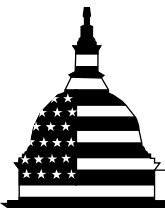


February 2012

DHS HUMAN CAPITAL

Senior Leadership Vacancy Rates Generally Declined, but Components' Rates Varied

Revised February 22, 2012, to remove the header "What GAO Recommends" that was inadvertently inserted on the highlights page.

**G A O**

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Why GAO Did This Study

Since its creation, the Department of Homeland Security (DHS) has faced scrutiny from Congress and others concerning DHS's ability to hire and retain senior executives. GAO was requested to review senior leadership vacancies at DHS, including efforts to address vacancies. This report addresses: (1) vacancy rates in DHS senior leadership positions from fiscal years 2006 through 2011 and how these rates compared with other federal agencies; (2) attrition in DHS senior leadership positions, how attrition compares with other federal agencies, and actions DHS has taken to identify causes of senior leadership attrition; and (3) programs to help address senior-leadership hiring and recruitment.

GAO calculated vacancy and attrition rates using Office of Personnel Management (OPM) data. GAO also used National Finance Center (NFC) payroll data obtained from DHS in vacancy rate calculations. There is no generally agreed upon standard for vacancy rates. However, to provide perspective, using OPM data, GAO calculated vacancy rates for other agencies subject to the Chief Financial Officers (CFO) Act of 1990 and compared them with DHS. GAO found the OPM and NFC data sufficiently reliable to calculate vacancy and attrition rates. To determine actions taken to identify attrition causes and efforts to enhance recruitment and retention, GAO reviewed agency documents, interviewed DHS human capital officials, and considered human capital practices GAO has previously recommended.

View [GAO-12-264](#). For more information, contact David C. Maurer at (202) 512-9627 or maurerd@gao.gov.

February 2012

DHS HUMAN CAPITAL

Senior Leadership Vacancy Rates Generally Declined, but Components' Rates Varied

What GAO Found

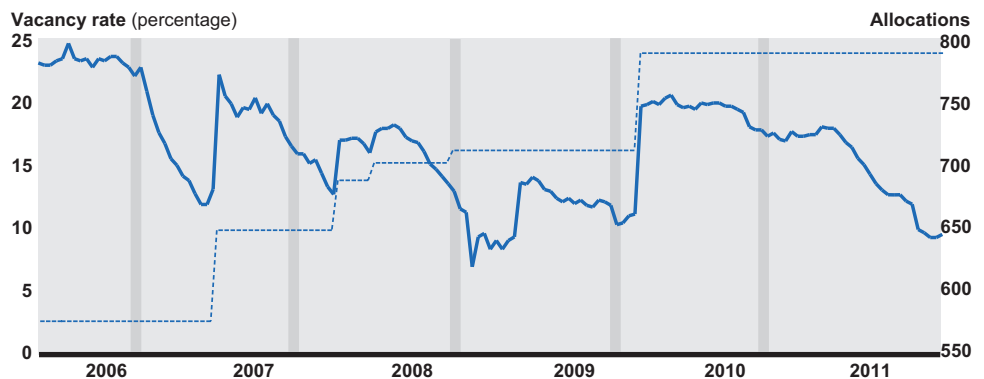
The Department of Homeland Security's (DHS) senior leadership vacancy rates, while reaching a peak of 25 percent in 2006, have generally declined since that time—from 25 percent in fiscal year 2006 to 10 percent at the end of fiscal year 2011. From fiscal years 2006 through 2010—the most recent year for which governmentwide vacancy and attrition data were available—DHS vacancy rates in 2006, 2007, and 2010 were statistically higher than the average of other agencies subject to the Chief Financial Officers (CFO) Act but were not statistically different in 2008 and 2009. DHS's components—such as the Transportation Security Administration and U.S. Immigration and Customs Enforcement—vacancy rates varied. Many had vacancy rates above 20 percent—one as high as 57 percent—in fiscal year 2006, but generally had lower rates at the end of fiscal year 2011.

At the end of fiscal year 2010, DHS's senior leadership attrition rate was 11.4 percent. For fiscal years 2006 through 2010, the most frequent separation types were retirements and resignations. DHS's attrition rates were statistically higher than the average of other CFO agencies in 2006, 2007, and 2009 but not statistically different in 2008 and 2010. In January 2010, DHS deployed an exit survey to be sent to all separating employees. DHS analyzed survey responses from 17 self-identified senior executives. The top three survey choices selected regarding reasons for leaving were 1) supervisor/management, 2) personal or family-related reasons, and 3) salary/pay.

DHS officials implemented two programs to enhance senior leadership hiring and recruitment. In fiscal year 2010, DHS implemented a simplified pilot hiring process aiming to attract additional qualified applicants. According to DHS officials, the pilot was successful, and they now plan to use the method for all Senior Executive Service hiring. DHS also implemented a centralized candidate-development program aimed at providing a consistent approach to leadership training.

GAO provided a draft of this report to DHS. DHS reiterated the actions it is taking to enhance senior leadership recruitment and hiring.

DHS Senior Executive Service Vacancies Fiscal Years 2006 through 2011



On-board data for October-December 2005 were not available. Fiscal year 2006 vacancy calculation is for January-September 2006.

Fiscal year (biweekly pay periods)

--- Allocations of SES positions to DHS.

— Vacancy rate by pay period.

Sources: GAO analysis of NFC and OPM data.

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Abbreviations

CDP	Candidate Development Program
CFO	Chief Financial Officer
CBP	United States Customs & Border Protection
CPDF	Central Personnel Data File
DHS	Department of Homeland Security
ESCS	Executive and Schedule C System
ECQ	Executive Core Qualifications
FEMA	Federal Emergency Management Agency
NFC	National Finance Center
OCHCO	Office of the Chief Human Capital Officer
OMB	Office of Management and Budget
OPM	Office of Personnel Management
SES	Senior Executive Service
SL	Senior Level
ST	Scientific/Professional
TSA	Transportation Security Administration
TSES	Transportation Security Executive Service
USCG	United States Coast Guard
USCIS	United States Citizenship & Immigration Services
USSS	United States Secret Service

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United States Government Accountability Office
Washington, DC 20548

February 10, 2012

The Honorable Joseph I. Lieberman
Chairman
The Honorable Susan M. Collins
Ranking Member
Committee on Homeland Security and Governmental Affairs
United States Senate

The Honorable Daniel K. Akaka
Chairman
Subcommittee on Government Management Oversight, the Federal
Workforce, and the District of Columbia
Committee on Homeland Security and Governmental Affairs
United State Senate

Since its creation, the Department of Homeland Security (DHS) has faced scrutiny from Congress and others concerning DHS's ability to hire and retain senior executives. July 2007 and June 2008 reports from the majority staff of the House Committee on Homeland Security and the National Academy of Public Administration, respectively, each raised concerns about the number of vacant senior leadership positions at DHS.¹ DHS has acknowledged, in its human capital strategic plan, facing challenges in recruiting and hiring qualified individuals to fill vacancies at the senior executive level. As we reported in June 2007, high-performing organizations understand that they need senior leaders who are accountable for results, drive continuous improvement, and stimulate and support efforts to integrate human capital approaches with organizational goals and related transformation.² Moreover, as we reported in April

¹Committee on Homeland Security (Majority Staff) Report: *Critical Leadership Vacancies Impede United States Department of Homeland Security* (Washington, D.C.: July 2007) and National Association of Public Administration: *Addressing the 2009 Presidential Transition at the Department of Homeland Security* (Washington, D.C.: June 2008)

²GAO, *Human Capital: Bonuses to Senior Executives at the Department of Veterans Affairs*, [GAO-07-985T](#) (Washington, D.C.: June 12, 2007).

2008, extensive loss of experienced workers can lead to critical gaps in an agency's leadership, skills, and institutional knowledge.³

In 2003, we designated implementing and transforming DHS as high risk because DHS had to transform 22 agencies—several with major management challenges—into one department, and failure to effectively address DHS's management and mission risks could have serious consequences for U.S. national and economic security. Human capital was among the challenges for implementing and transforming DHS that we identified.⁴ In our most recent update of the high risk work, we noted that in December 2010, DHS issued its *Workforce Strategy for Fiscal Years 2011–2016*, which contains the department's workforce goals, objectives, and performance measures for human capital management. We identified implementing this strategy and linking workforce-planning efforts to strategic and program-specific planning efforts to identify current and future human-capital needs as one of the key outcomes that are critical to addressing DHS's implementation and transformation challenges.⁵

DHS relies on four types of senior leadership positions to operate and oversee nearly every activity in the department: (1) Presidential appointments (with or without Senate confirmation); (2) Senior Executive Service (SES) personnel who carry out managerial, supervisory, and policy advisory responsibilities;⁶ (3) Senior Level (SL) personnel who provide expertise in complex areas that generally do not have a managerial focus, and (4) Scientific/Professional (ST) personnel who are specialized professionals who generally have fundamental research and development responsibilities. The senior leadership vacancies and attrition examined in this report do not include Presidential appointments (with or without Senate confirmation).

³GAO, *Older Workers: Federal Agencies Face Challenges but Have Opportunities to Hire and Retain Experienced Employees*, [GAO-08-630T](#) (Washington, D.C.: Apr. 30, 2008).

⁴GAO, *High-Risk Series: An Update*, [GAO-03-119](#) (Washington, D.C.: January 2003).

⁵GAO, *High-Risk Series: An Update*, [GAO-11-278](#) (Washington, D.C.: February 2011).

⁶Discussions of SES in this report include the Transportation Security Administration's SES equivalent, the Transportation Security Executive Service.

Given the importance of senior leadership and DHS's mission to prevent terrorism, secure our borders and cyberspace, and ensure resilience to disasters, you requested that we review senior leadership vacancies at DHS, including efforts to identify their causes and address them.⁷ This report addresses the following questions:

1. What were vacancy rates in DHS senior leadership positions from fiscal years 2006 through 2011, and how do these vacancy rates compare with other federal agencies?
2. What were the attrition rates in DHS senior leadership positions from fiscal years 2006 through 2010, how do these rates compare with other federal agencies, and what actions has DHS taken to identify causes of senior leadership attrition?
3. What programs has DHS implemented to enhance senior leadership hiring and recruitment?

DHS officials reported that a number of different factors or events have influenced the department's vacancy rates at various points in time and for variable durations—including OPM's authorization of additional senior level allocations, department and component reorganizations, and political transitions. When vacancy rates fluctuate, single data points may not provide a representative picture of vacancy conditions. Therefore, we calculated trends based on vacancy rates derived at multiple points in time from fiscal years 2006 through 2011.

We analyzed DHS senior leadership vacancy and attrition information for the entire DHS organization. We also separately analyzed information for the following DHS components: United States Customs & Border Protection (CBP), United States Citizenship & Immigration Services (USCIS), United States Immigration & Customs Enforcement (ICE), Federal Emergency Management Agency (FEMA), the Transportation Security Administration (TSA), United States Secret Service (USSS), and the United States Coast Guard (USCG). We did not separately analyze vacancy information for USCG because of the relatively low number of USCG senior leadership positions.

⁷For the purposes of this report, senior leadership vacancies include any unfilled senior leadership positions at DHS established pursuant to allocations by (or in the case of the Transportation Security Administration, pursuant to an agreement with OPM. See, e.g., 5 C.F.R. § 330.101(b).

Our analysis of vacancy rates at DHS and its components focused on SES—including Transportation Security Executive Service (TSES)—positions because DHS components had few SL and ST positions during the review period.⁸ To determine SES vacancy rates from fiscal years 2006 through 2011, we analyzed departmental and component information on senior level allocations and on-board data by pay period. We used information on allocations contained in the letters sent from the Office of Personnel Management (OPM) to DHS’s Office of the Chief Human Capital Officer (OCHCO) informing DHS of the number of positions allocated.⁹ DHS’s Human Capital Business Systems Office provided on-board data by pay period, using the National Finance Center (NFC) payroll and personnel database that has been adopted by multiple government agencies.¹⁰ We calculated vacancy rates for each pay period by subtracting the number of staff on board from the current allocation to obtain a vacancy count and dividing that vacancy count by the allocation.

To determine how DHS’s SES vacancy rates compare with other federal agencies, we obtained the number of on-board and allocated SES positions for agencies across the federal government subject to the Chief Financial Officers (CFO) Act of 1990 from OPM’s Central Personnel Data File (CPDF) and Executive and Schedule C System (ESCS),

⁸Most DHS components were not allocated SL or ST positions during the 2006 through 2011 review period. Specifically, only CBP received ST allocations during this time frame. Less than half the components received SL allocations—never exceeding a total of three positions. As of the end of fiscal year 2011, DHS had a total of 65 SL and ST allocations, 60 of which were spread among DHS headquarters offices. The Office of the Undersecretary for Science and Technology is the only office to have received more than eight SL and ST allocations.

⁹DHS-provided data on OPM allocations were not computer processed. OPM informs federal departments of their allocations via written letter. DHS provided us with copies of the OPM letters it received during the time frame of our review.

¹⁰On-board data for October through December 2005 were not available because recoding and reorganization that took place in 2005 may have led to data reliability concerns. Our fiscal year 2006 vacancy calculation is for January through September 2006.

respectively.¹¹ We calculated the respective end of fiscal year vacancy rates for DHS and for other CFO Act agencies and applied a t-test—a standard statistical test to determine whether the differences in this type of data are significant—to determine whether there is a statistical difference between DHS and other CFO Act agency vacancy rates.

Our analysis of senior leadership attrition at DHS includes positions in the SES (including TSES), ST, and SL categories. To determine attrition rates at DHS and other CFO agencies from fiscal years 2006 through 2010, we analyzed data from OPM's CDPF for information on separations by type, such as through resignation, transfers, retirement, termination, and expiration of a term appointment. We calculated the average number of executives on board by averaging (1) the number of senior executive staff in the CPDF as of the last pay period of the fiscal year prior to the fiscal year for which the attrition rate was calculated and (2) the number of senior executive staff in CPDF as of the last pay period of the fiscal year in which the attrition occurred. We calculated attrition rates by dividing the number of separations in a fiscal year by the average number of executives on board.

To determine the actions DHS has taken to identify the causes of senior level attrition and the efforts DHS has undertaken to enhance senior leadership recruitment and retention, we reviewed relevant agency documents, such as DHS's Strategic Human Capital Plan and DHS's Workforce Strategy for fiscal years 2011–2016. We also interviewed officials in DHS's OCHCO and human capital officials in select DHS components. We considered the initiatives DHS has undertaken and which, if any, of our previous human capital recommendations might apply to DHS's senior leadership efforts.

To assess the reliability of the NFC database for providing on-board data for senior leadership positions, we reviewed relevant documentation and conducted interviews with knowledgeable DHS human capital agency officials to understand how DHS collects, categorizes, and tabulates the

¹¹See 31 U.S.C. § 901 (identifying 24 agencies subject to requirements of the CFO Act). As of 2009, CFO Act agencies employed 98 percent of all federal employees. OPM's Central Personnel Data File is a repository of selected human capital data for most executive branch employees, including separation data. OPM's Executive Schedule C System is a database that tracks OPM allocations of SES positions to federal agencies. Schedule C positions are excepted from the competitive service because of the confidential or policy-determining nature of the position duties.

data and the actions it takes to ensure its consistency, accuracy, and completeness. We determined the NFC on-board data provided by DHS to be sufficiently reliable for presenting the number of executives on board and calculating vacancy rates by pay period for fiscal years 2006 through 2011. To determine the reliability of data obtained from OPM's CPDF, we reviewed the data system's technical documentation, as well as our prior work in which we reported that governmentwide data from the CPDF were 97 percent or more accurate.¹² We determined that the CPDF data we use in this report are sufficiently reliable for presenting the number of executives on board as well as the number of separations at DHS, its components, and other CFO Act agencies, and for calculating vacancy and attrition rates. To determine the reliability of data obtained from OPM's ESCS, we reviewed the data system's technical documentation and conducted interviews with knowledgeable OPM officials to understand the actions OPM takes to ensure the data's consistency, accuracy, and completeness. We determined that the ESCS data we use in this report are sufficiently reliable for the purposes of calculating vacancy rates.

We conducted this performance audit from October 2010 through January 2012 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe the evidence provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

DHS Workforce

With more than 200,000 employees doing diverse jobs—for example, aviation and border security, emergency response, cybersecurity analysis, and chemical facility inspection—DHS is the third largest cabinet-level agency in the federal government. The DHS workforce is

¹²See [GAO-10-139](#) and GAO, *OPM's Central Personnel Data File: Data Appear Sufficiently Reliable to Meet Most Customer Needs*, [GAO/GGD-98-199](#) (Washington, D.C.: September 1998).

situated throughout the nation carrying out activities to support DHS's multipronged mission to: (1) prevent terrorism and enhance security; (2) secure and manage the nation's borders; (3) enforce and administer immigration laws; (5) safeguard and secure cyberspace; and (6) ensure resilience from disasters.

As of September 30, 2011, DHS had 624 SES and 164 TSES allocations, 36 ST allocations, and 29 SL allocations for a total of 853 senior leadership positions. Table 1 shows how DHS allocated these senior leadership positions among the components and headquarters offices, as of September 30, 2011.

Table 1: Senior Leadership Position Allocations, as of Sept. 30, 2011

Components	Total Positions Allocated
CBP	118
FEMA	81
ICE	82
TSA	164
USCIS	58
USCG	20
USSS	53
DHS Headquarters and Other Offices ^a	278
Total	854

Source: DHS OCHCO.

^aDHS headquarters includes the following: Office of the Secretary, Deputy Secretary, and Immediate Offices; Office of the General Counsel; Office of the Under Secretary for Intelligence and Analysis; Office of the Assistant Secretary for Policy; Office of the Operations Coordination and Planning Directorate; Office of Health Affairs/Chief Medical Officer; Office of the Under Secretary for Management; Office of the Under Secretary for Science and Technology; Office of the Under Secretary for National Protection and Programs Directorate; Domestic Nuclear Detection Office; and the Federal Law Enforcement Training Center.

How Vacancies in Senior Leadership Positions Come to Exist

Vacancies are created primarily in two circumstances. First, vacancies are created when employees separate from the organization, leaving a position unfilled. Second, vacancies are created when positions are created but not yet filled—such as when agencies receive additional allocations of senior leadership positions for which an employee has yet to be hired.

Separations: Separations are actions that end employment with an agency. Separations include expiration of limited term appointments, retirements, resignations, terminations, transfers, removals, separations

due to reduction in force, separations to enter the uniformed services, and deaths.¹³

Allocations: OPM, in consultation with the Office of Management and Budget (OMB), allocates senior leadership positions every 2 years.¹⁴ In consultation with OMB, OPM reviews requests from each department and agency and authorizes a specific number of SES positions for the 2 fiscal years covered by the requests. Within the allocation authorized by OMB, DHS may establish SES positions in accordance with OPM guidance as well as applicable law and regulation without further OPM approval. DHS allocates these positions among its components and its headquarters offices. In addition, OPM allows out-of-cycle requests for additional allocations if a pressing, unforeseen need arises. When DHS receives new allocations from OPM those positions appear as vacancies until they are filled.

DHS SES Vacancy Rates Have Generally Declined, Have Been Higher Than Other Federal Agencies at Times, and Have Varied for Specific DHS Components

¹³Agencies may use up to 3 percent of their SES allocations for limited term appointments. See 5 C.F.R. §317.601(c). A limited term appointee may not serve in that capacity in excess of 36 months. See 5 C.F.R. §§ 317.602(c), 604(b)(2).

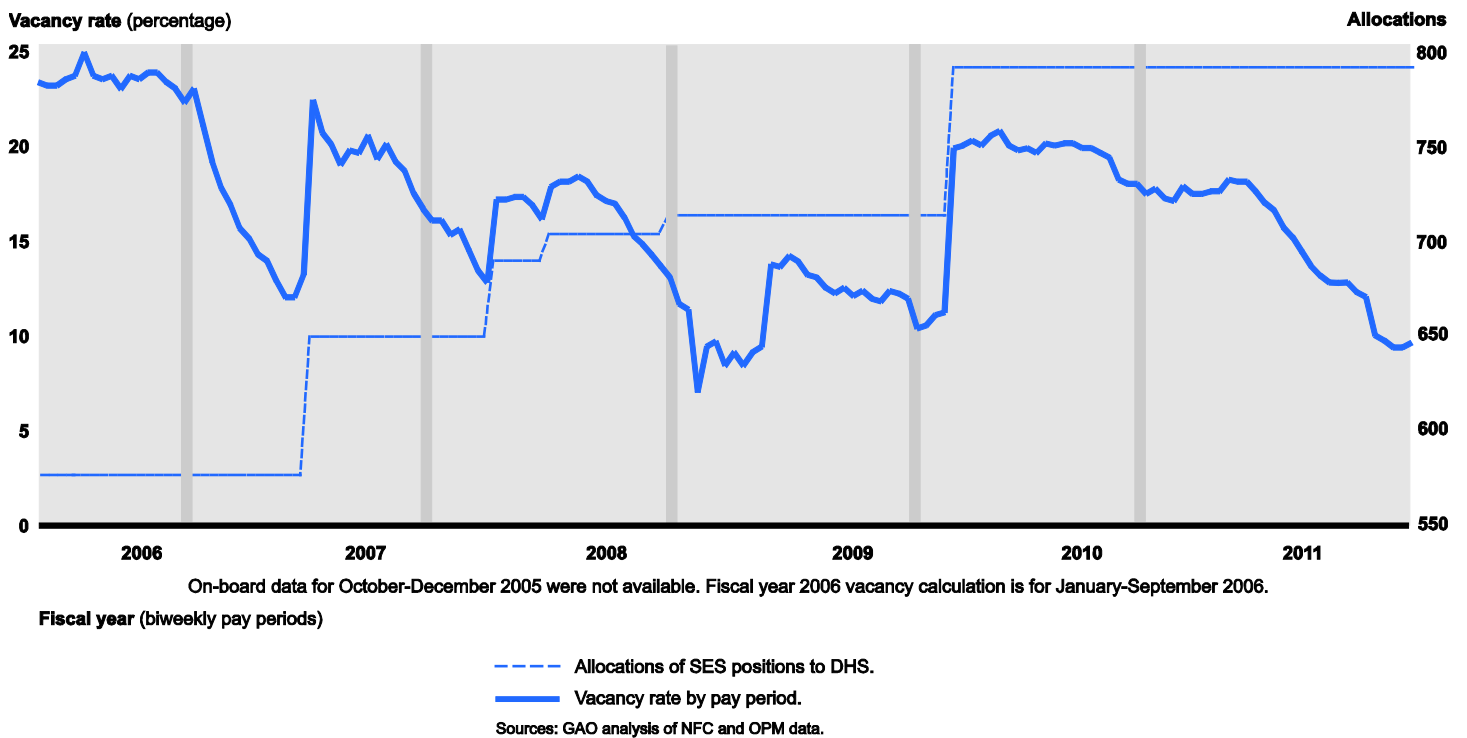
¹⁴For the purposes of this report, when we use the term allocation in connection with OPM, we are referring to an authorization by OPM for an agency to fill an established number of SES, SL, or ST positions. See 5 U.S.C. §§ 3104, 3133, and 5108. Senior leadership positions for TSA are not directly allocated by OPM, but are arranged under agreement between DHS and OPM. See, e.g., 49 U.S.C. §§ 114(n) (applying, in general, the personnel management system established by the Federal Aviation Administration—a system that, with certain exceptions, falls outside the authority of OPM and is to provide for greater flexibility in hiring, training, compensation, and location of personnel—to TSA).

DHS SES Vacancy Rates Declined through Fiscal Year 2009, Rose in 2010 as a Result of Organizational Factors, and Declined Again in 2011

DHS SES vacancy rates have been as high as 25 percent in 2006 and since that time have varied but have generally declined. As of the end of fiscal year 2011, DHS's SES (including TSES) vacancy rate was 10 percent.¹⁵ Increases in vacancy rates tended to be pronounced at times immediately following the receipt of new allocations. For example, following OPM's allocation of 90 new SES positions in October 2009, the vacancy rate rose from 11.3 percent to 20.8 percent as additional positions to be filled were granted. Following that rise in the vacancy rate it remained elevated through the remainder of fiscal 2010—between 17.1 percent and 20.2 percent. DHS officials attributed the elevation during 2010 to a series of organizational factors including, departmental position reevaluations, delays in assigning allocations among the components, and changes in recruitment and hiring processes. For example, according to DHS OCHCO officials, the 90 new SES positions DHS received in fiscal year 2010 were less than half those originally requested by a prior administration and need to be reevaluated to determine whether they were directed toward programs most critical to the new administration.

¹⁵Because of the low number of SL and ST positions allocated among the components, our vacancy rate calculations are for SES positions only.

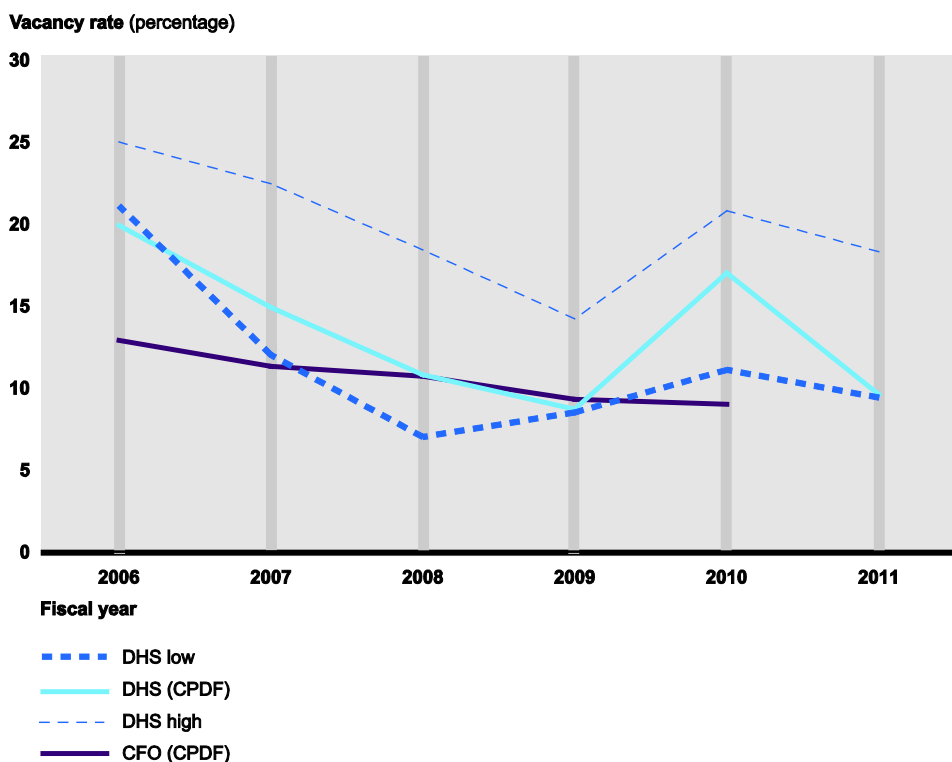
Figure 1: DHS SES Vacancy Rates, Fiscal Years 2006 through 2011



DHS Vacancy Rates Were, at Times, Statistically Higher Than Other CFO Act Agencies

Although there is no generally agreed-upon standard for acceptable vacancy rates, to provide perspective, we compared DHS's rates to other CFO Act agencies. From fiscal years 2006 through 2010—the most recent year for which federalwide vacancy-rate data were available—DHS vacancy rates were at times statistically higher than other CFO Act agencies. Figure 2 shows the CFO vacancy rate at the end of each fiscal year in our review period, relative to the DHS vacancy rate at the same point in time and the highest and lowest DHS vacancy rates during each fiscal year. For example, in fiscal year 2010, the DHS vacancy rate at the end of the year was 17 percent and ranged from a low of 8.4 percent to a high of 20.7 percent during the course of the year. This compares to an average vacancy rate across other CFO agencies of 9.0 percent at the end of fiscal year 2010.

Figure 2: DHS and Average of Other CFO Act Agency SES Vacancy Rates for Fiscal Years 2006 through 2011



Fiscal years 2006 through 2010 for DHS and CFO agencies represent CPDF data as of September 30, 2011. CPDF data were not available to calculate the CFO average for fiscal year 2011. DHS fiscal year 2011 represents NFC data from the final pay period of fiscal year 2011 and the fiscal year 2011 pay periods in which the highest and lowest DHS vacancy rates occurred.

Sources: CPDF and NFC data; GAO analysis.

Note: Department of Justice's practices when reporting on-board data to OPM or inclusion in the CPDF did not allow for us to accurately calculate its vacancy rate. From fiscal years 2006 through 2010, Department of Justice vacancy rates calculated using CPDF data resulted in negative vacancy rates (ranging from -34.1 percent to -54.1 percent). Department of Justice officials explained that the United States Attorney General was provided separate authority to establish a personnel system for senior personnel within the Federal Bureau of Investigation and the Drug Enforcement Administration. See 5 U.S.C. § 3151. On-board data for these Justice components were included in the data reported to OPM, resulting in an on-board number that was not proportionate to the OPM allocation data we used in our calculation. Therefore, we excluded the department from the CFO Act agency comparisons.

We performed tests of statistical significance, which demonstrated whether there was a statistical difference in vacancy rates between DHS and the average for other CFO Act agencies and determined that the DHS vacancy rate was statistically higher than the CFO average rate in fiscal years 2006, 2007, and 2010. DHS's rate was not statistically

different than the average of other CFO Act agencies in fiscal years 2008 and 2009. Table 2 shows DHS's vacancy rates relative to other CFO Act agencies, including the direction of statistical difference, for each of these fiscal years. Of note is that the number of newly allocated SES positions at DHS, particularly in 2007 and 2010, relative to most other CFO Act agencies is substantially higher. We could not compare DHS's vacancy rate at the end of fiscal year 2011 with other CFO Act agencies because comparable data from these agencies were not yet available.

Table 2: DHS and Other CFO Act Agencies' SES Vacancy Rates, as of September 30, 2010 (in percentages)

Fiscal Year	Rate	Total Allocated	Rate	Total Allocated	Rate	Total Allocated	Rate	Total Allocated	Rate	Total Allocated
	2006		2007		2008		2009		2010	
Department of Agriculture	10.4	402	9.0	402	15.4	408	13.0	399	8.8	399
Department of Commerce	6.9	378	4.5	378	1.3	378	0.0 ^a	370	0.3	373
Department of Defense	10.9	1378	8.8	1378	8.8	1401	9.2	1397	5.6	1423
Department of Education	2.2	90	5.6	90	0.0	90	4.8	83	8.1	86
Department of Energy	3.2	471	1.5	471	0.0a	471	0.4	470	5.4	480
Department of Health and Human Services	25.0	529	22.1	529	19.1	529	19.6	514	12.1	514
Department of Homeland Security	19.9	573	14.9	646	10.8	710	8.7	698	17.0	788
Department of Housing and Urban Development	13.8	116	10.3	116	7.8	116	6.6	106	0.0 ^a	111
Department of the Interior	6.1	280	8.9	280	6.8	280	1.9	270	2.2	273
Department of Labor	28.5	193	21.8	193	18.1	199	14.7	191	22.9	201
Department of State	17.7	192	18.8	192	15.9	195	22.5	191	12.4	194
Department of Transportation	17.5	251	12.4	251	12.7	251	11.8	238	11.9	244
Department of the Treasury	9.7	454	8.1	454	9.1	484	1.5	473	7.2	502
Department of Veterans Affairs	25.6	320	24.4	320	27.9	337	24.5	335	30.8	406

Fiscal Year	Rate	Total Allocated	Rate	Total Allocated	Rate	Total Allocated	Rate	Total Allocated	Rate	Total Allocated
	2006		2007		2008		2009		2010	
Environmental Protection Agency	7.9	305	7.2	305	9.4	309	12.3	300	7.9	303
General Services Administration	21.9	114	14.9	114	16.2	117	17.1	111	11.7	111
National Aeronautics and Space Administration	11.0	480	8.1	480	5.4	480	6.9	475	7.4	475
National Science Foundation	19.6	107	16.8	107	19.6	107	13.6	103	17.5	103
Nuclear Regulatory Commission	6.2	162	12.6	167	11.6	172	4.1	169	5.3	170
Office of Personnel Management	17.7	62	17.7	62	15.6	64	5.2	58	13.4	67
Small Business Administration	22.0	59	16.9	59	11.9	59	0.0a	54	1.9	54
Social Security Administration	3.7	161	10.6	161	13.8	174	9.1	164	8.3	169
US Agency for International Development	55.0	40	45.0	40	42.5	40	6.3	32	3.1	32
CFO average/total (excluding DHS and Justice) ^b	12.9	6544	11.3	6549	10.7	6661	9.3	6503	9.0	6690
DHS Significance Direction	Higher		Higher		Not Significant		Not Significant		Higher	

Source: GAO Analysis of CPDF data.

^aOPM may authorize an agency, in certain circumstances and upon request, a temporary SES position that would increase the number of SES at an agency beyond its allocation. In these circumstances, an agency's vacancy rate would be calculated as a negative number, but they are set to 0 for this table, to acknowledge that such overages are not permanent.

^bDepartment of Justice's practices when reporting on-board data to OPM or inclusion in the CPDF did not allow for us to accurately calculate its vacancy rate. From fiscal years 2006 through 2010, Department of Justice vacancy rates calculated using CPDF data resulted in negative vacancy rates (ranging from -34.1 percent to -54.1 percent). Department of Justice officials explained that the United States Attorney General was provided separate authority to establish a personnel system for senior personnel within the Federal Bureau of Investigation and the Drug Enforcement Administration. See 5 U.S.C. § 3151. On-board data for these Justice components were included in the data reported to OPM, resulting in an on-board number that was not proportionate to the OPM allocation data we used in our calculation. Therefore, we excluded the department from the CFO Act agency comparisons.

DHS Components' Vacancy Rates Varied Widely from Fiscal Years 2006 through 2011, but Have Largely Declined Since 2006

Vacancy rates for DHS components varied widely during fiscal years 2006 through 2011. Component officials reported a number of different factors that may have contributed to component SES vacancy rates during that time period, including increases in allocations, events like Presidential transitions, and organizational factors such as reorganizations. Overall, component vacancy rates declined between 2006 and 2011. USCIS, CBP, ICE, and FEMA all had lower vacancy rates in September 2011 than they had in the first pay period of 2006. Only TSA's rate was higher in 2011 than 2006. USSS's 2006 and 2011 rates were similar, and USSS's rate never exceeded 20 percent.

Table 3 shows component vacancy rates and on-board counts at the beginning and end of fiscal year 2011. For more information about component vacancy rates, see appendix I. With the exception of TSA, all components experienced declining vacancy rates in 2011 and except FEMA all had rates lower than 20 percent at the end of fiscal year 2011.

Table 3: DHS Component SES On-Board Numbers and Vacancy Rates, as of the Beginning and End of Fiscal Year 2011

Component	2011 total on board		2011 vacancy rates (percentage)	
	Fiscal year 2011 Start	Fiscal year 2011 End	Fiscal year 2011 Start	Fiscal year 2011 End
CBP	98	106	15.5	8.6
FEMA	66	64	17.5	20.0
ICE	55	71	32.9	13.4
TSA	138	132	15.9	19.5
USCIS	44	51	24.1	12.1
USCG	16	19	20.0	5.0
USSS	50	51	2.0	0.0

Source: GAO Analysis of NFC and OPM Data.

Several components—CBP, FEMA, ICE, and USCIS—had vacancy rates near or higher than 20 percent in fiscal year 2006; however, most components experienced a decline in vacancy rates between fiscal year 2006 and the early part of fiscal 2007. Officials from USCIS, for example, reported that in calendar years 2006 and 2007, USCIS filled 27 positions while experiencing only 4 new vacancies. As a result, USCIS experienced a significant drop in its vacancy rates—from 56.7 percent in pay period 1 (January) of 2006 to 3.3 percent in pay period 8 (April) of 2007. In May 2007, corresponding with new allocations, most components' rates rose again. For example, USCIS's SES allocations increased from 32 to 46 in May 2007. Correspondingly, from pay period 8 to pay period 9 in 2007

(April/May), USCIS's vacancy rate rose from 3.3 percent to 37 percent. Similarly, CBP's vacancy rate rose from 2.4 to 21.2; ICE's rose from 12.8 to 32.8, and FEMA's rose from 9.8 to 27.4 due, at least in part, to increased allocations for SES positions.

Following the additional allocations in fiscal year 2007, CBP, ICE, and USCIS vacancy rates followed a similar pattern, generally declining as the newly created positions were filled then remaining relatively steady until receiving another sizable increase in allocations in July 2010. For example, USCIS received 8 new allocations in July 2010, increasing its authorized SES level from 50 to 58. As a result, USCIS's vacancy rate rose from 0 to 17.2 percent during this time.

USSS, FEMA, and TSA rates did not necessarily follow this pattern of increasing rates corresponding with new allocations followed by declining rates for various reasons. First, FEMA vacancy rates experienced an increase in early to mid fiscal year 2009 that did not correspond to new allocations. According to FEMA officials, the 2009 spike in vacancies was because of resignations associated with a changing administration. The officials noted that this increase in vacancies continued through 2009.

USSS had the lowest vacancy rates of all components considered, as well as the lowest number of total SES allocations (other than USCG, which we did not separately evaluate). Throughout the entire period, the USSS SES vacancy rates tended to be in the single digits, and separations were generally because of retirements, with only one resignation. Because USSS has relatively small numbers of SES—as of September 30, 2011, it had 51—small changes in filled positions can result in disproportionately large changes in vacancy rates. USSS's highest vacancy rates occurred from May through July 2010, when the rate increased from 10.4 percent to 19.6 percent. By July the end of 2010, USSS had filled these vacancies, and the rate had declined to 2 percent.

Finally, TSA's TSES vacancy rates were generally more stable than some of the other components, in part, because it had fewer allocations during our study period. TSES positions are not included in the OPM SES allocation that DHS allots to the other components and therefore did not occur on the same schedule. TSA received one allocation of 14 additional TSES positions during our review period, in early to mid fiscal year 2008. This increase in allocations coincided with an increase in vacancy rates from 7.3 to 15.9 percent. However, unlike other components, TSA's vacancy rate did not subsequently decline. TSA's highest vacancy rates occurred the following year, coinciding with the change in administration,

when the rate was as high as 23.2 percent. Overall, it remained near 20 percent from about April 2008 until the end of fiscal year 2011. Among the components, TSA's 164 TSES allocations are the highest number of senior leadership positions allocated.

According to TSA's Director of Executive Resources, TSES vacancies do not necessarily reflect unfilled positions that TSA has funded and has an active need to fill. Because TSA does not have an SES allocation from OPM, TSA and DHS agreed on a TSES allocation, which functions as a ceiling rather than a specific number of positions that must be filled. She explained that TSA has continued to mature as an organization and has gone through a number of organization transformations. In the course of transformations, some TSES positions have been abolished and later reallocated. For example, according to the director, during its current transformation, TSA reduced 12 Office of Security Operations regions to 6 regions and reorganized 3 TSES per regional office to 1, thereby eliminating twelve SES positions. Those positions are then reflected as available in the TSES overall ceiling, but are not necessarily immediately reallocated for staffing. Additionally, she noted that in this tenth anniversary year, TSA has experienced a wave of retirements. In some cases, TSES officials transfer from their existing TSES positions to fill positions vacated by retirees. The director stated that TSA considers its highest organizational needs when it makes these TSES selections, whether through competition or transfers of current personnel.

In October 2009, we reported on executive turnover at TSA. We found that TSA executive attrition declined from fiscal years 2005 through 2008, but better information was needed on reasons for leaving and the executive hiring process. We recommended that TSA enable TSES staff to identify their position when completing exit surveys and better document how it applies merit staffing requirements when hiring TSES staff. TSA concurred and, in March 2010, TSA updated the National Exit Survey instrument to include TSES among its preset list of position titles to allow for the collection of data specific to TSES staff taking the survey. In addition, in March 2010 TSA officials established a process to audit the

TSES staffing files on a quarterly basis to ensure the completeness and accuracy of merit documentation.¹⁶

Resignations and Retirements Were the Most Common Reasons for Separation; Attrition Rates Were Higher Than Other CFO Agencies in Some Years

Retirements and Resignations Were the Leading Types of Senior Leadership Attrition in Fiscal Years 2006 through 2010

At the end of fiscal year 2010—the most recent period for which CPDF attrition data were available—DHS’s attrition rate for all types of senior leadership (including SES, TSES, ST, and SL) separations was 11.4 percent.¹⁷ As table 4 shows, from fiscal years 2006 through 2010, the most frequent types of senior leadership separations were resignations—which were higher in the 2009 presidential transition year—and retirements, followed by transfers, and then by smaller numbers of terminations and other separations. Appendix II contains information about senior leadership attrition in the DHS components in fiscal years 2006 through 2010.

¹⁶See GAO, *Transportation Security Administration: TSA Executive Attrition Has Declined, but Better Information Is Needed on Reasons for Leaving and Executive Hiring Process*, [GAO-10-139](#) (Washington, D.C.: Oct. 2009).

¹⁷Data for fiscal year 2011 were not yet available in OPM’s CPDF at the time of this review.

Table 4: Number and Type of Separations for Senior Leadership Positions DHS-Wide, Fiscal Years 2006 through 2010

Type of separation	Fiscal Year					Total
	2006	2007	2008	2009 ^a	2010	
Resignations	45	23	28	77	18	191
Retirements	42	42	37	30	38	189
Transfers	17	15	14	12	16	74
Terminations	2	3	1	6	4	16
Other ^b	0	1	0	5	3	19
Total separations	104	84	80	130	79	479

Source: Data, CPDF; GAO Analysis.

^a2009 was a presidential transition year.

^bOther includes infrequent types of attrition, such as the death of an employee.

DHS Attrition Was, at Times, Statistically Higher Than Other CFO Act Agencies

On the basis of CPDF data from September 30, 2010, DHS's attrition rate was 11.4 percent, compared with an average rate of 10.1 percent for other CFO Act agencies. As shown in table 5, according to our tests of statistical significance, this 2010 attrition rate was generally comparable to other CFO Act agencies and also generally comparable in 2008. However, the rate was statistically higher than other CFO Act agencies during fiscal years 2006, 2007, and 2009.

Table 5: DHS Attrition Relative to Other CFO Act Agencies as of September 30, 2010 (in percentages)

Fiscal year	2006		2007		2008		2009		2010	
	Rate	Average on board	Rate	Average on board	Rate	Average on board	Rate	Average on board	Rate	Average on board ^a
Department of Agriculture	9.0	413	12.5	424	16.8	411.5	17.4	401.5	7.5	415
Department of Commerce	12.8	407.5	12.8	415	13.2	423	13.6	433.5	9.7	432
Department of Defense	13.7	1367.5	12.7	1395.5	11.3	1428	14.6	1435	9.6	1473.5
Department of Education	15.8	88.5	16.0	87.5	14.6	89	27.4	87.5	18.1	83
Department of Energy	12.5	473.5	15.0	481.5	11.9	497.5	13.3	505	11.5	496
Department of Health and Human Resources	9.2	401	13.1	419.5	12.0	433	19.2	432	8.8	442.5
Department of Homeland Security	22.1	474.5	15.8	533	12.7	629	18.7	680.5	11.4	690.5
Department of Housing and Urban Development	12.2	98.5	10.7	103	14.1	106.5	28.8	104	10.3	106.5
Department of the Interior	12.8	337	13.9	331	10.8	332	16.7	340.5	10.4	345.5

Fiscal year	Rate	Average on board	Rate	Average on board	Rate	Average on board	Rate	Average on board	Rate	Average on board ^a
	2006		2007		2008		2009		2010	
Department of Justice	9.3	720	10.9	760	10.3	8085	14.6	836.5	11.9	854
Department of Labor	8.1	160	8.2	159	12.8	172	21.3	178.5	16.0	175.5
Department of State	13.9	165	17.0	159	8.0	161.5	35.0	157	10.0	160
Department of Transportation	10.0	210.5	10.0	219.5	18.2	225	23.7	219.5	11.0	218.5
Department of the Treasury	17.5	435.5	14.6	430.5	14.5	447.5	14.3	474	13.7	490
Department of Veterans Affairs	13.8	246	12.7	243.5	9.6	250.5	14.0	257	12.3	275.5
Environmental Protection Agency	5.7	314.5	7.3	316	8.2	319	13.6	309.5	7.2	307
General Services Administration	21.3	94	20.3	93.5	13.1	99	23.7	97	8.2	97
National Aeronautics and Space Administration	13.7	526	12.2	531.5	8.5	555	7.8	574.5	6.6	576.5
National Science Foundation	8.1	86.5	9.1	87.5	9.1	87.5	4.6	87.5	12.6	87
Nuclear Regulatory Commission	8.7	149	12.1	149	14.8	149	4.5	157	6.2	161.5
Office of Personnel Management	40.0	57.5	20.8	53	9.2	54.5	12.4	56.5	8.5	59
Small Business Administration	18.6	48.5	10.5	47.5	21.8	50.5	26.2	53.5	9.3	54
Social Security Administration	4.0	149.5	14.7	149.5	10.9	147	13.4	149.5	10.5	152
United States Agency for International Development	20.0	20	14.3	21	12.8	23.5	10.7	28	6.2	32.5
CFO average/total (excluding DHS)	12.2	6969.0	12.6	7077.0	11.8	7270.5	15.4	7374.5	10.1	7494.0
DHS Significance Direction	Higher		Higher		Not Significant		Higher		Not Significant	

Data Source: CPDF; GAO Analysis.

^aWe calculated average on-board figures by averaging (1) the number of senior executive staff in the CPDF as of the last pay period of the fiscal year prior to the fiscal year for which the attrition rate was calculated and (2) the number of senior executive staff in CPDF as of the last pay period of the fiscal year in which the attrition occurred.

DHS Has Recently Implemented a New Exit Survey That Can Help Identify the Reasons DHS Senior Leaders Separate

DHS collects data on attrition and has taken preliminary steps to analyze the causes of senior leadership attrition. Our prior work on human capital and workforce planning, as well as the Standards for Internal Control in the Federal Government, indicate that identifying the causes of senior leadership attrition could support more effective human capital management. As part of a strategic workforce planning approach, we have reported that, in addition to attrition data, collecting information on why employees leave is useful. Specifically, we noted that collection and analysis of data on the reasons for attrition could help agencies minimize the lost investment in training, particularly when new employees resign.¹⁸ Similarly, according to Standards for Internal Control in the Federal Government, as part of human capital planning, management should consider, among other things, how best to retain valuable employees to ensure the continuity of needed skills and abilities.¹⁹

Consistent with the Standards for Internal Control and the practices we have advocated, DHS maintains and tracks attrition data for workforce monitoring and planning on agencywide and component-specific bases. The attrition data that DHS maintains include breakdowns by positions—such as SES, SL, and ST. In addition, in January 2010, DHS deployed its first departmentwide exit survey—the DHS National Exit Survey. When any employee voluntarily leaves DHS, they are to receive a link to the survey as part of exiting procedures. Results come directly to OCHCO and are analyzed on a quarterly basis.

DHS has designed the survey to aid in its attrition data gathering and analysis. Separating employees, including senior leadership, are able to answer a series of questions about the reasons they decided to leave the department. Although DHS's survey responses are confidential, respondents are given an opportunity to, among other things, (1) identify their pay system (i.e., the position they held, such as SES, SL, or ST), (2) the component they are leaving, and (3) the office or area in which they work. According to the OCHCO officials, all components are using the DHS Exit Survey with the exception of TSA and USSS. They stated that both TSA and USSS already had a working exit survey in place, and so

¹⁸GAO, *Homeland Security: DHS's Actions to Recruit and Retain Staff and Comply with the Vacancies Reform Act*, [GAO-07-758](#) (Washington, D.C., Jul. 16, 2007).

¹⁹GAO, *Standards for Internal Control in the Federal Government*, [GAO/AIMD-00-21.3.1](#) (Washington, D.C., November 1999).

were given an exemption from using the DHS exit survey. Both components have incorporated the DHS core questions into their pre-existing exit surveys.

According to senior human capital officials, it is their policy to refrain from analyzing survey results with fewer than 10 respondents in any category—such as the positions ST, SL, and SES—to protect the anonymity of survey respondents. Because DHS has not had the minimum number of senior leadership leaving in a given quarter, DHS has not been able to analyze the causes of senior leadership attrition on a quarterly basis. However, DHS has analyzed, in the aggregate, the senior leadership responses it has collected since it implemented the survey. That analysis demonstrated that 17 departing officials have self-identified as senior executives. The top three survey responses these senior executives selected as reasons for leaving were 1) supervisor/management, 2) personal or family-related reasons; and 3) salary/pay.

In addition, some components—CBP, USCIS, and FEMA—reported that they separately use ad-hoc approaches to analyze attrition—including senior leadership attrition—for their workforces. For example, at FEMA, the top agency leadership officials conduct exit interviews with departing senior executives to discuss various matters, including reasons for separation. OCHCO officials said that their longer-term goal is to implement standardized out processing to improve their ability to collect and analyze information about senior leadership attrition, among other things, from these surveys.

DHS Has Implemented Programs to Help Address Senior Leadership Hiring and Recruitment

We have previously reported key principles that strategic workforce planning should address, including developing strategies that address gaps and human capital conditions.²⁰ DHS OCHCO officials identified two programs designed to enhance senior leadership hiring and recruitment: (1) a resume-only hiring process—which simplifies the process for applicants by streamlining application requirements and (2) a centralized SES candidate development program.

²⁰GAO, *Human Capital: Key Principles for Effective Strategic Workforce Planning*, [GAO-04-39](#) (Washington, D.C., Dec. 11, 2003).

Resume-Only Hiring Process. We reported in October 2009 that in a highly competitive job market, having an effective hiring process can help an agency compete for talented people who have the requisite knowledge and up-to-date skills to accomplish missions and achieve goals.²¹ In line with seeking to implement effective hiring processes, in 2010, DHS implemented a resume-only hiring process on a pilot basis to fill the 90 newly allocated SES positions across DHS received as part of the OPM's biennial review. The pilot resume-only process was used for internal and external applicants. The intent of the resume-only hiring process is to attract and generate a greater number of qualified applicants for executive-level positions than the traditional hiring method, which required narrative responses to five Executive Core Qualifications (ECQs).²²

We reported in May 2008 that applicants can be dissuaded from public service by complex and lengthy application procedures.²³ Under the resume-only method, the vacancy announcement directs applicants to submit only a resume, rather than answering essay questions and other application requirements. Applicants demonstrate ECQs and any technical qualifications within the context of the resume. Components also developed, in coordination with the Diversity, Recruitment, and Veterans Outreach team in OCHCO, outreach plans to develop marketing and advertising strategies that would appeal to affinity and diversity groups for the new senior leadership positions. DHS human capital officials reported that overall, the process has resulted in highly qualified pools of candidates from which they have made selections. According to

²¹GAO, *Federal Aviation Administration: Human Capital System Incorporates Many Leading Practices, but Improving Employees' Satisfaction with Their Workplace Remains a Challenge*, [GAO-10-89](#) (Washington, D.C., Oct. 28, 2009).

²²The ECQs were developed in 1997 after extensive research on the attributes of successful executives in both the private and public sectors. They were revalidated and reissued with a few modifications in 2006. In their current form, they represent the best thinking of organizational psychologists, human resources professionals both at OPM and other agencies, and Senior Executives themselves. The ECQs are: (1) leading change, (2) leading people, (3) results driven, (4) business acumen, and (5) building coalitions.

²³GAO, *Human Capital: Transforming Federal Recruiting and Hiring Efforts*, [GAO-08-762T](#) (Washington, D.C., May 8, 2008).

the DHS Director, Executive Resources, the streamlined resume-only hiring process resulted in applicant pools doubling (in most instances) in comparison to applicant pools generated from the traditional method. As of December 2011, 84 of the 90 newly created senior leadership positions have been filled through the resume-only process.²⁴ The DHS Director, Executive Resources reported that DHS now plans to use the resume only process as its primary method of filling SES positions.

SES Candidate Development Program. We reported in June 2007 that among the tools human capital managers have at their disposal to help meet 21st century human capital needs are training and development programs.²⁵ To build its senior leadership pipeline within the department, DHS offers future senior leadership from across the department, as well as external candidates, the opportunity to compete and be selected for DHS's SES Candidate Development Program (CDP), which DHS kicked off in May 2011. According to DHS officials, the CDP is designed to provide a unified, consistent approach to leadership training throughout the department.

DHS has established performance metrics for the CDP program. These metrics include (1) OPM Qualification Review Board candidate-certification rates; (2) percent of SES CDP graduates who are placed in SES positions; (3) percent of DHS SES vacancies filled by CDP graduates; (4) diverse participants in the program; and (5) diverse selections for DHS SES positions.²⁶ DHS does not yet have data on these metrics, because the first CDP cycle is not complete. According to DHS OCHCO officials, the latest date these participants would seek OPM certification would be August 1, 2013; however, they predict that most candidates will seek OPM certification around February or March 2013.

²⁴According to DHS OCHCO, of the 6 remaining positions, 2 are in the recruitment phase and 4 are on hold pending decisions about organizational placement.

²⁵[GAO-07-758](#).

²⁶All senior executives must have their executive qualifications certified by an OPM Qualifications Review Board before being appointed as career members of the SES. See 5 C.F.R. § 317.502(a). The Qualifications Review Board review and certification is the last critical step in the SES selection process. Among other things, Qualification Review Boards will determine whether a candidate has demonstrated executive qualifications sufficient for entry into the SES.

The CDP process also provides DHS a framework with which to assess its future senior leadership workforce needs. To determine how many candidates should be selected for the CDP each year, the CDP policy requires DHS components to perform a needs assessment for senior leadership needs. The senior leadership workforce analysis consists of evaluating attrition rates over a 3-year period to determine (1) average annual attrition, (2) which executive vacancies have historically been filled internally and which externally, and (3) how many employees in the agency would be prepared to fill positions vacated by executives without further development. Each of the DHS components and offices completed the assessment for the first DHS SES CDP. Because this is the first year of the SES CDP, it is too soon to evaluate the effectiveness of the program or its workforce analysis process in helping to ensure adequate senior leadership at DHS.

In addition to the CDP, the OPM administered Federal Employee Viewpoint Survey may provide DHS human capital managers with some information about senior leadership workforce needs. One purpose of the survey is to provide managers information about employee insight on leadership, performance culture, personal work experiences, and job satisfaction. According to DHS OCHCO, in the context of senior leaders, it considers survey questions about how likely employees are to leave or retire in the coming years as predictive but not wholly reliable indicators of upcoming workforce needs. We have an ongoing review of DHS morale, for the House Homeland Security Subcommittee on Oversight, Investigations and Management, that includes examining how DHS uses the Federal Employee Viewpoint Survey to assess morale across the agency. We expect to report on our results later in 2012.

Agency Comments and Our Evaluation

We provided a draft of this report for review to DHS. We received written comments on the draft report, which are reproduced in full in appendix III. DHS reiterated the actions it is taking to enhance senior leadership recruitment and hiring. DHS also provided technical comments, which we incorporated as appropriate.

We are sending copies of this report to the Secretary of Homeland Security and interested congressional committees. The report is also available at no charge on GAO's website at <http://www.gao.gov>.

If you or your staff have any questions about this report please contact me at (202) 512-9627 or maurerd@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made major contributions to this report are listed in appendix IV.

A handwritten signature in black ink, reading "David C. Maurer". The signature is fluid and cursive, with a long horizontal stroke at the end.

David Maurer
Director, Homeland Security and Justice Issues

Appendix I: Department of Homeland Security's Components Senior Executive Service Vacancy Rates from 2006 to 2011

This appendix illustrates vacancy rates from fiscal years 2006 through 2011¹ in six of the Department of Homeland Security's (DHS) components—U.S. Citizenship and Immigration Services (USCIS), U.S. Customs and Border Protection (CBP), the Federal Emergency Management Agency (FEMA), U.S. Immigration and Customs Enforcement (ICE), the Transportation Security Administration (TSA), and the United States Secret Service (USSS). We did not separately analyze vacancy rates for the United States Coast Guard because the numbers of Senior Executive Service (SES) allocations were too low to meaningfully depict vacancy trends.

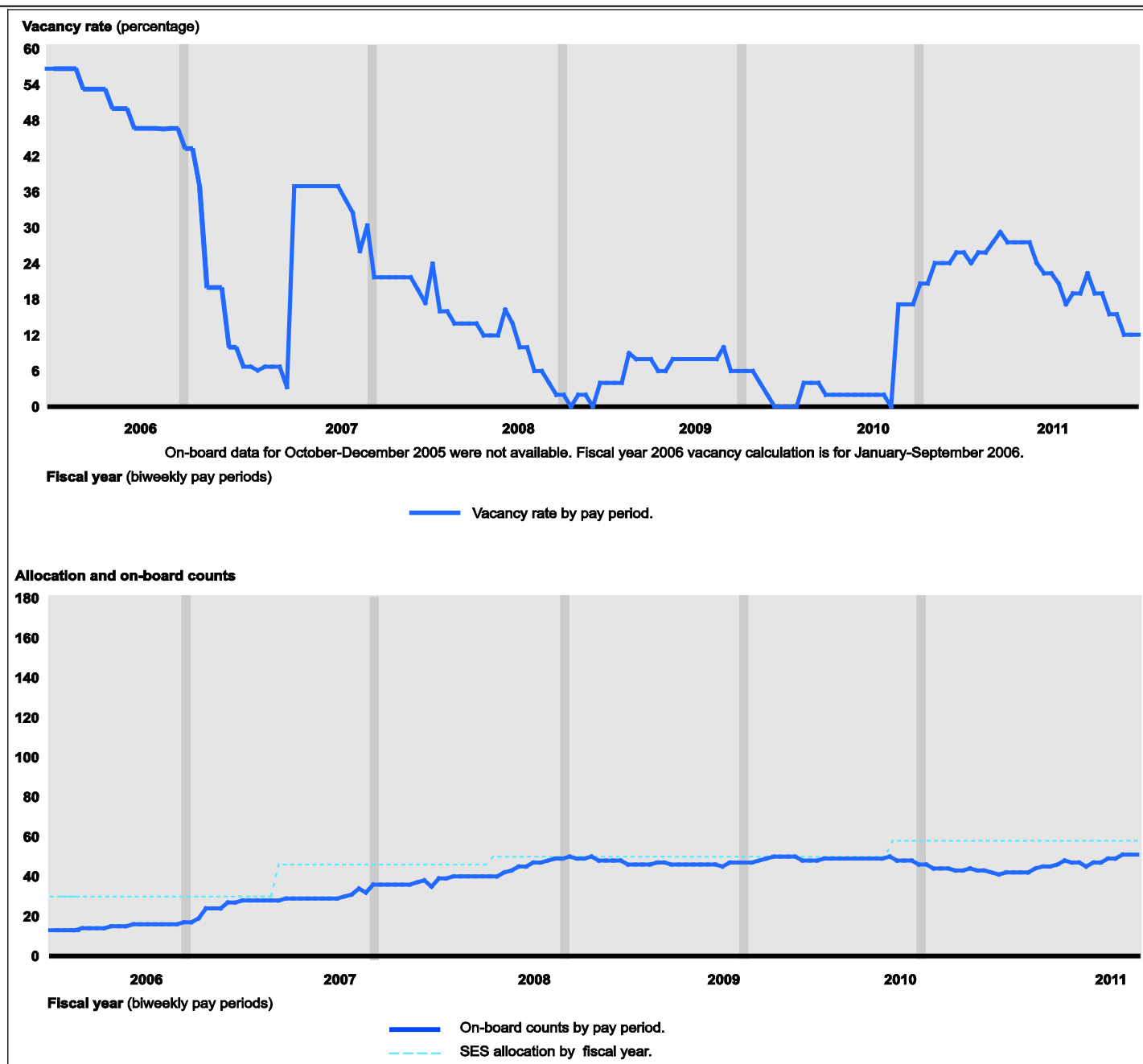
The following series of figures depict vacancy rates on the top half of each figure and corresponding numbers of positions allocated and onboard counts on the bottom half. Vacancy rates change when employees fill or separate from an allocated positions and when components receive additional allocations.

¹On-board data for October-December 2005 were not available. Our fiscal year 2006 vacancy calculation is for January-September 2006.

USCIS

As figure 3 shows, USCIS's SES vacancy rate was 56.7 percent in January 2006 and remained above 40 percent during the remainder of fiscal year 2006. In fiscal year 2007, USCIS received 16 additional allocations, increasing its vacancy rate above 30 percent for 9 consecutive pay periods (from April–September). The rate declined in the latter part of fiscal year 2008 to single-digit vacancy rates. USCIS received another allocation of 8 positions in fiscal year 2008, and the vacancy rate increased to 17.2 percent. The rate increased further with separations, reaching 24.1 percent (14 vacant positions) at the start of fiscal year 2011 and later peaking at 29.3 percent. By the end of fiscal year 2011, the rate declined to 12.1 percent (7 vacant positions).

Figure 3: USCIS SES Vacancy Rates, Fiscal Years 2006 through 2011

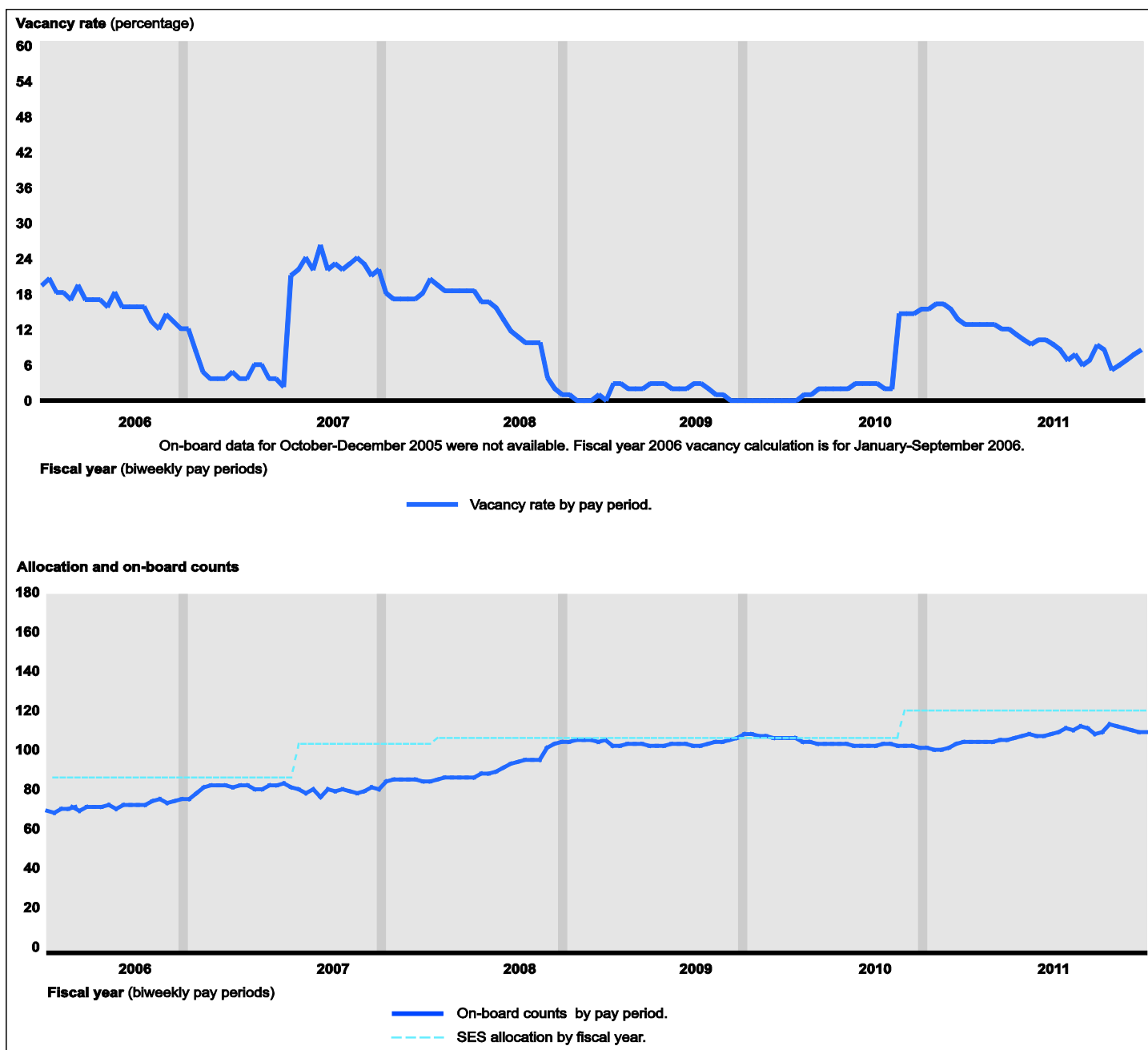


Sources: GAO analysis of NFC and OPM data.

CBP

CBP had a single continuous period—from the time it received an allocation of 17 new positions in April 2007 through October 2007—with a vacancy rate of 20 percent or more. Otherwise, CBP predominantly experienced vacancy rates in the teens or single digits during the review period. CBP started fiscal year 2011 at 15.5 percent (18 vacant positions) and closed the year at 8.6 percent (10 vacant positions).

Figure 4: CPB SES Vacancy Rates, Fiscal Years 2006 through 2011

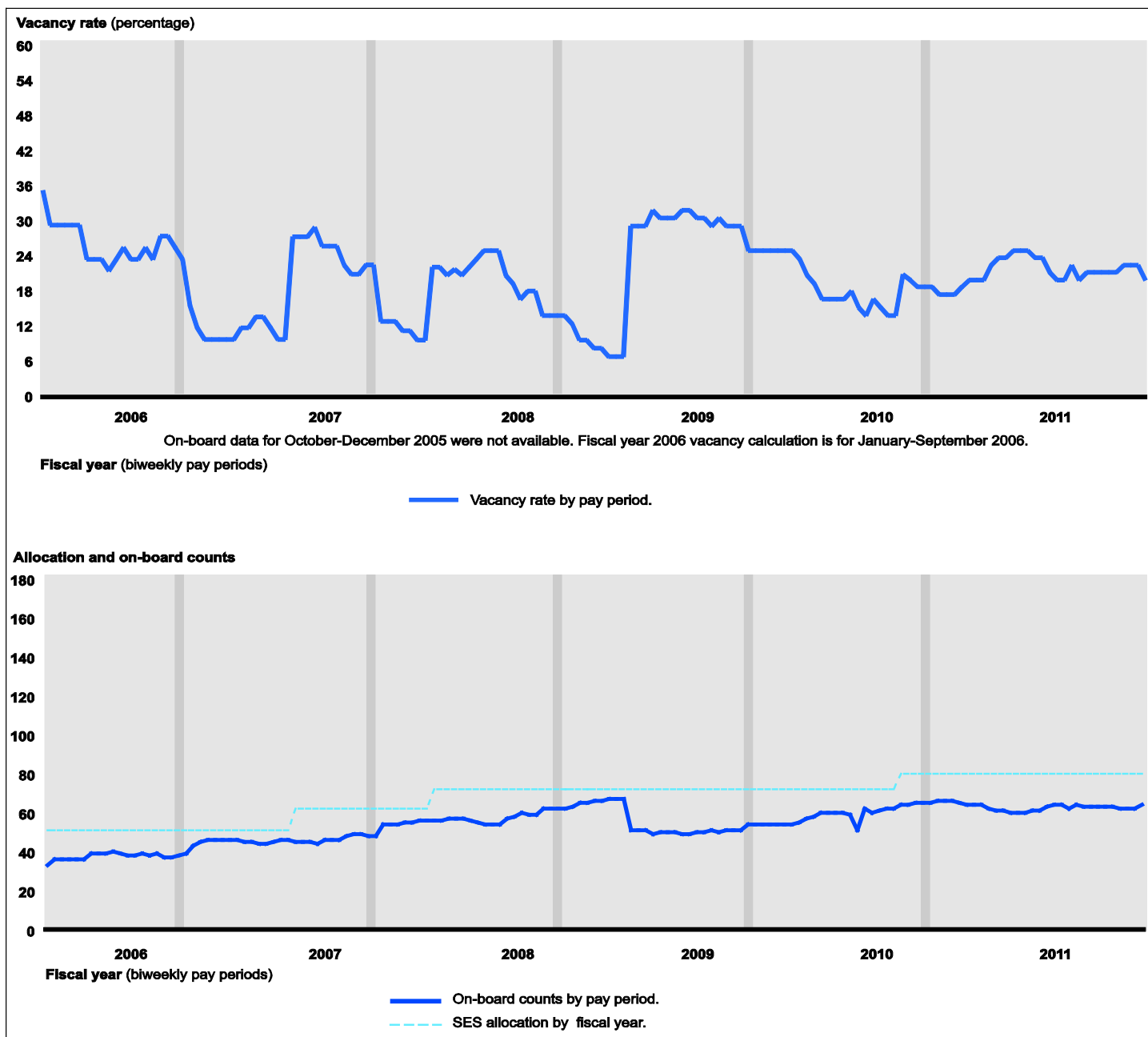


Sources: GAO analysis of NFC and OPM data.

FEMA

As figure 5 shows between 2006 and 2011, FEMA's SES vacancy rate varied. The vacancy rate was 35.3 percent in January 2006 and remained above 20 percent for the remainder of fiscal year 2006. The rate rose with allocations and then declined in both fiscal year 2007 and fiscal year 2008. From early to mid fiscal year 2008 on FEMA's rate was near 20 percent. Near the middle of fiscal year 2009, separations increased the vacancy rate from 6.9 percent (5 vacant positions) to 29.2 percent (21 vacant positions) and remained near 30 percent for 16 pay periods. The rate decreased to 13.9 percent (10 vacant positions) by late fiscal year 2010, when it increased with a new allocation. At the start of fiscal year 2011, FEMA's SES vacancy rate was 17.5 percent (14 vacant positions), and by the end of the year was 20.0 percent (16 vacant positions).

Figure 5: FEMA SES Vacancy Rates, Fiscal Years 2006 through 2011

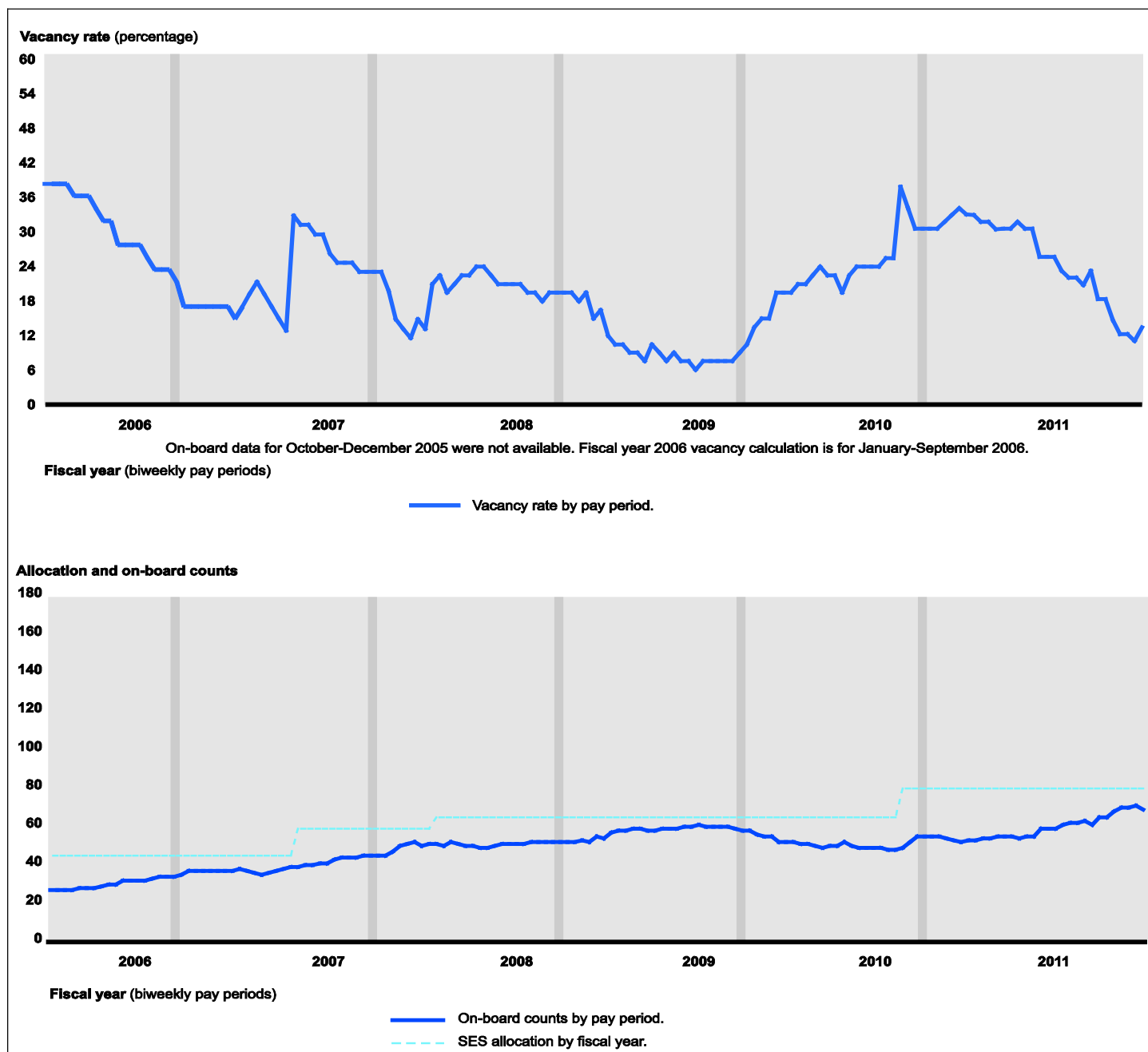


Sources: GAO analysis of NFC and OPM data.

ICE

As figure 6 shows, ICE's SES vacancy rate was 38.3 percent in January 2006 and declined until ICE received a new allocation in the middle of fiscal year 2007, at which time the rate rose above 30 percent. The rate had decreased to 7.5 percent at the beginning of fiscal year 2010, when it increased to 25.4 percent as a result of separations. It rose again to 37.8 percent with a new allocation in late fiscal year 2010. At the start of fiscal year 2011 the vacancy rate was 32.9 percent (27 vacant positions). By the end of fiscal year 2011, the ICE SES vacancy rate had declined to 13.4 percent (11 vacant positions).

Figure 6: ICE SES Vacancy Rates, Fiscal Years 2006 through 2011

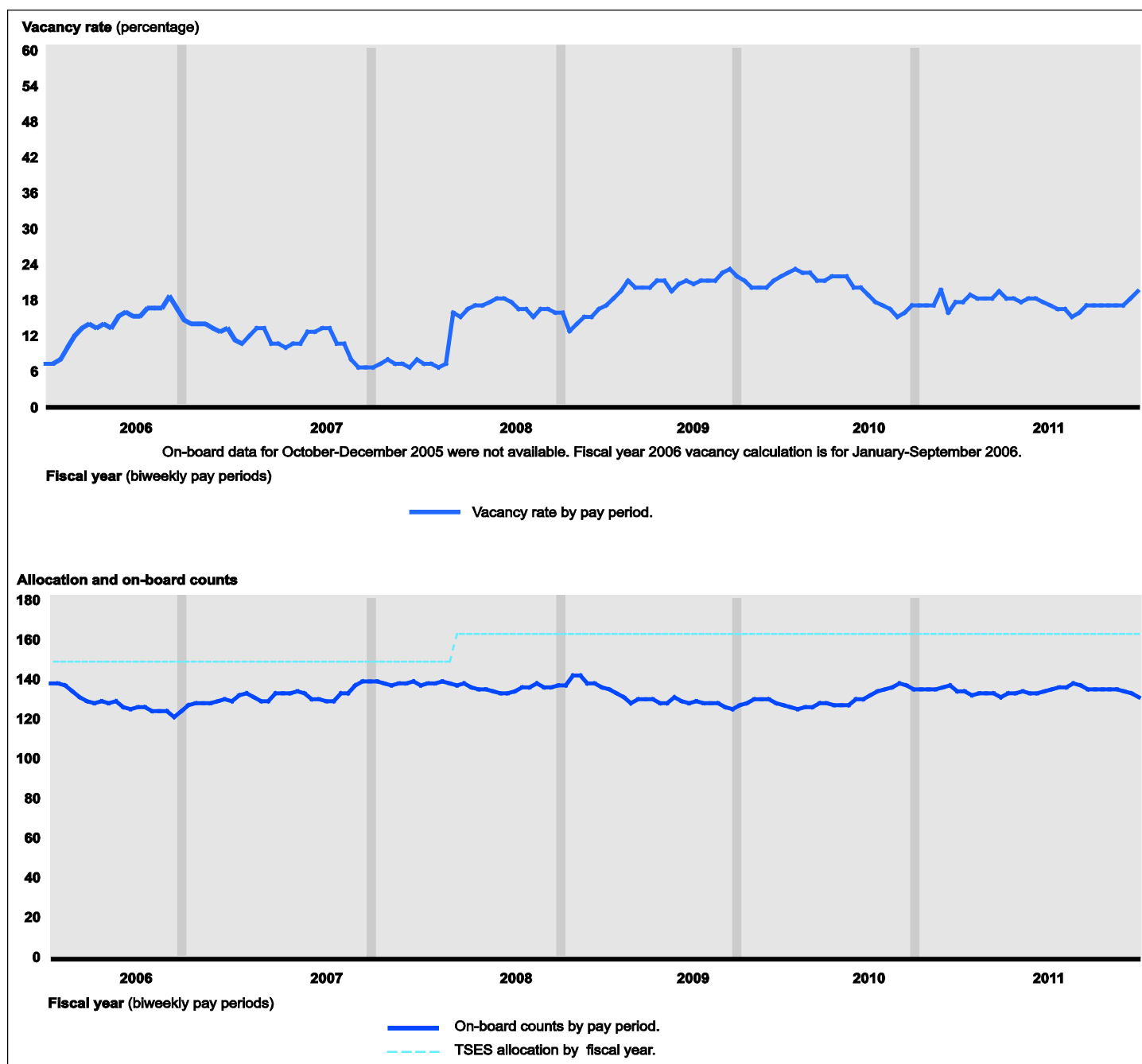


Sources: GAO analysis of NFC and OPM data.

TSA

As figure 7 shows, from fiscal years 2006 through 2011, TSA's highest vacancy period was from January 2009 through April 2010, when it had a vacancy rate of 20 percent or more. In fiscal year 2008 TSA received an increased allocation of 14 positions, at which time its vacancy rate rose from 7.3 percent (11 vacant positions) to 15.9 percent (26 vacant positions); while, subsequent separations further raised the rate to a peak of 23.2 percent (38 vacant positions) in the first half of fiscal year 2010. For the remainder of fiscal year 2010 and in fiscal year 2011, TSA's vacancy rate was in the teens. TSA started fiscal year 2011 at 15.9 percent (21 vacant positions) and closed the year at 19.5 percent (32 vacant positions). According to TSA human capital officials, TSA's total allocation functions as a ceiling rather than a specific hiring target.

Figure 7: TSA TSES Vacancy Rates, Fiscal Years 2006 through 2011

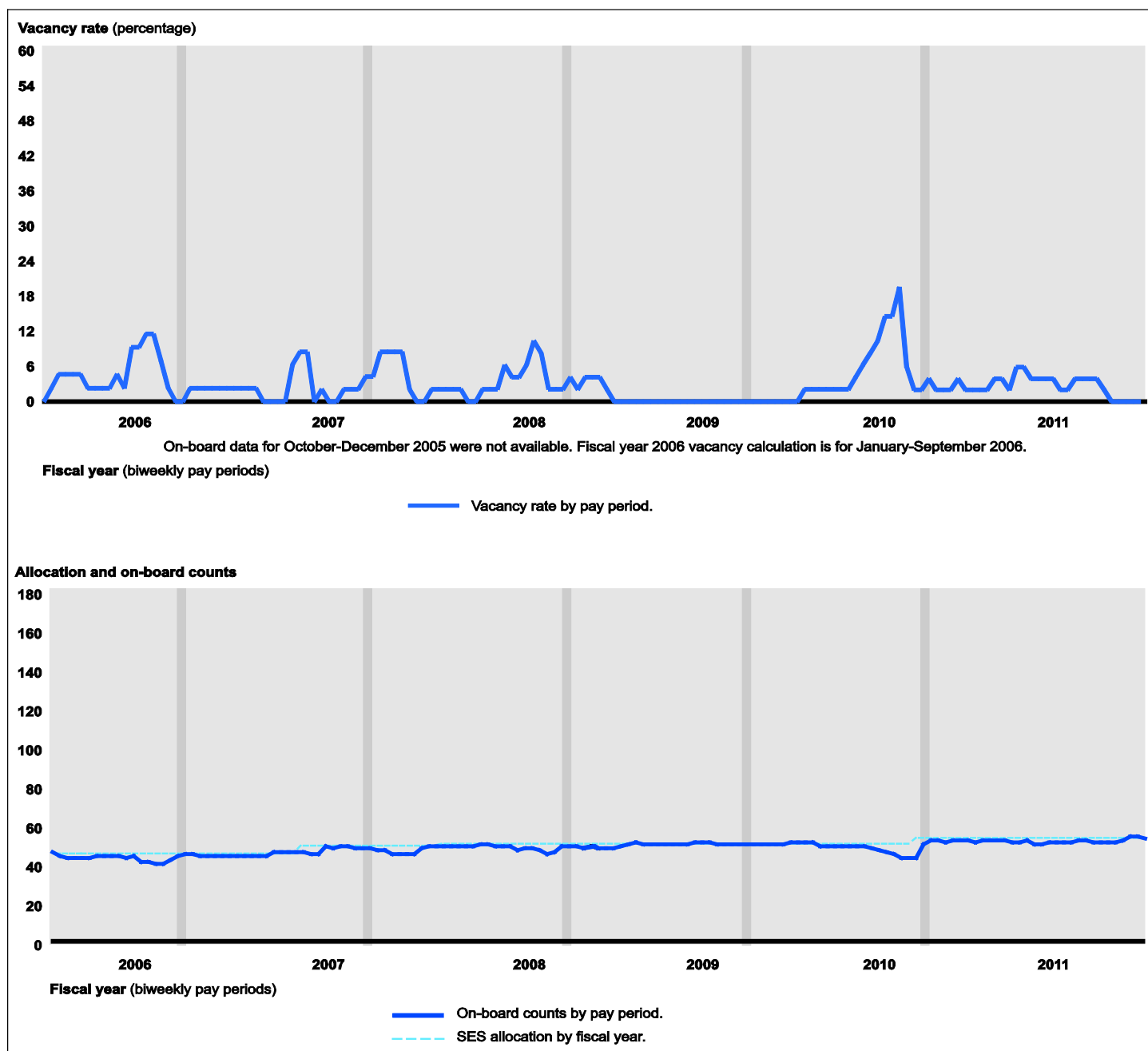


Sources: GAO analysis of NFC and OPM data.

USSS

Throughout the entire period, the USSS SES vacancy rates tended to be in the single digits. The highest vacancy rates occurred from May through July 2010, when the rate increased from 10.4 percent to 19.6 percent with the addition of three allocations and separations of two on-board staff. USSS started fiscal 2011 at 2.0 percent (1 vacancy) and ended the year at 0 percent (0 vacancies).

Figure 8: USSS SES Vacancy Rates, Fiscal Years 2006 through 2011



Sources: GAO analysis of NFC and OPM data.

Appendix II: Department of Homeland Security's Components Senior Leadership Attrition from 2006 to 2010

Tables 6–10 show the number and types of attrition for senior leadership positions in DHS components for each of the fiscal years from 2006 through 2010—the most recent year for which CPDF data were available—separated by career and noncareer positions.¹ Table 6 shows the average number of on-board senior leadership positions and attrition rates in DHS components for each of the fiscal years from 2006–2010.

Table 6: Fiscal Year 2006 DHS-Component Senior-Leadership Separations

Agency		Retired	Resigned	Transferred	Terminated	Other ^a	Total
CBP	Career	7	1	0	0	0	8
	Noncareer	0	2	0	0	0	2
FEMA	Career	5	1	2	0	0	8
	Noncareer	1 ^b	4	0	0	0	5
ICE	Career	2	2	0	0	0	4
	Noncareer	0	0	0	0	0	0
TSA	Career	4	18	3	2	0	27
	Noncareer	0	0	0	0	0	0
USCIS	Career	3	0	0	0	0	3
	Noncareer	0	0	0	0	0	0
USCG	Career	1	0	0	0	0	1
	Noncareer	0	0	0	0	0	0
USSS	Career	7	0	0	0	0	7
	Noncareer	0	0	0	0	0	0
DHS headquarters	Career	10	5	5	0	0	20
	Noncareer	2	12	7	0	0	21
Total		42 (39.6%)	45 (42.5%)	17 (16.0%)	2 (1.9%)	0 (0.0%)	106

Source: Data: GAO analysis of CPDF Data

^a*Other* includes expiration of a limited term appointment and infrequent types of attrition, such as the death of an employee. A limited term appointee is an individual appointed under a nonrenewable appointment for a term of 3 years or less to an SES position the duties of which will expire at the end of such term. 5 U.S.C. § 3132(a)(5). A limited emergency appointee is an individual appointed under

¹According to OPM, a career appointee is an SES whose appointment to the position was based on a competitive SES merit staffing process and whose executive qualifications for the SES were certified by a Qualifications Review Board or an individual who converted to the SES with a career appointment. A non-career appointee was appointed noncompetitively to an SES position, and non-career SES positions are limited or emergency term appointments.

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a nonrenewable appointment, not to exceed 18 months, to an SES position established to meet a bona fide, unanticipated, urgent need. § 3132(a)(6).

^bCareer federal employees can be assigned to noncareer SES positions but retain their retirement eligibility.

Table 7: Fiscal Year 2007 DHS-Component Senior-Leadership Separations

Agency		Retired	Resigned	Transferred	Terminated	Other^a	Total
CBP	Career	14	0	0	0	0	14
	Noncareer	0	1	0	0	0	1
FEMA	Career	1	0	1	0	0	2
	Noncareer	0	2	2	0	0	4
ICE	Career	8	0	1	0	0	9
	Noncareer	0	1	0	0	0	1
TSA	Career	6	6	2	3	1	18
	Noncareer	0	0	0	0	0	0
USCIS	Career	2	0	0	0	0	2
	Noncareer	0	1	0	0	0	1
USCG	Career	0	1	1	0	0	2
	Noncareer	0	0	0	0	0	0
USSS	Career	5	0	0	0	0	5
	Noncareer	0	0	0	0	0	0
DHS headquarters	Career	6	7	3	0	0	16
	Noncareer	0	4	5	0	0	9
Total		42 (50.0%)	23 (27.4%)	15 (17.9%)	3 (3.6%)	1 (1.2%)	84

Source: GAO analysis of CPDF Data.

^a*Other* includes expiration of a limited term appointment and infrequent types of attrition, such as the death of an employee. A limited appointee is an individual appointed under a nonrenewable appointment for a term of three years or less to an SES position the duties of which will expire at the end of such term. 5 U.S.C. § 3132(a)(5). A limited emergency appointee is an individual appointed under a nonrenewable appointment, not to exceed 18 months, to an SES position established to meet a bona fide, unanticipated, urgent need. § 3132(a)(6).

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Table 8: Fiscal Year 2008 DHS-Component Senior-Leadership Separations

Agency		Retired	Resigned	Transferred	Terminated	Other ^a	Total
CBP	Career	5	1	1	0	0	7
	Noncareer	0	1	0	0	0	1
FEMA	Career	3	2	1	0	0	6
	Noncareer	1	2	1	0	0	3
ICE	Career	6	2	0	0	0	8
	Noncareer	0	0	0	0	0	0
TSA	Career	5	4	6	1	0	16
	Noncareer	0	0	0	0	0	0
USCIS	Career	1	0	0	0	0	1
	Noncareer	0	0	0	0	0	0
USCG	Career	0	0	0	0	0	0
	Noncareer	0	0	0	0	0	0
USSS	Career	11	0	0	0	0	11
	Noncareer	0	0	0	0	0	0
DHS headquarters	Career	4	7	4	0	0	15
	Noncareer	1	9	1	0	0	11
Total		37 (46.3%)	28 (35.0%)	14 (17.5%)	1 (1.3%)	0 (0.0%)	79

Source: GAO analysis of CPDF Data.

^a*Other* includes expiration of a limited term appointment and infrequent types of attrition, such as the death of an employee. A limited term appointee is an individual appointed under a nonrenewable appointment for a term of three years or less to an SES position the duties of which will expire at the end of such term. 5 U.S.C. § 3132(a)(5). A limited emergency appointee is an individual appointed under a nonrenewable appointment, not to exceed 18 months, to an SES position established to meet a bona fide, unanticipated, urgent need. § 3132(a)(6).

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Table 9: Fiscal Year 2009 DHS-Component Senior-Leadership Separations

Agency		Retired	Resigned	Transferred	Terminated	Other ^a	Total
CBP	Career	5	2	0	0	0	7
	Noncareer	0	4	0	0	0	4
FEMA	Career	5	1	2	0	1	9
	Noncareer	0	15	0	1	0	16
ICE	Career	4	2	2	0	1	9
	Noncareer	0	3	0	0	0	3
TSA	Career	5	12	2	3	1	23
	Noncareer	0	0	0	0	0	0
USCIS	Career	0	0	0	0	1	1
	Noncareer	0	5	0	0	0	5
USCG	Career	1	0	0	0	0	1
	Noncareer	0	0	0	0	0	0
USSS	Career	3	0	0	0	0	3
	Noncareer	0	0	0	0	0	0
DHS headquarters	Career	4	2	3	0	1	10
	Noncareer	3	31	3	2	0	39
Total		30 (23.1%)	77 (59.2%)	12 (9.2%)	6 (4.6%)	5 (3.8%)	130

Source: GAO analysis of CPDF Data.

^a*Other* includes expiration of a limited term appointment and infrequent types of attrition, such as the death of an employee. A limited term appointee is an individual appointed under a nonrenewable appointment for a term of three years or less to an SES position the duties of which will expire at the end of such term. 5 U.S.C. § 3132(a)(5). A limited emergency appointee is an individual appointed under a nonrenewable appointment, not to exceed 18 months, to an SES position established to meet a bona fide, unanticipated, urgent need. § 3132(a)(6).

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Table 10: Fiscal Year 2010 DHS-Component Senior-Leadership Separations

Agency		Retired	Resigned	Transferred	Terminated	Other ^a	Total
CBP	Career	9	1	3	0	1	14
	Noncareer	0	0	0	0	0	0
FEMA	Career	1	1	3	0	0	5
	Noncareer	0	1	0	0	0	1
ICE	Career	5	1	2	0	1	9
	Noncareer	1 ^b	0	0	0	0	1
TSA	Career	3	2	1	2	1	9
	Noncareer	0	0	0	0	0	0
USCIS	Career	4	0	1	0	0	5
	Noncareer	0	0	0	0	0	0
USCG	Career	0	0	0	0	0	0
	Noncareer	0	0	0	0	0	0
USSS	Career	9	1	0	0	0	10
	Noncareer	0	0	0	0	0	0
DHS headquarters	Career	4	8	6	1	0	19
	Noncareer	2	3	0	1	0	6
Total		38 (48.1%)	18 (22.8%)	16 (20.3%)	4 (5.1%)	3 (3.8%)	79

Source: GAO Analysis of CPDF Data.

^a*Other* includes expiration of a limited term appointment and infrequent types of attrition, such as the death of an employee. A limited term appointee is an individual appointed under a nonrenewable appointment for a term of three years or less to an SES position the duties of which will expire at the end of such term. 5 U.S.C. § 3132(a)(5). A limited emergency appointee is an individual appointed under a nonrenewable appointment, not to exceed 18 months, to an SES position established to meet a bona fide, unanticipated, urgent need. § 3132(a)(6).

^bCareer federal employees can be assigned to noncareer SES positions but retain their retirement eligibility.

Table 11 shows the component vacancy rates by fiscal year from 2006–2010.

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Security's Components Senior Leadership
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Table 11: DHS Components' Attrition Rates by Fiscal Year

Fiscal Year	2006		2007		2008		2009		2010	
Component	Average on board	Rate	Average on board	Rate	Average on board	Rate	Average on board	Rate	Average on board ^a	Rate
USCIS	16.0	18.8	24.0	12.5	40.5	2.5	48.0	12.5	45.5	11.0
CBP	66.5	15.0	74.0	20.3	89.0	9.0	103.0	10.7	101.0	13.9
FEMA	35.0	34.3	43.0	14.0	55.0	18.2	58.0	37.9	60.0	10.0
ICE	33.0	12.1	42.0	23.8	51.0	15.7	56.5	21.2	57.0	17.5
TSA	144.0	18.8	139.0	12.9	144.0	11.1	137.5	16.7	136.0	6.6
USCG	7.5	13.3	9.0	22.2	11.5	0.0	13.0	7.7	14.5	0.0
USSS	40.5	17.3	44.5	11.2	47.5	23.2	49.5	6.1	51.0	19.6
DHS average	474.5	22.1	533	15.8	629	12.7	680.5	18.7	690.5	11.4

Source: GAO analysis of CPDF Data.

^aWe calculated average on-board figures by averaging (1) the number of senior executive staff in the CPDF as of the last pay period of the fiscal year prior to the fiscal year for which the attrition rate was calculated and (2) the number of senior executive staff in CPDF as of the last pay period of the fiscal year in which the attrition occurred.

Appendix III: Comments from the Department of Homeland Security

U.S. Department of Homeland Security
Washington, DC 20528



**Homeland
Security**

February 2, 2012

David C. Maurer
Director, Homeland Security and Justice Issues
U.S. Government Accountability Office
441 G Street, NW
Washington, DC 20548

Re: Draft Report GAO-12-264, "DHS HUMAN CAPITAL: Senior Leadership Vacancy Rates Have Generally Declined, but Components' Rates Have Varied"

Dear Mr. Maurer,

Thank you for the opportunity to review and comment on the subject draft report. The U.S. Department of Homeland Security (DHS) appreciates the U.S. Government Accountability Office's (GAO's) work in planning and conducting its review and issuing this report.

The Department is strongly committed to filling senior leadership vacancies in an expeditious and responsible manner. DHS is pleased to note GAO's positive recognition of actions its taken to implement programs addressing senior leadership hiring and recruitment. These include the Department's use of the Office of Personnel Management's (OPM's) resume-only recruitment and hiring process, which helped reduce DHS vacancy rates by significantly improving DHS's ability to (1) attract highly qualified senior executives, and (2) fill 90 newly allocated SES positions from OPM's biennial review.

The lessons learned from using this process have been invaluable and DHS human capital personnel are sharing them across the Federal Government with others, including counterparts at the Departments of Veterans Affairs, Labor, Energy, Agriculture, State, and Housing and Urban Development. More specifically, our personnel are serving as mentors and coaches helping others determine how best to implement the resume-only recruitment and hiring process at their Departments.

We note the report does not contain any recommendations for DHS. Technical comments were previously submitted under separate cover. Again, thank you for the opportunity to review and comment on this draft report. We look forward to working with you on future Homeland Security issues.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim H. Crumacker".

Jim H. Crumacker
Director
Departmental GAO-OIG Liaison Office

Appendix IV: GAO Contact and Staff Acknowledgments

GAO Contact

David C. Maurer, (202) 512-9627 or maurerd@gao.gov

Staff Acknowledgments

In addition to the contact named above, Sandra Burrell, Assistant Director; Rebecca Gambler, Assistant Director; George Erhart; Kathryn Godfrey; Jared Hermalin; and Celia Mendive made significant contributions to the work. Ben Atwater, Justin Dunleavy, and Jean Orland also contributed. Muriel Brown and Robert Robinson assisted with graphic design. Steven Putansu and Greg Wilmoth assisted with design, methodology, and analysis. Thomas Lombardi provided legal support. Lara Miklozek and Linda Miller provided communications expertise.

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