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GAO's Role in Addressing
TRENDS & CHALLENGES
for the 21st Century

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COMPTROLLER GENERAL
OF THE UNITED STATES

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GAO
SUPPORTING CONGRESS
for the 21st Century

GAO's History: 1921 to the Present

21
Budget and Accounting Act establishes GAO

30s
Begins field work during the Great Depression

40s
Workload explodes during WWII; staff temporarily triples to 15,000

50s
GAO's mission expands—shifts from individual voucher audits to comprehensive audits; workforce reduced and professionalization begins

60s
Workload expands again due to Vietnam War and Great Society programs

70s
First Yellowbook—government auditing standards established

80s
Renewed focus on financial management, deficit, and budget issues broadens GAO's work

90s
Major government management laws created:

- CFO Act
- GPRA
- Paperwork Reduction Act
- Clinger-Cohen Act
- Management Reform Act
- Acquisition Streamlining Act

all add to GAO workload while workforce contracts

SERVING THE CONGRESS GAO'S STRATEGIC PLAN FRAMEWORK



MISSION

GAO exists to support the Congress in meeting its Constitutional responsibilities and to help improve the performance and accountability of the federal government for the benefit of the American people.

GOALS

PROVIDE TIMELY, QUALITY SERVICE TO THE CONGRESS AND THE FEDERAL GOVERNMENT	SUPPORT THE TRANSITION	MAXIMIZE THE VALUE OF GAO
TO ADDRESS CURRENT AND EMERGING CHALLENGES TO THE WELL-BEING AND FINANCIAL SECURITY OF THE AMERICAN PEOPLE	TO RESPOND TO CHANGING SECURITY THREATS AND THE CHALLENGES OF GLOBAL INTERDEPENDENCE	TO A MORE RESULTS-ORIENTED AND ACCOUNTABLE FEDERAL GOVERNMENT
		BY BEING A MODEL ORGANIZATION FOR THE FEDERAL GOVERNMENT

THEMES

Demographics	Globalization	Quality of Life	Security	Technology
Government Performance and Accountability				

OBJECTIVES

<ul style="list-style-type: none"> Health care needs and financing Retirement income security Social safety net Education/workforce issues Effective system of justice Community investment Natural resources use and environmental protection Physical infrastructure 	<ul style="list-style-type: none"> Diffuse security threats Military capabilities and readiness Advancement of U.S. interests Global market forces 	<ul style="list-style-type: none"> Fiscal position of the government Government financing and accountability Governmentwide management reforms Economy, efficiency, and effectiveness improvements in federal agencies 	<ul style="list-style-type: none"> Client relations Strategic and annual planning Human capital Core business and supporting processes Information technology services
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CORE VALUES

Accountability	Integrity	Reliability
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CORE VALUES

ACCOUNTABILITY

describes the nature of GAO's work. GAO helps the Congress oversee federal programs and operations to ensure their accountability to the American people.

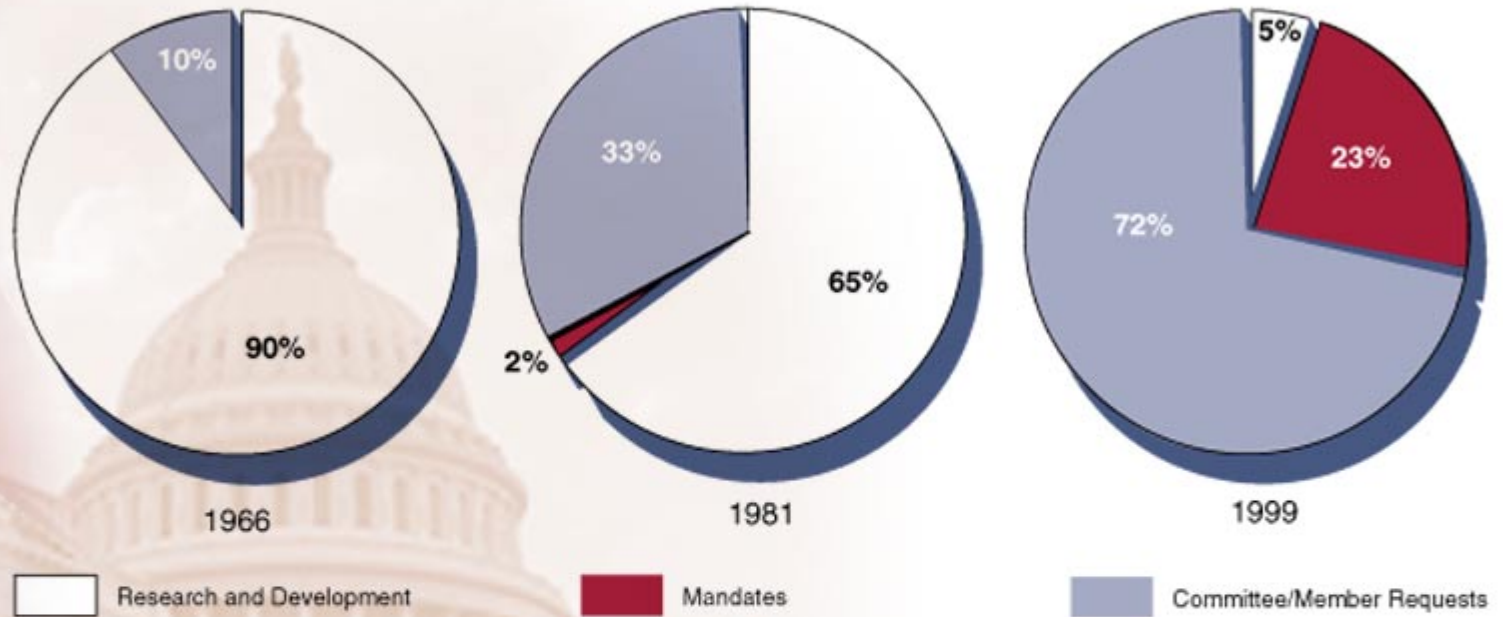
INTEGRITY

describes the high standards that GAO sets for itself in the conduct of its work. GAO takes a professional, objective, fact-based, nonpartisan, nonideological, fair, and balanced approach to all of its activities.

RELIABILITY

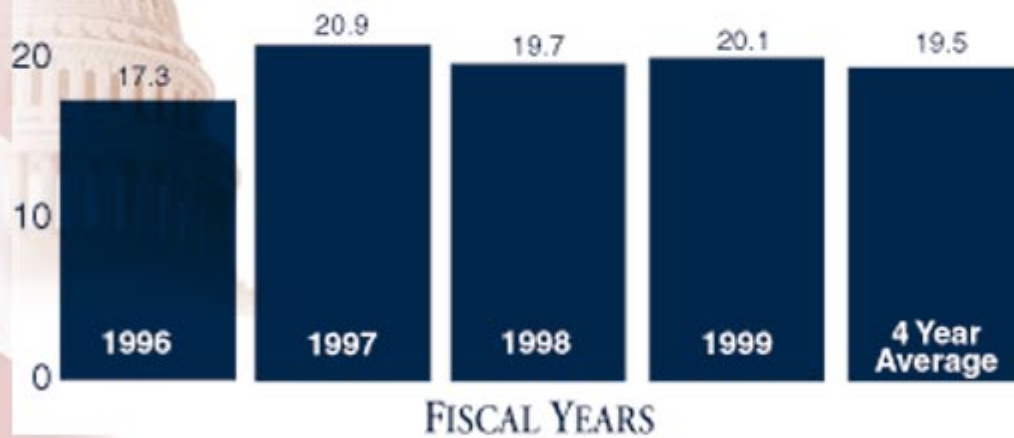
describes GAO's goal for how its work is viewed by the Congress and the American public. GAO seeks to ensure that its work is timely, accurate, useful, clear and candid.

Work Conducted for the Congress

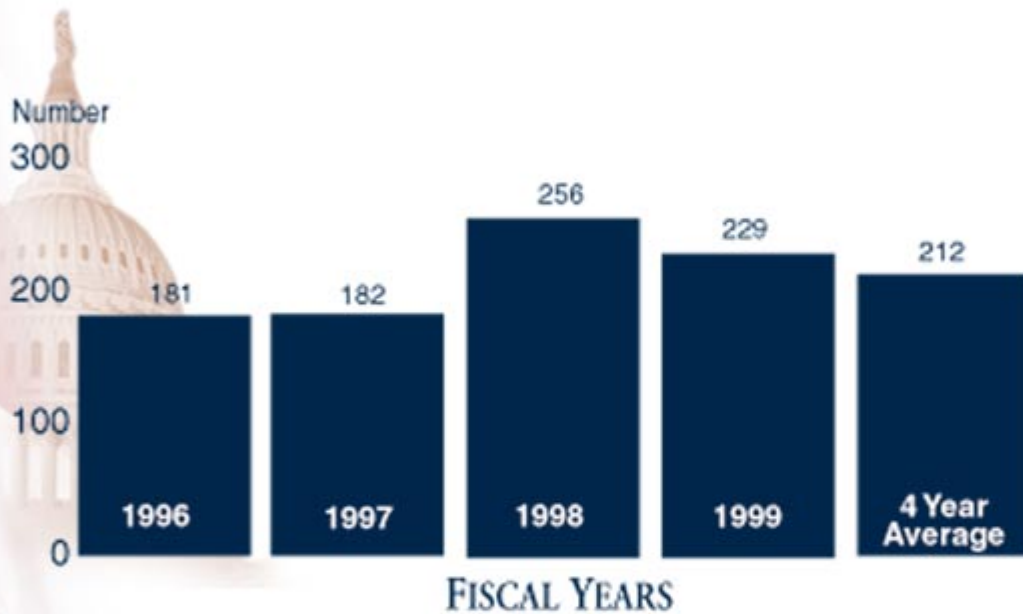


Financial Benefits

Dollars in billions
30



Testimonies



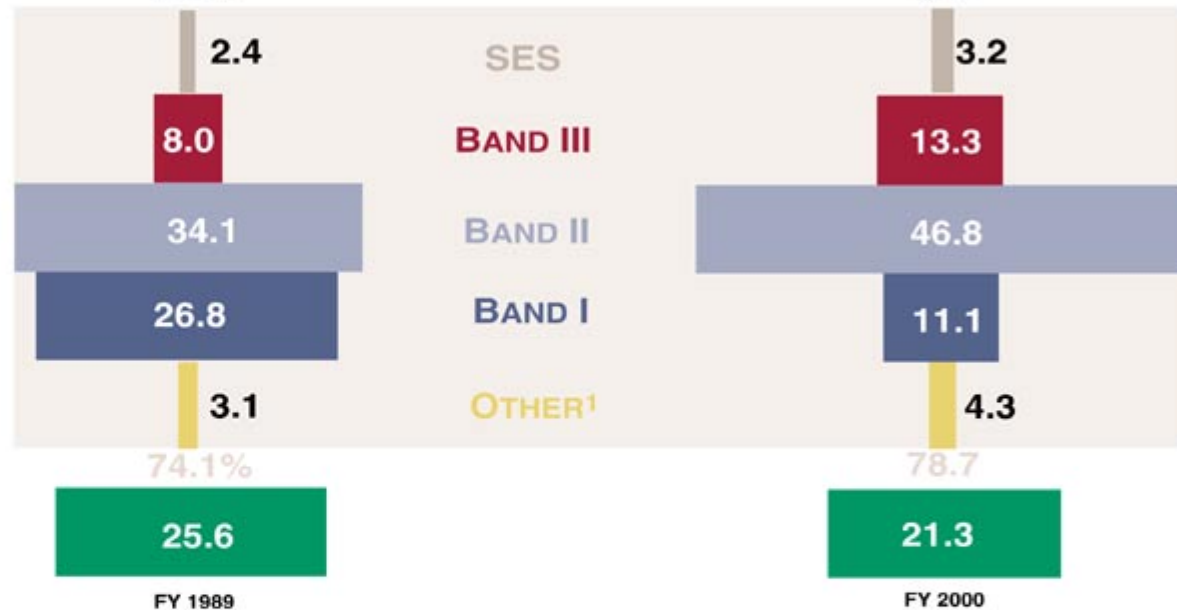
Human Capital Profile (FY 1989 & 2000)

Number of authorized staff

5,204

3,275

Mission (Percent)



Mission Support²

FY 2000 Data as of July 3, 2000

¹ Attorneys and criminal investigations

² FY1989 includes 20 SES, or .38 percent of all staff;
FY 2000 includes 12 SES, or .38 percent of all staff

Note: Total SES staff, mission and mission support, represented 2.8 percent and 3.7 percent of all employees in FY 1989 and FY 2000, respectively

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TRENDS & CHALLENGES

for the 21st Century

Globalization

World Exports as a Percentage of GDP (1960-1997)

Percentage of GDP

25

20

15

10

5

0

1960

1965

1970

1975

1980

1985

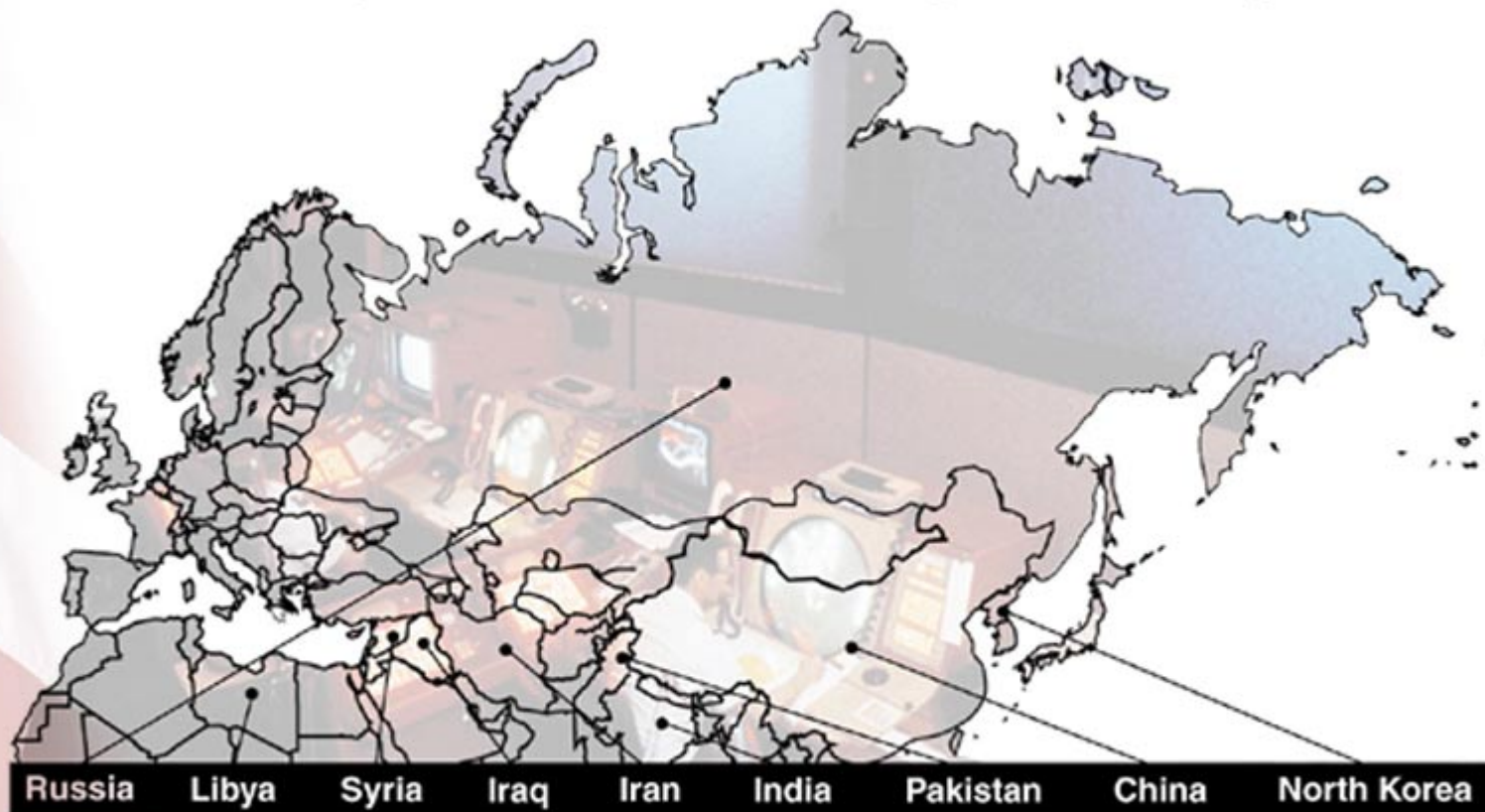
1990

1995

Source: World Bank.

Security

Countries With Weapons of Mass Destruction Posing National Security Concerns

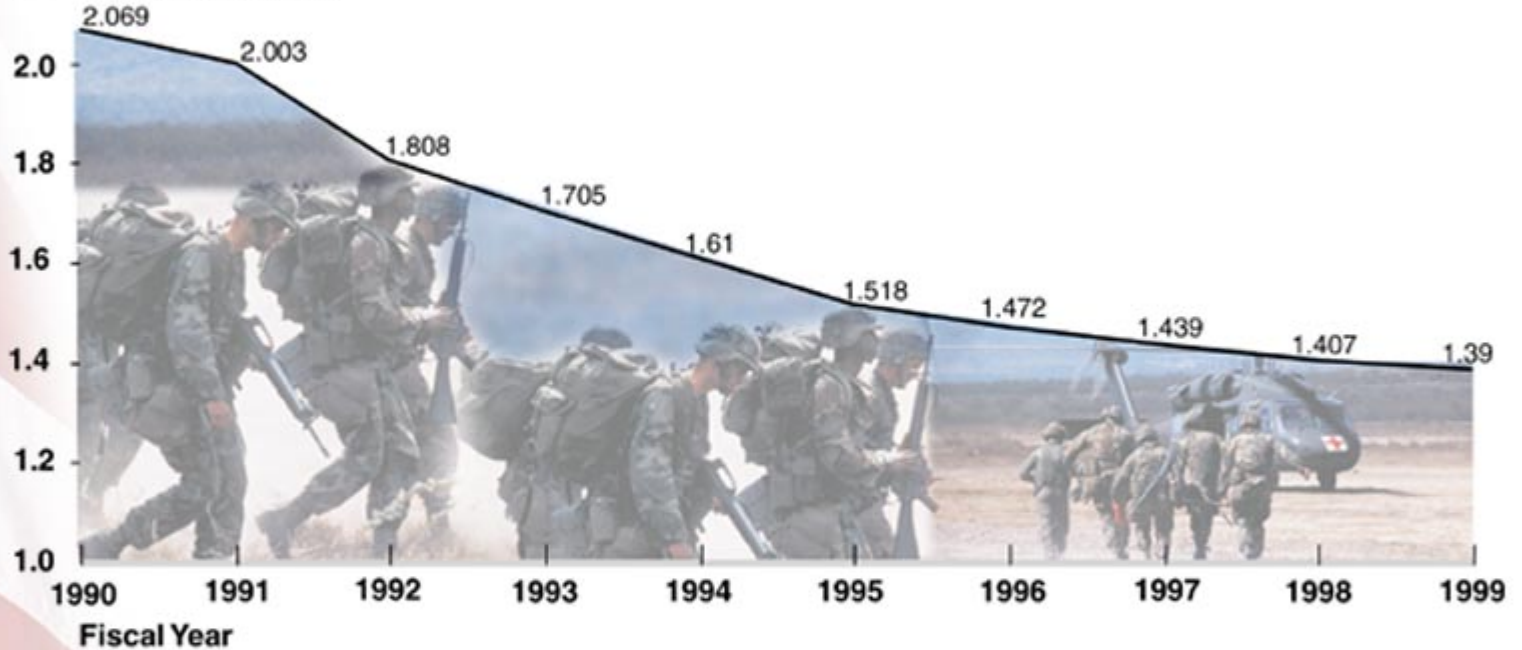


Sources: DOD and State Department

Security

Reduction of DOD Active Duty Personnel

2.2 - Personnel in Millions

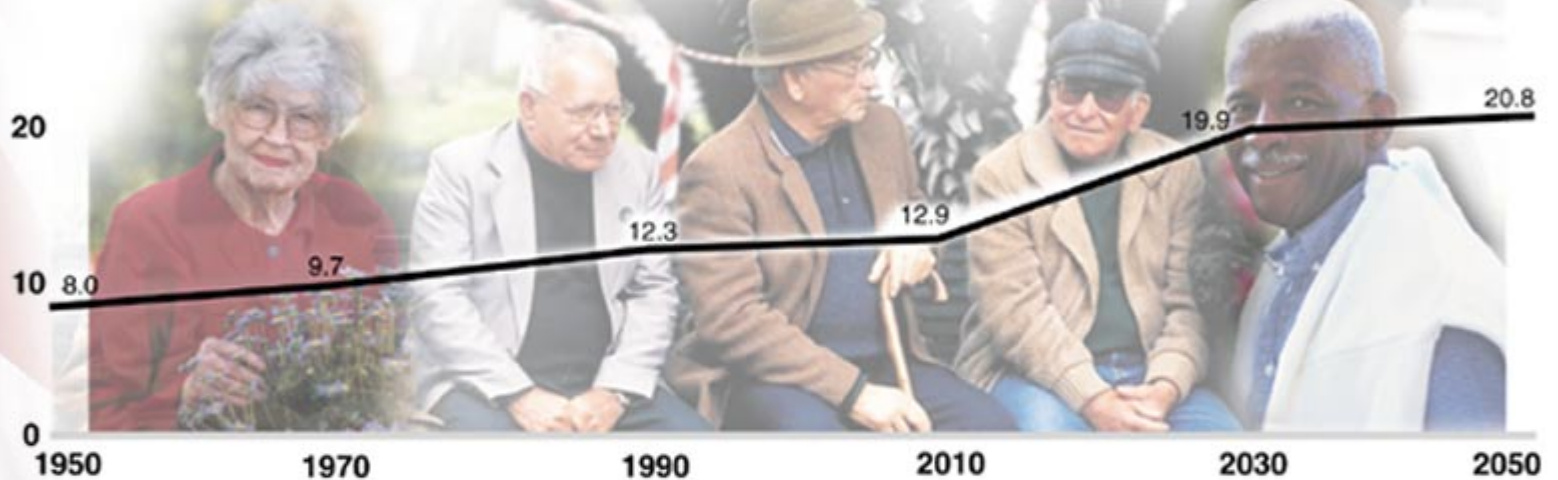


Source: *Annual Report of the Secretary of Defense for 1999 to the President and the Congress.*

Demographics

Percentage of Population Over 65

30 Percent of Population



Source: Department of Commerce, Bureau of the Census.

Demographics

Social Security Workers per Beneficiary

10 Workers per Beneficiary



Source: Old Age Survivors and Disability Insurance Trustees.

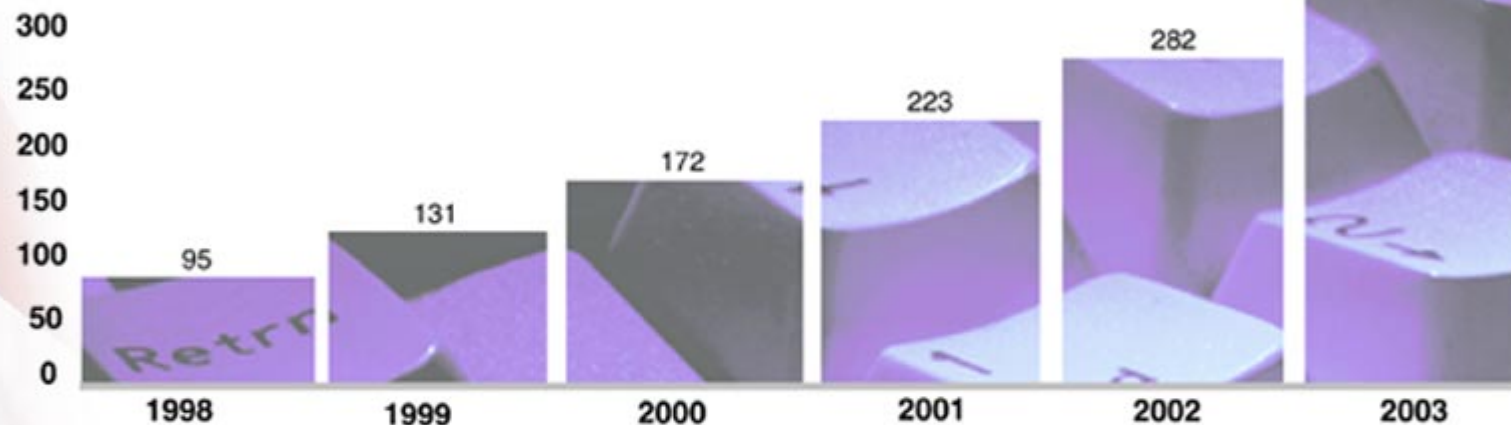
Quality of Life

- Quality of Life Has Improved for Many Americans
- Workforce Has Changed
- Many Challenges Remain
- Prosperity Itself Is Creating Greater Stresses

Technology

Internet Users Worldwide, 1998-2003

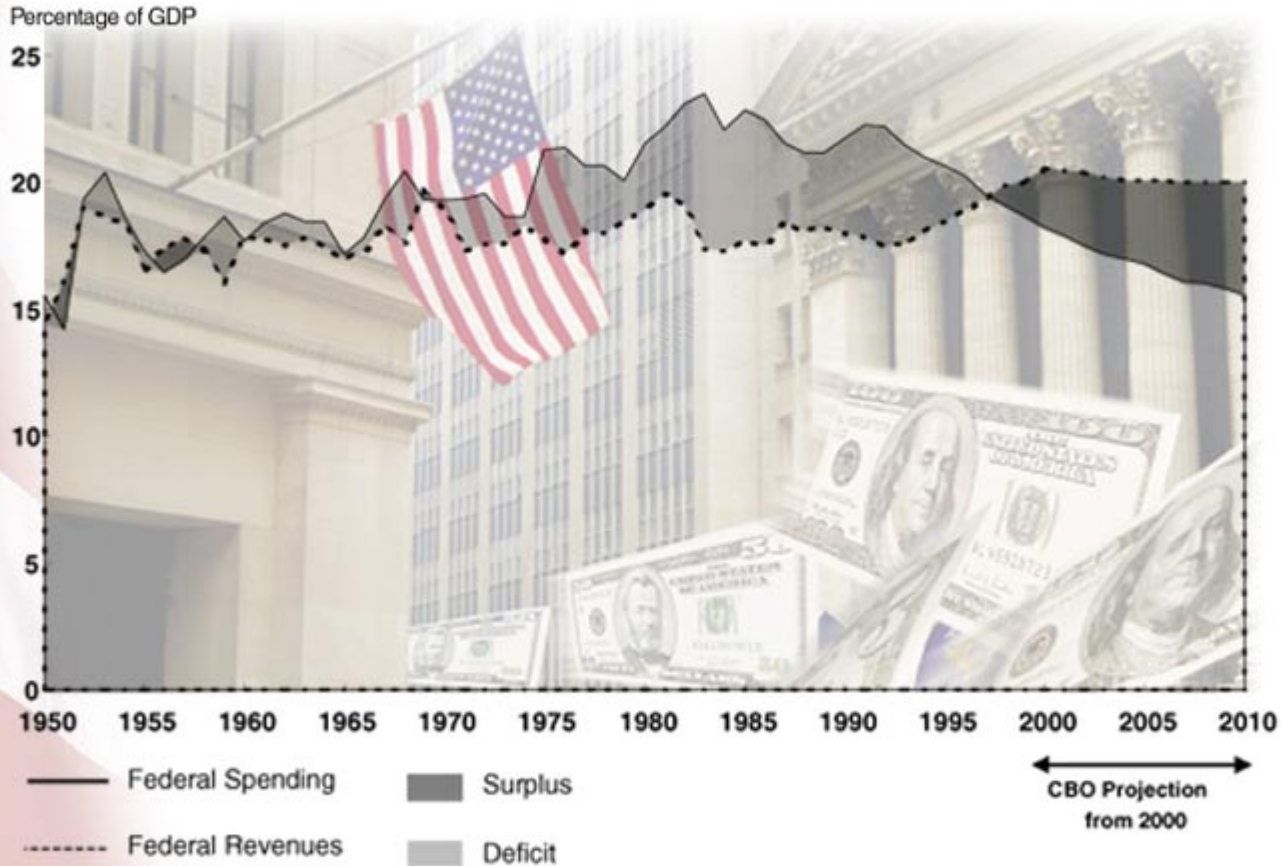
350 People in Millions



Source: eMarketer (1999).

Government Performance and Accountability

Federal Spending and Revenues, 1950-2010



Note: Projections assume that discretionary spending grows at the rate of inflation after 2000 and based on *The Budget and Economic Outlook: An Update*, Congressional Budget Office, July 2000.

Source: Office of Management and Budget and the Congressional Budget Office.

Composition of Spending as a Share of GDP

Composition of Spending as a Share of GDP Under the Save the Social Security Surpluses Simulation

Percentage of GDP

40

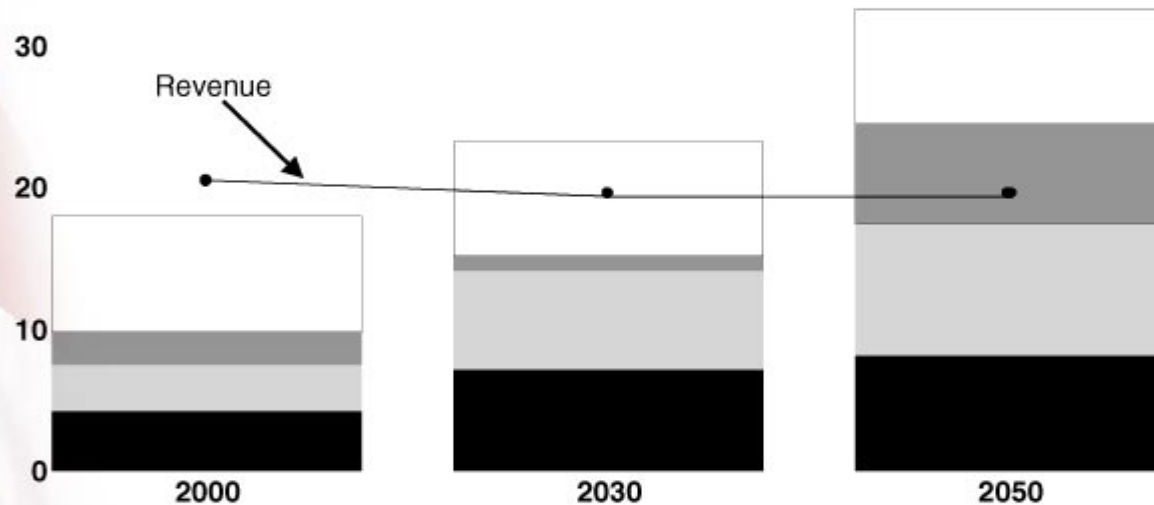
30

20

10

0

Revenue



■ Social Security

■ Net interest

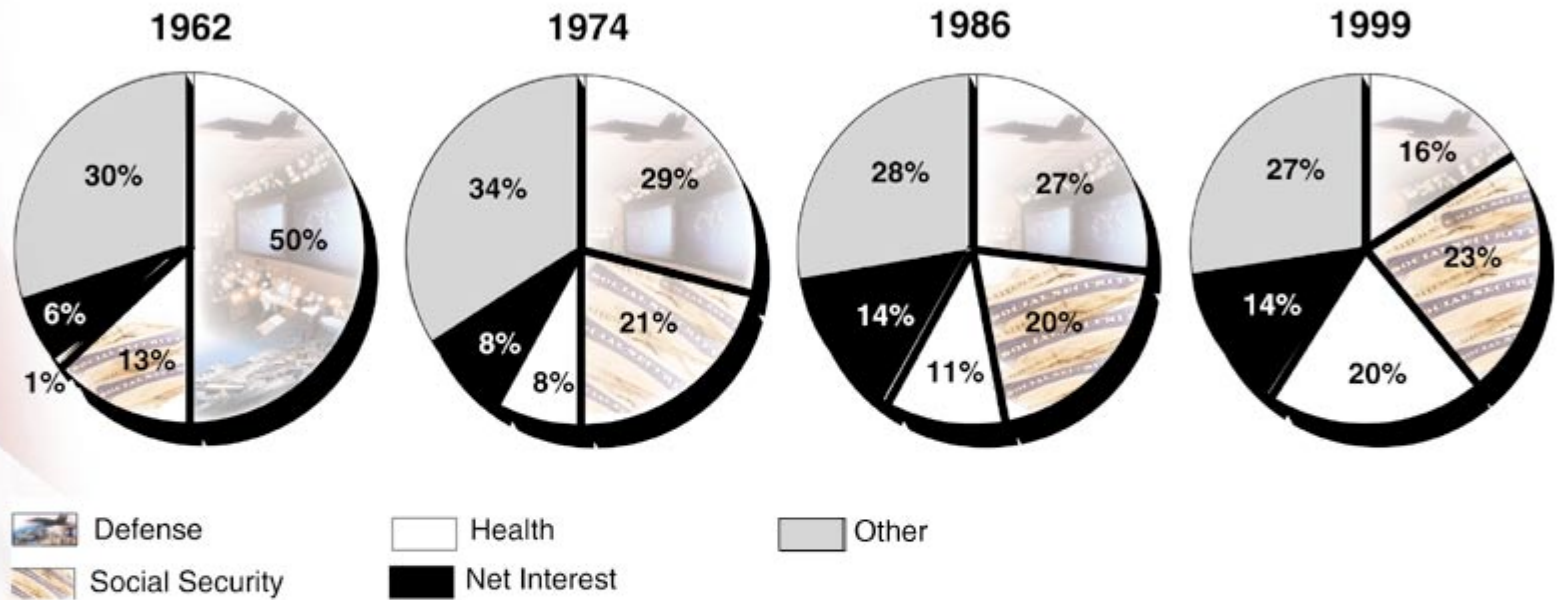
■ Medicare & Medicaid

□ All other spending

Note: Revenue as a share of GDP declines from its 2000 level of 20.5 percent due to unspecified permanent policy actions that reduce revenue and increase spending to eliminate the non-Social Security surpluses. The Save the Social Security Surpluses simulation can only be run through 2061 due to the elimination of the capital stock.

Source: GAO's July 2000 analysis.

Distribution of Federal Spending, 1962-99

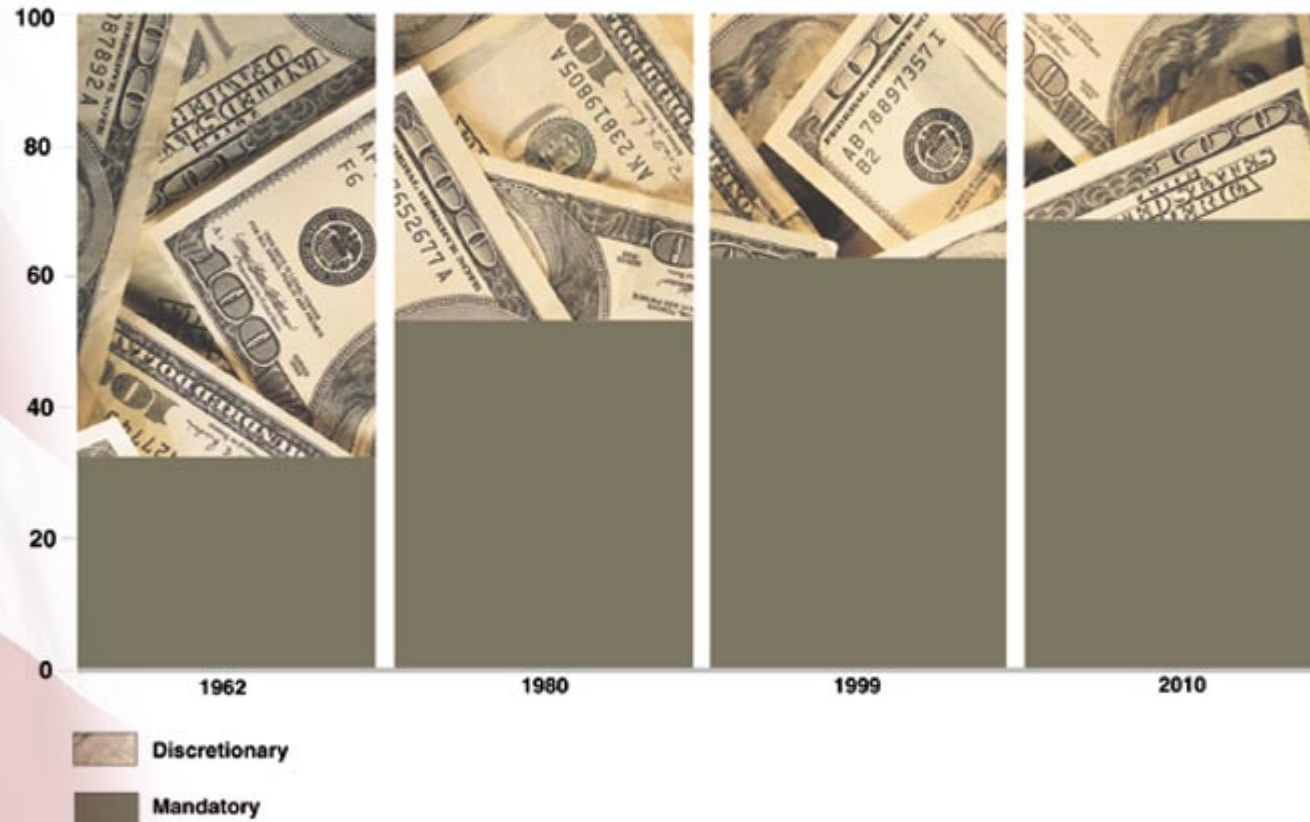


Source: *Budget of the U.S. Government, Fiscal Year 2001*, Office of Management and Budget.

Then vs. Now

Mandatory and Discretionary Spending as a Percent of Total Outlays

Percent of total outlays



Note: Projection for 2010 assumes that discretionary spending grows at the rate of inflation after 2000 and based on *The Budget and Economic Outlook: An Update*, Congressional Budget Office, July 2000.

Source: *Budget of the U.S. Government, Fiscal Year 2001*, Office of Management and Budget and the Congressional Budget Office.