DHS Contract Spending and the Supporting Industrial Base, 2004-2011

November 13, 2012

Defense-Industrial Initiatives Group
Center for Strategic & International Studies
202-775-3183
www.csis.org/diig
Methodology

• The Federal Procurement Data System (FPDS) was the primary source for this report.

• Federal regulations only require that all unclassified prime contracts worth $2,500 and above be reported to FPDS.

• FPDS data are constantly being updated, including those for back years. As a consequence, the dollar totals for a given year can vary between reports.

• Contract classifications sometimes differ between FPDS and individual companies, resulting in some contracts that a company considers as services being labeled as products by FPDS and vice versa.

• Supplementals are not separately classified in FPDS.

• All dollar figures are in constant 2011 dollars; 3-year CAGRs are for 2008-2011.
Total Federal Homeland Security Funding, 2004-2013

Top Line DHS Outlays and Contract Spending, 2004-2011

Source: DHS outlay data are from the Office of Management and Budget; DHS contract spending data are from https://www.FPDS.gov; CSIS analysis.
DHS Contract Spending on Products, Services, and R&D, 2004-2011

Source: FPDS; analysis by CSIS Defense-Industrial Initiatives Group
DHS Total Budget Authority by Component, 2004-2012

Note: FY2013 totals are based on budget requests.
Source: DHS Budget-in-Brief documents.
DHS Contract Spending by Component, 2004-2011

Source: FPDS; analysis by CSIS Defense-Industrial Initiatives Group
DHS Contract Spending on Products by Component, 2004-2011

Source: FPDS; analysis by CSIS Defense-Industrial Initiatives Group
DHS Contract Spending on Services by Component, 2004-2011

Source: FPDS; analysis by CSIS Defense-Industrial Initiatives Group
DHS Contract Spending on R&D by Component, 2004-2011

Source: FPDS; analysis by CSIS Defense-Industrial Initiatives Group
### FPDS vs. CSIS Categories for Competition

#### FPDS Categories:

1. Full and Open Competition
2. Full and Open Competition after exclusion of sources
3. Competed under SAP
4. Competitive Delivery Order
5. Follow On to Competed Action
6. Not Competed under SAP
7. Not Competed
8. Non-Competitive Delivery Order
9. Not Available for Competition
10. Blank

#### CSIS Categories:

- **Number of Offers**
  - 1. 2+
  - 2. 1
  - 3. 0
  - 4. Unlabeled

1. Competition with Multiple Offers
2. Competition with Single Offer
3. No Competition
4. Unlabeled

Note: CSIS determines whether multiple or single offers were received for a contract by referring to the “Number of Offers Received” column in FPDS. Thus, contracted competed (or not) under SAP, a follow on to competed action, or a competitive delivery order, can be either competed with a single or multiple offer.

Source: FPDS; CSIS analysis
DHS Contract Spending by Competition, 2004-2011

Source: FPDS; analysis by CSIS Defense-Industrial Initiatives Group
### FPDS vs. CSIS Categories for Funding Mechanism

**FPDS Categories:**

1. Fixed Price
2. Fixed Price Award Fee
3. Fixed Price Incentive
4. Fixed Price Redetermination
5. Fixed Price with Economic Price Adjustment
6. Fixed Price Level of Effort
7. Cost No Fee
8. Cost Plus Award Fee
9. Cost Plus Fixed Fee
10. Cost Plus Incentive
11. Cost Sharing
12. Time and Materials
13. Labor Hours
14. Combination (applies to awards where two or more of the above apply)
15. Order Dependent (IDV allows pricing arrangement to be determined separately for each order)
16. Other* (applies to awards where none of the above apply)
17. Blank

**CSIS Categories:**

1. Fixed Price
2. Cost Reimbursement
3. Time and Materials
4. Combination
5. Unlabeled

Source: FPDS; CSIS analysis
DHS Contract Spending by Funding Mechanism, 2004-2011

Source: FPDS; analysis by CSIS Defense-Industrial Initiatives Group
FPDS vs. CSIS Categories for Contract Vehicle

• **Award Type:**
  1. Definitive Contract
  2. Purchase Order
  3. Delivery Order
  4. BPA Call

  **Type of IDV:**
  1. FSS
  2. GWAC
  3. BOA
  4. BPA
  5. IDC
  6. Unlabeled IDV

• **CSIS Categories:**
  1. Definitive Contract
  2. Purchase Order
  3. Multiple Award IDC
  4. Single Award IDC
  5. FSS or Other
  6. BPA
  7. Unlabeled IDV

Multiple or Single Award
  1. Multiple
  2. Single
  3. Unlabeled

Source: FPDS; CSIS analysis

Source: FPDS; analysis by CSIS Defense-Industrial Initiatives Group
# Top 20 DHS Contractors in 2006 and 2011

<table>
<thead>
<tr>
<th>Rank</th>
<th>Top 20 Contractors in 2006</th>
<th>2011 Millions</th>
<th>Top 20 Contractors in 2011</th>
<th>2011 Millions</th>
<th>2010 Rank</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Fluor</td>
<td>$1,657</td>
<td>Huntington Ingalls Industries</td>
<td>$1,053</td>
<td>N/a</td>
</tr>
<tr>
<td>2</td>
<td>Shaw Group</td>
<td>$937</td>
<td>Computer Sciences Corp.</td>
<td>$473</td>
<td>5</td>
</tr>
<tr>
<td>3</td>
<td>Integrated Coast Guard Systems</td>
<td>$643</td>
<td>IBM</td>
<td>$470</td>
<td>1</td>
</tr>
<tr>
<td>4</td>
<td>Bechtel</td>
<td>$517</td>
<td>Lockheed Martin</td>
<td>$446</td>
<td>2</td>
</tr>
<tr>
<td>5</td>
<td>Ch2M Hill</td>
<td>$481</td>
<td>SAIC</td>
<td>$249</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td><strong>Subtotal for Top 5</strong></td>
<td><strong>$4,236</strong></td>
<td></td>
<td><strong>$2,691</strong></td>
<td></td>
</tr>
<tr>
<td>6</td>
<td>IBM</td>
<td>$456</td>
<td>Hewlett-Packard</td>
<td>$236</td>
<td>17</td>
</tr>
<tr>
<td>7</td>
<td>Unisys</td>
<td>$427</td>
<td>EADS</td>
<td>$203</td>
<td>11</td>
</tr>
<tr>
<td>8</td>
<td>L3 Communications</td>
<td>$379</td>
<td>General Dynamics</td>
<td>$201</td>
<td>7</td>
</tr>
<tr>
<td>9</td>
<td>NISTAC</td>
<td>$362</td>
<td>Booz Allen Hamilton</td>
<td>$198</td>
<td>9</td>
</tr>
<tr>
<td>10</td>
<td>American Red Cross</td>
<td>$314</td>
<td>Bollinger Shipyards</td>
<td>$187</td>
<td>6</td>
</tr>
<tr>
<td>11</td>
<td>Northrop Grumman</td>
<td>$262</td>
<td>L3 Communications</td>
<td>$181</td>
<td>8</td>
</tr>
<tr>
<td>12</td>
<td>SAIC</td>
<td>$242</td>
<td>Safran SA</td>
<td>$180</td>
<td>N/a</td>
</tr>
<tr>
<td>13</td>
<td>JHM</td>
<td>$191</td>
<td>Accenture</td>
<td>$156</td>
<td>14</td>
</tr>
<tr>
<td>14</td>
<td>GEO Group</td>
<td>$183</td>
<td>Dell</td>
<td>$156</td>
<td>12</td>
</tr>
<tr>
<td>15</td>
<td>Akal Security</td>
<td>$175</td>
<td>Defense Support Services</td>
<td>$139</td>
<td>N/a</td>
</tr>
<tr>
<td>16</td>
<td>Accenture</td>
<td>$157</td>
<td>Unisys</td>
<td>$138</td>
<td>3</td>
</tr>
<tr>
<td>17</td>
<td>Dewberry</td>
<td>$156</td>
<td>GEO Group</td>
<td>$127</td>
<td>13</td>
</tr>
<tr>
<td>18</td>
<td>Booz Allen Hamilton</td>
<td>$150</td>
<td>Northrop Grumman</td>
<td>$120</td>
<td>19</td>
</tr>
<tr>
<td>19</td>
<td>General Electric</td>
<td>$147</td>
<td>Security Consultants Group</td>
<td>$110</td>
<td>N/a</td>
</tr>
<tr>
<td>20</td>
<td>Parsons Brinckerhoff</td>
<td>$146</td>
<td>Securitas AB</td>
<td>$108</td>
<td>N/a</td>
</tr>
<tr>
<td><strong>Total for Top 20</strong></td>
<td><strong>$7,983</strong></td>
<td></td>
<td></td>
<td><strong>$5,130</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Total for all industry</strong></td>
<td>17,943</td>
<td></td>
<td></td>
<td>14,217</td>
<td></td>
</tr>
</tbody>
</table>

Source: FPDS; analysis by CSIS Defense-Industrial Initiatives Group
Number of Small, Medium, and Large Firms in the DHS Market, 2004-2011

Source: FPDS; Bloomberg; analysis by CSIS Defense-Industrial Initiatives Group

Source: FPDS; Bloomberg; analysis by CSIS Defense-Industrial Initiatives Group
Questions?

DBerteau@csis.org
Key Legislation Affecting DHS, 2004-2010

- Homeland Security Act
- HSPD-7
- SAFETY Act
- Maritime Transportation Security Act
- HSPD-4
- US-VISIT Program
- Department of Homeland Security Established
- HSPD-11
- REAL ID Final Rule
- WHTI
- NSPD-41/HSPD-13
- Final Rule: Procedures for Handling Protected Critical Infrastructure Information Act
- Secure Fence Act
- Post-Katrina Emergency Management Reform Act
- NSPD-54/HSPD-23
- Coast Guard and Maritime Transportation Act
- Implementing Recommendations of the 9-11 Commission Act
- SAFE Port Act
- Robert T. Stafford Disaster Relief and Emergency Assistance Act
- Southwest Border Security Bill
- Immigration and Nationality Act
Key Developments in DHS Acquisition and Procurement, 2004-2011