

Ranking Member Waxman and Chairman Davis release a comprehensive report on homeland security contracting that finds pervasive mismanagement and waste. According to the report, noncompetitive contracts have soared over 700% in just three years, and the total value of the Department's wasteful contracts exceeds \$34 billion.

Key findings in the report include the following:

- **Contract Spending Is Growing Rapidly.** Procurement spending at DHS has surged 189% since the creation of the new Department, rising from \$3.5 billion in 2003 to \$10.0 billion 2005. During this period, procurement spending at DHS has grown 11 times faster than the remainder of the discretionary federal budget.

- **Noncompetitive Contracts Have Soared.** No-bid and other forms of noncompetitive contracts have grown even faster than overall DHS procurement spending. In 2003, DHS issued \$655 million in noncompetitive contracts. By 2005, this figure had ballooned to \$5.5 billion, an increase of 739%. In 2005, over 50% of the dollar value of DHS contracts was issued without full and open competition.

- **Contract Mismanagement Is Widespread.** The growth in DHS contracts has been accompanied by pervasive mismanagement. DHS has repeatedly failed to engage in responsible contract planning, including the determination of government needs and program requirements. Compounding this problem, the Department lacks both the trained contract officials and the management structure needed to oversee its burgeoning spending on contracts.

- **The Costs to the Taxpayer Are Enormous.** The report identifies 32 contracts collectively worth \$34.3 billion that have been plagued by waste, abuse, or mismanagement over the last five years. In the case of each of these 32 contracts, reports from GAO, Pentagon auditors, agency inspectors general, or other government investigators have linked the contracts to major problems in administration or performance.

### Documents and Links

- [Waste, Abuse, and Mismanagement in Department of Homeland Security Contracts](#)
- [Rep. Waxman's Statement from 'Code Yellow: Is the DHS Acquisition Bureaucracy a Formula for Disaster?'](#)