

# Fiscal Year 2019 Performance Plan

## ***GAO Supports Congressional Decision- Making, Conserves Resources, and Helps Improve Government***

The Government Accountability Office (GAO) is the audit, evaluation, and investigative arm of Congress. It exists to support Congress in meeting its constitutional responsibilities, and to improve the performance and accountability of the federal government for the benefit of the American people. As a legislative branch agency, we are exempt from many laws that apply to executive branch agencies. However, we generally hold ourselves to the requirements of many of these laws, including the Government Performance and Results Act (GPRA), as amended. GPRA requires that each agency prepare an annual “performance plan covering each program activity set forth in the budget of such agency.” This section of GAO’s fiscal year 2019 budget request constitutes our performance plan.

We are unique in our audit and evaluation capacity to support Congress by performing original research, providing technical assistance, and conducting analyses to help Congress make informed decisions across the federal budget—resulting in tangible results and enhanced oversight. Our work directly contributes to improvements in a broad array of federal programs affecting Americans everywhere.

We demonstrate our core values of accountability, integrity, and reliability by providing high-quality, high-value, and independent support to Congress in ways that generate material benefits to the nation. Given our reputation for consistently producing high-quality work that is typically

based on original research, it is not surprising that congressional demand for our products and services remains high. During fiscal year 2017, we received requests for work from 92 percent of the standing committees of Congress and about 40 percent of their subcommittees.

GAO continues to be one of the best investments in the federal government. In fiscal year 2017, our work brought about \$73.9 billion in financial benefits for the federal government (a return of about \$128 for every dollar invested in GAO), and over 1,280 other program and operational benefits that helped change laws, improve public services, and promote sound governance. Over 76 percent of our recommendations were implemented over a 4-year period. Additional information on our performance and accomplishments can be found in our Performance and Accountability Report for Fiscal Year 2017.<sup>1</sup>

In addition, our experts testified 99 times before 45 separate committees or subcommittees on a wide range of issues that touched virtually all major federal agencies—such as improving the government’s financial statements and fiscal outlook, addressing improper payments and the tax gap, improving the government’s efficiency and effectiveness, preventing high-risk travelers from boarding U.S.-bound flights, addressing Navy readiness, and improving the response to Zika virus outbreaks.

A list of selected testimony topics from fiscal year 2017 is included in table 1.

<sup>1</sup> <https://www.gao.gov/assets/690/688372.pdf>

**Table 1. Selected Fiscal Year 2017 Testimony Topics****Goal 1:** *Address Current and Emerging Challenges to the Well-Being and Financial Security of the American People*

- Controlling Medicaid's Improper Payments
- Restoring US Postal Service's Fiscal Sustainability
- Addressing Serious Weaknesses in Federal Programs Serving Indian Tribes
- Improving the Small Business Administration's Disaster Loan Assistance
- Providing Health Insurance Under the Patient Protection and Affordable Care Act
- Ensuring the Privacy and Accuracy of Face Recognition Technology
- Strengthening Oversight of the Low-Income Housing Tax Credit
- Using Lessons Learned from SafeTrack to Improve Future Rehabilitation Projects
- Early Observations on Implementation of the Every Student Succeeds Act
- Improving Federal Management of Indian Energy Resources
- Addressing Department of Energy's Management Challenges

**Goal 2:** *Respond to Changing Security Threats and the Challenges of Global Interdependence*

- Observations on the Use of Force Management Levels in Afghanistan, Iraq, Syria
- Observations on Implementation of Federal Immigration Laws – Northern Mariana Islands
- Addressing Challenges to DOD's Delivery of Critical Space Capabilities
- Enhancing Controls Over DOD's Excess Property
- Observations on Challenges Facing Navy Readiness
- Improving DHS's Border Security: Addressing Threats Posed by High-Risk Travelers and Strengthening Visa Security
- Increasing DOD's Accountability Over Equipment Provided to Iraq's Security Forces
- Improving the Response to Zika Virus Outbreaks
- Strengthening US Cybersecurity Capabilities
- Addressing Critical Acquisition Decisions for the Littoral Combat Ship and Frigate

**Goal 3:** *Help Transform the Federal Government to Address National Challenges*

- Addressing DATA Act Implementation Challenges
- Improving Anti-Fraud Efforts for Social Security Administration Disability Benefits
- Improving IG Oversight of the Architect of the Capital Operations
- Protecting Older Adults from Abuse by Guardians
- Addressing Improper Payment Estimates and Ongoing Efforts to Reduce Them
- Reducing Fragmentation, Overlap, and Duplication in Federal Programs
- Improving VA's Management of IT
- Improving Implementation of IT Reform Law Critical to Effective Management
- Addressing Cybersecurity Workforce Challenges
- Reducing Collection, Use, and Display of Social Security Numbers
- Using Leading Human Capital Practices to Improve Agency Performance
- Assessing Progress on Preparations for the 2020 Census
- Addressing Implementation Challenges with IRS's New Wage Verification Process
- Improving Government Efficiency and Effectiveness to Reduce Federal Costs

Source: GAO-18-2SP

## **GAO Services Integral to Congressional Priorities**

GAO's continued high performance is evidence of the critical role it plays in helping Congress and the American people better understand important issues. We issue hundreds of products annually in response to congressional requests and mandates that cover all aspects of the federal government's operations, including health care at the Department of Veterans Affairs (VA), defense acquisitions, border security, cybersecurity, and the Patient Protection and Affordable Care Act.

In April 2017, we issued our seventh annual report to Congress on federal programs, agencies, offices, and initiatives that have duplicative goals or activities, as well as opportunities to save money or collect more revenue. ([GAO-17-491SP](#))

Our 2017 duplication report identified 79 new actions that executive branch agencies or Congress could take to improve the efficiency and effectiveness of government across 29 new areas. Of these, we identified 15 areas in which there is evidence of fragmentation, overlap, or duplication. For example, we found that the Army and Air Force could save tens of millions of dollars by improving how they manage their virtual training programs to avoid fragmentation.

We also identified 14 areas to save money or enhance revenues. For example, we found that Department of Energy could potentially save tens of billions of dollars by improving its analysis of options for storing defense and commercial high-level nuclear waste and fuel.

In addition to identifying new areas, we continued to monitor the progress Congress and executive branch agencies have made

in addressing the 645 actions that we identified between 2011 and 2016. Congressional and executive branch efforts to address these actions over the past 6 years have resulted in roughly \$136 billion in financial benefits—\$75 billion has already accrued and an additional \$61 billion is estimated to accrue in future years.

Policymakers and the public can track the status of congressional and executive branch efforts to address these issues with GAO's Action Tracker, which is located on our website under the "Duplication and Cost Savings" collection.

## **GAO's High Risk List**

Our biennial High Risk Series identifies opportunities for cost savings and improvements in federal programs that could save billions of dollars, dramatically improve services to the public, and strengthen confidence and trust in the performance and accountability of the government. The High Risk Series focuses on federal areas and programs at risk of fraud, waste, abuse, and mismanagement, or those in need of broad-based transformation.

Overall, the High Risk Series has served to identify and help resolve serious weaknesses in areas that involve substantial resources and provide critical services to the public. In fiscal year 2017, we issued 154 reports, delivered 43 testimonies to Congress, and prepared numerous briefings and presentations related to the High Risk Series. In addition, we documented \$42.2 billion in financial benefits and 519 program benefits related to high risk areas.

Table 2 shows our current High Risk List, which was updated in September 2017.

**Table 2. GAO's High Risk List, as of September 2017**

| High Risk Area   | Year Designated |
|--|-----------------|
| <b>Strengthening the Foundation for Efficiency and Effectiveness</b>   |                 |
| ▪ Improving Federal Programs that Serve Tribes and their Members ( <i>new</i> )  | 2017            |
| ▪ 2020 Decennial Census ( <i>new</i> )   | 2017            |
| ▪ U.S. Government Environmental Liabilities ( <i>new</i> )   | 2017            |
| ▪ Improving the Management of IT Acquisitions and Operations   | 2015            |
| ▪ Limiting the Federal Government's Fiscal Exposure by Better Managing Climate Change Risks  | 2013            |
| ▪ Management of Federal Oil and Gas Resources  | 2011            |
| ▪ Modernizing the US Financial Regulatory System and the Federal Role in Housing Finance   | 2009            |
| ▪ Restructuring the US Postal Service to Achieve Sustainable Financial Viability   | 2009            |
| ▪ Funding the Nation's Surface Transportation System   | 2007            |
| ▪ Managing Federal Real Property   | 2003            |
| ▪ Strategic Human Capital Management   | 2001            |
| <b>Transforming DOD Program Management</b>   |                 |
| ▪ DOD Approach to Business Transformation  | 2005            |
| ▪ DOD Support Infrastructure Management  | 1997            |
| ▪ DOD Business Systems Modernization   | 1995            |
| ▪ DOD Financial Management   | 1995            |
| ▪ DOD Supply Chain Management  | 1990            |
| ▪ DOD Weapon Systems Acquisitions  | 1990            |
| <b>Ensuring Public Safety and Security</b>   |                 |
| ▪ Mitigating Gaps in Weather Satellite Data  | 2013            |
| ▪ Protecting Public Health through Enhanced Oversight of Medical Products  | 2009            |
| ▪ Transforming EPA's Processes for Assessing and Controlling Toxic Chemicals   | 2009            |
| ▪ Ensuring the Effective Protection of Technologies Critical to US Security Interests  | 2007            |
| ▪ Improving Federal Oversight of Food Safety   | 2007            |
| ▪ Strengthening Department of Homeland Security Management Functions   | 2003            |
| ▪ Ensuring the Security of Federal Information Systems and Cyber-Critical Infrastructure and Protecting the Privacy of Personally Identifiable Information | 1997            |
| <b>Managing Federal Contracting More Effectively</b>   |                 |
| ▪ DOD Contract Management  | 1992            |
| ▪ DOE's Contract Management for the National Nuclear Security Administration and the Office of Environmental Management                                    | 1990            |
| ▪ NASA Acquisition Management  | 1990            |
| <b>Assessing the Efficiency and Effectiveness of Tax Law Administration</b>  |                 |
| ▪ Enforcement of Tax Laws  | 1990            |
| <b>Modernizing and Safeguarding Insurance and Benefit Programs</b>   |                 |
| ▪ Managing Risks and Improving VA Health Care  | 2015            |
| ▪ National Flood Insurance Program   | 2006            |
| ▪ Improving and Modernizing Federal Disability Programs  | 2003            |
| ▪ Pension Benefit Guaranty Corporation Insurance Programs  | 2003            |
| ▪ Medicaid Program   | 2003            |
| ▪ Medicare Program   | 1990            |

Source: GAO | GAO 18-2SP

## **GAO Seeks to Increase Staff Capacity and Invest in IT and Building Infrastructure**

A talented, diverse, high-performing, and knowledgeable workforce is essential to fulfilling our mission to support Congress. As a knowledge-based organization, we must attract and retain the top talent in an increasingly competitive job market.

Through recruiting efforts and our intern program, we filled entry-level positions and addressed skill gaps by bringing on 175 new staff in fiscal year 2017. We used 2,994 full-time equivalent staff (FTE) in fiscal year 2017. Recruitment will continue to focus on building entry-level capacity, and addressing senior-level succession planning challenges. We also plan to continue and bolster our intern program.

Our fiscal year 2019 budget request of \$643.6 million will enable us to address mandatory inflationary costs and pay-related increases, make investments in information technology (IT) and building infrastructure, and make critical additions to our staff capacity. We expect to offset our costs by \$27.5 million in receipts and reimbursements, primarily from program/financial audits and rental income.

Our talented workforce is our most valued asset in meeting our mission requirements. Our FY 2019 request will allow us to increase our FTE level to 3,075 FTEs. Our fiscal year 2019 request also includes funding to continue replacing outdated IT systems, as well as our ongoing effort to modernize our product development and distribution processes (New Blue). Additionally, GAO will transition its headquarters data processing capability to a third-party alternate computing facility located outside of the Washington, DC area.

This effort will require investments in infrastructure and communications to effectively operate the near real-time data processing activities. In addition to investing in next-generation IT infrastructure, GAO will also focus on making building and security improvements at both the headquarters building and in the field. Over the next 2 fiscal years, GAO will invest in field office relocations and renovations, make critical headquarters building improvements and repairs, conduct an agency-wide security risk assessment, and renovate a portion of the headquarters building that will be rented out for an estimated \$2 million in annual rental income.

IT and building infrastructure improvements are essential to supporting a productive, diverse, and vibrant workforce. This is particularly true for a knowledge-based organization like GAO. Recent IT initiatives, such as the New Blue engagement management system and cloud-based computing, have helped to make GAO staff more productive and responsive.

Likewise, recent space consolidation efforts, coupled with an agency-wide telework program, have afforded staff more flexibility to perform their jobs and saved the agency millions of dollars annually. These savings have been critical to preserving staff capacity, which has hovered near its historic low for the past 5 years. Going forward, it will be paramount to not only increase staff capacity, but to also consider succession planning efforts for senior staff.

A significant proportion of our employees are retirement eligible, including almost 39 percent of senior executive staff and 22 percent of supervisory analysts. Without a budget increase, we risk being unable to backfill leadership positions and maintain sufficient staff capacity to meet the highest congressional priorities. A summary of our funding sources is shown in Table 3.

**Table 3: GAO Funding Sources (dollars in thousands)**

| Funding Source                           | Fiscal Year 2017<br>Actual |                  | Fiscal Year 2018<br>CR Level |                  | Fiscal Year 2019<br>Request |                  |
|--|----------------------------|------------------|------------------------------|------------------|-----------------------------|------------------|
|  | FTE                        | Amount           | FTE                          | Amount           | FTE                         | Amount           |
| Salaries and Expenses Appropriation      | 2,994                      | \$543,851        | 2,900                        | \$540,808        | 3,075                       | \$616,101        |
| Offsetting receipts <sup>a</sup>         |                            | 22,643           |                              | 25,500           |                             | 23,700           |
| Reimbursements <sup>b</sup>              |                            | 5,175            |                              | 7,000            |                             | 3,300            |
| Center for Audit Excellence <sup>c</sup> |                            | 345              |                              | 500              |                             | 500              |
| <b>Total budget authority</b>            | <b>2,994</b>               | <b>\$572,014</b> | <b>2,900</b>                 | <b>\$573,808</b> | <b>3,075</b>                | <b>\$643,601</b> |

Source: GAO

<sup>a</sup> Estimated receipts available primarily from the U.S. Army Corps of Engineers and the Department of Justice (DOJ) for rental of space in the GAO headquarters building, and reimbursement of our costs incurred in conducting financial audits of the Federal Deposit Insurance Corporation (FDIC), Internal Revenue Service (IRS), Schedule of Federal Debt, and Securities and Exchange Commission (SEC).

<sup>b</sup> Estimated reimbursements of our costs incurred in conducting mandated program and financial audits of the Federal Housing Finance Agency (FHFA), Consumer Financial Protection Bureau, SEC, Troubled Asset Relief Program (TARP), operation of the Federal Accounting Standards Advisory Board, and collection of bid protest system user fees.

<sup>c</sup> The Consolidated and Further Continuing Appropriations Act, 2015, enacted in December 2014, directed GAO to establish a Center for Audit Excellence (the Center) to build institutional auditing capacity and promote good governance by providing training and assistance to qualified personnel and entities. It also authorized GAO to charge fees for the Center's products and services.

## ***The Strategic Plan Illustrates the Wide Array of Issues That GAO Covers***

GAO's strategic plan for fiscal years 2014-2019<sup>2</sup> reflects the wide array of national and international issues that we cover in our mission to support Congress. Our strategic plan is based on a four-tiered hierarchy—four strategic goals (the highest tier), followed by strategic objectives, performance goals, and key efforts. Each strategic goal is comprised of strategic objectives, for which there are specific strategies taking the form of performance goals (each of which has a set of key efforts).

GAO conducts specific engagements as a result of requests from congressional committees and mandates written into legislation, resolutions, and committee reports. In FY 2017, 96 percent of our engagement resources were devoted to work requested or mandated by Congress. The remaining 4 percent of engagement resources were devoted to work initiated under the Comptroller General's authority. Much of the work initiated under the Comptroller General's authority addressed various challenges that are of broad-based interest to Congress.

GAO's work helps support congressional decision-making. Our review of agencies' budget requests and government programs and operations identify programs that are at high risk for fraud, waste, abuse, and mismanagement.

<sup>2</sup> The complete set of GAO's strategic planning and performance and accountability reports is available online: <http://www.gao.gov/sp.html>.

To fulfill our mission, GAO organizes and manages our resources to support four broad strategic goals. Our audit, evaluation, and investigative work is primarily aligned under the first three strategic goals; our

internal management work is under the fourth.

The list of our four strategic goals and the related strategic objectives follows:

**Goal 1: *Address Current and Emerging Challenges to the Well-Being and Financial Security of the American People***

- Financing and Programs to Serve the Health Needs of an Aging and Diverse Population
- Lifelong Learning to Enhance U.S. Competitiveness
- Benefits and Protections for Workers, Families, and Children
- Supporting the Financial Security and Well-Being of an Aging Population
- A Responsive, Fair, and Effective System of Justice
- Housing Finance and Viable Communities
- A Stable Financial System and Sufficient Consumer Protection
- Responsible Stewardship of Natural Resources and the Environment
- A Viable, Safe, Secure, and Accessible National Physical Infrastructure

**Goal 2: *Respond to Changing Security Threats and the Challenges of Global Interdependence***

- Protect and Serve the Homeland from Threats and Disasters
- Effectively and Efficiently Utilize Resources for Military Capabilities and Readiness
- Advance and Protect U.S. Foreign Policy Interests and International Economic Interests

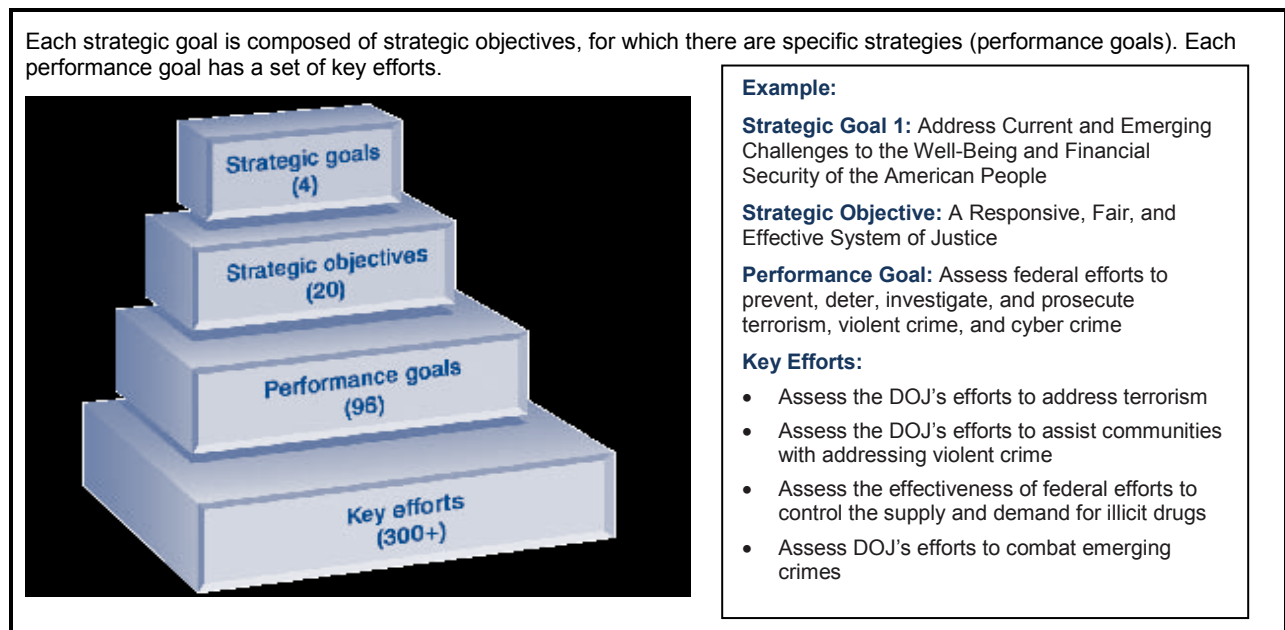
**Goal 3: *Help Transform the Federal Government to Address National Challenges***

- Analyze the Government's Fiscal Condition and Opportunities to Strengthen Approaches to Address the Current and Projected Fiscal Gaps
- Support Government Accountability by Identifying Fraud, Waste, and Abuse, and Needed Improvements in Internal Controls
- Support Congressional Oversight of Crosscutting Issues and Major Management Challenges and Program Risks
- Establish and Maintain Government Auditing Standards and Standards for Internal Control in the Federal Government

**Goal 4: Maximize the Value of GAO by Enabling Quality, Timely Service to Congress and Being a Leading Practices Federal Agency**

- Improve Efficiency and Effectiveness in Performing GAO’s Mission and Delivering Quality Products and Services to Congress and the American People
- Maintain and Enhance a Diverse Workforce and Inclusive Work Environment through Strategically Targeted Recruiting, Hiring, Development, Reward, and Retention Programs
- Expand Networks, Collaborations, and Partnerships That Promote Professional Standards and Enhance GAO’s Knowledge, Agility, and Response Time
- Be a Responsible Steward of GAO’s Human, Information, Fiscal, Technological, and Physical Resources

**Figure 1: GAO’s Strategic Planning Hierarchy**



Source: GAO | GAO-18-2SP



To track progress on the performance goals, GAO collects data on results, client

engagement, human capital, and internal operations.

**Table 4: Agency-Wide Summary of Annual Measures and Targets**

| Performance measure                               | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Actual | 2018 Target | 2019 Target |
|---|-------------|-------------|-------------|-------------|-------------|-------------|
| <b>Results</b>                                    |             |             |             |             |             |             |
| Financial benefits ( <i>dollars in billions</i> ) | \$54.4      | \$74.7      | \$63.4      | \$73.9      | \$50.0      | \$50.0      |
| Program and operational benefits                  | 1,288       | 1,286       | 1,234       | 1,280       | 1,200       | 1,200       |
| Past recommendations implemented                  | 78%         | 79%         | 73%         | 76%         | 80%         | 80%         |
| New products with recommendations                 | 64%         | 66%         | 68%         | 63%         | 60%         | 60%         |
| <b>Client</b>                                     |             |             |             |             |             |             |
| Testimonies                                       | 129         | 109         | 119         | 99          | 120         | 120         |
| Timeliness <sup>a</sup>                           | 95%         | 98%         | 94%         | 96%         | 90%         | 90%         |
| <b>People</b>                                     |             |             |             |             |             |             |
| New hire rate                                     | 88%         | 83%         | 81%         | 83%         | 80%         | 80%         |
| Retention rate                                    |             |             |             |             |             |             |
| With retirements                                  | 94%         | 94%         | 93%         | 94%         | 92%         | 92%         |
| Without retirements                               | 97%         | 96%         | 96%         | 97%         | 96%         | 96%         |
| Staff development                                 | 83%         | 84%         | 83%         | 84%         | 80%         | 80%         |
| Staff utilization                                 | 77%         | 79%         | 79%         | 80%         | 76%         | 76%         |
| Effective leadership by supervisors               | 83%         | 83%         | 85%         | 84%         | 82%         | 82%         |
| Organizational climate                            | 79%         | 80%         | 81%         | 83%         | 76%         | 76%         |
| <b>Internal operations</b> <sup>b,c</sup>         |             |             |             |             |             |             |
| Help to get job done                              | 82%         | 80%         | N/A         | 84%         | 80%         | 80%         |
| Quality of work life                              | 78%         | 78%         | N/A         | 82%         | 80%         | 80%         |
| IT tools <sup>d</sup>                             | 65%         | 67%         | N/A         | 74%         | 80%         | 80%         |

Source: GAO | GAO-17-1SP

<sup>a</sup> The timeliness measure is based on one question on a form sent out to selected clients. The response rate for the form in FY 2016 was 26 percent, and 98 percent of the clients who responded answered this question. The percentage shown in the table represents the percentage of respondents who answered favorably to this question on the form.

<sup>b</sup> We conducted the survey for these measures on a calendar-year basis in 2016, and, therefore do not have fiscal-year-end results to report—this is denoted by N/A. For FY 2017, the survey was conducted on a fiscal-year basis.

<sup>c</sup> The targets for all three categories in 2015 were 80 percent.

<sup>d</sup> In 2013, we added the IT performance measure to better gauge and track satisfaction with our IT services. In prior survey years, IT services were covered under one of the other performance measures so the years prior to addition of the performance measure are denoted by N/A.

## Budgetary Resources by Goal

Table 5 provides an overview of how our human capital and budgetary resources are

allocated among the strategic goals for fiscal years 2016–2019.

**Table 5: Strategic Goal Resource Allocation (dollars in millions)**

| Strategic Goal  | Fiscal Year 2016 Actual |              | Fiscal Year 2017 Actual |              | Fiscal Year 2018 CR Level |              | Fiscal Year 2019 Request |              |
|---|-------------------------|--------------|-------------------------|--------------|---------------------------|--------------|--------------------------|--------------|
|   | FTE                     | Amount       | FTE                     | Amount       | FTE                       | Amount       | FTE                      | Amount       |
| <b>Goal 1</b><br>Address current and emerging challenges to the well-being and financial security of the American people                | 1,095                   | \$203        | 1,108                   | \$213        | 1,073                     | \$214        | 1,138                    | \$240        |
| <b>Goal 2</b><br>Respond to changing security threats and the challenges of global interdependence                                      | 792                     | 147          | 779                     | 146          | 754                       | 147          | 800                      | 164          |
| <b>Goal 3</b><br>Help transform the federal government to address national challenges   | 776                     | 163          | 795                     | 166          | 771                       | 166          | 818                      | 186          |
| <b>Goal 4</b><br>Maximize the value of GAO by enabling quality, timely service to Congress and being a leading practices federal agency | 87                      | 17           | 72                      | 14           | 70                        | 14           | 74                       | 16           |
| <b>Direct congressional support<sup>a</sup></b>   | 233                     | 31           | 240                     | 33           | 232                       | 33           | 245                      | 38           |
| <b>Total budgetary resources</b>  | <b>2,983</b>            | <b>\$561</b> | <b>2,994</b>            | <b>\$572</b> | <b>2,900</b>              | <b>\$574</b> | <b>3,075</b>             | <b>\$644</b> |

Source: GAO

<sup>a</sup>In FY 2012, a new cost category was added to the budget request to present resources which directly support Congress and which represent GAO's fulfillment of its statutory responsibilities which were not engagement specific. Examples of this work include General Counsel statutory procurement activities, follow-up on the status of GAO recommendations, and the Federal Accounting Standards Advisory Board activities. Previously, this work was not separately disclosed but was rather allocated to the other cost categories.

## Performance Plans by Strategic Goal

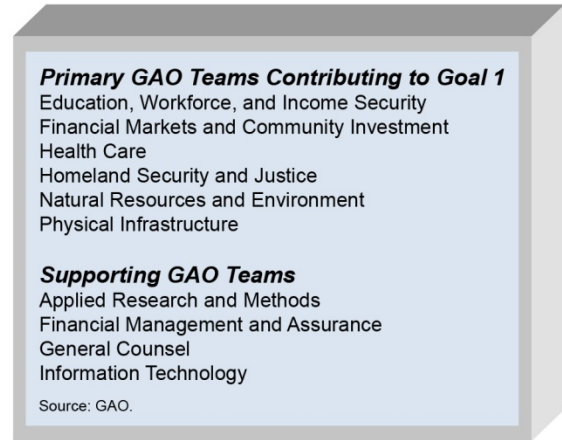
The following sections provide more detailed information on our performance results, strategic objectives, and plans for each of the four strategic goals. These objectives, along with the performance goals and key efforts that support them, are discussed fully in our strategic plan: <http://www.gao.gov/about/stratplanning.html>

For Goals 1, 2, and 3—the external goals—GAO presents performance results for the three annual measures assessed at the goal level.

### Goal 1

GAO’s first strategic goal upholds our mission to support Congress in carrying out its constitutional responsibilities by focusing

on work that helps address the current and emerging challenges affecting the well-being and financial security of the American people.



The following table presents selected benefits attributable to Goal 1 in fiscal year 2017.

**Table 6: Selected Goal 1 Benefits in Fiscal Year 2017**

|   |   |
|---|---|
| <b>Financial benefits</b>               | <ul style="list-style-type: none"> <li>• Prompted the auctioning of the broadcast television spectrum by the Federal Communications Commission (FCC) (\$7.3 billion)</li> <li>• Reduced TRICARE payments by identifying compounded drugs that contain non-FDA-approved ingredients (\$1.9 billion)</li> <li>• Prompted the Department of Housing and Urban Development to use alternative means to minimize costs associated with foreclosed properties (\$564 million)</li> </ul>  |
| <b>Program and operational benefits</b> | <ul style="list-style-type: none"> <li>• Prompted Congress and VA to streamline appeals process for veterans’ disability claims</li> <li>• Prompted the Consumer Financial Protection Bureau to collect better data on nonbank mortgage servicers, which will help the agency better understand and respond to consumer risks related to these servicers</li> <li>• Prompted SEC supervisors to address performance and develop procedures for assessing all its personnel management activities and programs, including criteria for conducting the reviews</li> <li>• Recommended the General Services Administration notify tenants of foreign building ownership, which resulted in enhanced security programs</li> </ul> |
| <b>Testimonies</b>                      | <ul style="list-style-type: none"> <li>• Improving the VA’s claims process for Gulf War Illness</li> <li>• Ensuring better privacy and accuracy of face recognition technology used by the FBI and the DOJ</li> <li>• Improve the federal government’s management of Indian energy resources</li> </ul>   |

Source: GAO | GAO-18-2SP

A summary of Goal 1 performance results and targets is shown in the following table.

**Table 7: Strategic Goal 1's Annual Performance Results and Targets (dollars in billions)**

| Performance measures             | 2014 Actual | 2015 Actual <sup>a</sup> | 2016 Actual | 2017 Actual <sup>a</sup> | 2018 Target | 2019 Target |
|----------------------------------|-------------|--------------------------|-------------|--------------------------|-------------|-------------|
| Financial benefits               | \$15.5      | \$51.4                   | \$19.6      | \$22.4                   | \$11.0      | \$11.0      |
| Program and operational benefits | 240         | 255                      | 284         | 263                      | 246         | 246         |
| Testimonies                      | 57          | 57                       | 38          | 48                       | 48          | 48          |

Source: GAO | GAO-18-2SP

<sup>a</sup> We received some unexpectedly large financial benefits in fiscal years 2015 and 2017. We do not expect this level of results in 2018.

Table 8 provides examples of work GAO plans to conduct during FYs 2018 and 2019 under Goal 1.

**Table 8: Examples of Planned Work under Goal 1**

**Financial Security**

- Examine the impact of caregiving to family members on retirement security
- Assess the impact of financial services regulations, including their impact on the financial marketplace
- Examine the costs and consequences of untreated mental health and substance abuse issues

**Social Programs**

- Examine the Affordable Care Act Marketplace Outreach for 2017 compared to past years
- Examine the cost structure of Medicare Parts A and B
- Review federal homeless assistance efforts
- Assess the impact of automation and artificial intelligence on the U.S. workforce

**Effective Systems**

- Review anti-money laundering efforts and regulations to counter the financing of terrorism
- Evaluate the Small Business Administration's methodology for assessing agencies based on their small business contracting performance
- Assess effectiveness of efforts to identify and address lead paint hazards in housing, and opportunities to leverage non-federal funds
- Assess protections for consumers in the wake of data breaches, as well as alternative mechanisms for establishing identity

Source: GAO | GAO-18-2SP

**Goal 2**

Our second strategic goal focuses on helping Congress and the federal government in *responding to changing security threats and the challenges of global interdependence*. The federal government is working to promote foreign policy goals, sound trade policies, and other strategies to advance the interests of the United States and our allies. The federal government is also working to balance national security demands overseas and at home with an evolving national security environment.

**Primary GAO Teams Contributing to Goal 2**

- Acquisition and Sourcing Management
- Defense Capabilities and Management
- Homeland Security and Justice
- International Affairs and Trade

**Supporting GAO Teams**

- Applied Research and Methods
- Financial Management and Assurance
- Financial Markets and Community Investment
- General Counsel
- Information Technology
- Natural Resources and Environment

Source: GAO.

The following table presents selected Goal 2 benefits in fiscal year 2017.

**Table 9: Selected Goal 2 Benefits in fiscal year 2017**

**Financial benefits**

- Identified best practices that helped DOD improve the way it develops and acquires weapons systems (\$36 billion)
- Recommended the Navy delay its decision on a new Littoral Combat Ship design until improved knowledge about the design becomes available (\$1.4 billion)
- Prompted the Federal Emergency Management Agency to take steps to ensure that rate-setting methods for flood insurance accurately reflect the risk of losses from flooding (\$290 million)

**Program and operational benefits**

- Prompted the Treasury to begin requiring insurers to annually submit data on terrorism insurance policies, such as premiums and location of coverage
- Contributed to congressional actions requiring DOD manage the multi-billion-dollar F-35 modernization program separately and distinctly to ensure that oversight mechanisms are in place
- Prompted congressional and DOD actions to identify and mitigate availability risks of rare earth materials critical to national security
- Recommended improvements to the State Department’s Anti-Terrorism Assistance Program, which allowed for better information about foreign participants

**Testimonies**

- Addressing challenges to DOD’s acquisition of critical space technologies
- Highlighting key challenges the Coast Guard faces in acquiring new assets, as well as the overall affordability of its acquisition portfolio
- Addressing actions needed to strengthen U.S. cybersecurity capabilities
- Examining Department of Homeland Security’s (DHS) efforts to address high-risk travelers and strengthen visa security

Source: GAO | GAO-18-2SP

**Table 10: Strategic Goal 2's Annual Performance Results and Targets (*dollars in billions*)**

| Performance measures             | 2014 Actual | 2015 Actual | 2016 Actual | 2017 Actual <sup>a</sup> | 2018 Target | 2019 Target |
|----------------------------------|-------------|-------------|-------------|--------------------------|-------------|-------------|
| Financial benefits               | \$25.7      | \$13.1      | \$13.0      | \$46.5                   | \$12.7      | \$12.7      |
| Program and operational benefits | 535         | 505         | 502         | 500                      | 345         | 345         |
| Testimonies                      | 40          | 23          | 43          | 21                       | 31          | 31          |

Source: GAO | GAO-18-2SP

<sup>a</sup> In fiscal year 2017, we achieved one unexpectedly large financial benefit. We do not expect this level of results in 2018.

Table 11 provides an example of work GAO plans to conduct during fiscal years 2018 and 2019 under Goal 2.

**Table 11: Examples of Planned Work under Goal 2**

***Defense Acquisitions***

- Evaluate DOD's efforts to use appropriate source-selection procedures, encourage innovation, and maximize competition in the procurement of goods and services
- Analyze DHS and its components' efforts to acquire goods and services and manage and use their assets in accordance with best practices
- Review DOD's software and cybersecurity efforts for major acquisition programs
- Analyze trends in the availability, condition, and operating and support costs of individual DOD weapons systems, and assess the effectiveness of sustainment strategies for these systems

***Foreign Operations***

- Assess U.S. efforts to build the capacity of foreign security forces to combat terrorism and other transnational threats to security, and participate in stability operations
- Review the operation of U.S. trade programs, including agency efforts to improve enforcement
- Evaluate plans to reorganize and realign the State Department and the U.S. Agency for International Development (USAID), and assess these plans' impact on U.S. diplomacy and foreign assistance

***Other Global Threats***

- Assess efforts to deploy technology and infrastructure to secure U.S. borders
- Evaluate the effectiveness of U.S. government programs designed to protect critical technologies, such as export controls and protection of intellectual property
- Assess the readiness of U.S. strategic nuclear forces and the costs and sustainment of the entire nuclear enterprise
- Evaluate the implementation and impact of U.S. sanctions on Iran and North Korea

Source: GAO | GAO-18-2SP

**Goal 3**

Our third strategic goal is to *help transform the federal government to address national challenges* by focusing on the collaborative and integrated elements needed for the federal government to achieve results. Work under this goal includes assessing the government’s fiscal position and options for closing the gap, as well as identifying management challenges, program risks, and fraud, waste, and abuse.

The following table presents selected benefits attributable to Goal 3 in fiscal year 2017.

**Primary GAO Teams Contributing to Goal 3**

- Applied Research and Methods
- Financial Management and Assurance
- Forensic Audits and Investigative Service
- Information Technology
- Strategic Issues

**Supporting GAO Teams**

- Acquisition and Sourcing Management
- General Counsel
- Natural Resources and Environment

Source: GAO.

**Table 12: Selected Goal 3 Benefits in fiscal year 2017**

|   |   |
|---|---|
| <b>Financial benefits</b>               | <ul style="list-style-type: none"> <li>• Reduced improper payments in several programs at the Department of Health and Human Services (HHS) (\$1.0 billion)</li> <li>• Identified deficiencies in the Department of Agriculture’s Animal and Plant Health Inspection Service’s fee structure (\$582 million)</li> <li>• Identified reduced need for DOD’s working capital fund (\$486 million)</li> <li>• Reduced improper payments in several programs at the VA (\$245.4 million)</li> </ul>                                      |
| <b>Program and operational benefits</b> | <ul style="list-style-type: none"> <li>• Increased reliability of cost and other financial data used to manage and report on federal programs</li> <li>• Improved financial reporting and financial management information systems controls</li> <li>• Strengthened audit oversight and accountability for federal assets and programs</li> <li>• Influenced the National Aeronautics and Space Administration’s development of a contingency plan to assure U.S. access to the International Space Station through 2019</li> </ul> |
| <b>Testimonies</b>                      | <ul style="list-style-type: none"> <li>• Improving inspector general oversight of the Architect of the Capitol</li> <li>• Addressing VA improper payments</li> <li>• Identifying Data Accountability and Transparency Act of 2014 (DATA Act) implementation progress and challenges</li> <li>• Identifying additional actions needed to address risks in the FCC’s Lifeline Program</li> </ul>  |

Source: GAO | GAO-18-2SP

A summary of Goal 3 performance results and targets is shown in the following table.

| <b>Table 13: Strategic Goal 3's Annual Performance Results and Targets (dollars in billions)</b> |                    |                    |                    |                    |                    |                    |
|--|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| <b>Performance measures</b>  | <b>2014 Actual</b> | <b>2015 Actual</b> | <b>2016 Actual</b> | <b>2017 Actual</b> | <b>2018 Target</b> | <b>2019 Target</b> |
| Financial benefits   | \$13.3             | \$10.1             | \$30.8             | \$5.0              | \$3.9              | \$3.9              |
| Program and operational benefits   | 513                | 526                | 448                | 517                | 410                | 410                |
| Testimonies  | 30                 | 26                 | 37                 | 29                 | 23                 | 23                 |

Source: GAO | GAO-18-2SP

Table 14 provides an example of work GAO plans to conduct during fiscal years 2018 and 2019 under Goal 3.

| <b>Table 14: Examples of Planned Work under Goal 3</b> |  |
|--|--|
| <b>Management Challenges/Risks</b>                     |  |
|  | <ul style="list-style-type: none"> <li>Evaluate agencies' acquisition business processes and improve knowledge of the supplier base</li> <li>Assess the government's use of tools and data to promote sound contract pricing and management</li> <li>Monitor and report on high-risk federal programs and operations that are vulnerable to fraud, waste, abuse, and mismanagement or are most in need of broad reform</li> </ul>  |
| <b>Accountability</b>                                  |  |
|  | <ul style="list-style-type: none"> <li>Assess IRS's enforcement and fraud detection programs and cybersecurity efforts</li> <li>Analyze agencies' eligibility and security controls to test internal controls to protect assets and prevent fraud, waste, and abuse</li> <li>Identify vulnerabilities in agency preventive controls, focusing on federal fraud risk management efforts</li> <li>Serve as a catalyst for improving the usefulness of federal auditing and internal control standards</li> </ul> |
| <b>Fiscal Condition of the Government</b>              |  |
|  | <ul style="list-style-type: none"> <li>Conduct annual financial statement audits of the IRS, SEC, FDIC, TARP, CFPB, FHFA, and Schedule of Federal Debt, and conduct audits of federal internal controls needed to ensure accountability over resources and payments (including improper payments)</li> <li>Review DOD's efforts to address long-standing financial management deficiencies and achieve audit readiness</li> </ul>  |
| <b>Technology Assessments</b>                          |  |
|  | <ul style="list-style-type: none"> <li>Evaluate implementation of the DATA Act</li> </ul>  |

Source: Source: GAO | GAO-18-2SP



**Goal 4**

Our fourth goal is *to maximize the value of GAO by enabling quality, timely service to Congress and being a leading practices federal agency* through an internal focus on improving efficiency and effectiveness in performing work, maintaining and enhancing a diverse workforce, expanding collaboration to promote professional standards, and being a responsible steward of resources.

The following table presents selected accomplishments attributable to Goal 4 in fiscal year 2017.

**Lead GAO Team for Goal 4**  
Chief Administrative Officer (CAO/CFO)

**Primary GAO Teams Contributing to Goal 4**  
Field Operations  
Financial Management and Business Operations  
Human Capital  
Information Systems and Technology Services  
Infrastructure Operations  
Learning Center  
Professional Development Program

**Supporting GAO Teams**  
Applied Research and Methods  
Audit Policy and Quality Assurance  
Congressional Relations  
General Counsel  
Opportunity and Inclusiveness  
Public Affairs  
Strategic Planning and External Liaison

**Table 15: Selected Goal 4 Accomplishments in fiscal year 2017**

|   |   |
|---|---|
| <b><i>Enhancing support for conducting, managing, and reporting on GAO’s work</i></b> | <ul style="list-style-type: none"> <li>• Completed the multiyear deployment of a new Engagement Management System that provides analysts with real-time data on their engagements, offers managers better tools for monitoring engagement progress and costs, and maintains a strong foundation of internal controls</li> <li>• Released more than 300 “Fast Facts” as part of a pilot to present GAO’s work in a succinct, visually compelling style. Fast Facts kept readers on GAO.gov nearly 70 percent longer for people on desktops, and more than 600 percent longer for people on mobile devices</li> </ul> |
| <b><i>Developing the workforce and promoting an inclusive work environment</i></b>    | <ul style="list-style-type: none"> <li>• Launched a new online mentoring system to connect employees with one another across the agency in the pursuit of ongoing, “just in time” professional development</li> <li>• Provided new workshops and classes for employees on topics such as expanding knowledge of the transgender community and emotional intelligence to continue enriching our commitment to diversity and inclusion</li> </ul>   |
| <b><i>Enhancing professional standards and collaboration with others</i></b>          | <ul style="list-style-type: none"> <li>• Supported 10 events with more than 1,100 attendees overall from the federal, state, and local levels of government that promoted dialogue and action around critical accountability issues</li> <li>• Enhanced domestic and international audit knowledge through the Center for Audit Excellence, which provided training and technical services to 15 public sector organizations on topics like internal control, performance auditing, report writing, and more</li> </ul>   |

**Table 15 (Continued): Selected Goal 4 Accomplishments in Fiscal Year 2017*****Improving management of key administrative processes***

- Continued the migration of our financial management systems and operation to the Legislative Branch Financial Management System, which is expected to improve efficiency and result in significant cost savings (full operation is planned for FY 2018)
- Refined the metrics we established in FY 2016 to demonstrate progress against goals across our Chief Administrative Office units, prompting actions to improve operations

Source: GAO | GAO-18-2SP.

Table 16 provides an example of work GAO plans to conduct during fiscal years 2018 and 2019 under Goal 4.

**Table 16: Planned Work under Goal 4*****Human Capital Management***

- Foster a culture where leadership and employees aspire to model GAO people values—valued, respected, and treated fairly—through individual and organizational actions that strive to achieve an inclusive and bias-free workplace
- Create a talent management advisory committee to advise, assist, promote, and support the establishment, maintenance, and renewal of GAO’s talent and learning management strategy
- Expand virtual learning opportunities to provide just-in-time learning to address evolving needs

***Engagement Efficiency***

- Pilot a software platform system that will improve processes related to engagement writing, internal fact checking and review, and publishing
- Deliver a comprehensive project management curriculum to all mission staff to facilitate efficient and effective execution and delivery of GAO reports
- Create a standard methodology for documenting and prioritizing mission-related requirements for current and new IT systems

***Responsible Agency Stewardship***

- Further enhance teamwork and collaboration by shifting to a unified suite of communications tools that supports voice, instant messaging, virtual meetings, and screen sharing on one platform, and reduces long-term maintenance costs
- Ensure GAO’s IT security architecture advances the National Institute of Standards and Technology’s cybersecurity standards, including privacy controls and security assessments
- Implement and evaluate the expanded telework program in headquarters, which will allow GAO to reduce its physical footprint and free up space for a tenant—and result in increased revenue to offset our costs
- Assess the impact of an increasingly mobile workforce on organizational processes, programs, culture, and results

Source: GAO | GAO-18-2SP

## Management Challenges

The Comptroller General, the Executive Committee, and other senior executives identify management challenges through the agency's strategic planning, management, internal controls, and budgetary processes. We monitor our progress in addressing these challenges through our annual performance and accountability process, and ask our Inspector General each year to comment on management's assessment of these challenges. For FY 2018, we will continue to focus senior management attention on the following three challenges:

- Managing a quality workforce
- Improving the efficiency of our engagements
- Providing secure IT services in a constantly changing environment

### **Challenge: Managing a quality workforce**

More than 80 percent of GAO's budget goes toward its people; as a result, it is critical that we hire the right people, provide them with the right training, and retain them. GAO must maintain a skilled, engaged, and committed workforce in order to fulfill its mission. We are expanding our previous human capital management challenge to more broadly encompass the activities necessary to achieving our workforce planning goals.

**Acquire talent:** The nation's capital and the cities where many of our field offices are located are highly competitive job markets. We must follow a strategic approach to acquiring talent—for both our analysts and our operations staff—with the critical skills and competencies needed to optimally deliver GAO's mission. We will continue to conduct comprehensive and integrated annual strategic workforce planning to ensure that a robust and diverse pipeline of talent is present across all levels of, and for all positions within, the organization.

### **Retain an expert, seasoned workforce:**

Hiring people with the right skills is just the first step; we must also nurture and sustain our people throughout their careers with ongoing professional education and developmental opportunities to optimally leverage their experience, knowledge, and skills—and work to retain them. In addition to supporting our established training and mentoring programs, a top priority is developing training that can be provided remotely to meet the needs of an increasingly mobile workforce.

### **Manage and engage a remote workforce:**

Our many workplace flexibilities, including telework, provide employees opportunities to balance work and life demands while meeting agency and mission needs. While telework has been a part of our work culture for many years, we recognize its challenges—such as acculturating new employees, maintaining a feeling of connectedness and collaboration among all staff, ensuring accountability, and providing the technological tools necessary for effective telework—and are dedicated to addressing them in a comprehensive manner. In fiscal year 2018, we will pursue a unified communications tool (UCT) to address a recommendation from our internal telework evaluation to re-examine and make enhancements to our collaboration tools. UCT will bring all of our communication tools under one “roof,” providing a seamless collaboration platform for email, instant messaging, desktop sharing, and audio and video conferencing that will be accessible anywhere, anytime.

Finally, we will continue to develop and implement appropriate methodologies to evaluate and address the effects of telework on GAO's teamwork orientation and collaborative work environment within a risk management framework at all levels of the organization.

**Continually sustain an inclusive work environment:** We are committed to creating and maintaining an organization where every employee feels valued, respected, treated

fairly, and is given every opportunity to enrich the work of GAO through their unique skills, talents, and life experiences. As a recognized leader for our support of diversity by the Partnership for Public Service, we are dedicated to supporting activities and initiatives that engage employees in conversations about the many ways we are connected, and the barriers that can separate us. To this end, GAO created a new executive-level position in fiscal year 2017 to support GAO's efforts around diversity and inclusion, including the roll-out of GAO's people values, to further highlight our belief that our diversity is critical to our strength and success.

### ***Challenge: Improving the Efficiency of Our Engagements***

We are continually looking for ways to produce our products and analyses more quickly and efficiently without sacrificing quality. Bringing efficiency to all of our processes, particularly in the areas of technology and change management, is an ongoing management priority and challenge.

In the area of technology, we completed an agency-wide transition this year to our new corporate engagement management system, allowing us to retire three legacy systems. We are also building sufficient capability in a new system to support our report writing, quality assurance, review, and publishing processes, and plan to pilot it in early fiscal year 2018. In addition, we created a more expansive process for identifying high-priority agency needs for improved or new technology support.

This has led to a better understanding of needs among our senior leadership team and improved our ability to identify related needs that could be addressed through common solutions. Challenges remain in continuing to replace outdated systems with modern, integrated solutions and simplifying our overall systems.

In the area of change management, we continued to conduct extensive outreach with the analyst community and management as we deployed an agency-wide transition to updated engagement management procedures and the new corporate system that supports them.

We also expanded the outreach conducted on our new content creation system by providing demos and briefings to mission teams and other units. In addition, we expanded outreach and communications on project management, most notably with our managers, through required training on how they should be supporting analysts applying our principles, job aids, and techniques. Challenges remain in addressing underlying organizational culture issues that are needed to fully realize the benefits of these new systems, processes, and approaches.

### ***Challenge: Providing secure information technology services in a constantly changing environment***

Providing the full breadth of secure technology solutions to users across all of GAO continues to be a challenge, as it is for every federal agency. Our Information Systems and Technology Staff (ISTS) are constantly working to provide highly available systems on a modern technology platform in an ever-changing environment, while also securing them from possible threats. In addition, ISTS has recently rolled out new technological solutions for key business processes, and continues to develop systems and processes to enable our work. Providing the full range of agency-level functions and requirements within a tight budget environment is a challenge we work every day to meet.

Given the escalating and emerging threats from around the globe, and the steady advances in the sophistication and the destructiveness of cyberattack technology, information security will continue to be a

management challenge for GAO and for all government and private sector entities for the foreseeable future. To monitor, detect, and respond to inappropriate access to computer resources, we have established a layered approach to information security, forming security building blocks for basic authentication and access controls. Most malicious activities target the end-user as a point of compromise; therefore, we have implemented robust monitoring and detection of malicious activities at the desktop, along with strong network access controls. As threats continue to evolve, we will continue to pursue advanced technologies to protect our information and information systems.

We continue to place a high value on protecting our assets, data, and systems, while providing a robust computing capability to meet our business needs. We have implemented current technology and are planning for the future with upgrades to our current infrastructure to provide greater support for contingency operations. ISTS is evaluating Cloud Services that can complement or extend our current contingency capabilities and is planning key investments and upgrades to improve these capabilities.

Recently, GAO deployed a new agency-level system for managing its engagements and tracking their progress. This effort was successful because we employed a disciplined system development strategy that included technology solutions that align with our mission, and a strong change-management-based implementation roll-out.

In addition, we have worked diligently to manage key program risks through regular project and program reviews and made adjustments when necessary. We are currently working to deploy new systems to manage the publication of GAO's products and receive procurement bid protests. We are also transitioning to a new GAO-wide financial management system. These efforts are significant, and their success will require that we continue to manage the risks associated

with these projects in a manner that ensures the right application of technology and effective change management procedures.

### ***Mitigating External Factors***

In addition to resource constraints and budget uncertainty, which directly affect our internal management challenges, other external factors that could affect our performance and progress toward our goals include:

- Shift in congressional interest
- Modification or repeal of outdated statutory requirements
- Access to agency information

Demand for our work is very high as demonstrated by the 739 congressional requests and new mandates in fiscal year 2017. The Comptroller General and other senior officials maintain frequent communication with our congressional clients to ensure that our work supports the highest congressional legislative and oversight priorities, while recognizing that changing international and domestic events may affect priorities.

We continue to collaborate with Congress to revise or repeal mandated reporting requirements which have, over time, lost relevance or usefulness. Specifically, we worked with the armed services committees to have three mandates repealed or revised in the 2017 National Defense Authorization Act (PL 114-328). In addition, in December 2016, Congress passed the GAO Mandates Revision Act of 2016, which revised or repealed eight statutory reporting requirements (PL 114-301).

Another external factor that affects our ability to serve Congress is the extent to which we have access to information. This access to information plays an essential role in our ability to report on issues of importance to Congress and the American people.

For example, we reported previously that GAO wasn't successful in gaining access to HHS's National Directory of New Hires as a result of the agency's view that access must be expressly provided for in the authorizing statute (notwithstanding GAO's broad and longstanding right of access to agency records).

In January 2017, the President signed the GAO Access and Oversight Act of 2017 into law, which confirmed GAO's right of access to this directory. Access to this directory has greatly improved our ability to oversee federal programs like Unemployment Insurance, student loans, and the Supplemental Nutrition Assistance Program. This legislation will also facilitate GAO's work in the high priority area of improper payments.

As we have previously reported, our successful 2015 discussions with the State Department and USAID resulted in both agencies implementing new practices that significantly improved our ability to obtain copies of documents deemed to contain Controlled Unclassified Information (CUI). Our ongoing monitoring efforts indicate both agencies continue to follow their new practices, which have greatly enhanced our ability to effectively and efficiently carry out our mission.

We have also reported for the past several years on our experiences in obtaining access from elements of the Intelligence Community (IC) pursuant to Intelligence Community Directive (ICD) 114, which was issued in 2011 by the Director of National Intelligence in consultation with the Comptroller General. While ICD 114 generally provides for constructive interaction between GAO and the IC, we continue to have concerns with how several key terms in the directive could be interpreted because they are framed as categories of information that would generally not be made available to us for certain audits or reviews.

As GAO's work reviewing the activities of the IC continues to grow, we continue to monitor

the IC's implementation of ICD 114 to ensure we are able to obtain the information we need to assist Congress in its oversight responsibilities. In fiscal year 2017, we successfully worked through a number of access issues with various IC elements. However, working through such issues with the IC continues to require a significant amount of time and effort, and delays our work. GAO will continue to monitor the implementation of ICD 114, and we remain committed to constructive engagement with the IC.

During the past year, we have also encountered significant difficulties in obtaining timely and efficient access to information from the Office of Personnel Management (OPM). While OPM has previously generally been responsive in providing GAO access to information needed for our work, there have been long delays during the past year, particularly with regard to our access to Enterprise Human Resources Integration (EHRI) statistical data. We remain committed to resolving these issues and obtaining both timely and efficient access to all data needed for our work.

### ***Collecting Input from Experts***

To expand our strategic and annual planning efforts, we will continue gathering information and perspectives on issues, trends, and lessons learned from across the domestic and international audit and strategic planning communities. This includes through advisory boards, working groups, and forums; the new Center for Strategic Foresight; issue-specific and technical panels; our external speakers' series; and by continually scanning international and domestic issues. Specifically, during fiscal years 2018 and 2019, GAO will rely on:

- The ***Comptroller General's Advisory Board***, whose more than 30 members from the public, private, and nonprofit

sectors have broad expertise in areas related to our strategic objectives.

- The **Domestic Working Group**, which is composed of the Comptroller General and the heads of 18 federal, state, and local audit organizations who meet to exchange information and pursue opportunities to collaborate on accountability issues that affect all levels of government.
- **Comptroller General Forums**, which GAO periodically conducts on topics affecting the federal government's role in meeting national challenges. The goal of each forum is to facilitate a discussion among leaders and experts in various fields that stimulates new partnerships and identifies actions to address relevant issues. After each forum, GAO publishes a report summarizing the discussions on a non-attribution basis and notes the leaders and experts who participated.
- The **Center for Strategic Foresight**, which is composed of Fellows from the public, private, and nonprofit sectors with expertise in matters related to strategic foresight and planning who help GAO enhance its ability to analyze current and projected trends and their potential impact on federal agencies and programs.

We will also continue to enhance our strategic and annual planning efforts through four issue-specific and technical panels:

- The **Advisory Council on Government Auditing Standards**, which provides input and recommendations to the Comptroller General in his role of issuing generally accepted government auditing standards, popularly known as the

“Yellow Book.” These standards provide a framework for conducting high-quality audits with competence, integrity, objectivity, and independence. Audits performed in accordance with these standards provide information for oversight, accountability, transparency, and improvements in government programs and operations.

- The **Accountability Advisory Council**, which is composed of experts from the financial management community who advise GAO on vital and emerging issues related to federal financial management and performance/ accountability reporting, primarily in conjunction with our continued efforts to audit the U.S. government's consolidated financial statements.
- The **Executive Council on Information Management and Technology**, which is composed of experts from the public and private sectors and representatives of professional organizations who help GAO identify high-risk and emerging issues in the IT sector.
- The **Comptroller General's Educators' Advisory Panel**, which is composed of deans, professors, and other academics from prominent universities across the nation who advise GAO on strategic human capital matters, such as recruiting, retaining, and developing staff.

### **Collaborating with Other Organizations**

In addition to these formal advisory bodies, GAO networks with federal, state, local, and international officials with similar or

complementary missions, notably through the following organizations:

- The ***National Intergovernmental Audit Forum*** (NIAF) and nine regional intergovernmental audit forums, through which GAO consults with colleagues from federal, state, and local audit organizations. The forums exist to improve coordination, communication, and cooperation among their members, private-sector firms, and other accountability organizations to address common challenges; provide training, development, and knowledge-sharing opportunities for the auditing community; enhance government performance, accountability, and transparency; and increase public trust. In fiscal years 2018 and 2019, NIAF and regional forums will hold meetings to share best practices and address common issues facing the audit community. In addition, NIAF will work to implement its updated 2014-2020 strategic plan to enhance its operations over the next several years.
- The ***Council of Inspectors General on Integrity and Efficiency***, which was created by statute in 2008, is comprised of a federal Inspectors General (IG). GAO generally holds an annual coordination meeting with CIGIE and collaborates with this council and individual IGs to facilitate our audit work, avoid overlap and duplication of effort, and share best practices.
- The ***International Organization of Supreme Audit Institutions (INTOSAI)***, which is comprised of over 190 national audit offices, is our primary vehicle for collaborating

internationally. In fiscal years 2018 and 2019, GAO will contribute knowledge and assistance to 25 different committees, subcommittees, and working groups in INTOSAI.

In its leadership capacity for INTOSAI, GAO helps guide a number of important INTOSAI functions and participates across the full range of INTOSAI's goals.

- In 2017, INTOSAI implemented its new strategic plan, covering fiscal years 2017-2022. In its role as vice-chair of the Policy, Finance, and Administration Committee and as member of the Governing Board, GAO will play a critical role in fiscal years 2018 and 2019 to help in ensuring that INTOSAI achieves its strategic goals and addresses its cross-cutting priorities.
- GAO chairs the Working Group on Financial Modernization and Regulatory Reform, which serves as a forum to share knowledge about the implementation of financial regulatory reforms and monitor emerging issues related to global market conditions.
- GAO holds leadership positions in the Working Group on Big Data and the Supervisory Committee on Emerging Issues, along with participation in many other working groups and task forces across INTOSAI.
- GAO publishes the *International Journal of Government Auditing*, a quarterly publication that serves as INTOSAI's main platform for sharing information among its member Supreme Audit Institutions (SAIs) and beyond.



## ***Building Capacity of Accountability Community Partners***

GAO will continue strengthening professional standards, providing technical assistance, building capacity, and developing and disseminating best practices. GAO plans to take the following actions in fiscal years 2018 and 2019:

- Continue to advance INTOSAI's capacity-building goal through the Comptroller General's Vice Chairmanship of the steering committee overseeing implementation of INTOSAI-Donor Cooperation (IDC). IDC was established through a memorandum of understanding (MOU) between INTOSAI and 23 donor organizations, and the initiative aims to coordinate efforts to strengthen SAIs in developing countries. The focus will continue to be matching developing SAIs' needs with available donor funds to improve the capacity of audit organizations.
- Continue to enhance international auditing standards through GAO membership in the Forum for INTOSAI Professional Pronouncements, a standard-setting body for the public-sector audit community aimed at overseeing the development of credible, high-quality standards and guidance.
- Provide leadership for the second meeting of INTOSAI's new Working Group on Big Data, aimed at sharing information, experiences, and approaches to conducting audits in a rapidly developing and expanding environment where availability of new data sets and analytic tools have a significant impact.

- Develop the capacity of national audit offices around the world through our 4-month International Audit Fellowship Program. Since the program's inception in 1979, about 600 officials from over 100 countries have participated. GAO continues to receive extensive interest in this program, and will conduct the 2018 class from March through July 2018.

Congress authorized GAO to establish a **Center for Audit Excellence** in 2014 to provide training and technical assistance to enhance the capacity of domestic and international accountability organizations. Although GAO contributes to a number of efforts that promote good governance and enhance accountability community capacity, the Center is unique in its ability to tackle complex training and capacity building projects because it can offer a wide range of services at locations throughout the world. The Center is authorized to charge fees for its services to facilitate recovery of its costs.

Since the Center's opening in October 2015, the Center has provided training or technical assistance services to nearly two dozen federal, state, local, and international organizations. The Center expanded its volume of work significantly between FY 2016 and FY 2017, collecting \$41,000 in fees in FY 2016 and \$345,000 in fiscal year 2017. The Center also signed an MOU with USAID—a key partner in promoting accountability among developing nations.

During fiscal year 2017, the Center enhanced the capacity of 15 domestic and international accountability organizations. Domestically, the Center provided high-quality training to promote greater understanding of Government Auditing Standards (the Yellow

Book), internal control, performance auditing, report writing, and other topics to five state and local audit offices, three federal audit organizations, and four other domestic audit organizations. Based on formal and informal feedback, the organizations and the vast majority of training participants found the training to be greatly useful. Moreover, several audit organizations have returned to the Center repeatedly for training and technical assistance to help their staff build capacity in applying auditing concepts and tools introduced in Center training classes.

The Center also expanded its work and achieved positive impact in working with international accountability organizations in fiscal year 2017. For example, the Center provided training and technical assistance to a Supreme Audit Institution in Eastern Europe that enhanced its capacity to conduct IT audits. The Center also worked with the Millennium Challenge Corporation to develop and start a project that is helping to enhance the capacity of a Supreme Audit Institution in Central America. Most recently, the Center worked with USAID to finalize an agreement to assess and identify ways to build the capacity of a Supreme Audit Institution and internal audit organization in an African country.

The Center continues to implement its business plan and look for additional ways to further strengthen the capacity of accountability partners to help enhance the oversight of U.S. federal funds used domestically and across the globe. For example, during fiscal year 2018, the Center plans to expand its international work further by leveraging its MOU with USAID and building on outreach and partnerships with other organizations (such as the World Bank).

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