



Testimony

Before the Subcommittee on Regulatory
Affairs and Federal Management, Committee
on Homeland Security and Governmental
Affairs, U.S. Senate

For Release on Delivery
Expected at 10:00 a.m. ET
Thursday, December 10, 2015

**GOVERNMENT
EFFICIENCY AND
EFFECTIVENESS**

**Implementing GAO
Recommendations Can
Achieve Financial Benefits
and Strengthen
Government Performance**

Statement of Gene L. Dodaro
Comptroller General of the United States

GAO Highlights

Highlights of [GAO-16-272T](#), a testimony before the Subcommittee on Regulatory Affairs and Federal Management, Committee on Homeland Security and Governmental Affairs, U.S. Senate

Why GAO Did This Study

GAO's mission is to support Congress in meeting its constitutional responsibilities and to help improve the performance and ensure the accountability of the federal government for the benefit of the American people. GAO provides nonpartisan, objective, and reliable information to Congress, executive branch agencies, and the public. To help Congress and the government, GAO recommends solutions across the broad spectrum of federal responsibilities to foster efficiency and effectiveness in federal programs and address high risks, management issues, and other challenges.

GAO's work supports a broad range of interests throughout Congress. In fiscal year 2015, GAO received requests for work from 97 percent of the standing committees of Congress and 66 percent of their subcommittees.

Since fiscal year 2003, GAO's work has resulted in over ½ trillion dollars in financial benefits and about 17,000 program and operational benefits that helped to improve public services and promote sound management throughout government. Executive branch cooperation and congressional oversight have been, and will continue to be, critical in helping realize the benefits of GAO's recommendations.

This statement discusses (1) the status of GAO's recommendations, including key outcomes and open issues and (2) mechanisms for focusing attention on implementing GAO's open recommendations. It is based on GAO's prior work spanning the federal government, including high-risk areas and ways to address fragmentation, overlap, and duplication.

View [GAO-16-272T](#). For more information, contact Heather Krause at (202) 512-6806 or krauseh@gao.gov.

December 10, 2015

GOVERNMENT EFFICIENCY AND EFFECTIVENESS

Implementing GAO Recommendations Can Achieve Financial Benefits and Strengthen Government Performance

What GAO Found

GAO's work routinely generates recommendations for improving the efficiency and effectiveness of government programs, resulting in measurable improvements. Since fiscal year 2010, GAO's work has resulted in over \$330 billion in financial benefits and over 8,000 program and operational benefits. In fiscal year 2015 alone, GAO's work yielded \$74.7 billion in financial accomplishments—a return of about \$134 for every dollar invested in GAO. Other wide-ranging benefits include helping to avoid sequestration and identifying legislative solutions to federal performance and management issues. GAO has made an average of 1,800 recommendations a year with an average of about 80 percent implemented between fiscal years 2010 and 2015.

As of November 12, 2015, about 4,800 of GAO's recommendations to executive branch agencies and the Office of Management and Budget remain open across the federal government. If implemented, they could result in significant benefits, such as increased savings, better services to the public, and improved federal programs. A couple of examples to illustrate this potential follow:

- **Department of Defense (DOD) Weapon Systems Acquisition:** On GAO's High Risk List since 1990, GAO's work has identified several opportunities for DOD to maximize its use of taxpayer dollars by improving its acquisition process. For example, given DOD's plans to increase F-35 funding by billions of dollars over the next 5 years, GAO recommended that DOD conduct a comprehensive affordability analysis of the program's procurement plan. DOD maintains that it accomplishes this through its annual budget process; however, without a more thorough and complete analysis, DOD may not fully understand the affordability implications of increasing funding at the planned rates.
- **Medicare Program Payment Policy:** On GAO's High Risk List since 1990 due in part to its complexity and susceptibility to mismanagement, GAO has made many recommendations to improve Medicare, including improving the accuracy of the adjustment made for differences in diagnostic coding practices between Medicare Advantage (MA) and Medicare Fee-For-Service. For example, the Centers for Medicare & Medicaid (CMS) could better account for additional beneficiary characteristics, such as residential location, and use more current and refined data in determining MA payments. GAO made this recommendation because of shortcomings in CMS's adjustment, which resulted in excess payments to MA plans totaling an estimated \$3.2 billion to \$5.1 billion over a 3-year period from 2010 through 2012.

GAO continuously engages with executive branch agencies to ensure recommendations are implemented. For example, GAO regularly follows up with agencies on its recommendations and posts their status online. This year GAO sent letters to the heads of key executive branch agencies identifying unimplemented recommendations that warrant priority attention. GAO's high risk and fragmentation, overlap, and duplication work also highlights critical open recommendations for executive branch agencies and Congress. In addition, GAO works with Congress to further progress on recommendations, including incorporating GAO work into legislation.

Chairman Lankford, Ranking Member Heitkamp, and Members of the Subcommittee:

Thank you for the opportunity to discuss how implementation of GAO's recommendations improves the federal government's performance and the efficiency and effectiveness of its operations. GAO's work has resulted in billions of dollars in savings and significantly improved government programs and operations. Addressing unimplemented recommendations can lead to additional savings, better services to the public, and improved program performance and accountability.

GAO's mission is to support Congress in meeting its constitutional responsibilities and to help improve the performance and ensure the accountability of the federal government for the benefit of the American people. GAO provides nonpartisan, objective, and reliable information to Congress, executive branch agencies, and the public and supports a broad range of interests throughout Congress. In fiscal year 2015, GAO received requests for work from 97 percent of the standing committees of Congress and 66 percent of their subcommittees. Through our work across the breadth and scope of the federal government's responsibilities, we recommend solutions that offer significant opportunities to foster government efficiency, effectiveness, and responsiveness to high priority risks, management issues, and other challenges facing Congress and the nation. Executive branch cooperation and congressional oversight has been and will continue to be critical in realizing the full benefits of GAO's recommendations.

My testimony today describes (1) the status of GAO's recommendations, including key outcomes and open recommendations and (2) mechanisms for focusing attention on implementing GAO's open recommendations. This statement is based on our previous work in areas spanning the federal government such as defense, health care, and information technology; our high-risk program; fragmentation, overlap, and duplication; and our performance and accountability report. This statement is based upon work GAO conducted in accordance with generally accepted government auditing standards and GAO's quality assurance framework. We believe that the evidence obtained provides a reasonable basis for this statement.

GAO's Work Has Contributed to Significant Financial and Other Benefits, but Further Opportunities Exist to Save Money and Improve Government

Our work routinely leads to recommendations for improving efficiency and effectiveness across the federal government's programs, resulting in measurable savings and improvements. Since fiscal year 2003, our work has resulted in over ½ trillion dollars in financial benefits and about 17,000 program and operational benefits that helped to improve public services and promote sound management throughout government.

About 65 percent of our products contain recommendations, and since 2010, we have issued an average of almost 1,800 recommendations each year. Management of the audited agencies has discretion on whether to implement our recommendations, and executive branch agencies have implemented an average of about 80 percent of our recommendations, as reported in our performance and accountability reports for fiscal years 2010 through 2015 (see table 1).¹

Table 1: Results of GAO's Work, Fiscal Years 2010 through 2015

| | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 |
|--|--------|--------|--------|--------|--------|--------|
| Reports and recommendations | | | | | | |
| New products with recommendations ^a | 61% | 68% | 67% | 63% | 64% | 66% |
| Total new recommendations | 2,005 | 2,132 | 1,807 | 1,430 | 1,619 | 1,680 |
| Past recommendations implemented ^b | 82% | 80% | 80% | 79% | 78% | 79% |
| Benefits | | | | | | |
| Financial benefits ^c (billions) | \$49.9 | \$45.7 | \$55.8 | \$51.5 | \$54.4 | \$74.7 |
| Other benefits ^d | 1,361 | 1,318 | 1,440 | 1,314 | 1,288 | 1,286 |

Source: GAO. | GAO-16-272T

Notes: The number of total new recommendations varies based on the number of reports issued each year as well as the issues examined.

^aNew products with recommendations is the percentage of our written reports and numbered correspondence issued in the fiscal year that included at least one recommendation.

^bPast recommendations implemented is the percentage rate of implementation of recommendations made 4 years prior to a given fiscal year. We use a 4-year reporting window because it generally takes up to four years to implement our recommendations.

^cA financial benefit is an estimate of the federal monetary effect, including cost reduction and revenue enhancement, of agency or congressional actions.

¹GAO, *Fiscal Year 2015 Performance and Accountability Report* [GAO-16-3SP](#) (Washington, D.C. Nov. 16, 2015). One of the ways we hope to improve getting action on our recommendations is by separately reporting recommendations implemented by executive branch agencies and matters for congressional consideration. We started this process in our fragmentation, overlap, and duplication work and implemented it GAO-wide beginning in fiscal year 2015.

^dOther benefits include benefits to the government that cannot be estimated in dollar terms and are categorized into six areas: (1) public insurance and benefits, (2) public safety and security, (3) acquisition and contract management, (4) tax law administration, (5) program efficiency and effectiveness, and (6) business process and management.

Since fiscal year 2010, our work has resulted in over \$330 billion in financial benefits and over 8,000 program and operational benefits that helped to change laws, improve public services, and promote sound management throughout government. ² The following examples illustrate the wide-ranging benefits from our work in several categories, including (1) identifying cost savings and revenue opportunities to help to avoid sequestration; (2) identifying legislative solutions; (3) achieving financial, program, and operational benefits; (4) helping Congress oversee key programs; (5) addressing high-risk areas; and (6) reducing fragmentation, overlap, and duplication in government programs.

Helping to Avoid Sequestration

Our work helped Congress achieve some of the billions in savings and revenue enhancements that could avoid sequestration in fiscal years 2014 through 2017. For example, key decisions adopted by Congress in the Bipartisan Budget Act of 2013 were linked to our work and helped Congress achieve about \$23 billion in savings and revenue enhancements to avoid sequestration in fiscal years 2014 and 2015, such as

- improving the cost-effectiveness of filling the Strategic Petroleum Reserve, estimated by the Congressional Budget Office (CBO) to save \$3.2 billion from 2014 to 2023;³
- increasing aviation security fees to cover 43 percent of aviation security costs in 2014, estimated by CBO to save \$12.6 billion from 2014 through 2023;⁴
- expanding the risk-based element of the Pension Benefit Guaranty Corporation's premium rate structure, estimated by CBO to increase revenues and offset direct spending by \$7.9 billion from 2014 through 2023⁵

² We use a robust methodology to calculate the benefits of our work. See [GAO-16-3SP](#) for more details on how we calculate the benefits from our work.

³Pub. L. No. 113-67, § 306, 129 Stat. 1165, 1183 (2013).

⁴Pub. L. No. 113-67, § 601, 127 Stat. 1165, 1187–1188 (2013).

⁵Pub. L. No. 113-67, § 703, 127 Stat. 1165, 1190–1192 (2013).

-
- limiting the amount of compensation contractors working on a federal contract can charge to the government to \$487,000 annually, a decrease from the previous cap of \$952,308;⁶ and
 - improving the collection of unemployment insurance overpayment by \$159 million⁷ and reducing improper payments to inmates for disaster relief and other assistance resulting in savings of \$80 million from 2014 through 2023, according to CBO.⁸

The Bipartisan Budget Act of 2015 also included key provisions that linked to our work and which could help Congress achieve about \$30 billion in savings and revenue enhancements (as estimated by CBO and the Joint Committee on Taxation (JCT)) needed to avoid sequestration in fiscal years 2016 and 2017, including

- streamlining and simplifying audit procedures for certain partnerships, resulting in increased revenue estimated to be \$9.3 billion from 2016 through 2025;⁹ and
- authorizing a 58 million barrel sale from the Strategic Petroleum Reserve, estimated at \$5.1 billion from 2018 to 2025;¹⁰
- making additional spectrum, which companies use to provide services such as mobile broadband, available for auction, estimated to generate \$4.4 billion from 2016 through 2025;¹¹
- allowing for potential savings through reforming Social Security disability insurance by expanding fraud units, increasing criminal and civil penalties for fraud, and allowing the receipt of electronic payroll data to improve program administration, which is estimated to save \$140 million from 2019 through 2025.¹²

Identifying Legislative Solutions

The Congress has used our work to identify legislative solutions to increase government transparency, achieve cost savings, address

⁶Pub. L. No. 113-67, § 702, 127 Stat. 1165, 1189–1190 (2013).

⁷Pub. L. No. 113-67, § 201, 127 Stat. 1165, 1176 (2013).

⁸Pub. L. No. 113-67, § 204, 127 Stat. 1165, 1179–1181 (2013).

⁹Pub. L. No. 114-74, § 1101, 129 Stat. 584, 625–638 (2015).

¹⁰Pub. L. No. 114-74, § 403, 129 Stat. 584, 589–590 (2015).

¹¹Pub. L. No. 114-74, § 1004, 129 Stat. 584, 621–622 (2015).

¹²Pub. L. No. 114-74, §§ 801–815, 129 Stat. 584, 601–605 (2015).

emerging problems, and find efficiencies in federal agencies and programs. Our work has contributed to a number of key authorizations, appropriations, and reauthorizations, including the following examples:

- The Digital Accountability and Transparency Act of 2014 requires the federal government to set government-wide data standards for financial data intended to result in consistent, reliable, and searchable government-wide spending data available to the Congress, agency managers, and the public.¹³
- The Consolidated and Further Continuing Appropriations Act, 2015, and its accompanying explanatory statement, rescinded or reduced Administration proposals for weapon systems (for an estimated total of over \$500 million from programs such as for the Amphibious Combat Vehicle, Joint Tactical Radio System, and the Kiowa Warrior helicopter program); directed the Department of Veterans Affairs (VA) to report to Congress on why its strategy to serve the burial needs of rural veterans does not include all the elements required by law and why it has not used census tract data to calculate veteran populations served; and addressed the severe financial difficulties of multiemployer pension plans and the Pension Benefit Guaranty Corporation's Multiemployer Insurance Program.¹⁴
- Provisions of law commonly referred to as Federal Information Technology Acquisition Reform Act (FITARA) addressed cost and performance issues in federal information technology (IT) acquisitions by expanding the authorities of chief information officers and directing agencies to improve the transparency of high-risk IT investments, reduce duplication, and achieve cost savings opportunities.¹⁵

¹³Pub. L. No. 113-101, 128 Stat. 1146 (2014).

¹⁴Pub. L. No. 113-235, div. C, § 8040, div. O, §§ 101–131, 128 Stat. 2130, 2263, 2554–2555, 2556, 2774–2798 (2014). Explanatory Statement Submitted by the Chairman of the House Committee on Appropriations Regarding the House Amendment to the Senate Amendment of H.R. 83, 160 Cong. Rec. H9307, H9609, H9932 (Dec. 14, 2014).

¹⁵Carl Levin and Howard P. “Buck” McKeon National Defense Authorization Act for Fiscal Year 2015, Pub. L. No. 113-291, §§ 831–837, 128 Stat. 3292, 3438–3450 (2014). FITARA includes specific requirements related to seven areas; (1) agency chief information officer enhancements; (2) enhanced transparency and improved risk management; (3) portfolio review; (4) federal data center consolidation initiative; (5) expansion of training and use of IT cadres; (6) maximizing the benefit of the federal strategic sourcing initiative and (7) government-wide software purchasing program. GAO, *Information Technology: Implementation of Reform Legislation Needed to Improve Acquisitions and Operations* [GAO-16-204T](#) (Washington, D.C.: Nov 4, 2015).

- The Veterans Access, Choice, and Accountability Act of 2014 changed the procedures by which the VA will pay for health care for veterans outside of the VA system and addressed concerns about coordination between VA and the Indian Health Service on veteran’s health care.¹⁶
- The Protecting and Securing Chemical Facilities from Terrorist Attacks Act of 2014 responded to emerging security issues with regard to chemical facility security, which should improve risk assessment procedures.¹⁷

Achieving Financial, Program, and Operational Benefits

In fiscal year 2015, our work yielded \$74.7 billion in financial accomplishments—a return of about \$134 for every dollar invested in us. These financial benefits result from executive branch agency or congressional actions to change agency business operations or activities; restructure federal programs; or modify entitlements, taxes, or user fees. Table 2 includes examples of new financial benefits for fiscal year 2015.

Table 2: Examples of GAO Financial Benefits in Fiscal Year 2015

| Action | What GAO Found | Financial Benefits |
|---|---|--|
| Extension of Federal Communications Commission (FCC) auction proceeds | In response to our 2011 recommendation, in 2012, the Congress and the President extended the FCC’s authority to auction spectrum licenses, which companies use to provide services such as mobile broadband. In January 2015, the FCC completed the auction. ^a | \$32.8 billion after accounting for costs. |
| Elimination of direct payments to farmers | Our work on direct payments to farmers—fixed annual payments based on a farm’s history of crop production received regardless of whether farmers grew crops and even in years of record income – led to Congress passing the Agricultural Act of 2014 without reauthorizing these payments. ^b | \$4.9 billion in reduced costs annually from fiscal years 2015 through 2019. |
| Cancellation of the BioWatch Generation-3 acquisition | In September 2012, we reported that the Department of Homeland Security (DHS) did not fully justify or pursue optimal solutions for its Generation-3 acquisition for BioWatch, a program for detecting an aerosolized biological attack. In concurrence with our recommendation, DHS analyzed alternatives, and then canceled the acquisition. ^c | \$2.1 billion in fiscal year 2015. |

¹⁶ Pub. L. No. 113-146, §§ 101–106, 128 Stat. 1754, 1755–1769 (2014).

¹⁷ Pub. L. No. 113-254, 128 Stat. 2898 (2014).

| Action | What GAO Found | Financial Benefits |
|--|---|------------------------------------|
| Cancellation of the Standard Missile Block IIB program | In 2012, we found that the Missile Defense Agency's Standard Missile-3 Block IIB Program included high levels of concurrence and acquisition risks, and in 2013 we reported that the lack of an analysis of alternatives contributed to the risk of cost growth and schedule delays. Following our report, the Department of Defense (DOD) effectively canceled the program. ^d | \$1.7 billion in fiscal year 2015. |

Source: GAO. | GAO-16-272T

^aPub. L. No. 112-96, § 6405, 126 Stat. 156, 230 (2012).

^bPub. L. No. 113-79, 128 Stat. 649 (2014).

^cGAO, Bio surveillance: DHS Should Reevaluate Mission Need and Alternatives before Proceeding with BioWatch Generation-3 Acquisition, [GAO-12-810](#) (Washington, D.C.: Sept. 10, 2012).

^dGAO, Standard Missile-3 Block IIB Analysis of Alternatives, [GAO-13-382R](#) (Washington, D.C.: February 11, 2013) and GAO, Missile Defense: Opportunity Exists to Strengthen Acquisitions by Reducing Concurrence, [GAO-12-486](#) (Washington, D.C.: April 20, 2012).

Many other benefits resulting from our work cannot be measured in dollar terms, but improve programs and operations across the government. During fiscal year 2015, we recorded 1,286 of these benefits; a few examples follow:

- Improved TSA Rail Security Incident Data.** In 2012, we reported that weaknesses hampered the Transportation Security Administration's (TSA) ability to extract information from its rail security incident data system, causing TSA to miss chances to identify important trends or patterns. In response to our recommendations, TSA established a process and provided guidance to ensure the completeness of incident data and minimize errors. TSA also developed the Surface Compliance Trend Analysis Network, which in part provides stakeholders with analyses of rail security trends and potential threats.¹⁸ These actions will help TSA develop recommended security measures for rail agencies, as appropriate.
- Protected Elderly Americans.** Our reports on elder abuse identified challenges that state Adult Protective Services (APS) had in addressing growing caseloads. These challenges stemmed from, among other things, difficulty collecting and using data to track outcomes and assess APS program effectiveness, leaving states with limited information for resolving cases of abuse. In response to our recommendations, the Department of Health and Human Services (HHS) established the National Adult Protective Services Resource

¹⁸GAO, *Passenger Rail Security: Consistent Incident Reporting and Analysis Needed to Achieve Program Objectives*, [GAO-13-20](#) (Washington, D.C.: Dec. 19, 2012).

Center to provide technical assistance to APS to enhance the quality and effectiveness of state programs. The department also is working with states to develop a nationwide APS data system.¹⁹ This data system will, for the first time ever, provide consistent national data on the extent and nature of the exploitation and abuse of vulnerable older adults, allowing states and the federal government to better understand and respond to the problem.

- **Secured the Skies with Stronger Aviation Cybersecurity.** In 2015, we reported that the Federal Aviation Administration lacked a comprehensive model for identifying cybersecurity threats to the NextGen air traffic control system. Our work drew congressional, media, and public attention to these potential threats, and spurred the agency to develop a cybersecurity model.²⁰
- **Reduced Technology Threats to Financial Markets.** We reported that the Securities and Exchange Commission faced challenges in protecting financial securities markets from information technology outages and cyberattacks. In response to our work, in 2014, the commission required market participants better manage their information technology risks. As a result, markets should be more resilient to problems arising from both internal failures and external threats.²¹

Helping Congress Oversee and Strengthen Key Programs

We continue to build key bodies of work that help Congress (1) address current and emerging challenges to the well-being and financial security of the American people, (2) respond to changing security threats and global interdependence, and (3) transform the federal government to address national challenges. Work completed in fiscal year 2015 in these areas included these examples:

¹⁹GAO, *Elder Justice: National Strategy Needed to Effectively Combat Elder Financial Exploitation*, [GAO-13-110](#) (Washington, D.C.: Nov. 15, 2012) and GAO, *Elder Justice: Stronger Federal Leadership Could Enhance National Response to Elder Abuse [Reissued on March 21, 2011]*, [GAO-11-208](#) (Washington, D.C.: Mar. 2, 2011).

²⁰GAO, *Air Traffic Control: FAA Needs a More Comprehensive Approach to Address Cybersecurity As Agency Transitions to NextGen*, [GAO-15-370](#) (Washington, D.C.: Apr. 14, 2015).

²¹GAO, *Financial Market Preparedness: Improvements Made, but More Action Needed to Prepare for Wide-Scale Disasters*, [GAO-04-984](#) (Washington, D.C.: Sept. 27, 2004) and GAO, *Information Systems: Opportunities Exist to Strengthen SEC's Oversight of Capacity and Security*, [GAO-01-863](#) (Washington, D.C.: July 25, 2001).

-
- **Protection of children.** We reported on children’s health insurance, unregulated custody transfers of adopted children, oversight challenges for the Bureau of Indian Education, and care for unaccompanied alien children in U.S. custody.
 - **Veterans.** We reported on the availability of qualified nursing staff at the VA medical centers, inconsistencies in processing veterans’ disability benefits, improvements needed to support eligibility decisions for veterans’ disability benefits, and the need to improve monitoring of veterans’ antidepressant use and the accuracy of veterans’ suicide data.
 - **Health care.** We reported on the need to address improper payments in the Medicare and Medicaid programs, expand efforts to reduce antipsychotic drug use among older adults receiving care in homes and community-based settings, improve Indian health care services, and improve oversight of tax provisions for individuals under the Patient Protection and Affordable Care Act (PPACA).²²
 - **Science and Technology.** We reported on the need to enhance the nation’s biosurveillance capabilities, address safety lapses at high-containment laboratories, address potential gaps in environmental satellite coverage, and minimize long-term federal exposure to climate-related risks. Our technology assessments included reducing freshwater use in hydraulic fracturing and thermoelectric power plant cooling.

Addressing High-Risk Areas

We maintain a list for Congress of high-risk areas, which focuses on government operations that are at high-risk of fraud, waste, abuse, and mismanagement, or that need broad-based transformation to address economy, efficiency, or effectiveness challenges of government operations.²³ Selected examples of programs on the High-Risk List include:

- **Strengthening the foundation for efficiency and effectiveness.** Restructuring the U.S. Postal Service to achieve sustainable financial viability and funding the nation’s surface transportation system.

²²Pub. L. No. 111-148, 124 Stat. 119 (2010), as amended by the Health Care and Education Reconciliation Act of 2010, Pub. L. No. 111-152, 124 Stat. 1029 (2010).

²³In 1990, we began a program to report on government operations that were identified as “high-risk.” Since then, generally coinciding with the start of the new Congress, we have reported on the status of progress to addressing high-risk areas and to update the High-Risk List.

-
- **Transforming the Department of Defense (DOD) program management.** DOD financial management and DOD supply chain management.
 - **Ensuring public safety and security.** Strengthening the Department of Homeland Security management functions, ensuring the security of federal information systems and cyber critical infrastructure and protecting the privacy of personally identifiable information.
 - **Managing federal contracting more effectively.** DOE's contract management for the National Nuclear Security Administration and Office of Environmental Management, and NASA acquisition management.
 - **Assessing the efficiency and effectiveness of tax law administration.** Enforcement of tax laws and confronting identity theft tax fraud.
 - **Modernizing and safeguarding insurance and benefit programs.** Improving and modernizing federal disability programs and the national flood insurance program.

In 2015, we issued our biennial update of our High-Risk List.²⁴ This report offers solutions to 32 identified high-risk problems, including two new high-risk areas:

- **Managing Risks and Improving VA Health Care.** Since 2000, we have reported about VA facilities' failure to provide timely health care. In some cases, these delays or VA's failure to provide care at all have reportedly harmed veterans. Although VA has taken actions to address some of our recommendations, more than 100 have not been fully addressed, including recommendations related to the following areas: (1) ambiguous policies and inconsistent processes, (2) inadequate oversight and accountability, (3) information technology challenges, (4) inadequate training for VA staff, and (5) unclear resource needs and allocation priorities. The Veterans Access, Choice, and Accountability Act of 2014²⁵ included provisions to help VA address systemic weaknesses.
- **Improving the Management of IT Acquisitions and Operations.** The administration has undertaken numerous initiatives to better manage IT investments. Nonetheless, federal IT investments too frequently fail to be completed or incur cost overruns and schedule

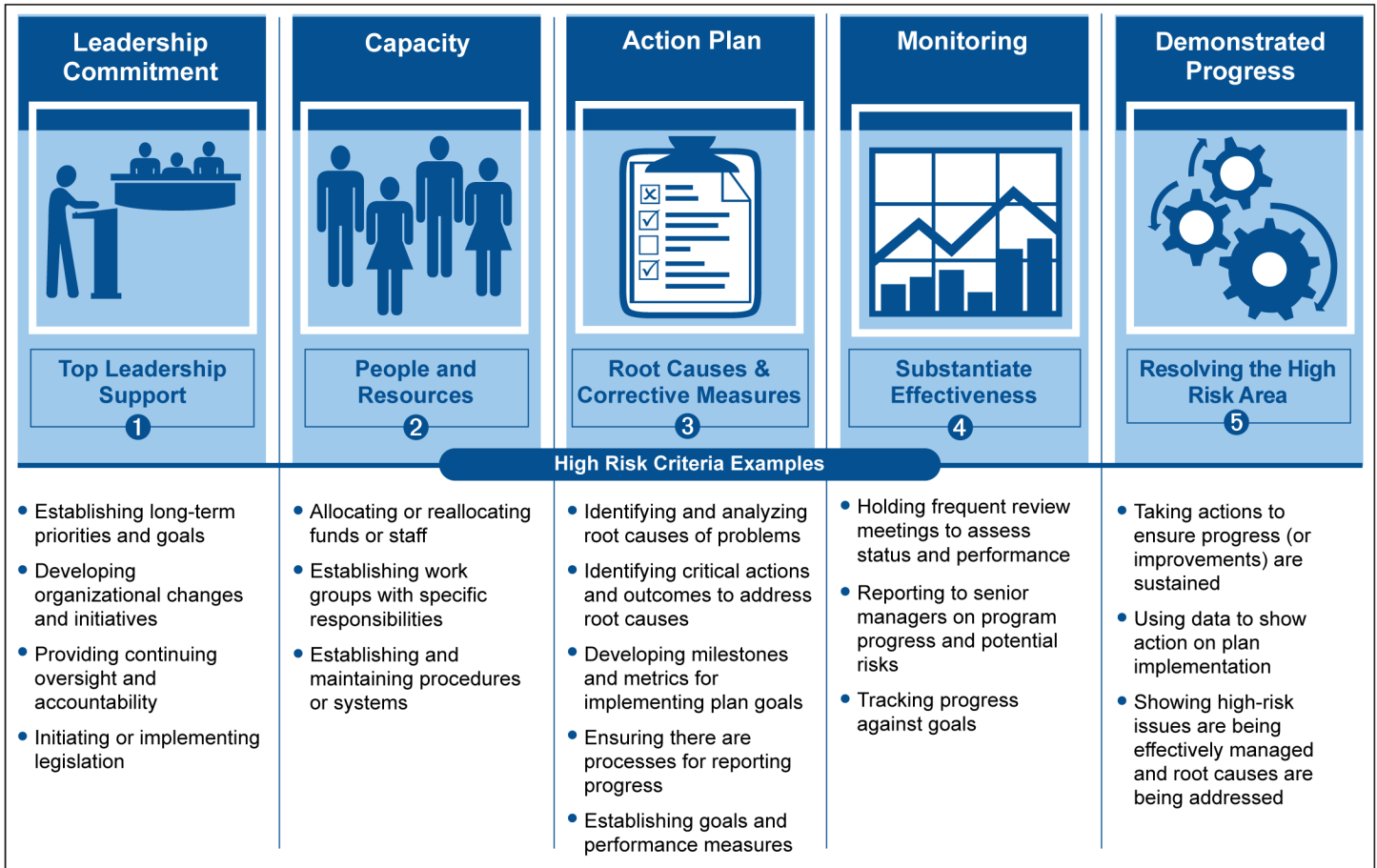
²⁴GAO, *High-Risk Series: An Update*, GAO-15-290 (Washington, D.C.: Feb. 11, 2015).

²⁵Pub. L. No. 113-146, 128 Stat. 1754 (2014).

slippages while contributing little to mission-related outcomes, which led us to designating this as a new high-risk area in 2015. We found that the federal government spent billions of dollars on failed and poorly performing IT investments, which often suffered from ineffective management, such as project planning, requirements definition, and program oversight and governance. Over the past 6 years, we have made more than 800 recommendations in this area; about 32 percent have been fully implemented as of October 2015. It will be critical for executive branch agencies to implement our remaining recommendations—particularly in the areas of (1) incremental development, (2) reviews of troubled projects, (3) transparency, (4) operations and maintenance, (5) data center consolidation, and (6) portfolio management—as well as the provisions commonly known as FITARA, which also aims to improve the transparency and management of federal IT acquisitions and operations.

We identified five criteria that form a road map for efforts to improve and ultimately address high-risk issues. Addressing some of the criteria leads to progress, while satisfying all of the criteria is central to removal from the list. Figure 1 shows the five criteria and examples of actions taken by agencies to address the criteria.

Figure 1: Criteria for Removal from the High-Risk List and Examples of Actions Leading to Progress

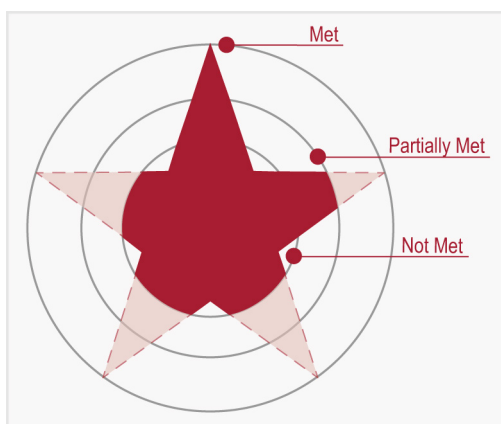


Source: GAO analysis of agencies' actions to address high-risk issues and GAO criteria for removal from the High Risk List in GAO-01-159SP and GAO-15-290. | GAO-16-272T

In 2015, we introduced a rating system for showing progress in high-risk areas to help more easily visualize continuing progress and remaining actions in high-risk areas (see figure 2). Each point of the star represents one of the five criteria for removal from the High-Risk List and each ring

represents one of three designations: not met, partially met, or met.²⁶ An unshaded point at the innermost ring means that the criterion has not been met, a partially shaded point at the middle ring means that the criterion has been partially met, and a fully shaded point at the outermost ring means that the criterion has been met.

Figure 2: High-Risk Progress Criteria Ratings



Source: GAO-15-290. | GAO-16-272T

These progress ratings are an important part of our efforts to provide greater transparency and specificity to agency leaders as they seek to address high-risk areas. Beginning in the spring of 2014 and leading up to our 2015 high-risk update, we met with agency leaders to discuss preliminary progress ratings and actions taken as well as actions needed to address the high-risk issues. Several agency leaders told us that the additional clarity provided by the progress rating helped them better target their improvement efforts.

Our high-risk report noted that solid, steady progress has been made in the vast majority of the high-risk areas. This progress has been possible

²⁶In 2015, we added additional clarity and specificity to our assessments by rating each high-risk area's progress on these criteria using the following definitions. "Met" means actions have been taken that meet the criterion; there are no significant actions that need to be taken to further address this criterion. "Partially Met" means some, but not all, actions necessary to meet the criterion have been taken. "Not Met" means few, if any, actions towards meeting the criterion have been taken. [GAO-15-290](#).

through the concerted actions and efforts of Congress and the leadership and staff in executive branch agencies and the Office of Management and Budget (OMB). As shown in appendix I, 18 high-risk areas have met or partially met all five criteria for removal from the list; 11 of these areas also fully met at least one criterion. Further, for two of these areas—Protecting Public Health through Enhanced Oversight of Medical Products and DOD Contract Management—enough progress has been made to remove subcategories of the high-risk areas.

Solving these high-risk problems has the potential to save billions of dollars, improve service to the public, and strengthen the performance and accountability of the U.S. government. For example, in 2015, our high-risk work resulted in \$17 billion in financial benefits and 435 other benefits. We have documented more than \$40 billion in financial benefits and 866 other improvements related to high-risk areas. The following are examples of benefits from this work.

- **Managing federal real property.** In 2014, we reported that a lack of criteria could have caused the General Services Administration (GSA) to miss opportunities for its “swap-construct” program, through which the government can provide unneeded property to developers in exchange for improving federal buildings on other properties. We also found that GSA provided too few details about construction needs to get meaningful input from interested parties. In response to our recommendations, GSA issued new guidance addressing these concerns, which will help the government address long-standing challenges with disposing of surplus real property and modernizing outdated buildings.
- **Strengthening Department of Homeland Security management functions.** The Department of Homeland Security (DHS) has established various initiatives collectively intended to improve its unity of effort by, improving the department’s planning, programming, budgeting, and execution processes through strengthened departmental structures and increased capability, among other things. In addition, DHS has increased component-level acquisition capability by, among other things, initiating monthly Component Acquisition Executive staff forums to provide guidance and share best practices. DHS has also strengthened its enterprise architecture program (or blueprint) to guide and constrain information technology acquisitions, and it obtained a clean opinion on its financial statements for three consecutive years, fiscal years 2013 through 2015.

Reducing Fragmentation, Overlap, and Duplication in Government Programs

Our annual reports on opportunities to reduce fragmentation, overlap, and duplication and achieve other financial benefits also have contributed to significant financial benefits and improved efficiency and effectiveness across the federal government.²⁷ As of November 2015, 36 percent of the over 500 actions from our five annual reports have been addressed (see table 3). Executive branch and congressional efforts to address these recommendations have resulted in over \$20 billion in financial benefits with about \$80 billion to accrue in future years from the continued implementation of these recommendations. Further, fully addressing all the remaining actions we identified in our annual reports could lead to tens of billions in additional savings.

Table 3: Status of 2011 through 2015 Duplication and Cost Savings Actions, as of November 19, 2015^a

| Status | Executive branch | | Congress | | Totals | |
|-----------------------|-------------------|------------|-------------------|------------|-------------------------|--------------------|
| | Number of actions | Percentage | Number of actions | Percentage | Total number of actions | Overall percentage |
| Addressed | 174 | 38% | 22 | 26% | 196 | 36% |
| Partially addressed | 185 | 40 | 13 | 15 | 198 | 37 |
| Not addressed | 82 | 18 | 45 | 53 | 127 | 24 |
| Consolidated or other | 18 | 4 | 5 | 6 | 23 | 4 |

Source: GAO. | GAO-16-272T

Note: In assessing the status of actions, we applied the following criteria: “addressed” means implementation of the action needed has been completed or relevant legislation has been enacted and addresses all aspects of the action needed; “partially addressed” means the action needed is in development, or started but not yet completed or a relevant bill has passed a committee, the House of Representatives, or the Senate, or relevant legislation has been enacted but only addressed part of the action needed; and “not addressed” means the administration, the agencies, or both have made minimal or no progress toward implementing the action needed. In assessing actions suggested for Congress a bill may have been introduced but did not pass out of a committee or no relevant legislation has been introduced. Actions assessed as “consolidated or other” are not assessed due to subsequent events or new information that we considered.

^aThese data reflect progress made on 152 actions that were updated in fall 2015. GAO will update the status of all actions in the spring of 2016.

²⁷In 2010, Congress included a provision in statute for GAO to identify and report annually to Congress on federal programs, agencies, offices, and initiatives—either within departments or government-wide—that have duplicative goals or activities. Pub. L. No. 111-139, § 21, 124 Stat. 8. 29-30 (2010), *codified at* 31 U.S.C. § 712 note. As part of this work, we also identify additional opportunities to achieve greater efficiency and effectiveness that result in cost savings or enhanced revenue collection.

Other Open Recommendations with Significant Potential Benefits

While much progress has been made on many of our recommendations, other critical recommendations to improve efficiency and effectiveness across the federal government remain unimplemented. As of November 12, 2015, about 4,800 of our recommendations to the executive branch agencies and OMB remain open across the federal government.²⁸ The following examples illustrate opportunities for realizing significant financial, program, and operational benefits if our open recommendations are implemented.

DOD Weapon Systems Acquisitions

DOD's portfolio of major defense acquisition programs, which has been on our High-Risk List since 1990, consists of 78 programs with an estimated cost of \$1.4 trillion. While DOD continues to show progress in following a knowledge-based approach to reduce risk, it has significant room for improvement. While programs that have recently passed through major decision points have demonstrated best practices—such as constraining development times and achieving design stability—key practices like demonstrating technology maturity or controlling manufacturing processes are still not being fully implemented.²⁹ This is of particular concern for programs that have recently entered system development before satisfying best practices, leaving them at risk for future cost and schedule growth. However, we were pleased to find that more programs are implementing selected acquisition reforms focused on affordability, cost savings, and competition than in the past. Given the austere budgetary environment, the department should continue and even increase the use of these practices, as well as more fully implement others to avoid past problems.

We have open recommendations related to four acquisition programs that would benefit from the department's attention given the size of DOD's investments in them and their cost, schedule, and performance challenges, including:

²⁸The total number of recommendations shown is for the 24 CFO agencies and OMB. Classified recommendations are not included in this total.

²⁹GAO, *Defense Acquisitions: Assessments of Selected Weapon Programs* [Reissued on April 9, 2015], [GAO-15-342SP](#) (Washington, D.C.: Mar. 12, 2015).

-
- **F-35 Joint Strike Fighter Program:** In April 2015, we reported that the F-35 Joint Strike Fighter program continues to encounter significant technical problems, including engine and bulkhead failures, which require design changes at the same time aircraft production is well underway.³⁰ DOD plans to steeply increase F-35 funding over the next 5 years and projects that it will need between \$14 billion and \$15 billion annually for nearly a decade. This poses significant affordability challenges as other major programs—including the KC-46A Tanker, the DDG 51 Destroyer, and the Ohio-class submarine replacement—will vie for significant funding commitments at that time. Accordingly, we recommended that DOD conduct a comprehensive affordability analysis of the F-35 program’s procurement plan that reflects various assumptions about future technical progress and funding availability. DOD agreed with our recommendation, although it maintains it accomplishes this through its annual budget process. However, without a more thorough analysis of possible future scenarios, DOD may not be able to accurately account for the future technical and funding uncertainty it faces, and thus may not fully understand the affordability implications of increasing F-35 procurement funding at the planned rates.
 - **Littoral Combat Ships (LCS):** DOD also continues to contract for multiple LCS even though the ships have not demonstrated key capabilities. Specifically, the ships have not completed key testing, such as rough water, shock, and total ship survivability. The LCS’s ability to conduct missions with two of the three mission packages is also largely undemonstrated. Moreover, the Navy has significantly altered its acquisition strategy and is modifying the design of future ships. As a result, we recommended that key tests be successfully completed before contracting for additional ships.³¹ DOD partially concurred with our recommendation; however, unless the program is re-evaluated, the Navy remains at risk of procuring ships that do not meet mission requirements.
 - **CVN 78 Ford-class aircraft carrier:** The Navy faces technical, design, and construction challenges in completing the CVN 78 Ford-class aircraft carrier, which have already led to cost increases, schedule delays, and reduced capabilities. In particular, the maturity

³⁰GAO, *F-35 Joint Strike Fighter: Assessment Needed to Address Affordability Challenges*, [GAO-15-364](#) (Washington, D.C.: Apr. 14, 2015).

³¹GAO, *Littoral Combat Ship: Additional Testing and Improved Weight Management Needed Prior to Further Investments*, [GAO-14-749](#) (Washington, D.C.: Jul 30, 2014).

and testing of key technologies have fallen years behind. The ship is likely to need more time to complete testing. Cost estimates for the next carrier, CVN 79, have not fully reflected the actual experiences of CVN 78. As a result, we recommended that DOD explore capability tradeoffs, allot sufficient time for testing, and ensure that follow-on ships have realistic cost estimates.³² DOD generally concurred with our recommendations, but stated that the capability analysis would occur after operational testing, which we think may be too late to make effective tradeoff decisions, and the Navy continues to overlap test activities which will constrain its opportunities to implement corrective action.

- **Missile Defense Agency (MDA):** MDA faces acquisition management challenges that hamper the agency's ability to make wise investment choices and develop and deliver cutting edge, integrated technologies within budget and time constraints. For over a decade, MDA has provided Congress with very limited insight into cost and schedule growth for individual elements. While baseline reporting is improved, in many instances, there is no way to track cost and schedule growth over time using those baselines. In April 2013, we recommended that MDA stabilize acquisition baselines to enable meaningful comparisons over time and make its cost estimates more comprehensive by including operation and support costs.³³ While DOD concurred with our recommendations, since the issuance of our report, we continue to see content and costs shift within or between programs, making it difficult to make meaningful comparisons over time. We will continue to monitor MDA's progress on stabilizing its baselines over the course of future audits.

Medicare Program Payment Policy

In 2014, Medicare financed health services for about 54 million elderly and disabled beneficiaries at a cost of \$603 billion. Due to its size, complexity, and susceptibility to mismanagement and improper payments, we designated it as a high-risk program in 1990 and have identified several key recommendations to help address these issues.

³²GAO, *Ford-Class Carriers: Lead Ship Testing and Reliability Shortfalls Will Limit Initial Fleet Capabilities*, [GAO-13-396](#) (Washington, D.C.: Sept. 3, 2013).

³³GAO, *Missile Defense: Opportunity to Refocus on Strengthening Acquisition Management*, [GAO-13-432](#) (Washington, D.C.: Apr. 26, 2013).

For example, in January 2012, we recommended that the Centers' for Medicare & Medicaid Services (CMS) take steps to improve the accuracy of the adjustment made for differences in diagnostic coding practices between Medicare Advantage (MA) and Medicare Fee-For-Service. For example, CMS could better account for additional beneficiary characteristics, such as sex and residential location, and use more current and refined data in determining MA payments. We made our recommendation because we found that shortcomings in CMS's adjustment resulted in excess payments to MA plans totaling an estimated \$3.2 billion to \$5.1 billion over a 3-year period from 2010 through 2012.³⁴ CMS said it would take our findings into consideration, but as of April 2015 the agency has not established definitive plans or timeframes for improving the accuracy of its adjustment. Until CMS updates its practices, excess payments due to differences in coding practices are likely to increase.

Transparency and Integrity of Medicaid Program

Medicaid covered an estimated 65 million low-income people in fiscal year 2014, and enrollment is growing under PPACA. Medicaid outlays for fiscal year 2014 were \$508 billion, of which \$304 billion was financed by the federal government and the remainder by states. Medicaid accounted for 14 percent (\$17.5 billion) of the almost \$125 billion improper payment estimate in fiscal year 2014 with the estimate increasing to \$29.1 billion for fiscal year 2015 (government-wide estimate not yet available).³⁵ We designated Medicaid as a high-risk area in 2003.

Over the past several years, we made numerous recommendations that if effectively implemented, could improve program management, help reduce improper payments in these programs, and help improve the

³⁴GAO, Medicare Advantage: Substantial Excess Payment Underscore Need for CMS to Improve Accuracy of Risk Score Adjustments, [GAO-13-206](#) (Washington, D.C.: Jan 31, 2013) and Medicare Advantage: CMS Should Improve the Accuracy of Risk Score Adjustments for Diagnostic Coding Practices, [GAO-12-51](#) (Washington, D.C.: Jan 12, 2012)

³⁵Improper payments include payments that either were made in an incorrect amount, including underpayments, or should not have been made at all. See [GAO-16-92T](#). The government wide improper payment rate for 2015 is expected to be released in February 2016.

government's fiscal position. These recommendations include the following:

- **Medicaid Demonstrations:** We continue to be concerned that the approval process for demonstration waivers lacks transparency and raises cost concerns. For example, we estimated potential savings of about \$33 billion in five states if HHS had approved spending limits consistent with what documentation supported. We have a longstanding recommendation that HHS take certain steps to improve its budget neutrality process and policy so the basis for spending limits would be clear and consistent and ensure that these demonstrations, which now represent almost one-third of Medicaid expenditures, do not further increase federal Medicaid liabilities.³⁶ HHS does not agree with our recommendation and suggested that steps it has taken, such as updating some guidance, have increased transparency. We agree that these steps may provide some guidance, but the overall efforts fall short of clarifying HHS's budget neutrality policy.
- **Medicaid Improper Payments:** We reported concerns in 2014 that neither CMS nor the states are well-positioned to identify improper payments made to managed care organizations or to ensure that these organizations are taking appropriate steps to identify and prevent improper payments to providers.³⁷ Given the growth in managed care and its increasing share of Medicaid expenditures, the lack of a comprehensive program integrity strategy for managed care leaves a growing portion of Medicaid funds at risk. We recommended that CMS increase its oversight of Medicaid managed care program integrity. Specifically, we recommended that CMS provide audit support and guidance to states, and hold them accountable for closer scrutiny of managed care payments. CMS has proposed major new guidance related to Medicaid managed care and this guidance includes provisions that would be relevant to this recommendation.

Supplemental Security Income (SSI)

The Social Security Administration's (SSA) SSI program provides cash benefits to eligible low-income individuals with disabilities, including

³⁶GAO, *Medicaid Demonstration Waivers: Approval Process Raises Cost Concerns and Lacks Transparency*, [GAO-13-384](#) (Washington, D.C.: Jun. 25, 2013).

³⁷GAO, *Medicaid Program Integrity: Increased Oversight Needed to Ensure Integrity of Growing Managed Care Expenditures*, [GAO-14-341](#) (Washington, D.C.: May 19, 2014).

children. In December 2014, SSA paid more than \$860 million to about 1.3 million disabled children, the majority of whom received benefits due to a mental impairment.

SSA is required to periodically conduct reviews to determine if children are still eligible for payments, but in June 2012 we found that more than 24,000 continuing disability reviews (CDRs) for children with mental impairments were overdue by 6 or more years, including over 6,000 CDRs for children who were expected to medically improve within 6 to 18 months of their initial determination. We also identified several cases which exceeded their scheduled review date by 13 years or more. When CDRs are not conducted as scheduled, the potential for improper payments increases as some recipients receive benefits for which they are no longer eligible. SSA attributes delays in performing CDRs to resource limitations and other factors; SSA also generally gives lower priority to conducting CDRs for children receiving SSI. In 2012, we recommended that SSA eliminate the existing CDR backlog for children with impairments who are likely to improve and regularly conduct reviews for this group.

In each year since our audit, SSA has increased its number of reviews and officials said that with sustained, predictable funding, SSA will continue to work toward eliminating this backlog. In April 2015, we estimated that if this recommendation were implemented, SSA could potentially save \$3.1 billion over 5 years, based on our analysis of fiscal year 2011 data.³⁸ When reviews are not conducted as scheduled, the government is at risk of billions of dollars in overpayments.

U.S. Financial Regulatory System

Since 2009, we have designated the reform of the U.S. financial regulatory system as high-risk. In 2010, the Dodd-Frank Wall Street Reform and Consumer Protection Act created the Financial Stability Oversight Council (FSOC) to identify and address threats to the stability

³⁸GAO, *2015 Annual Report: Additional Opportunities to Reduce Fragmentation, Overlap, and Duplication and Achieve Other Financial Benefits*, [GAO-15-404SP](#) (Washington, D.C.: Apr. 14, 2015).

of the U.S. financial system and Office of Financial Research (OFR) to support FSOC and Congress by providing financial research and data.³⁹

In 2012, we reported that FSOC and OFR face challenges in achieving their missions to identify risks and respond to emerging threats to financial stability, and that some efforts may be duplicative because multiple FSOC members, such as the Federal Reserve, also have ongoing efforts to monitor threats to financial stability.⁴⁰ We recommended FSOC and OFR clarify responsibility for implementing requirements to monitor threats to financial stability across FSOC and OFR, including FSOC members and member agencies. In response, Treasury questioned the need for FSOC and OFR to clarify these responsibilities and as of October 2015, FSOC staff said formal distinctions are not needed because FSOC and OFR work well together. However, we maintain that more specific actions are still needed, as our past work has shown that without clearly delineating and coordinating roles and responsibilities, there can be duplication of efforts, confusion, and regulatory gaps.⁴¹

Information Security

The security of federal cyber security has been on our High-Risk List since 1997. Nineteen of 24 agencies covered by the Chief Financial Officers Act (CFO Act agencies)⁴² declared cybersecurity as a significant deficiency or material weakness for fiscal year 2014. In addition, most of the 24 agencies continue to have weaknesses in key controls such as those for limiting, preventing, and detecting inappropriate access to computer resources and managing the configurations of software and hardware.

Since 2010, we have made approximately 2,000 recommendations in this area. Executive branch agencies have taken steps to address them, but

³⁹Pub. L. No. 111-203, §§ 111–156, 124 Stat. 1376, 1392–1420 (2010).

⁴⁰GAO, *Financial Stability: New Council and Research Office Should Strengthen the Accountability and Transparency of Their Decisions* [GAO-12-886](#) (Washington, D.C.: Sept. 11, 2012).

⁴¹[GAO-12-886](#).

⁴²31 U.S.C. § 901(b).

about 840 recommendations remain outstanding. For example, we recommended that OMB (1) address agency cyber incident response practices in its oversight of agency information security programs, and (2) collaborate with stakeholders to enhance reporting guidance for the inspector general community.⁴³ OMB did not comment on the first recommendation and generally concurred with the second one, stating that it was working with stakeholders to improve the reporting process. Implementing these and other outstanding recommendations will enable federal agencies to better respond to cyberattacks and data breaches and will provide for more consistent and useful reporting to Congress.

Safety of the Food Supply

On our High-Risk List since 2007, the fragmented federal food safety system has caused inconsistent oversight, ineffective coordination, and inefficient use of resources. While agencies and Congress have taken some steps to improve federal food safety oversight, several key recommendations remain unimplemented. For example, in September 2014, we found that the U.S. Department of Agriculture (USDA), which is responsible for ensuring the safety of poultry products, had not developed performance measures for all poultry products, such as ground chicken, to determine whether poultry processing plants are meeting the agency's goals for protecting human health.⁴⁴ Ensuring the safety of poultry products is particularly important because poultry products contaminated with pathogens cause more deaths than any other commodity; specifically, Salmonella and Campylobacter cause more than 2 million human illnesses per year. We recommended that performance measures be developed to help reduce illnesses caused by Salmonella and Campylobacter contamination for certain types of chicken and turkey. USDA agreed with our recommendations and noted it is taking steps toward implementing them; however, measures and targets have yet to be established. In the absence of such measures and targets,

⁴³GAO, *Information Security: Agencies Need to Improve Cyber Incident Response Practices* [GAO-14-354](#) (Washington, D.C.: Apr. 30, 2014) and *Federal Information Security: Agencies Need to Correct Weaknesses and Fully Implement Security Programs*, [GAO-15-714](#) (Washington, D.C.: Sept. 29, 2015).

⁴⁴GAO, *Food Safety: USDA Needs to Strengthen Its Approach to Protecting Human Health from Pathogens in Poultry Products*, [GAO-14-744](#) (Washington, D.C.: Sept. 30, 2014).

performance information is not being publicly reported, limiting transparency, oversight, and accountability.

Strategic Sourcing

In the 2013 duplication and cost savings annual report, we reported that federal agencies could achieve significant cost savings annually by expanding and improving their use of strategic sourcing—a contracting process that moves away from numerous individual procurement actions to a broader aggregated approach. For example, DOD, DHS, VA, and the Department of Energy accounted for 80 percent of the \$537 billion in federal procurement spending in fiscal year 2011, but reported managing about 5 percent, or \$25.8 billion, through strategic sourcing efforts. In contrast, leading commercial firms leverage buying power by strategically managing 90 percent of their spending—achieving annual savings of 10 percent or more. While strategic sourcing may not be suitable for all procurement spending, we reported that a reduction of 1 percent from procurement spending at the largest agencies at that time would equate to over \$4 billion in savings annually—an opportunity also noted in the House Budget Resolution for fiscal year 2016.

OMB has made progress on improving strategic sourcing efforts across the federal government by issuing guidance on calculating savings for government-wide strategic sourcing contracts. In December 2014 it issued a memorandum on category management that, among other things, identifies federal spending categories suitable for strategic sourcing. These categories cover some of the government’s largest spending categories, including information technology and professional services, which, according to OMB, accounted for \$277 billion in fiscal year 2013 procurements. While these are important first steps, until OMB sets government-wide goals and establishes metrics, the government may miss opportunities for billions in cost savings through strategic sourcing.

Emergency Preparedness and Response

In December 2014, we recommended that DHS develop a plan to better control and reduce the Federal Emergency Management Agency’s (FEMA) administrative costs for major disasters. FEMA has begun efforts to develop an integrated plan to control and reduce administrative costs

for major disaster declarations.⁴⁵ However, until FEMA meets its targets for controlling administrative costs, these costs could continue to increase federal expenditures by millions of dollars. We also recommended that FEMA develop a methodology to better assess a jurisdiction capability to respond to and recover from a disaster without federal assistance.⁴⁶ FEMA has submitted a report to Congress outlining various options that it could take to implement our recommendation. However, without an accurate assessment of jurisdiction capabilities to respond to and recover from a disaster, FEMA runs the risk of recommending to the President that federal disaster assistance be awarded without considering a jurisdiction's response and recovery capabilities or its fiscal capacity.

Border Security

In recent years, we identified a number of recommendations for improving a variety of the DHS border security programs and operations. For example, we recommended that DHS enhance the U.S. Immigration and Customs Enforcement's (ICE) oversight of the Student and Exchange Visitor Program.⁴⁷ DHS has begun to take steps to address our recommendations, such as working to re-certify schools eligible to admit foreign students. To fully address the recommendations, DHS needs to complete its recertification process and take any necessary compliance actions to help ensure that schools approved to admit foreign students are consistently following program requirements and to better position ICE to identify and mitigate fraud and other risks in the program. We also recommended that U.S. Customs and Border Protection (CBP) improve the acquisition management of the Arizona Border Surveillance Technology Plan to better ensure the reliability of its planning documents, such as schedules and cost estimates; inform future decision-making about technology deployments; and assess the effectiveness of deployed technologies. CBP is working toward addressing these recommendations.

⁴⁵GAO, *Federal Emergency Management Agency: Opportunities Exist to Strengthen Oversight of Administrative Costs for Major Disasters*, [GAO-15-65](#) (Washington, D.C.: Dec. 17, 2014).

⁴⁶GAO, *Federal Disaster Assistance: Improved Criteria Needed to Assess a Jurisdiction's Capability to Respond and Recover on Its Own*, [GAO-12-838](#) (Washington, D.C.: Sept. 12, 2012).

⁴⁷GAO, *Student and Exchange Visitor Program; DHS Needs to Assess Risks and Strengthen Oversight Functions*, [GAO-12-572](#) (Washington, D.C.: Jun. 18, 2012).

Strategic Human Capital Management

Mission-critical skills gaps in such occupations as cybersecurity and acquisition pose a high-risk to the nation: whether within specific federal agencies or across the federal workforce, they impede federal agencies ability to cost-effectively serve the public and achieve results. Addressing complex challenges, such as disaster response, national and homeland security, and rapidly evolving technology and privacy security issues, requires a high-quality federal workforce able to work seamlessly with other agencies, levels of government, and across sectors. On our High-Risk List since 2011, we have reported on human capital strategies which will help agencies meet their mission in an era of constrained resources. We made several recommendations that collectively will strengthen agencies' leadership commitment and capacity to address skills gaps.⁴⁸ OPM agreed with these recommendations, which included the following:

- Strengthening OPM's coordination and leadership of government-wide human capital issues, in part by developing a government-wide human capital strategic plan that would establish priorities, time frames, responsibilities, and metrics to better align the efforts of members of the federal human capital community;
- Exploring the feasibility of expanded use of enterprise or "whole of government" solutions to address shared human capital issues—such as workforce planning tools and lessons learned that would help build the capacity of agencies to address skills gaps; and
- Reviewing the extent to which new capabilities are needed to promote agile talent management—including developing or sharing tools and resources to help identify skills gaps and mechanisms for increasing staff mobility within and across agencies.

In response, OPM is considering a multi-phase human capital strategy designed to, among other things, institutionalize processes for identifying and addressing government-wide and agency skills gaps and emphasize the use of workforce data and analytic tools.

Our work has also identified a number of opportunities for the government to reduce costs and increase revenue collections through congressional action, including the following examples:

⁴⁸GAO, *Human Capital: Strategies to Help Agencies Meet Their Missions in an Era of Highly Constrained Resources*, [GAO-14-168](#) (Washington, D.C.: May 7, 2014).

-
- **Social Security Offsets.** In our 2011 annual duplication and cost savings report, we reported that the SSA needs data from state and local governments on retirees who receive pensions from employment not covered under Social Security to better enforce offsets and ensure benefit fairness. In particular, SSA needs this information to fairly and accurately apply the Government Pension Offset, which generally applies to spouse and survivor benefits, and the Windfall Elimination Provision, which applies to retired worker benefits. The Social Security's Government Pension Offset and Windfall Elimination Provision attempt to take noncovered employment into account when calculating Social Security benefits. While information on receipt of pensions from noncovered employment is available for federal pension benefits from the federal Office of Personnel Management, it is not available to SSA for many state and local pension benefits.

We suggested that Congress give the IRS the authority to collect the information that SSA needs on government pension income to administer the Government Pension Offset (GPO) and Windfall Elimination Provision (WEP) accurately and fairly. The President's Fiscal Year 2016 Budget submission re-proposed legislation that would require state and local governments to provide information on their noncovered pension payments to SSA so that the agency can apply the GPO and WEP. The proposal includes funds for administrative expenses, with a portion available to states to develop a mechanism to provide this information. Providing information on the receipt of state and local noncovered pension benefits to SSA could help the agency more accurately and fairly administer the Government Pension Offset and Windfall Elimination Provision and could result in an estimated \$2.4 billion in savings over 10 years, according to CBO, if enforced both retrospectively and prospectively. If Social Security only enforced the offsets prospectively, the overall savings still would be less.

- **Paid Preparer Regulation.** Establishing requirements for paid tax return preparers could improve the accuracy of the tax returns they prepare. Oregon began regulating preparers in the 1970s and requires testing among other requirements. In August 2008, we found that the odds that a return filed by an Oregon paid preparer was accurate were 72 percent higher than the odds for a comparable return filed by a paid preparer in the rest of the country. In August 2014, IRS reported that 68 percent of all tax returns claiming the EITC in tax years 2006 and 2007 were prepared by paid tax preparers—

most of whom were not subject to any IRS regulation—and that from 43 to 50 percent of the returns overclaimed the credit.⁴⁹ Similarly, in our undercover visits in 2014 to randomly selected tax preparers, a sample that cannot be generalized, we found errors in EITC claims and non-Form W-2 income reporting (for example, cash tips) resulting in significant overstatement of refunds.⁵⁰ Establishing requirements for paid tax return preparers could improve the accuracy of the tax returns they prepare. In 2014, we suggested Congress consider granting IRS the authority to regulate paid tax preparers, if it agrees that significant paid preparer errors exist. Multiple bills have been introduced which, if enacted, would regulate paid preparers.

- **Math error authority.** IRS has the authority to correct calculation errors and check for other obvious noncompliance such as claims above income and credit limits. Treasury has proposed expanding IRS’s “math error” authority to “correctible error” authority to permit it to correct errors in cases where information provided by the taxpayer does not match information in government databases, among other things. Expanding such authority—which we have suggested Congress consider with appropriate safeguards—could help IRS correct additional errors and avoid burdensome audits and taxpayer penalties.⁵¹ In March 2015, JCT estimated that more flexible correctible error authority could raise \$133 million through 2025.

⁴⁹Internal Revenue Service, *Compliance Estimates for the Earned Income Tax Credit Claimed on 2006- 2008 Returns*, Publication 5162 (8-2014) (Washington, D.C.: August 2014).

⁵⁰GAO, *Paid Tax Return Preparers: In a Limited Study, Preparers Made Significant Errors*, [GAO-14-467T](#) (Washington, D.C.: Apr. 8, 2014). A previous study found similar results: see *Paid Tax Return Preparers: In a Limited Study, Chain Preparers Made Serious Errors*, [GAO-06-563T](#) (Washington, D.C.: Apr. 4, 2006).

⁵¹GAO, *Recovery Act: IRS Quickly Implemented Tax Provisions, but Reporting and Enforcement Improvements Are Needed*, [GAO-10-349](#) (Washington, D.C.: Feb. 10, 2010). GAO recently recommended that IRS assess whether data received from the health insurance marketplaces are sufficiently complete and accurate to be used to correct claims for the premium tax credit on returns, and if the assessment determines that such corrections would be effective, seek legislative “correctible error” authority for this specific purpose. GAO, *Patient Protection and Affordable Care Act: IRS Needs to Strengthen Oversight of Tax Provisions for Individuals*, [GAO-15-540](#) (Washington, D.C.: July 29, 2015).

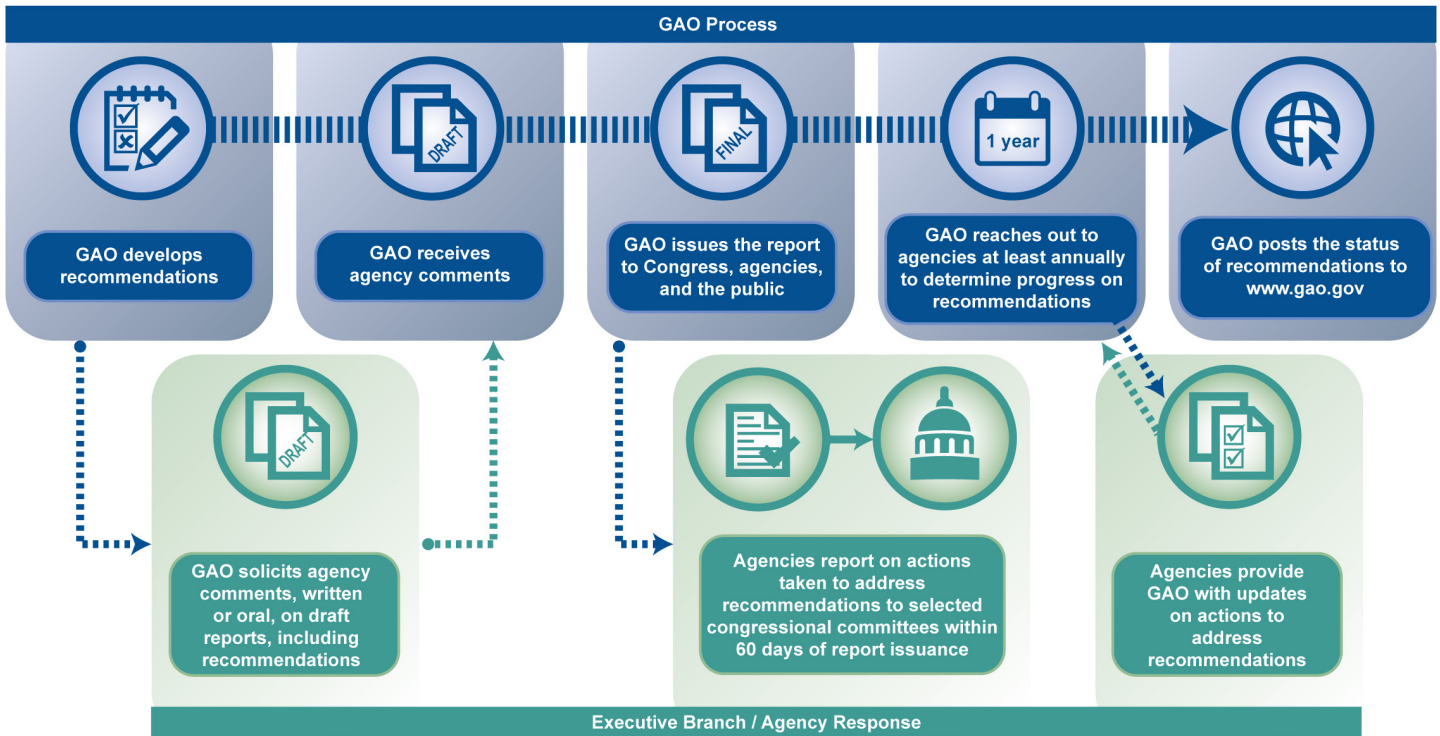
GAO Uses Various Mechanisms to Encourage Implementation of Its Recommendations

We focus attention on following up on our recommendations to help ensure that they are implemented effectively and in a timely manner. Notably, we engage with executive branch agencies on an on-going basis about opportunities to improve program performance during the course of our audit work. By communicating with executive branch agency officials throughout the audit process, deficiencies identified in our work can be immediately addressed, without waiting for a report to be issued. For example, when conducting our recent review of the IRS Whistleblower program, we identified some errors in awards payments IRS sent to whistleblowers. IRS took immediate action and reviewed all of its 17 closed high-dollar cases and found additional problems, which it resolved by providing affected whistleblowers with corrected award payments.⁵²

Figure 3 highlights the mechanisms we use to emphasize our recommendations.

⁵²Whistleblowers provide information to IRS and receive awards when IRS uses the information to collect underpaid taxes. GAO, *IRS Whistleblower Program: Billions Collected, but Timeliness and Communications May Discourage Whistleblowers*, [GAO-16-20](#) (Washington, D.C.: Oct. 29, 2015).

Figure 3: GAO's Process for Monitoring and Reporting on Recommendations



Source: GAO analysis. | GAO-16-272T

Agency Review and Comment. We provide executive branch agency officials with an opportunity to review and comment on a draft of our report, including the recommendations, before it is issued.⁵³ Through this process, agency officials may indicate steps that they are taking or planning to take to address the recommendations, and we reflect these steps in the report as appropriate. If the officials do not agree with our recommendations, they can provide the rationale for any disagreement

⁵³GAO does not seek comments from an agency or affected party when (1) disclosure of an investigation's results could pose risks to individuals and their confidentiality, (2) premature disclosure of information could compromise the results of the work, or (3) a product largely reflects prior GAO work. For example, a testimony statement that is largely based on issued GAO work is not provided for comment. GAO also reserves the right to issue a report without comments if they are not received in a timely manner. GAO, *GAO'S Agency Protocols*, [GAO-05-35G](#) (Washington, D.C.: Oct. 21, 2004).

with our report findings. After receiving the agency's comments, we consider their substance, revise the draft product as appropriate, and present the agency's comments in the final report.

Agency Reporting to Congress. When we issue a report containing recommendations to the head of an agency, that official is required by statute to submit a written statement of the actions taken by the agency on our recommendations to the Senate Committee on Homeland Security and Governmental Affairs and the House Committee on Oversight and Government Reform not later than 60 days after the date of the report and also to the Senate and House Appropriations Committees.⁵⁴ This process has been in place for over 40 years. I believe it is time to examine how well it is addressing Congress's needs, especially in the current budget environment. We will report the results of this examination to the committee.

Outreach to Agencies. At least once a year we reach out to agencies to determine the extent to which they have implemented our recommendations and if benefits can be attributed to our work. Throughout this process, our leadership works with executive branch agency officials to bring attention to our recommendations. Our analysts also update the status of recommendations when conducting related work on a particular topic.

Report on Recommendation Status. Updates are posted to a public database at www.gao.gov, which Congress can use to prepare for oversight hearings and budget deliberations. In addition, we update the status of recommendations when preparing testimony for Congress and as part of ongoing related work. Continued attention to recommendations is important because failure to implement our prior recommendations is often a major factor that leads to issues escalating to the point where they become high-risk.

In addition to these processes, our high-risk and fragmentation, overlap, and duplication work and efforts on priority recommendations highlight

⁵⁴31 U.S.C. § 720. The statute requires that the report be submitted to the Committee on Governmental Affairs of the Senate and the Committee on Government Operations of the House of Representatives. The current successor to the Senate committee is the Senate Committee on Homeland Security and Governmental Affairs and the successor to the House Committee is the House Committee on Oversight and Government Reform.

critical unimplemented recommendations that we believe warrant attention by agencies and Congress. We maintain attention on these issues through our biennial reports to Congress on high-risk issues and our annual reports on duplication and cost savings.

Monitoring areas of high-risk and fragmentation, overlap, and duplication. As part of our high-risk initiative, we have met with OMB's Deputy Director for Management and with top agency officials to discuss progress in addressing individual high-risk areas. Such efforts are critical to tracking progress, pinpointing improvement opportunities, and resolving high-risk issues.

To further progress on outstanding duplication and cost savings recommendations, we regularly engage with OMB and recently identified a list of key issues where OMB attention could be instrumental in furthering progress on recommendations that involve multiple agencies or government-wide improvements. We also monitor the progress executive branch agencies and Congress have made in addressing the over 500 actions identified in our 2011 through 2015 annual reports. To maintain attention on these issues, in 2013, we launched GAO's Action Tracker, a publicly accessible online search tool that allows executive branch agencies, Congress, and the public to track the progress the government is making in addressing the issues we have identified.

To stimulate further progress in addressing high-risk issues, Senators Ernst, Heitkamp, and Casey sponsored the Program Management Improvement Accountability Act (S. 1550) which, if enacted, would establish processes for improving program and project management across the federal government. The act, among other things, designates Program Management Improvement Officers at agencies and establishes an interagency council to make recommendations to OMB based on GAO's high-risk work. In addition, the act would have GAO review the effectiveness of these program and project management improvements outlined in the bill. In November 2015, the bill passed the Senate, and a related bill H.R. 2144 Program Management Improvement and Accountability Act of 2015 has been referred to the House Committee on Oversight and Government Reform.

Identifying priority recommendations. In 2015, we undertook an effort to call attention to unimplemented recommendations that we believe warrant priority attention by the Secretary or agency heads at key departments and agencies. We sent letters to the heads of key departments and agencies identifying these high priority

recommendations and urging the agency head to continue to provide attention to these issues.⁵⁵ Fully implementing these priority recommendations should yield significant improvements in agency operations, program management, or costs.

Initial agency response to our letters has been positive, and in some instances, agencies have begun to take action on the priority recommendations including the following examples:

- Following our letter to the Secretary of HHS, we met with CMS officials in October 2015 to discuss the agency's efforts to address our recommendations. Officials noted that they are now tracking open recommendations using a dashboard that includes quarterly targets for closing recommendations. To facilitate CMS's efforts to close our recommendations, we agreed to hold regular meetings to discuss the status of our recommendations and what remains to be done to close them.
- In response to our letter to GSA, the Administrator committed to continuing to work with us to address the priority recommendations in advance of our next high-risk update in February 2017. We meet quarterly with GSA senior executives to discuss progress on implementing recommendations that would help GSA take steps to remove federal real property management from our High-Risk List and address other key management concerns.

Working with Congress to address recommendations. Congress plays a key role in providing oversight and maintaining focus on our recommendations to ensure they are implemented and produce desired results. In addition to reporting on the status of recommendations to Congress, we engage with Congress on strategies for further addressing our recommendations. These strategies include incorporating our recommendations into legislation. For example, our improper payments work informed the Improper Payments Elimination and Recovery Improvement Act of 2012 (IPERIA), the latest in a series of laws Congress passed to address improper payments.⁵⁶

⁵⁵We plan to send letters to 23 CFO Act agencies. We are not sending a letter to the National Science Foundation because we had no key open recommendations involving that agency. We are also sending letters to the IRS and OMB.

⁵⁶Pub. L. No. 112-248, 126 Stat. 2390 (2013).

We also recommend agencies assess the need for legislation and report their findings to Congress. For example, we recommended that IRS fully assess the costs and benefits of accelerating Form W-2 deadlines to provide information needed for Congress to deliberate the merits of making such a significant change, which we previously reported could help improve problems associated with identity theft tax fraud and Earned Income Tax Credit improper payments.⁵⁷ In September 2015, IRS provided us a report on the potential costs and benefits of accelerating the Form W-2 deadlines, which concluded that the federal government could potentially protect billions of dollars in net revenue by using W-2 information to detect identity theft refund fraud before issuing refunds. We requested additional information on certain costs and benefits not detailed in the report. The Senate Committee on Finance held a hearing on improper payments and the tax gap in October 2015, which further brought attention to this issue.

Additionally, Congress can use its budget, appropriations, and oversight processes to incentivize executive branch agencies to act on our recommendations and monitor their progress. For example, Congress can hold hearings, withhold funds, or take other actions to provide incentives for the agencies to act. This strategy can be useful when agencies disagree or have a limited response to our recommendations. For example, Congress took such steps after we reported in 2012 that DOD's approach to acquiring combat uniforms was fragmented, potentially resulting in increased risk on the battlefield and lost opportunities to save millions of dollars. A provision in the National Defense Authorization Act for Fiscal Year 2014 established as policy that the Secretary of Defense shall eliminate the development and fielding of service-specific combat and camouflage utility uniforms in order to adopt and field common uniforms for specific environments to be used by all members of the armed forces.⁵⁸ Because of this legislation, the Army

⁵⁷GAO, Fiscal Outlook: Addressing Improper Payments and the Tax Gap Would Improve the Government's Fiscal Position, [GAO-16-92T](#) (Washington, D.C.: Oct. 1, 2015).

⁵⁸Pub. L. No. 113-66, § 352, 127 Stat. 672, 742–743 (2013). Subject to certain exceptions, the provision also prohibits the military departments from adopting new pattern designs or uniform fabrics unless they will be adopted by all services or the uniform is already in use by another service. In addition, DOD must issue implementing guidance requiring the military departments to, among other things, ensure that new uniforms meet commanders of combatant command's geographic and operational requirements and continually work together to assess and develop new uniform technologies to improve warfighter survivability.

chose not to introduce a new family of camouflage uniforms into its inventory, avoiding about \$4.2 billion in costs over 5 years. Congressional use of our work sends an unmistakable message to agencies that Congress considers these issues a priority.

In conclusion, as the fiscal pressures facing the government continue, so too does the need for executive branch agencies and Congress to improve the efficiency and effectiveness of government programs and activities. Our recommendations provide a significant opportunity to improve the government's fiscal position, better serve the public, and make government programs more efficient and effective. We will continue to work with Congress to monitor and draw attention to these important issues.

Chairman Lankford, Ranking Member Heitkamp, and Members of the Subcommittee, this completes my prepared statement. I would be pleased to answer questions that you may have at this time.

For further information on this testimony please contact Heather Krause, Acting Director, Strategic Issues, who may be reached at (202) 512-6806 or krauseh@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs offices may be found on the last page of this statement.

Appendix I: GAO's 2015 High Risk Areas Rated Against Five Criteria for Removal

Table 4: High-Risk Areas Rated Against Five Criteria for Removal

| High-Risk Area | Number of Criteria | | |
|--|--------------------|---------------|---------|
| | Met | Partially Met | Not Met |
| NASA Acquisition Management | 3 | 2 | 0 |
| Establishing Effective Mechanisms for Sharing and Managing Terrorism-Related Information to Protect the Homeland | 2 | 3 | 0 |
| Protecting Public Health through Enhanced Oversight of Medical Products | 2 | 3 | 0 |
| Strengthening Department of Homeland Security Management Functions | 2 | 3 | 0 |
| DOD Contract Management | 1 | 4 | 0 |
| DOD Supply Chain Management | 1 | 4 | 0 |
| DOD Weapon Systems Acquisition | 1 | 4 | 0 |
| Management of Federal Oil and Gas Resources | 1 | 4 | 0 |
| Medicare Program | 1 | 4 | 0 |
| Mitigating Gaps in Weather Satellite Data | 1 | 4 | 0 |
| Ensuring the Security of Federal Information Systems and Cyber Critical Infrastructure and Protecting the Privacy of Personally Identifiable Information | 1 | 4 | 0 |
| DOD Support Infrastructure Management | 0 | 5 | 0 |
| Ensuring the Effective Protection of Technologies Critical to U.S. National Security Interests | 0 | 5 | 0 |
| Improving and Modernizing Federal Disability Programs | 0 | 5 | 0 |
| Medicaid Program | 0 | 5 | 0 |
| Modernizing the U.S. Financial Regulatory System and Federal Role in Housing Finance | 0 | 5 | 0 |
| National Flood Insurance Program | 0 | 5 | 0 |
| Restructuring the U.S. Postal Service to Achieve Sustainable Financial Viability | 0 | 5 | 0 |
| Enforcement of Tax Laws | 1 | 3 | 1 |
| Managing Federal Real Property | 1 | 3 | 1 |
| DOD Business Systems Modernization | 0 | 4 | 1 |
| Strategic Human Capital Management | 0 | 4 | 1 |
| Transforming EPA's Processes for Assessing and Controlling Toxic Chemicals | 1 | 2 | 2 |
| DOD Financial Management | 0 | 3 | 2 |
| Limiting the Federal Government's Fiscal Exposure by Better Managing Climate Change Risks | 0 | 3 | 2 |
| Improving Federal Oversight of Food Safety | 0 | 3 | 2 |
| DOE's Contract Management for the National Nuclear Security Administration and Office of Environmental Management | 1 | 1 | 3 |
| DOD Approach to Business Transformation | 0 | 2 | 3 |
| Funding the Nation's Surface Transportation System | N/A | N/A | N/A |
| Improving the Management of IT Acquisitions and Operations | N/A | N/A | N/A |

**Appendix I: GAO's 2015 High Risk Areas Rated
Against Five Criteria for Removal**

| High-Risk Area | Number of Criteria | | |
|---|---------------------------|----------------------|----------------|
| | Met | Partially Met | Not Met |
| Managing Risks and Improving VA Health Care | N/A | N/A | N/A |
| Pension Benefit Guaranty Corporation Insurance Programs | N/A | N/A | N/A |

Legend: N/A = not applicable.

Source: GAO | GAO-16-272T

Note: There are four high-risk areas that received a “not applicable” rating because (1) they are either new to our 2015 High-Risk List (Managing Risks and Improving VA Health Care and Improving the Management of IT Acquisitions and Operations) or (2) addressing the high-risk area primarily involves congressional action and the high-risk criteria and subsequent ratings were developed to reflect the status of agencies’ actions and the additional steps they need to take (Funding the Nation’s Surface Transportation System and Pension Benefit Guaranty Corporation Insurance Programs).

This is a work of the U.S. government and is not subject to copyright protection in the United States. The published product may be reproduced and distributed in its entirety without further permission from GAO. However, because this work may contain copyrighted images or other material, permission from the copyright holder may be necessary if you wish to reproduce this material separately.

GAO's Mission

The Government Accountability Office, the audit, evaluation, and investigative arm of Congress, exists to support Congress in meeting its constitutional responsibilities and to help improve the performance and accountability of the federal government for the American people. GAO examines the use of public funds; evaluates federal programs and policies; and provides analyses, recommendations, and other assistance to help Congress make informed oversight, policy, and funding decisions. GAO's commitment to good government is reflected in its core values of accountability, integrity, and reliability.

Obtaining Copies of GAO Reports and Testimony

The fastest and easiest way to obtain copies of GAO documents at no cost is through GAO's website (<http://www.gao.gov>). Each weekday afternoon, GAO posts on its website newly released reports, testimony, and correspondence. To have GAO e-mail you a list of newly posted products, go to <http://www.gao.gov> and select "E-mail Updates."

Order by Phone

The price of each GAO publication reflects GAO's actual cost of production and distribution and depends on the number of pages in the publication and whether the publication is printed in color or black and white. Pricing and ordering information is posted on GAO's website, <http://www.gao.gov/ordering.htm>.

Place orders by calling (202) 512-6000, toll free (866) 801-7077, or TDD (202) 512-2537.

Orders may be paid for using American Express, Discover Card, MasterCard, Visa, check, or money order. Call for additional information.

Connect with GAO

Connect with GAO on [Facebook](#), [Flickr](#), [Twitter](#), and [YouTube](#).
Subscribe to our [RSS Feeds](#) or [E-mail Updates](#).
Listen to our [Podcasts](#) and read [The Watchblog](#).
Visit GAO on the web at www.gao.gov.

To Report Fraud, Waste, and Abuse in Federal Programs

Contact:

Website: <http://www.gao.gov/fraudnet/fraudnet.htm>

E-mail: fraudnet@gao.gov

Automated answering system: (800) 424-5454 or (202) 512-7470

Congressional Relations

Katherine Siggerud, Managing Director, siggerudk@gao.gov, (202) 512-4400, U.S. Government Accountability Office, 441 G Street NW, Room 7125, Washington, DC 20548

Public Affairs

Chuck Young, Managing Director, youngc1@gao.gov, (202) 512-4800
U.S. Government Accountability Office, 441 G Street NW, Room 7149
Washington, DC 20548



Please Print on Recycled Paper.