

GAO Highlights

Highlights of [GAO-15-83](#), a report to congressional committees

Why GAO Did This Study

GAO's reports over the past 4 years have found more than 90 areas where opportunities exist for the executive branch or Congress to better manage, reduce, or eliminate fragmentation, overlap, and duplication. GPRAMA calls for the creation of a list (inventory) of all federal programs, along with related budget and performance information, which could make it easier to determine the scope of the federal government's involvement in particular areas and, therefore, where action is needed to address crosscutting issues, including instances of fragmentation, overlap, or duplication.

GPRAMA requires GAO to periodically review its implementation. This report is part of GAO's response to that mandate and examines (1) how OMB and agencies defined programs, (2) the extent to which inventories provide useful information for decision makers, and (3) the extent to which inventories provide a coherent picture of the scope of federal involvement in particular areas. To address these objectives, GAO analyzed the 24 inventories using GPRAMA requirements, OMB guidance, and related leading practices from GAO's past work, and interviewed OMB staff and agency officials. For the first objective, GAO also selected two areas of fragmentation, overlap, and duplication identified in past GAO work—STEM education and nuclear nonproliferation—and compared the lists of programs developed in its past work to those contained in agency inventories. The two areas were selected based on various factors, including the number of agencies involved and whether those agencies published an inventory.

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View [GAO-15-83](#). For more information, contact J. Christopher Mihm at (202) 512-6806 or mihmj@gao.gov.

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GOVERNMENT EFFICIENCY AND EFFECTIVENESS

Inconsistent Definitions and Information Limit the Usefulness of Federal Program Inventories

What GAO Found

To date, the approach used by the Office of Management and Budget (OMB) and agencies has not led to the inventory of all federal programs, along with related budget and performance information, envisioned in the GPRAMA Modernization Act of 2010 (GPRAMA). In developing the inventory, OMB allowed for significant discretion in several areas—leading to a variety of approaches for defining programs and inconsistencies in the type of information reported. The inconsistent definitions, along with agencies not following an expected consultation process, led to challenges in identifying similar programs in different agencies. As a result of these limitations, the inventory is not a useful tool for decision making. OMB is considering options for enhancing the inventory.

GPRAMA requires OMB to publish a list of all federal programs on a central governmentwide website. It also requires OMB to issue guidance, and agencies to identify and provide to OMB for publication information about each program—including how they defined their programs in line with OMB's guidance. OMB is taking an iterative approach to implement these requirements. Based on experiences from a pilot involving 11 agencies in 2012, OMB issued guidance allowing agencies flexibility to define their programs using different approaches, but within a broad definition of what constitutes a program—a set of related activities directed toward a common purpose or goal. According to OMB staff, this was based on a lesson learned from the pilot effort: a one-size-fits-all approach does not work well; agencies and their stakeholders use the term "program" in different ways because agencies achieve their missions through different programmatic approaches. In May 2013, OMB published the inventories developed by 24 agencies, which used various approaches to define and identify 1,524 programs (see table below).

Approaches for Defining Programs and Number of Inventories Using Them

Approach	Explanation	Inventories Using Program Approach	
		In whole	In part
Budget	Links closely with the program activity lines in the President's Budget.	14	5
Customers	Organized by providing a service or product to a specific entity or group.	2	0
Products/ Services/Outputs	Produces major reports or studies, and may group similar products, services or activities into one program.	1	1
Organizational Structure	Defined by agency office structure.	0	4
Outcomes	Directly attributable to an end result the program is trying to achieve.	0	2
Other	Agency chose an approach other than those outlined in OMB's guidance.	1	0

Source: GAO (analysis) and OMB (guidance and inventories). | GAO-15-83

Because agencies used different approaches, similar programs across agencies may not be identifiable. To illustrate the shortcomings of the inventory, GAO attempted to locate in relevant agencies' inventories the various science, technology, engineering, and mathematics (STEM) education and nuclear nonproliferation programs identified in GAO's past work. GAO was unable to identify in the inventories a large majority of the programs previously identified in

What GAO Recommends

GAO makes several recommendations to OMB. To present a more coherent picture of all federal programs, GAO recommends OMB revise its guidance to direct agencies to collaborate when defining and identifying programs that contribute to a common outcome, define plans for expanding implementation beyond the current 24 agencies, and include tax expenditures in the federal program inventory. In addition, to improve the usefulness of the information in inventories GAO recommends OMB ensure agencies consistently identify the various goals each program supports, and consult with stakeholders when developing or updating their inventories.

OMB staff generally agreed with these recommendations, although they neither agreed nor disagreed with three of GAO's recommendations related to including tax expenditures and additional performance information. OMB staff stated that until they had firmer plans on how program inventory and DATA Act implementation would be merged, they could not determine if implementing those recommendations would be feasible.

its work: 9 of the 179 programs matched exactly and 51 others were identified based on program descriptions.

The lack of comparability may also be the result of agencies not working with each other when developing their inventories. One of OMB's stated purposes for the inventories is to facilitate coordination among programs that contribute to similar outcomes. However, agencies did not work together to consistently define their programs. Increased coordination could help agencies identify where they have programs that contribute to similar goals and thus, opportunities to collaborate in achieving desired outcomes.

The 24 inventories developed by agencies in 2013 did not provide the programs and related budget and performance information required by GPRAMA. This limits the usefulness of the inventories to various decision makers, including Congress and stakeholders. To be useful, the inventories must meet various users' needs for accuracy, completeness, consistency, reliability, and validity, among other factors. Specific steps OMB and agencies could take to ensure the inventories are more useful to decision makers include:

Presenting program-level budget information. Although GPRAMA requires agencies to identify program-level funding, OMB did not direct agencies to include this information in their 2013 inventories—it was to be part of a planned May 2014 update. However, OMB subsequently put the 2014 update on hold to determine how to merge these requirements with implementation of the federal spending information to be reported under the Digital Accountability and Transparency Act of 2014 (DATA Act). Reporting for both laws is web-based, which could more easily enable linkages between the two sites or incorporating information from each other. The Senate version of a bill, the Taxpayers Right-to-Know Act of 2014, which is currently under consideration, would require this linkage in lieu of incorporating budget information on the program inventory site.

Providing complete performance information. GPRAMA and OMB's guidance require agencies to describe each program's contribution to the agency's goals. However, there are instances where agencies omitted that information. For example, agencies did not consistently show how some or all of their programs supported strategic goals (in 7 of 24 inventories) or strategic objectives (in 13 of 24 inventories). Ensuring agencies illustrate this alignment would better explain how programs support the results agencies are achieving.

Consulting with stakeholders. None of the agencies sought input on their inventories from external stakeholders, such as Congress, state and local governments, and third-party service providers, although OMB's 2012 guidance instructed agencies to do so. In several instances, agency officials stated that they thought OMB was soliciting feedback on all inventories. By consulting with stakeholders to understand their needs, agencies would better ensure that the information provided in the inventories is useful for stakeholder decision making.

Other features of OMB's approach further limit the program inventories' ability to present a coherent picture of all federal programs, as required by GPRAMA. First, to date, OMB has only included 24 agencies in this effort. Second, while not specified by GPRAMA, tax expenditures were not included in the 2013 inventory. Tax expenditures, which represent a reduction in a taxpayer's tax liability through credits, deductions, or other means, resulted in \$1.1 trillion in forgone revenue in fiscal year 2013, nearly the same amount as discretionary spending that year. By including tax expenditures, OMB could help ensure that agencies are properly identifying their contributions to the achievement of agency goals, as OMB's guidance directs them to do. Finally, OMB's guidance and staff have stated that eventually the inventory will move to a more dynamic, web-based presentation. This could make it easier to tag and sort related or similar programs, for instance, by type of program or contribution to the same or similar goals. Covering additional agencies and tax expenditures in the federal program inventory, along with web-based sorting capabilities, would help decision makers determine the scope of the federal government's involvement in a particular area, and therefore where action is needed to better address fragmentation, overlap, or duplication.