A Report by a Panel of the

NATIONAL ACADEMY OF PUBLIC ADMINISTRATION

for the U.S. Secret Service

United States Secret Service: Review of Organizational Change Efforts

October 2016

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October 31, 2016

United States Secret Service: Review of Organizational Change Efforts

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FOREWORD

The United States Secret Service—one of the nation's oldest and most important law enforcement agencies—marked its 150th anniversary in July of last year. Its mission is to protect the President and other national and visiting foreign leaders, as well as investigate financial crimes. By safeguarding the President, Vice President, and other senior officials, as well as conducting investigations, the Secret Service provides critical support for the continuation of our democratic system of government. "Worthy of trust and confidence" is its motto and a trait the workforce at all levels must demonstrate when performing a mission that allows no tolerance for error.

Over the last several years, the Secret Service has come under increasing scrutiny for breaches in protocol and agent behavior, leading to a number of reviews, including an assessment by an independent panel established under the auspices of the Department of Homeland Security and an investigative report by the Congress. Secret Service leadership responded to these reports by initiating a series of corrective actions and by restructuring the organization.

To assess progress, the National Academy of Public Administration (the Academy) was commissioned by the Secret Service to conduct an independent review of recent enhancements to its business support functions and organizational management to identify reforms and evaluate their effectiveness in responding to recommendations by the Protective Mission Panel (PMP) and the House Oversight and Government Reform Committee (HOGR). The Academy assembled an expert Panel comprised of five fellows to conduct the review and to recommend modifications or additional actions the agency can take to bolster these efforts and further strengthen internal business support and administrative management. The Panel conducted the evaluation with assistance from a professional study team. This report includes a series of recommendations intended to build on foundational transformation efforts already underway and to move the agency to an integrated strategic management approach to institutionalize the efforts and provide a cornerstone for continuous improvement.

As a congressionally chartered non-partisan and non-profit organization with over 800 distinguished Fellows, the Academy brings seasoned experts together to help public organizations address their most critical challenges. We are pleased to have had the opportunity to assist the Secret Service by conducting this review. I appreciate Secret Service management and stakeholders who provided important insight and context needed to inform the study. Also, I thank the members of the Academy Panel, chaired by Janice Lachance, who provided invaluable expertise and thoughtful analysis to this effort, and the professional study team, led by Cynthia Heckmann, that provided critical support to the Panel.

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ACRONYMS AND ABBREVIATIONS

ACC	Applicant Coordinating Center
APT	Administrative, Professional and Technical
CAE	Component Acquisition Executive
CFO	Chief Financial Officer
CHCO	Chief Human Capital Officer
CIO	Chief Information Officer
COO	Chief Operating Officer
CR	Continuing Resolution
CTO	Chief Technology Officer
DHS	Department of Homeland Security
EA	Enterprise Architecture
EAP	Employee Assistance Program
ECO	Ethics and Compliance Officer
ECTF	Electronic Crimes Task Force
EEO	Equal Employment Opportunity
EGC	Enterprise Governance Council
ELAC	Entry Level Assessment Center
ERB	Executive Resources Board
FBI	Federal Bureau of Investigation
FEVS	Federal Employee Viewpoint Survey
FISMA	Federal Information Security Management Act
FLETC	Federal Law Enforcement Training Center
GAO	Government Accountability Office
HOGR	House Committee on Oversight and Government Reform
HR	Human Resources
HUM	Office of Human Resources
IITT	Information Integration and Technology Transformation
IT	Information Technology
ITG	Office of Integrity
ITRC	Information Technology Review Committee
NSSE	National Special Security Events
NTAC	National Threat Assessment Center
O&SRC	Operations and Support Review Committee
OCFO	Office of the Chief Financial Officer
OCIO	Office of the Chief Information Officer
OIG	Office of Inspector General
OMB	Office of Management and Budget
OPM	Office of Personnel Management
OSP	Office of Strategic Planning and Policy
OSTP	Office of Science and Technology Policy
PDD	Presidential Decision Directive
PIV	Personal Identity Verification

PMP	Protective Mission Panel
PPA	Programs, Projects and Activities
PRWG	Professionalism Reinforcement Working Group
R&D	Research and Development
RTC	Rowley Training Center
S&T	Science and Technology
SSA	Social Security Administration
STRC	Science and Technology Review Committee
SUPER	Special Agent and Uniformed Division Pre-employment Review
TEC	Office of Technical Development and Mission Support
TNG	Office of Training
UD	Uniformed Division
USSS	United States Secret Service

EXECUTIVE SUMMARY

"The Secret Service has a long tradition of excellence . . . an organizational culture held together by an invisible web of obligations: duty, honor and country."
Former Assistant Director, Jerry Parr (inscribed on the Secret Service Wall of Honor)[1]

The United States Secret Service is one of the oldest and most elite law enforcement agencies. It began at a time of national crisis[2] at the end of the Civil War, when counterfeit currency was rampant. Its mission and responsibilities grew over time in response to emerging threats and national priorities, evolving into protection of the President and other national and visiting foreign officials and investigations of crimes against our financial systems. Today, threats continue to evolve with new and more complex threats regularly emerging and challenging the status quo. At its very start, a demanding tradition of dedication to the job was put in place—Secret Service operatives were expected to be available 24 hours a day and travel at a moment's notice. That dedication and deep commitment of the workforce is clearly evident today.

In recent years, a number of high profile incidents involving security breaches and employee conduct issues nationally and overseas has propelled the Secret Service into the national spotlight. In 2014, Department of Homeland Security (DHS) Secretary, Jeh Johnson, appointed the Protective Mission Panel (PMP) to conduct an independent assessment and make recommendations following a fence-jumping incident at the White House. The PMP report, issued in December 2014, offered a series of recommendations addressing training and personnel, technology, perimeter security and operations, and leadership. The following year, in December 2015, the House Committee on Oversight and Government Reform (HOGR) issued a report detailing similar findings and recommendations. In addition, there have been several DHS Office of Inspector General investigations and reports specifically related to the issues addressed in the PMP and HOGR reports.

In response to the recommendations in these reports, Secret Service leadership initiated a multi-pronged effort to address concerns and to begin transforming the agency. To assess progress and expected effectiveness of actions underway, the Secret Service requested that the National Academy of Public Administration (the Academy) conduct an independent review and validation of recent enhancements to its business support functions and organizational management. The Academy formed an expert Panel and study team to evaluate Secret Service management and operational policies, protocols, and practices and to recommend modifications to those reforms or additional steps to most effectively and efficiently meet the agency's objectives and recommendations of the PMP and HOGR.

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[1] U.S. Secret Service, ***Moments in History***, Department of Homeland Security, Washington, D.C. 2015
[2] Ibid.

The Academy Panel and study team focused on efforts undertaken and planned in addressing culture and leadership, people issues including hiring, training, staffing, attrition, morale, and discipline; budget; and technology. Overall, the Academy Panel determined that agency efforts are significant and wide ranging in terms of both scale and scope. The Secret Service has accomplished a substantial number of organizational, policy and process changes to transform the way the agency does business, to professionalize administrative, technical and management functions and to remedy numerous staffing and employee issues. Agency leadership has achieved these changes in a relatively short time, demonstrating its commitment to change. Based on our observations and analysis, we have identified additional opportunities for improvement grounded in best practices to help the Secret Service achieve and institutionalize organizational transformation.

The Academy Panel's observations are delineated throughout the report and recommendations offered in areas where additional actions can further advance the agency's goal of improving organizational management. Chapters 1 and 2 provide important background information on the scope of the study, issues at hand, and results in brief, and present both a historical and organizational perspective. Chapter 3 addresses organizational transformation efforts underway and additional steps the Secret Service can take to sustain and further strengthen these efforts. Chapter 4 focuses on workforce issues and the numerous initiatives in place and planned to address staffing, training, discipline and morale issues. Chapter 5 examines efforts in restructuring mission technology and centralizing internal information technology support; and Chapter 6 addresses mission-based budgeting and approaches for more effectively developing and presenting funding requirements.

Efforts underway are at various stages—some have been in place longer than others and are thus more mature—but all directly crosswalk to concerns raised in the PMP and HOGR reports and some go beyond, addressing organizational needs identified through internal self-assessments. These many individual efforts can serve as a foundation for an integrated transformation effort. Time is needed to fully implement the many changes underway; transformations require long-term commitment and support. With foundational elements in place, the agency now needs to move to a more integrated strategic management approach to further develop, sustain, and institutionalize the efforts.

Panel Recommendations

The recommendations below, with additional detail, appear in Chapters 3 through 6.

3.1 Background: Numerous individual organizational and transformational efforts are underway in the Secret Service to change the culture and management practices, professionalize administrative, technical and management functions, and address myriad staffing and employee issues. The next step needed is to harness the momentum of individual efforts and bring them together applying an integrated strategic management

approach. The agency's recent development of a strategic outlook draft document to help guide the strategic planning process is a positive step in moving toward such an approach.

Objective**:** *To ensure that agency transformation efforts are strategically focused, integrated and institutionalized and provide a foundation for continuous improvement:*

Recommendation: Secret Service leadership should adopt an integrated strategic management approach, applying a formal change management strategy and enterprise architecture to establish a roadmap that will drive organizational change and institutionalize agency transformation efforts.

3.2. Background: The Secret Service currently tracks agency actions to address PMP and HOGR recommendations in separate documents with different formats. In addition, actions underway are not clearly prioritized with due dates and designation of accountable officials. A consolidated action plan with a standard reporting template is needed for consistent tracking, analysis and reporting of accomplishments and for managing transformation efforts.

Objective**:** *To ensure that agency priorities in addressing PMP and HOGR recommendations are clear, action steps assigned to accountable executives are delineated, and progress is tracked against established timelines:*

Recommendation: The Secret Service should develop an integrated action plan to sequence and prioritize PMP and HOGR initiatives, identify accountable executives, document timelines, and track and report on progress.

4.1. Background: Efforts are underway to professionalize the Office of Human Resources organization, laying a foundation for strategic human capital management, and to improve human resources processes and services such as recruitment and hiring. Another step needed is the reexamination of the Office of Human Resources' functional responsibilities and alignment as several entities currently under the Office (for example, emergency management) appear misaligned with core human capital responsibilities.

Objective**:** *To provide focus on core human capital management practices and functions and to improve the efficiency and effectiveness of human capital services:*

Recommendation: The Secret Service should conduct a comprehensive assessment of human capital functions and organizational structure, focusing on what is core to strategic human capital management and practices and to the efficient and effective delivery of human capital services.

4.2. Background: Since 2013, the Secret Service has reinforced the importance of employee ethics and standards of conduct by establishing an Office of Integrity for overseeing the agency's adherence to those standards and a table of penalties to guide disciplinary actions and by providing enhanced training, internal messages, updated directives and a desk reference guide. The program can be further strengthened; the Federal Bureau of Investigation's Office of Integrity and Compliance places a focus on risk and prevention of misconduct and can serve as a model.

***Objective*:** *To strengthen the Secret Service's ethics program by broadening the focus from monitoring compliance to managing risk and preventing ethical violations:*

Recommendation: The Secret Service should establish an Ethics and Compliance Officer in the Office of Integrity to manage the ethics program and provide advice to the executive management team on strategies and actions to prevent ethics compliance issues.

4.3. Background: The Secret Service has a user-friendly ethics desk reference guide available on the intranet to promote the agency's core values and to educate employees on ethics laws, regulations, policies and agency standards of conduct. Leadership messages are currently outdated and the format could be improved by moving from a PDF document to a web-based guide.

***Objective*:** *To ensure that the Desk Reference Guide for Standards of Ethical, Professional and Personal Conduct is an educational guide and living document emphasizing the importance of ethical behavior:*

Recommendation: The Secret Service should update the ethics desk reference guide annually with messages from agency leadership and make it easily accessible from multiple electronic devices.

5.1. Background: The Secret Service professionalized the Office of Technical Development and Mission Support (TEC) and presented a new Research and Development (R&D) Account for inclusion in the FY 2017 budget. Dedicated staffing for the R&D component would more fully address the PMP recommendation that the agency become a driver of technology development. Creation of an investment plan for the TEC portfolio (linked to a strategic plan) would display the full spectrum of TEC programs and projects and the timeframes for planning, development and deployment and serve as a tool for agency leadership to provide input into the prioritization of projects. Efforts to strengthen collaboration, within DHS and with others, could be enhanced if the Secret Service's R&D program is recognized by DHS in future strategic planning processes.

***Objective*:** *To ensure an ongoing commitment to technology innovation and development, to drive technological development, and to promote greater collaboration with others:*

Recommendation: The Secret Service should establish a separate research and development function within the Office of Technical Development and Mission Support and develop a TEC strategy and multi-year investment plan to provide a means for prioritizing across the TEC portfolio of programs and projects.

5.2. Background: The Secret Service Chief Information Officer (CIO) has initiated actions that comply with agency written policy to build and sustain a centralized, strategic process in partnership with operational information technology (IT) components to guide and manage decisions and operations. Currently, the agency's enterprise architecture (EA) program is dormant. An EA program would facilitate the process and guide the Office of the CIO in developing a centralized process to manage the Secret Service IT portfolio in a strategic manner and in partnership with operational components.

Objective**:** *To move to a more mature and modern information technology (IT) infrastructure and optimize IT investments to support the Secret Service mission:*

Recommendation: The Secret Service should staff and build out the agency's enterprise architecture program and establish an IT roadmap to support agency transformation efforts.

5.3. Background: The Secret Service has policies in place for IT acquisition life cycle planning and investment review that generally align with best practices. However, the governance committees charged with investment review are not currently active. While the CIO and Chief Technology Officer have direct access to advise and inform senior leadership, this does not substitute for a formalized, structured asset management process. Use of the life cycle planning governance framework depicted in agency policy is a critical component of the agency's transformation to a strategic management model.

Objective**:** *To facilitate an efficient and cost effective process for prioritizing technology investments:*

Recommendation: The Secret Service should implement a robust capital planning and investment control (life cycle planning and investment review) program.

6.1. Background: In 2015, the Secret Service elevated the position and created a directorate level Office of the Chief Financial Officer (OCFO) to professionalize the management of agency financial assets, bringing together under the CFO's leadership budget, finance, acquisition, and other functions. The OCFO includes a large portfolio that is organized into six separate divisions responsible for budget, enterprise financial systems, financial management, procurement and administrative operations. As the Secret Service moves into the next phase of maturing its organizational structure, it should focus on what functions are core to OCFO.

Objective**:** *To provide greater focus on core budget and financial management functions*:

Recommendation: The Secret Service should conduct an organizational assessment of the Office of the Chief Financial Officer.

6.2. Background: PMP and HOGR recommended that the Secret Service develop a mission-based or zero-based budget. The Secret Service has chosen to present a mission-based budget, which will provide more granular information for decision makers and more fully quantify the costs of delivering mission programs. Zero-based budgeting, which builds from the ground up, requires deeper analysis, but is also workload intensive, burdensome, process driven. The "sweet spot" may lie in a combination of approaches. The mission-based budget and expanded agency program reviews incorporating zero-based budgeting principles are tools the Secret Service can use to facilitate its ability to quantify and communicate budgetary requirements and ensure alignment of programs with agency mission priorities.

Objective**:** *To improve budget formulation and support the strategic information needs of the Secret Service, DHS, OMB, and congressional stakeholders:*

Recommendation: The Secret Service should build capacity for budget data analysis and incorporate streamlined zero-based budget analysis into program reviews to support identification of a budget baseline.

6.3. Background: The instability that results from reduced funding levels under a Continuing Resolution, the short timeframes for budget execution, and the uncertainty about full year funding impacts the Secret Service's ability to conduct continuous high levels of recruitment, on-boarding and training that is necessary to meet hiring goals. The most damaging impacts could be mitigated with two-year availability in Operations and Support appropriations. Similarly, in order to fully support effective planning, design and acquisition or construction, the Procurement, Construction and Improvements Account should be a multi-year account.

Objective**:** *To improve budget certainty and enhance the efficiency and effectiveness of program budget execution:*

Recommendation: The Secret Service should develop and submit a legislative proposal to provide two-year authority for the Operations and Support Account and multi-year authority for the Procurement, Construction, and Improvements Account.

CHAPTER 1: INTRODUCTION

Duty, Justice, Courage, Honesty, Loyalty—Secret Service Core Values

The mission of the United States Secret Service is unique and unlike any other federal law enforcement organization. Ensuring the safety of the President, the Vice President, their families and visiting national leaders is a key agency responsibility. Driven by the agency's core values, the men and women of the Secret Service must be ever-vigilant. There can be no tolerance for error.

Established in 1865 in the Department of the Treasury to investigate counterfeiting, the agency's mission has grown and evolved over the years. Today, the Secret Service mission addresses two distinct but interrelated focus areas: (1) to protect the President, the Vice President, their families, the White House, the Vice President's Residence, national and visiting world leaders, former presidents and events of national significance and (2) to protect the integrity of the U.S. currency and investigate crimes against the national financial system committed by criminals around the world and in cyberspace.[3] It is an integrated mission, with investigative responsibilities considered critical to successful performance of the agency's protective responsibilities. The expertise and tools developed and used by special agents during investigations serve to bolster and hone skills required in safeguarding our nation's leadership. The protective mission is considered paramount, however—and it is a zero failure mission.

The agency employs a dedicated, highly trained staff and deploys sophisticated technology to accomplish its mission through three operational programs:[4]

- Protection
- Protective Intelligence
- Criminal Investigations

The threat environment has increased in significance and complexity over the years. The three operational programs work in harmony to ensure the Secret Service keeps abreast of emerging threats both internationally and domestically, and can execute its responsibilities and maintain operational readiness in response to those threats. As the lead agency for National Special Security Events (NSSE), the Secret Service has become a leader among federal, state, and local law enforcement agencies in designing and implementing security plans for each designated event.

With the enactment of the Homeland Security Act of 2002 (P.L. 107-296) and the creation of the Department of Homeland Security (DHS), the Secret Service transferred in March 2003 from the Department of the Treasury to DHS. The move reflected the agency's role in

[3] U.S. Secret Service, ***2014 Annual Report***
[4] U.S. Secret Service, ***Strategic Plan FY2014-2018***

the protection of the nation's leaders and the financial infrastructure and how each contributes to DHS's common mission of protecting the country and its citizens from harm.[5]

Not surprisingly with its unique mission, the Secret Service is highly visible to the public. It has experienced challenges throughout its history, opening the door to criticism as employees carry out their duties and responsibilities. In recent years, a number of high profile incidents involving security breaches and questionable employee conduct nationally, overseas, and especially at the White House have thrust the agency into the public eye.

In 2014, DHS Secretary Jeh Johnson, appointed the Protective Mission Panel (PMP) to conduct an independent assessment of the Secret Service and make recommendations for improving the security of the White House. Although, the PMP was formed following a number of incidents, a fence jumping incident in September 2014 was the tipping point. On that day, an individual climbed over the White House fence, rushed past Secret Service Uniformed Division Officers, and entered the building, breaching multiple layers of protective security. Secretary Johnson asked the PMP to take a broad look at White House perimeter security and assess not only the fence, but the Secret Service organization as a whole and identify systemic problems that may have contributed to the incident. The PMP issued its report in December 2014 offering recommendations grouped as follows: training and personnel (hiring, staffing, morale); technology, perimeter security and operations (a number are classified recommendations); and leadership (priority setting, budget, accountability).

The PMP review was followed a year later by a congressional report released on December 9, 2015, based on an investigation by the House Committee on Oversight and Government Reform (HOGR) that examined four specific incidents, including security breaches and issues of employee misconduct; culture and accountability; management and leadership; staffing; budget; morale and employee attrition; hiring; and the Secret Service mission. The report detailed a wide range of findings and recommendations, many of which overlap the PMP report in a number of key areas. In addition, there have been several related investigations and reports issued by the DHS Office of Inspector General. These reports, with attendant recommendations, spurred agency leadership to initiate sweeping changes to immediately address problem areas, as well as to undertake internal self-assessments to identify and target areas for improvement and importantly, to begin transforming the agency's culture and management practices.

Study Scope

Responding to the PMP and HOGR reports, the Secret Service developed numerous action plans to address the reports' findings and recommendations. To gauge the current status of

[5] U.S. Secret Service, ***USSS History***, available at http://www.secretservice.gov/about/history/events (hereinafter referred to as USSS Website: History).

these efforts and their effectiveness, the Secret Service requested that the National Academy of Public Administration (the Academy) conduct an independent review and validation of enhancements to improve business support functions and organizational management with the following key objectives:

1. Identify reforms that have been undertaken to address recommendations of the PMP and HOGR, as well as Secret Service self-identified actions, for enhancing business support functions and organizational management;
2. Assess and validate the demonstrated or expected effectiveness of those reforms; and
3. Recommend any needed modifications to those reforms or additional steps to most effectively and efficiently meet the Secret Service's objectives and recommendations of the panel and committee.

Specific recommendations from the PMP and HOGR reports were identified as the focus of the study. The recommendations were grouped as follows: leadership; hiring, training, and staffing; technology; budget; and morale and employee attrition. Assessment and validation of the efforts undertaken in response to the recommendations included examination of related management best practices and organizational change strategies. Please see the list of recommendations together with a high level summary assessment at Appendix D. From this analysis emerged four themes:

- Transforming the Secret Service (includes leadership, corporate governance, and culture)
- Addressing the Core Enabler of Organizational Success – The Workforce
- Restructuring Mission Technology and Internal Information Technology Support Services
- Creating a Mission-Based Budget to Identify and Support Resource Requirements

Results in Brief

The Secret Service is an agency in the midst of a major organizational transformation. Numerous efforts are underway to change the culture and management practices, professionalize administrative, technical and management functions and address myriad staffing and employee issues. Secret Service employees are a highly dedicated and committed workforce who work under constant pressure to fulfill their zero failure mission. They put the mission first and in so doing sacrifice their personal lives, time with families, health, and well-being to ensure they are ever vigilant. Because of budgetary challenges and staffing shortages and turnover in recent years, employees have weathered a burgeoning workload, increased overtime, cancelled training and leave, and declining morale. Despite these challenges—and under the shadow of criticism and heightened scrutiny because of publicized incidents involving security breaches and employee conduct—the staff have continued to perform this critical mission.

Agency leadership is proactively addressing these workforce issues at many different levels. In the past two years, the agency has accomplished an extensive number of organizational, policy and management practice changes and more are planned. Many tackle issues that were long-standing and at their core, cultural. Examples include extensive restructuring of the organization and programs to focus on employee integrity and discipline, training, hiring, work-life, budget/financial management and information technology. Key among these actions is the creation of a Chief Operating Officer (COO) to give focus to management issues and the realignment of business functions under the COO. The leadership corps as a whole, has been strengthened and professionalized, resulting in a cadre of executives to foster a more coordinated, strategic and future-oriented management team and to break down a historically insular culture.

The Academy Panel and study team found that agency efforts are positive initial steps to support longer term change. Many of the individual efforts underway exhibit elements of best practices. The leadership deserves to be commended for the many accomplishments to date and its demonstrated commitment to change. Time and support will be needed to complete and sustain these efforts. The Panel offers recommendations and suggestions, based on best practices to further strengthen and institutionalize efforts underway. Key is adopting an integrated strategic management approach linking strategic mission, human capital and operational plans and, bringing together the many individual elements already in place in the Secret Service that can serve as the foundation for agency transformation. Moving forward, the Secret Service will need to maintain momentum and through actions continue to demonstrate its commitment to continuous improvement and organizational change.

Methodology

The Academy convened an expert Panel of five Fellows with broad knowledge and expertise in business support functions, organizational management practices, and law enforcement, and other relevant federal government and academic experience. The Panel provided ongoing guidance and direction to a study team who conducted the assessment, following a structured methodology. The assessment targeted a subset of PMP and HOGR recommendations involving organizational leadership and culture, people issues (including hiring, training, staffing, morale/attrition, and conduct/discipline), budget, and technology to determine the extent to which they were implemented. Given time and scope constraints, the study team did not perform a "deep dive" into each subject area.

The study team performed extensive research in the form of both primary and secondary data collection and analysis. Specifically, the study team examined the Secret Service's business support functions and operational policies, protocols, and practices directly related to the agency's efforts to improve business support functions and organizational management. To gain an understanding of the Secret Service mission and its zero tolerance for failure, the study team examined the history of the Secret Service and its workforce and the challenging environment in which the agency operates. In addition to reviewing the PMP and HOGR reports in detail, the study team also reviewed an earlier report conducted

at the request of the Secret Service—the Professionalism Reinforcement Working Group report—as well as related House Oversight and Government Reform Committee reports, congressional hearings and testimonies, DHS Office of the Inspector General reports, Best Places to Work data and studies related to the Secret Service and law enforcement agencies, relevant Government Accountability Office (GAO) reports, articles in the media, and other materials to provide context for the issues being addressed by the agency and to identify promising management practices that may be transferable to the Secret Service.

The team conducted structured interviews with Secret Service leadership officials and managers and with key stakeholders including DHS, representatives of central management agencies and congressional staff. All interviews were conducted on a not-for-attribution basis. From this analysis, the Panel and study team developed a series of recommendations to further strengthen the agency's management practices. Some recommendations can be implemented relatively quickly while others will require long term effort along with a commitment to continuous improvement. A summary of recommendations arrayed by suggested timeframes and complexity to achieve them (immediate, mid-term, and multi-year/ongoing) can be found in Appendix E.

CHAPTER 2: BACKGROUND

The U.S. Secret Service has a long and august history. Its traditions are strong and its personnel show the same resolve and devotion today as they did 150 years ago. The agency's foundation was established in investigation of counterfeiting, but quickly expanded to encompass a broad array of responsibilities across the federal government to include protecting the President. As these responsibilities expanded, federal authority to execute those duties was codified through statute. The responsibilities align along two seemingly parallel, but patently linked missions—investigations and protection. A brief look at the Secret Service's history helps in understanding what falls within the agency's purview and the challenges those responsibilities present in carrying out its mission, which will be discussed in the chapters that follow.

A Brief History of the Investigative and Protection Missions

Investigations

While the protection mission is paramount today, the origin of the Secret Service was with the investigative function. The Secret Service Division was established in 1865, in the Department of the Treasury to investigate the counterfeiting, forging, and altering of currency.[6] Prior to the establishment of a national banking system, states issued their own currencies, creating numerous opportunities for counterfeiting.[7] The Secret Service's investigative scope was broadened in 1867 to include, "detecting persons perpetrating frauds against the government," such as mail theft, land fraud, and smuggling.[8]

Since that time, the Secret Service's investigative responsibilities have steadily increased. In 1984, Congress expanded the agency's authority to include investigating violations of credit card and federal-interest computer fraud.[9] This ushered in another wave of new responsibilities, including crimes against financial systems; international manufacturing, trafficking, and possession of counterfeit U.S. currency; telemarketing fraud and identity theft (used to commit financial fraud); and with the passage of the USA PATRIOT Act in October 2001, electronic device crimes. In addition, the USA PATRIOT Act authorized the Secret Service to establish nationwide Electronic Crimes Task Forces (ECTF) to assist partner organizations, private industry, and academic institutions in investigating computer-based crimes, and in particular, terrorist activity, against critical infrastructure and financial payment systems.[10] Responsibilities moved beyond financial investigations with the passage of the 1994 Crime Bill, which directed the agency to provide forensic and technical assistance to cases involving missing and exploited children, resulting in a

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[6] Ibid.
[7] Congressional Research Service, ***The U.S. Secret Service: History and Missions,*** RL34603, June 18, 2014.
[8] U.S. Secret Service, ***USSS History***, available at http://www.secretservice.gov/about/history/events).
[9] U.S. Secret Service, ***Moments in History***, Department of Homeland Security, 2015.
[10] U.S. Secret Service, ***The Investigative Mission***, available at http://www.secretservice.gov/investigation

partnership with the National Center for Missing and Exploited Children.[11] This partnership was further expanded with the passage of the PROTECT Act of 2003, commonly known as the "Amber Alert Bill," with the Secret Service augmenting its assistance to the Center through audio and video services, voice identification, modeling, and other support activities.[12]

With the progression and sophistication of financial crime and cybercrime over the past few decades, the Secret Service has significantly enhanced its training, forensic technique, investigative expertise, and intelligence capability surrounding this criminal activity. Not only does the agency execute its responsibilities within the United States, but with the globalization of technology-based threats, the agency has expanded efforts overseas, as well.[13]

Protection Mission

The protective mission began in 1894, when the Secret Service was asked to begin informal part-time protection of President Grover Cleveland. However, it wasn't until 1901, after the assassination of President William McKinley, that Congress requested the agency to provide protection full-time.[14] In 1902, the agency assigned two employees to the White House detail, marking the beginning of the mission to provide security for our nation's leadership.[15] Appropriated funding to carry out this mission followed with the passage of the Sundry Civil Expenses Act of 1907.[16]

As in the case of the investigative mission, protection responsibilities have grown significantly over time. In 1908, the mandate to protect the President-elect was officially authorized.[17] Over the ensuing decades, responsibilities expanded to include safeguarding the President's immediate family; the Vice President and his immediate family, the Vice President-elect, former Presidents, former Presidents' widows and minor children, various Senate and House leadership, foreign diplomatic missions, visiting heads of foreign states or governments, major presidential and vice-presidential candidates and nominees, and U.S. officials and representatives on special international missions.[18] [19]

During this same time period, the agency was tasked with protecting certain specified physical assets. In 1922, the White House Police Force was created to secure the White House and surrounding grounds (including the Department of the Treasury). Initially supervised by the President or his representative, the White House Police Force was

[11] U.S. Secret Service, ***Moments in History***, Department of Homeland Security, 2015.
[12] Ibid.
[13] U.S. Secret Service, ***The Investigative Mission***, available at http://www.secretservice.gov/investigation
[14] U.S. Secret Service, ***USSS History***, available at http://www.secretservice.gov/about/history/events).
[15] Ibid.
[16] Congressional Research Service, ***The U.S. Secret Service: History and Missions***, RL34603, June 18, 2014.
[17] Ibid.
[18] U.S. Secret Service, ***The Protection Mission***, available at http://www.secretservice.gov/protection.
[19] Ibid.

transferred to the Secret Service Division in 1930 and codified by legislation.[20] [21] The list of assets protected by the Secret Service Division expanded to include any building with presidential offices, the Vice President's residence, and temporary residences of the President and Vice President.[22] [23] The White House Police Force was renamed twice during its history and became the Secret Service Uniformed Division in 1977.[24] The Uniformed Division supports a number of specialized units (such as the Counter Sniper Team, Counter Surveillance Unit, Counter Assault Team) to execute its responsibilities.[25] [26]

The 1998 Presidential Decision Directive (PDD) 62,[27] codified in statute by the Presidential Protection Act of 2000 (Act),[28] further expanded the Secret Service's protection responsibilities. The Secret Service is the lead agency in the "planning, coordination, and implementation of security operations at special events of national significance."[29] These special events, known as National Special Security Events (NSSE) and designated by the Department of Homeland Security (DHS) Secretary, encompass presidential inaugurations, large sporting events, major international summits in the U.S. and presidential nominating conventions.[30] Recent examples include the 2016 Democratic and Republican National Conventions; the 2016 Super Bowl; 2016 State of the Union Address; and the 2015 Papal Visit. In addition, the Presidential Protection Act established the National Threat Assessment Center (NTAC) under the Secret Service's purview[31] to work with federal, state, and local law enforcement agencies on training, coordinating threat assessment investigations, researching potential targeted violence, supporting standardization of threat assessments and investigations, and other activities at the direction of the DHS Secretary.[32]

As the Secret Service's roles and responsibilities have burgeoned, the organization has evolved in an effort to keep pace with the changing mission and the high expectations placed upon the workforce entrusted with carrying it out.

Recent Events

Over the past several years, the Secret Service has been the focus of public and congressional attention over breaches of protectee security, White House fence jumping

[20] U.S. Secret Service, ***USSS History***, available at http://www.secretservice.gov/about/history/events.
[21] U.S. Secret Service, ***Moments in History***, Department of Homeland Security, 2015.
[22] Congressional Research Service, ***The U.S. Secret Service: History and Missions***, RL34603, June 18, 2014.
[23] U.S. Secret Service, ***Moments in History***, Department of Homeland Security, 2015.
[24] Congressional Research Service, ***The U.S. Secret Service: History and Missions***, RL34603, June 18, 2014.
[25] Ibid.
[26] U.S. Secret Service, ***Moments in History***, Department of Homeland Security, 2015.
[27] U.S. Secret Service, ***The Protection Mission***, available at http://www.secretservice.gov/protection.
[28] Ibid.
[29] Ibid.
[30] Congressional Research Service, ***The U.S. Secret Service: History and Missions***, RL34603, June 18, 2014.
[31] Ibid.
[32] Ibid.

incidents, and allegations of employee misconduct. These concerns led to a number of reviews and reports, delineating findings and offering recommendations to redress identified issues and improve agency processes and practices. In response to these reports, the Secret Service has been working diligently to address identified weaknesses and has initiated actions to significantly change the way the agency operates.

Of the reports relevant to the Academy study, the first is the product of the Professionalism Reinforcement Working Group (PRWG). The PRWG was established in response to allegations of misconduct by Secret Service employees in April 2012 in Cartagena, Colombia.[33] Co-chaired by John Berry, former Director, U.S. Office of Personnel Management and Connie Patrick, Director, Federal Law Enforcement Training Center, the PRWG was charged with reviewing the agency's internal controls on professional conduct, benchmarking against similar organizations, identifying areas of strength and recommending areas of improvement; it was not asked to investigate the incident itself.[34] The final report, issued in February 2013, offered 17 recommendations in the areas of leadership, values/mission, personnel issues (recruitment/hiring, discipline/rewards, diversity/inclusion, performance management, reporting misconduct, employee services), and reinforcing professionalism.[35] The agency accepted the recommendations and began implementing related actions.

A significant security lapse occurring in September 2014 and involving an individual scaling the White House fence and entering the building led to establishment of the Protective Mission Panel (PMP). The PMP, comprised of external experts, was charged with independently assessing the security breach and making recommendations for improving the security of the White House.[36] The PMP issued its report in December 2014 with a series of recommendations specifically addressing training and personnel (hiring, promotion, staffing); technology, perimeter security and operations (a number of which are classified recommendations) and leadership with a focus on accountability, communications, budget, and morale. [37]

The House Committee on Oversight and Government Reform (HOGR) began looking into incidents of security lapses, specifically focusing on four in detail, starting with a November 2011 occurrence, where shots were fired at the White House.[38] Other instances include allegations of employee misconduct in Cartagena, Colombia; a breach of the President's security while at the Centers for Disease Control in Atlanta, Georgia; and an incident of

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[33] Professionalism Reinforcement Working Group, ***A Report to U.S. Secret Service Director Mark Sullivan***, February 2013.
[34] Ibid.
[35] Ibid.
[36] United States Secret Service Protective Mission Panel, ***Report from the United States Secret Service Protective Mission Panel to the Secretary of Homeland Security***, December 15, 2014.
[37] Ibid.
[38] ***United States Secret Service: An Agency in Crisis***, Committee on Oversight and Government Reform, United States House of Representatives, 114th Congress, December 9, 2015.

misconduct involving two intoxicated agency senior officials.[39] The HOGR report, issued on December 9, 2015, contained a number of findings related to these specific events; it also included findings and recommendations similar to the PRWG and PMP reports which it referenced.[40]

Finally, the DHS Office of Inspector General has issued a number of related reports and management alerts. These include specific investigations of security breaches, alarm system failures at protectee residences, and officer fatigue, to name a few.[41]

Detailed descriptions of relevant recommendations from the PRWG, PMP and HOGR reports, and the actions the agency has taken to address the recommendations, will be discussed in the chapters that follow. A high level summary of those recommendations and actions is provided in Appendix D.

Budget and Staffing Profile

The Secret Service has an annual budget of about $2.2 billion, which represents 3.2 percent of the DHS budget of $66 billion. It includes $1.9 billion in discretionary funds and $265 million in mandatory funds for annuity payments. In FY 2016, the agency operated at funding levels based on direction contained in the FY 2016 Consolidated Appropriations Act signed into law on December 18, 2015.[42] The 2016 appropriations included $1.93 billion and funded 6,714 positions. Current staffing levels are approximately 6500. The 2017 President's budget released on February 9, 2016 represents the Administration's current proposal for Secret Service programs. The 2017 budget is $1.89 billion (in discretionary funds), a net decrease of $42.4 million from the 2016 level and funds 6,772 positions.[43] The 2017 budget includes changes to the Secret Service's budget structure and is part of a DHS-wide undertaking to standardize budgetary structures across the department under the "Unity of Effort" initiative. Budget and staffing, which figure prominently in the PMP and HOGR reports, will be discussed in detail later.

Organizational Structure and Responsibilities

In addressing PMP and HOGR recommendations, agency leadership significantly realigned the organization. The charts that follow show the organization in 2014 prior to the changes and the current structure.

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[39] Ibid.

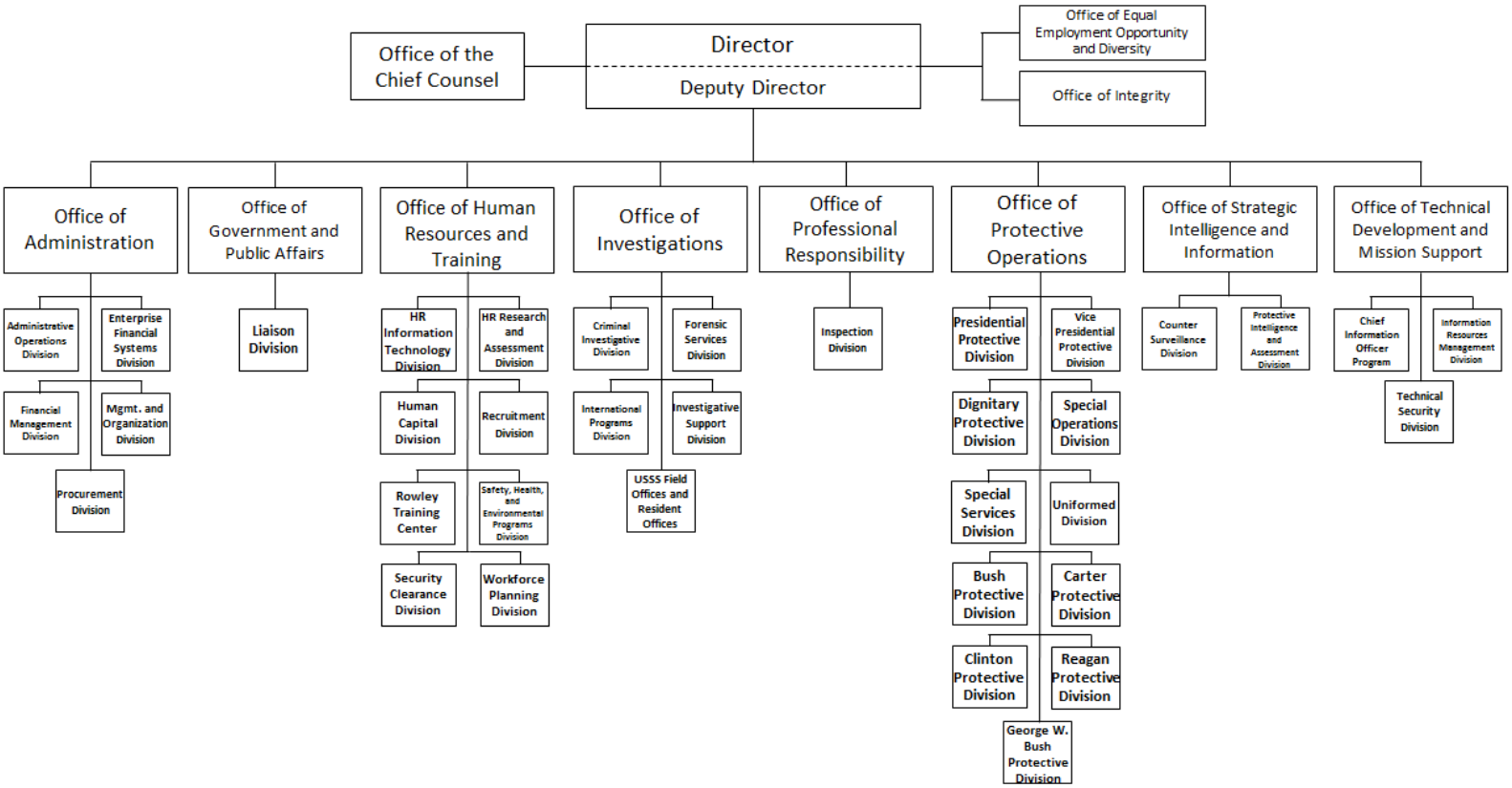
[40] Ibid.

[41] U.S. Department of Homeland Security, Office of Inspector General website: www.oig.dhs.gov.

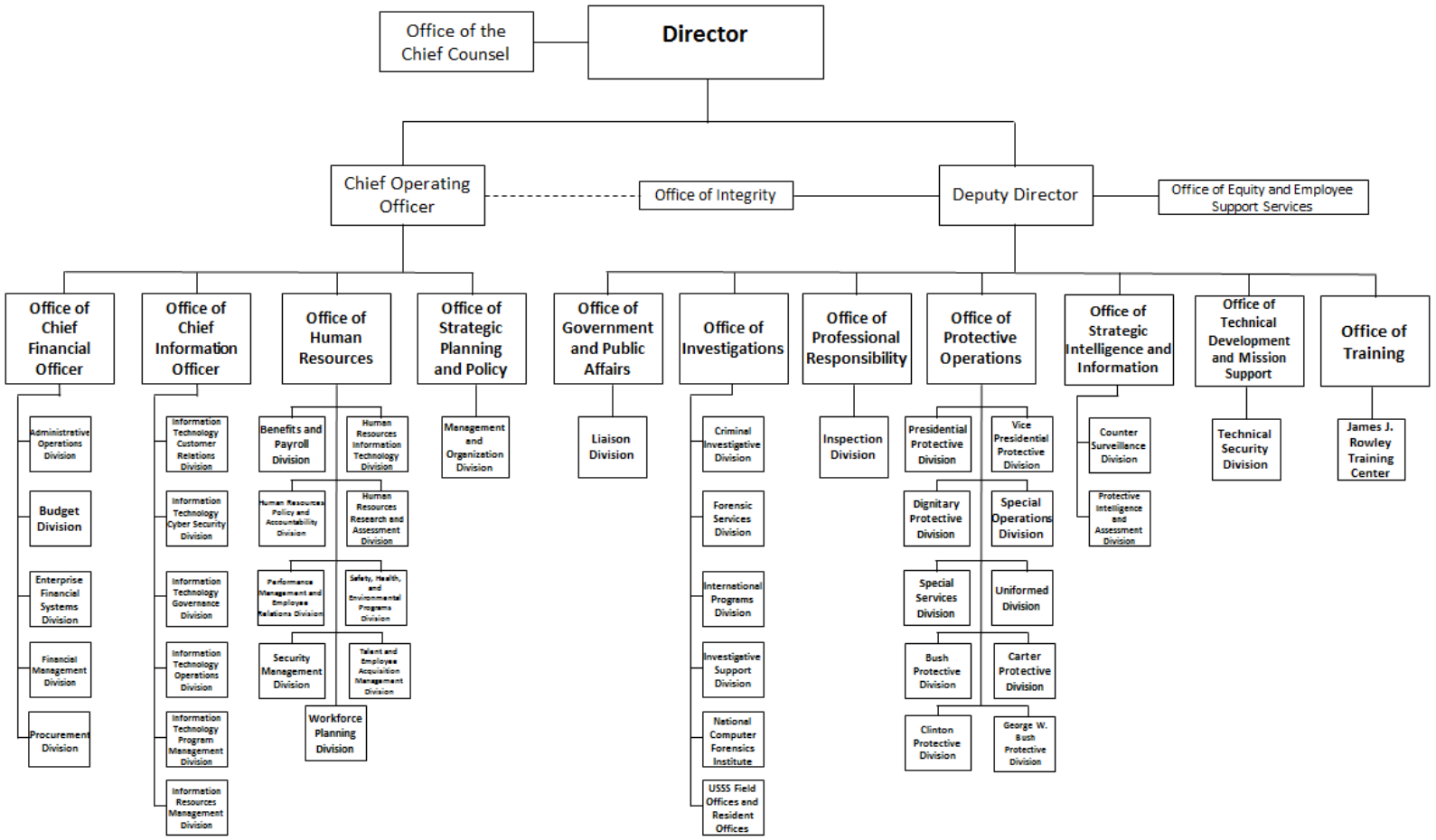
[42] U.S. Congress, ***Division F–Department of Homeland Security Appropriations Act, 2016*** as part of the Consolidated Appropriations Act (P.L. 114-113) and the accompanying Explanatory Statement, December 18, 2015.

[43] The Department of Homeland Security, ***FY 2017 Homeland Security Congressional Budget Justifications***, Volume 3.

United States Secret Service
Organization Chart - 2014



United States Secret Service
Organization Chart - 2016



The impact of these changes on business support functions and practices and organizational management will be discussed. As a reference point, below is a brief description of the Secret Service's current organizational units and their responsibilities.

Office of the Director

Top agency leadership reports to the Secret Service Director. Direct reports include the:

- Deputy Director - Executes the agency's integrated mission; essentially all protective and investigative operations and training are under the purview of the Deputy.
- Chief Operating Officer (COO) - Oversees the business management functions of the agency.
- Office of the Chief Counsel - The Office of Chief Counsel provides legal advice, research, decision making, and representation on all facets of the USSS's protective, investigative and administrative functions.

In addition, the Equal Opportunity Officer reports to the Director on matters involving EEO. Directorates and offices reporting to the Deputy Director and COO are described in the tables that follow.

Table 2.1 Deputy Director – Offices and Responsibilities	
Office	**Responsibilities**
Integrity	Adjudicates allegations of employee misconduct, ensuring consistent disciplinary action is followed; educates and communicates policies to employees; advises managers and employees on conduct, integrity/professionalism issues; and makes recommendations for strengthening accountability and transparency regarding employee misconduct and discipline.
Equity and Employee Support Services	Newly established during the Academy's review, the Office combines diversity and equal employment opportunity (EEO) functions with the employee assistance and ombudsman programs. A chaplaincy program is planned for the future.
Professional Responsibility	Ensures that Secret Service offices and programs comply with agency policies, procedures and protocols and with federal regulations; helps operational mission areas continue to function efficiently and effectively; conducts investigations of alleged misconduct; and serves as agency liaison to the DHS Office of Inspector General and the Government Accountability Office.
Government and Public Affairs	Provides legislative analysis and advice; coordinates with the media and Congress; liaises with external partners; serves as the official spokesperson for the agency; and provides primary internal/external communications for the agency.
Protective Operations	Plans, directs, coordinates, and implements protective policies, programs, and operations; ensures that all protected persons, places, and events receive the most appropriate level of protection. Includes the following divisions: Presidential Protective, Vice Presidential Protective, Dignitary Protective, Uniformed Division, Special

Table 2.1 Deputy Director – Offices and Responsibilities	
	Services, and Special Operations.
Strategic Intelligence and Information	Maintains protective intelligence and counter surveillance activities to ensure the safety of persons, facilities, and events under its purview; conducts, guides, and provides oversight for all protective intelligence and counter surveillance activities through the following divisions: Protective Intelligence and Assessment and Counter Surveillance.
Investigations	Plans, directs, coordinates, and implements all investigative activity; provides forensic expertise; supports international field offices; and operates all field and resident offices through the following divisions: Criminal Investigative, Forensic Services, International Programs, Investigative Support, and Field Offices and Resident Offices.
Technical Development and Mission Support	Responsible for developing and conducting extensive scientific and technical support programs, including the design, installation, and modification of technical security equipment for agency mission applications.
Training	Develops and provides basic, advanced, and continuing training for Secret Service employees; supports training for law enforcement partners; manages the James J. Rowley Training Center (RTC), the primary training facility for the agency. RTC administers multiple classrooms, firearm ranges, physical fitness facilities, tactical villages, and a protective operations driving pad; also manages the firearms program.

Table 2.2 Chief Operating Officer – Offices and Responsibilities	
Offices	**Responsibilities**
Chief Information Officer	Plans, manages, and provides enterprise IT resources across the agency; manages the IT investment and governance policies and processes; provides on-site communications and computer support for protective events and NSSEs.
Strategic Planning and Policy	Provides enterprise-wide analytic and data analysis services; oversees management of agency policy, directives, and records; leads and coordinates agency strategic planning efforts; guides a unity of effort program to focus on the mission moving forward and helps position the agency to identify and respond to emerging threats and trends.
Human Resources	Directs, coordinates, and implements human capital policies, programs and services including recruitment and hiring, benefits and payroll, workforce planning, security clearances and performance management.
Chief Financial Officer	Ensures agency leadership has financial information to make and implement sound programmatic decisions; prepares budgets and financial statements; develops and administers agency-wide policies, plans, and procedures in budget, finance, accounting, financial systems, relocation and travel services, acquisition and contracting, and facility and property management.

CHAPTER 3: TRANSFORMING THE SECRET SERVICE

The Protective Mission Panel (PMP) and House Committee on Oversight and Government Reform (HOGR) reports precipitated a wide range of actions across the agency to address the numerous specific recommendations (please see Appendix D). Director Clancy's appointment to the helm occurred at a critical time with heightened scrutiny of agency practices and a formerly sterling image tarnished by high profile incidents. He adopted a proactive approach to tackle weaknesses identified in those reports, and from internal assessments, and instituted numerous organizational and transformational efforts to change the culture and management practices, professionalize administrative, technical and management functions, and address myriad staffing and employee issues. Salient examples of those changes include:

- Restructuring the organization and creating a Chief Operating Officer position to bring a business-like approach to support functions and allow mission programs to focus on the integrated mission of protection and investigation along with training, integrity, and discipline.
- Strengthening and professionalizing the leadership corps, appointing "civilians" to business support leadership positions previously occupied by law enforcement (GS-1811, special agents), and appointing new leadership in key directorates, thereby creating a cadre of senior leaders to foster a more collaborative executive management team.
- Creating an Office of Strategic Planning and Policy (OSP) as a centralized, analytical think tank to lead and coordinate enterprise management efforts and focus the agency on the mission moving forward as it evolves and needs to respond to new and emerging threats.
- Establishing a standalone Office of the Chief Information Officer, decoupling it from the Office of Technical Development and Mission Support. The office now has all the agency-wide information resource management functions, while the Office of Technical Development and Mission Support focuses on technology tools and research and development in direct support of mission activities.
- Similarly, establishing a standalone Office of Training detaching it from the Office of Human Resources and reporting directly to the Deputy Director to afford greater visibility and mission focus. The new office actively triaged immediate training needs, expanded course offerings, and developed and began implementing a strategic plan for future training needs.
- Elevating the role of the Chief Financial Officer and creating a Chief Communications Officer.
- Realigning and securing resources—staffing and funding—to support reforms and meet high priority needs.
- Instituting a data-driven workforce planning model and initiating mission-based budgeting to better assess resource and staffing needs and to communicate with Department of Homeland Security (DHS) and Congress.

- Hiring additional "outside" talent with appropriate skills in such areas as training, information technology, and finance to address the issue of insularity and need to professionalize staff.
- Instituting a number of changes to improve the hiring process to reduce the time-to-hire and ensure high quality candidates.
- Significantly revamping employee conduct and discipline programs to ensure greater agency-wide consistency, fairness and timeliness to strengthen both accountability and transparency.
- Adopting policies and communicating reforms with clear direction in accountability for employee standards of conduct and career progression.
- Implementing a work-life assessment to address employee morale and work-life issues in an effort to stem attrition.
- Instituting a number of changes in how leadership communicates with staff.

Without question, the agency has executed an extensive number of leadership, organizational and policy changes over the past couple of years, tackling issues many of which are long-standing and at their core, cultural. Agency leadership has achieved these changes in a relatively short time, demonstrating its commitment to change. Chapters 4 through 6 will address in greater detail the Panel's and study team's assessment of specific efforts and offer recommendations or suggested actions, where appropriate, to further strengthen the efforts underway and planned. In some areas it is not possible to assess effectiveness yet because the changes or initiatives are recent. In addition, many of the newer organizational entities, such as the Office of the Chief Information Officer, are still in a stand-up mode and not fully staffed presently to carry out all of the functions under their purview. Time—and support—will be needed to fully implement these efforts and in turn, assess results to determine what is working and what may require further refinement.

Overall, however, the Academy Panel and study team found that agency efforts are positive initial steps to support longer term change and can serve as the foundation for an integrated organizational transformation endeavor. Elements of best practices can be found in many of these individual efforts. The next step should be to harness the momentum of these individual actions underway and bring them together by adopting an integrated strategic management approach to ensure that transformation efforts are further developed and refined—and importantly, institutionalized.

Adopting an Integrated Strategic Management Approach

A clearly defined organizational "end state" is necessary for achieving a successful transformation. Currently, the Secret Service does not have a documented, desired end state. The strategic plan "on the books" is the plan of the previous director. In interviews with agency leaders, officials acknowledged that there is a need to develop an updated plan; the Chief Strategy Officer has been assigned that responsibility. Because priorities have not been clearly established, the current management approach has involved many separate efforts and has been more reactive than strategic. This is understandable given all the action items tasked to the agency. Currently, the Secret Service tracks agency actions to

address PMP and HOGR recommendations in separate documents with different formats. In addition, actions underway are not clearly prioritized with due dates and designation of accountable officials. A standard reporting template for consistent tracking, analysis and reporting of accomplishments and progress against a schedule is needed to ensure continued agency progress and for holding individuals accountable.

The Secret Service and its leaders deserve to be commended for all that they have accomplished in a very short time. Moreover, agency leaders recognize that more needs to be done in restructuring and mapping out a future direction and plans are being developed, or already underway, for the next phase of agency actions. What is needed now is adoption of a formal, and integrated, strategic management transformation effort. Given that the individual efforts underway can serve as the foundation, the time is opportune for such an undertaking.

Among the PMP report's recommendations was the need for the agency to clearly communicate priorities and align its operations with those priorities and, in turn, for Secret Service leadership to drive reforms through completion with timelines and individuals held accountable for successful completion. The PMP recognized that the protective mission has "drawn strength" from the investigative capacities, but suggested that the agency examine its mission, particularly its cyber role and subsidiary missions, while ensuring its core protective mission remains its first priority. The PMP noted that agency leadership must make choices and recommended that the agency develop a zero-based or mission-based budget that will provide sufficient resources to accomplish the defined mission. The HOGR report went further noting that the Secret Service's mission had dramatically expanded and asking for an interagency review to be led by DHS to assess collateral or non-essential missions that can be shed. That review is currently underway with the Secret Service providing information and assistance to DHS.

The Secret Service has evolved its mission statement from a dual mission—protection and investigations—to an integrated protection-driven, investigations-based organization. Protection and investigations are seen as complementary and mutually reinforcing. The current DHS initiative provides an opportunity to validate this mission, identify any adjustments needed, and establish a clear vision for the future. This is a crucial step in transforming the organization.

In the early 2000s, the Federal Bureau of Investigation (FBI) undertook a major organizational transformation effort that may be instructive, particularly as the agency is often looked to today for best practices in law enforcement. The terrorist attacks of September 11, 2001 fundamentally altered FBI priorities and served as a catalyst for the FBI to transform from a traditional and reactive law enforcement agency focused primarily on investigating crimes after the fact to a key agency in the nation's counterterrorism effort focused on prevention.[44] Like the Secret Service, the FBI has a long and proud law

[44] National Academy of Public Administration, ***Transforming the FBI: Progress and Challenges***, Washington, D.C., February 2005

enforcement history—and a deeply rooted culture—but needed to adapt to the times by analyzing what it does and how it does business. Essentially, the agency needed to address significant resource challenges and mission definition in light of a significantly changing environment. To address these challenges, the FBI Director initiated a transformation effort. It included establishing clear lines of authority, identifying priorities, commencing actions to realign the organization and assign resources to support those priorities, and institutionalizing priorities through new hiring, training and management. The Academy reviewed the agency's efforts[45] and cautioned that reorganization is the beginning, not the end; institutional and cultural change is long-term. The Academy urged the FBI to adopt an approach that set out an explicit management agenda and timetable. The Government Accountability Office (GAO) also reviewed the FBI's efforts and suggested the FBI employ the following key practices for successful transformation efforts:[46]

- Ensure top leadership drives the transformation.
- Establish a coherent mission and integrated strategic goals.
- Focus on a key set of principles and priorities.
- Set implementation goals and a timetable.
- Dedicate an implementation team to manage the process.
- Use a performance management system to define responsibility and establish accountability.
- Establish a communication strategy.
- Involve employees.
- Build a world-class organization that continually seeks to implement best practices.

Key among these practices is developing an updated strategic plan to document the mission and to guide the organization, with clearly established goals, strategies, and measures to assess programs and resources and to achieve goals. As GAO noted, a strategic plan is vital to an organization's transformation effort. In addition, a comprehensive strategic human capital plan should be developed cascading from the strategic plan and should serve as the centerpiece of any change management initiative. It should guide the agency to align its workforce needs, goals, and objectives with mission-critical functions. Human capital approaches should be integrated in organizational plans and human capital programs aligned with program goals. Ultimately, an organization's activities, core processes and resources must be aligned to support its mission and to help it achieve its goals. GAO concluded that transforming an organization like the FBI with its "deep-seated

[45] Request from the House Appropriations Committee, Subcommittee on Commerce, Justice, State, the Judiciary and Related Agencies, 2002

[46] U.S. Government Accountability Office, ***FBI Reorganization: Progress Made in Efforts to Transform, but Major Challenges Continue***, GAO-03-759T, Testimony, David M. Walker, Comptroller General, Before the Subcommittee on Commerce, Justice, State and the Judiciary, Committee on Appropriations, House of Representatives, Washington, D.C., June 18, 2003

culture and tradition is a massive undertaking" that takes considerable time and effort.[47] The same can be said of the Secret Service—change will take time.

Information technology also plays a major role in transformation efforts. Indeed, the PMP report highlighted the importance of technology to the Secret Service's mission, noting that the agency should be on the leading edge of technological innovation to detect, deter and defeat threats. It posited that the Secret Service must strategize its use of technology. GAO's earlier review of the FBI's transformation efforts suggested that the effort would not succeed without the FBI significantly upgrading its communications and information technology capabilities and recommended that the FBI fully establish the management foundation necessary to begin developing, implementing and maintaining an enterprise architecture.[48]

An enterprise architecture is a blueprint for organizational change—it describes in both business and technology terms how an organization operates today (current state) and how it will in the future (future state). Importantly, it includes a plan for transitioning to the future. Effective use of an enterprise architecture is a hallmark of successful organizations and is a recognized tenet of organizational transformation and IT management in public and private organizations. When employed with institutional management disciplines (i.e., strategic planning, portfolio-based capital planning and investment control and human capital management) it can significantly increase the chances of configuring an organization to both promote agility and responsiveness and optimize mission performance and strategic outcomes.[49]

The Secret Service, like the FBI's earlier efforts, is seeking to drive a major cultural change; the key enablers of such change are people, processes and technologies. Efforts are underway to move from stovepipes to more collaborative working relationships; from hierarchical to flatter reporting structures; from reactive to more proactive management approaches; from insularity to forming external relationships and partnerships. By appointing a chief operating officer, the agency has elevated attention to management issues and organizational transformation. To implement and sustain the change, the agency now needs to adopt a formal change management strategy as part of an integrated strategic management approach. The Academy has assisted other agencies, such as the Coast Guard and the Social Security Administration (SSA), in their efforts to develop a future vision and transform their organization. In the Academy's effort with SSA, transformational success indicators were identified. The indicators largely parallel the practices highlighted from the GAO study on the FBI noted above, with an addition from change management best

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[47] U.S. Government Accountability Office, ***FBI Reorganization: Initial Steps Encouraging but Broad Transformation Needed***, GAO-02-865T, Testimony, David M. Walker, Comptroller General, Before the Subcommittee on Commerce, Justice, State and the Judiciary, Committee on Appropriations, House of Representatives, June 21, 2002

[48] Ibid.

[49] U.S. Government Accountability Office, ***Organizational Transformation***, GAO-12-791, September 26, 2012 and ***Organizational Transformation: A Framework for Assessing and Improving Enterprise Architecture Management (Version 2.0),*** GAO-10-846G, Executive Guide, Washington, D.C., August 2010

practice literature—design the organizational structure that will enable the vision.[50] Change is dependent on good structures and processes in order to achieve the outcome of desired changes.[51] (Please see Appendix F, Organizational Change Management Best Practices.)

The PMP report concluded that the Secret Service must commit itself to transformative, continuing change, constantly reevaluate its performance, and seek to engage and learn from others—a clarion call for action. The Secret Service has heeded the call and embarked on the road to transform the agency. Adopting a formal, integrated strategic management approach will help the agency institutionalize the change needed. But it must start with a clear sense of mission. The current effort underway to examine mission is an important step—it will drive all other actions.

Agency leadership has many pieces already in play. For example, the Office of Strategic Planning and Policy has established a net assessment group which has reached out to the intelligence community in assessing what the future domestic security and economic environment might look like and has very recently developed an exposure draft, "Strategic Outlook 2016-2026," to help guide the strategic planning process. The document notes that "successful strategic planning involves carefully synchronizing many moving parts to work together, organizing personnel, technology, and other resources. Without this, strategic analysis becomes a set of isolated goals or desires rather than a specification of the means that produce the desired outcome." Further it recognizes that programs, protocols, and operations must be re-examined and reshaped in light of current realities and future projections. It closes noting that the Secret Service needs to engage in continuous strategic planning activities. This is an excellent step. Tying this effort to the development of a strategic plan, applying enterprise architecture in the process and cascading the strategic plan to a true strategic human capital plan will form the cornerstone for a successful transformation.

We understand from conversations with agency officials that the enterprise architecture program is currently dormant, but plans are underway to reconstitute it, and the program is highlighted among a number of governance initiatives in a recently published IT Strategic Plan, developed by the newly appointed Chief Information Officer. This is an opportune time to place a priority on this program and integrate it with the agency's strategic planning process and overall transformation efforts.

Similarly, the agency has a human capital plan in place and is in the midst of developing a new plan. The effort is being led by OSP working with the Office of Human Resources. The current plan (and previous plan) was prepared in response to a congressional request and reflects more of a budget justification to support staff resources rather than a strategic

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[50] National Academy of Public Administration, ***Anticipating the Future: Developing a Vision and Strategic Plan for the Social Security Administration for 2025-2030***, Washington, D.C., July 2014.

[51] Haines Centre for Strategic Management, ***Achieving Leadership Excellence: Enterprise-Wide***, San Diego, CA, 2006

human capital plan. The PMP had recommended that the agency adopt a workforce staffing model in concert with developing a mission-based budget. The Human Capital Plan (FY 2015 – FY 2019) reflects that direction as the agency has implemented a workforce planning model with separate components for the three employee groups: special agents, Uniform Division (UD) officers, and administrative, professional and technical (APT) staff. (We discuss the model in Chapter 6.) We were told in discussions with agency officials that the word "strategic" was purposely omitted from the title of the plan as they recognized that the plan was not a "strategic human capital plan" and that they need to evolve such a plan. The plan, along with recognition of what it is and what it is not, is a good start. The next step should be an integrated effort aligning the agency's human capital program with current and emerging mission and programmatic goals and developing long term strategies for acquiring, developing, and retaining staff to achieve programmatic goals.[52]

Ideally, the agency should develop a high level strategic human capital plan, with key goals, objectives and strategies to set the enterprise-wide human capital management agenda and approach, as well as a strategic workforce plan. The plans should clearly link to the agency's updated strategic plan. GAO has identified the following key principles that strategic workforce planning should address:

- Involve top management, employees and other stakeholders in developing, communicating and implementing the strategic workforce plan.
- Determine the critical skills and competencies needed to achieve current and future programmatic results.
- Develop strategies tailored to address gaps.
- Build the capability needed to address requirements to support workforce planning strategies.
- Monitor and evaluate progress toward human capital goals and contributions to achieving programmatic goals.

Ultimately, strategic workforce planning serves as the foundation for managing an organization's human capital, enabling it to strategically meet current and future needs; it assists in ensuring that positions are filled by the right employees with the necessary competencies to meet future organizational goals and objectives.[53] Identifying and ensuring the right mix of staff—special agents, UD officers, APT—and the right mix of federal staff to contractors to support goals, aligned with budget realities, is an important outcome of the analysis.

Panel Recommendation 3.1

Objective: To ensure that agency transformation efforts are strategically focused, integrated and institutionalized and provide a foundation for continuous improvement.

[52]U.S. Government Accountability Office, ***Human Capital: Key Principles for Effective Strategic Workforce Planning***, GAO 04-39, Washington, D.C., December 2003
[53] Office of Personnel Management, **Workforce Planning Best Practices**, Washington, D.C., October 7, 2011

<u>Recommendation:</u> Secret Service leadership should adopt an integrated strategic management approach, applying a formal change management strategy and enterprise architecture to establish a roadmap that will drive organizational change and institutionalize agency transformation efforts. In adopting the integrated approach, the Secret Service leadership should:

- *clearly communicate the agency's vision and mission in an updated strategic plan that defines the goals, objectives and priority actions to achieve the mission. The priority actions should be subsequently delineated in operating plans, updated annually and linked to performance plans and related programmatic strategic plans (such as the IT strategic plan).*
- *develop a strategic human capital plan to support the agency's programmatic goals and a strategic workforce plan that details skills and competencies and articulates a long term blueprint for acquiring, developing and retaining staff.*
- *establish a routine schedule for a full review and update of the strategic plan and all related plans.*

Panel Recommendation 3.2

<u>Objective</u>: To ensure that agency priorities in addressing PMP and HOGR recommendations are clear, action steps assigned to accountable executives are delineated, and progress is tracked against established timelines.

<u>Recommendation:</u> The Secret Service should develop an integrated action plan to sequence and prioritize PMP and HOGR initiatives, identify accountable executives, document timelines, and track and report on progress.

CHAPTER 4: ADDRESSING THE CORE ENABLER OF ORGANIZATIONAL SUCCESS – THE WORKFORCE

The workforce represents the most valuable asset of an organization. An organization's people—human capital—define its character, affect its capacity to perform and represent the knowledge base of an organization.[54] Two core principles stand out in the strategic human capital model developed by the Government Accountability Office (GAO) and underscore the importance of the workforce: (1) People are assets whose value can be enhanced through investment and (2) an organization's human capital approaches should be designed, implemented and assessed by how well they help the organization to carry out its mission and achieve desired results or outcomes.[55] The Secret Service's workforce represents a substantial investment—nearly three-fourths of the agency's budget. Effective human capital approaches are critical to the success of the organization and serve as the keystone for efforts to transform the organization's culture.

In response to incidents that occurred, and the subsequent studies and investigations that led to a host of staffing, training, conduct and retention/work-life related recommendations, the Secret Service has undertaken a wide range of human capital initiatives, including the development of a human capital plan noted in Chapter 3. The many efforts have been focused on stemming the hemorrhaging of staff resources through reengineering hiring processes; reinvigorating training programs and development opportunities; reinforcing accountability and standards of employee conduct; addressing retention issues through work-life initiatives; and enhancing communications to promote transparency and engaging employees. These efforts will be discussed below. Overall, the individual efforts are a good start and responsive to concerns expressed in the Protective Mission Panel (PMP) and House Oversight and Government Reform (HOGR) reports, as well as the earlier Professionalism Reinforcement Working Group (PRWG) study and Inspector General reports. The extraordinary workload demands leading up to the 2016 election year, together with multiple national security events and foreign travel, have continued, however, to stretch the workforce. As a result, attrition remains a top leadership concern despite gains made in staffing. The table below presents a snapshot of attrition since the start of FY 2015.

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[54] U.S. Government Accountability Office, ***A Model of Strategic Human Capital Management,*** GAO-02-373SP, Washington, D.C., March 2002

[55] U.S. Government Accountability Office, ***Managing for Results: Building Momentum for Strategic Human Capital Reform,*** GAO-02-528T, Testimony, David M. Walker, Comptroller General of the United States before the Subcommittee on International Security, Proliferation and federal Service on Governmental Affairs, U.S. Senate, Washington, D.C., March 18, 2002

Secret Service Attrition

	Staffing 10/1/2014	Hiring	Attrition	Staffing 10/1/15	Hiring	Attrition	Staffing 10/1/2016	Change from 2014	Change from 2015
Special Agent Force	3,279	207	-233	3,253	327	-253	3,327	48	74
Uniformed Division	1,345	151	-167	1,329	309	-210	1,428	83	99
APT*	1,745	142	-163	1,724	194	-165	1,753	8	29
Total	6,369	500	-563	6,306	830	-628	6,508	139	202

*Administrative, Professional and Technical; Source: U.S. Secret Service FY 2016 Pay Period 19 Payroll Data

As of 10/1/16 (the start of FY 2017), the number of Uniformed Division (UD) officers on the rolls (1,428) showed net gains from the on-board strength on both 10/1/2014 (+83) and 10/1/2015 (+99) reflecting the agency's concerted hiring efforts. Similarly, special agent strength increased for net gains from on-board strength on 10/1/2014 (+48) and 10/1/2015 (+74). The Administrative Professional and Technical (APT) positions, which provide mission support to law enforcement and carry out business operations functions, reversed earlier negative trends—though at a lower rate—with a net gain of 37 since the start of FY 2015 on 10/1/2014.

Evolving Human Capital Organization

An early action undertaken by Secret Service leadership after the PMP report was to realign the Human Resources and Training Office by breaking out training. An independent Office of Training was established reporting to the Deputy Director and aligned with the mission directorates, while the remaining human resource functions were restructured in a new Office of Human Resources (HUM), reporting to the Chief Operating Officer and aligned with the business operations functions. The intent of the restructuring was to place greater institutional focus and attention on training (which will be discussed later in this chapter) and on the recruiting and hiring process. Within the Office of Human Resources, the reorganization redistributed hiring and recruiting responsibilities to a new Talent and Employee Acquisition Management Division. The Division provides the full range of classification management, recruitment and hiring for all staff, with the exception of senior executives which is under the purview of the Executive Resources Program in HUM. Other line HUM divisions include Human Resources Research and Assessment, which plays a major role in developing employee assessment tools and competency models, Benefits and Payroll, Performance Management and Employee Relations, Human Resources Information Technology, and Workforce Planning. Under the existing organizational chart, these line human capital functions report to a Deputy Assistant Director who is also designated as the Chief Human Capital Officer (CHCO). In addition to that Deputy, HUM has two additional Deputy Assistant Directors—(1) Logistics and Administrative Operations and (2) Security and Resilience. All three report to the HUM Assistant Director, and all are law enforcement (1811s) individuals. Under this arrangement, the CHCO has been subordinate to the Directorate head. And, unlike the other business units where the Chief Information Officer (CIO) and Chief Financial Officer (CFO) roles have been elevated and "civilians" appointed

in a move to professionalize those roles, the CHCO stands out as an anomaly, particularly in light of the significance of human resource (HR) issues.

The CHCO role was established by the Chief Human Capital Officers Act of 2002[56] to advise and assist the head of an agency and agency officials in strategic human capital management efforts. Functions include aligning an agency's human resource policies and programs with the organization's mission, strategic goals and performance outcomes. While the law specifically established CHCOs in the 24 CFO agencies, subcomponent agencies throughout the federal government have recognized the importance of this role and established CHCO positions. That the Secret Service has a designated CHCO is a good step; the next step is professionalizing the position and elevating the role to be a peer with the other business operations chiefs. Very recently in late August 2016, the Director announced the retirement of the current HUM Assistant Director and named the Deputy who serves as the CHCO as the interim head. In his message to the workforce, the Secret Service Director communicated his decision to bring executive-level experience and subject matter expertise to the position and appoint a civilian human resources professional to assume the leadership of HUM. Designating this plan as a high priority and following through to elevate and professionalize the CHCO position are important steps in efforts to strengthen human capital management. It will enable greater visibility, clarity, authority and accountability for human capital management and provide the foundation for a more strategic human capital management focus and practice.

Also recently in July, the Director of the HR Research and Assessment Division was selected for an executive position and her duties expanded to include the "development of a comprehensive human capital management strategy and plan to evolve the Agency's ability to systematically define, track, recruit/hire, develop/promote and manage" the agency's workforce and align mission needs with employee skills and competencies.[57] "This newly established role is very much in keeping with what should be under the purview of a CHCO. How the expanded duties align with the Office of Strategic Planning and Policy's (OSP's) effort to update the human capital plan is not entirely clear at this time and will need to be sorted out.

Recent focus and efforts to realign human capital functions are, without question, steps in the right direction. Another step needed is the reexamination of HUM's functional responsibilities and alignment. Currently, the organization appears somewhat disjointed; it would benefit from a full organizational and functional analysis. As noted above, in addition to the line HR functions, HUM also has a lead role for personnel security (adjudicating clearances), safety, health and environmental functions, and emergency preparedness. The latter function—emergency preparedness—moved to HUM from the Office of Technical Development and Mission Support (TEC) in May 2015. The Academy Panel and study team did not examine security and safety as they were outside our study's scope; however, these

[56] Title XIII of the Homeland Security Act of 2002, Public Law. No. 107-296 (Nov. 25, 2002)
[57] Memorandum from the USSS Director to employees, "203.090, SES Appointments," July 21, 2016.

security and safety functions appear misaligned in HUM. The comingling of these functions can divert attention from core human capital responsibilities.

As noted above, the workforce planning function sits in HUM; it appears in practice to be largely a budget and data driven function. The internal directive that sets forth HUM's organizational structure and functions states that Workforce Planning manages and executes the workforce allocation process and "Human Capital Strategic Plan." Responsibilities include forecasting workforce trends and developing workforce modeling. As noted in Chapter 3, the division developed the current workforce planning model. This function, as defined, is inextricably linked to budget and to OSP, which currently has the lead role in developing an updated human capital plan and is responsible for enterprise-wide data analysis and performance reporting functions. Given the significance of salaries and expenses to the overall Secret Service budget and the criticality of forecasting resource requirements to carry out the mission, it may be beneficial, as an interim measure, to consolidate and move this function under OSP while elements of strategic human capital management are further developed and refined and a professional CHCO put in place. Temporarily moving the function to OSP would provide greater visibility to the importance of this role during this developmental phase as roles and responsibilities involving the strategic human capital planning are sorted out and efforts to further professionalize the human resource staff are accomplished.

Finally, the Employee Assistance Program (EAP) and Ombudsman Program, until July 2016, reported to the HUM Deputy Assistant Director for Logistics and Administrative Operations, along with budget and special projects staff. As such, these two work-life employee functions lacked prominence and visibility. The functions were simultaneously moved and merged with the Equal Opportunity and Diversity Office forming a new Office of Equity and Employee Support Services.[58] The intent of this recent restructuring is to provide a better focus to the services offered by the programs and, overall, to improve the services. A future Chaplaincy Program is also planned. We understand that the current EAP program is limited and perceived as a headquarters service as the number of program staff is small and housed in Washington. However, EAP staff respond to field staff requests and also occasionally travel to the field. Hopefully, the added focus on the program will lead to expansion of services and options.

The move and merger with the equal employment opportunity (EEO) office clearly provides greater visibility—the new office reports to both the Secret Service Deputy Director for employee support services and the Director for EEO matters. However, it is the nature of this dual-hatted role that may result in unintended consequences. EEO offices, with their statutory responsibilities in the EEO grievance and complaint processes, typically elicit certain and often deep-seated perceptions among staff that may inhibit employees from seeking assistance. Secret Service staff are in highly stressful positions, and programs to support the wellness of the staff and overall health of the organization are essential. The Federal Law Enforcement Training Center (FLETC) established an Office of

[58] Ibid.

Organizational Health in 2013 as an umbrella organization that brings together critical incident stress management and wellness, ombudsman and equal employment opportunity functions under one organizational entity. The components—wellness, ombudsman, etc.—operate autonomously and do not report to the EEO Officer. The Office of Equity and Employee Support Services is also described as an umbrella organization, and the plan is for the EEO, employee assistance, and ombudsman (and future Chaplaincy) programs to operate as independent programs. However, the director of the new office continues to hold the title of agency EEO officer. It will be important, going forward, to monitor the impact of this realignment by establishing periodic reports, evaluations, and employee surveys on its use and effectiveness. Should usage drop and employee surveys indicate a reluctance to use the services, we would encourage a reexamination of the co-placement of the wellness functions with EEO.

Panel Recommendation 4.1

Objective: *To provide focus on core human capital management practices and functions and to improve the efficiency and effectiveness of human capital services.*

Recommendation: The Secret Service should conduct a comprehensive assessment of human capital functions and organizational structure, focusing on what is core to strategic human capital management and practices and to the efficient and effective delivery of human capital services. Organizational elements of this assessment should include:

- *Determining the appropriate placement of security, safety and emergency management and related activities. At a minimum, the function should be moved out of the human resources office so that the office can focus on human capital services and priorities.*
- *Evaluating the appropriate placement of the workforce planning function. As an interim measure, consideration should be given to moving it to OSP as roles and responsibilities for strategic human capital management planning are sorted out and further developed and the HR staff and functions further professionalized.*

Reengineering and Enhancing the Recruitment and Hiring Processes

Effective human capital management practices—recruiting, hiring, developing and retaining employees—are essential ingredients to achieving successful organizational performance. The PMP, HOGR and Inspector General reports have highlighted critical staffing issues in recent years involving declining numbers of employees at the same time the workload was increasing. The HOGR report recognized that a contributing factor was the significant cuts imposed by the Budget Control Act of 2011 (commonly referred to as Sequester) which led the agency to impose a hiring freeze. Taken together with increased turnover, the impact on the remaining workforce was a burgeoning workload leading to increased overtime and travel, cancelled leave, and declining morale. The HOGR report also pointed to issues in the hiring process. It recommended that Congress ensure the agency has sufficient funds to restore staffing levels and that the Secret Service increase the

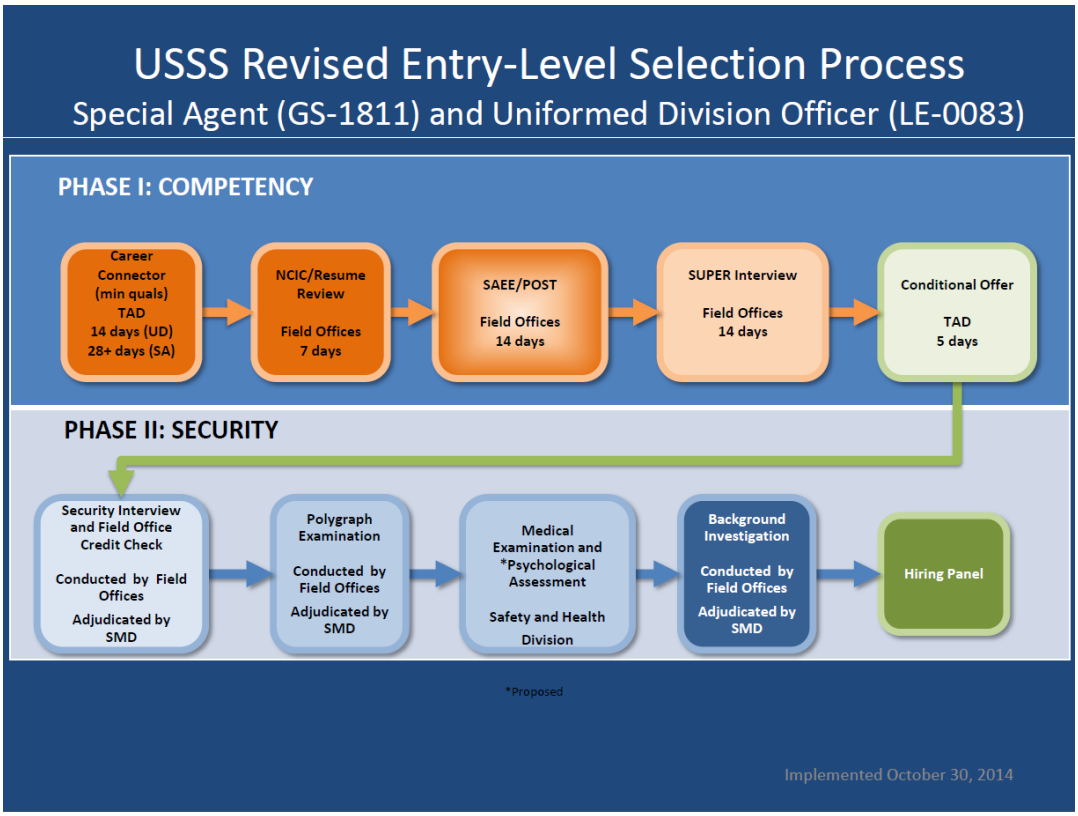
number of administrative, professional and technical (APT) personnel, especially those with a role in hiring. The earlier PMP report had recommended the agency hire 200 Uniform Division (UD) officers and 85 special agents to meet workload challenges, develop a "professionalized recruiting and hiring" process, and promote specialized expertise in budget, workforce and technology. Specifics on what constitutes a professionalized recruitment and hiring process were not delineated.

Special agent and UD officers are excepted service—Schedule B—positions. The Schedule B authority provides flexibilities in hiring processes, and employees hired under this authority (Secret Service's specific authority emanates from Executive Order 11203) can be converted to career appointments after three years of full-time continuous service in a position. Candidates must have passed a competitive examination or meet non-competitive examination standards of the Office of Personnel Management (OPM). APT employees, on the other hand, are covered by Title 5 rules and processes (although there are some flexibilities available in the APT community depending on job series being sought; for example, positions in cyber security are currently excepted service, schedule A, as the series has been identified as critical need.) As a result, the hiring processes do vary for law enforcement and APT staff.

As noted in the Secret Service Human Capital Plan (2015-2019), restoring law enforcement personnel was identified as a need that superseded all other human capital needs in the near term. The plan acknowledged the importance of a "healthy APT population," but given priorities and funding, focus was placed on hiring special agents and UD officers. To meet the hiring challenges given onboard resources, capabilities, and hence, capacity, the Secret Service brought on contractors to support the hiring effort, leveraging specialized experience to assist the agency as it moved to more efficient hiring processes. The agency also looked to other agencies, such as U.S. Customs and Border Protection and its use of hiring hubs, as it endeavored to enhance its hiring practices.[59]

The agency initially reengineered the law enforcement entry level selection process in 2013 with a goal to reduce the time to hire and then refined the process based on feedback to streamline and make it more efficient and to better involve the field. Talent and Employee Acquisition has led these initiatives with the assistance of the Research and Assessment Division. A key change was to move from what is known as category ranking ("best qualified," "highly qualified," "qualified" based on an analysis of applicant responses to assessment questions) to a resume review using set evaluation criteria, which streamlines and simplifies the process. In addition, specialized experience statements were revised to make clearer to applicants the requirements of the job. There are two phases of the process: the competency phase and the security phase as depicted in the chart below.

[59] Interview notes



In addition to efforts to streamline processes, the agency has focused on ensuring quality applicants. It has overhauled the hiring interview process with a new, more structured panel process known as SUPER—Special Agent and Uniformed Division Pre-employment Review. The SUPER interview ensures a standard process across the agency and consistency in the approaches applied in applicant evaluations, and importantly, presents a realistic picture to applicants of what the job really entails. The SUPER interview also provides an opportunity to obtain information which may negatively affect an applicant's ability to obtain a security clearance, as well as assess the applicant's knowledge, skills and abilities needed to be successful. Interviewers (law enforcement staff primarily in the field) now must be certified to participate.

Presenting a realistic picture of the job is a significant step. The agency has also added a home interview with family members present to emphasize the realities of the job and provide an opportunity for the family to ask questions. A Rand monograph of studies in law enforcement noted that agencies can reduce turnover by offering realistic job previews to candidates.[60]

Improving the use of standardized job interview questions and applying a structured interview format were recommendations from the PRWG. Another PRWG recommendation

[60] RAND Monograph, ***Police Recruitment and Retention for the New Millennium: The State of Knowledge,*** sponsored by the Department of Justice, Santa Monica, CA, 2010.

was conducting psychological assessments on agents and officers involved in protective missions during the hiring process. Plans are underway to soon begin implementing this latter recommendation as well; it would immediately follow the polygraph test. In addition, the assessment tests used in the process are being refined. The Research and Assessment Division, staffed by industrial and organizational psychologists, develops and validates applicant/employee assessments and competency models. A new UD entrance exam is being developed (replacing the standard Police Officer Selection Test, known as POST)—it will be a customized online test and will eliminate internal scoring thereby expediting the hiring process. A new special agent exam is also planned.

An Applicant Coordinating Center (ACC) was created to assist with significant special agent and UD hiring efforts. The ACCs, which are staffed by HR specialists, security adjudicators, a polygrapher and a nurse, track the status of hiring process activities and resolve issues and delays. The ACCs administer the ELAC process—entry level assessment center—which is an innovative approach to handle law enforcement surge hiring requirements reducing processing time from 10 to 4 months. It is intended to build a pipeline of high-quality candidates to meet staffing needs. Qualified candidates undergo several assessments during a week-long ELAC. Testing, interviews and polygraphs are conducted during the week, and applicants who pass the polygraph are scheduled for medical exams while a background investigation is initiated. The ELAC is an intensive effort requiring the resources of law enforcement staff who conduct the interviews and the background investigations. Given how stretched the agency workforce is, ELACs are the exception rather than the rule—but do provide an effective vehicle for expediting the hiring process once the need is established.

The agency also began using a Non-published Job Opportunity Announcement for special agents and UD officers to supplement routine vacancy announcements, allowing the field to directly target and recruit applicants. This is one of the advantages of having schedule B excepted service authority, and the agency has recognized the need to leverage existing authorities, as well as seek new authorities if needed. This is the case for APT staff as the agency has been exploring, internally as well as with DHS and OPM, potential excepted service authority for its APT staff.

The Academy Panel and study team did not examine APT hiring; the team focused on understanding the law enforcement hiring processes as those positions were high priority positions and time did not permit a detailed review. We are aware that the agency has been exploring how best to leverage APT employees in functions and activities throughout the agency to provide relief to law enforcement staff, particularly where an APT employee was formerly law enforcement. For example, former law enforcement APT staff can administer the SUPER interview and a cadre is being solicited to conduct the security portion of interviews. And, plans are underway to develop career progression paths for non-gun carrying APT, starting with human resources and instructional designers as a proof of concept. These are positive steps for employee retention (discussed below). However, we would encourage the agency to examine its APT hiring processes to identify opportunities for improving and streamlining those processes and benchmark against other law

enforcement agencies as concerns about delays in APT hiring were commonly raised during interviews with agency officials and representatives.

In terms of attracting new staff, the Secret Service developed a National Recruitment Strategy with corollary recruitment and outreach plans to focus on recruiting quality and diverse candidates. Among initiatives is a targeted recruitment marketing campaign that conveys the Secret Service as an employer of choice. The Secret Service engaged a professional marketing firm, ECU Communications to help design and carry out this campaign. In addition, the agency has partnered with academia and professional organizations including military, disability, minority, and women groups to foster interest in Secret Service careers[61] and participated in DHS hosted law enforcement recruitment events. Understanding how to target recruits is critical today as trends show changes in life and career goals among millennials who may have less commitment to an organization and different generational expectations about work schedules, formality and hierarchy.[62] In addition, law enforcement agencies have experienced cohorts of young persons who do not meet the minimum requirements for becoming sworn officers—clean criminal and drug records, good physical health, and financial stability—issues that extend to APT hires at the Secret Service, as well. To address this challenge, the agency rolled out a National Recruitment Advertising Campaign to reinvigorate the agency's brand by projecting a strong message about its mission and the collaborative work done by all segments of the workforce. Elements included, expanding and leveraging social media including LinkedIn, YouTube, Twitter and Internet radio providers; delivering information sessions at colleges, universities, military installations and high schools; providing tours at headquarters and the Rowley Training Center to introduce prospective candidates to the history of the agency, and presenting employment skills workshops focusing on resume reviews, special hiring authorities, and skills for applying to a federal job announcement. A college and university alumni recruitment network is planned. HUM plans to analyze new hire surveys to determine how the new hires learned about the agency and their positions and to conduct a cost-benefit analysis of the recruitment program to identify opportunities for improvement.

The Panel recognizes that it takes time to recover from hiring freezes and put new processes in place that by necessity are stringent and have many critical steps (e.g., testing, interviewing, background checks) and to achieve a consistent pipeline of recruits when resources involved in those processes are stretched, as well. In addition, applicants offered an appointment must then complete required basic training—30 weeks for special agents and 27 weeks for UD officers— before they are ready for assignment, adding to the amount of time it takes to onboard new hires as fully performing employees. The impact of the budget uncertainty to these processes will be addressed in Chapter 6. Overall, however, the Panel and study team believe that steps taken to date to improve hiring and recruiting processes are sound. We understand that the DHS Inspector General is conducting an inspection of hiring at several DHS law enforcement subcomponents including the Secret

[61] U.S. Secret Service, ***National Recruitment Strategy, Fiscal Years 2016-2020***

[62] RAND Monograph, ***Police Recruitment and Retention for the New Millennium: The State of Knowledge,*** sponsored by the Department of Justice, Santa Monica, CA, 2010.

Service; results should be available in late Fall. We encourage continued attention to the length and complexity of the hiring processes which can both positively and negatively affect an agency's internal and external image[63] and ability to attract the promising candidates desired.

Retention Initiatives

The costs for selecting and training the Secret Service workforce represent a significant investment. Retaining a highly qualified, skilled staff is crucial to the ability of the agency to carry out its mission. Understanding why staff are leaving (e.g., burnout, travel, lack of training) and where staff who leave are going (e.g., other agencies, private security firms) are important pieces of the equation in designing programs to stem attrition. Federal Employee Viewpoint Survey (FEVS) results, internal surveys, and data from employee separation surveys yield important clues to underlying causes and help to inform steps needed to address morale issues and retain staff. The Secret Service has adopted these steps to develop and implement a range of retention initiatives, reinvigorating retention programs on the books and exploring new avenues. (Employee engagement and action plans to improve overall morale will be discussed later in this chapter.)

One of the first initiatives put in place was the implementation of the UD officer's retention program. Over 1,000 UD officers—reportedly, 90 percent of those eligible—elected to participate in the two-year program which runs from May 2015 through May 2017[64] and provides up to 25 percent of basic pay for individuals or up to 10 percent for a group. Plans are underway to evaluate the effectiveness of the program and plans for a more comprehensive program aimed at the workforce as a whole are under development. Elements of this broader effort aimed at stemming attrition include:

- Student loan repayment – offers eligible employees up to $10,000 per year (up to $60,000 per employee).
- Tuition assistance – funds employees for job-related academic courses and pays, or reimburses, the costs of an academic degree (a service agreement is required).
- Child care subsidies – would provide a subsidy for qualified employees for the care of children under 13 and children with disabilities up to age 18.
- Expanded telework – would allow non-law enforcement employees to be eligible for telework.
- Senior special agent/senior resident special agent program – allows eligible employees with 15 years of service and the last four years with "acceptable" performance ratings to apply for the "senior" designation and be paid an annual amount of $1,500 (requires an annual application).
- APT career progression – is intended to provide a clear career roadmap for APT professional development and career advancement (as noted earlier, this is a multi-

[63] Ibid.
[64] United States Secret Service, ***FY 2015 Accomplishments***

year effort that will be piloted on a limited number of job series first as a proof of concept).
- Dual compensation waiver for special agents and UD officers eligible for retirement – would waive dual compensation requirements for reemployed annuitants for a limited period of time.

The first two—student loan repayment and tuition assistance—were funded in FY 2016; the latter, dual compensation waiver, was recently approved by OPM for a two-year period and up to 285 staff, allowing the agency to reach out to former law enforcement agents and officers to fill critical vacancy needs.

The agency has also updated the special agent career progression program to provide more transparency into the process and make clearer the expectations for staff involving major moves and therefore, disruptions to their lives and families. Career progression comprises three phases: Phase I, where all agents begin their career, is a field assignment lasting a minimum of 3 years; Phase 2 is typically an assignment to a protective detail, Special Operations or Protective Intelligence in Washington D.C., and ranges from 6 to 8 years total depending on assignment; and Phase 3 is post-protection lasting a minimum of 3 years and can include reassignment back to a field office or a headquarters or training assignment. The HOGR report highlighted issues with the career track model noting that it was unpredictable. The revised program responds to this criticism. In updating the program, the agency also amended the special agent hardship request criteria for what constitutes grounds for granting an exception to rotations to recognize the impact of working spouses and child custody issues. In interviews with agency officials, they noted that hardship is an area that they should and will continue to examine.

In addition, the agency is exploring a number of initiatives that would involve congressional approval. Specifically,

- UD officer step compression - to reduce the number of years it takes for UD officers to reach maximum pay, aligning it with other police agencies.
- Annual leave for year-end compensation – to allow an option of paying staff for up to 40 hours of unused leave in lieu of restored leave. (As currently envisioned, the authority, if granted, would sunset in five years and is meant to address current hiring and attrition challenges.)
- Overtime max-out cap – to lift the cap for overtime to fully compensate employees for the hours required to work.

Agency leadership has widely communicated these changes and plans to staff through memoranda and postings on the Intranet, as well as in staff meetings and video chats, in an effort to keep the staff apprised of efforts underway. And, to insure that the agency keeps a pulse on employee turnover, the employee separation survey was recently revised to better identity the factors contributing to attrition and in turn, the corrective actions needed. Among the enhancements are the addition of supplementary comment boxes to encourage narrative explanations to multiple choice selections and the addition of

questions to assess the potential impact of retention initiatives. All of these initiatives are solid steps in actively addressing employee retention issues. The agency will need to evaluate and continuously monitor the impact of the changes implemented to determine what adjustments or additional actions might be indicated.

Reinvigorating Training

The capability of the workforce to perform is critical to the success of an organization. Ensuring that staff are continually developed to hone skills and knowledge and to facilitate adaptation to changing requirements or conditions are hallmarks of learning organizations. The PMP noted that the Secret Service's zero failure mission requires both a dynamic organization that constantly evaluates and seeks to improve its performance and a highly trained workforce.

The critical role of training was a key area of focus of the PMP, which determined that the lack of available training was a significant contributing factor to incidents involving lapses in performance. The lack of adequate resources to meet increasing workload demands had resulted in limited time available for training. The PMP acknowledged the initial training provided to Secret Service special agents and UD officers upon onboarding, but pointed out that the need for "ongoing, constant, high-level training to maintain the levels of vigilance and skills the job requires" was not being met and recommended specific increases in required training hours. In addition, the PMP recommended that the Secret Service adopt the practice of training law enforcement agents and officers as teams (integrated training) and replicate the work environment in order to ensure their effectiveness. Finally, the PMP addressed leadership development calling attention to the fact that the agency needs to identify and train its future managers and leaders.

Lack of training opportunities is a factor that can affect employee attrition and morale. The HOGR report specifically referenced the 2015 FEVS noting that special agents and Uniform Division officers had identified training opportunities as one of the three lowest-ranked aspects of the job. HOGR attributed the low ranking of training opportunities as a significant contributing factor to low morale and attrition at the Secret Service. Results from that 2015 FEVS survey and the prior year 2014 survey provide a staff perspective on the state of training. The snapshot below is telling.

	2015		2014	
	Positive	Negative	Positive	Negative
My training needs are assessed	25.3%	50.9%	32.3%	40.7%
I am satisfied with training	26.4%	51.7%	35.2%	38.4%

Secret Service officials concede that the training program was adversely affected by both the budget sequestration and hiring freeze which made it very difficult to provide the quantity and quality of training that the agency had benefitted from throughout most of its recent history. To address these issues and respond to the PMP findings and

recommendations, the Secret Service committed to a major overhaul and revitalization of both the training organization and the instructional programs provided. One of the first efforts, as noted earlier, was organizationally separating the training function from the Office of Human Resources and Training. An independent Office of Training (TNG) was established in February 2015 and aligned with the mission directorates, reporting directly to the Deputy Director, to provide greater institutional visibility and focus. A new leadership team was put in place and charged with conducting a comprehensive review of capabilities, staffing, and resourcing of the operational training functions with a focus on curriculum, facilities, and career development and continuing education opportunities. As a result, efforts were undertaken to bring on additional staff (e.g., law enforcement trainers and "civilian" professional instructional designers) to the Rowley Training Center (RTC), expand course offerings, and develop a strategic plan to chart the course for future training.

To support a more aggressive training program, the agency increased its training budget by 133 percent[65] in FY 2015 over the prior fiscal year. Staffing levels at the RTC also rose considerably. The number of special agent trainers grew by 36 percent, while the number of professional staff increased by 11 percent. With this gain in training personnel, the agency was able to support a 64 percent increase in the number of special agent training courses, UD training courses, and mixed basic training courses that could be offered over the previous fiscal year. In addition, it enabled the RTC to add other in-service training courses, increasing available classes by 43 percent over its FY 2014 class offerings.[66] As noted above, training is essential to maintaining effective performance but staffing levels in an operationally-driven environment have a direct impact on the availability of that training. That the Secret Service was able to achieve these increased levels of training at a time when the agency experienced only moderate increases in staffing, demonstrates the agency's commitment to improving the availability of training despite resource constraints.

In response to the PMP recommendation that the agency provide its personnel with ample time to participate in training, Training has endeavored to establish a curriculum with regularly scheduled mandated training classes for special agents and UD officers assigned to protection operations. The process involves instructional designers working with special agents and UD officers to design new and update current courses to meet their needs.

An excellent example of efforts underway is the Regional In-Service Training Program that is currently under development. Responding to concerns raised by field staff concerning the lack of available training for maintaining and updating skills and tactics, TNG established a focus group comprising field representatives to develop a cyclic training program specifically for field staff. The goal is to provide for continuous training throughout an agent's career by establishing 80 hours of biennial training that would include foundation courses—legal, firearms, fitness, control tactics, protection, emergency medicine and standards of conduct—augmented by career development courses staff could select from a catalogue. Field-based trainers will deliver the classes. Also under

[65] United States Secret Service, ***Office of Training FY 2015 Accomplishments***, Washington, D.C.
[66] United States Secret Service***, FY 2015 Accomplishments***, Washington, D.C.

development is a field training mentor program. A focus group was recently formed in part in response to a submitted SPARK! (i.e., an employee suggestion) recommending a field mentoring program. Program participation is geared to new agents and seasoned agents transferring to the field during the final phase—Phase 3—of their career progression. Involvement of the affected staff in both the development and delivery of this training is key and an important step in making staff training responsive, relevant, and current in a changing environment. And, it ensures that training special agents receive at the beginning of their careers is regularly reinforced and updated.

Another new promising program aimed at ensuring that skills are refreshed is the Special Agents Re-integration training which recently took effect in April 2016. This training is specifically targeted at refreshing "perishable" skills and is designed to complement field-based training. All special agents transferring from a protective assignment or headquarters assignment to an investigative field office are now required to complete a five-day re-integration training course at RTC. For newly commissioned special agents, their first posting is now a two-week protective mission assignment at the White House prior to their initial posting in the field. The posting is designed as an integrated training experience for new agents who will work with UD officers and gain exposure to White House protective operations.

For UD officers, the curriculum has been updated to include Emergency Action and Building Defense for current officers as in-service training and for new recruits joining the force. In addition, Mission-in-Service training has been updated and now includes a weapons requalification component.

Importantly, TNG has taken steps to improve in-service leadership training. It has augmented its focus on ethics and standards of conduct. In addition to a standalone ethics course—Ethics in Law Enforcement—blocks of ethics instruction have been incorporated into both supervisory and nonsupervisory courses such as Mixed Basic Training and the new Special Agent Re-integration course. (Ethics will be discussed in greater detail in the section that follows.) In terms of leadership offerings, TNG has implemented the DHS Leader Development Program for all employees in an effort to develop effective leaders. The program gives nonsupervisory employees an opportunity to develop their leadership skills and manage their career paths. For supervisory staff, Training has established a mandatory training track. New supervisors must complete the DHS Leader Development Program and the Secret Service Emerging Leaders Seminar. New supervisors are also assigned a mentor to help them through their first year in a supervisory role. Opportunities for staff to participate in continuing education programs, including both undergraduate and graduate academic coursework, have also been expanded with the addition of specialized educational programs through the National Intelligence University and the Department of State, among others.

The one leadership area not under the Training umbrella is the agency's executive development program. That program is managed by the Office of Human Resources. HUM recently relaunched the program as a distinct Secret Service Executive Development Program, separating it from the DHS departmental program. It is intended for GS-13s/14s

to tap prospective future leaders. Selected participants take classes at designated local universities, carry out a developmental project, and work with a mentor who provides coaching and career advice.

Training is also responding to concerns expressed by APT employees concerning the need for additional training opportunities to enhance their skills and develop their careers. TNG plans to establish an APT In-Service Training Focus Group to assist in designing a relevant curriculum for the APT community. An FY 2016 goal is to convene a focus group comprising APT representatives from each directorate who would work with the training staff to develop a sustainable APT training program.

There are many moving parts to training staff. The Secret Service is a Federal Law Enforcement Training Center (FLETC) Partner Organization.[67] FLETC plays a crucial role in providing mandatory, specialized entry-level training to all newly-hired special agents and UD officers. After onboarding at RTC, new Secret Service law enforcement officers report to FLETC for initial training and then return to RTC for additional agency-specific training and certification prior to assignment to their first posts. As such, Training must work closely with FLETC to plan and schedule classes. It is a delicate balance factoring in the capacity of FLETC and RTC with the pipeline of new hires. Clearly communicating agency requirements is critical as lack of space at FLETC to accommodate new Secret Service hires will impact the agency's effort to onboard new staff. In addition, RTC must have trainers available—and these are usually law enforcement staff. To the extent, there is an Achilles heel, it is the availability of law enforcement personnel who can be called upon at any time to staff a mission critical protective detail, thereby upending training plans.

In addition to providing training opportunities for the Secret Service workforce, the Office of Training conducts table top exercises for other organizations, both public and private, that participate in National Security Special Events (NSSE). These include the United Nations General Assembly and congressionally-facilitated special events such as the 2015 visit of Pope Francis.

Training is also addressing the rising need for technology enhancements. The security environment in which the Secret Service operates requires that the agency be constantly attuned to technological advances in the equipment and tools it regularly deploys with its officers. Special weapons analysis, upgrades, and the development of subsequent introductory and continuing training on the technology fall under TNG's purview. Training has created a Technology and Innovation Group to assess new training systems that would enhance the development of critical special skills for special agents and UD officers. An example of an effort underway is the use of StressVest technology in firearms training. The StressVest offers a unique way to fill the gap between training and live-fire by affording officers the opportunity to experience a unique "pain penalty" for making a mistake during training scenarios. TNG has also purchased three VirTra virtual use-of-force training

[67] Partner organizations advise on FLETC training issues, take part in curriculum review and development conferences, and assist the Center develop policies and directives.

simulators for deployment in FY 2016 and begun the process for obtaining a mobile firearms training simulator with a virtual targeting system (Laser Shot) to further enhance firearms training for personnel in the field. Laser Shot can be set up in an office environment and affords officers the opportunity to enhance their firearms proficiency without having to spend time travelling to a firearms range. These types of enhancements address recommendations directed at both training in the real world and using innovative technologies, as well as staff complaints that their training and tools are outdated.

The Office of Training manages a number of special training facilities—aviation, firearms, defense tactical and canine—regularly used by law enforcement officers that must be maintained and upgraded when necessary. As such, TNG has the lead in the ongoing long-term development project focused on building the "next generation" facilities at RTC for enhanced defense tactical training, canine training, and firearms ranges. The new tactical building defense complex and canine facility will enable special agents and UD officers to train together in an environment simulating the White House while the canine training facility will provide an overdue modernized facility for the housing and training of the canines that are an integral part of the agency's security program. Planned renovations of tactical areas include upgrading the Tactical Village which recreates a city street environment and updates to the firearms ranges.

Clearly, the Secret Service is proactively addressing training concerns raised in the PMP and HOGR reports, as well as those expressed by employees. The programs in play are wide-ranging and inclusive of all communities of the workforce. Given the current state of these initiatives, it is too soon to evaluate the impact and effectiveness of these initiatives. Secret Service officials appear to fully recognize the challenges ahead and told the study team that they don't expect to see major changes in staff perceptions of training until the courses are rolled out and employees are able to "touch and feel" them. Results from the recently released (September 20) 2016 FEVS survey support that view. Satisfaction with training trended up slightly with positive responses rising from 26.4 percent in 2015 to 27.7 percent in 2016, while negative responses deceased from 51.7 in 2015 to 50.8 in 2016. The programs will require sustained agency commitment to training, as well as external stakeholder support for capital investments and staffing levels that allow the training levels envisioned by the PMP and HOGR.

Reinforcing Accountability and Standards of Conduct

In carrying out the agency's mission, Secret Service employees are expected to be held to rigorous standards of ethical, professional and personal conduct. Historically, the public held the agency in high esteem, but the public's faith was shaken as details of employee misconduct in Cartagena, Colombia in April 2012 emerged, challenging acceptance of the agency's revered motto, "worthy of trust and confidence." The incident served as a catalyst for significant changes in the Secret Service's policies and practices for addressing employee conduct issues and administering discipline. Since that time, agency leadership has reinforced its commitment by examining the culture and redressing the practices that

spurred the lapse in judgment of agency officers in Cartagena and subsequent incidents that led to Inspector General reviews and the HOGR report.

Immediately following the Cartagena incident, the Secret Service revised its code of conduct and implemented new policies related to foreign travel. For example, the agency added the requirement that senior supervisors brief employees on the standards of conduct prior to departure on a foreign trip, and staff must complete online ethics training to be eligible for foreign travel. Shortly thereafter in May 2012, the Secret Service established the Professionalism Reinforcement Working Group (PRWG) to examine the agency's organizational behavior, performance and accountability. The PRWG was charged with reviewing the agency's internal controls on professional conduct, benchmarking against best practices of peer organizations and identifying areas where improvements were indicated. It concluded that the Secret Service was at times "best in class," but identified opportunities for improvement and offered recommendations to both strengthen human resources practices and reduce the likelihood of misconduct. Key conduct and discipline-related recommendations included (1) implementing a disciplinary table of penalties for greater consistency and transparency, (2) creating an independent Office of Integrity, (3) informing employees of acts of misconduct and the resultant disciplinary consequences, and (4) issuing a user-friendly guide highlighting core values, standards of conduct and ethics rules.

PRWG found that Secret Service was not using a table of penalties when determining the appropriate action in cases of misconduct. Instead, the agency was relying on past disciplinary actions of similar offenses to guide the decision-making process. Individual supervisors, advised by the HR office, had a great deal of flexibility in deciding on the course of action which led to inconsistencies and perceived inequities in metering out discipline across the agency. The PRWG's recommendations for improving the agency's discipline processes and for reinforcing employee standards of conduct and ethics repeatedly focused on fairness, consistency, and transparency.

One of the first steps the agency took in response was updating training on ethics and standards of conduct, developing a new briefing on professionalism and publishing a user-friendly ethics desk reference guide available on the intranet. The "plain English" guide aims to promote the agency's core values and to educate employees on ethics laws, regulations and policies along with standards of conduct.

Next, the agency established working groups to benchmark the Secret Service against other agencies, including the Federal Bureau of Investigation (FBI) and U.S. Customs and Border Protection, develop recommendations to centralize the disciplinary process and develop a table of penalties. In November 2013, the agency published its first Table of Penalties, largely patterned after the FBI's, to serve as a guide in determining "appropriate corrective, disciplinary or adverse actions for common offenses." It identifies actions that constitute misconduct and the range of discipline tied to each specific act. It also sets forth both aggravating and mitigating factors for assessing the appropriate penalty. The following month, in December 2013, the Office of Integrity (ITG) was established reporting directly to the Deputy Director and centralizing the agency's disciplinary processes. Related directives

were subsequently updated incorporating the changes in agency policy and standards for informal discipline, adverse actions, and grievance procedures.

The Office of Integrity is responsible for overseeing the agency's adherence to the code of conduct and for adjudicating allegations of employee misconduct in a fair, consistent, and timely manner. ITG prepares letters of reprimand and notices of disciplinary proposals and decisions, consistent with the agency's table of penalties. The Deputy Chief Integrity Officer is the proposing official and the Chief Integrity Officer is the deciding official on adverse actions. Under the current process, employees, through their chain of command, and supervisors are required to report allegations of misconduct—i.e., activities that violate the Secret Service standards of conduct or otherwise negatively impact the agency's mission—to the Office of Professional Responsibility. Employees may alternately make reports to the Inspection Hotline (which was set up for staff as an option for anonymously reporting misconduct), the agency's Ombudsman, the DHS Office of Inspector General or the U.S. Office of Special Counsel. Allegations of criminal activity or misconduct by employees at the GS-15 level and above are always referred to the DHS OIG; all other allegations are reviewed by the Office of Professional Responsibility which convenes an Intake Group to examine the allegation. The Intake Group determines whether the allegation warrants further investigation by the Inspection Division, or whether the allegation should be forwarded to the Office of Integrity for administrative action and to an appropriate management official if no further investigation is deemed appropriate. The Intake Group can close cases where the allegations of misconduct are unfounded, or where no violation of Secret Service policy has occurred. Inspection Division results are forwarded to the Office of Integrity for action, as appropriate.

Actions centralizing disciplinary responsibility and clearly defining standardized processes are leading to greater consistency and transparency in handling agency misconduct. In discussions with the study team, agency officials stated that employees are coming forward to report conduct issues and supervisors and managers are seeking more advice from the Office of Integrity. The DHS OIG similarly noted improvements. The PMP had recommended that the Secret Service execute its system for discipline in a consistent manner that demonstrates zero tolerance for failures that are incompatible with the agency's zero failure mission. The HOGR report had noted that the Secret Service's prior decentralized disciplinary process provided no mechanism for tracking the handling of misconduct allegations and resulted in inconsistencies in the disciplinary process that had to be addressed if the agency's overall level of conduct was to be improved and stabilized. The actions taken by the agency to strengthen its disciplinary processes and establish clear lines of accountability have directly addressed these concerns. The agency has also implemented the PRWG recommendation that the Secret Service inform its personnel of acts of misconduct and the resulting disciplinary consequences in order to promote transparency. In 2015 the agency posted its first annual Disciplinary Analysis Report on the agency's intranet for perusal by the entire workforce.

Since 2013, the Secret Service has reinforced the importance of employee ethics and standards of conduct through enhanced training, internal messages, updated directives and a desk reference guide. As noted earlier, blocks of ethics training have been incorporated

into a number of standard training courses. For example, the Office of Training incorporated ethics modules into the Special Agent Training Course (2.5 hours), the Uniformed Division Training Course (2.5 hours), Mixed Basic Training Course (3 hours), Protective Detail Training Course (3 hours), Firearms Instructor (2 hours) and Seminar for First Line Supervisors (45 minutes), just to name a few. Employees also have a choice of at least four different ethics courses that are available on-line. Only one is mandatory, however, a one-hour course entitled, "Decision Making Elements." While personal ethics training is also available during briefings and orientations, this type of outreach was provided to only 1,125 employees in 2014 and 717 employees in 2015. Even with its renewed emphasis on ethics training, the agency has experienced lapses in some employees' compliance with mandatory financial disclosure filings. The study team was told that currently the agency does not have a mechanism in place to enforce compliance with this statutory requirement.

The ethics program is currently housed in the Office of Chief Counsel, a common placement among federal agencies. H.R. 1656, the Secret Service Improvement Act of 2016, which has passed the House and has been reported out of the jurisdictional Senate committee, would establish a separate Ethics Program Office. The office, however, would continue to report to the Chief Counsel.

The FBI created an independent Office of Integrity and Compliance to bolster its ethics program by placing the focus on risk and prevention of misconduct. It was modeled on private sector best practices in mitigating risks for employee misconduct and can serve as a model for further strengthening the Secret Service's ethics program. It is designed to proactively identify and correct weaknesses in policy, training, and monitoring that could result in employee violations as they conduct their work. The program has been favorably reviewed by the Department of Justice OIG. The PRWG had earlier pointed to the FBI's strategy for reinforcing its values and mission and for preventing misconduct and applied the FBI ethics compliance approach as a benchmark program that might similarly help the Secret Service reinforce its core values. In recommending that the agency establish a separate office to address issues of integrity and professional standards, the PRWG also noted that the office should conduct risk assessments of current and future activities to assess risk to professional standards and develop plans for risk mitigation. The Office of Integrity's current functional responsibility statement includes a role for analyzing emerging integrity issues, developing risk mitigation strategies and facilitating corresponding education and awareness efforts. That role could be further strengthened by moving the ethics program responsibility under the Office of Integrity.

To resonate with the workforce, messages from agency leadership need to demonstrate leadership commitment. The current Ethics Desk Reference Guide was prepared several years ago and contains messages (dated April 2012) that predate the current Director and Deputy. Moreover, the current guide was developed as a PDF document. Converting the guide to a web-based file format that can be easily updated and readily accessible from multiple devices, such as smart phones, would make it much more useful to staff. Supervisors should also make it a point to use the Ethics Desk Reference Guide when discussing matters of proper conduct with their employees to reinforce the value and

importance of this guide. As the Director noted in his July 2015 Report to Congress, "the Secret Service is judged by the actions of our workforce. To that end, Secret Service employees are not only responsible for carrying out the mission of the organization, but also for carrying out that mission in a way that earns the trust and confidence of those we serve."[68]

Panel Recommendation 4.2

Objective: To strengthen the Secret Service's ethics program by broadening the focus from monitoring compliance to managing risk and preventing ethical violations.

Recommendation: The Secret Service should establish an Ethics and Compliance Officer in the Office of Integrity to manage the ethics program and provide advice to the executive management team on strategies and actions to prevent ethics compliance issues. The Ethics and Compliance Officer would act as the agency's conduit for educating the workforce on standards of ethical, professional and personal conduct and for encouraging open communications to foster compliance and the reporting of risks to compliance.

Panel Recommendation 4.3

Objective: To ensure that the Desk Reference Guide for Standards of Ethical, Professional and Personal Conduct is an educational guide and living document emphasizing the importance of ethical behavior.

Recommendation: The Secret Service should update the ethics desk reference guide annually with messages from agency leadership. The guide should also be made easily accessible from multiple electronic devices.

Enhancing Communications and Engaging Employees

Morale issues, stemming from work demands, travel, overtime, lack of training, among others, and work-life in general have been major contributors to Secret Service attrition. The Partnership for Public Service (the Partnership) compared the results of the 2015 Federal Employee Viewpoint Survey (FEVS) among 12 law enforcement agencies. [69] The FBI topped the group with a score of 69.9; the Secret Service sat at the bottom with a score of 33.4. In the 2015 "Best Places to Work" summaries, the Secret Service ranked 319 out of 320 subcomponent agencies while DHS ranked last among 19 large agencies. The HOGR report highlighted in detail the results of the FEVS, noting that Secret Service morale was

[68] U.S. Secret Service, ***Professionalism in the Workforce, Fiscal Year 2015 Report to Congress***, Washington, D.C., July 17, 2015

[69] Partnership for Public Service, ***Employee Job and Workplace Satisfaction in the Law Enforcement Community***, Washington, D.C., May 2016

critically low and recommending that the agency develop proposals to decrease attrition and improve morale. The 2015 FEVS results revealed a number of areas of concern. In particular, negative responses tended to outpace positive responses in the areas of satisfaction with leadership, practices of senior leaders, training, information from management, support for work-life programs, and senior leaders' honesty and integrity. OPM recently released the 2016 survey results to agencies on September 20. Overall, the results are mixed, with positive scores rising on about half the survey questions, holding steady in some, and declining in others. However, in light of the 2015 results where positive responses fell and negative responses rose on virtually all survey questions—and some quite significantly—the 2016 results can be viewed as an improvement. It is also indicative of the challenges agency leadership must tackle in moving the organization forward—and the fact that it takes time to implement changes that will, in turn, yield gains in employee morale.

Below is a snapshot of results from the 2015 and 2016 surveys, conducted in Spring 2015 and 2016, respectively. (Note: The Best Places to Work comparative analyses will not be unavailable until early December 2016.)

Federal Employee Viewpoint Survey Selected Questions	2015		2016	
	Positive	Negative	Positive	Negative
Senior leaders generate motivation/ commitment	15.7%	66.2%	19.2%	64.0%
Senior leaders demonstrate work/life support	22.2%	53.9%	23.0%	55.2%
Satisfied with information received	23.7%	55.3%	27.3%	49.8%
Satisfied with policies/practices of leaders	18.5%	56.5%	22.5%	52.3%
Satisfied with organization	28.8%	50.7%	28.5%	51.3%
Believe survey results will be used	16.4%	60.3%	24.7%	55.6%

It is also important to recognize that employee surveys tend to reflect a point in time, and results are dependent on employee participation. The 2015 participation rate was low—41.8 percent. Participation rates in 2016 rose considerably to 59 percent, which is higher than the government-wide (45.8 percent) and DHS (50.1 percent) response rates. The Secret Service Director had earlier challenged the workforce to participate in the survey to have their voices heard. It is clear that they responded, indicating employee willingness to engage with agency leadership. And, agency leadership has demonstrated its commitment to address employee morale and work-life issues.

The Partnership identified three major challenges for law enforcement agencies intent on improving employee satisfaction and hence morale.[70]

[70] Ibid.

- Wellness in a demanding environment – employees are always on call, with long and erratic hours. They can be negatively affected if their organizations do not provide the necessary training, equipment and staffing to manage and mitigate threats.
- Opening up communications in a "need to know" atmosphere – the basic nature of law enforcement creates systemic communications issues. Information that is classified or sensitive significantly limits the sharing of information, impacts open communications within an agency, and in turn, can foster silos discouraging communications across teams. When leaders do not think about communication strategically, employees may be unclear on priorities, key changes or events that affect the organization and their work.
- The importance of employee satisfaction and commitment to accomplish the mission – disgruntled or disengaged employees can pose an internal threat within an organization by leaking information or becoming disruptive. Agency leaders do not always recognize the link between employee engagement and accomplishing their mission.

The Partnership offered a number of suggested actions[71] including:

- expanding employee wellness programs;
- evaluating the alignment of training, equipment and appropriate staffing to meet mission requirements;
- limiting work shifts and strategically allowing flexibility in staffing models to ensure coverage while maintaining reasonable hours for employees;
- promoting open communications and collaboration by encouraging leaders to communicate regularly with employees and visit, for example, field offices to talk with employees about their concerns; and providing a mechanism for employees to communicate and share ideas with leaders to improve work-life balance and stress management;
- highlighting the importance of employee satisfaction throughout the year and engaging employees on a consistent basis; and
- creating advisory committees or focus groups to discuss issues and recommend changes.

Similarly, the RAND monograph of law enforcement studies[72] noted that organizational characteristics such as the immediate supervisor, lack of career growth, unmet job expectations, inadequate feedback, insufficient recognition, and lack of training can affect attrition. Agencies can increase retention through greater employee engagement, including employee input in decision-making and other evaluation and feedback opportunities. Ultimately, burnout by job stress can lead to high turnover impeding organizational performance. Organizational effectiveness can be improved by communicating routinely, effectively and transparently.

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[71] Ibid.

[72] RAND Monograph, ***Police Recruitment and Retention for the New Millennium: The State of Knowledge,*** sponsored by the Department of Justice, Santa Monica, CA, 2010.

Over the past year and a half, the Secret Service has proactively addressed communications, embarked on a number of employee engagement efforts and crafted additional plans to improve employee work-life. Agency leadership has recognized the link between employee engagement and job satisfaction to the organization's health, performance and ultimately, success and most importantly, we were told, has accepted ownership of efforts to improve employee morale. It takes time to turn an organization around—and an organization can never communicate too often.

Initiatives to improve leadership communications have been implemented leveraging the use of technology to get messages out in multiple formats. In the past, employees had to seek out policy changes which were posted to a certain site on the intranet. Now, messages are sent to employees' inboxes as well as posted on the intranet allowing access from mobile devices. The agency has also employed videoconferencing technology for hosting the Director's town hall meetings to allow field participation and created and disseminated "state of the service" videos and special videos for important messages. Importantly, the Director has traveled to field offices for meetings and personally engaged employees in the field as well as at headquarters. Directorate leadership has also expanded communications with staff. For example, leadership in the Office of Investigations, which has responsibility for the field, has conducted senior staff town hall meetings to brief staff on priorities, office expectations, staffing and mission updates. They also established regional special agent in charge bi-annual meetings, weekly messages and monthly conference calls to advance lines of communication with the field, among other actions.[73] In terms of external communication, a civilian chief communications officer was hired to improve the agency's messaging, disseminate more information, and achieve greater transparency, addressing past concerns that the agency is insular and withholds information.

What appears to be a highly successful employee engagement innovation is SPARK!, a web-based crowd sourcing platform designed to facilitate two-way dialogue between employees and leadership. The platform was built off a template the Transportation Security Administration had developed known as Idea Factory. The Secret Service repurposed the template and launched SPARK! in October 2015. It encourages employees to submit ideas, suggestions or recommendations for enhancing operational security, increasing operational efficiency, identifying potential cost savings and boosting morale. Employees can vote on the suggestions, and depending on the ratings staff give the suggestions as well as potential impact, they are forwarded to the appropriate directorate for a response. Directorates have 30 days to provide an initial response. There is also a "leadership huddle" site within the platform where executive leadership asks the workforce to discuss and comment on issues facing the agency. Here it is management that posts an idea or suggestion for employee comment and rating. The study team was told that SPARK! has been received very positively. As of June 2016, 86 percent of the staff had visited the site and 22 SPARK!s had been implemented. Some examples of recent success stories using SPARK! include re-integration training for staff returning to investigations in the field from protection

[73] United States Secret Service***, FY 2015 Accomplishments***

assignments, additional applications (quick links) being added to smart phones, and efforts underway to develop and implement a mentoring program. The study team had an opportunity to observe SPARK! as well as a number of unclassified intranet sites where employees can access pertinent operational information. We found the SPARK! and the intranet sites well organized, attractive and very user-friendly.

Perhaps the most significant effort in the work-life arena has been the letting of a contract with Eagle Hill to conduct a comprehensive work-life assessment. It was identified as an action item under four separate PMP recommendations recognizing the impact work-life has in the areas of training, staffing, attrition and morale. The Eagle Hill effort started in late 2014 and continues today; a final report of findings and recommendations was provided to the leadership in late August 2016, and a communications plan is under development to share the results with the workforce. We have been informed by the Secret Service leadership that the results of both the Eagle Hill Study and the FEVS scores will be released to the workforce by November 30, 2016. Follow-on work is also planned to address gaps identified and to administer another survey.

The Eagle Hill effort included internal and external data collection and analysis, focus groups to develop a baseline understanding of the current state and to inform a subsequent work-life survey, and benchmarking with other law enforcement agencies (specifically, the FBI, Capitol Police, Immigration and Customs Enforcement, Coast Guard, and Drug Enforcement Administration). Eagle Hill conducted 47 focus groups across the agency during March and April 2015. Following best practices, care was taken to ensure the separation of supervisory and nonsupervisory staff, and meetings were held off site in neutral locations. Topic areas included family support, scheduling and workload, personal finance, transfers and career progression, physical health, and emotional health. Emerging from the focus group discussions were the following cultural issues identified by staff: communication and transparency, planning and budgeting, training, equipment and technology, generational differences, supervisors, and DHS integration. Eagle Hill applied the focus group results to build and administer an internal staff survey. Here too, great care was taken in the administration of the survey as every effort was made to ensure staff anonymity. Employees could take the survey at home using their personal technology devices. The survey was launched in mid-August 2015 and closed in early September. Participation—57.5 percent—was considerably higher than the 2015 FEVS just two months earlier.

The study team reviewed the results of the Eagle Hill[74] effort and found the report rich with information and data on employee perceptions and concerns. The report offers 22 recommendations with associated actions to address issues. In interviews with agency leadership, the study team was told that the Eagle Hill survey results essentially mirrored those of the earlier FEVS; our review of the Eagle Hill assessment affirms that analysis. We

[74] Eagle Hill, ***United States Secret Service Work/Life Integration Assessment Final Report***, Washington, D.C., August 22, 2016.

were also told that the results were shared with the leadership team to build ownership. Assessment results and recommendations were briefed to the leadership team in November 2015. And, we were told that progress on the effort as a whole has been shared with staff through agency updates. Messages in the form of emails and videos have been disseminated informing the workforce of the work-life assessment and encouraging participation in the focus groups and the survey—all important steps in addressing employee feedback, building trust and ultimately improving morale. However, a number of interviewees raised the issue of the current status of the effort—they did not know where the effort stood. This is a concern given that results were available at the end of calendar year 2015, and importantly, the agency has undertaken a wide range of efforts discussed in this chapter (and throughout this report) that target work-life and morale issues. These latter efforts have been communicated to staff; it is unclear, however, whether a clear nexus has been made between these communication efforts and the Eagle Hill (or FEVS) results. To build trust across the workforce, it is critical that employee concerns and perceptions be acknowledged in a timely manner and that the information not become stale. There can never be too much communication on matters core to an organization's well-being. We acknowledge that the Secret Service is working to communicate with the workforce in a coordinated manner during a period of extremely high operational activities but, in the future, we encourage that results of surveys and studies related to work-life issues be more promptly shared with staff.

CHAPTER 5: RESTRUCTURING MISSION TECHNOLOGY AND INTERNAL INFORMATION TECHNOLOGY SUPPORT SERVICES

The Secret Service's technology programs equip and strengthen the ability of special agents and officers to detect, deter and defeat threats to the President, the White House, and the Nation. A skilled cadre of personnel who are largely behind the scenes operate secure communications, maintain the internal information infrastructure and develop and deploy sophisticated technology including security systems, magnetometers, cameras, exclusion devices like crash gates and bollards, and the President's limousine. Technology enables the agency to leverage the efforts of the protective and investigative staff to support the Secret Service's zero failure mission. The development and use of appropriate technology is also a significant component of the Department of Homeland Security's (DHS's) FY 2014-2018 Strategic Plan Goals—Goal 1.3, Reduce Risk to the Nation's Critical Infrastructure, Key Leadership, and Events and Goal 4.3 Advance Cyber Law Enforcement, Incident Response and Reporting Capabilities.[75]

The Protective Mission Panel (PMP), House Oversight and Government Reform (HOGR) and other reviews of the Secret Service recommended the agency promote specialized expertise in the technology functions, proactively review and refresh the technological footprint, stay at the cutting edge of technological innovation, and move away from the historically insular culture by expanding efforts to work with other agencies. Based on these reviews and in recognition of the importance of two very different technological needs—mission technology and operational information technology—the Secret Service created separate directorate-level functions and appointed professionals with specialized expertise and skills to lead the organizations. Specifically, the agency appointed a Chief Technology Officer (CTO) to lead the Office of Technical Development and Mission Support (TEC) and a Chief Information Officer (CIO) to lead a new Office of the Chief Information Officer (OCIO). Earlier the CIO position had been a direct report to the director of a combined technology function. With the creation of OCIO, the position was elevated to an office head.

Within OCIO and TEC, efforts are underway to restructure responsibilities, recruit staff for vacancies and update policies and procedures. Both areas are focused on implementing PMP and HOGR recommendations for improving and enhancing relationships with DHS executives and peers in other DHS components and addressing compliance with DHS and government-wide requirements and policies. For example, the CIO issued an IT Strategic Plan that commits to high levels of coordination and cooperation with partner organizations inside and outside DHS and commits to identifying emerging technologies to support mission needs and employees. In order to refresh the Secret Service technological footprint, the agency secured increased funding in 2016 and requested additional funding

[75] ***Department of Homeland Security, Strategic Plan*** FY 2014-2018

in the FY 2017 President's budget. In addition, the agency restructured the budget, in part, to afford greater transparency to the technology programs.

While work is underway to implement changes, the Secret Service's technology officials are continuously being tested by the heavy workload demands they face supporting the mission while building out their organizations and institutionalizing new policies and processes. Agency stakeholders acknowledge that the changes that have taken place are positive and moving in the right direction, particularly with regard to increased levels of collaboration, openness, and professionalism. DHS officials interviewed remarked on the improvements made by the Secret Service in compliance with the Federal Information Management Security Act (FISMA) and other federal IT mandates. Additional work in this area will be underway as the agency continues to transition to a modernized infrastructure and restructures its IT portfolio.

Expanding Mission Technology

The Secret Service has appointed a new Chief Technology Officer with extensive experience in technology development and implementation. He employs a staff of engineers, scientists and others responsible for technical security support for the protection of individuals, the White House Complex and other sites and events. The CTO also operates, maintains and develops technology to support technical investigations. The CTO engages in extensive consultation with programs, conducts regular program management reviews and funds a senior staff person in the Office of Protective Operations (OPO) in order to stay informed about mission priority needs and provide input to proactively review and refresh technology. The senior staff person embedded in OPO also supports and facilitates technological development and deployment for the Rowley Training Center (RTC).

TEC comprises two components: (1) the Technical Security Division which is staffed with physical security specialists and serves as the focal point for technical security matters within the Secret Service; responsibilities include the design, installation, and modification of technical security equipment for Secret Service specific applications and evaluation off-the-shelf equipment and related measures that support the agency's protective and investigative responsibilities and (2) Operational Mission Support which is responsible for protection of the President and Vice President at the White House Complex, the Vice President's Residence, and other sites from explosive, chemical, biological, radiological, and cyber threats.

High levels of ongoing collaboration and coordination are critical to TEC's support of the White House Complex. In addition to providing security protection for the White House Complex, the Secret Service is responsible for screening nearly 500,000 people that visit the White House for tours and events each year while ensuring the protection of its inhabitants. The agency is responsible for staffing, equipment, equipment operation and maintenance, and canine unit support. It also coordinates and funds ongoing efforts to study and develop plans and designs for facility improvements and modernization at the White House. For example, TEC worked with the White House Military Office, the National

Park Service, the National Capital Planning Commission and others to develop and open a visitor screening facility for the White House Complex and an entrance and visitor screening facility for the Eisenhower Executive Office Building. The CTO meets on a regular basis with a working group tasked with oversight of technological capabilities around the 18-acre complex. The group brings together all the relevant entities every four to eight weeks to review, prioritize and decide on refresh of technological capabilities at the White House Complex. The PMP recommended that the Secret Service take a leadership role in making sure that these reviews become a permanent fixture in order to ensure that infrastructure is functioning properly and is sufficient for its intended purpose and to incorporate an ongoing process for strategizing about technological development.

Beyond these collaborative efforts surrounding the protection of the White House Complex and other sites, TEC works with others to exchange information about technological advancements that are used for other aspects of the protection and the investigations mission. The CTO provided a listing of 21 domestic agencies and groups, three international groups and five industry groups with whom information sharing and collaboration occurs on a regular basis. TEC also works closely with the DHS Office of Science and Technology (S&T) and participates in a DHS workgroup that prioritizes research and development projects for funding from the S&T budget. TEC leverages its appropriated resources, paying for technological development within its own budget, seeking funding from DHS S&T, and using technology that other agencies have developed, wherever possible.

The PMP suggested that a portion of the DHS S&T budget be set aside for Secret Service technology development and deployment. Currently, DHS S&T funds are used for the benefit of all DHS components and are allocated through a process that considers DHS strategic goals with input from all DHS entities. Accordingly, setting aside a specific amount for one DHS component would not be appropriate. However, the Secret Service's ability to secure funding could be significantly strengthened by articulating how agency goals and strategies relate to the DHS overall mission and strategies. A multi-year investment plan would also provide additional clarity and help communicate immediate and long-range plans for programs and projects in the TEC portfolio. The Academy's assessment of the Federal Bureau of Investigation's transformation discussed the value of a long-range resource plan, particularly for an organization undergoing significant transition. Acquiring and modernizing technology in intelligence agencies can only be addressed over a substantial period of time within the context of a multi-year strategy or enterprise-wide architecture.[76]

The PMP noted that the Secret Service's traditional insularity and uniqueness of its mission has been a hindrance to the development of technology. Unlike other law enforcement or military entities that can weigh risks and threats to focus on those that are most impactful and defer projects considered to be a lower priority, the Secret Service has to address every

[76] National Academy of Public Administration, ***Transforming the FBI: Progress and Challenges***, Washington, D.C., February 2005

risk and every threat. To that point, the CTO prioritizes across the TEC portfolio to address technology needs expressed by multiple directorates within a fixed budget and limited staff using a risk-based systems balancing approach. Information from threat assessments, analysis of tactical scenarios, advance detection such as surveillance, assessment of performance, and data on response times feed into the CTO's consideration of priorities for allocation of staffing and resources. The team was told that this process requires almost a daily analysis to ensure constant diligence in aligning projects and programs with demands and threat levels. The TEC program undergoes annual program management reviews to assess effectiveness and inform the CTO's efforts to optimize performance. Given the sensitive/classified nature of the projects, the study team was not able to evaluate this process or the prioritization of projects within TEC that ultimately feeds into the life cycle planning process, the budget or the Department's process for S&T funding.

Best practices identified by the Government Accountability Office (GAO) for federal agencies (U.S. Courts, State Department Embassies, and the Smithsonian Institution) with capital investment portfolios utilize five to ten-year plans linked to strategic plans that promote priority setting based on mission need, urgency, security and other factors. These plans facilitate consistent, defensible decision-making and are used as the basis for budget formulation and program planning. GAO highlighted the capital planning process used by the Department of Defense as a leading practice related to the development of modernization funding requirements.[77] The Secret Service life cycle planning process led by the agency's Component Acquisition Executive (in the Office of the Chief Financial Officer) includes preparation of plans for proposed investments. What is missing is an investment plan for the entire TEC portfolio that is linked to a strategic plan with goals that can be used to guide the life cycle planning process and the budget. This plan would display the full spectrum of TEC programs and projects and the multiplicity of timeframes for planning, development and deployment. It would serve as a tool for agency leadership to provide input into the prioritization of projects, provide greater clarity for the TEC program and improve the certainty of outcomes. A similar plan for the RTC was requested by the Congress in the 2016 Appropriations Act directing the Secret Service to prepare a master plan with a schedule of resource needs by year.[78]

Research and Development

Up until the budget restructuring that is presented in the 2017 budget (and discussed in Chapter 6), the TEC program was funded primarily in the Salaries and Expenses Account with some acquisitions funded through the Acquisition, Construction, Improvements and Related Expenses Account. The research and development (R&D) component of TEC's budget was not evident. The study team was told that immediate demands for operational support often squeeze out R&D because these projects have a longer timeline and can be

[77]U.S. Government Accountability Office, ***DOD Guidance and Processes Reflect Leading Practices for Capital Planning***, GAO-15-489, July 2015.
[78] U.S. Congress, ***Explanatory Statement accompanying the 2016 Consolidated Appropriations Act (P.L. 114-113)***, December 18, 2015

deferred. The restructuring of the agency's budget will hopefully promote transparency and improve understanding and recognition of its role in R&D given that it establishes a separate Research and Development Account and the 2017 President's budget includes $2.5 million for a dedicated R&D program. This responds to a PMP recommendation to request dedicated funds for technology. The addition of dedicated staffing would more fully address the PMP's recommendation that the Secret Service become a driver of technological development and proactively evaluate technology as a means to augment protection staff and become a force multiplier.

A 2014 GAO review of research and development activities in DHS confirms that in the past the Secret Service was not considered to be an entity with an R&D program; close tracking of funding amounts programmed for R&D and/or spent was not maintained by the agency or at the DHS level.[79] Thus, Secret Service R&D was not recognized or reported as such and was never included in research and development crosscuts maintained by DHS or the Office of Management and Budget (OMB). The DHS Strategic Plan for FY 2014-2018 includes a goal to "Mature and Strengthen Homeland Security" that supports the Secretary's Unity of Effort and "builds important linkages between the Department's planning, programming, budgeting, and execution processes, ensuring that the Department invests and operates in a cohesive, unified fashion, and makes decisions that are transparent and collaborative to drive the Secretary's strategic guidance to results." Specifically, this area of the DHS Strategic Plan focuses on cross-cutting functional areas that "serve as the supporting foundation that underpins all homeland security missions." A component of this DHS-wide goal, Conduct Homeland Security Research and Development, aligns with the Secret Service TEC program responsibilities to understand and develop innovative approaches and effective solutions to mitigate threats and vulnerabilities, and to leverage capacity in other organizations. However, the agency's R&D program is not included in the DHS plan. Efforts to strengthen collaboration, within DHS and with others, could be enhanced if the Secret Service's R&D program is recognized by DHS in future strategic planning processes. Research and development should also be considered in the development of a new Secret Service strategic plan to provide a linkage with other DHS technology programs and broader recognition for the agency's role in R&D.

The White House Office of Science and Technology Policy (OSTP) has responsibility, in partnership with OMB, for advising the President on the federal research and development budget and shaping priorities across federal agencies and annually issues a crosscut of federal spending in R&D.[80] This crosscut is an effective means for increasing knowledge about and understanding of federal R&D programs. As we noted above, the Secret Service has not been included in this crosscut because up until the recent restructuring of the budget, there was insufficient awareness of the agency's role in R&D. Including it in the

[79] U.S. Government Accountability Office, ***Department of Homeland Security: Actions Needed to Strengthen Management of Research and Development***, GAO-14-865T, September 2014; Department of Homeland Security Science and Technology Directorate: Developing Technology to Protect America, National Academy of Public Administration, June 2009.

[80] Office of Science and Technology Policy, ***FY 2017 President's budget: Analytical Perspectives, Chapter 19 Research and Development***, February 9, 2016.

government-wide crosscut would benefit the Secret Service's ability to gain visibility for its program and increase collaborative input and potentially, funding for technology projects. This is yet another opportunity for the Secret Service to coordinate with others in the early stages of planning investments in security and protection. There are other avenues for increased collaboration; an example is the cross-government collaborative groups that focus on cyber security. The study team did not have an opportunity to talk with a representative of OSTP to determine if the Secret Service's role in cyber security would benefit from possible participation in groups such as the multi-agency Networking and Information Technology Research and Development Subcommittee of the National Science and Technology Council's Committee on Technology,[81] but we encourage the agency to explore this relationship.

Panel Recommendation 5.1

Objective: To ensure an ongoing commitment to technology innovation and development, to drive technological development, and to promote greater collaboration with others.

Recommendation: The Secret Service should:

- *establish a separate research and development function within the Office of Technical Development and Mission Support to align with the newly dedicated Research and Development Account and*
- *develop a TEC strategy to guide the program and a multi-year investment plan to provide a means for prioritizing across the TEC portfolio of programs and projects in order to afford greater transparency for decision-makers and assist with future year budget planning.*

Centralizing Information Technology Management

The Secret Service appointed a new Chief Information Officer with extensive experience in information technology management in large federal agencies. Since being appointed, the CIO has achieved such quick wins as implementing mandatory use of employee Personal Identify Verification (PIV) cards for IT systems access; initiating the distribution of tablets to a number of designated staff for improved mobility; consolidating database services, servers, and mainframe applications; and streamlining business processes resulting in savings of over $3.6 million. The CIO has also developed a life cycle replacement plan for desktop/laptop computers to refresh outdated technology. The significant task of continuing the infrastructure modernization (begun with the Information Integration and Technology Transformation Project), consolidating IT assets and services, and putting governance processes and policies in place lies ahead.

[81] Networking and Information Technology Research and Development National Coordination Office, ***The Networking and Information Technology Research and Development Program: Supplement to the President's Budget FY 2017***, April 2016

GAO identifies best practices for CIOs, including the importance of focused management of information technology resources within agencies by a senior executive to implement much-needed discipline in acquiring and managing technology resources. An IT governance process ensures that IT investments are selected, controlled and evaluated in a manner that increases the likelihood they will produce business value and reduce investment-related risk.[82] Many of the actions that the new CIO has undertaken align with these GAO best practices and address long-standing needs such as issuing an IT Strategic Plan to drive the priorities for the organization's efforts. The study team spoke with CIO staff who indicated they are using the plan as a living document to guide their work, and it is posted on the Secret Service's intranet to promote transparency. The CIO described the process used to develop the plan including seeking input from programs and individuals throughout the organization and conducting a user survey that guided actions and informed priority setting. The CIO's newly created IT Customer Relations Program liaises with mission programs and other business operations entities to ensure adequate customer support and provides feedback to the IT operational components for improved services.

The OCIO is organizing into components that align with major responsibilities and the CIO's strategic plan, including operations, information resources management, governance, program management, cyber security and customer relations. The CIO currently oversees a portfolio of $116 million, including the Information Integration and Technology Transformation (IITT) project designed to modernize the Secret Service's IT infrastructure and funding provided for implementation of PMP recommendations. However, there are IT programs and systems managed by mission and business areas that are currently outside the CIO's purview, creating a major challenge for the CIO as he endeavors to centralize the agency's information technology infrastructure.

Secret Service policy directs the OCIO to build and sustain "a centralized, strategic process in partnership with operational IT components that guides and manages IT decisions and operations" and to develop and implement "a process for analyzing, tracking, and evaluating the risks and results of major capital investments, ensuring agency mission and business functional areas avoid assuming undue risk in the development and deployment of IT and information systems."[83] Management of IT resources as an enterprise is consistent with the Clinger-Cohen Act and the Federal Information Technology Acquisition Reform Act and is also responsive to a 2011 DHS Office of Inspector General (OIG) recommendation to give the CIO responsibility for governance and management of the agency-wide IT budget.[84] [85] The OIG's 2011 assessment reported progress in Secret Service's efforts to modernize and recommended an update of the agency's IT Strategic

[82] U.S. Government Accountability Office, ***Federal Chief Information Officers: Opportunities Exist to Improve Role in Information Technology Management***, GAO-11-634, September 2011.
[83] Ibid
[84] USSS Directive DD 2015-12, ***Establishment of the Chief Information Officer and Realignment of the Information Resources Management Division***, December 18, 2015
[85] DHS Office of Inspector General, **U*.S. Secret Service's Information Technology Modernization Effort***, OIG-11-56, March 2011

Plan to guide IT modernization and workforce development. The OIG also identified the need for enterprise architecture (EA) as an enabler for business process improvement. The agency has updated its IT strategic plan, but has not yet appointed an enterprise architect to lead the program. An EA program would guide the OCIO in developing a centralized process to manage the Secret Service IT portfolio in a strategic manner and in partnership with operational components and will aid in avoiding undue risk as directed by the Secret Service's USSS Directive CIO-01. These efforts will compete for the CIO's attention with work that needs to be done to comply with existing IT management, security and reporting requirements.

GAO's best practices for CIOs include using enterprise architecture to assist in overcoming organizational parochialism and cultural resistance and fostering efforts to avoid and eliminate duplication.[86] As explained in Chapter 3, an EA program would assist the Secret Service in successfully transforming the organization, providing a baseline of current state operations, depicting the desired future state and providing the means for transitioning to the future state. Operationalizing the CIO's EA program should be a high priority for the agency to guide a roadmap process that, among other things, is integrated with budget, financial, and program management decisions, and provides for the selection, management, and evaluation of IT investments in coordination with a life cycle planning framework. It will also enable cost savings by identifying opportunities for consolidating shared services and eliminating antiquated and redundant operations, while enhancing information sharing and optimizing service delivery.[87]

The OIG's 2011 review of the Secret Service's IT Modernization Program is instructive in pointing out issues that remain relevant today. The OIG recommended that the Secret Service leverage DHS initiatives to consolidate data centers and move to a single, integrated IT network. The study team did not have an opportunity to evaluate this aspect of the agency's information technology plans. The OIG review pointed out gaps in compliance with FISMA that the CIO is addressing. The OIG also documented the need for sufficient dedicated staff for the IT program. The study team learned in interviews that OCIO personnel continue to perform multiple responsibilities, and the office appears to be considerably understaffed while overseeing a large contract workforce.

Panel Recommendation 5.2

Objective: To move to a more mature and modern information technology (IT) infrastructure and optimize IT investments in support of the Secret Service mission.

[86] U.S. Government Accountability Office, ***Federal Chief Information Officers: Opportunities Exist to Improve Role in Information Technology Management***, GAO-11-634, September 2011.
[87] U.S. Government Accountability Office, ***Organizational Transformation: A Framework for Assessing and Improving Enterprise Architecture Management (Version 2.0)***, GAO-10-846G, August 2010.

<u>Recommendation</u>: The Secret Service should staff and build out the agency's enterprise architecture program and establish an IT roadmap to support agency transformation efforts.

Life Cycle Planning

GAO recommends applying rigorous practices to the acquisition and development of IT systems and services and offers a framework for a robust investment management process. This includes a life cycle planning process, an oversight board responsible for making decisions on selecting investments, written policies and procedures covering oversight or control of projects, corrective action plans and tracking actions to resolution.[88] These best practices apply to all acquisitions, but for the Secret Service the largest components of spending that should be guided by this process include IT systems and services under the control of the OCIO, science and technology assets under the control of TEC, and modernization and improvements at the RTC.

The agency has policies in place for acquisition life cycle planning and investment review that generally align with GAO best practices.[89] [90] Secret Service policy describes the role of the Enterprise Governance Council (EGC), which is responsible for business level review of investments in IT, science and technology, human resources, and other assets. The EGC advises the Executive Resources Board (ERB), which is the Secret Service's highest level governing body with final decision authority and responsibility for enterprise governance. The EGC is the second level governing body and oversees three committees that divide up responsibility for the Secret Service portfolio of assets, including:

- Information Technology Review Committee (ITRC)
- Science and Technology Review Committee (STRC); and
- Operations and Support Review Committee (O&SRC).

The study team was told that these committees and the EGC are not currently meeting or advising the ERB. Although the CIO and CTO currently have direct access to senior leadership and can directly advise and inform the ERB, this does not substitute for a formalized, structured asset management process that promotes coordination and integration across the organization, leverages investments, reduces duplication, and optimizes spending.[91] The use of this life cycle planning governance framework depicted in agency policy is a critical component of the agency's transformation to a successful management model in which outcomes are guided by the strategic plan and organizational goals and priorities are synchronized across programs.

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[88] Ibid
[89] U.S. Secret Service, ***Acquisition Life Cycle Framework Program Integration***, ACQ-01, December 4, 2014
[90] U.S. Government Accountability Office, ***Acquisition Planning: Opportunities to Build Strong Foundations for Better Service Contracts***, GAO-11-672, August 2011
[91] U.S. Government Accountability Office, ***Framework for Assessing the Acquisition Function at Federal Agencies***, GAO-05-218G, September 2005.

Panel Recommendation 5.3

Objective: To facilitate an efficient and cost effective process for prioritizing technology investments.

Recommendation: The Secret Service should implement a robust capital planning and investment control (life cycle planning and investment review) program.

CHAPTER 6: CREATING A MISSION-BASED BUDGET TO IDENTIFY AND SUPPORT RESOURCE REQUIREMENTS

The Secret Service's ability to formulate and submit a sound budget proposal and effectively defend it through multiple levels of review and scrutiny is a key factor in the agency's success—or failure—at competing with other agencies to secure adequate funding to sustain and advance mission essential activities. Competition for appropriations will likely increase as the Executive Branch and Congress mark-up budgets that conform to limitations imposed by legislated caps on federal spending. It is critical, therefore, that the budget the Secret Service submits to Congress effectively depicts the agency's priorities, policies, and resources; communicates the story of the integrated mission; describes the programs; delineates proposed funding and staffing for the level of planned work; and quantifies a measure of progress toward achieving the agency's strategic goals. This puts a premium on the ability of the Secret Service to have a clear and understandable budget presentation, as well as supporting data-driven analyses, to be successful in the external process of budget review and negotiation with Congress. This includes hearings and briefings in which the agency defends its budget request and in the internal Executive Branch budget formulation process, in which the Department of Homeland Security (DHS) and the Office of Management and Budget (OMB) consider the Secret Service's budget submission in the context of the larger Departmental and government-wide budgets.

The Secret Service's ongoing efforts to build bench strength in the Office of the Chief Financial Officer (CFO) to justify the budget, defend the proposed funding and staffing levels, and provide supporting analyses is critically important to this success. Just as important are the actions of leadership to crisply define the mission linked to budgetary priorities and the openness and willingness of other parts of the agency to work collaboratively with the CFO's office and facilitate improved understanding of programs, evaluate alternative methods of mission delivery to determine impacts on costs, and look for areas of efficiency and cost reduction.

In the wake of a series of security incidents, the Protective Mission Panel (PMP) and the House Oversight and Government Reform Committee (HOGR) evaluated the Secret Service's situation in an effort to determine if declining budgets were an underlying cause for mission failures. Both PMP and HOGR concluded that the sequester of funds required by the Budget Control Act of 2011, declining funding levels during the period 2011 through 2013, and the restrictions associated with spending under continuing resolutions were causes for declining staffing levels and resulting reductions in employee training, time off, morale and performance. HOGR identifies a more systematic problem with a lack of support for the President's budget request for the Secret Service from 2008 through 2013. The breakdown in the Secret Service's security and protection in recent years may find its genesis, in part, in the erosion of funding over many years that culminated in deeper cuts as a result of sequestration and a hiring freeze from which the agency was not able to recover. Both PMP and HOGR discussed the reductions in staffing from 2011, as shown below, and recommended funding for the Secret Service at levels that would, at a minimum, restore

staffing to 2011 levels with an immediate infusion of 285 special agents and Uniformed Division (UD) personnel and an unspecified number of administrative, professional and technical (APT) personnel.

Secret Service Staffing

	FY 2011 Staffing	FY 2015 Staffing	Change FY 2011 to FY 2015	FY 2016 Staffing	Change FY 2011 to FY 2016
Special Agent Force	3,535	3,257	-278 (-7.9%)	3,327	-208 (-5.88 %)
Uniformed Division	1420	1,329	-91 (-6.4%)	1,428	8 (.56%)
APT*	2,069	1,729	-340 (-16.4%)	1,753	-316 (-15.27%)
Total Staffing	7,024	6,315	-709 (-10.1%)	6,508	-516 (-7.35%)

*Administrative, Professional and Technical

However, restoring the Secret Service staffing to the FY 2011 level should not be the goal. While prior year comparisons of funding and personnel are a useful starting point relative to the size and scope of the agency's mission at the time, future year funding and staffing levels should be determined based on an assessment of mission requirements in concert with anticipated workload and expected costs for the full spectrum of direct and indirect costs. This is particularly challenging for the Secret Service since its activities are variable from year to year based on workload factors not within the agency's control; some can be predicted to a certain extent while other external factors cannot. For example, no one could have anticipated the Papal visit in 2015 which included multiple stops and coincided with the annual United Nations General Assembly meeting.

Budgeting for protection is particularly challenging because the Secret Service submits a budget proposal two years in advance and proposes funding levels based on expected workload without knowing, for example, the outcome of an election, which every four years will determine the President and Vice President-elect, as well as the number of family members that require protection. Where these individuals—and former Presidents—live, travel and their activities have a direct bearing on the costs of protection which cannot be accurately anticipated in advance. In addition, the number of National Special Security Events and foreign dignitaries that receive protection vary from year to year and events like the 2016 Republican and Democratic Conventions require extraordinary levels of logistics, travel, equipment and a large mobilization of agency personnel, as well as engagement by other federal, state and local personnel. The Secret Service funds these costs and some reimbursement of other Federal agencies that provide support. Often without the ability to increase the budget that has already been provided by Congress, agency costs can escalate beyond amounts programmed for protection. The unpredictable and changing nature of the Secret Service protection duties and the resulting challenges this creates for the agency were highlighted in a Government Accountability Office (GAO) report that underscored the need for reliable financial management systems and

procedures and put a premium on effective communications with DHS, OMB and Congress.[92]

Using prior year workload and spending to gauge budget year funding needs for the Secret Service is also not reliable because the workload is increasing. Since 2011 the scope and costs of the protection and investigative mission have increased as reflected in the following metrics reported by the Secret Service:

- The number of attendees to the United Nations General Assembly that received protection rose by 49 (26 percent) from 187 in 2011 to 236 in 2015.
- The number of travel stops (field office locations engaged in protection) increased by 171 (5.7 percent) from 2,998 in 2011 to 3,169 in 2015.
- Magnetometer screenings doubled from 1.8 million in 2011 to 3.6 million in 2015.
- Protective casework pending more than doubled from 2,416 in 2011 to 5,135 in 2015.

PMP and HOGR advocated for increased resources for the agency beginning in FY 2016 and both recommended that the agency improve its ability to evaluate and quantify funding and staffing needs and establish better linkages between the budget and the Secret Service's mission and program goals.[93] The agency has begun to address these recommendations, including restructuring the budget accounts for improved accountability and clarity of presentation and securing additional funding to implement recommended reforms. The Secret Service requested $86.75 million in the 2016 President's budget for PMP reforms; Congress provided $84.5 million. In the FY 2017 President's budget, the agency requested an increase of $37.6 million for PMP enhancements.[94] At this time, final outcomes of the FY 2017 appropriations process are pending completion of congressional action.

The HOGR report also recommended that the Secret Service put systems in place to effectively manage funds and ensure they are used for the purposes for which they were provided. To improve funds accountability, the Secret Service implemented agency-wide funds control and put program funds execution and reprogramming processes in place. The Chief Financial Officer (CFO) has issued a strategic plan with specific, targeted goals to optimize financial resources by improving the agency's budgeting and financial

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[92] U.S. Government Accountability Office, T***he Secret Service: Additional Guidance Would Enhance Financial Management and Communication of Candidate Protection Spending to Congress***, GAO-10-762, June 2010

[93] United States Secret Service Protective Mission Panel*; **Report from the USSS Protective Mission Panel to the Secretary of Homeland Security***, December 15, 2014

Committee on Oversight and Government Reform, U.S. House of Representatives, ***United States Secret Service: An Agency in Crises***, December 9, 2015

[94] U.S. Congress, ***Division F–Department of Homeland Security Appropriations Act, 2016*** as part of the Consolidated Appropriations Act (P.L. 114-113) and the accompanying Explanatory Statement; The Department of Homeland Security, ***FY 2017 Homeland Security Congressional Budget Justifications***, Volume 3.

management, modernizing systems and building skills for improved data analysis. Importantly, for long-term sustainment of these efforts, the Secret Service is developing collegial and collaborative relationships with leadership and peer groups in DHS to glean best practices, secure assistance and guidance, and break out of a traditionally, more insular way of doing business. Details about these efforts are described below. Despite the challenges facing the Secret Service including the extensive reforms underway amidst burgeoning workloads, significant progress has been made and the feedback from stakeholders reflects an acknowledgement these efforts are making a difference.

Leading Change in the Office of the Chief Financial Officer

In an early action taken in May 2012, the Secret Service created the CFO position and appointed an experienced financial professional. The Chief Financial Officers Act of 1990 mandated financial management reform for federal agencies requiring the designation of a CFO in 24 departments/agencies to provide strong, influential leadership to promote transparency and accountability.[95] The Secret Service, like other components within departments, adopted this model and created its own CFO position to lead a program of improved management practices, internal controls, and transparent reporting.[96]

In 2015, the Secret Service elevated the position and created a directorate level Office of the Chief Financial Officer (OCFO) to professionalize the management of agency financial assets, bringing together under the CFO's leadership the budget, finance, acquisition, and other functions. Immediately, the CFO established an agenda for reform with the issuance of a multi-year strategic plan (the Financial Leadership Plan for FY 2015-2016) that sets forth specific goals to create a modernized business operation. The plan is a blueprint to establish effective planning, budget formulation, budget execution and analysis with the stated goal of optimizing resources and customer service, and developing a career growth plan for professionals in the OCFO. The plan has goals that reach beyond the OCFO and puts a blueprint in place for partnering with other Secret Service offices to improve business processes. It specifically targets PMP recommendations to incorporate mission-based budgeting, the use of workforce staffing metrics, and a model to more effectively formulate and justify the budget.[97]

The CFO is taking actions consistent with the strategic plan including modernizing business systems and processes and deploying business intelligence software. As evidenced by the FY 2015 Department-wide financial audit report, the Secret Service has improved its

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[95] U.S. Government Accountability Office, ***The Chief Financial Officers Act: A Mandate for Federal Financial Management Reform***, GAO/AFMD-12.19.4, September 1991

[96] The Chief Financial Officers Council and The Council of the Inspectors General on Integrity and Efficiency, ***The Chief Financial Officers Act of 1990- 20 Years Later: Report to Congress and the Comptroller General***, July 2011

[97] U.S. Secret Service, USSS Chief Financial Officer, ***Realizing the Mission by Optimizing Financial Resources: Financial Leadership Plan for FY 2015-2016***

financial management and contributed to improved accountability for DHS.[98] The CFO also led the agency's efforts to restructure the budget, consistent with the DHS Secretary's Unity of Effort, in order to more clearly align resources with categories of spending and is leading the development of a mission-based budget and use of a workforce planning model as the basis for budgeting. In addition, the agency has worked with the Department and Congress to realign funding to address key priorities and as a result, received significant increases in FY 2016 including enhancements recommended by the PMP. The Secret Service needs to build on the progress it has made in establishing helpful and productive relationships with DHS, OMB and Congress as these entities have influence on the success of agency's efforts.

The OCFO includes a large portfolio that is organized into six separate divisions responsible for budget, enterprise financial systems, financial management, procurement and administrative operations. Two additional functions, risk management and assurance and the logistics resource center, report to the CFO's Chief of Staff. The Secret Service's financial management practices incorporate risk management into the OCFO organization, affording the potential for a fuller set of data and analysis for effective internal controls. In so doing, it models best practices recommended by the CFO Council and the Council of Inspectors General.[99]

In a study of effective implementation of federal financial management, GAO evaluated the practices and improvement efforts of leading public and private sector organizations. The Secret Service's reforms to date reflect adoption of some of these practices, and the CFO's strategic plan indicates an intention to move towards others. Among the best practices already adopted by the Secret Service are committed leadership support and a CFO involved with the top leadership in decision-making.[100] Secret Service leadership has endorsed the CFO's efforts and within the agency there is a sense of shared responsibility for improving budget formulation and execution and for open and transparent communication with DHS, OMB and Congress. The Director has testified extensively in support of the agency's reforms and the budget. The CFO is effectively raising awareness of budget and financial management requirements and has implemented processes that have improved accountability including the requirement for offices to prepare spending plans, quarterly reviews of budget execution, and adherence to congressional reprogramming direction. Ongoing diligence by all entities within the Secret Service to support these efforts is needed and will allow the OCFO to continue improving the agency's reputation for accountability and transparency.

Among the high value benefits of the OCFO organization is the availability of accurate, auditable financial information that can be used to support the identification of budgetary

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[98] DHS Office of Inspector General, ***Independent Auditors' Report on DHS' FY 2015 Financial Statements and Internal Control over Financial Reporting***, OIG-16-06, November 13, 2015

[99] The Chief Financial Officers Council and The Council of the Inspectors General on Integrity and Efficiency, ***The Chief Financial Officers Act of 1990- 20 Years Later: Report to Congress and the Comptroller General***, July 2011

[100] U.S. Government Accountability Office, ***Executive Guide: Creating Value Through World-Class Financial Management***, GAO/AIMD-00-134, April 2000

requirements and identify cost drivers to inform budget formulation. Challenges still remain for the OCFO as it takes action to mature analytical skills and develop analyses to support its budget. GAO has noted that high-performing financial organizations are those that have been able to automate or centralize routine transaction processing in order to focus staff on analytics and strategic mission support efforts. To accomplish this, organizations invested in management information systems and created human capital policies, programs and practices to steer toward desired outcomes.[101] There are additional improvements the Secret Service can undertake in the modernization of budget and finance processes and systems. By necessity, the OCFO continues to work with legacy systems and processes that are outdated, manual and staff-intensive. For example, the study team was informed that the agency continues to use a manual travel voucher process. Although plans are underway to automate the process and move to travel cards, this will take several years to implement.

The Secret Service's efforts in these areas are ongoing, but not surprisingly, the areas identified for ongoing development and maturation by the Secret Service align with efforts underway in other agencies across the government. In 2014, the Academy conducted interviews with 27 federal executives and senior managers to solicit input on priorities for improving financial and related information for decision-making. The priority areas identified include:

- Strengthen staff knowledge of program operations to increase knowledge about agency programs and operations, including best practice models such as placing CFO staff within program operations to encourage learning and better understanding;
- Emphasize development of skillsets in data analytics;
- Connect financial and cost information to program outputs and performance (activity-based costing);
- Develop a dashboard tailored to information needed for decision-making; and
- Integrate financial, operational and human resources related information.[102]

GAO's review of world-class financial institutions also highlighted the need to tailor financial data into meaningful information for decision-makers.[103] Leading organizations arm their executives with information related to key business drivers and forward-looking program unit performance data. Many agencies are developing dashboards to meet the needs of executives for select, meaningful and user-friendly reports. Making key information available to Secret Service leadership will support data-driven decision-

[101] Ibid.
[102] The National Academy of Public Administration, ***Financial and Related Information for Decision-Making: Enhancing Management Information to Support Operational Effectiveness and Priority Goals***, April 2014
[103] U.S. Government Accountability Office, ***Executive Guide: Creating Value Through World-Class Financial Management***, GAO/AIMD-00-134, April 2000

making and will foster the development of data analysis capabilities currently planned by the CFO.

Currently, the Component Acquisition Executive (CAE) who leads the agency's life cycle planning process reports to the CFO. A 2015 review of the Secret Service acquisition program by the DHS Office of Inspector General reported adequate management and oversight of the acquisition program and resulted in several recommendations that have since been implemented including designation of the CAE and development of Secret Service specific guidance for investments below thresholds addressed in DHS policy.[104] The CAE has endeavored to build understanding and support for life cycle investment planning across the agency. As discussed in Chapter 5, internal governance is important for coordination across the agency, ensuring integration, leveraging investments to meet shared requirements, and eliminating redundancy and inconsistency. However, the location of the CAE and the Procurement Division within the OCFO could be diverting attention away from the attainment of strategic goals for budget and financial management.

As the Secret Service moves into the next phase of maturing its organizational structure, it should evaluate the guidance provided by GAO. GAO's best practices for acquisition functions in federal agencies convey a set of principles and guidelines for optimizing the acquisition function for mission support.[105] GAO recommends a results-oriented program to meet mission needs and support attainment of strategic goals. Management support and visibility are key to success and the acquisition function should be treated as a business partner rather than an administrative function. Of relevance to the Secret Service, is GAO's advice to move away from the traditional fragmentation of acquisition across business functions to a single function focused on supporting the enterprise. GAO recommends an integrated approach for the agency that engages all stakeholders to define needs and identify, select and manage providers of goods and services. GAO advises that the role of the acquisition function does not end with the contract award and that a mature acquisition function should include effective monitoring and oversight.

Many of the GAO best practices appear, based on the study team's high level assessment, to be incorporated in the CAE's operating approach including early requirements setting, high levels of assistance to programs, and communication throughout the agency. What is less clear to the team, since it did not have the opportunity to conduct a more thorough review, is the degree of oversight, integration and feedback about the ongoing procurement function that occurs in actions requested by program directorates without the CAE's involvement—for example, consideration of the optimum types of contracts used, the use of small or disadvantaged businesses, and the timeliness of acquisition actions relative to mission needs. Another aspect critically important for an effective acquisition program is the evaluation of core competencies and capacity. The team was told that the Procurement

[104] DHS Office of Inspector General, The U.S. Secret Service Has Adequate Oversight and Management of its Acquisitions (Revised), OIG-15-21, February 2015

[105] U.S. Government Accountability Office, ***Framework for Assessing the Acquisition Function at Federal Agencies***, GAO-05-218G, September 2005

Division is significantly understaffed and that DHS is helping the Secret Service to complete procurement actions in order to shoulder some of the workload.

The OCFO also includes Administrative Operations, which could also be distracting from OCFO core functions. Administrative Operations is not inclusive of acquisition, but does overlap in its focus on asset management and the use of acquisition vehicles to manage the asset portfolio. The management of owned and leased property can tie up significant funding and manpower and GAO suggests that there are effective approaches to efficiently manage inventories and utilize assets.[106] As significant changes have taken place in this area since GAO published its review, it would be prudent for the Secret Service to consult additional sources of guidance. However, decisions about the location of this function would benefit from a closer examination of the potential to place the CAE, Procurement Division and Administrative Operations together in an organization focused on asset management, linking capital planning to budget formulation, and development of a unified Secret Service multi-year (5-10 year), detailed investment plan (a recommendation made in reference to the Office of Technical Development and Mission Support in Chapter 5).

Panel Recommendation 6.1

Objective: To provide greater focus on core budget and financial management functions.

Recommendation: The Secret Service should conduct an organizational assessment of the Office of the Chief Financial Officer. Elements should include evaluating placement of the

- *Component Acquisition Executive,*
- *Procurement Division, and*
- *Administrative Operations*

Moving to Mission-based Budgeting

DHS and its components including the Secret Service are in the process of transitioning to a new budget structure. The Secret Service will begin using the new budget structure at the beginning of FY 2017. The former (existing) budget structure will be in use through FY 2016 and until funds are fully executed. In the former budget structure, funding for enabling and sustaining activities are combined in one account, "Salaries and Expenses." The account contains funds used for annual operating expenses such as salaries and expenses and travel, as well as multi-year technology and infrastructure investments, and financial assistance. The account is complex and unwieldy to manage because of the diversity of types of spending and specific funding amounts with variable periods of availability. It is in this account that most of the Secret Service's activities have been

[106] U.S. Government Accountability Office, ***Logistics Management: Issues for Planning***, PLRD-81-32, June 8, 1981

financed. Although funding is organized below the account level by program, project and activity (PPA), this level of detail does not provide the granularity that is needed.

Over the course of time, to augment the PPA detail, congressional appropriators designated in appropriations bills and reports specific amounts of funding for specific purposes that have to be separately tracked. For example, in FY 2016 Congress directed $2.4 million to be used for forensic and related support of investigations of missing and exploited children. In addition, appropriators provided much-needed flexibility to allow the Secret Service to manage fluctuating costs that are largely outside the control of the Secret Service by extending the period of availability. For example, in FY 2016, Congress allowed no-year authority for $4.5 million for National Special Security Events (NSSEs). Accordingly, the Secret Service is able to use these funds to pay for NSSEs past the end of the fiscal year and until such time as they are obligated. Although these actions were intended to provide better visibility for programs and projects of importance to the agency and Congress, and in some cases removed barriers to accomplishing the mission, they imposed additional requirements and workload on the agency to manage them as separate funding amounts with multiple periods of authority.

The former budget structure also includes the "Acquisition, Construction, Improvements and Related Expenses Account," which funds a segment of the Secret Service's acquisition and construction program while the balance of the budget for acquisition and construction is in the Salaries and Expenses Account. This creates a lack of clarity for funding that is needed to acquire or construct versus funding needed for ongoing operations. Funding programs and projects in two different accounts also creates an additional workload for effectively managing the accounts.

Beginning with the FY 2017 President's budget released to Congress in February 2016, the Secret Service and other DHS agencies presented the budget in the structure that was guided by Secretary Johnson's Unity of Effort. This new budget presentation aligns the accounts with components and types of spending as follows:

- Operations and Support – This is the primary account for salaries and expenses and program support costs;
- Procurement, Construction, and Improvements – This account includes acquisitions of IT and technology as well as construction, modernization and improvements to facilities including Rowley Training Center (RTC) and the White House complex;
- Research and Development – This account funds research and development efforts in Technology Development and Mission Support (TEC); and
- Federal Assistance – This account funds grants and cooperative agreements.

The DHS CFO worked with the House and Senate appropriations committees to come to agreement on the structure and secured approval to incorporate it into the FY 2017 President's budget. The FY 2017 budget will be executed (beginning October 1, 2016) using the new budget structure. This new budget structure also provides a sound framework for the Secret Service's ongoing improvement efforts to clearly depict funding that is needed for operational support, or sustainment, of investments once they have been acquired or

constructed. The acquisition of technologies guided by TEC or the Office of the Chief Information Officer (OCIO) and modernization of facilities at RTC will, in the new budget structure, be included in the Procurement, Construction and Development Account whereas the costs to operate or sustain these investments will be budgeted in the Operations and Support Account. The new dedicated Research and Development (R&D) Account will allow TEC to maintain clarity in its R&D activities, improving the alignment of these efforts with the DHS Office of Science and Technology technical working groups and facilitate recognition that Secret Service R&D efforts should be included in the government-wide research and development crosscut. (Fuller discussion of this topic appears in Chapter 5).

A significant amount of work is yet to be done to implement the new account structure and adopt the discipline needed to utilize the appropriate categories of spending. However, it establishes a strong foundation for budget formulation and execution and is a good starting point for mission-based budget development. More detailed levels of accounting, using PPA, will be applied by the CFO working in collaboration with Secret Service programs to manage and report spending and will be the basis for presentation of a mission-based budget. To build understanding and support for the mission-based budget within the Secret Service, the CFO is taking a collaborative approach, leading a team comprised of representatives from all of the directorates. The CFO also held town hall meetings with employees to solicit their input and communicate progress on the mission-based budget initiative. The Secret Service Director has committed the agency to this approach and similarly held a town hall meeting to discuss it with employees. The mission-based budget is presented for the first time in the FY 2018-2022 Resource Allocation Plan submitted to DHS. The study team has not seen the mission-based budget, but according to agency staff, when complete, it will provide improved information at a level of detail that will support enhanced decision-making by the Secret Service and stakeholders.

Stakeholders indicate a high level of interest in the mission-based budget and also place a high priority on the development of data analyses that can be used to improve understanding of programmatic costs and cost drivers and anticipate the cost implications of optional management approaches. Within the Secret Service, there are examples of using this data to help inform management. The Office of Investigations uses activity-based cost information to manage the field offices and assess performance. GAO conducted a review of these efforts and recommended expanded use to evaluate possible changes in field office location, staffing and organization.[107]

Consistent with the CFO's strategic goals and objectives, enhanced skills and capabilities in this area and evaluation of the efforts other agencies have taken to develop budgetary and cost information would assist the agency in anticipating and responding to data requests from stakeholders. The Secret Service should continue its effort to develop the mission-based budget and continue high levels of collaboration with DHS, OMB and appropriations

[107] U.S. Government Accountability Office, ***U.S. Secret Service: Data Analyses Could Better Inform the Domestic Field office Structure***, GAO-16-288, February 2016

subcommittee staff to seek their input on valuable analyses to support examination of the Secret Service's budget requirements. Of greatest importance are analytics in support of baseline funding and staffing levels that can be quantified based on a strategic assessment of the Secret Service mission and desired future state as discussed at the beginning of this chapter.

Considering Zero-Based Budgeting

The PMP and HOGR recommended that the Secret Service develop a mission-based or zero-based budget. The PMP suggested that a zero-based budget would help the agency define its mission and articulate priorities as the basis for evaluating resource needs and formulating the budget. HOGR indicated that this was one of the most important recommendations and a "lynchpin" for many of the other HOGR recommendations. The HOGR report explains why this is of such importance:

"… Like so many agencies, the Service has, for years, looked at its base budget and tried to ball park how much more it might be able to get…The result, however, is that no one has really looked at how much the mission, done right, actually costs. That is why one of our most important recommendations is that a new Director start with a zero-based budget…Define the mission, and make the argument to policy makers in the Executive Branch and Congress that this sum…is needed."

HOGR went on to explain that the zero-based budget should take account of the expanded protection responsibilities, the increased threat environment, and investments in technology. HOGR also stipulated that this effort to develop a new Secret Service baseline for funding and staffing should entail a review of the agency's protective and investigative missions to determine if any aspects could be trimmed or eliminated. Thus, the goal of the zero-based budget is ultimately an examination of the agency's mission and development of a baseline of funding and staffing to support the mission. Such a baseline would begin by identifying a staffing component sufficient to support protection and investigations and the agency's business functions. From that level of staffing, the Secret Service would quantify mandatory annual requirements for salary and benefits and other direct costs such as training and travel needed to meet protection and investigation mission goals. Lastly, the baseline would quantify the level of funds needed to maintain progressive technological development and steady state technological support and quantify indirect costs.

The Secret Service has chosen to present a mission-based budget, which will align accounts and more detailed PPA with the agency's mission areas such as protection and investigations and allocate costs, both direct and indirect, to quantify full costs. The mission-based budget will provide more granular information for decision makers and more fully quantify the costs of delivering mission programs. The mission-based budget does not involve the same exhaustive examination of all programs as zero-based budgeting. Because a zero-based budget builds from the ground up, it requires a deeper analysis than is conducted in the annual incremental process. It is also workload intensive, a view shared by GAO. GAO observed that the way in which zero-based budgeting has been administered

in government organizations in the past was burdensome, process driven and largely unsuccessful because of the level of effort it demanded. [108] However, GAO also observed that zero-based budgeting is a useful tool and is used by successful organizations in a streamlined manner as part of the planning, budgeting, and reassessment processes.

The "sweet spot" may lie in a combination of approaches. The Secret Service currently conducts program management reviews of a set of programs each year and over the course of three years examines the entire organization. The results of these reviews are incorporated into future year operations and considered in the budget formulation process. GAO's recommendation to incorporate aspects of zero-based budgeting would fit well within an expanded Secret Service program review process that feeds into the budget. The agency could incorporate the concepts of zero-based budgeting in its program management reviews—considering the agency mission, strategic goals and objectives—and assess programs and program components support for strategic outcomes as the basis for sustaining, increasing or reducing the budget. Interestingly, the timeframe matches that described by HOGR which suggested that because the zero-based budget process is very time-consuming and arduous, the self-assessment and realignment process could take several budgetary cycles to fully capture the needs of the agency.

The mission-based budget and expanded program reviews are tools that the Secret Service can use to facilitate their ability to quantify and communicate budgetary requirements. These are long-term solutions to improve budgeting, however, and will not address the needed short-term fixes the agency currently faces in instituting numerous reforms that require additional and sustained funding for staffing, training, employee assistance initiatives, technology, and research and development. Congress has provided additional funding for implementation of some PMP recommendations, but not all, and has reduced funding for additional staffing to offset a portion of these increases. The agency has not been given a baseline budget that will allow for full staffing at the levels planned in the Human Capital Plan, the necessary training and employee assistance initiatives, technology investments or research and development.

The PMP, which spoke of the divergence between the level of funding for the agency's mission and costs over recent years, recommended a zero-based budget process, in part, to encourage the agency to submit a baseline budget that could represent the agency's full funding needs and would not be limited by the normal protocol of budgeting based on an incremental increase or decrease from the prior year budget. The report cited the expanding protection costs and substantial needed investments in technology and protection of the White House as reasons that the budget and costs to operate Secret Service programs diverged over time. The PMP underscored the need for the agency to take a hard look at areas that can be trimmed or made more efficient while at the same time communicating the level of funding needed to ensure optimal protection for the President and the White House, a paradigm that is very different from the current state in which the

[108] U.S. Government Accountability Office, ***Streamlining Zero-base Budgeting Will Benefit Decision-making***, PAD 79-45, September 25, 1979

agency is stretched to its limits each year and regularly reprograms in order to find sufficient funding for protection costs that were not anticipated. A good example is the recent trip the President made to Israel during the closing days of FY 2016 to attend the funeral of Shimon Peres, a protective assignment that was not anticipated. The HOGR recommendations mirrored those of the PMP in this area and explicitly outlined a process whereby the Secret Service should make policy makers in the Executive Branch aware of additional funding needs and stem the "steady degradation of the agency's manpower, resources and training capabilities due to a lack of funding." HOGR also included direction to Congress to "ensure that the U.S. Secret Service has sufficient funds to restore staffing to required levels."

Panel Recommendation 6.2

Objective: To improve budget formulation and support the strategic information needs of the Secret Service, DHS, OMB, and congressional stakeholders.

Recommendation: The Secret Service should build capacity for budget data analysis and incorporate streamlined zero-based budget analysis into program reviews to support identification of a budget baseline.

Overcoming Disruption Caused by Continuing Resolutions

In each of the last 17 years (FY 2000-2016), Congress has enacted continuing resolutions (CRs) for periods of two months or more. For seven of these years, the duration of the CRs exceeded three months. As a result, continuing resolutions have become standard operating procedure, occurring virtually yearly and often extending for nearly a quarter of the fiscal year. Not surprisingly, in this 2016 election year with shortened congressional calendars, a continuing resolution was once again enacted to continue government operations through most of the first quarter of FY 2017. Authorized funding levels under a CR are based on a daily rate, which limits agency spending. In accordance with OMB direction and like most agencies, the Secret Service takes only the most limited funding actions while operating under a CR. This avoids actions that could impinge upon final funding prerogatives. The impact of a CR is significant as reduced levels of spending during the first quarter mean that agencies essentially have three quarters of the year to obligate funds and execute programs that were programmed for a full year. For agencies with annual accounts, the end of the year process to ensure effective obligation of balances shortens timeframes further, leaving programs with six months to operationalize the budget.

The instability that results from the reduced funding levels under a CR, the short timeframes for budget execution, and the uncertainty about full year funding impacts the Secret Service's ability to conduct continuous high levels of recruitment, on-boarding and training that is necessary to meet hiring goals. GAO found that one of the most significant impacts of CRs on agencies is delayed hiring. Most agencies put the brakes on their hiring program at the beginning of the fiscal year and reinitiate efforts after enactment of the full

year appropriation. In GAO's assessment of multiple agencies, only one agency—the FBI—continued hiring through the CR period. In so doing the FBI assumed high levels of risk, because significant cuts would be needed in subsequent hiring and other spending if the appropriations enacted for the full year were not adequate to cover the spending levels that were above the CR rate.[109]

In February 2015, Homeland Security Secretary Jeh Johnson described the disruptive impacts of operating under a CR as follows:

"…the consequences to this Department, if we remain on a continuing resolution, are also severe. We are restricted to last year's funding levels if we are on a continuing resolution and must operate in a state of uncertainty about when the next infusion of funds will be."[110]

Both the PMP and HOGR point out the Secret Service has made hiring its highest priority and the numbers of new staff reflect progress in these efforts. The agency was hoping to staff to 6,557 by the end of FY 2016 (that number as of 9/30/16 was 6,508) as compared to the 6,306 staff on board at the start of the year—an increase of about four percent—and has established a goal to staff to 7,600 by FY 2019.[111] To reach these levels, the Secret Service needs certainty in its budget to be able to maintain active recruitment, onboarding and training throughout the year.

The current FY 2017 CR provides a good example of the difficulties facing the Secret Service. Government operations have been funded from October 1, 2016 through December 9, 2016. It includes a reduction of 0.496 percent from FY 2016 levels and directs " . . . only the most limited funding action . . . shall be taken in order to provide for continuation of projects and activities." To comply with this direction, the Secret Service will have to constrain planned hiring actions. The agency will also be preparing for heightened protective efforts necessary for the upcoming inauguration within reduced spending levels and without certainly as to the level of funding for the full year.

The most damaging impacts to the Secret Service's hiring efforts caused by a CR could be mitigated with two-year availability in Operations and Support appropriations. Carryover available from the year of appropriation to the next could be used to finance ongoing recruitment, onboarding and training efforts—ensuring a steady pipeline of hires. It would also allow the agency to be more effective in its execution of the budget. If two-year authority were made available, the Secret Service would be able to execute its hiring and staffing plans by hiring at steady levels throughout the year thereby enabling it to more likely meet its staffing goals. Additionally, a uniform period of availability for each account

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[109] U.S. Government Accountability Office, ***Budget Issues: Effects of Budget Uncertainty from Continuing Resolutions on Agency Operations, Statement for the Record by Michelle Sager to the Committee on Homeland Security and Governmental Affairs***, March 13, 2013

[110] Committee on Oversight and Government Reform, U.S. House of Representatives, ***United States Secret Service: An Agency in Crises***, December 9, 2015

[111] USSS/DHS, ***USSS Human Capital Plan (FY 2015-2019): Fiscal Year 2015 Report to Congress***, July 23, 2015

would simplify management and ongoing budget and accounting. This would also mitigate congressional concerns about hiring and budget execution. In FY 2016, Congress cut the agency's budget by $49.4 million, reducing a portion of funds programmed for staffing based on the expectation that the agency would not be able to hire staff at the level planned. Both the House and Senate have expressed concerns that Secret Service is not able to use amounts budgeted for staffing and as result, redirects funds for other purposes.[112]

Congress has recognized the need to appropriate funds to the Secret Service with a multi-year availability in multiple instances. In FY 2016, Congress included two-year funding in the Salaries and Expenses Account for improvements at the RTC, Operational Mission Support, Protective Travel and Information Integration and Technology Transformation. In addition, no-year funds were provided for National Special Security Events. With the restructuring of the agency's budget beginning in FY 2017, it is an opportune time to propose periods of availability of appropriations that align with the types of anticipated spending and support agency requirements for uninterrupted hiring efforts during the CR period. For the Operations and Support Account, a two-year period of availability would allow the Secret Service to utilize funds for the purposes for which they were programmed rather than having to reprogram in order to obligate funds that would otherwise lapse at the end of the fiscal year.

Similarly, in order to fully support effective planning, design and acquisition or construction, the Procurement, Construction and Improvements Account should be a multi-year account. The earlier cited Academy survey of 27 federal executives and senior managers found a one-year appropriation cycle hinders multi-year planning for life cycle investments, because agencies are forced to obligate funds within the one year timeframe even though additional time may be needed to complete the full life cycle investment planning process. Secret Service policy supports a full life cycle planning process for the development and acquisition of technology by TEC and construction of facilities by TEC and RTC.

Panel Recommendation 6.3

Objective: To improve budget certainty and the efficiency and effectiveness of program budget execution and to provide the Secret Service with needed flexibility given the challenges associated with predicting the protective mission workload and resource requirements.

Recommendation: The Secret Service should develop and submit a legislative proposal to provide:

- *Two-year authority for the Operations and Support Account.*
- *Multi-year authority for Procurement, Construction, and Improvements Account.*

[112]U.S. Congress, ***Division F–Department of Homeland Security Appropriations Act, 2016*** as part of the Consolidated Appropriations Act (P.L. 114-113) and the accompanying Explanatory Statement

Workforce Staffing Model

The Secret Service is a labor intensive organization; approximately 71 percent of the annual appropriated funds are programmed for staff costs (based on 2015 actual salaries and benefits). Both the PMP and HOGR identified staffing as a high priority for the agency in order to ensure adequate support for mission delivery. Adequate staffing is also required to allow for necessary training and time off and to reduce unsustainable levels of overtime use. Effective tracking and projection of staffing is a critically important component of developing and executing a budget and is key to effective workforce planning.

The Secret Service has developed a workforce planning model for its three workforce components – Special Agents, Uniformed Division Officers, and APT positions. The model effectively captures the unique characteristics for each of these groups incorporating considerations for schedules and working shifts, travel, overtime and training. The Workforce Planning Division which manages the model continually refreshes the model with current data and improves the assumptions based on evaluations of the model's accuracy. The Secret Service is able to consistently and accurately depict staffing levels with these models and is using them as the basis for the Human Capital Plan and for budgeting and making determinations about the pace and focus for recruitment efforts. Current efforts are underway to engage an independent, third party to conduct an evaluation and validation of the workforce staffing models. This is an important step, assuring that the model is providing accurate information for forecasting workforce requirements. The Workforce Planning Division also issues bi-monthly (at the end of each pay period) reports to keep agency leadership apprised of hiring levels, projected staffing and future staffing plans.

The Secret Service has addressed the PMP and HOGR recommendations for a workforce-planning model validated by a third party. Ongoing refinement and maturation of the models would benefit from an examination of models other like agencies are using in this area. Stakeholders have expressed support for the Secret Service's efforts and encouraged the continued evolution of the model and workforce planning efforts.

Closing Thoughts

The Secret Service is an agency undergoing a major organizational transformation. In the past couple of years, it has accomplished the most significant restructuring since the Warren Commission Report, following the assassination of President Kennedy[113]. For an agency with a long, respected law enforcement history and culture, embracing change as a management tool is a departure from the past and a challenge. Recognition of the need to change is the first step in moving to a management model that can institutionalize transformation efforts. Secret Service leadership has done this, initiating a wide range of

[113] Interview notes.

management actions as noted throughout this report. Key among these is creating a Chief Operating Officer position, thereby elevating, integrating and institutionalizing responsibility for management functions and business transformation efforts and establishing an Office of Strategic Planning and Policy to coordinate enterprise management functions and lead the effort to chart the agency's future direction in response to emerging threats. Importantly, the agency has made substantial progress in tackling numerous staffing and employee issues in the areas of hiring, training, discipline/integrity, communications, and employee engagement. And, the agency has made a concerted effort to build relationships with DHS stakeholders, seeking opportunities to work collaboratively, and with external stakeholders, such as OMB and the Hill to build trust and confidence.

GAO has noted that successful major change management initiatives can take at least 5 to 7 years to accomplish.[114] Using that timeline as a yard stick, the Secret Service is still in the early stages of transformation. Time will be needed to fully implement many of the initiatives underway, mature the management processes, and firmly establish a culture of continuous improvement. Budget and staffing constraints inevitably lead to tradeoffs that must be made to balance agency priorities and workload demands with available funding. It is essential that the agency identify and effectively communicate what resources and funding support are needed to sustain the agency's efforts long-term. The recommendations in this report are offered to further advance the agency's progress in its transformation journey and to facilitate translating action plans to organizational performance and results.

[114] U.S. Government Accountability Office, ***Results-Oriented Cultures: Implementation Steps to Assist Mergers and Organizational Transformations***, GAO-03-669., July 2003

APPENDIX A: PANEL AND STUDY TEAM

PANEL

Janice Lachance (Chair)*, Interim President, Better Business Bureau Institute for Marketplace Trust. Former positions: Chief Executive Officer, Special Libraries Association; Management Consultant, Analytica; Director, Deputy Director, Chief of Staff, Director of Communications and Policy, U.S. Office of Personnel Management; Director of Communications, Congressional and Political Affairs, American Federation of Government Employees, AFL-CIO; Communications Director, U.S. Representative Tom Daschle; Administrative Assistant, U.S. Representative Katie Hall; Staff Director and Counsel, Subcommittee on Antitrust and Restraint of Trade, House Committee on Small Business, U.S. House of Representatives; Legislative Assistant, U.S. Representative Jim Mattox.

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Kristine Marcy,* Former President and Chief Executive Officer, National Academy of Public Administration; Consultant, McConnell International; Chief Operating Officer, Small Business Administration; Senior Counsel, Detention and Deportation, Immigration and Naturalization Service; former positions with U.S. Department of Justice: Assistant Director for Prisoner Services, U.S. Marshals Service and Associate Deputy Attorney General, Office of the Deputy Attorney General; Acting Director, Deputy Director, Office of Construction Management and Deputy Budget Director, U.S. Department of the Interior; Deputy Assistant Secretary, Office of Civil Rights, U.S. Department of Education; Assistant Director, Human Resources, Veterans and Labor Group, U.S. Office of Personnel Management.

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Dan Tangherlini,* President, SeamlessDocs Federal; former Administrator, U.S. General Services Administration; Assistant Secretary and Chief Financial Officer, U.S. Department of

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ACADEMY STUDY TEAM

Joseph P. Mitchell, Ph.D., *Director of Academy Programs*: Dr. Mitchell leads and manages the Academy's studies program and serves as a senior advisor to the Academy's President and CEO. He has served as Project Director for past Academy studies for the Government Printing Office, the U.S. Senate Sergeant at Arms, USAID/Management Systems International, the National Park Service's Natural Resource Stewardship and Science Directorate, and the USDA Natural Resources Conservation Service. During his 15 years at Academy, Dr. Mitchell has worked with a wide range of federal cabinet departments and agencies to identify changes to improve public policy and program management, as well as to develop practical tools that strengthen organizational performance and assessment capabilities. As the Academy's studies director, he has provided executive-level leadership, project oversight, and subject matter expertise to over 50 highly regarded organizational assessments and studies, consulting engagements, and thought leader engagement. He holds a Ph.D. from the Virginia Polytechnic Institute and State University, a Master of International Public Policy from The Johns Hopkins University School of Advanced International Studies, a Master of Public Administration from the University of North Carolina at Charlotte, and a B.A. in History from the University of North Carolina at Wilmington.

Cynthia Heckmann, *Project Director*—previously served as Project Director on the Academy's review of the National Science Foundation's use of cooperative agreements in support of large-scale research facilities and the review of the Department of Justice's Civil Rights Division, as well as leading the Center for Disease Control's Human Resource Process Review. Her extensive career at the Government Accountability Office includes serving as the Chief Human Capital Officer (CHCO) and Deputy Chief Information Officer. Ms. Heckmann also has executive branch experience, as well as state government experience. Ms. Heckmann served as a strategic advisor on research studies for the Partnership for Public Service and is a CHCO SAGE—Strategic Advisor for Government Executives—for the Partnership. She holds a Master of Public Administration from Northeastern University and a Bachelor of Arts from Simmons College. Cynthia also attended the Senior Executive Fellows Program at Harvard University's John F. Kennedy School of Government and Yale University's School of Organization and Management.

Pamela Haze,* *Senior Advisor*—previously served as Deputy Assistant Secretary for Budget, Finance, Performance, and Acquisition at the Department of the Interior. She has more than 20 years of experience in leadership and management, including 15 years as a senior executive. Ms. Haze forged strong relationships within the federal branch and with Congress and non-governmental organizations. In 2009, she received the Meritorious

Presidential Rank award; in 2012, she received the Distinguished Presidential Rank Award; and in 2012, she received the prestigious Elmer Staats Award for personal and professional standards. Ms. Haze earned a Master's degree and a Bachelor of Science degree from George Mason University. Ms. Haze became a Fellow of the National Academy of Public Administration in November 2012.

John Martinez, *Senior Advisor*—has extensive worldwide security and international trade experience acquired through government and private sector executive assignments. He served as a senior advisor on the Academy's previous foreign national access management review for NASA. In 2011, he completed a project as an associate monitor and special compliance officer, in support of the Independent Monitor and Special Compliance Official for the Departments of Justice and State. Mr. Martinez supported the oversight of all corporate policies and procedures related to the International Traffic in Arms Regulations and developed strategies for the protection of sensitive and classified information. Before entering the private sector, Mr. Martinez had a distinguished career in the federal service, primarily with the United States Customs Service, Office of Investigations, and with the Department of State and Capitol Hill.

Kim Thorsen, *Senior Advisor*—previously served as Deputy Assistant Secretary for Public Safety, Resource Protection and Emergency Services at the Department of Interior. Prior to that position, she was the Director of Law Enforcement and Security at Interior. In those roles, she served as advisor to departmental leadership on law enforcement, intelligence, security, emergency management, aviation, wildland fire, and border activities. Kim has an extensive career in law enforcement, having started her career as a criminal investigator at the Forest Service. She holds a Bachelor of Science degree from Humboldt State University and attended the Senior Executive Fellows Program at Harvard University's John F. Kennedy School of Government.

Nicole Camarillo, *Project Advisor*—served as the Associate General Counsel and Project Development Advisor for the National Academy of Public Administration. With a legal background in regulatory compliance and employment law issues, she previously worked for nonprofits on a variety of advocacy issues. At the Academy, Nicole assisted the Academy's General Counsel on all employment law and policy matters affecting the organization and served as a legal advisor on Academy studies, involving legislative and regulatory matters, including the reviews for the Department of Justice's Civil Rights Division and the National Science Foundation. She also assisted the Director of Academy Programs with the development of Academy proposals and studies. Ms. Camarillo received her B.A. from Stanford University and her J.D. from the University of California, Berkeley School of Law.

Harrison Redoglia, *Senior Research and Communications Associate*—served on the Academy's project examining the Office of Inspector General at the Department of State, the Federal Leaders Digital Insight Study, and a study that provided recommendations to enhance the role of the federal government in cybersecurity education. He also assisted the Academy in studies of GAO's high risk areas and Governance of Cybersecurity, in addition

to serving as the lead staff on the Academy's Transition 2016 initiative. He holds a B.S. in political science from Southern Methodist University.

Adam Darr, *Research Associate*—joined the Academy in 2015 as a Research Associate having previously interned in the summer of 2013. Adam graduated from Virginia Commonwealth University (VCU) with a B.A. in Political Science and Homeland Security and Emergency Management. Prior to joining the Academy, Adam interned with the Henrico County Office of Emergency Management as an Emergency Management Specialist where he created a countywide program to facilitate better disaster response and recovery by coordinating monthly meetings for all faith-based organizations within the county. He also spent past summers interning with the Fairfax County Public Schools in the Office of Family and Early Childhood Education. He has worked during two General Assembly Sessions within the Virginia House of Delegates under Delegate Thomas Davis Rust and Delegate Barbara Comstock, respectively.

Daniel Griffith, *Research Assistant*—joined the Academy as an intern in January 2016. He is currently a senior at The Ohio State University where he is completing a Bachelor of Science in Political Science, with a specialization in international law. While at the Academy, Daniel worked on the variety of assignments, including the Elliott L. Richardson Excellence in Public Service Prize, Transition 2016, a political appointee project and the Academy's annual congressional report.

APPENDIX B: PARTICIPATING INDIVIDUALS AND ORGANIZATIONS

(Titles and positions listed are accurate as of the time of the Academy's contact.)

UNITED STATES SECRET SERVICE

Office of the Chief Operating Officer

Mulligan, George – Chief Operating Officer

Office of Strategic Planning and Policy

Bunting, Georgi – Deputy Chief Strategy Officer
Dougherty, Tom – Chief Strategy Officer
Eddy, Joe – Special Advisor
House, Nancy – Acting Deputy Chief, Management and Organization
Kokinda, Damian – Acting Chief, Management and Organization
Oltman, Lisa – Special Agent in Charge, SPARK! Program
Scott, Steven – Branch Chief, Performance Studies and Statistical Systems, Management and Organization
Shumate, Bill – Staff Analyst, Management and Organization
Singley, Andrew – Senior Research Analyst, Performance Studies and Statistical Systems, Management and Organization
Gregory Try – Acting Chief, Net Assessment
Zapata, Alfonso – Branch Chief, Planning and Evaluation Branch, Management and Organization

Office of Equity and Support Services

Doyle, William – Ombudsman
Maxwell, Kier – Employee Assistance Program Supervisor
McMillon, Carolyn – Director
Jessie Lane – Deputy Director

Office of Government and Public Affairs

Milhoan, Catherine – Chief Communications Officer
Paramore, Faron – Assistant Director
Stanley, Robert (Chris) – Deputy Assistant Director, Congressional Affairs

Office of Human Resources

Hall, Delisa Walker – Division Chief, HR Research and Assessment Division
Hamann, Thomas – Division Chief, the Workforce Planning Division
Joe, Wendy – Division Chief, Talent and Employee Acquisition Management Division
Sellers, Frederick – Deputy Assistant Director
Triplett, Cynthia Renee – Assistant Director

Office of Chief Counsel

Ledger, Dana (Esq.) – Ethics Program

Office of Training

Cheatle, Kimberly – Special Agent in Charge, Rowley Training Center
Frantzen, William – Deputy Assistant Director
Lowry, Edward – Assistant Director

Office of the Chief Information Officer

Humphrey, Frances – Acting Division Chief for IT Governance
Nally, Kevin – Chief Information Officer
Sepulveda, Steven – Acting Deputy Assistant Director and IT Operations Division Chief
Welch, William – Acting Deputy Chief Information Officer and Division Chief for IT Management

Office of the Chief Financial Officer

Corry, Pamela – Component Acquisition Executive
Kraft, Jonathan – Budget Officer
Sykes, Gwendolyn – Chief Financial Officer

Office of Technical Development and Mission Support

DiPietro, Joseph – Chief Technology Officer
Stevens, James – Senior Technical Advisor

Office of Professional Responsibility

Buster, Robert – Deputy Assistant Director
Darwish, Jamil – Special Agent in Charge, Inspection Division
Reid, Paula – Assistant Director

Office of Investigations

Jenkins, Kenneth – Assistant Director
Koleno, John – Deputy Assistant Director

Office of Protective Operations

Allen, Stephen – Staff Assistant
Callahan, William – Assistant Director

Office of Integrity

Hughes, Mark – Deputy Assistant Director, Chief Integrity Officer

STAKEHOLDERS

Department of Homeland Security

Bailey, Angela – Chief Human Capital Officer
Blume, Allen – Budget Director
Fulghum, Chip – Deputy Undersecretary for Management and Chief Financial Officer
Patrick, Connie – Director, Federal Law Enforcement Training Center

Office of Inspector General, *Department of Homeland Security*
Kelley, John – Deputy Inspector General
Richards, Anne – Assistant Inspector General for Inspections and Evaluations
Roth, John – Inspector General

Office of Management and Budget
Holm, James – Homeland Security Branch Chief
Mello, Patrick – USSS Budget Examiner

Congressional Staff

Subcommittee on Homeland Security, Senate Committee on Appropriations
Trocchio, Clint – Professional Staff Member, Majority
Walgren, Chip – Professional Staff Member, Minority

APPENDIX C: SELECTED BIBLIOGRAPHY

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APPENDIX D: MATRIX OF RECOMMENDATIONS OF THE PROTECTIVE MISSION PANEL (PMP) AND HOUSE OVERSIGHT AND GOVERNMENT REFORM COMMITTEE (HOGR)

Recommendations Reviewed by the Academy	Current Status/Related Academy Recommendation(s)
Leadership	
Clearly communicate agency priorities, give effect to those priorities through its actions, and align its operations with its priorities. (PMP)	The Secret Service has instituted numerous organizational and transformational efforts that are responsive to the PMP's recommendations in a very short period of time. Agency leaders are planning the next set of agency actions to continue and institutionalize reforms including setting the stage for strategic planning with a strategic outlook document. The Academy recommends that the Secret Service adopt an integrated strategic management approach and update the strategic plan to drive change in alignment with the agency's vision, mission and priorities. Please see Chapter 3.
Give leadership's priorities and reforms the organization's sustained attention and hold the agency accountable through to their completion. (PMP)	The Secret Service tackled many long-standing challenges, engaged the management team in solutions and extensively communicated with employees and stakeholders to ensure adequate attention was paid to the PMP's (and HOGR's) recommended reforms. To maintain a high level of accountability, the Academy recommends that the Secret Service develop an integrated action plan. Please see Chapter 3.
Create more opportunities for officers and agents to provide input on their mission and train its mid- and lower-level managers to encourage, value and respond to such feedback. (PMP)	The Secret Service has undertaken many initiatives to increase effective communications with officers and agents and overhauled and revitalized the training organization and instruction programs to proactively address concerns raised by the PMP and HOGR. Please see Chapter 4 and in particular, Reinvigorating Training **and** Enhancing Communications and Engaging Employees.

Lead the federal protective force community. (PMP)	The Secret Service is increasing its leadership in the federal protective force community in multiple dimensions, establishing a net assessment group, drawing input from the intelligence community to assess the future, developing a *Strategic Outlook 2016-2026* and bringing together technological expertise to proactively develop protective measures. Please see Chapters 3 and 5.
Implement a disciplinary system in a consistent manner that demonstrates zero tolerance for failures that are incompatible with its zero-failure mission. (PMP)	The actions taken by the Secret Service to strengthen its disciplinary processes and establish clear lines of accountability including creating an independent Office of Integrity have directly addressed concerns made in both the PMP and HOGR reports. The Secret Service could take steps to further strengthen its ethics program. Please see Chapter 4 and in particular, Reinforcing Accountability and Standards of Conduct.
USSS should review its disciplinary processes to find ways to streamline and make them more efficient and effective. (HOGR)	Secret Service actions centralizing disciplinary responsibility and defining standardized processes address HOGR recommendations for more efficient and effective processes. Please, see Chapter 4 and in particular, Reinforcing Accountability and Standards of Conduct.
USSS should make additional positive changes in senior management [to] ensure they uphold standards of excellence. (HOGR)	The Secret Service has created a Chief Operating Officer position to bring a business-like approach to support functions, strengthened and professionalized the leadership corps, and hired outside talent addressing HOGR concerns to build a talented, reform-minded leadership cadre. Please see Chapter 3. Key senior positions are also discussed in Chapters 4-6.

Hiring, Training and Staffing	
Reform and professionalize recruiting, hiring, promotion and rotation process that puts the most talented, capable individuals in place as efficiently as possible. (PMP)	The Secret Service undertook a wide range of human capital initiatives that are responsive to PMP recommendations, including organizational and process improvements focused on recruiting and hiring, and placed talented, capable individuals in key positions in the Office of Human Resources. Action is currently underway to hire a civilian Chief Human Capital Officer (CHCO) and elevate the position as a peer to the other business operations chief. As a next step, the Secret Service should assess the Office of Human Capital functions and structure to ensure focus on what is core to strategic human capital management and the efficient and effective delivery of human capital services. Please see Chapter 4 and in particular, Evolving Human Capital Organization.
Establish a leadership development system that identifies and trains the agency's future managers and leaders. (PMP)	The Secret Service has significantly expanded its training offerings, developed career tracks that prescribe training for future leaders and managers, and integrated training opportunities offered by DHS and other entities into its leadership development program. In addressing this PMP recommendation, the Service has created many opportunities for the development of future leaders. Please see Chapter 4 and in particular, Reinvigorating Training.
USSS should proactively seek and cultivate highly talented individuals with fresh perspectives for the next generation of senior leadership. (HOGR)	Beyond the many new opportunities made available to employees through the Secret Service's expanded training and development programs, the agency has developed a National Recruitment Strategy to focus on recruiting quality and diverse candidates and undertook other initiatives to address this HOGR recommendation. Please see Chapter 4 and in particular, Reengineering and Enhancing the Recruitment and Hiring Processes **and** Reinvigorating Training.

Promote specialized expertise in its budget, workforce, and technology functions. (PMP)	The Secret Service's actions to address this PMP recommendation are multi-faceted, including the appointment of skilled professionals to the Chief Financial Officer (CFO), Chief Information Officer, and Chief Technology Officer positions; steps taken toward appointment of a civilian human resources professional to assume leadership of the Office of Human Resources; plans to develop career progression tracks for administrative, professional and technical personnel; and a targeted CFO workforce development effort. Discussions of specialized expertise appear throughout Chapters 3 - Chapter 6.
USSS should focus immediately on increasing its permanent APT [Administrative, Professional and Technical] personnel, especially those with a role in hiring, and should consider seeking temporary details from other agencies to expedite hiring. (HOGR)	The Secret Service's has a number of actions underway in response to this HOGR recommendation to recruit and hire APT personnel and the agency is exploring how best to leverage APT employees in functions and activities throughout the agency. In addition, the Panel encourages the agency to examine its APT hiring processes to identify opportunities for improving and streamlining these processes and benchmark against other law enforcement agencies. Please see Chapter 4 and in particular, Reengineering and Enhancing the Recruitment and Hiring Processes.

Technology	
Ensure that the Office of Technical Development and Mission Support proactively reviews and refreshes the Service's technological footprint. The Service should receive dedicated funds for technology, both within its own budget and within DHS Science & Technology's budget, to accomplish these tasks. (PMP)	The Secret Service refreshes its mission-related technology tools, programs and processes based on program reviews and input from mission programs, collaboration with other technology entities, and in coordination with DHS's Office of Science and Technology. The FY 2017 budget includes a dedicated Research and Development Account. The Secret Service's efforts in this area that are responsive to the PMP recommendation to refresh the technological footprint could be further enhanced by establishing a separate research and development function within the Office of Technical Development and Mission Support and developing a strategy and multi-year investment plan. Please see Chapter 5 and in particular, Expanding Mission Technology **and** Research and Development. The Secret Service has undertaken sweeping reforms in the information technology (IT) program, including the decision to centralize IT investments under the authority of the CIO. The Service's efforts in this area could be strengthened by an active enterprise architecture program and implementation of a capital planning and investment control program. Please see Chapter 5 and in particular, Centralizing Information Technology Management.
Budget	
Present a zero-based or mission-based budget that will provide sufficient resources to accomplish its mission, beginning immediately by working within DHS to adopt a workforce staffing model. (PMP)	The Secret Service has undertaken multiple actions to address this recommendation including restructuring the budget, beginning the process to develop the mission-based budget, and developing a workforce staffing model in collaboration with DHS. In addition, the Academy recommends that the agency continue its efforts to build capacity for budget data analysis, incorporate phased, streamlined zero-based budget analysis into program reviews, submit legislative proposals to provide two-year authority for the Operations and Support Account and multi-year authority for the Procurement, Construction, and Improvements Account. In addition, the Panel recommends conducting an organizational assessment of the Office of the Chief Financial Officer. Please see Chapter 6.

USSS should include workforce planning experts outside the agency in developing a zero-based budget, including a third party validation of methodology. (HOGR)	The Secret Service developed a workforce staffing model and is contracting with a third-party to conduct an independent validation, consistent with this HOGR recommendation. Please see Chapter 6 and in particular, Workforce Staffing Model.
USSS should implement systems to track spending and other basic accounting data. (HOGR)	The Secret Service has modernized its financial systems, improved the accuracy and consistency of financial reporting, implemented funds control, and made other improvements to improve accountability. Positive results of the agency's actions to respond to this HOGR recommendation are evident in the annual financial audit. Please see Chapter 6.
Morale and Employee Attrition	
USSS should report to Congress on additional proposals to decrease attrition and improve morale. (HOGR)	The Secret Service has implemented a work-life assessment to address employee morale, is addressing work-life issues to stem attrition, and recently revised the employee separation process to better identity the factors contributing to attrition and corrective actions needed. These are a few of the actions that the Service has taken to address this issue; as other opportunities arise, the agency will report them to Congress. Please see Chapter 4, and in particular, Retention Initiatives **and** Enhancing Communications and Engaging Employees.
USSS should include potential incentive plans to keep experienced special agents who are eligible for retirement in a report to Congress. (HOGR)	The Secret Service has employed numerous strategies, including those recommended by HOGR, in an effort to recruit and retain staff and secured approval for a dual compensation waiver for hiring retired special agents and Uniformed Division officers as reemployed annuitants to supplement the workforce. Please see Chapter 4 and in particular, Reengineering and Enhancing the Recruitment and Hiring Processes **and** Retention Initiatives.

USSS should ensure that supervisors and managers of APT staff have the requisite knowledge, skills, and experience. (HOGR)	The Secret Service has professionalized the management cadre, appointing civilian professionals to key positions such as the CFO. In addition, to address this recommendation from HOGR, the Secret Service is evaluating ways to recruit, retain, and train APT personnel including, for example, developing an APT career development track. Discussions on professionalized leadership positions appear throughout Chapters 3 - 6; discussion of APT hiring and training appears in Chapter 4 and in particular, in Reengineering and Enhancing the Recruitment and Hiring Processes **and** Reinvigorating Training.

APPENDIX E: PANEL RECOMMENDATIONS CATEGORIZED: IMMEDIATE, MID-TERM AND MULTI-YEAR/CONTINUOUS

The following recommendations are grouped by suggested timeframes and complexity to accomplish them. The order of recommendations listed under each grouping follows the order in which they appear in the report.

Immediate (up to 6 months)

3.2: The Secret Service should develop an integrated action plan to sequence and prioritize PMP and HOGR initiatives, identify accountable executives, document timelines, and track and report on progress.

4.2: The Secret Service should establish an Ethics and Compliance Officer in the Office of Integrity to manage the ethics program and provide advice to the executive management team on strategies and actions to prevent ethics compliance issues.

4.3: The Secret Service should update the ethics desk reference guide annually with messages from agency leadership and make it easily accessible from multiple electronic devices.

Mid-Term (up to 1 year)

4.1: The Secret Service should conduct a comprehensive assessment of human capital functions and organizational structure, focusing on what is core to strategic human capital management and practices and to the efficient and effective delivery of human capital services.

5.1: The Secret Service should establish a separate research and development function within the Office of Technical Development and Mission Support (TEC) and develop a TEC strategy and multi-year investment plan to provide a means for prioritizing across the TEC portfolio of programs and projects.

5.2: The Secret Service should staff and build out the agency's enterprise architecture program and establish an IT roadmap to support agency transformation efforts.

6.1: The Secret Service should conduct an organizational assessment of the Office of the Chief Financial Officer (OCFO).

6.3: The Secret Service should develop and submit a legislative proposal to provide two-year authority for the Operations and Support Account and multi-year authority for Procurement, Construction, and Improvements Account.

Multi-Year/Ongoing

3.1: Secret Service leadership should adopt an integrated strategic management approach, applying a formal change management strategy and enterprise architecture to establish a roadmap that will drive organizational change and institutionalize agency transformation efforts.

5.3: The Secret Service should implement a robust capital planning and investment control (life cycle planning and investment review) program.

6.2: The Secret Service should build capacity for budget data analysis and incorporate streamlined zero-based budget analysis into program reviews to support identification of a budget baseline.

APPENDIX F: ORGANIZATIONAL CHANGE MANAGEMENT BEST PRACTICES

Heart of Change[115] (Kotter/Cohen)	**Implementation Steps to Assist Mergers and Organizational Transformations** (GAO July 2003)[116]	**Transforming Organizations** (Abramson/Lawrence)[117]
Create a sense of urgency so that people start telling each other, "Let's go; we need to change things!"	Ensure top leadership drives the transformation.	Select the right person.
Pull together a guiding team powerful enough to guide a big change.	Establish a coherent mission and integrated strategic goals to guide the transformation.	Clarify the mission.
Create clear, simple, uplifting visions and sets of strategies.	Focus on a key set of principles and priorities at the outset of the transformation.	Get the structure right.
Communicate the vision through simple, heartfelt messages sent through multiple channels so that people begin to buy into the change.	Set implementation goals and a timeline to build momentum and show progress from day one.	Seize the moment (urgency/right time).
Empower people by removing obstacles to the vision.	Dedicate an implementation team to manage the transformation process.	Communicate, communicate, communicate.
Create short-term wins that provide momentum.	Use the performance management system to define responsibility and assure accountability for change.	Involve key players.
Maintain momentum so that wave after wave of change is possible.	Establish a communication strategy to create shared expectations and report related progress.	Engage employees.
Make change stick by nurturing a new culture.	Involve employees to obtain their ideas and gain their ownership for the transformation.	Persevere.

[115] Dan Cohen and John Kotter, *The Heart of Change.* Boston: Harvard Business School Press, 2002.
[116] U.S. Government Accountability Office, *Report to Congressional Subcommittees, Results Oriented Cultures: Implementation Steps to Assist Mergers & Organizational Transformations* GAO-03-669. Washington, D.C.: July 2003.
[117] Marc A. Abrahamson and Paul R. Lawrence, *Transforming Organizations.* Lanham, MD: Rowman and Littlefield Publishers, 2001.

COVER IMAGES CREDITS

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- **Top right image:** President Barack Obama addresses United States Secret Service Uniformed Division officers before a group photo at the South Portico of the White House. Photo can be found at the Department of Homeland Security's photo gallery: https://www.dhs.gov/photo/president-addresses-uniformed-division-officers-usss

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