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Acquisition Reform

• Historically, Transportation Security Administration (TSA) acquisition programs have consistently experienced **cost, schedule, and performance challenges**
  – Ad hoc requirements process, immature budget development, lack of experienced personnel, etc.
  – Multiple program breaches

• From 2015 into 2016, TSA conducted an internal assessment as a result of a Chief Risk Officer finding, followed by a **Defense Acquisition University (DAU) independent review**

• In August 2016, the Deputy Administrator directed the establishment of an **Acquisition Reform Task Force (ARTF)** to **develop and implement TSA solutions to four key DAU recommendations:**
  – Centralize acquisition programs into a single reporting chain
  – Establish a dedicated requirements organization
  – Leverage Operational Test Agent and Logistics functions for agency-wide support
  – Refine the Chief Technology Officer’s roles and responsibilities

• **Phase 1 of the ARTF implementation occurred December 5, 2016.** Using existing resources, the agency created three new offices to address recommendations:
  – Office of Requirements and Capabilities Analysis (ORCA)
  – Office of Contracting and Procurement (OCP)
  – Office of Acquisition Program Management (OAPM)

• **Phases 2 and 3 focus on realigning remaining acquisition programs into OAPM**, leveraging TSA’s new Planning, Programming, Budgeting, and Execution (PPBE) process to facilitate the overall realignment and improve program financial planning, and optimizing existing business processes to support the desired end state
OAPM Overview

**Mission**
We deliver innovative, mission-driven capabilities required by the frontline to safeguard America’s transportation system.

We will efficiently provide effective mission capabilities by developing and leveraging a diverse, expert corps of professionals across the acquisition program lifecycle. We will be committed to open and transparent collaboration with all stakeholders to achieve the best possible outcomes.

**Vision**

**Strategic Priorities**
- Aggressively field enhanced capabilities
- Build an experienced and engaged workforce
- Promote organizational alignment and collaboration
- Mature portfolios

**Focus Areas**
- Define OAPM’s roles, responsibilities, and operating models & socialize with all stakeholders
- Define & execute a workforce development strategy, including hiring, staff empowerment, and succession planning
- Develop a framework to drive focus on priorities, performance, and efficiencies
- Drive stakeholder integration and coordination

**Values**

**Focused** - We are relentlessly committed to our security mission and our duty to provide operational solutions

**Accountable** - We accept full responsibility for every action we take, and we answer to the frontline, our peers, and our stakeholders

**Transparent** - We openly share information to ensure the most optimal solutions are identified

**Entrepreneurial** - We take initiative and manage calculated risks to accomplish our mission
Current OAPM Organizational Chart
OAPM Background
In 2016, TSA started consolidating a number of large scale acquisition programs under the new Office of Acquisition Program Management (OAPM). These programs are responsible for procuring, testing, and deploying new capabilities to the field to achieve TSA’s mission of ensuring freedom of movement for people and commerce.

Our Strategic Priorities
- Aggressively field enhanced capabilities
- Build an experienced and engaged workforce
- Promote organizational alignment and collaboration
- Mature portfolios

Our Short-Term Goals
OAPM identified four goals to focus on in the next year:
1. Further TSA’s push toward networked and integrated security equipment by awarding STIP DOMAIN before FY18 and completing the first pilot/airport by CY end
2. Ingest the Technology Infrastructure Modernization (TIM) program with formal Program Management (PM) assignment and operations under OAPM
3. Pilot Credential Authentication Technology (CAT) by June, starting in Pro-Check, with ~250 units by CY end
4. Develop a plan and gain departmental approval to strategically realign the Passenger Screening Program (PSP) outline milestones for each “new” program initiation

OAPM manages
- $1B in funding for acquisition programs
- ...and almost 14,000 TSE units nationwide
- On any given day, OAPM secures 2.2 M passengers and 1.8 M checked bags
- on over 25,000 flights

What These Short Term Goals Will Achieve
Accomplishing these goals will enable future success by:
- Combining credential validation and near real-time access to passenger vetting information to close checkpoint capability gaps and exhibit strong stewardship of project funding
- Developing a solution to connect and secure TSE, centralize threat and passenger data, and address cybersecurity concerns in required timeframes for funding
- Expanding OAPM as an enterprise leader in acquisition program management
- Pulling PSP out of breach, increasing adaptability of portfolios, and increasing transparency and PM accountability
- Developing a data driven decision making approach to drive strategy and improve performance

Our Long-Term Strategy
- Enable a more seamless and secure reservation to destination journey
- Reduce the time needed to field new and emerging capabilities
- Evolve and integrate the transportation security platform, balancing security effectiveness, operational efficiency, industry vitality, and the customer experience
OAPM Short-Term Goals

OAPM has pursued each of the short-term goals outlined in the roadmap, achieving significant progress since the Office’s formation. The following shows the status of each goal, as well as three new focus areas.

<table>
<thead>
<tr>
<th>Roadmap Goals</th>
<th>Current Status</th>
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<tbody>
<tr>
<td><strong>1</strong> Further TSA’s push toward networked and integrated security equipment by awarding STIP DOMAIN by FY18 and completing the first pilot by CY end</td>
<td>• TSA is reviewing STIP DOMAIN proposals and expects to make the award by September</td>
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<tr>
<td><strong>2</strong> Ingest the TIM program with formal program management assignment and operations under OAPM</td>
<td>• Continuing efforts with OIT to plan for ingestion; Formal memo distributed across the agency</td>
</tr>
<tr>
<td><strong>3</strong> Pilot CAT by June, starting in Pre-Check, with ~200 units by CY end</td>
<td>• TSA fielded CAT for testing at IAD/DCA ahead of schedule, and initial results show that CAT exceeds expected authentication rates and uptime</td>
</tr>
<tr>
<td><strong>4</strong> Develop a plan and gain departmental approval to strategically realign PSP; outline milestones for each “new” program initiation</td>
<td>• PSP’s acquisition program baseline was approved, rebaselining the program and moving it out of breach</td>
</tr>
</tbody>
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**Additional Focus Areas**

- Explore the future of TSA test and evaluation processes, developing a roadmap to evolve TSA’s acquisition testing
- Move to project-based budgeting in the next fiscal year
- Mature and consolidate the Integrated Master Schedule
The Passenger Screening Program (PSP) and Electronic Baggage Screening Program (EBSP) allocate program funding based on their respective program priorities outlined below.

**PSP Program Priorities**

**Mission Critical Priorities**
- Critical Program Operations Management
- System Maintenance and Sustainment
- Screening Equipment for Airport Expansions, Newly Federalized Airports, or Training Facilitates
- Critical Operational Projects to Counter Emerging Threats
- Planned Threat Detection Enhancements
- Recapitalization of Equipment

**Secondary Priorities - Checkpoint Efficiencies**
- Non-Urgent Transportation Security Equipment (TSE) Capability Enhancements
- TSA-Initiated Equipment Movement
- Airport-Initiated Equipment Movement

**EBSP Program Priorities**

**Mission Critical Priorities**
- Program Operations and Management
- Equipment to Ensure 100% Screening Compliance
- Critical Operational Projects to Counter Emerging Threats
- Fulfillment of Existing Obligations including Other Transactional Agreements (OTAs)
- Threat Detection Capability Development
- System-Level Capability and Operational Efficiencies
- Recapitalizations and Upgrades of Equipment

**Secondary Priorities - Checkpoint Efficiencies**
- Airport-Level Capability and Operational Efficiencies
- Reimbursement of Systems Completed without a TSA Funding Agreement
Where We Are Today

Inconsistent levels of system maturity and the inability of Transportation Security Equipment (TSE) to meet defined requirements have led to a cyclical “test-fix-retest” loop, resulting in acquisition delays and increased costs.

Current Efforts to Invest In
Create efficiencies in TSA’s existing testing processes

- **In-House Vendor Testing**
  - Avoid the costs and delays of transporting TSE by sending government resources to conduct testing and testing oversight at vendor locations.
  - Can supplement both TSA and third party testing; has demonstrated success with the Checked Baggage and Checkpoint programs

  Considerations:
  - Requires cross-organizational alignment to standardize the process across programs
  - Requires TSA testing oversight or oversight by a TSA-approved third party organization

- **Third Party Testing**
  - Increase confidence in TSE prior to TSA testing by requiring vendors to use a Third Party Test Agent / Government Partner (e.g., Tyndall, Huntsville, FFRDCs, Gov’t COEs).
  - May limit the cost and time delays of multiple “test-fix-retest” loops; offers additional resources for testing execution and surge support

  Considerations:
  - Requires time / resource investments for approval of third party testers, approval of T&E documentation, and TSA testing oversight
  - Assumes industry capacity can meet the breadth of TSA testing needs
  - TSA intends to also use third parties to test capabilities in the future

- **Data Sharing**
  - Avoid duplication by leveraging existing test data through the creation of data sharing agreements with international government entities.
  - May minimize the amount of new testing required for TSE deployed globally, reducing the overall time needed for testing

  Considerations:
  - Requires standardization of requirements and testing procedures
  - Requires time / resource investments to establish data sharing agreements and validate data is comparable for TSA use

Opportunities to Enhance Testing

- **Minimized Delays**
  - Creates standardized processes for engaging vendors throughout the acquisition lifecycle to address potential issues early on

- **Additional Resources**
  - Expands testing capacity by further integrating agency efforts with industry and government partners

- **Explored Testing**
  - Uses existing data to augment test events and potentially reduce the total amount of test runs required

- **Modeling & Simulation**
  - Use accredited Modeling & Simulation (M&S) to augment live testing and support evaluations that cannot be assessed in a live environment.
  - May minimize certain live test requirements, reducing the resource costs associated with live testing and the overall time needed for testing

  Considerations:
  - Depends on availability of test data from vendors or test execution teams
  - Requires ongoing DHS accreditation for M&S
  - May not be applicable for all testing requirements

The Potential Impacts
TSA is developing its biennial refresh to the Strategic Five-Year Security Technology Investment Plan for Aviation Security to provide industry with an update on planned acquisitions and to share insight into TSA’s evolving priorities and initiatives. The Refresh will be submitted to Congress in August 2017.

**Key Topics**

The Refresh documents updates to the 2015 Plan and includes new details on TSA priorities including:

- **TSA’s ongoing reorganization** and the impact on stakeholder engagement
- **DHS Joint Resource Council’s role** within the Technology Investment Framework
- TSA’s updated recapitalization numbers and new program procurement priorities
- Investing in the Airport of the Future
  - Updates to major avenues for technology development and ongoing technology initiatives
  - Updated Technology Capability Gaps
- The Innovation Task Force’s history and future focus areas