The Department began to prepare for the administration change over a year ago. Today, you will hear about our efforts to plan for the change in political leadership and the progress we are making. We take our duty to prepare the Department very seriously.

Our major objectives for the transition are to:

1. Have the right career people in place when the political leadership changes to ensure day-to-day operations of the Department are not impacted.
2. Ensure our critical processes are well documented and mature.
3. Ensure our major programs are properly structured.
4. Be able to respond to a national emergency during the transition.

I would like to start by briefly addressing a misperception about the number and role of political appointees at DHS and the impact of their departure at the end of this Administration.

There are approximately 200 political appointees in the Department. That is one tenth of a percent of the entire Department. Of these 200, only 82 are in positions that are considered senior executives. These include Presidential Appointment with Senate Confirmation, Presidential Appointment, Non-career Senior Executive Service, Senior Level and Scientific and Professional positions. Of these 82 political positions, 45 are at headquarters. These 45 positions are primarily Under Secretaries, Assistant Secretaries, Deputies to these positions, Chiefs of Staff, and others, such as Chief Financial Officer, Chief Human Capital Officer and Chief Information Officer positions. Approximately 50% of these 45 positions at headquarters are in the immediate Office of the Secretary and the Office of Policy. This distribution of appointees in these offices is to be expected given their primary policy-making roles. While the other 50% of these political appointee executive positions are interspersed throughout DHS headquarters, the majority of the headquarters offices have senior career individuals as the number two official.

In addition, one of the key political appointee executive positions, the Under Secretary for Management (USM), by law is authorized to stay in office to help ensure a smooth transition until there is a senate confirmed political appointee for this position.

It is important to note that approximately 204,000 of our Department's 208,000 employees are located in our seven major operating components. The change in administration will have a minimal impact on their day-to-day operations or their ability to respond in the event of a national incident. The following is a summary of the transition posture for our seven major operating components.

- The United States Coast Guard is a military organization and has no political appointees. Over the past 2 years we have greatly strengthened it with experienced civilian leaders primarily in acquisition, to respond to the increased challenges in this area. We have been steadily increasing the professionalism, capability and competency of this acquisition corps.
- The United States Secret service has no political appointees.
- Transportation Security Administration is headed by a Presidential appointee requiring Senate confirmation. The Deputy Administrator, Gale Rossides, a 30 plus year civil servant will assume the responsibilities of the acting Administrator during the transition.
- Federal Emergency Management Agency (FEMA) by law has an Administrator and Deputy Administrator who are Presidential appointees requiring Senate confirmation. Our plan is for the Regional Administrator, Nancy Ward, to serve as the acting Administrator during the transition.
- Immigration and Custom Enforcement is headed by a Presidential appointee requiring Senate confirmation. The Deputy Assistant Secretary, John Torres, a career civil servant will serve as the acting Assistant Secretary during the transition. In addition, the Detention and Removal Office, Federal Protective Service and Investigations Offices are lead by career employees.

- Federal Law Enforcement Training Center leadership are all career civil servants.
- Domestic Nuclear Detection Office is headed by a Presidential appointee requiring Senate confirmation. The Deputy Director and the senior leadership positions are filled by career civil servants.
- U.S. Citizenship and Immigration Services (USCIS) is headed by a Presidential appointee requiring Senate confirmation. The acting Director will be the Director of Operations, Michael Aytes, a 32 year career civil servant.
- Customs and Border Protection is headed by a Presidential appointee requiring Senate confirmation. The Deputy Commissioner, Jayson Ahern, a 31 year career civil servant will serve as the acting Commissioner. In addition, the Chief of the Border Patrol, the Director of Field Operations, and the Assistant Commissioner for Air and Marine, are all long-standing, experienced career civil servants.

In discussing transition, it is important to note that the Department underwent a major organizational transition that started in 2005 when there was a change in Secretaries, and Deputy Secretaries that was followed with the replacement of the majority of the top political leadership. The Department's operations continued unabated primarily due to the strength, knowledge and experience of our senior career employees.

This is not to say our work is done. To the contrary, we recognize that as a new Department with the critical mission of securing the homeland in a post-9/11 world, we must ensure our people are prepared and the incoming leadership is

prepared to respond to any kind of national incident. We have already begun initiatives that enable us to plan and execute the transition effort well.

We are taking a multi-pronged approach to our transition planning to ensure operational continuity of homeland security responsibilities during the Presidential Administration Transition. These areas of focus and related activities are as follows:

1. ORDER OF SUCCESSION - On August 13, 2007, the President signed an Executive Order that specifies the order of succession for the position of Secretary of the Department of Homeland Security. The previous Order of Succession for DHS had not been revised since the Department was established in 2003. The Executive Order now reflects our current organization. In October 2007, DHS completed a component-level succession order and delegation of authority for each component head position within the Department. I have submitted the Department's order of succession as part of my testimony.
2. DHS SUCCESSION PLANNING - We are identifying and planning succession for critical homeland security positions within components to provide continuity at the time of transition. For departing senior level political appointees we have identified interim acting career executives. In addition, Public Law 110-28 required and appropriated funds for the Office of the Under Secretary for Management to commission an independent study with the National Academy of Public Administration (NAPA) to compare the Department of Homeland Security senior career and political staffing levels and senior career training programs with those of similarly structured cabinet-level agencies. NAPA will deliver this report in May, 2008. This report should give us great insights into how we compare with other agencies and identify areas of strength or needed improvement.

3. **CROSS-GOVERNMENT COLLABORATION** – The Department engaged the Council for Excellence in Government (CEG) to help ensure our senior career employees, incoming appointees and leaders of other agencies critical to homeland security are prepared to respond should a national incident occur. CEG is facilitating our efforts on inter-agency collaboration. This inter-agency collaboration effort centers on structured, deliberate processes where DHS will engage key groups and individuals. In concert with FEMA and other parts of DHS, CEG will utilize the National Response Framework and deliver multiple table top exercises during the time of the presidential election campaign, inauguration, and subsequent appointments of Senate-confirmed positions. With these exercises, participants will not only practice their roles but also build relationships and camaraderie with other key decision makers in a variety of emergency scenarios. This effort will strengthen DHS employees' knowledge of national security protocols and interfaces with other departments as well as state, local, and tribal governments to ensure we are prepared should a crisis arise. We are also working closely with the Homeland Security Council at the White House to ensure other departments with homeland security roles are integrated with our transition efforts.

4. **BEST PRACTICES** – We are learning about other approaches to administration transition from Federal, state and local governments as well as the private sector by leveraging the expertise of the Homeland Security Advisory Council (HSAC). In January 2008, the HSAC Administration Transition Task Force (HSAC-ATTF) delivered a report that identifies transition best practices. The recommendations in this report will help the Department develop transition guidance to address the operational challenges during leadership change. Such operational challenges can include ensuring proper succession of career personnel to serve in an acting capacity for departing appointees, organizing table top exercises for

incoming appointees, creating a cadre of individuals to focus on transition and ensuring proper out-processing of departing employees.

We have already implemented many of the HSAC-ATTF report recommendations. For example, we created the Deputy Under Secretary for Management career position to ensure operational continuity during transition for a key element of the DHS management structure. We have also identified senior-level career personnel within each component to serve in an acting capacity once the appointees depart. We also implemented the recommendation to identify a cadre of individuals to serve as Senior Transition Officers within their components to help lead transition efforts. We have taken it a step further and in keeping with our desire to train future leaders of DHS, we have identified career employees at the General Schedule 14- and 15- levels, many of whom have graduated from our DHS Fellows and other DHS sponsored graduate-level educational programs, to serve as Deputies to the Senior Transition Officers.

We are also holding training conferences as well as briefings and exercises to prepare these senior level career personnel to be the decision makers should they be called upon to manage an incident in the absence of senior leadership. In February 2008, DHS hosted a two and a half day conference that brought together the Department's top leadership from all components including field-based employees. The attendees consisted of career and non-career employees who participated in a FEMA exercise and received briefings on the Department's major initiatives. These briefings focused on execution of policies in the field. In May, the Department will host another three day event for senior career employees from all of the components at the Federal Law Enforcement Training Center in Georgia. This training will engage senior career employees in a series of briefing scenarios and FEMA exercises to

reinforce integrated operational preparedness and execution throughout the Department. Additionally, beginning this summer and continuing through inauguration, we will be holding more incident response table top exercises that will ensure senior career and incoming appointees have the ability to put into practice the guidance of the National Response Framework, the National Infrastructure Protection Plan and National Incident Management System.

5. ADMINISTRATIVE TRANSITION GUIDANCE- The Senior and Deputy Transition Officers that have been identified are working closely with the USM's core transition team to evaluate internal processes and develop briefing materials. It is particularly important to evaluate our internal processes to ensure effectiveness during the anticipated surge of incoming and exiting staff. The internal processes initiative will involve reviewing Directives, strengthening records management and ensuring for incoming staff, that both new appointees and career employees are equipped with the tools they need and the information and relationships required to be effective in their jobs. We will also be developing briefing materials to convey to career executives and incoming appointees the requisite information and knowledge to maintain operations. For exiting staff we will ensure proper briefings.

6. PROCESSES- In addition to focusing on internal administrative processes of what we call the "nuts and bolts", we are also focusing on management processes that include the budget, our major investments and the role of the Operations, Planning and Coordination Component. In planning the Fiscal Year 2009 budget we instituted a recommendation by the Homeland Security Advisory Council-Cultural Task Force (HSAC-CTF) and commenced a Department wide process of engaging the Components in their strategies, investments and financial objectives. For Fiscal Year 2010 we took it a step further and involved a heavy concentration of

career civil servants in the budget process to ensure it continues seamlessly during transition. To continue with the HSAC-CTF recommendation of providing a cohesive, integrated and operationally efficient means of protecting the homeland, we are enhancing our operational planning and coordination efforts across the Department.

7. PROGRAMS. The past two years we have spent considerable effort to make sure our major programs are properly structured and resourced to be successful. In August 2007, we formalized our oversight efforts and support for acquisition programs by establishing the Acquisition Program Management Division (APMD) within the Office of the Chief Procurement Officer. To date, APMD has performed Quick Look assessments of 37 Level 1 programs and has overseen Deep Dive reviews of the SBI-net and Advance Spectroscopic Portal programs. APMD has provided advice and guidance to a number of programs, particularly in the area of cost benefit analysis. We are ensuring that the requirements are clear, cost estimates are valid, technology risks are properly assessed, schedules are realistic, contract vehicles are proper, and the efforts are well managed.

We have restructured the Deepwater and Secure Border Initiative efforts. The Transportation Worker Identification Credential Program, a tamper-resistant credential that contains biometric information about the holder which renders the card useless to anyone other than the rightful owner was restructured and is being successfully executed. Each transportation facility will be able to verify the identity of a worker and help prevent unauthorized individuals from accessing secure areas. We have also implemented the first phase of the Western Hemisphere Travel Initiative, a 9/11 Commission recommendation, which requires all travelers, U.S. citizens and foreign nationals alike, to present a passport or other secure document to denote identity and citizenship when entering the United States. Another 9/11 Commission recommendation to improve our system

for issuing identification documents that we are implementing is REAL ID. This initiative will improve the integrity and security of state-issued driver's licenses and identification cards, which in turn will help fight terrorism and reduce fraud. Within USCIS we are about to initiate a major transformation that will enhance national security, improve customer service, and increase efficiency. And DHS's Office of Intelligence and Analysis is developing a transformation plan to integrate the Department's intelligence functions and capabilities in accordance with the 9/11 Act.

Our goal is ensure the programs we are implementing are on track for the next administration.

In summary, we have a comprehensive transition plan in place to ensure that we are prepared for not only the 2009 administration change but also an incident. In addition, the response we have received from our briefings on our transition efforts to this committee, the U.S. Government Accountability Office, and the Office of Management and Budget, has been extremely positive where our plan has been touted as a best practice for other departments to follow.

Thank you for support and this opportunity to be here today. I would be pleased to respond to any questions that you may have.