



UNITED STATES GOVERNMENT
ACCOUNTABILITY OFFICE

Report to Congressional Addressees

Additional Opportunities to Reduce Fragmentation, Overlap, and Duplication and Achieve Billions of Dollars in Financial Benefits

ANNUAL
REPORT

The background of the lower half of the cover is a collage of American symbols: the stars and stripes of the US flag, a pile of US coins (including a half-dollar and several dimes), and a close-up of a US dollar bill. A blue network of dots and lines is overlaid on the entire collage.

May 2024

GAO Highlights

Highlights of [GAO-24-106915](#), a report to congressional addressees

Why GAO Did This Study

GAO annually reports on federal programs, agencies, offices, and initiatives—either within departments or government-wide—that have duplicative goals or activities. As part of this work, GAO also identifies additional opportunities for greater efficiency and effectiveness that result in cost savings or enhanced revenue collection.

This report discusses new opportunities to achieve billions of dollars in financial savings and improve the efficiency and effectiveness of a wide range of federal programs.

It also evaluates the status of previous matters for congressional consideration and recommendations for federal agencies related to the Duplication and Cost Savings body of work.

In addition, this report provides examples of open matters to Congress and recommendations to federal agencies where further implementation steps could yield significant financial and other benefits.



Source: GAO. | [GAO-24-106915](#)

GAO's [Duplication and Cost Savings website](#) provides information on the body of work.

View [GAO-24-106915](#). For additional information, contact Jessica Lucas-Judy at (202) 512-6806 or lucasjudyj@gao.gov or Michelle Sager at (202) 512-6806 or sagerm@gao.gov.

May 2024

2024 ANNUAL REPORT

Additional Opportunities to Reduce Fragmentation, Overlap, and Duplication and Achieve Billions of Dollars in Financial Benefits

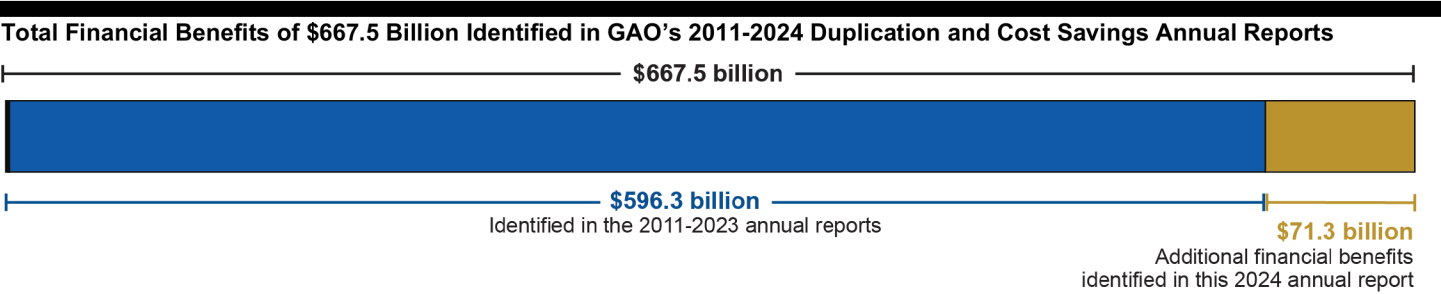
What GAO Found

GAO identified 112 new matters and recommendations in 42 new topic areas for Congress or federal agencies to improve the efficiency and effectiveness of government. For example:

- The Defense Counterintelligence and Security Agency should ensure its working capital fund cash balance is within its operating range, potentially saving its federal customers **hundreds of millions of dollars** through reduced prices.
- Congress and the Internal Revenue Service should take action to improve sole proprietor tax compliance, which could increase revenue by **hundreds of millions of dollars per year**.
- Agencies could save **one hundred million dollars or more** by using predictive models to make investment decisions on deferred maintenance and repair for federal buildings and structures.
- Congress should consider taking action that could help the Armed Forces Retirement Home address financial shortfalls to reduce the risk of exhausting the trust fund that supports it and potentially generate revenue of **one hundred million dollars or more over 10 years**.
- Federal agencies need building utilization benchmarks to help them identify and reduce underutilized office space, which could save **ten million dollars or more over 5 years**.
- The Department of Defense should reduce the risk of overlapping management activities and potentially save **ten million dollars or more over 5 years** in medical facility management by continuing its efforts to reevaluate its market structure and establishing performance goals.
- Congress could close regulatory gaps and seven federal financial regulators should improve coordination to better manage fragmented efforts to identify and mitigate risks posed by blockchain applications in finance.
- The Office of Science and Technology Policy should facilitate the sharing of information about identifying foreign ownership of research entities to better manage fragmentation of federal efforts to help safeguard federally funded research from foreign threats.

As of March 2024, Congress and agencies had fully addressed 1,341 (66 percent) of the 2,018 matters and recommendations GAO identified from 2011-2024 and partially addressed 139 (about 7 percent). This has resulted in financial and other benefits, such as improved interagency coordination and reduced mismanagement, fraud, waste, and abuse.

As shown in the figure below, these efforts have cumulatively resulted in about \$667 billion in financial benefits, an increase of about \$71 billion from GAO’s last report on this topic. These are rough estimates based on a variety of sources that considered different time periods and used different data sources, assumptions, and methodologies.



Source: GAO. | GAO-24-106915

Further steps are needed to fully address the matters and recommendations GAO identified from 2011 to 2024. Of the 549 open matters and recommendations, 162 (about 30 percent) have the potential for financial benefits. Legislation was introduced in the 117th or 118th Congress to address 31 (about 41 percent) of the 76 open matters. As of March 2024, legislation had not been enacted, and those matters remained open. While GAO is no longer tracking 128 matters and recommendations due to changing circumstances, GAO estimates that fully addressing the remaining open matters and recommendations could yield financial benefits of tens of billions of dollars and improved government services, among other benefits. For example:

Examples of Open Topic Areas with Potential Financial Benefits

Topic area and description (GAO report number linked)	Mission	Potential financial benefits (Source of estimate)
*Medicare Payments by Place of Service: Congress could realize additional financial benefits if it took steps to direct the Secretary of Health and Human Services to equalize payment rates between settings for evaluation and management office visits and other services that the Secretary deems appropriate. (GAO-16-189)	Health	\$141 billion over 10 years (Congressional Budget Office)
COVID Employer Tax Relief: The Internal Revenue Service should document processes used to address certain compliance risks for COVID-19 employer tax credits and implement additional compliance activities to potentially recapture ineligible claims. (GAO-22-104280)	General Government	Tens of billions of dollars over 2 years (GAO analysis of IRS data)
*Public-Safety Broadband Network: Congress should consider reauthorizing FirstNet, including different options for its placement, and ensure key statutory and contract responsibilities are addressed before current authorities sunset in 2027. (GAO-22-104915)	Information Technology	\$15 billion over 15 years^a (GAO analysis of the FirstNet Contract)
Student Loan Income-Driven Repayment Plans: The Department of Education should obtain data to verify income information for borrowers reporting zero income on Income-Driven Repayment applications. (GAO-19-347)	Training, Employment, and Education	More than \$2 billion over 10 years (Congressional Budget Office)
*DOE’s Treatment of Hanford’s Low-Activity Waste: Congress should consider clarifying two issues, including the Department of Energy’s (DOE) authority to determine whether portions of Hanford’s tank waste, such as the low-activity tank waste, can be managed as a waste type other than high-level radioactive waste and disposed of outside the state of Washington. (GAO-22-104365)	Energy	Billions of dollars over 11 years (GAO analysis of DOE data)

Legend: * = Legislation is likely to be necessary to fully address all matters or recommendations in this topic area.

Source: GAO. | GAO-24-106915

^aIf FirstNet sunsets, it is unclear what will happen to the remaining \$15 billion in scheduled annual payments, which FirstNet currently has authority to collect and reinvest.

Note: The potential financial benefits shown in this table represent estimates of amounts GAO or others believe could accrue if steps are taken to implement the actions described. The estimates are dependent on various factors, such as whether action is taken and how it is taken. Realized financial benefits may be less, depending on costs associated with implementing the action, unintended consequences, and the effect of controlling for other factors. The individual estimates in this table should be compared with caution, as they come from a variety of sources, which consider different time periods and use different data sources, assumptions, and methodologies.

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May 15, 2024

Congressional Addressees

We annually report on federal programs, agencies, offices, and initiatives—either within departments or government-wide—that have duplicative goals or activities.¹ As part of this work, we also identify additional opportunities for greater efficiency and effectiveness that result in cost savings or enhanced revenue collection.

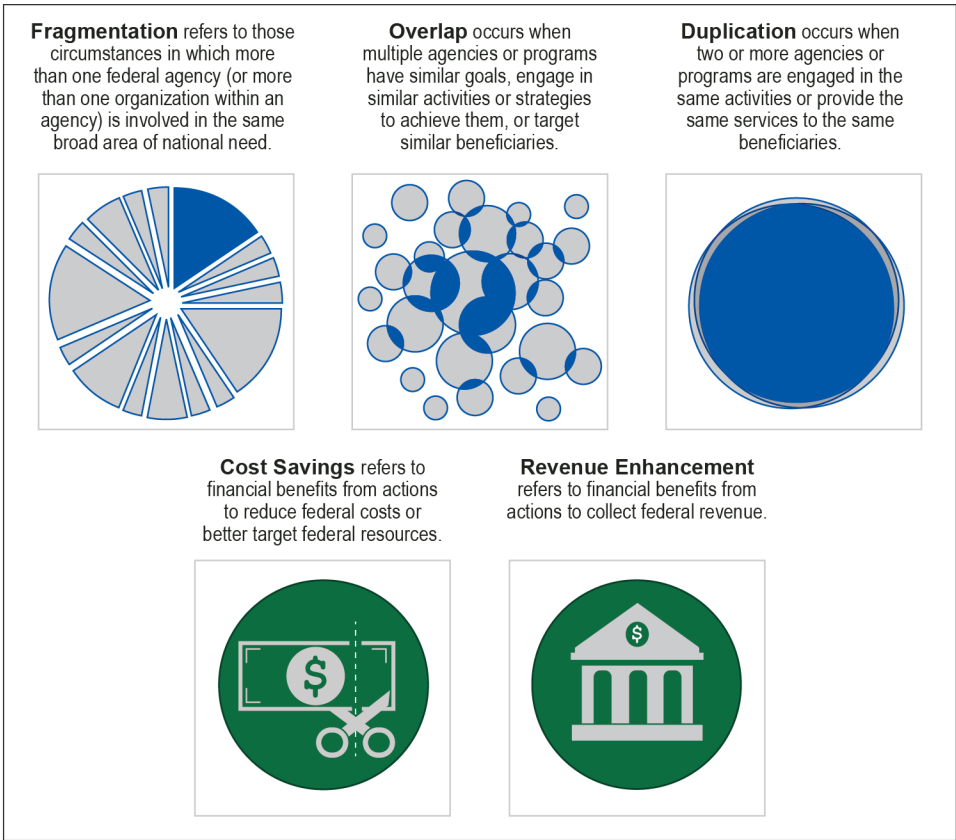
Since 2011, we have issued 140 matters for Congress and 1,878 recommendations for federal agencies to eliminate, reduce, or better manage fragmentation, overlap, or duplication or realize financial benefits—cost savings or enhanced revenue collection. Actions by Congress and federal agencies in these areas have resulted in about \$667.5 billion in financial benefits. We also estimate tens of billions more dollars could be saved by fully implementing our remaining open matters and recommendations.²

¹Pub. L. No. 111-139, § 21, 124 Stat. 8, 29 (2010), *codified at* 31 U.S.C. § 712 note.

²In calculating our total estimated realized and potential financial benefits, we relied on individual estimates from a variety of sources, which considered different time periods and used different data sources, assumptions, and methodologies. These totals represent a rough estimate of financial benefits. Realized benefits have been rounded to the nearest \$100 million. Estimated potential financial benefits are subject to increased uncertainty, depending on whether, how, and when they are addressed, and are presented using a notional statement of magnitude. We previously reported that implementing all of our open matters and recommendations could produce \$92 billion to \$182 billion of measurable, future financial benefits, according to simulation models we developed that used historical data on realized financial benefits. GAO, *Potential Financial Benefits: Estimating the Value of Implementing Open GAO Recommendations*, [GAO-23-106598](#) (Washington, D.C.: June 27, 2023). We plan to issue an updated estimate later this year.

Figure 1 defines the terms we use in this work.

Figure 1: Definitions of Fragmentation, Overlap, Duplication, Cost Savings, and Revenue Enhancement



Source: GAO. GAO icons. | GAO-24-106915



Tracking action on GAO matters and recommendations

GAO's [DuplicaTION and Cost Savings website](#) is publicly accessible and allows Congress, agencies, and the public to track the federal government's progress in addressing the issues we have identified.

This website includes a downloadable spreadsheet containing all matters and recommendations related to the work on fragmentation, overlap, duplication, cost savings, or revenue enhancements.

The spreadsheet can be filtered by the GAO report number, mission, report name, implementation status, and implementing entities (Congress or federal agencies). The spreadsheet additionally notes which recommendations are also GAO priority recommendations—those recommendations GAO believes warrant priority attention from the heads of departments or agencies.

Additionally, GAO's DuplicaTION and Cost Savings website provides real-time updates on the status of open matters and recommendations related to duplication, overlap, fragmentation, cost savings, and revenue enhancements.

Source: GAO; Icon: GAO. | GAO-24-106915

This report identifies 42 new topic areas where a broad range of federal agencies could achieve greater efficiency or effectiveness. For each area, we suggest matters for Congress or recommendations for federal agencies to reduce, eliminate, or better manage fragmentation, overlap, or duplication, or achieve other financial benefits.

In addition to identifying new topic areas, we continue to monitor the progress Congress and agencies have made in addressing matters and recommendations we previously identified (see sidebar).

This report is based upon work we previously conducted in accordance with generally accepted government auditing standards. See appendix I for more information on our scope and methodology.

New Opportunities Exist to Improve Efficiency and Effectiveness across the Federal Government

This report presents 112 matters for Congress and recommendations for federal agencies across 42 new topic areas.³ Of these 42 new topic areas, 29 concern fragmentation, overlap, or duplication in government missions and functions (see table 1). Appendix II provides more detailed information about these 29 new topic areas.

Table 1: New Fragmentation, Overlap, and Duplication Topic Areas Identified in This Report

Mission	Topic area	Page
Agriculture	1. National Wildlife Disease Surveillance: Federal agencies should better manage fragmentation and enhance their efforts to establish a national wildlife disease surveillance system by more fully following leading practices for collaboration, including clearly defining common outcomes and involving relevant participants.	32
	2. DOD Medical Facility Management: The Department of Defense should reduce the risk of overlapping management activities and potentially save ten million dollars or more over 5 years by reevaluating its market structure and establishing performance goals.	34
Defense	3. DOD Wargames: The Department of Defense should better manage fragmentation of wargame efforts by establishing requirements or standards for reporting wargame data and developing and implementing a department-wide approach for effectively sharing wargame plans and data.	36
	4. Service Member Fatigue: The Department of Defense should take action to better manage fragmentation in research projects on using wearable devices to address service member fatigue, potentially saving costs.	38
	5. DOD Financial Management Systems: The Department of Defense should improve oversight of its business and financial management systems to allow for more informed investment decisions, which could result in cost savings and more effective identification of potential overlap and duplication.	40
General Government	6. Background Investigation Reciprocity Among Agencies: The Office of the Director of National Intelligence and the Office of Personnel Management should better manage fragmentation and potentially realize cost savings by avoiding duplicative background investigations.	42

³In addition to these 112 matters and recommendations, seven recommendations in three new topic areas were closed - implemented before this report was issued. The Environmental Protection Agency (EPA) and Departments of Agriculture and the Interior each addressed one recommendation to their respective agencies; EPA has one remaining open recommendation associated with the Managing Risks from Wildfire Smoke topic area listed in table 1. The Department of State and U.S. Coast Guard each addressed a recommendation associated with the Coast Guard International Port Security Program topic area; as a result, that area is not included in tables 1 or 2. The Office of Management and Budget and Department of Justice each address a recommendation associated with the Reporting of Expired Grants topic area; as a result, that area is not included in tables 1 or 2. More information on these 119 matters and recommendations is available in the downloadable spreadsheet on our [Duplication and Cost Savings website](#), and in appendixes II and III.

Mission	Topic area	Page
	7. Blockchain in Finance: Congress could close regulatory gaps and seven federal regulators should improve coordination to better manage fragmented efforts to identify risks and develop appropriate, timely regulatory responses.	44
	8. Interior's Management of Tribal Trust Services: The Department of the Interior should address overlap in trust services for Tribes and individuals by routinely monitoring and updating its collaboration guidance for the Bureau of Trust Funds Administration and Bureau of Indian Affairs' Office of Trust Services.	46
	9. Tsunami Alerts: Responsible federal agencies should clarify and document their responsibilities and decision-making process to better manage fragmented efforts to improve how the public is alerted to tsunami hazards.	48
Health	10. Autism Research and Support Services: The Department of Health and Human Services should clearly track and report progress made toward goals for federal autism activities to better manage fragmentation and document procedures the National Institutes of Health uses to help ensure these activities are not unnecessarily duplicative.	50
	11. Dietary Guidelines for Americans: Federal agencies should strengthen collaboration to help ensure that federal human nutrition research effectively informs future editions of the Dietary Guidelines for Americans and reduce the risk of fragmented, overlapping, or duplicative work.	52
Homeland Security, Law Enforcement or both	12. Anti-Money Laundering Data: The Department of Justice should better manage fragmentation of data on outcomes of anti-money laundering investigations by working with the Departments of Homeland Security and the Treasury to develop a standardized methodology for producing the data.	54
	13. Biosurveillance: The Department of Homeland Security's National Biosurveillance Integration Center should better manage fragmentation among federal biosurveillance partners by developing clear performance measures with associated time frames in cooperation with federal agency partners.	56
	14. DHS Acquisition of Major Assets: The Department of Homeland Security and its Joint Requirements Council should better coordinate the acquisition of major assets by finding common solutions that help avoid inefficient duplication and overlap, potentially saving one hundred million dollars or more .	58
	15. Disposal of Radioactive Sources: Federal agencies should better manage fragmentation by coordinating their efforts in radioactive source disposal to help mitigate the risk of its improper use.	60
	16. Efforts to Combat Child Trafficking: Offices in the Departments of Justice and Health and Human Services that oversee anti-trafficking grant programs should establish a collaboration mechanism focused solely on anti-trafficking efforts for children to better manage fragmentation among their grant programs and other activities.	62
	17. Cyber Risks to Critical Operational Technology Infrastructure: The Cybersecurity and Infrastructure Security Agency should implement guidance to better manage fragmentation and improve its interagency collaboration efforts aimed at addressing risks to operational technology used in operating critical infrastructure, such as oil and gas distribution.	64
Information Technology	18. Cybersecurity Threat Information Sharing: The Cybersecurity and Infrastructure Security Agency should conduct a comprehensive assessment of centralized and federated sharing methods to better manage fragmentation and assess the overlap of federal cyber threat sharing efforts.	66
	19. Federal Agencies' Software Licenses: Federal agencies could save millions of dollars by regularly comparing their inventories of software license agreements currently in use to purchase records to reduce costs on duplicative or unnecessary software licenses.	68

Mission	Topic area	Page
	20. Medical Device Cybersecurity: The Food and Drug Administration and Cybersecurity and Infrastructure Security Agency should better manage fragmentation by updating their collaboration agreement focused on medical device cybersecurity.	70
	21. Spectrum IT Modernization: The National Telecommunications and Information Administration should document how it will communicate with stakeholders on its spectrum IT modernization to help ensure it can identify stakeholders' requirements and better manage fragmentation issues that could impair IT interoperability.	72
International Affairs	22. Special Rules of Origin for Automotive Goods: The U.S. Trade Representative, as chair of the Interagency Autos Committee, should work with committee members to develop written guidance to help ensure accountability and better manage fragmentation among the nine member agencies.	74
Science and the Environment	23. Biomedical Research: The Advanced Research Projects Agency for Health should clearly define how its interagency advisory committee members agree to share information to help reduce the risk of unnecessary duplication in biomedical research and potentially save costs.	76
	24. Justice40 Initiative Guidance and Tools: Entities within the Executive Office of the President should better manage fragmentation and potential overlap in more than 500 programs at 19 federal agencies by implementing leading practices for collaboration to help ensure guidance and tools for the Justice40 Initiative are effective, timely, and consistent.	78
	25. Low-Dose Radiation: The Department of Energy should take steps to better manage fragmentation and help ensure clear leadership of federal research on the health effects of low-dose radiation.	80
	26. Managing Risks from Wildfire Smoke: The Environmental Protection Agency should better coordinate its fragmented efforts to manage risks related to air quality and public health from wildfire smoke.	82
	27. Safeguarding Federally Funded Research from Foreign Threats: The Office of Science and Technology Policy should facilitate the sharing of information about identifying foreign ownership, control, or influence to better manage fragmentation of efforts to help safeguard federally funded research from foreign threats.	84
Training, Employment, and Education	28. Meat and Poultry Worker Safety: The Occupational Safety and Health Administration and the Food Safety and Inspection Service should better manage fragmentation by following leading collaboration practices to improve worker safety.	86
	29. Nonstandard and Contract Work Arrangements: The Department of Labor and the Office of Management and Budget should take steps to improve data on nonstandard and contract work arrangements, which will help better manage fragmentation across at least seven federal agencies.	88

Source: GAO. | GAO-24-106915

We also present 13 new topic areas where Congress or federal agencies could take action to reduce the cost of government operations or enhance federal revenue collections (see table 2). Appendix III provides more detailed information about these 13 new topic areas.

Table 2: New Topic Areas with Cost Savings and Revenue Enhancement Opportunities Identified in This Report

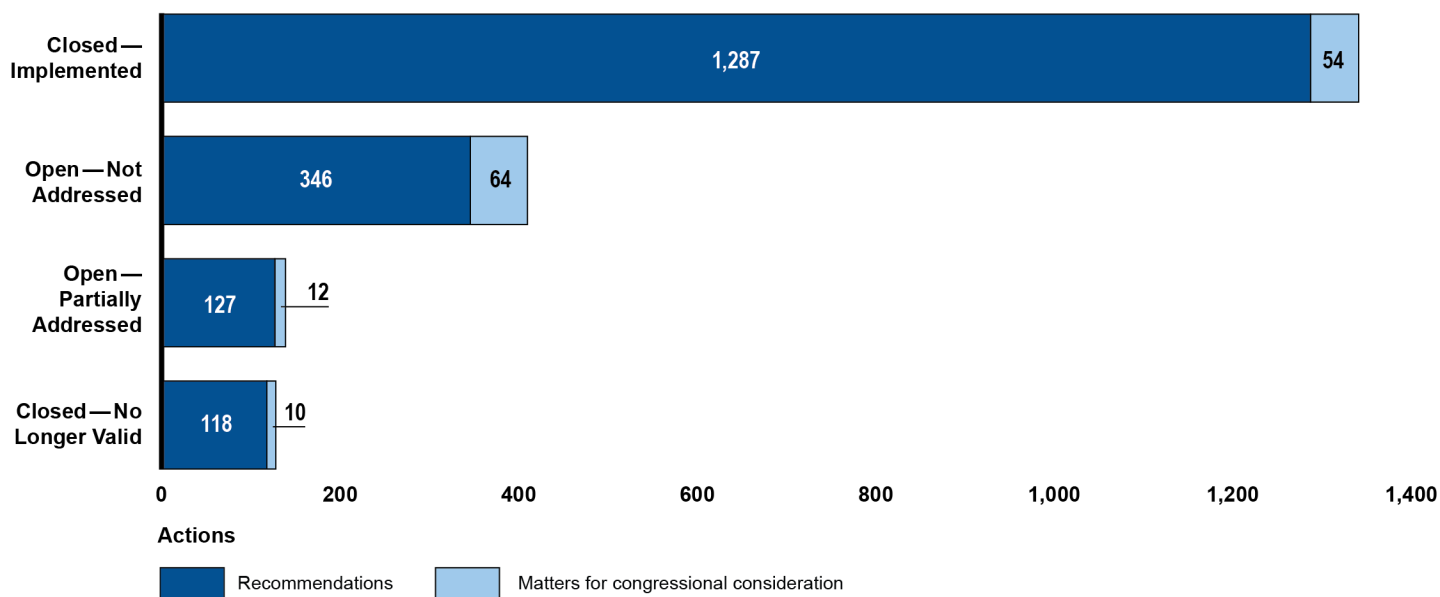
Mission	Topic area	Page
Defense	30. Armed Forces Retirement Home: Congress should consider taking action that could help the Armed Forces Retirement Home address financial shortfalls and potentially generate revenue of one hundred million dollars or more over 10 years .	91
	31. National Background Investigation Services: Congress should consider requiring the Department of Defense to use best practices to develop a reliable program schedule and cost estimate for deploying its new background investigation service to better manage the costs of the program.	93
	32. Personnel Vetting Working Capital Fund: The Defense Counterintelligence and Security Agency should ensure its working capital fund cash balance is within its operating range, potentially saving its federal customers hundreds of millions of dollars through reduced prices.	95
General Government	33. Army Corps Administrative Fees: The Army Corps of Engineers could increase the amount it collects from real estate administrative fees by one million dollars or more over 10 years by improving how it sets, reviews, and updates the fees.	97
	34. Federal Office Space Utilization: Federal agencies need building utilization benchmarks to help them identify and reduce underutilized office space, which could save ten million dollars or more over 5 years .	99
	35. Federal Real Property: Agencies could save one hundred million dollars or more by using predictive models to make investment decisions on deferred maintenance and repair for federal buildings and structures.	101
	36. IRS Audits of High-Income/High-Wealth Taxpayers: The Internal Revenue Service should improve its efforts to audit high-income and high-wealth taxpayers, which could enhance federal government revenue.	103
	37. IRS Audits of Large Partnerships: IRS should improve its efforts to audit large, complex partnerships, which could enhance federal government revenue by potentially millions of dollars over several years .	105
	38. Sole Proprietor Tax Compliance: Congress and the Internal Revenue Service should take action to improve sole proprietor tax compliance which could increase revenue by hundreds of millions of dollars per year .	107
Homeland Security, Law Enforcement or both	39. Coast Guard Housing: The Coast Guard should assess the potential benefits of certain housing authorities and develop a legislative proposal, if appropriate, to better manage its housing program costs.	109
Information Technology	40. Cloud Computing Security: The Office of Management and Budget should take action to improve the tracking and reporting of data associated with authorizing cloud computing services to potentially reduce the costs of cloud services.	111
International Affairs	41. Grants Management in Freely Associated States: The Departments of Health and Human Services and the Interior should issue timely grant management decisions related to Federated States of Micronesia, Republic of the Marshall Islands, and Republic of Palau that could result in cost savings.	113
	42. Steel and Aluminum Tariffs: The Department of Homeland Security should take steps, as appropriate, to prevent invalid use of tariff exclusions and to recover unpaid duties because of invalid use, which could result in millions of dollars in savings.	115

Source: GAO. | GAO 24-106915

Congress and Federal Agencies Continue to Address Matters and Recommendations Identified over the Last 14 Years, Resulting in Significant Benefits

Congress and federal agencies have addressed many of the matters and recommendations we have identified, as shown in figure 2 and table 3. As of March 2024, Congress and agencies had fully or partially addressed 1,480 (73 percent) of the 2,018 matters and recommendations; of these, they had fully addressed 1,341 and partially addressed 139.

Figure 2: Status of Duplication and Cost Savings Matters and Recommendations, as of March 2024



Source: GAO. | GAO-24-106915

Note: These data include matters and recommendations related to our prior annual reports, from our prior reports not previously tracked in this body of work but that have potential or realized financial benefits, and those newly identified in this annual report. Matters and recommendations categorized as "closed – no longer valid" are no longer assessed. These are generally "closed – no longer valid" when the matter or recommendation is no longer relevant due to changing circumstances.

Table 3: Status of Duplication and Cost Savings Matters and Recommendations, as of March 2024

Status	Number of matters (percentage)	Number of recommendations (percentage)	Total (percentage)
Closed – implemented	54 (39%)	1,287 (69%)	1,341 (66%)
Open – not addressed	64 (46%)	346 (18%)	410 (20%)
Open – partially addressed	12 (9%)	127 (7%)	139 (7%)
Closed – no longer valid	10 (7%)	118 (6%)	128 (6%)
Total	140 (100%)	1,878 (100%)	2,018 (100%)

Source: GAO. | GAO-24-106915

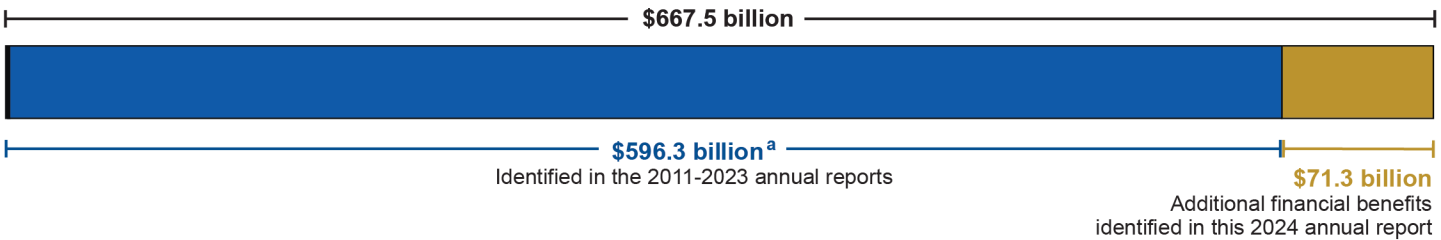
Note: Due to rounding, the total percentages may not add up to exactly 100 percent.

These data include matters and recommendations related to our prior annual reports, from our prior reports not previously tracked in this body of work but that have potential or realized financial benefits, and those newly identified in this annual report. Matters and recommendations categorized as "closed – no longer valid" are no longer assessed. These are generally "closed – no longer valid" when the matter or recommendation is no longer relevant due to changing circumstances.

Actions Taken by Congress and Federal Agencies Led to Hundreds of Billions in Financial Benefits

As a result of steps Congress and agencies have taken in response to our work, we have identified approximately \$667.5 billion in total financial benefits, including \$71.3 billion identified in this 2024 annual report. About \$596.3 billion of the total benefits were identified in our 2011 – 2023 annual reports, as shown in figure 3.

Figure 3: Total Financial Benefits of \$667.5 Billion Identified in Our 2011-2024 Duplication and Cost Savings Annual Reports



Source: GAO. | GAO-24-106915

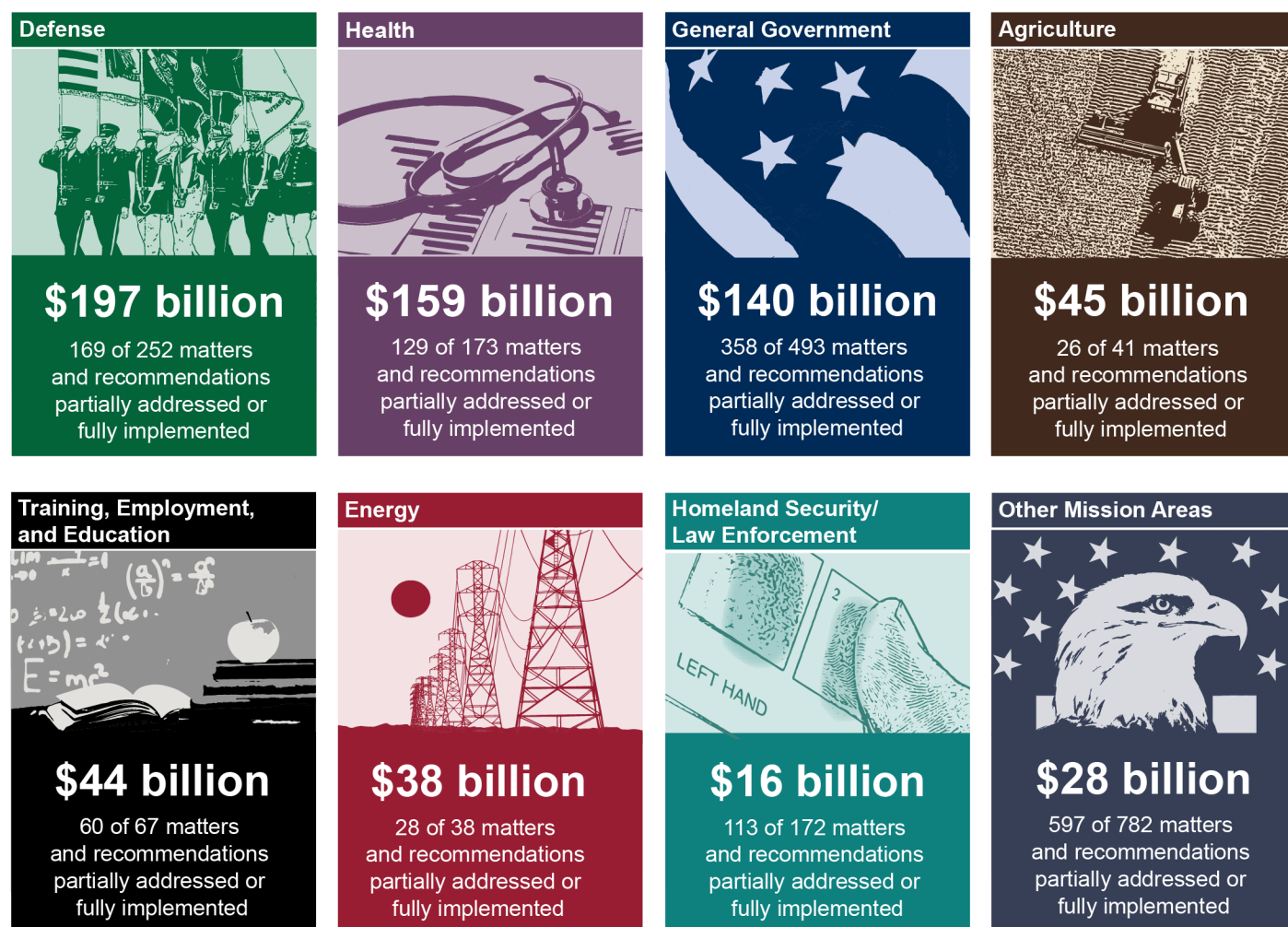
Note: In calculating these totals, we relied on individual estimates from a variety of sources, which considered different time periods and used different data sources, assumptions, and methodologies.

These totals represent a rough estimate of financial benefits and have been rounded to the nearest \$100 million. Due to rounding, the two subtotals do not add up to exactly \$667.5 billion.

^aAs we reported in 2023, we made improvements to standardize our data by moving from tracking realized financial benefits as accrued and expected amounts to tracking financial benefits in fiscal year net present value. During our 2024 update, we continued our efforts to refine these data, including through our communications with agencies. This resulted in some previously reported savings being recalculated from earlier years into the total for 2024. As a result, the total financial benefits for 2011-2023 have been updated from \$599.5 billion to \$596.3 billion.

These benefits have contributed to missions across the federal government, as shown in figure 4.

Figure 4: Summary of 14 Years of Benefits Achieved by Mission, as of March 2024



Source: GAO, (images clockwise top left) Department of Defense, ronstik/stock.adobe.com, USDA, Marcus Horn/stock.adobe.com, PhotoDisc, ©Corbis, and Cherries/stock.adobe.com. | GAO-24-106915

Notes: Due to rounding, the combined benefits do not add up to exactly \$667.5 billion. Other Mission Areas include Economic Development, Information Technology, Income Security, International Affairs, Science and the Environment, and Social Services. These totals rely on individual estimates from a variety of sources, which considered different time periods and used different data sources, assumptions, and methodologies, and represent a rough estimate of financial benefits that have been rounded to the nearest \$1 billion.

Table 4 highlights examples of results achieved over the past 14 years.

Table 4: Examples of Financial Benefits Resulting from Actions Taken by Congress and Federal Agencies, as of March 2024

Topic area (GAO report number linked)	Actions taken	Financial benefit
Federal Buying Power (GAO-17-164 and GAO-21-40)	The Office of Management and Budget's (OMB) Category Management initiative directed agencies across the federal government to buy more like a single enterprise, setting agency targets for using category management contracts including those it designated as Best-In-Class, beginning in fiscal year 2017, and reporting on agency performance against those targets beginning in fiscal year 2018.	Cost savings of approximately \$48.8 billion from fiscal years 2017 through 2021, according to OMB reporting.
COVID-19 Funding and Spending (GAO-23-106647)	Congress rescinded certain COVID-19 relief funding that we identified as unexpired and unobligated in the Fiscal Responsibility Act of 2023. ^a	Federal savings of \$27.1 billion in fiscal year 2023, according to Congressional Budget Office (CBO) estimates.
Paycheck Protection Program (GAO-20-625)	The Small Business Administration (SBA) implemented an oversight plan for its Paycheck Protection Program, including an automated screening system to identify potentially ineligible or fraudulent applicants and recipients. SBA applied similar oversight controls to identify potentially ineligible or fraudulent applicants to its Restaurant Revitalization Fund.	Cost savings of about \$13.2 billion from fiscal years 2020 through 2023, according to our analysis of SBA data.
Federal Passport Taxes (GAO-11-272)	Following enactment of the Fixing America's Surface Transportation (FAST) Act in 2015, the Internal Revenue Service (IRS) provided information to the Department of State about individuals with certain seriously delinquent tax debts, which State used to restrict the issuance of passports to such individuals. ^b As a result, many delinquent taxpayers were incentivized to resolve their liabilities. IRS may realize additional financial benefits through continued enforcement of the FAST Act, although no estimate is available.	Revenue enhancement of about \$8.2 billion from fiscal years 2018 through 2022, according to IRS and State.
Identity Theft Refund Fraud (GAO-14-633)	Following enactment of the Protecting Americans from Tax Hikes Act of 2015, IRS enhanced its fraud and noncompliance detection tools to use W-2 data to verify wage and other information reported on tax returns prior to issuing refunds. ^c By using W-2 information prior to issuing refunds, IRS has avoided paying billions in fraudulent and noncompliant refunds and yielded additional savings by reducing taxpayer burden.	Cost savings of about \$7.1 billion from fiscal years 2017 through 2021, according to our analysis of W-2 information obtained from IRS. IRS concurred with our methodology for calculating estimates.

Topic area (GAO report number linked)	Actions taken	Financial benefit
Required Auction of Public Safety Spectrum (GAO-19-508)	Congress repealed the requirement to reallocate and auction radio spectrum used by public safety officials (e.g., firefighters and police). ^d The Federal Communications Commission (FCC) terminated the auction proceedings in January 2021, thereby avoiding reallocation and auction costs that were projected to exceed auction revenues.	Cost savings of about \$3 billion from fiscal years 2021 through 2023, according to FCC.
Medicare Advantage (GAO-12-51)	Congress took steps to increase the minimum adjustment made for differences in diagnostic coding patterns between Medicare Advantage plans and traditional Medicare providers, which reduced excess payments by the Centers for Medicare & Medicaid Services (CMS) to Medicare Advantage plans for beneficiaries' care. ^e CMS could realize additional financial benefits by adjusting payments for differences between Medicare Advantage plans and traditional Medicare providers in the reporting of beneficiary diagnoses.	Cost savings of about \$2.5 billion from fiscal years 2013 through 2022, according to CBO, and tens of billions of dollars of additional savings are possible, according to the Medicare Payment Advisory Commission.
Medicare Payments by Place of Service (GAO-16-189)	CMS issued a final rule in 2018 capping payment rates for certain hospital outpatient clinic visits furnished by off-campus hospital outpatient departments that existed or were under construction in 2015 at the physician fee schedule rate. ^f Congress could realize additional financial benefits if it took steps to direct the Secretary of Health and Human Services to equalize payment rates between settings for evaluation and management office visits and other services that the Secretary deems appropriate.	Cost savings of about \$2.2 billion from fiscal years 2019 through 2022, according to CMS, and \$141 billion of additional savings could potentially accrue over 10 years, according to CBO estimates.

Source: GAO. | GAO-24-106915

Note: The estimates in this report are from a range of sources, including us, executive branch agencies, CBO, and the Joint Committee on Taxation. Some estimates have been updated since our 2023 report to reflect more recent analyses.

^aFor example, section 2 of division B of the Fiscal Responsibility Act of 2023 rescinded certain unobligated funds in the Public Health and Social Services Emergency Fund (PHSSEF) within the Department of Health and Human Services that were appropriated by the six COVID-19 relief laws. Pub. L. No. 118-5, 137 Stat. 10 (2023), CBO estimates that the PHSSEF rescissions amount to approximately \$9.9 billion.

^bPub. L. No. 114-94, § 32101, 129 Stat. 1312, 1731 1729–1732 (2015), *codified at* 26 U.S.C. §§ 6103(k)(11), 7345.

^cThe act advanced the deadline for employers to file W-2s to SSA to January 31. Pub. L. No. 114-113, div. Q, § 201, 129 Stat. 2242, 3076 (2015) *codified at* 26 U.S.C. § 6071(c).

^dDon't Break Up the T-Band Act of 2020, Pub. L. No. 116-260, div. FF, § 902(b), 134 Stat 1182, 3206 (2020).

^eThe Health Care and Education Reconciliation Act of 2010 required minimum increases in the annual adjustment for coding differences starting in 2014 and required CMS to continue making adjustments in subsequent years until the agency implements risk adjustment based on diagnostic, cost, and use data from Medicare Advantage plan. Pub. L. No. 111-152, § 1102(e), 124 Stat. 1029, 1046. The American Taxpayer Relief Act of 2012 subsequently increased the statutory minimum for the annual adjustment. Pub. L. No. 112-240, § 639, 126 Stat. 2313, 2357 (2013), *codified at* 42 U.S.C. § 1395w-23(a)(1)(C)(ii)(III).

^fMedicare Program: Changes to Hospital Outpatient Prospective Payment and Ambulatory Surgical Center Payment Systems and Quality Reporting Programs; 83 Fed. Reg. 58, 818 (Nov. 21, 2018).

Other Benefits Resulting from Actions Taken by Congress and Federal Agencies

Our matters and recommendations, when implemented, often result in other benefits, such as more effective government through improved interagency coordination; improvements in major government programs or agencies; reduced mismanagement, fraud, waste, and abuse; and increased assurance that programs comply with internal guidance. The following examples illustrate some of these types of benefits.

- **Overseas Nuclear Material Security** ([GAO-23-106486](#)). The U.S. and other countries have made efforts to secure nuclear material from theft and to prevent sabotage of facilities containing nuclear materials; however, significant risks remain that could result in catastrophic damage and mass casualties. As part of those efforts, certain programs in the Department of Defense (DOD) and the Department of Energy's National Nuclear Security Administration (NNSA) have an overlapping mission to secure nuclear materials, and they conduct similar activities—in some cases, in the same countries and in collaboration with the same foreign officials.

In 2023, we recommended that DOD and NNSA clarify and document the roles and responsibilities for programs that work to address similar issues in the same countries as other federal programs to avoid potential duplication.

In response, the agencies signed a new memorandum of agreement in 2023 for cooperation, integration, and synchronization between NNSA and the Defense Threat Reduction Agency. As a result of these efforts, DOD and NNSA can better prevent duplication of effort and improve the efficiency of international nuclear security efforts.

- **Veterans' Long-Term Care** ([GAO-20-284](#)). The Department of Veterans Affairs (VA) provides or pays for long-term care for veterans through 14 long-term care programs. As one of the largest health care systems in the United States, VA faces challenges similar to other health care providers when seeking to meet the growing need for long-term care as the U.S. population ages.

In 2020, we found that VA Medical Centers did not have a consistent approach to managing VA's 14 long-term care programs, and their management of these programs was fragmented across multiple departments. We recommended that VA set time frames for and implement a consistent structure for offices overseeing long-term care services at VA Medical Centers.

In response, VA realigned its programs in 2022 so that veterans seeking long-term care now primarily access that care through VA's primary care teams. Specifically, primary care providers will consult veterans seeking long-term care about available institutional and noninstitutional programs based on the veterans' preferences. As a result of these efforts, veterans will have a more consistent experience accessing long-term care through VA Medical Centers.

Action on Open Matters and Recommendations Could Yield Additional Benefits

Congress and federal agencies have taken action on many of the 2,018 matters and recommendations we have identified since 2011. However, further steps are needed to fully address the 549 matters and recommendations that remain open. We estimate that tens of billions of dollars in additional financial benefits could be realized should Congress and agencies fully address these. In addition, other improvements can be achieved.⁴

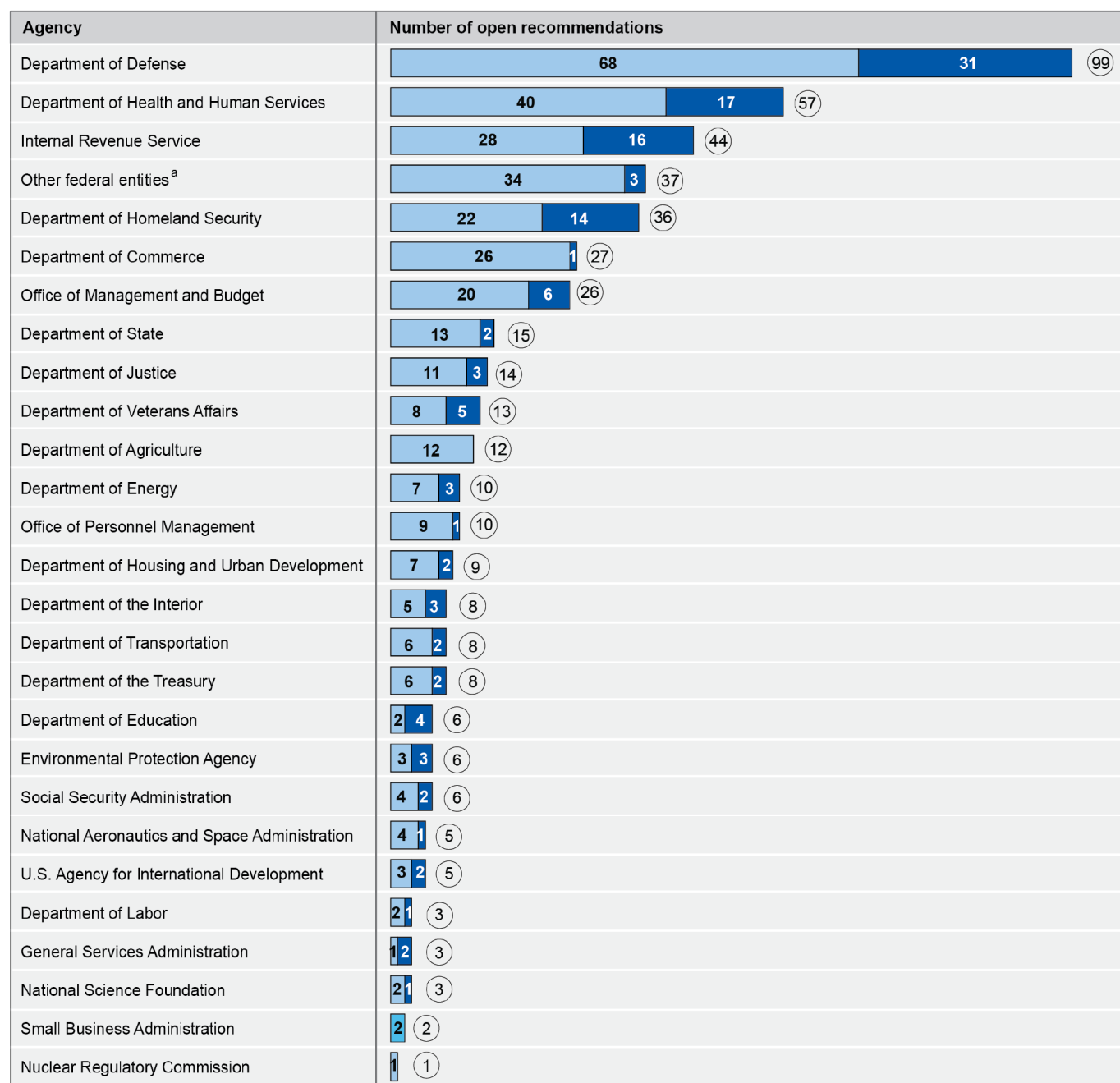
Open Duplication and Cost Savings Matters and Recommendations

We identified 140 matters directed to Congress that have the opportunity to address fragmentation, overlap, and duplication, or achieve financial benefits. Of the 140 matters, 76 (54 percent) remained open as of March 2024. Legislation was introduced in the 117th or 118th Congress to address 31 (about 41 percent) of the open matters. As of March 2024, legislation had not been enacted, and those matters remained open. Appendix IV has a full list of the 76 open matters.

We also identified 1,878 recommendations directed to federal agencies. As shown in figure 5, these recommendations span the government. Of the 1,878 recommendations, 473 (25 percent) remained open as of March 2024. Six agencies—Department of Defense, Department of Health and Human Services, the Internal Revenue Service, Department of Homeland Security, Department of Commerce, and the Office of Management and Budget—each have at least 20 open recommendations.

⁴In calculating this estimate, we relied on individual estimates from a variety of sources, which considered different time periods and used different data sources, assumptions, and methodologies. These estimates are subject to increased uncertainty, depending on whether, how, and when they are addressed. This amount represents a rough estimate of financial benefits.

Figure 5: Number of Open Duplication and Cost Savings Recommendations by Agency, as of March 2024



Open – not addressed
 Open – partially addressed
 Total open recommendations

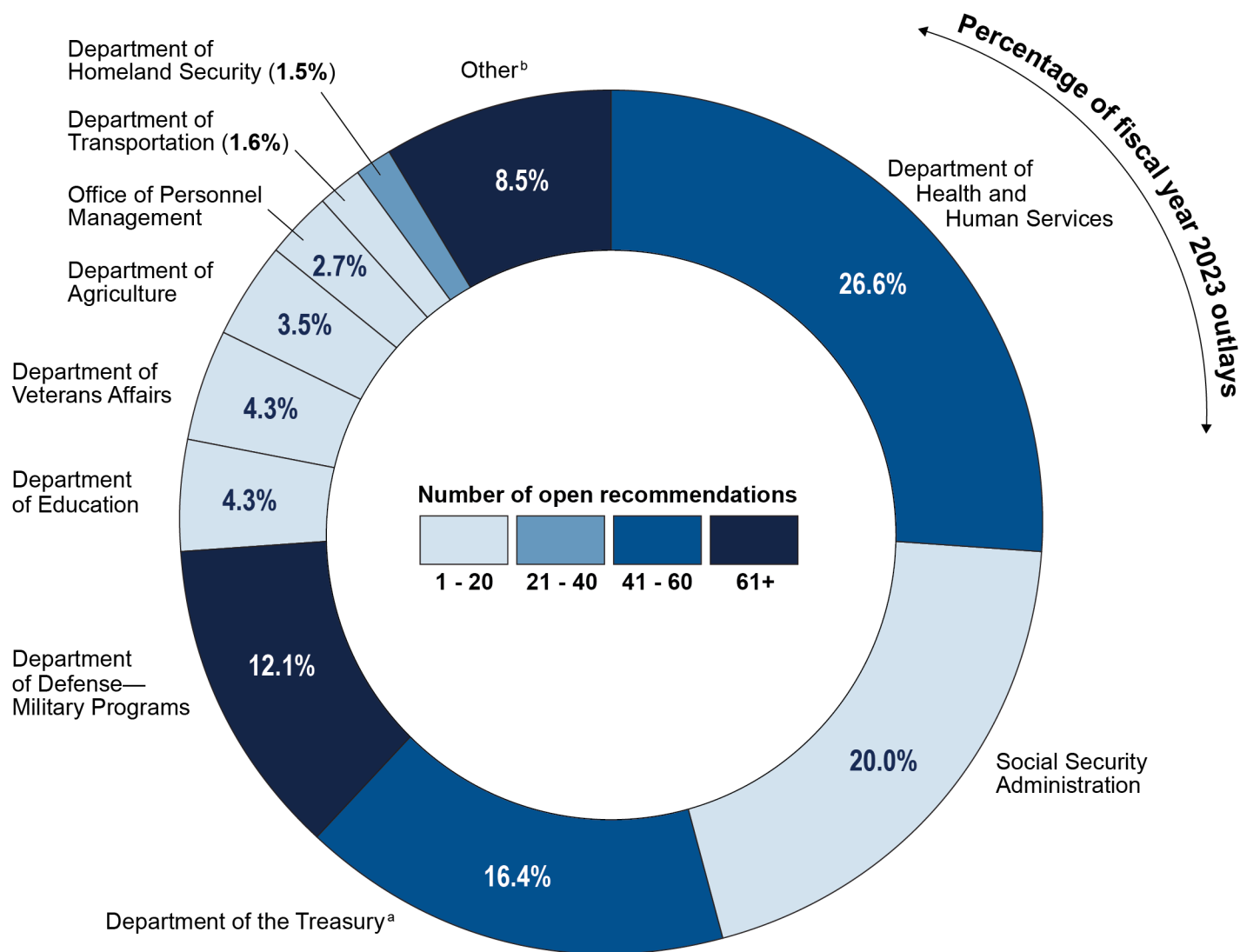
Source: GAO. | GAO-24-106915

Note: These data include recommendations related to our prior annual reports, from our prior reports not previously tracked in this body of work but that have potential or realized financial benefits, and those newly identified in this annual report.

^a“Other federal entities” reflects open recommendations directed to the following federal entities: AmeriCorps, Capitol Police Board, Committee on Science, Technology, Engineering, and Math Education, Commodity Futures Trading Commission, Consumer Financial Protection Bureau, Consumer Product Safety Commission, Cybersecurity and Infrastructure Security Agency, Executive Office of the President, Federal Communications Commission, Federal Deposit Insurance Corporation, Federal Energy Regulatory Commission, Federal Reserve System, National Credit Union Administration, Office of the Director of National Intelligence, Railroad Retirement Board, U.S. Agency for Global Media, U.S. Geological Survey, United States Commission on International Religious Freedom, United States Interagency Council on Homelessness, United States Postal Service, and United States Securities and Exchange Commission.

Approximately 63 percent of the open recommendations are directed to 10 agencies—Department of Health and Human Services, Social Security Administration, Department of the Treasury, Department of Defense, Department of Education, Department of Veterans Affairs, Department of Agriculture, Office of Personnel Management, Department of Transportation, and Department of Homeland Security—that made up about 93 percent of federal outlays in fiscal year 2023. Figure 6 highlights agencies with open recommendations, as well as their fiscal year 2023 share of federal outlays.

Figure 6: Fiscal Year 2023 Outlays and Number of Open Duplication and Cost Savings Recommendations, by Agency



Source: GAO. | GAO-24-106915

Notes: Due to rounding, the total percentages may not add up to exactly 100 percent.

These data include recommendations related to our prior annual reports, from our prior reports not previously tracked in this body of work but that have potential or realized financial benefits, and those newly identified in this annual report.

^aThe Department of the Treasury's percentage of fiscal year 2023 outlays includes interest payments on the national debt as well as costs associated with administering its bureaus, including the Internal Revenue Service (IRS). The total open recommendations to Treasury also include open recommendations to IRS.

^bOther agencies include all federal agencies with fiscal year 2023 outlays not listed above.

Open Matters and Recommendations to Address Fragmentation, Overlap, and Duplication and with Potential for Financial Benefits

For the 549 matters and recommendations that were open as of March 31, 2024, about 37 percent relate to improvements in public safety and security; 23 percent to business process and management; 14 percent to public insurance and benefits; 12 percent to tax law administration; 11 percent to program efficiency and effectiveness; and 4 percent to acquisition and contract management.⁵

Congress and agencies can take action on open matters and recommendations to eliminate, reduce, and better manage fragmentation, overlap, and duplication and achieve other benefits, such as maintaining global economic competitiveness, strengthening homeland and national security, and improving delivery of federal services. See table 5 for examples.

Table 5: Examples of Open Topic Areas and Potential Benefits

Topic area and description (GAO report number linked)	Mission	Potential benefit
Cell-Cultured Meat Oversight: The Secretary of Agriculture, in coordination with the Commissioner of the Food and Drug Administration, should more fully incorporate the seven leading practices for effective collaboration in the agencies' interagency agreement for the joint oversight of cell-cultured meat. (GAO-20-325)	Agriculture	More effective regulatory oversight of cell-cultured meat
DOD Predictive Maintenance: The Secretaries of the Army, Navy, and Air Force and the Commandant of the Marine Corps should designate a single entity with sufficient authority and resources necessary to support the implementation of predictive maintenance. (GAO-23-105556)	Defense	Improved oversight of predictive maintenance efforts
Federal Disaster Recovery Programs: The Federal Emergency Management Agency (FEMA) and the Departments of Housing and Urban Development and Transportation should each identify and take steps to better manage fragmentation between their respective disaster recovery programs and other federal programs and FEMA should also do so across its own disaster recovery programs. (GAO-23-104956)	Homeland Security, Law Enforcement or both	More effective recovery efforts and improved service delivery to disaster survivors
Antibiotic Resistance Diagnostic Test Research: The Secretary of Health and Human Services should identify leadership and clarify roles and responsibilities among Department of Health and Human Services (HHS) agencies to assess the clinical outcomes of diagnostic testing for identifying antibiotic-resistant bacteria. (GAO-20-341)	Health	Better coordination to improve patient care and antibiotic use
Cybersecurity in K-12 Schools: The Secretary of Education, in coordination with federal and nonfederal stakeholders, should determine how best to help school districts overcome the identified challenges and consider the identified opportunities for addressing cyber threats. (GAO-23-105480)	Information Technology	Improved cybersecurity assistance for schools

⁵Percentages do not exactly add up to 100 percent due to rounding.

Topic area and description (GAO report number linked)	Mission	Potential benefit
Research on Air Travel and Communicable Diseases: Congress should consider directing the Federal Aviation Administration to develop and implement a strategy to identify and advance needed research on communicable diseases in air travel, in coordination with appropriate federal agencies, such as the HHS, the Department of Homeland Security, and external partners. (GAO-22-104579)	Science and the Environment	Improved research on and response to communicable diseases in air travel

Source: GAO. | GAO-24-106915

Of the 549 open matters and recommendations, we identified 162 as having the potential to yield financial benefits. Of these 162, we estimate a lower bound of financial benefits of:

- ten billion dollars for five,
- one billion dollars for 14, and
- less than one billion dollars for 93.

We were not able to estimate the value of the potential financial benefits for 50 matters and recommendations, due, for example, to a lack of data or uncertainties in when or how the matter or recommendation would be implemented.

Further steps by Congress and federal agencies are needed to fully address the matters and recommendations that could yield significant financial benefits, as shown in table 6. Specifically, Congress and agencies could potentially realize tens of billions of dollars in financial benefits by implementing these matters and recommendations.⁶

⁶In calculating this estimate, we relied on individual estimates from a variety of sources, which considered different time periods and used different data sources, assumptions, and methodologies. These estimates are subject to increased uncertainty, depending on whether, how, and when they are addressed. This amount represents a rough estimate of financial benefits.

Table 6: Examples of Open Topic Areas with Potential Financial Benefits of \$1 Billion or More

Topic area and description (GAO report number linked)	Mission	Potential financial benefits (Source)
*Medicaid Demonstration Waivers: Congress should consider requiring the Secretary of Health and Human Services to improve the demonstration review process through steps such as (1) clarifying criteria for reviewing and approving states' proposed spending limits, (2) better ensuring that valid methods are used to demonstrate budget neutrality, and (3) documenting and making public material explaining the basis for any approvals. (GAO-08-87)	Health	Tens of billions of dollars (GAO analysis of Centers for Medicare & Medicaid Services data)
COVID Employer Tax Relief: The Internal Revenue Service (IRS) should document processes used to address certain compliance risks for COVID-19 employer tax credits and implement additional compliance activities to potentially recapture ineligible claims. (GAO-22-104280)	General Government	Tens of billions of dollars over 2 years (GAO analysis of IRS data)
*Public-Safety Broadband Network: Congress should consider reauthorizing FirstNet, including different options for its placement, and ensure key statutory and contract responsibilities are addressed before current authorities sunset in 2027. (GAO-22-104915)	Information Technology	\$15 billion over 15 years^a (GAO analysis of the FirstNet Contract)
*Crop Insurance: Congress should consider repealing the 2014 farm bill requirement that any revision to the standard reinsurance agreement not reduce companies' expected underwriting gains, and directing the Risk Management Agency to, during the next renegotiation of the agreement, (1) adjust the participating insurance companies' target rate of return to reflect market conditions and (2) assess the portion of premiums that participating insurance companies retain and, if warranted, adjust it. (GAO-17-501)	Agriculture	About \$7 billion over 10 years (GAO analysis of Congressional Budget Office data)
*Disability and Unemployment Benefits: Congress should consider passing legislation to require the Social Security Administration to offset Disability Insurance benefits for any Unemployment Insurance benefits received in the same period. (GAO-14-343SP)	Income Security	\$2.2 billion over 10 years (Office of Management and Budget)
Student Loan Income-Driven Repayment Plans: The Department of Education should obtain data to verify income information for borrowers reporting zero income on Income-Driven Repayment applications. (GAO-19-347)	Training, Employment, and Education	More than \$2 billion over 10 years (Congressional Budget Office)
*DOE's Treatment of Hanford's Low-Activity Waste: Congress should consider clarifying two issues, including the Department of Energy's (DOE) authority to determine whether portions of Hanford's tank waste, such as the low-activity tank waste, can be managed as a waste type other than high-level radioactive waste and disposed of outside the state of Washington. (GAO-22-104365)	Energy	Billions of dollars over 11 years (GAO analysis of DOE data)
*Internal Revenue Service Enforcement Efforts: Congress should consider enhancing IRS enforcement and service capabilities can help reduce the gap between taxes owed and paid by collecting tax revenue and facilitating voluntary compliance. This could include expanding third-party information reporting. For example, reporting could be required for certain payments that rental real estate owners make to service providers, such as contractors who perform repairs on their rental properties. In addition, Congress could grant IRS the explicit authority to establish professional requirements for paid tax preparers. (GAO-08-956, GAO-09-238, GAO-14-467T, GAO-23-105217)	General Government	Billions of dollars over 10 years (Joint Committee on Taxation and the Department of the Treasury)

Legend: * = Legislation is likely to be necessary to fully address all matters or recommendations in this topic area.

Source: GAO. | GAO-24-106915

^aIf FirstNet sunsets, it is unclear what will happen to the remaining \$15 billion in scheduled annual payments, which FirstNet currently has authority to collect and reinvest.

Note: The potential financial benefits shown in this table represent estimates of amounts GAO or others believe could accrue if steps are taken to implement the actions described. The estimates are dependent on various factors, such as whether action is taken and how it is taken. Realized financial benefits may be less, depending on costs associated with implementing the action, unintended consequences, and the effect of controlling for other factors. The individual estimates in this table should be compared with caution, as they come from a variety of sources, which consider different time periods and use different data sources, assumptions, and methodologies.

We are sending copies of this report to the appropriate congressional committees and relevant federal agencies. In addition, this report is available at no charge on the GAO website at <https://www.gao.gov>.

This report was prepared under the coordination of Jessica Lucas-Judy, Director, Strategic Issues, who may be reached at (202) 512-6806 or lucasjudyj@gao.gov, and Michelle Sager, Managing Director, Strategic Issues, who may be reached at (202) 512-6806 or sagerm@gao.gov. Contact points for our Office of Congressional Relations and Public Affairs may be found on the last page of this report.

A handwritten signature in black ink, reading "Gene L. Dodaro". The signature is fluid and cursive, with a large, stylized "D" at the end.

Gene L. Dodaro
Comptroller General of the United States

List of Congressional Addressees

The Honorable Patty Murray
Chair
The Honorable Susan Collins
Vice Chair
Committee on Appropriations
United States Senate

The Honorable Sheldon Whitehouse
Chairman
The Honorable Chuck Grassley
Ranking Member
Committee on the Budget
United States Senate

The Honorable Gary C. Peters
Chairman
The Honorable Rand Paul, M.D.
Ranking Member
Committee on Homeland Security and Governmental Affairs
United States Senate

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Committee on Appropriations
House of Representatives

The Honorable Jodey Arrington
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The Honorable Brendan Boyle
Ranking Member
Committee on the Budget
House of Representatives

The Honorable James Comer
Chairman
The Honorable Jamie Raskin
Ranking Member
Committee on Oversight and Accountability
House of Representatives

The Honorable Mark R. Warner
United States Senate

Appendix I: Objectives, Scope, and Methodology

Section 21 of Public Law 111-139, enacted in February 2010, requires us to conduct routine investigations to identify federal programs, agencies, offices, and initiatives with duplicative goals and activities within departments and government-wide.¹ This provision also requires us to report annually to Congress on our findings, including the cost of such duplication, with recommendations for consolidation and elimination to reduce duplication and specific rescissions (legislation canceling previously enacted budget authority) that Congress may wish to consider.

Our objectives in this report are to (1) identify potentially significant topic areas of (a) fragmentation, overlap, and duplication, or (b) opportunities for cost savings and enhanced revenues that exist across the federal government; (2) provide the implementation status on matters and recommendations identified; and (3) highlight examples of open matters directed to Congress and recommendations to federal agencies.

For the purposes of our analysis, we used the term “fragmentation” to refer to circumstances in which more than one federal agency (or more than one organization within an agency) is involved in the same broad area of national need. We used the term “overlap” when multiple agencies or programs have similar goals, engage in similar activities or strategies to achieve them, or target similar beneficiaries. We considered “duplication” to occur when two or more agencies or programs are engaged in the same activities or provide the same services to the same beneficiaries.² While fragmentation, overlap, and duplication are associated with a range of potential costs and benefits, we include them in this report only if there may be opportunities to improve how the government delivers these services.

To identify new topic areas with matters and recommendations to address fragmentation, overlap, and duplication, we examined programs and operations for these conditions, considered the potential positive and negative effects, and determined what, if any, actions Congress may wish to consider and agencies may need to take.³ For example, we used our prior work that identified leading practices that could help agencies

¹Pub. L. No. 111-139, § 21, 124 Stat. 8, 29 (2010), *codified at* 31 U.S.C. § 712 note.

²We recognize that there could be instances where some degree of program fragmentation, overlap, or duplication may be warranted because of the nature or magnitude of the federal effort.

³See GAO, *Fragmentation, Overlap, and Duplication: An Evaluation and Management Guide*, [GAO-15-49SP](#) (Washington, D.C.: April 2015).

address challenges associated with interagency coordination and collaboration and with evaluating performance and results in achieving efficiencies.⁴ The new areas of fragmentation, overlap, and duplication in this report are drawn from recently issued work with relevant matters and recommendations that have not been previously presented in an annual report.

To identify whether matters and recommendations create new opportunities for cost savings and enhanced revenues, we first considered if implementing the matter or recommendation could result in efficiencies in program operations or increased revenue to the government. We then collected and analyzed data on costs and potential savings to the extent they were available to develop our estimates. As a result, the new opportunities for potential cost savings or revenue enhancements in this report are drawn from recent work where we have determined that our matters and recommendations have the potential for a positive financial benefit.⁵ More detail on our methodology for estimating potential financial benefits is presented below.

To provide illustrative examples of open matters and recommendations that could yield potential financial or other benefits, we selected matters and recommendations in a variety of topic areas and to a diverse set of federal agencies. These examples include matters and recommendations with nonfinancial benefits, as well as those with potential financial benefits of \$1 billion or more.

We assessed the reliability of any computer-processed data that materially affected our findings, including cost savings and revenue enhancement estimates. The steps that we take to assess the reliability of data vary but are chosen to accomplish the auditing requirement that the data be sufficiently reliable given the purposes for which they are used in our products. We review published documentation about the data system

⁴See, for example, GAO, *Evidence-Based Policymaking: Practices to Help Manage and Assess the Results of Federal Efforts*, [GAO-23-105460](#) (Washington, D.C.: July 12, 2023); and *Government Performance Management: Leading Practices to Enhance Interagency Collaboration and Address Crosscutting Challenges*, [GAO-23-105520](#) (Washington, D.C.: May 24, 2023). Additional information on our work on the GPRA Modernization Act of 2010 can be found at <https://www.gao.gov/leading-practices-managing-results-government>. Furthermore, information on our work on best and leading practices in collaboration can be found at <https://www.gao.gov/leading-practices-collaboration-across-governments%2C-nonprofits%2C-and-private-sector>.

⁵The net benefit is a reflection of any financial or nonfinancial program improvements that exceed the costs of implementing our matters and recommendations.

and inspector general or other reviews of the data. We may interview agency or outside officials to better understand system controls and to assure ourselves that we understand how the data are produced and any limitations associated with the data. We may also electronically test the data to see whether values in the data conform to agency testimony and documentation regarding valid values, or we may compare data to source documents. In addition to these steps, we often compare data with other sources as a way to corroborate our findings.

We provided drafts of our new topic area summaries to the relevant agencies for their review and incorporated these comments as appropriate.

Assessing the Status of Previously Identified Matters and Recommendations

For this review, we provide the status on 2,018 matters and recommendations to address fragmentation, overlap, and duplication or potentially achieve financial benefits. This number combines 1,880 matters and recommendations included in our 2023 annual report, 19 matters and recommendations from other prior reports with newly identified financial benefits, and 119 matters and recommendations from recent work that are introduced in this report.⁶

To examine the extent to which Congress and federal agencies have taken action on implementing the 2,018 matters and recommendations associated with this report, we reviewed relevant legislation and agency documents such as budgets, policies, strategic and implementation plans, guidance, and other information between May 2023 and March 2024. In addition, we discussed the implementation status of the matters and recommendations with officials at the relevant agencies. Throughout this report, we present our counts as of March 2024, the latest date in which we received our most recent updates. We used data from our internal performance monitoring and accountability systems.⁷ The final data summary reports, used to capture data updated through March 29, 2024, were generated on April 1, 2024.

⁶For the 2024 annual report, we removed from the duplication and cost savings population five recommendations previously included in our 2023 annual report. In 2024, we determined that those five recommendations, all related to Department of Defense information technology, did not have potential for financial benefits.

⁷The data in these systems are also used for our public [Recommendations Database](#) and annual performance and accountability reporting. See, for example, GAO, *Performance and Accountability Report, Fiscal Year 2024*, [GAO-24-900483](#) (Washington D.C.: Nov. 15, 2023).

We used the following criteria in assessing the status of matters and recommendations:

- In assessing the status of matters for Congress, we applied the following criteria:
 - “closed – implemented” means relevant legislation has been enacted and addresses the intent of the matter, or a federal agency has taken steps that address all of the matter, with or without relevant legislation;
 - “open – partially addressed” means a relevant bill has passed a committee, the House of Representatives, or the Senate during the current congressional session, or relevant legislation has been enacted but only addressed part of the action needed; or a federal agency has taken steps to address part of the matter with or without legislation. At the beginning of a new congressional session, we reapply the criteria. As a result, the status of a matter may move from open – partially addressed to open – not addressed in a future report if relevant legislation is not reintroduced from the prior congressional session;
 - “open – not addressed” means a bill may have been introduced but did not pass out of a committee, or no relevant legislation has been introduced; and
 - “closed – no longer valid” (formerly referred to as “closed – not implemented”) means the matter is no longer relevant because of changing circumstances.
- In assessing the status of recommendations to agencies, we applied the following criteria:
 - “closed – implemented” means the agency has completed all actions to implement the recommendation or when actions have been taken that essentially meet the recommendation’s intent;
 - “open – partially addressed” means the agency has completed action(s) that contribute to the implementation of the recommendation, but has not yet completed all actions to implement the recommendation;
 - “open – not addressed” means the agency has not yet taken any actions or has action(s) planned or underway, but not completed, to implement the recommendation; and

-
- “closed – no longer valid” (formerly referred to as “closed – not implemented”) means the recommendation is no longer relevant because of changing circumstances.

We also analyzed, to the extent possible, whether financial or other benefits have been realized, and included this information as appropriate. To identify financial and other benefits realized as a result of implementing our matters and recommendations, we interviewed relevant agency and program officials, and gathered and analyzed data on the net benefit of such actions. More detail on our methodology for determining realized financial benefits is presented below.

Methodologies for Determining Financial Benefits

Realized Financial Benefits

To determine net financial benefits that have resulted from action to implement our matters and recommendations, we collected and analyzed any preexisting estimates and other data on costs and potential savings, to the extent they were available, and linked supporting documentation to those estimates. While the implementation of our recommendations can result in a wide variety of improvements to program economy, effectiveness, efficiency, and equity, many of these improvements do not readily have the data necessary to calculate financial benefits. For some actions, available data may only capture a portion of the realized benefits. For all estimates of financial benefits, we estimate a net benefit to account both for the positive effects of the action and any related implementation costs.

We report the total financial benefits achieved through this work as a combination of the total savings reported in the previous annual report and the net present value of financial benefits achieved in fiscal year

2023.⁸ Estimates of financial benefits rely on a variety of sources, including our analysis, Congressional Budget Office estimates, individual agencies, and others, and use different time frames, underlying assumptions, data quality, and methodologies. To account for the imprecision resulting from differences among individual estimates, we calculate our total realized financial benefits rounded to the nearest \$100 million.

Potential Financial Benefits

Potential financial benefits are the financial benefits that could occur as a result of implementation of our matters and recommendations.⁹ To develop estimates of potential financial benefits, we collected and analyzed any preexisting estimates and other data on costs and potential savings, to the extent they were available.¹⁰ Estimating the potential benefits was not possible in some cases, for a variety of reasons. These include: (1) inability to predict the timing and nature of agency or congressional actions; (2) limited data on performance, funding, the

⁸In our 2011-2022 annual reports, we followed a different methodology for calculating this total that did not rely on the net present value of savings in a fiscal year. Specifically, we presented both financial benefits that had accrued as of our report status date, and those that were expected to accrue in the future as the result of actions already taken and divided our realized financial benefits into these two categories for all presentation of results. In 2023, we made improvements to standardize our data into fiscal year net present value for that report and in each subsequent report. For the 2024 annual report, we continued our efforts to improve these data, including through our communications with agencies. This resulted in some previously reported savings being recalculated from earlier years into the total for 2024. As a result, the total realized financial benefits identified in the 2011-2023 annual reports have been updated from \$599.5 billion to \$596.3 billion.

⁹Potential financial benefits are typically associated with matters and recommendations that are open - not addressed or open - partially addressed. However, in some cases they are also associated with matters and recommendations that are closed - implemented, because it may take time between when action is taken and when the financial benefit is realized.

¹⁰Financial benefits estimates came from a variety of sources, including our analysis, Congressional Budget Office estimates, individual agencies, and others, and use different time frames, underlying assumptions, data quality, and methodologies among these individual estimates.

extent of any identified deficiencies, or potential costs associated with taking action; and (3) external factors such as changes to the economy.¹¹

Each estimate was reviewed by one of our technical specialists to ensure that estimates were based on reasonably sound methodologies. We used partial data and conservative assumptions to provide rough estimates of the magnitude of potential savings when more precise estimates were not possible. There is a higher level of uncertainty for estimates of potential financial benefits that could accrue from actions on matters and recommendations not yet taken because these estimates are dependent on whether, how, and when agencies and Congress implement them, or due to a lack of sufficiently detailed data to make reliable forecasts.

As a result, many estimates of potential financial benefits are notionally stated using terms such as millions, tens of millions, or billions to demonstrate a rough magnitude without providing a more precise estimate. Further, many of these estimates are not tied to specific time frames for the same reason. To calculate a total for potential financial benefits with a conservative approach, we used the minimum number associated with each term.¹² To account for the increased uncertainty of estimates of potential financial benefits and the imprecision resulting from differences among individual estimates, we calculated the total potential financial benefits to the nearest \$10 billion, rounded down, and presented our results using a notional term.

This report is based upon work we previously conducted in accordance with generally accepted government auditing standards. Generally accepted government auditing standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

¹¹We previously reported that implementing all open GAO matters and recommendations could produce \$92 billion to \$182 billion of measurable, future financial benefits, according to simulation models we developed and our historical data on realized financial benefits. GAO, *Potential Financial Benefits: Estimating the Value of Implementing Open GAO Recommendations*, [GAO-23-106598](#) (Washington, D.C., June 27, 2023). We plan to issue an updated estimate later this year.

¹²For example, if we had stated that an agency could potentially save “hundreds of millions,” we would use \$100 million as part of our calculation of the total.

Appendix II: New Topic Areas in Which GAO Has Identified Fragmentation, Overlap, or Duplication

This appendix presents 29 new topic areas in which we found evidence of fragmentation, overlap, or duplication among federal government programs.



MISSION AREA Agriculture

Source: USDA and PhotoDisc. | GAO-24-106915

1. National Wildlife Disease Surveillance

Federal agencies should better manage fragmentation and enhance their efforts to establish a national wildlife disease surveillance system by more fully following leading practices for collaboration, including clearly defining common outcomes and involving relevant participants.

Implementing Entity

Animal and Plant Health Inspection Service and U.S. Geological Survey

Related GAO Product

[GAO-23-105238](#)

Recommendations and Matters

One recommendation for APHIS and one recommendation for USGS

Contact Information

Steve Morris at (202) 512-3841 or morriss@gao.gov

Zoonotic diseases, or diseases that can spread between animals and people, account for an estimated 75 percent of new and emerging infectious diseases and are a serious public health concern around the world. Zoonotic pathogens can be carried by agricultural animals, pets, and wildlife, including wildlife in the U.S. and animals imported to the U.S. from other countries. In recent decades, zoonotic pathogens have caused numerous outbreaks, epidemics, and pandemics in people—including HIV/AIDS, severe acute respiratory syndrome, and Ebola. Such pathogens have collectively resulted in tens of millions of deaths and hundreds of billions of dollars in economic costs worldwide.

Multiple federal agencies share responsibilities for mitigating disease threats from U.S. wildlife. For example, the U.S. Department of Agriculture's Animal and Plant Health Inspection Service (APHIS) and the Department of the Interior's U.S. Geological Survey (USGS) each conduct some surveillance to detect zoonotic diseases in U.S. wildlife.

In 2020, APHIS and USGS established an ad hoc interagency committee to recommend ways to address the threat of zoonotic diseases emerging from U.S. wildlife. Among other things, the committee identified the need for a coordinated national wildlife surveillance system to rapidly detect and diagnose zoonotic diseases in wildlife.

In its prior work, GAO has identified leading practices to enhance and sustain collaboration between federal agencies. These practices include defining outcomes and monitoring accountability, identifying or sharing leadership, including relevant participants, identifying and leveraging resources, and developing written guidance and agreements.

In May 2023, [GAO found](#) that certain actions that APHIS and USGS have taken since 2020 to collaborate are consistent with aspects of some of these leading practices. For example, the agencies developed a written agreement in February 2021, in which they agreed to take several steps toward establishing a national wildlife disease surveillance system.

As APHIS and USGS progress through the remaining steps to establish such a system, they have opportunities to more fully follow leading practices for collaboration. For example, the agencies jointly identified the common outcome of a national wildlife disease surveillance system, but they had not clearly defined what will make up the surveillance system. Some officials described the system as a communication network to facilitate interagency coordination, while others described it as a nationwide plan that would target high-risk species, locations, and pathogens for surveillance. Officials from both APHIS and USGS said that other relevant federal, state, and tribal agencies will be involved at some point, but they had not yet taken steps to include them.

In May 2023, GAO made one recommendation each to APHIS and USGS to follow leading practices more fully—including clearly defining common outcomes, involving relevant participants, and identifying resources and staffing—while coordinating with each other to develop and implement a national wildlife disease surveillance system. Each agency concurred with its recommendation. In December 2023, officials from both APHIS and USGS said that they have been working with other relevant agencies in efforts to develop the surveillance system through agreements separate from the one established in February 2021. APHIS estimated that a surveillance system that encompasses USGS and APHIS actions and processes will be defined and implemented by June 30, 2024, dependent on available resources.

More fully following leading practices for collaboration could help the agencies better manage fragmentation in their efforts to develop and implement a national wildlife disease surveillance system. Such a system, if implemented effectively, would better position the U.S. to address emerging wildlife diseases.

Agency Comments and GAO’s Evaluation: GAO provided a draft of this report section to APHIS and USGS for review and comment. The agencies provided technical comments, which GAO incorporated as appropriate.

GAO Product: *Zoonotic Diseases: Federal Actions Needed to Improve Surveillance and Better Assess Human Health Risks Posed by Wildlife*. [GAO-23-105238](#). Washington, D.C.: May 31, 2023.



Source: Department of Defense/
Helene C. Stikkel. | GAO-24-106915

2. DOD Medical Facility Management

The Department of Defense should reduce the risk of overlapping management activities and potentially **save ten million dollars or more over 5 years** by reevaluating its market structure and establishing performance goals.

Implementing Entity

Department of Defense

Related GAO Product

[GAO-23-105441](#)

Recommendations and Matters

Two recommendations for DOD

Contact Information

Diana Maurer at (202) 512-9627 or
maurerd@gao.gov

Section 702 of the National Defense Authorization Act for Fiscal Year 2017 (Public Law 114-328) mandated sweeping reforms to the military health system, including transitioning military medical treatment facilities from the military departments to the Defense Health Agency (DHA). There are about 700 such facilities in the United States and overseas. These facilities deliver health care to service members and their families, retirees, and other eligible beneficiaries, and provide essential on-the-job training for active-duty medical providers. For fiscal year 2023, the Department of Defense (DOD) budgeted \$36.9 billion to fund (1) these facilities, (2) private-sector care provided by civilian network providers, and (3) other health system expenses for its beneficiaries.

In November 2022, DOD completed its multiyear transition of the military medical treatment facilities to DHA from the three military departments—the Army, the Navy, and the Air Force. DHA’s management approach divided facilities in the United States into groups—called markets—based on geographic proximity and facility type. Specifically, DHA established 36 U.S. markets and two overseas regions, and established 22 management organizations—market and regional offices—to lead them and provide shared support functions.

In August 2023, [GAO found](#) that DOD had not studied and validated the number of personnel required to staff the market and regional offices. DOD’s estimate of over 1,400 personnel for the 22 offices could be higher than needed because, among other reasons, DHA had not yet fully identified and implemented opportunities for consolidating functions as planned. The estimated requirements could also exceed expected budgetary and personnel resources. DHA also faced difficulties staffing these offices with military and federal civilian personnel in their first years of operations. However, DOD has not reevaluated the efficiency of the office structure since adopting it in 2019. It is DOD policy to periodically evaluate existing structures to ensure efficient and effective use of personnel (Department of Defense Directive 1100.4, *Guidance for Manpower Management* (Feb. 12, 2005)).

Further, GAO found that the extent to which DOD had realized or will realize savings from the transition of military medical treatment facilities is unknown. For example, in fiscal year 2022, DHA began 10 initiatives reforming clinical and business processes intended to save over \$1.6 billion by fiscal year 2026. However, DOD officials were unable to track execution of the initiatives and had not established performance goals for tracking them. GAO’s *Business Process Reengineering Assessment Guide* states that an agency’s business case should have specific performance goals for a reengineered process. Without such goals, DOD cannot identify its progress in achieving the \$1.6 billion savings and take any corrective actions.

In August 2023, GAO recommended that the Secretary of Defense ensure that the Deputy Secretary of Defense, in coordination with the Under Secretary of Defense for Personnel and Readiness, prioritizes a reevaluation of its organizational approach for DHA’s market-based management structure. This includes the

possible consolidation under DHA headquarters of some or all management activities currently vested with market offices and use of the conclusions to study and validate workloads and personnel requirements. DOD concurred with this recommendation.

As of January 2024, DOD stated that it is transitioning to a network approach to improve management of military medical treatment facilities. DOD's new approach realigns its 36 U.S. markets and two overseas regions into nine Defense Health Networks. In doing so, DOD reduced the number of management organizations from 22 to nine. DOD also stated that, in December 2023, the Deputy Secretary of Defense directed the department to review and establish personnel requirements at all military medical treatment facilities. In implementing this direction, DOD is also identifying performance measures for the effective use of personnel across the military health system, according to officials.

GAO also recommended that the Secretary of Defense ensure that the Under Secretary of Defense for Personnel and Readiness establishes performance goals for its transition-related clinical and business reform initiatives, and then monitor the results in relation to projected savings. DOD partially concurred with this recommendation, noting that virtually all transition-related clinical and business reform initiatives were completed, and that DHA and the military health system had processes to monitor resource utilization.

However, GAO's recommendation was specific to 10 reform initiatives that were ongoing throughout fiscal year 2023, and DHA officials stated they did not yet track them. GAO continues to maintain that the recommendation is feasible to ensure DOD's clinical and business reform initiatives for the military health system are on track to achieve the intended efficiency benefits.

By reevaluating its market-based management approach, establishing performance goals, and monitoring results, DOD could reduce the risk of overlapping functions and inefficient allocations of personnel and budgetary resources, and improve its ability to realize intended savings. GAO cannot precisely calculate the potential savings from doing so because actual savings would depend on the scale of management consolidation, and the extent to which improved monitoring will affect total savings related to reform implementation. However, implementing these recommendations could help DOD save more than \$10 million by fiscal year 2029.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to DOD for review and comment. DOD provided technical comments, which GAO incorporated as appropriate.

GAO Product: *Defense Health Care: DOD Should Reevaluate Market Structure for Military Medical Treatment Facility Management.* [GAO-23-105441](#). Washington, D.C.: August 21, 2023.



MISSION AREA Defense

Source: Department of Defense/
Helene C. Stikkel. | GAO-24-106915

3. DOD Wargames

The Department of Defense should better manage fragmentation of wargame efforts by establishing requirements or standards for reporting wargame data and developing and implementing a department-wide approach for effectively sharing wargame plans and data.

Implementing Entity

Department of Defense

Related GAO Product

[GAO-23-105351](#)

Recommendations and Matters

Three recommendations for DOD

Contact Information

Diana Maurer at (202) 512-9627 or
maurerd@gao.gov

Multiple organizations within the Department of Defense (DOD) conduct wargames, which are representations of conflict in which the game's players make decisions and respond to the consequences of those decisions. DOD has used wargames throughout its history to analyze potential courses of action against likely threats and adversaries. DOD continues to use wargames to gain insights into complex issues or problems without having to maneuver actual forces, and to inform decisions about warfighting concepts, capabilities, and plans.

In 2015, the Deputy Secretary of Defense issued memoranda to revitalize and spur innovation in wargaming. In response, DOD developed a Wargaming Repository to house wargame results and other wargame-related data, among other efforts. However, in April 2023, [GAO found](#) that organizations across DOD were using different unlinked information systems to collect and store wargame data, creating barriers to accessing wargame reports and other information. Such barriers include results being left unrecorded or unshared among organizational stovepipes. As a result, wargame sponsors or designers do not have the benefit of consulting a comprehensive database of wargames prior to pursuing their own, losing opportunities to learn from others and leverage earlier work.

Additionally, DOD officials seeking to perform meta-analysis of wargames conducted on specific scenarios or adversaries are currently limited from effectively doing so and are hindered from overseeing the department's wargaming efforts to ensure they are adequately addressing analytical priorities. Despite actions across the department to collect, store, and manage wargame data, these efforts remain fragmented because DOD does not have a department-wide approach.

GAO also found that a lack of information sharing on upcoming wargames inhibits effective collaboration, resulting in missed opportunities to leverage expertise, share resources, and obtain maximum value from wargames. DOD's information sharing is inhibited in part by two challenges: (1) DOD has not identified a clear lead organization to create a common operational picture or master calendar of what wargames are occurring when and where, and as such none has been created, and (2) DOD organizations are not required to share basic information about upcoming wargames. These challenges impede any effort to keep a common operational picture or master wargame calendar so that organizations can effectively collaborate and leverage expertise.

GAO made three recommendations in its April 2023 report to (1) develop and implement a department-wide approach for effectively sharing wargame data that, at a minimum, establishes requirements or standards for reporting wargame data and addresses the fragmentation of data across multiple systems; (2) identify a lead organization to create and maintain a common operational picture or master calendar for wargames; and (3) issue guidance requiring DOD organizations to share information about their planned wargames with the

designated lead organization. DOD concurred with these recommendations. As of December 2023, a DOD-funded study to address these issues is underway.

By taking these actions, DOD could better manage fragmentation and ensure the quality of its wargaming efforts as it prepares for the challenges of addressing threats and countering adversaries.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to DOD for review and comment. DOD stated that it did not have comments on this report section.

GAO Product: *Defense Analysis: Additional Actions Could Enhance DOD's Wargaming Efforts.* [GAO-23-105351](#). Washington, D.C.: April 24, 2023.



Source: Department of Defense/
Helene C. Stikkel. | GAO-24-106915

4. Service Member Fatigue

The Department of Defense should take action to better manage fragmentation in research projects on using wearable devices to address service member fatigue, potentially saving costs.

Implementing Entity

Department of Defense

Related GAO Product

[GAO-24-105917](#)

Recommendations and Matters

Three recommendations for DOD

Contact Information

Diana Maurer at (202) 512-9627 or
maurerd@gao.gov

Fatigue caused by inadequate sleep can negatively affect a service member's military performance and has contributed to accidents resulting in service member deaths and hundreds of millions of dollars in damage to Department of Defense (DOD) ships, vehicles, and aircraft. DOD recognizes that impairment from fatigue can be equivalent to the effects of alcohol intoxication and significantly increases the risk of physical injury. Numerous stakeholders across DOD and the military services are involved in DOD's efforts to limit service member fatigue. For example, fatigue-related research efforts stretch across multiple domains including health, safety, and readiness, and involve an array of diverse technical disciplines ranging from medical researchers to developers of cutting-edge technology.

In March 2024, [GAO found](#) instances of fragmentation among multiple DOD organizations involved in researching sleep and fatigue. These organizations are spread across the department, from those at the DOD-level, such as the Defense Health Agency, to those at multiple levels within each service—including commands and units.

Fragmentation is particularly apparent in fatigue-related research projects on using wearable devices—such as smart watches and heart monitors—to identify and mitigate service member fatigue. These research projects study the use of wearable technology to track service member sleep, including device accuracy and reliability; applicability in scheduling; and data transfer, storage, and analysis. GAO identified 48 of these DOD projects, occurring from 2017 through 2023.

While most of the projects had different research goals or involved different military occupations and settings, many of the projects used the same type of wearable technology or even the same model. DOD officials acknowledged that they lack a comprehensive inventory needed to allow the department to understand and identify projects that are currently in place and reveal redundancies, determine gaps, identify cost saving opportunities, and identify methods to show program effects.

GAO collected cost information for 29 of the 48 wearable device projects. For these 29 projects, the Army, Navy, Marine Corps, and Air Force spent approximately \$25 million total. Moving forward, DOD plans to make significant investments in wearable device programs, with plans to spend hundreds of millions of dollars on them. In a July 2023 report to Congress, DOD estimated the Defense Health Agency will invest roughly \$337 million on six wearable device-related programs—related to fatigue, infection prediction, and combat causality care—from fiscal years 2021 to 2027.

In March 2024, GAO recommended that the office DOD identifies to oversee DOD-wide fatigue-related efforts should create and maintain a comprehensive list of all fatigue-related research projects. Furthermore, in March 2024, GAO recommended that the office identified to oversee DOD-wide fatigue-related efforts (1) use the

comprehensive list to better manage fragmentation among the fatigue-related research initiatives, and (2) establish a cross-domain working group dedicated to sharing and communicating fatigue research and related information department-wide. DOD generally concurred with the recommendations.

Establishing a comprehensive list of fatigue-related research projects will help ensure visibility, encourage collaboration, and leverage lessons learned from fatigue-related projects, as well as help manage any fragmentation that may exist, potentially leading to cost savings. Moreover, by establishing a cross domain working group, the department would be better positioned to collaborate on fatigue-related research projects, engage senior leadership on fatigue mitigations to influence management priorities, and improve coordination for the introduction of new or improved technology to manage fatigue.

GAO cannot precisely estimate the amount of savings that might be achieved by taking these actions, in part because of unknown future requirements for research activities. However, eliminating even one project with costs similar to the current projects could amount to tens of thousands of dollars in potential savings.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to DOD for review and comment. DOD stated it did not have comments on this report section.

GAO Product: *Military Readiness: Comprehensive Approach Needed to Address Service Member Fatigue and Manage Related Efforts*, [GAO-24-105917](#). (Washington, D.C.: March 26, 2024).



Source: Department of Defense/
Helene C. Stikkel. | GAO-24-106915

5. DOD Financial Management Systems

The Department of Defense should improve oversight of its business and financial management systems to allow for more informed investment decisions, which could result in cost savings and more effective identification of potential overlap and duplication.

Implementing Entity

Department of Defense

Related GAO Product

[GAO-23-104539](#)

Recommendations and Matters

Eight recommendations for DOD

Contact Information

Vijay A. D'Souza (202) 512-7650 or
dsouzav@gao.gov

For over 30 years, the Department of Defense (DOD) has spent billions of dollars on efforts and organizational changes to help modernize its business systems, which include financial management systems as well as systems that support other business functions (e.g., logistics and health care). The goals of these efforts are to improve management of DOD's business processes, increase efficiency, modernize its supporting systems environment, and achieve a clean audit opinion (i.e., an independent auditor determines that financial statements were presented fairly in accordance with generally accepted accounting principles), among other things. However, as of February 2024, these efforts and changes have not been fully successful. DOD's financial management and business systems modernization efforts have been on GAO's list of high-risk programs since 1995. These high-risk areas remain key impediments to DOD's efforts to achieve a clean audit opinion and manage its portfolio of business and financial management system investments more effectively and efficiently.

In March 2023, [GAO found](#) that DOD established a process for overseeing its business and financial management systems. First, systems may only proceed into development once the appropriate approving official determines that five statutory requirements in section 2222 of title 10, United States Code have been met. These requirements include compliance with the department's auditability requirements. Second, once approved, systems proceed through an annual certification process in which DOD ensures that systems are continuing to meet the requirements.

However, GAO found limitations with the key guidance documents that govern DOD, military department, and defense agency decisions about this process. Specifically, the guidance does not fully address how systems are to document compliance or how decision-makers are to substantiate that systems are complying with requirements. For example, DOD-level guidance does not describe how approving officials are to determine initial or annual compliance with the auditability requirement. This places DOD at risk of making decisions based on a "check the box" exercise.

In addition, DOD does not apply key requirements to systems that have proceeded past the development phase (i.e., systems in sustainment), even though section 2222 does not provide for such an exclusion. By excluding application of these requirements, DOD may be missing important opportunities for improving these systems. Moreover, the data generated by the oversight process was not reliable. For example, of the 208 systems that DOD identified as relevant to the financial audit, information on 71 systems indicated that the auditability requirement was not applicable to them. However, a separate database indicated that at least 58 of these 71 were relevant to the financial audit.

GAO also found that DOD had discontinued the tool that systems used to document detailed alignment and compliance with the department's business enterprise architecture. DOD issued a memorandum in August

2022 directing systems to document business enterprise architecture compliance in a new tool. However, the new tool does not capture some important information. The information captured in the new tool represents only alignment to elements of the architecture (e.g., selecting the business activities associated with the system) and does not include asserting compliance to more detailed elements. For example, the previous tool required systems to identify and assert compliance with, among other things, relevant laws, regulations, policies, and business rules. This information is not captured in the new tool.

In March 2023, GAO made eight recommendations intended to improve DOD oversight of business and financial systems. For example, GAO recommended that DOD and the military departments update guidance for substantiating and documenting compliance with statutory requirements and ensure reliable data are collected on the compliance with statutory requirements. GAO also recommended that DOD develop guidance for business and financial systems in sustainment to comply with relevant statutory requirements and develop and implement plans for documenting detailed system compliance with the business enterprise architecture.

DOD concurred with seven of the eight recommendations addressing oversight of business and financial systems and partially concurred with one. Regarding the recommendation to develop guidance for systems in sustainment, DOD stated that its Chief Information Officer would analyze the potential need to develop additional guidance. GAO maintains that by not fully committing to developing needed guidance, DOD risks missing opportunities for improving its systems in sustainment.

In March 2024, DOD provided a corrective action plan that documents the various steps it has begun taking or plans to take to address the eight recommendations. The plan notes that DOD will assess the need for additional guidance for systems in sustainment by May 31, 2024. The plan also projects that DOD will finish implementing the other seven recommendations, including documenting detailed system compliance with the business enterprise architecture by the end of October 2024.

At this time, GAO cannot precisely estimate the future savings that could result from these recommendations because savings will depend on how DOD implements GAO's recommendations and other factors (e.g., which systems are identified as potentially duplicative and how DOD addresses the potential duplication). However, improving the planning and oversight of DOD's business and financial management systems and developing a tool to document compliance with the business enterprise architecture could better position the department to make more informed investment decisions, which could result in potential cost savings and help avoid the risk of inefficient investment in duplicative business and financial management systems.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to DOD for review and comment. DOD provided technical comments, which GAO incorporated as appropriate.

GAO Product: *Financial Management: DOD Needs to Improve System Oversight.* [GAO-23-104539](#). Washington, D.C.: March 7, 2023.



MISSION AREA
General government

Source: PhotoDisc. | GAO-24-106915

6. Background Investigation Reciprocity Among Agencies

The Office of the Director of National Intelligence and the Office of Personnel Management should better manage fragmentation and potentially realize cost savings by avoiding duplicative background investigations.

Implementing Entity

The Office of the Director of National Intelligence and the Office of Personnel Management.

Related GAO Product

[GAO-24-105669](#)

Recommendations and Matters

Four recommendations to ODNI and two to OPM.

Contact Information

Alissa Czyz at (202) 512-3058 or czyza@gao.gov

Personnel vetting helps ensure the trustworthiness of the federal government's workforce. Federal agencies vet personnel to determine whether they are suitable for government employment or eligible for access to classified information, among other things. Agencies generally are required to accept personnel vetting determinations that other agencies previously made—a process known as reciprocity. Reciprocity can assist in the speed of personnel transfers and help reduce skills gaps.

The Office of the Director of National Intelligence (ODNI) and the Office of Personnel Management (OPM) have key oversight responsibilities for personnel vetting. The Director of National Intelligence is responsible for oversight of the governmentwide personnel security clearance process, which is one of the vetting processes. This responsibility includes issuing policies for investigations and adjudications of security clearances and ensuring that agencies practice reciprocity in recognizing security clearances granted by another agency. Similarly, the Director of OPM is responsible for governmentwide oversight of the process to vet personnel for suitability, fitness, and credentialing. This responsibility includes promoting reciprocity of vetting determinations.

To make reciprocity determinations, officials in federal agencies generally review records in IT systems that are accessible between agencies to determine whether an individual has had a prior background investigation or vetting determination that meets the agency's needs. Further, personnel at each federal agency enter records into IT systems, but these records are not always complete and accurate.

In January 2024, [GAO found](#) that ODNI and OPM have not fully addressed all reciprocity-related challenges that agencies and contractors face. For example, 28 of the 31 agencies GAO surveyed stated that IT systems at times did not have complete information needed to decide whether to recognize another agency's vetting determination. Eleven survey respondents said that IT systems did not include details such as the determination made after completing an individual's investigation or if an individual had a break in federal service.

In addition, 17 of the 31 agencies GAO surveyed stated that agencies, at times, do not trust other agencies' processes for granting security clearances—one of the vetting processes—which can affect their decisions to grant reciprocity. According to ODNI officials, some agencies believe that other agencies accept overly high levels of risk in their security clearance processes. For example, one survey respondent stated that their agency did not trust other agencies' security clearance processes because some do not require that the results of the polygraph indicate "no significant response" to grant a Top Secret clearance. As a result, some agencies ignore completed background investigations and conduct new ones.

Figure 7: Reciprocity-Related Challenges that Agencies and Contractors Face



Source: GAO analysis of agency documentation, survey results, and interviews; GAO icons. | GAO-24-106915

In January 2024, GAO made six recommendations—four to ODNI and two to OPM—to address reciprocity challenges. For example, GAO recommended that ODNI and OPM develop and implement a plan to ensure that IT systems contain complete and accurate information, and that ODNI develop and implement a plan that addresses agencies' concerns that led them to mistrust some other agencies' security clearance processes.

ODNI did not provide formal comments on GAO's draft report but provided technical comments which GAO incorporated into the final report as appropriate. OPM concurred with both recommendations and stated it would work to address them, such as by working with its partners on requirements for a shared IT system and promoting timely information sharing among agencies. As of March 2024, ODNI and OPM had not provided additional updates about the recommendations.

If ODNI and OPM take actions to better manage fragmentation of personnel vetting processes, agencies may be able to grant reciprocity more often. GAO cannot precisely estimate the cost savings because the extent of duplicative investigations is unknown. However, by granting reciprocity more often, agencies could reduce the risk of conducting duplicative background investigations that add to offices' operating costs and delay the vetting process to fill needed positions.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to the Department of Defense, the Office of Management and Budget, OPM, and ODNI for review and comment. The Department of Defense and OPM stated that they did not have comments on this report section. The Office of Management and Budget did not provide comments. ODNI provided technical comments, which GAO incorporated as appropriate.

GAO Product: *Federal Workforce: Actions Needed to Improve the Transfer of Personnel Security Clearances and Other Vetting Determinations.* [GAO-24-105669](#). Washington, D.C.: Jan. 22, 2024.



MISSION AREA
General government

Source: PhotoDisc. | GAO-24-106915

7. Blockchain in Finance

Congress could close regulatory gaps and seven federal regulators should improve coordination to better manage fragmented efforts to identify risks and develop appropriate timely regulatory responses.

Implementing Entity

Congress, Consumer Financial Protection Bureau, Commodity Futures Trading Commission, Federal Deposit Insurance Corporation, Board of Governors of the Federal Reserve System, National Credit Union Administration, Office of the Comptroller of the Currency, and Securities and Exchange Commission

Related GAO Product

[GAO-23-105346](#)

Recommendations and Matters

Two matters for congressional consideration, one recommendation each for CFPB, CFTC, FDIC, Federal Reserve, NCUA, OCC, and SEC

Contact Information

Michael E. Clements at (202) 512-8678 or clementsm@gao.gov

Blockchain allows users to create and record tamper-resistant financial transactions among multiple parties without using a central authority, such as a bank. Blockchain-related financial products and services—including crypto assets, such as Bitcoin—have grown substantially in recent years. For example, crypto assets reached a peak market capitalization of nearly \$3 trillion in November 2021. However, volatility, bankruptcies, and instances of fraud in these markets illustrate the harm consumers and investors may face without adequate oversight.

In June 2023, [GAO found](#) gaps in regulatory authority that raise concerns for two blockchain-related applications: crypto asset trading platforms and stablecoins. Crypto asset trading platforms provide markets for and facilitate various types of crypto asset transactions, such as the purchase or sale of Bitcoin. Federal financial regulators have limited authority to regulate trading of crypto assets that do not meet the legal definition of securities or commodity derivatives (known as spot markets for crypto assets). Several platforms without federal oversight have experienced fraud and trading manipulation.

Additionally, gaps in regulatory authority exist for stablecoins. Stablecoins are crypto assets purported to hold a stable value typically relative to a government currency, such as the U.S. dollar. To support their value, issuers often state their stablecoins are backed by reserve assets. However, no uniform standards exist for reserve levels or risks, or for public disclosure of reserves. These gaps increase the risk that a stablecoin may not be able to hold its value and honor user redemption requests. To the extent stablecoins become more integrated into the traditional financial system, their failures could pose risks to the stability of the financial system.

Regulators also lack a formal coordination mechanism for addressing blockchain risks that span regulatory jurisdictions in a timely manner. The rapid pace of blockchain innovation makes it challenging to keep regulation up to speed. Although regulators have stressed the importance of coordination in regulating blockchain-related products and services, coordination has not always been completed timely. For example, regulators identified financial stability risks posed by stablecoins in 2019 but did not identify the need for congressional action to address these risks until November 2021, in a report issued by the President's Working Group on Financial Markets.

In June 2023, GAO recommended that Congress (1) designate a federal regulator to provide for comprehensive regulatory oversight of spot markets for crypto assets that are not securities, including requirements intended to protect investors from fraud and market manipulation and to promote market

integrity, and (2) provide for consistent and comprehensive oversight of stablecoins, that could include provisions for

- identifying which institutions are eligible to issue stablecoins,
- establishing minimum requirements for the composition of reserve assets, and
- auditing reserve assets on a regular basis and disclosing reserve assets and audit results.

As of March 2024, several legislative proposals have been introduced that, if enacted, could address these recommendations to Congress.

GAO also made one recommendation to each of the seven federal financial regulators to jointly establish or adapt an existing formal coordination mechanism for collectively identifying risks of blockchain-related financial products and services and formulating timely regulatory responses.

National Credit Union Administration (NCUA) agreed with GAO's recommendation. Consumer Financial Protection Bureau (CFPB), Commodity Futures Trading Commission (CFTC), Federal Deposit Insurance Corporation (FDIC), the Board of Governors of the Federal Reserve System (Federal Reserve), Office of the Comptroller of the Currency (OCC), and the Securities and Exchange Commission (SEC) neither agreed nor disagreed.

As of February 2024, several agencies have taken steps to address the recommendation, while others plan additional actions. FDIC said that it continues to participate in coordination mechanisms to address risks of banks engaging in blockchain-based crypto-asset related activities. The Federal Reserve said that it will consider ways to collaborate with the other regulators to collectively detect and address blockchain-related risks and challenges. CFPB, CFTC, NCUA, OCC and SEC noted that the Digital Assets Working Group that was established in March 2023 by the Financial Stability Oversight Council—of which the federal financial regulators are members—provides a formal coordination mechanism. The agencies stated that the group meets monthly to promote information sharing and enhance interagency coordination on identifying potential risks in the digital assets space. CFPB stated that the working group is developing formal process and planning documents. In addition, NCUA and SEC stated they plan to finalize the working group's processes and procedures by summer 2024.

By providing for more comprehensive federal oversight, Congress could better ensure users' protection from unfair and other manipulative trading practices. Additionally, a formal coordination mechanism could help federal financial regulators collectively identify risks and develop appropriate, timely responses. These actions could improve protections for consumers and investors and mitigate threats to the stability of the financial system.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to CFPB, CFTC, FDIC, Federal Reserve, NCUA, OCC and SEC for review and comment. Each agency provided comments on this report section, which GAO incorporated as appropriate.

GAO Product: *Blockchain in Finance: Legislative and Regulatory Actions Are Needed to Ensure Comprehensive Oversight of Crypto Assets.* [GAO-23-105346](#). Washington D.C.: June 22, 2023.



MISSION AREA
General government

Source: PhotoDisc. | GAO-24-106915

8. Interior's Management of Tribal Trust Services

The Department of the Interior should address overlap in trust services for Tribes and individuals by routinely monitoring and updating its collaboration guidance for the Bureau of Trust Funds Administration and Bureau of Indian Affairs' Office of Trust Services.

Implementing Entity

Department of the Interior

Related GAO Product

[GAO-23-105356](#)

Recommendations and Matters

One recommendation for Interior

Contact Information

Anna Maria Ortiz at (202) 512-3841 or
ortiza@gao.gov

As of September 2022, the federal government held more than \$8 billion in trust funds for hundreds of federally recognized Tribes and thousands of Individual Indian Money account holders. The Secretary of the Interior has delegated primary responsibility for related trust operations and services to two bureaus within the Department of the Interior—the Bureau of Trust Funds Administration (BTFA) and Bureau of Indian Affairs' (BIA) Office of Trust Services. BTFA is responsible for the financial management of the trust funds, and BIA's Office of Trust Services is responsible for managing the trust lands, assets, and resources that generate revenues for the trust funds.

In April 2023, [GAO found](#) overlap in operations and services between BTFA's Trust Operations office and BIA's Office of Trust Services—sometimes in an inefficient manner. While the bureaus generally collaborate to carry out overlapping operations and services, Interior has not routinely monitored or updated its primary guidance to clarify each bureau's roles, responsibilities, and activities since 2002.

Interior did not follow leading collaboration practices to (1) document collaboration through written guidance and agreements that are routinely monitored and updated, and (2) clarify the roles and responsibilities of those involved. For example, the guidance does not reflect the transfer of trust functions and creation of BTFA in 2020. The guidance also does not clarify how BIA and BTFA are to collaborate with one another to manage any overlapping roles and responsibilities. Confusion about each bureau's roles and responsibilities can increase employees' workload and cause delays in providing services to beneficiaries.

In April 2023, GAO recommended that the Assistant Secretary-Indian Affairs at Interior routinely monitor and update BTFA and BIA's Office of Trust Services' collaboration guidance, including clarifying roles and responsibilities. Interior concurred with the recommendation. According to Interior, as of December 2023, BTFA had reviewed and updated three of eight of its Trust Accounting Procedures with five left to review and finalize. Once BTFA's trust procedures are fully updated and published, which they anticipate completing by September 2024, BTFA and BIA plan to work together to develop and produce an updated interagency handbook by September 2025.

By monitoring and updating the agency's written collaboration guidance for BTFA and BIA's Office of Trust Services, Interior will be better able to manage overlapping roles and responsibilities and ensure that the bureaus are effectively collaborating on trust services to meet their fiduciary trust responsibilities to beneficiaries.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to Interior for review and comment. Interior provided technical comments, which GAO incorporated as appropriate.

GAO Product: *Tribal Programs: Actions Needed to Improve Interior’s Management of Trust Services.* [GAO-23-105356](#). Washington, D.C.: April 27, 2023.



MISSION AREA
General government

Source: PhotoDisc. | GAO-24-106915

9. Tsunami Alerts

Responsible federal agencies should clarify and document their responsibilities and decision-making process to better manage fragmented efforts to improve how the public is alerted to tsunami hazards.

Implementing Entity

The National Oceanic and Atmospheric Administration

Related GAO Product

[GAO-23-105961](#)

Recommendations and Matters

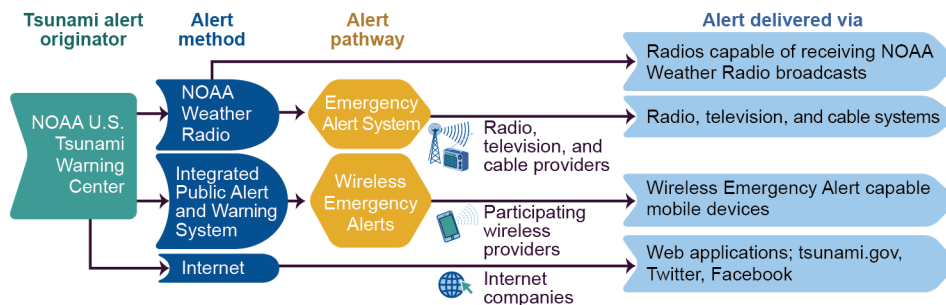
One recommendation for NOAA

Contact Information

Andrew Von Ah at (202) 512-2834 or vonaha@gao.gov

Tsunamis are powerful, destructive, and capable of striking any U.S. coast, making it critical that the public is alerted to tsunami hazards. The National Oceanic and Atmospheric Administration (NOAA) has primary responsibility for sending tsunami alerts to the public. Other federal agencies have key roles related to nationwide systems for emergency alerting, including the Federal Emergency Management Agency (FEMA), which operates certain alert systems that NOAA uses, and the Federal Communications Commission (FCC), which sets rules and standards for wireless providers and broadcasters that participate in emergency alerting.

Figure 8: National Oceanic and Atmospheric Administration’s (NOAA) Primary Methods for Disseminating Tsunami Alerts to the Public



Source: GAO analysis of National Oceanic and Atmospheric Administration, Federal Communications Commission, and Federal Emergency Management Agency information. GAO icons. | GAO-24-106915

Note: The Federal Emergency Management Agency operates the Integrated Public Alert and Warning System and the Federal Communications Commission sets rules and standards for wireless providers and broadcasters that participate in emergency alerting.

In May 2023, [GAO reported](#) that while NOAA used the Integrated Public Alert and Warning System to send tsunami alerts via Wireless Emergency Alerts to mobile devices, the agency did not use it to send alerts to the Emergency Alert System, the nationwide system for broadcasting emergency messages over television, radio, and cable systems. Doing so could add a key redundancy to NOAA’s other efforts to alert at-risk populations of tsunamis.

GAO found that NOAA was not using the Integrated Public Alert and Warning System to send tsunami alerts to the Emergency Alert System due to technical challenges, and that efforts to identify a solution were fragmented across NOAA, FEMA, and FCC. Officials from these agencies told GAO that they did not have regularly scheduled meetings dedicated to identifying a solution or an implementation strategy that would allow NOAA to use the Integrated Public Alert and Warning System to send alerts to the Emergency Alert System. The agencies also have not clarified or documented their responsibilities or a decision-making process for finding a solution.

GAO's [prior work](#) has found that agencies can strengthen their commitment to work collaboratively by following key practices, such as (1) clarifying their respective responsibilities—including articulating and agreeing to a process for making and enforcing decisions, and (2) documenting their agreements to work together. In addition, officials from all three agencies told GAO that greater collaboration could improve their efforts to identify a solution and an implementation strategy.

In May 2023, GAO made one recommendation to NOAA to collaborate with FCC and FEMA to clarify and document the agencies' responsibilities and a decision-making process for determining how to use the Integrated Public Alert and Warning System to deliver tsunami alerts to the Emergency Alert System. NOAA agreed with GAO's recommendation and said it planned to meet regularly with FCC and FEMA. In January 2024, NOAA officials told GAO that NOAA had held four tri-agency meetings with FCC and FEMA since November 2022, and will continue to hold regular tri-agency meetings to document agency roles, responsibilities, and a decision-making process. NOAA officials also stated that NOAA had recently initiated a process to assess its methods for disseminating tsunami alerts.

Documenting the agencies' roles and responsibilities, and a decision-making process, could help NOAA more effectively collaborate with these agencies to identify a strategy to more effectively deliver tsunami alerts. This in turn could help NOAA better ensure that its alerts reach the at-risk public.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to NOAA for review and comment. NOAA provided technical comments, which GAO incorporated as appropriate.

GAO Product: *Emergency Alerts: NOAA Should Take Additional Actions to Help Ensure Tsunami Alerts Reach Those at Risk*, [GAO-23-105961](#), Washington, D.C.: May 16, 2023.



MISSION AREA
Health

Source: ronstik/stock.adobe.com. | GAO-24-106915

10. Autism Research and Support Services

The Department of Health and Human Services should clearly track and report progress made toward goals for federal autism activities to better manage fragmentation and document procedures the National Institutes of Health uses to help ensure these activities are not unnecessarily duplicative.

Implementing Entity

Department of Health and Human Services

Related GAO Product

[GAO-24-106446](#)

Recommendations and Matters

Two recommendations for HHS

Contact Information

John Dicken at (202) 512-7114 or dickenj@gao.gov

The federal government plays an important and growing role in funding research to understand the mechanisms underlying autism, training health care professionals to diagnose autism, and developing services and supports to promote the health and well-being of people with autism. To facilitate coordination among all those involved in autism activities, in 2000, Congress directed the Secretary of Health and Human Services to establish the Interagency Autism Coordinating Committee, which is managed by the National Institutes of Health (NIH) Office of National Autism Coordination (42 U.S.C. § 280i-2).

The coordinating committee is comprised of representatives from 18 federal departments and agencies, including NIH and other agencies within the Department of Health and Human Services (HHS), the Department of Defense, and Department of Education, and non-federal members. Congress also directed the Secretary to designate an individual—known as the National Autism Coordinator with the first appointed in 2017—to help oversee federal autism activities and ensure autism activities are not unnecessarily duplicative (section 2 of Public Law No. 113-157).

In February 2024, [GAO found](#) that NIH—in support of the coordinating committee and National Autism Coordinator—generally followed six of eight leading collaboration practices that GAO’s prior work has shown can help enhance and sustain interagency collaborative efforts. For example, NIH had taken steps to bridge organizational cultures by convening meetings of the coordinating committee, and to leverage resources by developing processes to collect and disseminate information for agencies and the public.

GAO also found NIH coordination efforts partially followed the remaining two collaboration practices, defining common outcomes and ensuring accountability. For example, although the coordinating committee’s strategic plans described high-level progress made on autism activities, they generally have not described how progress made relates to goals. NIH officials stated their progress tracking approach is, in part, driven by established processes, some of which are required by law. However, prior committee reports included some information on progress toward goals, and by not clearly communicating progress associated with established goals, NIH is missing opportunities to help ensure accountability in achieving established goals.

Further, GAO found NIH—through the National Autism Coordinator and Office of National Autism Coordination—helps ensure federally funded autism activities are not unnecessarily duplicative through various activities, such as holding meetings and reviewing data and information. However, the processes were not documented. For example, NIH did not have written procedures describing the steps NIH staff—in support of the coordinating committee and National Autism Coordinator—should follow when reviewing federal autism research information for potential duplication. NIH officials stated that they believe current monitoring processes are sufficient. However, this lack of documented policies and procedures is inconsistent with federal

internal control standards, which state that agency objectives should establish an organizational structure, assign responsibility, and delegate authority to achieve the entity's objectives.

In February 2024, GAO made two recommendations to the Secretary of Health and Human Services. Specifically, GAO recommended that the Department of Health and Human Services (1) develop a process to clearly track and report progress toward Interagency Autism Coordinating Committee goals, and (2) ensure that NIH documents the procedures the Office of National Autism Coordination uses to ensure federal autism activities are not unnecessarily duplicative. HHS agreed with GAO's recommendations and stated it will identify ways to enhance its progress tracking in future reports and develop documentation used to help ensure federal autism activities are not unnecessarily duplicative.

Establishing a clear process for tracking progress would help better manage fragmentation and ensure accountability in federal autism activities. It would also allow the Secretary of Health and Human Services, federal agencies, and the public to determine progress toward the Interagency Autism Coordinating Committee's goals by providing assurance that interagency efforts are effective. Tracking progress would also help ensure that federal autism activities are targeted to the greatest need. Further, documenting the procedures the Office of National Autism Coordination used to help ensure federal autism activities are not unnecessarily duplicative would provide greater assurance that autism activities are effectively managed.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to HHS. HHS stated that it did not have comments on this report section.

GAO Product: *Autism Research and Support Services: Federal Interagency Coordination and Monitoring Efforts Could be Further Strengthened.* [GAO-24-106446](#). Washington D.C: February 28, 2024.



MISSION AREA
Health

Source: ronstik/stock.adobe.com. | GAO-24-106915

11. Dietary Guidelines for Americans

Federal agencies should strengthen collaboration to help ensure that federal human nutrition research effectively informs future editions of the Dietary Guidelines for Americans and reduce the risk of fragmented, overlapping, or duplicative work.

Implementing Entity

U.S. Departments of Agriculture and Health and Human Services

Related GAO Product

[GAO-24-106130](#)

Recommendations and Matters

One recommendation for HHS and one recommendation for USDA

Contact Information

Steve Morris at (202) 512-3841 or morriss@gao.gov

The U.S. faces a nutrition-related health crisis, according to recent federal data. Poor eating patterns put people at risk of developing chronic health conditions. The U.S. Departments of Agriculture (USDA) and Health and Human Services (HHS) established the Interagency Committee on Human Nutrition Research to improve planning, coordination, and communication among federal agencies engaged in nutrition-related research. HHS and USDA co-chair the committee.

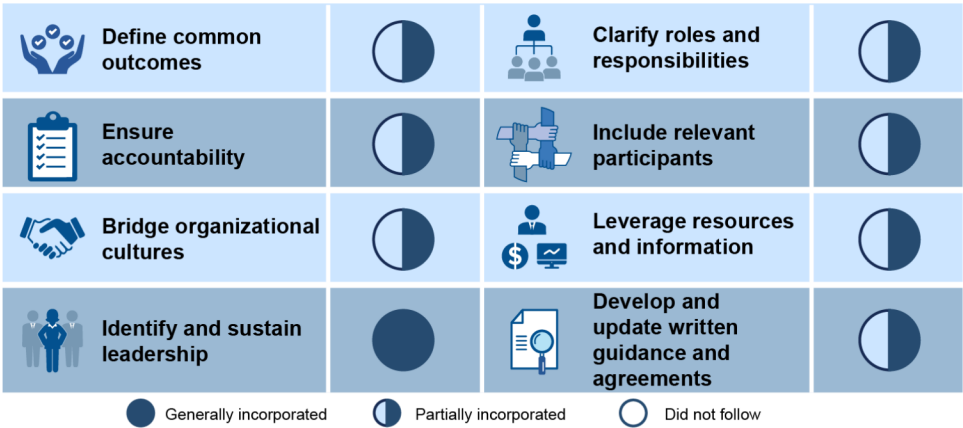
Along with other participating agencies, they use the committee as a mechanism for interagency collaboration on human nutrition research in furtherance of the development of the Dietary Guidelines for Americans, among other purposes. These guidelines provide nutrition guidance based on the preponderance of current scientific and medical knowledge and contain nutritional and dietary information and guidance for the public, as required by law (7 U.S.C. § 5341(a)). HHS and USDA produce the guidelines at least every 5 years.

In October 2023, [GAO found](#) weaknesses in HHS and USDA's collaboration approach. The committee generally followed one leading practice for collaboration—identifying and sustaining leadership—but the committee only partially incorporated the remaining seven practices. For example, GAO found that the agencies have databases that help them track their own research, but the committee has no central database to track all federal nutrition research.

Additionally, the committee's participating agencies have not developed common terminology to facilitate automated data collection. The committee had previously maintained a database but stopped due to resource constraints. Without a database in place, the agencies are not able to determine whether the fragmented research projects these agencies conduct, or fund, are potentially overlapping or duplicative.

HHS and USDA officials told GAO that the committee lacks any dedicated funding or resources, which limits its ability to fulfill leading collaboration processes. The committee lacks direct funding for key activities, such as creating a tool to track federal human nutrition research, according to officials. In January 2023, [GAO found](#) that agencies can take actions to overcome funding limitations. For example, they can leverage existing resources and conduct an inventory of existing authorities, activities, and appropriations to help focus federal spending. According to HHS and USDA officials, with dedicated resources and staffing, the committee could do more to establish an inventory to advance human nutrition-related research, including to inform future iterations of the Dietary Guidelines for Americans.

Figure 9: GAO’s Assessment of Interagency Committee on Human Nutrition Research Efforts Compared with Leading Practices for Interagency Collaboration



Sources: GAO-23-105520 and GAO analysis of Interagency Committee on Human Nutrition Research interviews and information.
GAO icons. | GAO-24-106915

In October 2023, GAO made one recommendation each to HHS and USDA, as co-chairs of the Interagency Committee on Human Nutrition Research, to fully incorporate the seven leading interagency collaboration practices they did not fully address. By fully incorporating all eight leading collaboration practices, such as by ensuring accountability and clarifying roles and responsibilities, the committee may be better able to prioritize nutrition research to address gaps identified in prior editions of the dietary guidelines.

Actions to incorporate these practices could include ensuring that agency research plans are complementary and reflect desired outcomes. Furthermore, agencies could conduct an inventory of federal authorities, activities, and appropriations related to nutrition research and the dietary guidelines development process.

HHS concurred with GAO’s recommendation and USDA neither agreed nor disagreed with the recommendation. As of February 2024, USDA reported that, in 2023, its National Institute of Food and Agriculture conducted an inventory of activities related to nutrition as prevention for improved cancer outcomes. This is an important first step that USDA should continue to expand upon.

Strengthening collaboration mechanisms could provide valuable benefits to the Dietary Guidelines for Americans development process. Fully incorporating the leading practices could help HHS and USDA better manage the fragmented federal nutrition research activities and reduce the risk of unintentionally overlapping or duplicative efforts.

Agency Comments and GAO’s Evaluation: GAO provided a draft of this report section to the USDA and HHS for review and comment. USDA and HHS provided technical comments, which GAO incorporated as appropriate.

GAO Product: *Dietary Guidelines for Americans: Strengthening Interagency Collaboration Could Help Inform Nutrition Research and Future Guidelines.* [GAO-24-106130](#). Washington, D.C.: October 18, 2023.



12. Anti-Money Laundering Data

The Department of Justice should better manage fragmentation of data on outcomes of anti-money laundering investigations by working with the Departments of Homeland Security and the Treasury to develop a standardized methodology for producing the data.

Implementing Entity

Department of Justice

Related GAO Product

[GAO-24-106301](#)

Recommendations and Matters

One recommendation for DOJ

Contact Information

Michael Clements at (202) 512-8678 or clementsm@gao.gov, or Triana McNeil at (202) 512-8777 or mcneilt@gao.gov

Transnational criminal organizations may launder their illicit proceeds (for example, money from drug or human trafficking or cyberattacks) to facilitate and conceal crimes. Federal law enforcement agencies and task forces—including ones within the Departments of Justice (DOJ), Homeland Security (DHS), and the Treasury—investigate potential money laundering-related crimes and track the outcomes of their investigations. For example, such investigations resulted in over 970 convicted defendants, \$490 million in asset forfeitures, and \$410 million in asset seizures in fiscal year 2022.

In February 2024, [GAO found](#) that comprehensive, government-wide data on outcomes of anti-money laundering investigations do not exist, partly because data collection is fragmented. Each federal law enforcement agency GAO reviewed uses its own case management system to collect data, and agencies may measure or report outcomes differently. According to some agency officials, task force investigations can create duplicative reporting if participating agencies record outcomes in their own systems.

In particular, data collection for seizures and forfeitures is fragmented. No single system is used to track all assets at the seizure stage (which precedes forfeiture) that involve money laundering charges. Instead, four separate systems are used by different federal agencies to record and track assets they seized. DOJ's Consolidated Asset Tracking System tracks such data if assets are seized by DOJ or other agencies participating in its forfeiture fund.

Data on assets seized by other agencies (including the Treasury and Homeland Security) are not centrally tracked unless such assets are referred to U.S. Attorneys for judicial forfeiture, at which time they would be added to and tracked in the DOJ system. According to Treasury officials, data would have to be individually obtained from each federal agency to identify which seizures were associated with money laundering charges.

The Joint Explanatory Statement accompanying DOJ's fiscal year 2023 appropriation included a provision for DOJ to establish an interagency working group to track money laundering investigations. However, as of November 2023, DOJ officials did not have a specific update on the working group's status.

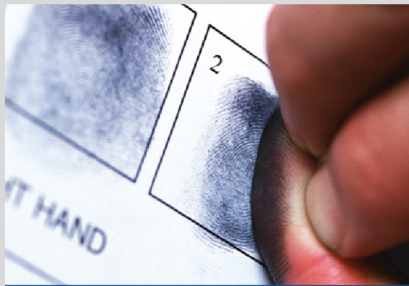
In February 2024, GAO recommended that DOJ lead an effort, in coordination with DHS and the Treasury, to develop a standard methodology for producing government-wide data on the outcomes of anti-money laundering investigations. This effort could be conducted in conjunction with the interagency working group DOJ was directed to form in the Joint Explanatory Statement accompanying its fiscal year 2023 appropriation. DOJ agreed with the recommendation.

Use of a standardized methodology to track anti-money laundering investigations and outcomes across agencies would help improve agencies' fragmented data collection. Such a methodology would yield better

information on the effectiveness of federal efforts to combat money laundering and help identify ways to improve anti-money laundering strategies.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to DOJ for review and comment. DOJ stated it did not have comments on this report section.

GAO Product: *Anti-Money Laundering: Better Information Needed on Effectiveness of Federal Efforts.* [GAO-24-106301](#). Washington, D.C.: February 8, 2024.



MISSION AREA
**Homeland security, law
enforcement or both**

Source: PhotoDisc. | GAO-24-106915

13. Biosurveillance

The Department of Homeland Security's National Biosurveillance Integration Center should better manage fragmentation among federal biosurveillance partners by developing clear performance measures with associated time frames in cooperation with federal agency partners.

Implementing Entity

Department of Homeland Security

Related GAO Product

[GAO-24-106142](#)

Recommendations and Matters

One recommendation for DHS.

Contact Information

Chris Currie (404) 679-1875 or
curriec@gao.gov

As the COVID-19 pandemic illustrated, biological incidents that occur across the globe can quickly spread to the U.S. and cause massive health, social, and economic disruption. Developing and maintaining an adequate national biosurveillance capability would help provide early warning and situational awareness and helps inform public health and other types of emergency response.

At least five federal departments routinely conduct a range of biosurveillance activities as part of their individual missions. However, these efforts are dispersed across the federal government and often focus on individual domains (i.e., human, animal, or plant health). The National Biosurveillance Integration Center—situated within the Department of Homeland Security (DHS) Countering Weapons of Mass Destruction Office—was established in 2007 to consolidate information from human health, animal, plant, food, and environmental monitoring systems across the federal government to improve the likelihood of identifying a biological incident at an early stage.

In November 2023, [GAO found](#) that the National Biosurveillance Integration Center developed two strategic planning documents to guide its efforts—a strategic plan and a separate implementation plan. However, these documents did not have clearly defined performance measures and time frames for accomplishing the milestones identified. For example, one milestone is to strengthen relationships with relevant DHS components, but no additional details were included.

Another milestone relates to increasing the use of an interagency communication platform to facilitate information exchange. However, there are no specific details describing how the Center will increase use of the platform, how any increases will be measured, or any associated targets for usage. Further, the implementation plan does not identify associated time frames for any of the identified milestones or supporting actions.

Although center officials did not cite any specific reasons for the deficiencies GAO identified, they noted that resource limitations impacted their ability to develop strategic planning documents for several years. According to these officials, they were able to hire new staff in late 2021 and began efforts to improve their strategic planning efforts.

GAO made one recommendation to the DHS Countering Weapons of Mass Destruction Office to ensure that future strategic planning documents for the National Biosurveillance Integration Center contain clearly defined performance measures with associated time frames. DHS concurred with GAO's recommendation and described actions underway to develop a new 2024-2028 Strategy for Integrated Biosurveillance and an associated implementation plan. DHS plans to include clearly defined performance measures and associated

time frames within these documents. As of February 2024, DHS reported that the National Biosurveillance Integration Center is on track to finalize both the strategy and implementation plan by September 30, 2024.

By implementing this recommendation, the National Biosurveillance Integration Center could enhance its ability to assess program results and communicate this information to DHS management and other federal stakeholders. Sharing such information can help better manage fragmentation among federal agencies by clearly identifying key biosurveillance activities performed by the National Biosurveillance Integration Center and providing an opportunity for input and coordination with federal stakeholders.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to the Department of Homeland Security for review and comment. DHS stated it remains committed to analyzing and sharing key information about developing biological threats through the National Biosurveillance Integration Center to ensure U.S. responses are well-informed, minimize economic impact, and save lives.

GAO Product: *Biodefense: National Biosurveillance Integration Center Has Taken Steps to Address Challenges, but Could Better Assess Results*, [GAO-24-106142](#). Washington, D.C.: November 29, 2023.



14. DHS Acquisition of Major Assets

The Department of Homeland Security and its Joint Requirements Council should better coordinate the acquisition of major assets by finding common solutions that help avoid inefficient duplication and overlap, potentially saving **one hundred million dollars or more**.

Implementing Entity

Department of Homeland Security

Related GAO Product

[GAO-23-106125](#)

Recommendations and Matters

Four recommendations for DHS

Contact Information

Travis Masters at 937-258-7927 or masterst@gao.gov

The Department of Homeland Security (DHS) invests billions of dollars annually in major acquisition programs—those assets with total estimated costs of \$300 million or more—to assist in executing its many critical missions. In November 2014, in response to [GAO's prior recommendation](#), DHS reestablished the Joint Requirements Council to help inform investment decisions, determine the need for major acquisition programs, and identify opportunities for DHS components to develop joint capabilities if they have similar mission needs. Since 2018, the Joint Requirements Council has designated five capabilities as joint.

In August 2023, [GAO reported](#) that the Joint Requirements Council validated four of the five as joint capabilities by assessing these capabilities against the criteria in the council's guidance. However, GAO found that the capability documents did not fully meet key criteria established in its guidance, such as quantifying the capability gap, which helps determine risk associated with not addressing it. Ensuring these documents fully meet criteria better positions DHS to pursue solutions that are well-defined and will meet mission needs.

The Joint Requirements Council is also responsible for leading an annual assessment to prioritize both capability gaps and requirements to inform investment decisions. In August 2023, GAO found that the council implemented a process to prioritize emerging capability gaps, but it did not include existing requirements as directed by DHS policy. The policy directs the council to fully consider funding tradeoffs between addressing emerging capability gaps and already validated requirements that may be further along in the acquisition life cycle. Without a process that also prioritizes existing requirements, DHS will be limited in its ability to provide recommendations to leadership to help reduce potential duplication and overlap.

Further, the Joint Requirements Council (JRC) was established to be a recommending body to DHS leadership, but the Deputy's Management Action Group has not regularly engaged with the council. For example, the Deputy's Management Action Group did not participate in the review and validation of the joint capabilities that the council designated for its attention, and it has not met with the council since 2015. This lack of regular engagement limits DHS's ability to fully realize the council's strategic value to identify opportunities for joint solutions before investments are made and help DHS use its resources efficiently.

In August 2023, GAO recommended that DHS ensures the following:

- the Joint Requirements Council validates that joint capability and requirements documents fully meet key criteria prior to validating them;
- the council implements a process to prioritize both emerging capability gaps and existing requirements to inform investments;

- ensures regular engagement between the Joint Requirements Council and DHS leadership to review the council recommendations, approve and/or direct related follow-on activities, and provide direction and guidance to the JRC; and
- ensures DHS leadership, in coordination with the JRC, participates in the Joint Requirements Integration and Management System process, by reviewing and validating all designated documents determined to be of DHS leadership interest by the JRC.

DHS concurred with the recommendations. As of March 2024, Congress directed DHS to dissolve the JRC and identify alternative methods to improve the management and resourcing of joint requirements across the department. DHS stated it is identifying next steps to dissolve the JRC and alternative means for developing joint capabilities. In the interim, the absence of the JRC—or equivalent oversight body—increases the risk of duplicating or overlapping requirements among components with similar mission needs. GAO will continue to monitor the actions DHS plans to take and determine whether these actions meet the intent of the recommendations.

Implementing the intent of these recommendations will help DHS reduce the risk of inefficient duplication and overlap by identifying opportunities to develop joint capabilities among the components with similar mission needs. As DHS implements these recommendations, GAO will continue to monitor this area and work with DHS to determine a methodology to calculate potential financial benefits generated through efficiency gains. While these actions will result in some cost avoidance, GAO cannot estimate the precise amount as DHS lacks sufficient data to isolate and calculate the amount. However, GAO estimates that if costs were reduced by 1 percent, DHS could save over one hundred million dollars.

Agency Comments and GAO’s Evaluation: GAO provided a draft of this report section to DHS for review and comment. DHS provided technical comments, which GAO incorporated as appropriate.

GAO Product: *Homeland Security: Joint Requirements Council Needs Leadership Attention to Improve Effectiveness.* [GAO-23-106125](#). Washington, D.C.: Aug. 30, 2023.



Source: PhotoDisc. | GAO-24-106915

15. Disposal of Radioactive Sources

Federal agencies should better manage fragmentation by coordinating their efforts in radioactive source disposal to help mitigate the risk of its improper use.

Implementing Entity

Department of Energy and the U.S. Nuclear Regulatory Commission

Related GAO Product

[GAO-24-105998](#)

Recommendations and Matters

One recommendation each for DOE and NRC

Contact Information

Allison Bawden at (202) 512-3841 or bawdena@gao.gov

Radioactive sources—such as americium-241, cesium-137, cobalt-60, and iridium-192—are commonly used throughout the U.S. for medical, industrial, and research purposes. These sources can be harmful and dangerous if used improperly. For example, terrorists would need only a small amount to construct a dirty bomb, which uses conventional explosives to spread radioactive material.

Entities—called licensees—are licensed by federal or state regulators to possess and use radioactive sources both safely and securely. Sometimes licensees delay disposal of radioactive sources that are no longer in use. Delayed disposal of these disused sources creates a greater risk of licensees losing control of these sources. Radioactive sources outside of regulatory control are at greater risk of improper use, such as being stolen to make a dirty bomb.

Both federal and state entities are involved in regulating and securing radioactive sources. The U.S. Nuclear Regulatory Commission (NRC) and certain states, known as agreement states, issue licenses to persons who need to possess and use radioactive materials, and regulate the safety and security of these sources. Agreement states also issue licenses that regulate disposal facilities that accept certain commercially generated waste. The Department of Energy (DOE) is responsible for identifying a disposal pathway, or disposal option, for a certain type of radioactive waste that does not currently have a commercial disposal pathway.

In November 2023, [GAO found](#) factors that contribute to delays in disposal of certain disused sources. For example, NRC does not require licensees to dispose of radioactive sources unless a licensee is terminating all activities under its license at specific locations. In addition, licensees do not currently have a disposal pathway for foreign-origin americium-241 sources, which, when mixed with beryllium, are often used in well logging devices by the oil and gas industry. Licensees must store sealed sources for potentially long periods if there is no disposal option for them.

Some of these foreign-origin americium-241 sources are category 3 sources, which are defined as having an activity at least the minimum amount, but less than 10 times the activity sufficient to cause permanent human injury. GAO could not identify the number of category 3 sources in the United States that have reached the point in their lifecycle where they would likely be disused because NRC does not centrally track category 3 sources. However, data and other information provided by DOE officials suggests that there could be roughly 1,000 foreign-origin category 3 americium-241 sources in the United States, of which hundreds could have reached the end of their working life (about 15 years) and are now disused. These sources carry an elevated risk of becoming orphaned or stolen because the oil and gas industry faces boom-and-bust cycles and companies that are no longer financially viable are unlikely to be able to store disused sources securely for a long period of time.

Figure 10: Example of a Radioactive Sealed Source That Contains Americium-241



Source: Department of Energy. | GAO-24-106915

Agency officials and licensees told GAO that they recognize an elevated safety and security risk associated with continuing to possess some disused sources. The NRC maintains that its security requirements are sufficient to address this risk. Specifically, NRC officials said that licensees' storage of disused sources is not a safety or security concern, as licensees are subject to the same safety and security requirements as long as they possess a source, whether they are using it or not. However, the NRC has acknowledged in official documents that during long periods of storage, sources could become lost, abandoned, or unsecured.

In November 2023, GAO made one recommendation each to DOE and NRC to conduct an analysis—in coordination with each other and in consultation with other relevant stakeholders—to evaluate options and take action to facilitate secure, long-term storage of foreign-origin americium-241 until a permanent disposal or viable recycling option is available.

DOE agreed with its recommendation and is planning to analyze options to better secure foreign-origin americium-241 until a permanent disposal or viable recycling option is available. DOE set April 30, 2024, as the target date for completing the analysis. NRC generally agreed with its recommendation. NRC initially asked for clarification regarding long-term storage of foreign-origin americium-241, which GAO clarified to better reflect the intent of the recommendation.

A coordinated effort by DOE and NRC could better manage fragmentation and provide better assurance of the safety and security of disused radioactive sources and potentially avoid significant socioeconomic consequences from a dirty bomb.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to DOE and NRC for review and comment. DOE stated it did not have comments on this report section. NRC provided technical comments, which GAO incorporated as appropriate.

GAO Product: *High-Risk Radioactive Material: Opportunities Exist to Improve the Security of Sources No Longer in Use.* [GAO-24-105998](#). Washington, D.C.: November 30, 2023.



MISSION AREA
**Homeland security, law
enforcement or both**

Source: PhotoDisc. | GAO-24-106915

16. Efforts to Combat Child Trafficking

Offices in the Departments of Justice and Health and Human Services that oversee anti-trafficking grant programs should establish a collaboration mechanism focused solely on anti-trafficking efforts for children to better manage fragmentation among their grant programs and other activities.

Implementing Entity

Department of Justice and Department of Health and Human Services

Related GAO Product

[GAO-24-106038](#)

Recommendations and Matters

One recommendation for DOJ and one recommendation for HHS

Contact Information

Gretta L. Goodwin at 202-512-8777 or goodwing@gao.gov, and Kathryn A. Larin at 202-512-7215 or larink@gao.gov

Human traffickers can target children in the U.S. for forced labor, commercial sexual exploitation, or both. In 2021, the National Human Trafficking Hotline received reports of potential human trafficking involving over 3,000 potential victims who were children in the U.S. However, many incidents may not be uncovered or reported.

The Department of Justice's (DOJ) Office for Victims of Crime and the Department of Health and Human Service's (HHS) Office on Trafficking in Persons have several efforts to help combat child trafficking. For example, the offices administer grant programs that deliver human trafficking prevention education to school staff and students, and assist child survivors by providing residential services, therapy, legal assistance, and other services.

In December 2023, GAO [found](#) that, although the two offices have some collaboration efforts, they do not have a collaboration mechanism dedicated to child trafficking to help manage fragmentation in their efforts. For example, the offices reported cohosting listening sessions on child trafficking in 2020 and 2021, as well as exchanging information with each other and their grantees about their respective anti-trafficking programs and resources for children. Yet, GAO found that the offices do not have an established, ongoing process to identify the need for and carry out these activities.

According to officials from both offices, they do not have a collaboration mechanism dedicated specifically to children because they have ongoing collaboration mechanisms to address human trafficking, including child trafficking, more broadly. For example, officials said they participate in interagency committees under the President's Interagency Task Force to Monitor and Combat Trafficking in Persons—a cabinet-level entity of 20 agencies responsible for coordinating federal efforts to address human trafficking. However, committee co-chairs GAO spoke with said these committees do not serve as a forum for coordinating specifically on anti-trafficking programs or initiatives for children.

Establishing a collaboration mechanism dedicated to children could help address child trafficking survivors' distinct needs. For example, child trafficking survivors often require more time, attention, and resources than adult survivors, according to officials from the Office on Trafficking in Persons. Survivors of child trafficking may suffer harmful, long-lasting effects, such as depression, suicidal thoughts, and substance use disorders.

Additionally, certain children—such as those involved in the juvenile justice system, as well as foreign national children who arrive unaccompanied to the U.S.—may be at greater risk of victimization. These children may not be receiving the services they need to help address their experiences with trafficking, according to GAO's

interviews with federal officials and 13 stakeholders. Further, the administration's 2021 *National Action Plan to Combat Human Trafficking* includes priority actions specific to addressing child trafficking and emphasizes the importance of collaboration across government when investing resources in anti-trafficking efforts.

In December 2023, GAO recommended that DOJ's Office for Victims of Crime and HHS's Office on Trafficking in Persons establish a collaboration mechanism—aligned with leading collaboration practices—to guide the offices' collaboration efforts to combat child trafficking. These leading practices include defining common outcomes, clarifying roles and responsibilities, and identifying leadership, among other practices. The offices concurred with the recommendations.

As of February 2024, DOJ reported that a draft memorandum of agreement is under review that formalizes collaboration plans between DOJ's Office for Victims of Crime and HHS's Office on Trafficking in Persons to combat child trafficking. DOJ also reported that in November 2023, the two offices began convening bimonthly meetings focused on the agencies' efforts to combat child trafficking.

By implementing these recommendations, the offices could better manage fragmentation to enhance delivery of their grant programs and other activities and improve their abilities to meet the distinct needs of child trafficking survivors.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to HHS and DOJ for review and comment. HHS stated it did not have comments on this report section. DOJ provided technical comments, which GAO incorporated as appropriate.

GAO Product: *Child Trafficking: Addressing Challenges to Public Awareness and Survivor Support*. [GAO-24-106038](#). Washington, D.C.: December 11, 2023.



Source: PhotoDisc. | GAO-24-106915

17. Cyber Threats to Critical Operational Technology Infrastructure

The Cybersecurity and Infrastructure Security Agency should implement guidance to better manage fragmentation and improve its interagency collaboration efforts aimed at addressing risks to operational technology used in operating critical infrastructure, such as oil and gas distribution.

Implementing Entity

Cybersecurity and Information Security Agency

Related GAO Product

[GAO-24-106576](#)

Recommendations and Matters

Two recommendations for CISA

Contact Information

Marisol Cruz Cain at (202) 512-5017 or cruzcainm@gao.gov

Operational technology includes a broad range of programmable systems and devices (e.g., industrial control systems) that interact with the physical environment. For example, operational technology systems can monitor and control physical properties such as temperature and pressure. Much of the nation's critical infrastructure relies on operational technology to provide essential services (e.g., oil and gas distribution).

However, malicious cyber actors pose a significant threat to these systems. Such actors (e.g., nation states and transnational criminal organizations) are becoming increasingly capable of carrying out attacks on critical infrastructure, including operational technology. At the same time, operational technology systems are becoming more vulnerable to attacks in light of their increasing interconnections with IT systems. Such vulnerabilities could be exploited by threat actors and result in serious harm to human safety, the environment, and the economy. For example, an October 2022 cyberattack on operational technology systems used to operate electric grid systems in Ukraine resulted in localized power outages.

Because private sector stakeholders own and operate the majority of critical infrastructure (e.g., electricity grid), public and private sectors must work together to protect assets and systems, including operational technology systems. Federal law designates the Department of Homeland Security's (DHS) Cybersecurity and Infrastructure Security Agency (CISA) as the lead agency in helping critical infrastructure owners and operators address cyber risks to operational technology (6 U.S.C. § 659(q)).

In addition, sector risk management agencies are designated with responsibility for providing institutional knowledge and specialized expertise for a particular critical infrastructure sector, among other things. According to the 2013 *National Infrastructure Protection Plan*, DHS is to provide guidance to the sector risk management agencies for the following 16 critical infrastructure sectors: Chemical; Commercial Facilities; Communications; Critical Manufacturing; Dams; Defense Industrial Base; Emergency Services; Energy; Financial Services; Food and Agriculture; Government Facilities; Healthcare and Public Health; IT; Nuclear Reactors Materials and Waste; Transportation Systems; and Water and Wastewater Systems.

In March 2024, [GAO found](#) that CISA worked with agencies to mitigate cyber operational technology risks but did not fully address leading collaboration practices. On the one hand, six of the seven selected agencies GAO interviewed cited examples of where their collaboration with CISA yielded positive outcomes to addressing cyber risks to operational technology. For example, Federal Railroad Administration (FRA) officials stated that they have collaborated with CISA to provide cyber threat assessments to freight railroad owners and operators.

On the other hand, four of the seven selected agencies identified coordination challenges. For instance, FRA officials told GAO that CISA independently conducted outreach to the Association of American Railroads on a cybersecurity issue without informing FRA officials. This outreach resulted in duplicative outreach to the association when the FRA officials contacted it on the same issue.

To address coordination challenges, GAO has previously reported on the importance of addressing eight leading practices for effective interagency collaboration. CISA worked with federal agencies to mitigate cyber operational technology risks but did not fully address five selected leading collaboration practices. CISA partially addressed or did not address the leading practices when collaborating with seven selected agencies in addressing OT risks.

The incomplete adoption of the five selected leading collaboration practices was due, in part, to the lack of (1) guidance from CISA to the sector risk management agencies on how to update their sector-specific plans regarding collaboration, and (2) a CISA policy for developing agreements with sector risk management agencies with respect to collaboration.

In March 2024, GAO made two recommendations to CISA to: (1) issue guidance to the sector risk management agencies on how to update their plans for coordinating on cyber operational technology risks, and (2) develop a policy on agreements with sector risk management agencies with respect to collaboration. CISA concurred with both recommendations. As of March 2024, CISA stated that it plans to complete actions to address the recommendations by September 30, 2025.

Better coordination between CISA and the agencies will help manage fragmentation and reduce the risk of duplication so that critical infrastructure owners and operators can better address cyber risks to operational technology systems.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to DHS for review and comment. DHS provided technical comments, which GAO incorporated as appropriate.

GAO Product: *Cybersecurity: Improvements Needed in Addressing Risk to Operational Technology.* [GAO-24-106576](#). Washington, D.C.: March 7, 2024.



Source: PhotoDisc. | GAO-24-106915

18. Cybersecurity Threat Information Sharing

The Cybersecurity and Infrastructure Security Agency should conduct a comprehensive assessment of centralized and federated sharing methods to better manage fragmentation and assess the overlap of federal cyber threat sharing efforts.

Implementing Entity

Cybersecurity and Infrastructure Security Agency

Related GAO Product

[GAO-23-105468](#)

Recommendations and Matters

One recommendation for CISA

Contact Information

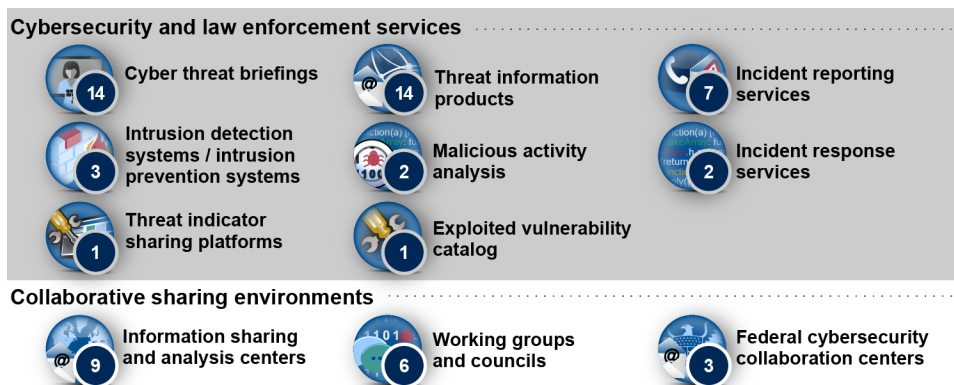
Marisol Cruz Cain at (202)512-5017 or cruzcainm@gao.gov

The nation's 16 critical infrastructure sectors provide the essential services—such as electricity, oil and gas distribution, transportation, and water—that underpin American society. These sectors increasingly rely on electronic networks and systems to support their missions. However, cyber threats to these networks and systems are significant and can have major consequences. The threats are varied and changing. Therefore, critical infrastructure owners and operators must receive timely information to defend their networks and systems.

Several federal agencies play critical roles in gathering and disseminating cyber threat information across critical infrastructure sectors. These agencies include the Cybersecurity and Infrastructure Security Agency (CISA) within the Department of Homeland Security (DHS), the Federal Bureau of Investigation (FBI), and 12 sector risk management agencies designated as the lead agencies for particular sectors (e.g., Department of Energy and the energy sector).

In September 2023, [GAO found](#) that these 14 federal agencies reported relying on 11 methods across two broad categories—cybersecurity and law enforcement services and collaborative sharing environments—to facilitate sharing of cyber threat information.

Figure 11: Number of Methods Used by 14 Federal Agencies in Sharing Cyber Threat Information



Sources: GAO analysis of cyber threat sharing methods; GAO images/icons. | GAO-24-106915

CISA and FBI used a centralized (i.e., cross sector) approach to share information with each of the critical infrastructure sectors, while the 12 sector risk management agencies used a federated (i.e., sector-specific) approach, to varying extents, to share threat information for a particular sector.

GAO's review also identified six factors that challenged effective cyber threat information sharing, based on interviews with the 14 federal agencies and seven nonfederal entities: limited relationships, limited funding and resources, limited sharing of classified or sensitive information, lack of timely sharing, limited voluntary sharing, and lack of actionable information. Federal agencies tried to address these challenges with efforts such as implementing incident reporting requirements. Nevertheless, the challenges were not fully addressed. These long-standing challenges raised questions about whether the existing mix of centralized and federated sharing methods was optimal, highlighting the need to better manage fragmentation and assess overlap in cyber threat information sharing efforts.

In March and July 2023, the White House issued its *National Cybersecurity Strategy* and accompanying implementation plan to articulate the administration's plan for addressing the nation's long-standing cybersecurity challenges—including those pertaining to information sharing. While the strategy and implementation plan had initiatives that, if implemented effectively, should address each of the six cyber threat sharing challenges, the federal agencies did not comprehensively assess whether the mix of centralized and federated sharing approaches is optimal for addressing the challenges.

In September 2023, GAO made one recommendation to CISA to coordinate with federal agencies in its review to assess whether the current mix of centralized and federated sharing methods used by agencies is the optimal approach to addressing cyber threat sharing challenges. In its written comments, DHS concurred with the recommendation to CISA. The department stated that CISA would coordinate with the White House to evaluate the feasibility of conducting a comprehensive assessment of existing information sharing methods and determine a path forward, as appropriate.

In February 2024, DHS explained that CISA had gained insight into the challenges and opportunities related to cybersecurity threat information sharing through extensive prior and ongoing engagement efforts with the White House and federal agencies. DHS stated that conducting a separate comprehensive assessment would be duplicative of those efforts. DHS added that CISA will work with the White House to confirm whether those efforts provide the insights to address cyber threat information sharing challenges in an optimal manner and will make decisions about potential adjustments to related activities, as appropriate. However, DHS has not yet documented the results of CISA's engagement efforts with the White House and federal agencies.

Completing and documenting the assessment would help to better manage fragmentation by determining whether existing sharing methods should be retired and if overlap exists.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to DHS for review and comment. DHS stated that it is working to implement the recommendation and remains committed to continuing to lead in cyber threat information sharing and meet current and future related objectives established by and with its partners and those envisioned for CISA in the *National Cybersecurity Strategy*. The agency also provided technical comments, which GAO incorporated as appropriate.

GAO Product: *Critical Infrastructure Protection: National Cybersecurity Strategy Needs to Address Information Sharing Performance Measures and Methods*. [GAO-23-105468](#). Washington, D.C.: September 26, 2023.



Source: PhotoDisc. | GAO-24-106915

19. Federal Agencies' Software Licenses

Federal agencies could save **millions of dollars** by regularly comparing their inventories of software license agreements currently in use to purchase records to reduce costs on duplicative or unnecessary software licenses.

Implementing Entity

The Departments of Agriculture, Energy, Housing and Urban Development, Justice, State, and Veterans Affairs; the Office of Personnel Management; Social Security Administration; and U.S. Agency for International Development

Related GAO Product

[GAO-24-105717](#)

Recommendations and Matters

Nine recommendations total; one each for Agriculture, Energy, HUD, Justice, State, VA, OPM, SSA, USAID

Contact Information

Carol C. Harris at (202) 512-4456 or harriscc@gao.gov

The federal government spends more than \$100 billion annually for IT and cyber-related investments, including for software such as purchases of commercial software licenses. Federal agencies engage in thousands of software licensing agreements with vendors annually. Effective management of commercial software licenses can help organizations avoid purchasing more licenses than they need (over-purchasing). Effective management can also help avoid purchasing too few licenses (under-purchasing), which may result in noncompliance with license terms and cause the imposition of additional fees.

Software license management is intended to manage, control, and protect an organization's software assets. Proper management of software licenses helps to minimize risks by ensuring that licenses are used in compliance with licensing agreements and cost-effectively deployed. It also ensures that software purchasing and maintenance expenses are properly controlled.

In January 2024, [GAO found](#) that none of the nine agencies in its review—the Departments of Agriculture, Energy, Housing and Urban Development (HUD), Justice, State, and Veterans Affairs (VA); the Office of Personnel Management (OPM); Social Security Administration (SSA); and U.S. Agency for International Development (USAID)—fully determined that their five most widely used software licenses were over- or under-purchased. Specifically, the agencies did not fully address two key activities in assessing the appropriate number of software licenses: (1) tracking licenses currently in use, and (2) regularly comparing the inventories of software licenses that are currently in use to purchase records to determine if licenses have been over- or under-purchased.

Agencies cited various reasons for the lack of comparing inventories of software licenses in use with known purchases to determine whether their five most widely used software licenses were over- or under-purchased. Specifically, six agencies (HUD, Justice, State, VA, SSA, and USAID) had not developed and implemented procedures to determine whether their licenses are over- or under-purchased. The remaining three agencies (Agriculture, Energy, and OPM) developed procedures to determine whether their licenses are over- or under-purchased but did not consistently implement these procedures.

In January 2024, GAO recommended that each of the nine agencies compare the inventories of software licenses currently in use with information on purchased licenses to identify opportunities to reduce costs and better inform investment decision making for its widely used licenses on a regular basis. At a minimum, each agency should consistently implement procedures for comparing the inventories of licenses in use to purchase

records. Eight agencies (Agriculture, Energy, Justice, State, VA, OPM, SSA, and USAID) agreed with their respective recommendation. One agency (HUD) neither agreed nor disagreed with the recommendation.

In March 2024, HUD said it plans to fully implement the recommended actions to improve its software license management and achieve cost savings by March 31, 2025. State said the department's software asset management reconciliation component compares the inventory of software licenses that are currently in use against purchase records but did not provide documentation on how the component compares the inventory to purchase records. OPM said that its efforts to compare the inventory of current software licenses with purchased licenses are in progress. SSA said it would provide an update on actions to address GAO's recommendations by July 29, 2024. USAID said that it agreed with the recommendation to document procedures and that it regularly reviews software license utilization. However, USAID did not provide documentation on how it consistently compares inventories of software licenses in use to purchase records.

Until the selected agencies consistently compare their inventories of software licenses in use to known purchases for each of their five most widely used software licenses, the agencies are likely to miss opportunities to reduce costs on duplicative or unnecessary software licenses. Additionally, by developing and implementing procedures that define the steps to be taken to determine over- and under-purchasing, including how to compare the inventories with purchase records, agencies can better ensure they are consistently reviewing usage with purchases to optimize costs.

GAO cannot precisely estimate the magnitude of savings that would result from addressing these recommendations because the amount would depend on the results of agencies' assessments for all five of their widely used software licenses. However, two agencies in GAO's review reported millions in cost savings from assessing one of their five widely used software licenses for over- or under-purchasing. If each of the remaining agencies were able to produce similar results for at least one of their widely used licenses, it could amount to millions of dollars of potential savings.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to Agriculture, Energy, HUD, Justice, State, VA, OPM, SSA, and USAID for review and comment. Agriculture, Energy, Justice, and VA said they had no comments on this report section. HUD, State, OPM, SSA, and USAID provided technical comments, which GAO incorporated as appropriate.

GAO Product: *Federal Software Licenses: Agencies Need to Take Action to Achieve Additional Savings*, [GAO-24-105717](#). Washington, D.C.: January 29, 2024.



20. Medical Device Cybersecurity

The Food and Drug Administration and Cybersecurity and Infrastructure Security Agency should better manage fragmentation by updating their collaboration agreement focused on medical device cybersecurity.

Implementing Entity

Food and Drug Administration and
Cybersecurity and Infrastructure Security
Agency

Related GAO Product

[GAO-24-106683](#)

Recommendations and Matters

One recommendation each for FDA
and CISA

Contact Information

Jennifer R. Franks at (404) 679-1831
or franksj@gao.gov

Cyber threats that target medical devices could delay critical patient care, reveal sensitive patient data, and shut down health care operations. According to the Department of Health and Human Services (HHS), devices such as heart monitors can introduce threats to hospital cybersecurity and are a source of concern warranting significant attention. Such devices may have cybersecurity vulnerabilities that have not been corrected through patching or other upgrades. Further, older devices may be particularly vulnerable because cybersecurity support may no longer be available.

The Food and Drug Administration (FDA) is responsible for the safety and effectiveness of medical devices, and the Department of Homeland Security's (DHS) Cybersecurity and Infrastructure Security Agency (CISA) releases public alerts and advisories that include issues that impact medical devices. The two agencies coordinate closely on medical device cybersecurity to fulfill their missions. As such, the agencies have a documented collaboration agreement.

In December 2023, [GAO found](#) that the agreement between FDA and CISA contains five of eight key collaboration practices that GAO's prior work has shown can be effective in enhancing and sustaining interagency collaboration efforts. For example, the agreement defines their shared goals, including enhancing mutual awareness and technical capabilities between the parties. It also bridges organizational gaps by defining the meaning of key terms including "device" and "medical device manufacturer."

GAO also found that the agreement did not include three leading practices, including ensuring accountability, addressing relevant participants, and updating written guidance and agreements. For example, the agreement had not been updated since it was developed in October 2018. Therefore, it did not include organizational and procedural changes that have occurred since then, including the development of a standard operating procedure for information sharing between the agencies.

In December 2023, GAO recommended that FDA and CISA work together to update the agencies' agreement to reflect organizational and procedural changes that have occurred. FDA and CISA agreed with the recommendation. According to DHS officials, as of March 2024, CISA is working with FDA to update the agreement, as appropriate.

By updating the written agreement, the agencies can enhance coordination and help ensure clarity of current roles and processes to better manage fragmentation of federal efforts addressing medical device cybersecurity.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to HHS and DHS for comment. HHS stated that it did not have comments on this report section. DHS provided technical comments, which GAO incorporated as appropriate.

GAO Product: *Medical Device Cybersecurity: Agencies Need to Update Agreement to Ensure Effective Coordination*, [GAO-24-106683](#). Washington, D.C.: December 21, 2023.



21. Spectrum IT Modernization

The National Telecommunications and Information Administration should document how it will communicate with stakeholders on its spectrum IT modernization to help ensure it can identify stakeholders' requirements and better manage fragmentation issues that could impair IT interoperability.

Implementing Entity

National Telecommunications and Information Administration

Related GAO Product

[GAO-24-106634](#)

Recommendations and Matters

One recommendation for NTIA

Contact Information

Andrew Von Ah at (213) 830-1011 or vonaha@gao.gov

The radio-frequency spectrum is a scarce, natural resource used to support a wide variety of vital commercial and government activities. For example, commercial entities use spectrum to provide wireless high-speed internet and broadcast television, while federal agencies use it for missions ranging from national defense to air traffic control. Spectrum needs are expected to continue increasing due to 5G telecommunications and other new technologies. However, all usable spectrum has been assigned for use among federal and nonfederal users.

The Department of Commerce's National Telecommunications and Information Administration (NTIA) manages spectrum use for federal users. To manage spectrum, NTIA relies on multiple, custom software applications, databases, engineering tools, and other spectrum-related IT systems. NTIA provides access to these IT systems for agencies that use spectrum. Additionally, some of these agencies have their own internal, custom IT to help manage spectrum use.

According to NTIA officials, NTIA depends extensively on an outdated combination of IT systems to carry out its mission of managing the federal government's use of spectrum. Relying on these systems can contribute to delayed processes and potential security risks for NTIA and the federal agencies that need accurate and timely spectrum assignments.

The William M. (Mac) Thornberry National Defense Authorization Act for Fiscal Year 2021 (FY21 NDAA) required NTIA to submit to Congress a plan to modernize its spectrum-related IT (section 9203(b) of Public Law 116-283). In 2021, NTIA issued an initial, high-level modernization plan in response to this requirement, which generally highlighted the need to assign spectrum frequencies more quickly and enhance the interoperability of IT systems.

NTIA also reported that it would leverage existing federal committees and working groups—such as the Interdepartment Radio Advisory Committee and the spectrum Policy and Plans Steering Group—to communicate with agencies on its IT modernization. The plan highlighted that coordinating with agencies is important for developing modernization requirements, including interoperability specifications, as well as parameters for measuring success.

In March 2024, [GAO found](#) that NTIA's project planning efforts aligned with several but not all selected leading practices for effective IT modernization and project management. For example, NTIA's planning efforts did not align with the leading practice for regularly communicating with stakeholders. While NTIA began to hold meetings in 2023 with the 18 agencies it is coordinating with on its modernization efforts, NTIA had not formally documented how it will regularly involve and communicate progress on its modernization project to agencies.

NTIA officials said they had held monthly meetings with agencies in 2021 but held no meetings from February 2022 to June 2023. At the time of GAO's review of these issues, NTIA had not developed a stakeholder management plan or any other documentation that demonstrates its policies and procedures for how it will facilitate coordination, including how frequently NTIA would hold meetings.

According to leading practices for effective planning, management should involve and communicate with external stakeholders on a project's progress in appropriate time intervals including by establishing policies and procedures to facilitate coordination, such as through communication plans.

In March 2024, GAO recommended that NTIA's Office of Spectrum Management finalize its stakeholder management plan that documents a regular meeting schedule for the IT modernization project. NTIA agreed with the recommendation and stated that it had completed a stakeholder management plan. GAO will examine this document and close the recommendation as implemented if it meets the intention of the recommendation.

By documenting how it will regularly involve and communicate progress to external stakeholders in appropriate time intervals, NTIA can better ensure that it is effectively identifying stakeholders' requirements and managing fragmentation issues that might impair IT interoperability.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to NTIA for review and comment. NTIA stated that it did not have comments on this report section.

GAO Product: *Spectrum IT Modernization: Incorporating Leading Practices Could Improve Planning Effort.* [GAO-24-106634](#). Washington, D.C.: March 19, 2024.



MISSION AREA
International affairs

Source: Creatas. | GAO-24-106915

22. Special Rules of Origin for Automotive Goods

The U.S. Trade Representative, as chair of the Interagency Autos Committee, should work with committee members to develop written guidance to help ensure accountability and better manage fragmentation among the nine member agencies.

Implementing Entity

U.S. Trade Representative

Related GAO Product

[GAO-24-106330](#)

Recommendations and Matters

One recommendation for USTR

Contact Information

Kimberly Gianopoulos at 202-512-8612 or gianopoulosk@gao.gov

The United States-Mexico-Canada Agreement (USMCA) entered into force in July 2020. According to U.S. agency officials and industry and labor stakeholders, the agreement made significant changes for trade in automotive goods by modifying the rules of origin for these items, which make up the single largest category of trade. These changes to the rules of origin for automotive goods could potentially have widespread effect on trade.

Responsibilities for implementation of this agreement are fragmented across several agencies. Executive Order 13908 established the Interagency Autos Committee, which describes a process for committee decision making (85 Fed. Reg. 12983 (Mar. 6, 2020)). The committee provides advice, as appropriate, on implementation, enforcement, and modifications of provisions of USMCA with regards to new automotive rules of origin and is chaired by the U.S. Trade Representative. The other agencies on the committee include the Departments of Commerce, Energy, Homeland Security, Labor, State, Transportation, the Treasury, and the U.S. International Trade Commission. As of October 2023, the committee had coordinated on several key outcomes, including providing input on guidance, issuing import regulations, establishing preferential duty claims at the border, and issuing the U.S. Trade Representative's first biennial report to Congress on the operation of the USMCA with respect to trade in automotive goods.

In January 2024, [GAO found](#) the committee generally followed six of eight leading collaboration practices—as identified by GAO's previous work—in its efforts to coordinate on the implementation, enforcement, and verification of new automotive rules of origin. For example, the committee has defined common outcomes, clarified roles and responsibilities, and included relevant participants. However, the committee only partially followed two remaining leading collaboration practices—developing written guidance and ensuring accountability.

The committee did not have formal guidance on how to track, monitor, or communicate progress toward committee outcomes. For example, the committee did not have a formal communication method that would allow all the agencies to monitor or assess the input of the other members, according to officials. Some agency officials said there have been instances where a clearer understanding of how decision making occurred would have been helpful in informing committee discussions. Since more than one federal agency is involved within the committee, formal guidance would provide an opportunity to improve committee outcomes and reduce the risk of fragmentation.

GAO made one recommendation for the U.S. Trade Representative to work with committee members to develop written guidance that helps ensure accountability and ensure that the guidance reflects other leading collaboration practices, as appropriate. The guidance should include defining how the committee tracks, monitors, and communicates progress toward outcomes, such as providing recommendations for future

modifications to USMCA rules of origin. The U.S. Trade Representative concurred with the recommendation and, as of March 2024, stated that USTR has begun work to implement the recommendation.

Clearly articulated written guidance will help improve communication, better manage fragmentation, and limit uncertainty for agencies and stakeholders. The written guidance will also help monitor the progress toward committee outcomes, such as ongoing modifications and future changes to the agreement.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to USTR for review and comment. USTR provided technical comments, which GAO incorporated as appropriate.

GAO Product: *International Trade: USTR Should Improve Coordination on New Automotive Rules of Origin* [GAO-24-106330](#). Washington, D.C.: January 31, 2024.



MISSION AREA
**Science and the
environment**

Source: Brand X Pictures. | GAO-24-106915

23. Biomedical Research

The Advanced Research Projects Agency for Health should clearly define how its interagency advisory committee members agree to share information to help reduce the risk of unnecessary duplication in biomedical research and potentially save costs.

Implementing Entity

Advanced Research Projects Agency for Health

Related GAO Product

[GAO-24-106757](#)

Recommendations and Matters

One recommendation for ARPA-H

Contact Information

Candice Wright at (202) 512-6888 or wrightc@gao.gov

In fiscal year 2022, Congress provided \$1 billion for the Secretary of Health and Human Services (HHS) to establish an Advanced Research Projects Agency for Health (ARPA-H) (division H of title II of Public Law 117-103). As HHS's newest agency, its aim is to drive transformational health research innovation and speed medical breakthroughs by tackling ambitious challenges requiring large-scale sustained coordination. While ARPA-H is intended to complement the National Institute of Health's existing research portfolio, its funding of research projects in common fields of science has the potential to duplicate funding from the National Institutes of Health and other HHS agencies conducting biomedical research.

In research, some duplication may be necessary for building a body of scientific knowledge—a process that requires testing the results of prior work by reproducing the research or replicating its outcomes. However, avoiding and eliminating unnecessarily duplicative research can be a means of saving federal funds and generating more useful scientific outputs.

In February 2024, [GAO found](#) that ARPA-H has established practices to identify and avoid unnecessary duplication; however, the agency did not fully adopt collaboration practices in its efforts to manage research duplication. ARPA-H officials told GAO that limited visibility into federal and private sector information and the need for coordination among various funding agencies makes it difficult for ARPA-H to have a comprehensive view of ongoing biomedical research. To help address this challenge, ARPA-H officials told GAO they plan to establish more effective collaboration within HHS and other federal agencies, such as the Defense Advanced Research Projects Agency, which also conducts biomedical research activities.

One potential avenue of collaboration is the ARPA-H Interagency Advisory Committee, which was established under the Consolidated Appropriations Act, 2023, to coordinate efforts and provide assistance on specific programs or project tasks and the overall direction of ARPA-H (42 U.S.C. § 290c(p)).

Congress directed the Advisory Committee to include the heads of the following agencies or their designees: The National Institutes of Health, the Centers for Disease Control and Prevention, the Food and Drug Administration, the Office of the Assistant Secretary for Preparedness and Response (now named the Administration for Strategic Preparedness and Response, which includes the Biomedical Advanced Research and Development Authority), the Office of the Assistant Secretary of Health, the Defense Advanced Research Projects Agency, the Office of Science of the Department of Energy, and the National Science Foundation. Additionally, Congress directed the Advisory Committee to include any other agency or office with subject matter expertise that the ARPA-H director determines is appropriate to advance ARPA-H programs or projects.

The Act does not mention the avoidance of duplication as a specific purpose of the Advisory Committee. However, according to ARPA-H officials, the committee could serve as a forum to identify and address potential research duplication between ARPA-H and other agencies.

From August 2023 through December 2023, ARPA-H reported that 22 projects received awards, for a total of \$387 million. ARPA-H began funding this research before the ARPA-H Interagency Advisory Committee met. The committee held its first meeting in November 2023, and—as of December 2023—its charter had not been finalized. In December 2023, GAO reviewed the draft charter, and in February 2024, GAO reviewed a revised charter. GAO found that the charter did not document how Advisory Committee members would be tasked to collaborate and share information to proactively identify potential areas of their agencies' research duplication with ARPA-H. Leading practices for interagency collaboration call for agencies to identify shared goals and have documented agreements regarding the collaboration, as appropriate.

In February 2024, GAO made one recommendation to ARPA-H to finalize the ARPA-H Interagency Advisory Committee's charter to clearly define how the participating members agree to share information to avoid ARPA-H's unnecessary research duplication with that of HHS and other federal agencies.

HHS neither agreed nor disagreed with the recommendation. In February 2024, HHS shared a revised charter and stated that it considers the recommendation to be closed/implemented. However, the revised charter does not fully meet the intent of GAO's recommendation. For example, the revised charter does not clearly define how participating members agree to share information to avoid ARPA-H's unnecessary research duplication with other agencies. Additionally, the revised charter provided to GAO was unsigned and not dated.

Incorporating plans for the ARPA-H Advisory Committee members to share data and information in a signed and dated charter will help ARPA-H enhance collaboration. These actions will better position ARPA-H and the other committee member agencies to meaningfully reduce the risk of unnecessary duplication. GAO cannot estimate the magnitude of potential savings associated with these steps, as savings would depend upon a specific scenario where ARPA-H or another agency avoids unnecessary, duplicative research identified by the Advisory Committee.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to the Department of Health and Human Services for review and comment. HHS provided technical comments, which GAO incorporated as appropriate.

GAO Product: *Biomedical Research: Actions Needed to Adopt Collaboration Practices to Address Research Duplication.* [GAO-24-106757](#). Washington, D.C.: February 29, 2024.



MISSION AREA
**Science and the
environment**

Source: Brand X Pictures. | GAO-24-106915

24. Justice40 Initiative Guidance and Tools

Entities within the Executive Office of the President should better manage fragmentation and potential overlap in more than 500 programs at 19 federal agencies by implementing leading practices for collaboration to help ensure guidance and tools for the Justice40 Initiative are effective, timely, and consistent.

Implementing Entity

Council on Environmental Quality, Office of Management and Budget, and White House Office of Domestic Climate Policy

Related GAO Product

[GAO-24-105869](#)

Recommendations and Matters

Four recommendations each for CEQ, OMB, and CPO

Contact Information

J. Alfredo Gómez at (202)512-3841 or gomezj@gao.gov

Across the United States, some communities are overburdened by adverse socioeconomic and environmental conditions. For example, certain communities are exposed to higher levels of diesel particulate matter or face higher housing and energy costs. In 2021, Executive Order 14008 established the goal that 40 percent of the overall benefits of certain federal investments—such as investments in clean transit and affordable and sustainable housing—flow to disadvantaged communities that are marginalized by underinvestment and overburdened by pollution (Exec. Order No. 14,008, § 223, 86 Fed. Reg. 7619, 7631 (Feb. 1, 2021)).

The executive order refers to this all-of-government effort as the Justice40 Initiative, which currently involves tens of billions of dollars and is fragmented across more than 500 federal programs at 19 agencies. The Justice40 Initiative is led by three offices in the Executive Office of the President: the Council on Environmental Quality (CEQ), the Office of Management and Budget (OMB), and the White House Office of Domestic Climate Policy, or Climate Policy Office (CPO).

In January 2024, [GAO found](#) that CEQ, OMB, and CPO collaborated with a variety of federal and nonfederal entities to develop guidance and tools for implementing the Justice40 Initiative, as directed by Executive Order 14008. Specifically, CEQ, OMB, and CPO worked with the White House Environmental Justice Interagency Council, the White House Environmental Justice Advisory Council, 21 Justice40 pilot programs at nine agencies, and others to develop interim guidance, a tool to identify disadvantaged communities, and a scorecard to track progress. While some Justice40 guidance and tools were issued prior to or during our review, CEQ, OMB, and CPO's development and issuance of Justice40 guidance and tools is ongoing.

[GAO's prior work](#) found that following leading practices for enhancing and sustaining collaborative efforts can help reduce or better manage fragmentation and overlap, which may lead to more efficient and effective programs. However, the actions of the three offices only partially reflected these leading practices. For example, CEQ, OMB, and CPO included relevant entities in their collaboration efforts, but had not clarified the roles and responsibilities of the Interagency Council.

In addition, CEQ did not always communicate effectively or openly with the White House Environmental Justice Advisory Council, which affected the Advisory Council's ability to make meaningful recommendations to CEQ about the Justice40 Initiative. Further, CEQ, OMB, and CPO did not fully leverage the expertise and resources available through the Interagency Council to support the development of Justice40 guidance and tools. GAO also found that CEQ, OMB, and CPO did not systematically gather feedback on Justice40 programs' experience with the guidance and tools.

GAO recommended that CEQ, OMB, and CPO work with the Interagency Council to clarify and document the roles and responsibilities of the Interagency Council; work with the White House Environmental Justice Advisory Council to assess the council's communication needs with the Executive Office of the President and, as appropriate, develop methods for meeting those needs; work with the Interagency Council to identify and leverage the resources available through the Interagency Council, and establish and document a formal approach for systematically gathering feedback about the adequacy of its guidance and tools for implementing the Justice40 Initiative.

CEQ, OMB, and CPO neither agreed nor disagreed with these recommendations. As of January 2024, CEQ stated that it anticipates taking steps in the coming months to implement the recommendations.

Effective and sustained collaboration with federal and nonfederal participants is critical to updating and developing new guidance and tools that can successfully guide the federal government's implementation of the Justice40 Initiative and achieve its goal. By more fully incorporating leading practices for collaboration into their efforts to update and develop new guidance and tools, CEQ, OMB, and CPO would have greater assurance that their guidance and tools provide an effective, timely, and consistent framework for assisting federal agencies in implementing the Justice40 Initiative and help better manage fragmentation and potential overlap of federal efforts.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to CEQ, OMB, and CPO for review and comment. CPO did not have comments on this report section. CEQ and OMB provided technical comments on this report section, which GAO incorporated as appropriate.

GAO Product: *Justice40: Use of Leading Practices Would Strengthen Efforts to Guide Environmental Justice Initiative.* [GAO-24-105869](#). Washington, D.C.: Jan. 29, 2024.



Source: Brand X Pictures. | GAO-24-106915

25. Low-Dose Radiation

The Department of Energy should take steps to better manage fragmentation and help ensure clear leadership of federal research on the health effects of low-dose radiation.

Implementing Entity

Department of Energy

Related GAO Product

[GAO-24-106317](#)

Recommendations and Matters

Two recommendations for DOE

Contact Information

Candice N. Wright at (202) 512-6888
or wrightc@gao.gov

Ionizing radiation can come from natural sources as well as medical, commercial, and industrial activities. Millions of people are exposed to low doses of this radiation, but prior research has not clearly identified the effects. The Department of Energy (DOE) was the primary agency stewarding a low-dose radiation research program, but it ended its program in 2016 while continuing to fund some related epidemiological research. Subsequently, in 2018, the Department of Energy Research and Innovation Act directed DOE to carry out such a program (section 306 of Public Law 115-246). In 2020, the act was amended, directing DOE to work with the National Academies of Sciences, Engineering, and Medicine to develop a research agenda for the program (section 11001 of Public Law 116-260).

The National Academies issued a report in June 2022 with recommendations and priorities for a coordinated, multidisciplinary research program that could improve understanding of adverse human health effects from exposure to low-dose radiation. The report estimated that \$100 million annually during the first 10 to 15 years would be necessary to develop and maintain the program. It also stated that the program would need mechanisms for coordination across federal agencies, such as interagency agreements to divide tasks based on agency missions and expertise.

In December 2023, [GAO found](#) that DOE's Office of Science was resuming some low-dose radiation research activities, and three other agencies were conducting research that generally aligned with agency-specific missions. For example, the National Institutes of Health (NIH) within the Department of Health and Human Services (HHS) conducted epidemiological studies of populations exposed to radiation that include low-dose exposures, such as an investigation of thyroid cancer and transgenerational effects from the Chernobyl nuclear power plant incident.

However, DOE's Office of Science—the sponsor of the National Academies report—has not addressed most of the research priorities that the report identified. At the time of GAO's review, DOE was seeking input from one of its advisory committees on the potential scope of a low-dose radiation research program. Nevertheless, Office of Science officials told GAO that such a program was not a priority because, among other reasons, the research might not reduce knowledge gaps enough to lead to changes in radiation protection regulations.

DOE is required by statute to engage with other federal agencies as part of a research program on low-dose radiation (42 U.S.C. § 18644(e)(2)(D)). Additionally, GAO has previously reported on leading practices for interagency collaboration, which include identifying a lead agency, sustaining leadership, and clarifying roles and responsibilities. However, DOE's Office of Science had not led a coordinated response to the National Academies report nor worked with another agency to do so. For example, DOE's Office of Science had not coordinated a response with the White House Office of Science and Technology Policy, which leads coordination efforts for science and technology policy between agencies.

Officials from DOE and other agencies provided varying views on the appropriate leadership for a low-dose radiation research program. For example, some officials suggested that an agency other than DOE, such as HHS, could lead the research. Meanwhile, the National Academies report expressed support for DOE leading a portion of the strategic research agenda, such as computational research, and NIH leading the epidemiological and biological research. NIH officials disagreed, stating that exclusive focus on exposures at the lowest doses was not directly aligned with NIH priorities.

In December 2023, GAO recommended that DOE ensure that the Director of the Office of Science leads a collaborative effort with all other relevant agencies to determine how to respond to the National Academies report. GAO also recommended that DOE ensure that the Director of the Office of Science or other designee work with Congress to determine how best to meet DOE's statutory requirements for a low-dose radiation research program if the office finds that it should share or hand over leadership to another agency.

DOE concurred with both recommendations. DOE stated that it would complete interagency discussions by September 30, 2024, and communicate to Congress its plans to implement the statutory requirements by April 1, 2025. As of February 2024, DOE had no updates on the implementation status of the recommendations.

By taking a leadership role for an interagency low-dose radiation research program or taking steps to initiate efforts with another agency, DOE could help to better manage fragmentation and resolve uncertainty with the future of low-dose radiation research in the United States.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to DOE for review and comment. DOE provided technical comments, which GAO incorporated as appropriate.

GAO Product: *Low-Dose Radiation: Agency Leadership and Collaboration Are Needed to Set the Direction of Future Research.* [GAO-24-106317](#). Washington, D.C.: Dec. 7, 2023.



Source: Brand X Pictures. | GAO-24-106915

26. Managing Risks from Wildfire Smoke

The Environmental Protection Agency should better coordinate its fragmented efforts to manage risks related to air quality and public health from wildfire smoke.

Implementing Entity

Environmental Protection Agency

Recommendations and Matters

One recommendation for EPA

Related GAO Product

[GAO-23-104723](#)

Contact Information

J. Alfredo Gómez at (202)512-3841 or gomezj@gao.gov

The U.S. has recently experienced its worst wildfire seasons on record. Smoke from wildfires has created hazardous and unhealthy air quality conditions for tens of millions of Americans and, in some instances, for locations thousands of miles from the fires. For example, in July 2021, smoke from wildfires in the western U.S. and Canada prompted unhealthy air quality alerts for multiple days in East Coast cities, including New York City and Washington, D.C. According to the 2023 Fifth National Climate Assessment, climate change is leading to larger and more severe wildfires in the western United States and has increased the impacts on human health from wildfire smoke.

Efforts to manage risks related to air quality and public health from wildfire smoke are fragmented within the Environmental Protection Agency (EPA). EPA's efforts to manage the risks have focused on developing information and tools to help communities prepare for and respond to wildfire smoke events. EPA also partners with other federal agencies, including the U.S. Department of Agriculture's (USDA) Forest Service and Centers for Disease Control and Prevention, to help communities plan for how to reduce smoke exposure during wildfire smoke events and help decision makers and the public understand the extent to which smoke has affected air quality during these events.

While EPA implements federal air quality requirements to protect public health, federal land management agencies—the USDA Forest Service and Department of the Interior's Bureau of Land Management, Fish and Wildlife Service, and National Park Service—lead efforts to mitigate wildfire risk on federal lands. Such efforts can reduce the likelihood of future catastrophic fires and resulting smoke events.

In March 2023, [GAO found](#) that EPA does not have a coordinated agency-wide program or dedicated staff and resources for its work related to helping communities prepare for and respond to wildfire smoke. Staff in various EPA program and regional offices plan and implement these actions in an ad hoc manner with no coordinated strategy or goals, according to EPA officials. EPA has few dedicated resources for managing wildfire smoke issues, and the agency is not able to implement all the actions it has identified that could help manage the effects of wildfire smoke. Leading practices for collaboration—such as establishing goals, identifying ways to leverage resources, and clarifying stakeholder roles—provide opportunities for EPA to develop a more coordinated approach for helping communities prepare for and respond to wildfire smoke events.

In March 2023, GAO recommended that EPA develop and document a coordinated approach for the agency's actions to help communities prepare for and respond to the air quality and public health risks of wildfire smoke. EPA generally agreed with this recommendation. As of September 2023, EPA stated that the agency had identified several internal organizational structures to manage its wildfire work and had identified goals to facilitate a more coordinated and strategic approach to addressing wildfire smoke issues.

As of February 2024, EPA officials said that EPA had improved communication tools to provide crucial information during smoke events. However, they said that resource constraints limit the agency's response to this escalating threat. To fully address GAO's recommendation, EPA still needs to document an internally coordinated approach for its actions that aligns with leading practices for collaboration including establishing goals and identifying resources needed and leveraging available resources. A coordinated approach for EPA's actions could manage fragmentation within the agency to better ensure that EPA directs its resources to the highest priorities for helping communities prepare for and respond to wildfire smoke risks.

In March 2023, GAO also made one recommendation each to EPA, USDA, and the Department of the Interior to work with one another to better align air quality and land management goals for wildfire risk mitigation and establish joint strategies for achieving those goals.

As of March 2024, the agencies had fully implemented these recommendations. In November 2023, EPA, USDA, the Department of the Interior, and the Centers for Disease Control and Prevention signed a memorandum of understanding on "Wildland Fire and Air Quality Coordination." In this memorandum, the agencies committed to work together under existing laws to clarify and align regulations, policy, and practice to promote the mutual objectives of protecting public health from the impacts of smoke and enabling land management practices, including prescribed burns, that may reduce the risk of future large, high severity fire events. The memorandum also includes a workplan to define the agencies' intended areas of focus. In 2023 and early 2024, the agencies held several meetings and joint exercises and have planned future activities to implement the memorandum and its workplan.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to EPA, USDA, and the Department of the Interior for comment. EPA and USDA provided comments, which GAO incorporated as appropriate. The Department of the Interior said it did not have comments on this report section.

GAO Product: *Wildfire Smoke: Opportunities to Strengthen Federal Efforts to Manage Growing Risks.* [GAO-23-104723](#). Washington, D.C.: March 13, 2023.



MISSION AREA
**Science and the
environment**

Source: Brand X Pictures. | GAO-24-106915

27. Safeguarding Federally Funded Research from Foreign Threats

The Office of Science and Technology Policy should facilitate the sharing of information about identifying foreign ownership, control, or influence to better manage fragmentation of efforts to help safeguard federally funded research from foreign threats.

Implementing Entity

Office of Science and Technology Policy

Related GAO Product

[GAO-24-106227](#)

Recommendations and Matters

One recommendation for OSTP

Contact Information

Candice N. Wright at (202) 512-6888 or wrightc@gao.gov

Federal agencies obligated about \$820 million for research and development (R&D) awards with foreign entities in fiscal year 2022. The five agencies that obligated the largest amount of R&D funding that year are: the National Science Foundation, the National Aeronautics and Space Administration, the Department of Defense, the Department of Energy, and the National Institutes of Health.

Agencies may collaborate with foreign entities to access resources such as talent and expertise, certain environments and populations, and one-of-a kind scientific facilities. However, some foreign entities may try to exploit U.S. openness in sharing R&D for nefarious purposes. The federal government has expressed concerns about entities from certain foreign countries, such as China, exploiting U.S. funded research in ways that could harm U.S. national security or economic competitiveness.

One key role of the Office of Science and Technology Policy (OSTP) is to serve as a sounding board and conduit of information for agency officials seeking to understand, clarify, and shape science and technology-related policy objectives and priorities. Another role is to help agencies coordinate and integrate their science and technology strategies and activities.

National Security Presidential Memorandum 33, issued in January 2021, details that OSTP, in coordination with the Director of National Intelligence and other agency heads as appropriate, is to enhance R&D agencies' awareness of research security risks and policies and measures for mitigating these risks. The Research and Development, Competition, and Innovation Act enacted in August 2022 requires OSTP to develop or revise a national strategy to improve U.S. science, technology, research, and innovation competitiveness to support the national security strategy (Section 10612 of Public Law 117-167).

In January 2024, [GAO found](#) that agencies face challenges in identifying foreign ownership, control, or influence. Two agencies said they use a combination of intelligence information and commercial business analytics tools in attempts to identify foreign ownership during vetting of entities. However, these efforts are agency-specific and not shared across the agencies GAO reviewed.

Leading practices for interagency collaboration note that a lead agency can provide direction and coordination on complex issues. In January 2022, OSTP implemented National Security Presidential Memorandum 33 by issuing broad guidance addressing foreign risks to government supported research security. However, this guidance does not address foreign ownership, control, or influence for potential R&D awardees.

In September 2023 OSTP officials told GAO they plan to address issues related to foreign entities of concern broadly. However, they do not anticipate addressing foreign ownership, control, and influence directly in the forthcoming national strategy to improve U.S. science, technology, research, and innovation competitiveness.

In January 2024, GAO recommended that, as part of OSTP's ongoing efforts to address research security risks, the Director of OSTP, in coordination with federal R&D awarding agencies, facilitate the sharing of information on identifying foreign ownership, control, or influence. OSTP concurred with this recommendation. As of March 2024, OSTP noted that it prioritizes safeguarding critical and emerging technologies efforts and the National Security Presidential Memorandum 33.

As the lead for interagency coordination on science and technology policies, OSTP can better manage fragmentation by helping agencies collaborate and share information on identifying and addressing complex challenges with foreign ownership. By bringing together federal awarding agencies to share information on identifying foreign ownership, OSTP could help facilitate a more consistent and effective approach to safeguarding U.S. R&D from foreign entities of concern.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to OSTP for review and comment. OSTP provided technical comments, which GAO incorporated as appropriate.

GAO Product: *Research Security: Strengthening Interagency Collaboration Could Help Agencies Safeguard Federal Funding from Foreign Threats* [GAO-24-106227](#). Washington, D.C.: Jan. 11, 2024.



MISSION AREA
**Training, employment,
and education**

Source: Maksym Yemelyanov/Suriya/
stock.adobe.com. | GAO-24-106915

28. Meat and Poultry Worker Safety

The Occupational Safety and Health Administration and the Food Safety and Inspection Service should better manage fragmentation by following leading collaboration practices to improve worker safety.

Implementing Entity

Department of Labor and Department of
Agriculture

Related GAO Product

[GAO-23-105104](#)

Recommendations and Matters

One recommendation for DOL and
one recommendation for USDA

Contact Information

Thomas Costa at (202) 512-4769 or
costat@gao.gov

Meat and poultry workers have long faced hazardous working environments—including cold, wet, and crowded conditions—which the COVID-19 pandemic underscored. The Occupational Safety and Health Administration (OSHA), an agency within the Department of Labor (DOL), is charged with ensuring safe and healthful working conditions for the nation's workers. The Food Safety and Inspection Service (FSIS), an agency within the Department of Agriculture (USDA), is responsible for ensuring the safety of meat and poultry products. Because FSIS's inspection personnel are present in federally inspected meat and poultry establishments, FSIS is positioned to contribute to OSHA's worker safety efforts by identifying worker safety concerns.

[GAO reported](#), in 2017, that OSHA's and FSIS's main vehicle for collaboration on worker safety was their 1994 memorandum of understanding. However, GAO found the agencies had not fully implemented the memorandum in the areas of hazard reporting, joint training, and standard development. For example, in the area of hazard reporting, FSIS officials said that food safety inspectors may be reluctant to refer hazards to OSHA because they fear it could trigger an OSHA inspection of FSIS.

At that time, GAO recommended that OSHA and FSIS improve their collaboration to help protect workers. In August 2022, OSHA and FSIS signed an updated memorandum of understanding, which states, among other things, that (1) the agencies share a common goal of protecting worker safety and health in FSIS-regulated establishments, (2) FSIS should report serious workplace hazards to OSHA, and (3) OSHA will notify FSIS if it opens an inspection that documents worker safety violations that could endanger FSIS employees.

In June 2023, [GAO found](#) that although OSHA and FSIS had signed an updated memorandum of understanding in August 2022, during the pandemic they continued to miss opportunities to collaborate to protect worker safety. OSHA and FSIS officials said they met regularly during the pandemic, but the agencies did not document the results of these meetings and whether they addressed worker safety.

Moreover, the agencies reported little field-level collaboration among staff with direct knowledge of plant conditions. OSHA and FSIS also missed opportunities to share information about conditions in the plants because the agencies did not collaborate on remote OSHA inspections of meat and poultry plants, although FSIS inspectors were likely present in the plants being inspected. In addition, OSHA and FSIS missed opportunities to share worker safety-related documentation, such as FSIS reports on health and safety conditions in plants.

Figure 12: Plastic Sheetting between Poultry Workers Standing in Close Proximity



Source: National Chicken Council. | GAO-24-106915

GAO has identified seven leading collaboration practices that can help agencies implement, enhance, and sustain collaboration. In June 2023, GAO found that OSHA and FSIS generally followed one of the seven leading practices—written guidance and agreements—and partially followed a second—clarifying goals and responsibilities. The agencies did not follow the remaining five—outcomes and accountability, bridging organizational cultures, leadership, participants, and resources. For example, OSHA and FSIS had not defined outcomes or developed a way to track and monitor progress on collaborative efforts.

In June 2023, GAO made one recommendation for DOL to ensure that OSHA meets regularly with FSIS through their interagency workgroup to resolve longstanding collaboration challenges and incorporate leading collaboration practices. When incorporating these practices, the agencies should clearly define short- and long-term outcomes, track and monitor progress toward these outcomes, and publicly report collaborative outcomes. DOL did not provide comments on the June 2023 report. In August 2023, DOL stated that OSHA plans to work with FSIS to use the leading collaborative practices that are already in use to identify and track specific short- and long-term outcomes. As of February 2024, DOL had not provided additional updates on its efforts to implement the recommendation.

GAO made an analogous recommendation to USDA regarding FSIS's collaboration with OSHA. USDA agreed with GAO's recommendation and stated that FSIS is committed to partnering with OSHA and to doing a better job collaborating to resolve challenges. In August 2023, USDA described several actions FSIS planned to work on with OSHA, including achieving several short-term outcomes related to communication and training, and stated that FSIS will review its worker safety data annually to identify ways to enhance FSIS worker safety. As of February 2024, USDA had not provided additional updates on its efforts to implement the recommendation.

By meeting regularly and following these leading collaboration practices, including clearly defining outcomes and tracking and reporting on their progress, OSHA and FSIS could better manage fragmentation and would be in a better position to protect workers during regular periods, as well as in times of emergency.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to DOL and USDA for review and comment. DOL and USDA stated they did not have comments on this report section.

GAO Product: *Meat and Poultry Worker Safety: OSHA Should Determine How to Address Persistent Hazards Exacerbated by COVID-19.* [GAO-23-105104](#). Washington, D.C.: Jun. 20, 2023.



MISSION AREA
**Training, employment,
and education**

Source: Maksym Yemelyanov/Suriyo/
stock.adobe.com. | GAO-24-106915

29. Nonstandard and Contract Work Arrangements

The Department of Labor and the Office of Management and Budget should take steps to improve data on nonstandard and contract work arrangements, which will help better manage fragmentation across at least seven federal agencies.

Implementing Entity

Department of Labor and Office of Management and Budget

Related GAO Product

[GAO-24-105651](#)

Recommendations and Matters

One recommendation each for DOL and OMB

Contact Information

Thomas Costa at (202) 512-4769, costat@gao.gov, or Michael Clements at (202) 512-8678, clementsm@gao.gov

Millions of U.S. workers participate in nonstandard work arrangements. That is, they did not have permanent, year-round employment with predictable full-time hours. Studies also indicate that increasing numbers of workers are in contract arrangements. Information on work arrangements helps federal officials understand the extent to which their federal programs cover workers and how the workforce has changed.

In December 2023, [GAO found](#) that federal estimates on the share of workers in these arrangements range from less than 5 percent to over 30 percent of the total workforce, depending on the type of arrangement measured, how it is defined, and the methodology used.

Limited data are available on how workers fared under these arrangements, but the available data indicate they generally had fewer benefits and workplace protections than permanent, full-time employees.

GAO found that data collection on nonstandard and contract work arrangements is fragmented across at least seven federal agencies. The Department of Labor (DOL) has a prominent data collection and reporting role and the Office of Management and Budget (OMB) coordinates and oversees agency statistical efforts. GAO found that agencies measure overlapping populations and use varied terms and methodologies. The fragmentation contributes to limitations in data quality and results in widely varying estimates that are not directly comparable.

Policymakers want to understand such work arrangements and how workers fare in terms of wages, benefits, and workplace safety. However, federal agencies define and measure these arrangements in different ways, so it is hard to know their prevalence and outcomes. Federal agencies have taken some steps to address limitations relating to data on nonstandard and contract work, but these efforts do not include an ongoing collaborative mechanism and they have not been effective in addressing data quality issues or fragmentation.

In December 2023, GAO recommended that DOL ensure that the Commissioner of the Bureau of Labor Statistics lead an effort, in coordination with OMB, to develop or adapt an interagency collaborative mechanism to improve the measurement of work arrangements. GAO also recommended that OMB ensure the Chief Statistician of the United States supports DOL in this effort. In technical comments on the draft recommendations, DOL and OMB generally agreed with the recommendations and offered clarification on their potential roles and responsibilities, which GAO incorporated as appropriate.

As of February 2024, according to DOL, OMB had established a committee on work arrangements and the Bureau of Labor Statistics agreed to chair the committee and assume its management responsibilities. DOL noted that eleven agencies plan to participate in the committee. In March 2024, OMB stated that it will provide an update on the status of its actions to support DOL in June 2024. GAO will continue to review the committee's activities and monitor DOL and OMB's efforts to implement the recommendations.

Consistent and accurate information on these work arrangements across agency boundaries would allow for more informed, evidenced-based decisions on assisting these workers and addressing the risks they face. Data improvements from a collaborative effort could help manage fragmentation and assist policymakers and others better understand this labor market segment and worker outcomes in it.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to DOL and OMB for review and comment. DOL stated that it did not have comments on this report section. OMB provided technical comments, which GAO incorporated as appropriate.

GAO Product: *Work Arrangements: Improved Collaboration Could Enhance Labor Force Data*, [GAO-24-105651](#) (Washington, D.C.: December 12, 2023).

Appendix III: New Topic Areas in Which GAO Has Identified Other Cost Savings or Revenue Enhancement Opportunities

This appendix presents 13 new topic areas for Congress or federal agencies to consider taking action that could either reduce the cost of government operations or enhance revenue collections for the Treasury.



Source: Department of Defense/
Helene C. Stikkel. | GAO-24-106915

30. Armed Forces Retirement Home

Congress should consider taking action that could help the Armed Forces Retirement Home address financial shortfalls and potentially generate revenue of **one hundred million dollars or more over 10 years.**

Implementing Entity

Congress

Related GAO Product

[GAO-24-106171](#)

Recommendations and Matters

One matter for congressional consideration

Contact Information

Kristen A. Kociolek at (202) 512-2989
or kociolekk@gao.gov

The Armed Forces Retirement Home (AFRH), an independent entity within the executive branch, provides housing, health care, and well-being assistance to certain retired and disabled military personnel. AFRH is financed through a dedicated trust fund. However, certain revenue sources for its funding have decreased or remained static over time while costs have increased. AFRH's trust fund balance declined from \$186.5 million at the end of fiscal year 2010 to \$45.8 million at the end of fiscal year 2015. Since then, it has increased gradually because of additional annual appropriations from the General Fund of the Treasury. According to AFRH officials, the trust fund balance was \$186.7 million at the end of fiscal year 2023. However, the trust fund that finances AFRH's operations is at risk of being exhausted in 20 years and will likely continue to decline without other significant efforts to bolster it.

Since fiscal year 2018, at the direction of Congress, AFRH has worked to identify proposals to generate additional revenue and address potential financial shortfalls, according to AFRH reports. The proposals include an increase in military withholdings, requiring all military service members who are currently eligible for AFRH residency to contribute, and obtaining health and medical care reimbursements from programs such as TRICARE and Medicare for services it provides. However, the proposals require actions by others outside of AFRH's control for AFRH to effectively implement them.

In December 2023, [GAO found](#) that these proposals require actions from Congress or, in one case, the Secretary of Defense and Commandant of the Coast Guard for AFRH to implement them. Specifically, AFRH does not have the authority to increase military withholdings, require eligible National Guard and Reserve service members to contribute, or obtain reimbursement of services provided from military or federal insurance programs.

In December 2023, GAO recommended that Congress consider taking action to address AFRH's financial shortfalls. This could include consideration of some level of continued General Fund transfers and (1) amending 37 U.S.C. § 1007(i) to require an increase in the amount of the payroll deductions from eligible service members and to require the deductions be adjusted for inflation on a recurring basis; (2) passing legislation to authorize withholding from National Guard and Reserve members eligible for residence at AFRH, similar to withholding currently authorized from armed forces on active duty; and (3) passing legislation to authorize AFRH to receive reimbursement from appropriate sources for relevant health and medical care services provided to residents. As of March 1, 2024, Congress had not passed legislation to address this matter.

While GAO cannot precisely estimate the amount of revenue that would be raised, GAO projected AFRH's trust fund balance through fiscal year 2042 and our analysis showed that AFRH could potentially generate over one hundred million dollars over 10 years in revenues if Congress takes action on the matter to:

- Raise monthly military withholdings from each enlisted member, warrant officer, and limited duty officer of the armed forces on active duty. AFRH management estimated an immediate \$7 million increase in annual revenue if military withholdings were to be raised from \$0.50 to \$1.00 per month, as allowed by statute.
- Authorize the Department of Defense to withhold money from eligible National Guard and Reserve members for deposit into the AFRH trust fund. In March 2024, AFRH management estimated withholdings from National Guard and Reserve personnel at the current assessed rate of \$0.50 per month would generate an additional and immediate \$4 million each year in revenue for AFRH. AFRH management further estimated that if withholdings were increased to \$1 per month from these members this would add \$8 million to AFRH's annual revenues.
- Enact legislation allowing AFRH to receive reimbursement from appropriate sources for relevant health and medical care services provided to AFRH's residents. AFRH management estimated an additional \$1 million to \$4 million of revenue annually.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to AFRH and Department of Defense for review and comment. AFRH and the Department of Defense provided technical comments, which GAO incorporated as appropriate.

Related GAO Product: *Armed Forces Retirement Home: Congress and Agency Management Should Take Actions to Improve Financial Sustainability.* [GAO-24-106171](#). Washington, D.C.: December 7, 2023.



MISSION AREA Defense

Source: Department of Defense/
Helene C. Stikkel. | GAO-24-106915

31. National Background Investigation Services

Congress should consider requiring the Department of Defense to use best practices to develop a reliable program schedule and cost estimate for deploying its new background investigation service to better manage the costs of the program.

Implementing Entity

Congress

Related GAO Product

[GAO-23-105670](#)

Recommendations and Matters

One matter for congressional consideration

Contact Information

Alissa H. Czyz at (202) 512-3058 or
czyza@gao.gov

U.S. government personnel vetting processes, such as background investigations, rely on information technology systems to process and validate data on millions of federal employees and contractor personnel. Since 2016, DOD has spent more than a half billion dollars to develop and deploy the National Background Investigation Services system to provide personnel vetting services to most of the government. After DOD took over the ownership and maintenance of related legacy systems from the Office of Personnel Management in 2020, DOD spent an additional \$835 million to maintain these legacy systems through 2022. DOD also plans to maintain all legacy systems until the federal government and over 13,000 industry organizations that work with the federal government are using the new system.

In December 2021, [GAO found](#) that DOD's schedule for the National Background Investigation Services program was not reliable. GAO recommended that DOD meet its best practices for developing a reliable project schedule. DOD concurred with the recommendation.

In August 2023, however, [GAO found](#) that both the program's schedule and cost estimate were not reliable according to GAO best practices. Specifically, 9 of 10 scheduling best practices were minimally met and 13 of 18 cost estimating best practices were minimally met or not met. For example, actual costs were not reflected in the estimate, and the documentation discussed some, but not all, ground rules and assumptions. All best practices need to be at least substantially met for a schedule or cost estimate to be considered reliable.

GAO recommended that Congress consider requiring DOD to develop a reliable program schedule and cost estimate, as defined in GAO best practices. Program officials stated that the program has not significantly gone over or under budget since fiscal year 2020 and will analyze how it can implement GAO best practices by February 2024. However, the lack of progress in addressing schedule weaknesses and the program's unreliable cost estimate warrant congressional consideration, because these issues could further delay the new system's planned replacement of legacy personnel vetting systems.

A reliable schedule and cost estimate would better ensure that the agency is collecting the data necessary to prevent delays in delivering services through the new system and cost increases. However, GAO cannot estimate the amount of cost savings that could be achieved by incorporating best practices because appropriate program data were not available.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report to DOD for review and comment. DOD stated that it did not have comments on this report section.

GAO Product: *Personnel Vetting: DOD Needs a Reliable Schedule and Cost Estimate for the National Background Investigation Services Program.* [GAO-23-105670](#). Washington, D.C.: August 17, 2023.



MISSION AREA Defense

Source: Department of Defense/
Helene C. Stikkel. | GAO-24-106915

32. Personnel Vetting Working Capital Fund

The Defense Counterintelligence and Security Agency should ensure its working capital fund cash balance is within its operating range, potentially saving its federal customers **hundreds of millions of dollars** through reduced prices.

Implementing Entity

Defense Counterintelligence and
Security Agency

Related GAO Product

[GAO-23-105812](#)

Recommendations and Matters

Two Recommendations for DCSA

Contact Information

Alissa H. Czyz at (202) 512-3058 or
czyza@gao.gov

The U.S. government relies on more than 4 million civilians, military, and contractor personnel with security clearances to support national security efforts to provide critical public services, including national defense. In October 2019, the Department of Defense (DOD) became the federal government's primary background investigation service provider through a new agency, the Defense Counterintelligence and Security Agency (DCSA), which conducts background investigations for millions of federal and contractor personnel. DCSA established a defense working capital fund to finance its personnel vetting activities. In fiscal year 2022, DCSA funded about \$1.4 billion of its obligations through its working capital fund.

Defense working capital funds operate as self-supporting entities that are designed to break even (i.e., not make profit or take loss) over the long term and do not typically rely on annual appropriations from Congress. In addition to statutory requirements, DOD's *Financial Management Regulation* requires that defense working capital funds plan to maintain cash balances within an operating range—with both upper and lower cash level requirements.

As part of its initial funds to begin operations, the DCSA Working Capital Fund received approximately \$1.3 billion in transfers from the Office of Personnel Management in fiscal year 2020. DCSA's Working Capital Fund operating range changed from year to year, but generally ranged from about \$800 million to about \$1.5 billion for fiscal years 2020 through 2022. DCSA's primary means of maintaining cash levels within the operating range is to set prices charged to customers that cover the full cost of providing products and services. DCSA can raise prices to recover actual or projected losses and lower prices to return excess cash or projected gains to customers.

In July 2023, [GAO found](#) that DCSA did not calculate one element of the operating range correctly for fiscal year 2021. This resulted in a working capital fund operating range that was about five times the size of DOD's other working capital fund ranges. Specifically, this element of the operating range may have been set higher than needed by approximately \$654 million for fiscal year 2021, with the range's upper limit exceeding a year of disbursements.

DCSA officials stated that they miscalculated the operating range for two reasons. First, DCSA lacked historical data helpful for calculating the range—data regarding risks, variable costs, and fees from customers—because background investigation operations were recently transferred to them. Officials said they now have sufficient historical data upon which to base their analysis and confirmed they used these data when developing DCSA's fiscal year 2024 working capital fund budget submission. Second, DCSA had not issued or implemented guidance for appropriately calculating the operating range, which limited DCSA staff's ability to correctly calculate the working capital fund operating range.

In July 2023, GAO recommended that DCSA issue and implement guidance for calculating the operating range of DCSA's working capital fund consistent with DOD cash management policy and, when implemented, adjust customer prices to ensure that DCSA's cash balance is within its operating range. DCSA concurred with the two recommendations. In September 2023, DCSA published an updated cash management policy. As of March 2024, GAO continues to evaluate the extent to which this policy and DCSA's implementation of the policy address the substance of GAO's recommendations. DCSA officials also stated that they have taken steps to adjust the operating range for its working capital fund; however, documentation of that change was not available as of March 2024.

As DCSA implements updated guidance for calculating its working capital fund operating range, DCSA will have the necessary procedures in place to help ensure DCSA officials correctly calculate the operating range from year-to-year to help reduce its working capital fund cash balance in the future. GAO cannot precisely estimate the future savings resulting from the implementation of these recommendations because DCSA's operating range will change from year-to-year based on future risks to the fund's cash balance. However, if DCSA's operating range is calculated correctly from year-to-year, DCSA could lower future customer prices to accomplish a cash balance reduction resulting in hundreds of millions of dollars in customer savings or raise rates to ensure that it maintains a cash balance capable of sustaining operations if the fund's cash balance falls below the minimum threshold.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to DCSA for review and comment. DCSA provided technical comments, which GAO incorporated as appropriate.

GAO Product: *Personnel Vetting: DOD Should Improve Management and Operation of Its Background Investigation Working Capital Fund.* [GAO-23-105812](#). Washington, D.C.: July 27, 2023.



MISSION AREA
General government

Source: PhotoDisc. | GAO-24-106915

33. Army Corps Administrative Fees

The Army Corps of Engineers could increase the amount it collects from real estate administrative fees by **one million dollars or more over 10 years** by improving how it sets, reviews, and updates the fees.

Implementing Entity

U.S. Army Corps of Engineers

Related GAO Product

[GAO-24-106188](#)

Recommendations and Matters

Three recommendations for the Corps

Contact Information

Andrew Von Ah at (202) 512-2834 or
vonaha@gao.gov

Under statutory authority, the U.S. Army Corps of Engineers charges real estate administrative fees to public and private entities that it issues leases, licenses, or easements to use Corps-managed property (10 U.S.C. § 2695). The Corps oversees more than 65,000 such uses of its real estate nationwide, including privately operated marinas on lakes and power lines crossing canals or rivers. The Corps charges the administrative fees to cover expenses incurred to enter into certain covered real property transactions. Most of the work of managing administrative fees is handled by the Corps' division and district offices. The Corps' administrative fee collections averaged about \$6 million annually during fiscal years 2018 to 2022.

The Corps typically charges a "standard" administrative fee—a predetermined amount that is typically listed on a fee schedule—for transactions that are routine or lower-effort, such as a license for a walkway to the shore of a Corps project. The Corps typically charges a "custom" administrative fee—based on a cost estimate specific to the individual use—for transactions that require a greater effort or coordination across multiple Corps entities, such as building a new park or marina.

In December 2023, [GAO found](#) that the Corps' districts used inconsistent methods to estimate the costs on which they base their administrative fees. For example, two of the six districts GAO selected for review included the costs of compliance reviews carried out over the life of a real estate transaction, while the other four selected districts did not. In addition, selected Corps districts did not have processes in place to compare standard administrative fees collected against the actual costs of conducting activities for the transactions covered by these fees.

GAO also found that five of six selected districts did not regularly review and, as appropriate, update their administrative fee amounts to ensure that they remained aligned with costs. As a result, the standard fee amounts for several districts were outdated. In most cases, GAO found that the Corps' agencywide policies for administrative fees lacked detail or direction to help divisions and districts consistently set, review, and share information on administrative fees.

In December 2023, GAO made three recommendations to the Corps to improve its management of administrative fees by:

- developing an agencywide policy to provide details to divisions and districts on how to estimate costs to set administrative fees consistently across the agency;
- developing or updating, as appropriate, cost tracking processes to capture data more fully on actual costs of real estate activities for standard administrative fees; and

- developing an agencywide policy to require divisions or districts to regularly review and, as appropriate, update their administrative fees, including specifying what reviews should entail and the frequency of reviews.

The Corps agreed with these three recommendations. In March 2024, the Corps shared its Corrective Action Plan to address the recommendations. The Corps plans to develop and issue a policy to address the first and third recommendations by June 2025. It plans to assess options to address the second recommendation by September 2024.

More consistency in estimating costs across districts could help provide better assurance to the public that the districts set their administrative fees equitably based on inputs that use similar data, information sources, and assumptions. Additionally, improving cost tracking processes for standard administrative fees and regularly reviewing and updating the fees can help the Corps ensure it (1) recovers its costs, and (2) does not significantly overcharge or undercharge fee payers over time.

GAO cannot precisely estimate how much the Corps' fee collections would change if the Corps implemented these recommendations because it is not known how much Corps districts would need to increase their standard fee amounts to match their costs. However, based on GAO's finding that the fee amounts for several districts were outdated, and one district telling GAO that it believed that its fee collections covered between half to two-thirds of its costs, GAO conservatively assumed that most Corps districts would increase their standard fee amounts by about 10 percent above their current amounts. Such an increase could result in \$1 million or more in additional fee collections over 10 years.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to the Department of Defense for review and comment. The Department of Defense provided technical comments, which GAO incorporated as appropriate.

GAO Product: *Army Corps of Engineers: Better Alignment with Key Practices Would Improve Management of Real Estate Administrative Fees.* [GAO-24-106188](#). Washington, D.C.: December 8, 2023.



MISSION AREA
General government

Source: PhotoDisc. | GAO-24-106915

34. Federal Office Space Utilization

Federal agencies need building utilization benchmarks to help them identify and reduce underutilized office space, which could save **ten million dollars or more over 5 years**.

Implementing Entity

Office of Management and Budget

Related GAO Product

[GAO-24-107006](#)

Recommendations and Matters

One recommendation for OMB

Contact Information

David Marroni at (202) 512-2834 or
marronid@gao.gov

The federal government owns over 460 million square feet of office space that costs billions of dollars annually to operate and maintain. Retaining excess and underutilized space has unnecessary financial and environmental costs and is one of the main reasons that federal real property management has been on GAO's High-Risk List since 2003. Even before the COVID-19 pandemic, federal agencies struggled to determine how much office space they needed to fulfill their missions efficiently. As the country emerges from the pandemic and agencies continue to offer telework as an option, the federal government has a unique opportunity to reconsider how much and what type of office space it needs.

For years, various efforts have been made to improve federal real property management. One of these is the Federal Real Property Council, chaired by the Deputy Director of the Office of Management Budget (OMB). The council includes 24 federal agencies that occupy 98 percent of all federal real property and one of its aims is to improve real property management. Although these efforts have improved the focus on real property management, federal agencies continue to have unneeded space.

In October 2023, [GAO found](#) that 17 of the 24 agencies overseen by the council used an estimated average 25 percent or less of their headquarters building's capacity in its sample—one week in each of January, February, and March of 2023. At most, agencies used an estimated 40 to 49 percent of their building capacity during these weeks.

In 2021, OMB instructed agencies to consider building utilization to guide space planning and allowed each agency to establish utilization measures and benchmarks. However, agency officials told GAO that they had not developed utilization benchmarks because they were unsure how to determine the amount of space they needed or when their building was considered fully occupied under conditions of increased telework. Most agency officials at the July 2023 meeting of the Federal Real Property Council agreed that OMB and the council are most equipped to develop the measures and benchmarks needed to consistently identify and address underutilized space, with telework in mind.

GAO recommended that the Director of OMB should ensure that the Deputy Director for Management of OMB—as Chair of the Federal Real Property Council—lead the development and use of benchmarks for measuring building utilization that account for greater levels of telework. OMB agreed with this recommendation and, as of March 2024, reported it had established a working group to begin developing benchmarks.

New benchmarks that account for higher levels of telework, could help agencies to reduce the amount of office space they need, and avoid significant costs for agencies, the environment, and local communities. GAO cannot precisely estimate the future savings resulting from this recommendation because the specific actions agencies may take are not known. Thus, related savings are uncertain and may vary within and across agencies. Despite these uncertainties, GAO estimates that a reduction of 1 percent of costs from reduced lease space could lead to potential savings of ten million dollars or more over a five-year period.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to OMB for review and comment. OMB provided technical comments, which GAO incorporated as appropriate.

GAO Product: *Federal Real Property: Agencies Need New Benchmarks to Measure and Shed Underutilized Space.* [GAO-24-107006](#). Washington, DC.: October 26, 2023.



MISSION AREA
General government

Source: PhotoDisc. | GAO-24-106915

35. Federal Real Property

Agencies could save **one hundred million dollars or more** by using predictive models to make investment decisions on deferred maintenance and repair for federal buildings and structures.

Implementing Entity

Department of Energy, Department of the Interior, and Department of Health and Human Services

Related GAO Product

[GAO-24-105485](#)

Recommendations and Matters

One recommendation each for DOE, DOI, and HHS

Contact Information

Andrew Von Ah at (213) 830-1011 or vonaha@gao.gov

The federal government owns a massive portfolio of civilian buildings and structures—such as parking facilities, roads, bridges, dams, and monuments—that costs billions of dollars to operate and maintain annually. Federal agencies face challenges in managing their portfolios and may defer maintenance and repairs. Over time, the failure to keep up with the needed repairs and investments can (1) negatively affect agencies’ abilities to carry out their missions, (2) decrease the quality or reliability of services through unplanned interruptions to facility systems and components, and (3) worsen the condition of agencies’ assets and lead to premature replacement. Deferring maintenance can be significantly more costly than the initial cost of repairs.

In November 2023, [GAO reported](#) that estimates for deferred maintenance and repair increased from \$26.6 billion to \$48.7 billion (about \$22 billion, or 83 percent) from fiscal year 2017 through 2022 for four selected agencies—Department of Energy (DOE), Department of Health and Human Services (HHS), Department of the Interior (DOI), and General Services Administration (GSA). Agency officials attributed these increases to factors including funding constraints, labor and material cost increases, and the size and age of agencies’ real property portfolios.

GAO found that the selected agencies’ policies followed most—but not all—of five leading practices for managing deferred maintenance and repair. For example, all agencies’ policies established maintenance and repair objectives and set priorities for achieving outcomes. However, three agencies—DOE, HHS, and DOI—did not consistently use models across their component agencies to predict investment outcomes, analyze tradeoffs, and optimize among competing investments. Simulation models can help agencies analyze the results of “what if?” scenarios that can be used to set priorities for maintenance and repair work based on different variables, including budget.

Agency officials noted some limitations with existing predictive models—such as recent changes in price data—that could reduce the benefit of some models. However, while models may have limitations, they can be used to help determine the combination of investment options that would provide the greatest benefit to agency portfolios. In February 2019, [GAO reported](#) that the use of such models by federal agencies can result in significant cost savings, such as by avoiding future costs from inefficient or poorly-timed investments. For example, an agency could use modeling to achieve cost efficiencies by determining the optimum time to make maintenance investments.

In November 2023, GAO made recommendations to DOE, DOI, and HHS to each work with their respective components to evaluate the costs and benefits of increasing the use of models for (1) predicting the outcome

of investments, (2) analyzing tradeoffs, and (3) optimizing among competing investments, and employ these models when the benefits outweigh the costs.

The three agencies responded to GAO's recommendations with their follow-up plans. DOE neither agreed nor disagreed with the recommendation but noted plans to establish a working group to take a closer look at the best practices identified in GAO's work and develop ways to address the recommendation. DOI agreed with GAO's recommendation and noted it is coordinating with bureaus to review the availability and benefits of lifecycle investment models and will evaluate implementation alternatives. HHS also agreed with GAO's recommendation and stated that models used for investments in its real property portfolio may encounter limitations given the vastly different missions carried out in different facilities.

As of March 2024, DOE officials said that the department's working group continued to meet to discuss potential corrective actions. DOI officials said the department had established a working group and met with bureaus that utilize lifecycle models to begin identifying best practices for applicability and scalability. The DOI officials noted plans to use predictive models once these evaluations are completed. HHS officials said the department was incorporating guidance for implementing GAO's recommendation as part of ongoing efforts to update policies and frameworks.

Assessing the costs and benefits of increasing the use of models could better position DOE, DOI, and HHS and their components to address growing maintenance and repair backlogs by identifying investment options that would result in the greatest return on investment and lead to cost savings. Such models would also enable DOE, DOI, and HHS and their components to have greater visibility of the risks posed to their asset portfolios by underinvestment and help them communicate those risks to Congress and other stakeholders.

GAO cannot precisely calculate the potential savings should agencies implement these recommendations because actual savings will depend on the funding levels for addressing deferred maintenance and repair and how predictive models are used and applied. However, GAO estimates that, based on cost savings identified in prior GAO work, models could help reduce an agency's deferred maintenance and repair backlog at least half a percent. As a result, GAO estimates DOE, DOI, and HHS could use models to make cost effective investments to help address a cumulative backlog in excess of \$40 billion and potentially save one hundred million dollars or more.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to the Department of Energy, Department of the Interior, and Department of Health and Human Services for review and comment. DOE said it did not have comments on this report section. DOI and HHS provided technical comments, which GAO incorporated as appropriate.

GAO Product: *Federal Real Property: Agencies Should Provide More Information About Increases in Deferred Maintenance and Repair.* [GAO-24-105485](#). Washington, D.C.: November 16, 2023.



MISSION AREA
General government

Source: PhotoDisc. | GAO-24-106915

36. IRS Audits of High-Income/High-Wealth Taxpayers

The Internal Revenue Service should improve its efforts to audit high-income and high-wealth taxpayers, which could enhance federal government revenue.

Implementing Entity

Internal Revenue Service

Related GAO Product

[GAO-24-106112](#)

Recommendations and Matters

Two recommendations for IRS

Contact Information

James R. McTigue, Jr. at (202) 512-6806 or mctiguej@gao.gov

The Internal Revenue Service (IRS) uses enforcement programs—including audits of tax returns—to address noncompliance in reporting taxes owed. In turn, these programs help reduce the annual gap between the hundreds of billions of dollars in taxes that should have been but were not paid voluntarily and on time. In May 2022, [GAO reported](#) that IRS had been auditing a decreasing proportion of individual tax returns, especially those reporting higher amounts of income.

To address the declining audit rate for individual tax returns reporting \$10 million or more in income, the Department of the Treasury directed IRS to audit at least 8 percent of such returns. The Inflation Reduction Act of 2022 provided IRS with additional tens of billions of dollars through fiscal year 2031 for enforcement activities such as audits (section 10301 of Public Law 117-169). Treasury emphasized that these enforcement activities should focus on taxpayers with incomes of \$400,000 or more.

In January 2024, [GAO reported](#) that IRS is on track to meet the 8 percent audit goal for 2018 through 2020 tax returns. Additionally, GAO found that for all high-income/high-wealth (tax returns reporting income of \$500,000 or more) audits during fiscal years 2012 to 2022, 45 percent closed, on average, without recommending any changes to the tax amounts owed. However, during the same time period, audits of the highest-income returns (reporting \$10 million or more in income) recommended more tax owed per audit, on average, compared to other high-income/high-wealth audits.

As GAO reported, IRS is attempting to improve its computer models that help select high-income/high-wealth returns for audit. By using these models, IRS strives to select returns for audits that indicate the greatest potential for tax changes to correct noncompliance, and in turn, reduce the percentage of high-income/high-wealth audits that result in no changes to the tax returns. IRS officials said they are in varying stages of evaluating these selection models. However, IRS could not provide its plans for evaluating the effectiveness of the models. IRS officials said they have not yet evaluated these models or finalized plans for doing so because they needed to quickly increase the number of audits to meet the 8 percent audit goal.

In prior work on designing evaluations, [GAO reported](#) that agencies should follow key practices such as using relevant evaluation questions and an appropriate evaluation design to assess how well a program is working. To the extent that IRS is not following the evaluation practices of using relevant questions and an appropriate design, IRS may be unnecessarily burdening compliant taxpayers who are audited. It also may be missing opportunities to fairly enforce the tax law by addressing noncompliance such as in reporting the taxes owed on high-income/high-wealth returns.

In January 2024, GAO made two related recommendations: IRS should (1) develop plans that have relevant questions and appropriate designs to evaluate the models for selecting high-income/high-wealth returns for audit, and (2) use the plans to evaluate the effectiveness of these models for selecting the returns. IRS agreed to implement both recommendations.

As of March 2024, IRS had not provided information on the status of developing or using evaluation plans, as recommended. In its March 2024 comments on this report section, IRS emphasized (1) using Inflation Reduction Act funding to enforce the tax laws; and (2) not using the funding to increase the audit rate for taxpayers, such as small businesses and households, earning \$400,000 or less per year. IRS stated that it does not solely focus on achieving a particular audit rate for high-income/high-wealth taxpayers. It also seeks to ensure that high-income/high-wealth taxpayers pay what they owe. GAO believes the recommendations will help IRS enforce the tax laws and ensure that taxpayers pay the taxes owed.

GAO cannot estimate the potential revenue effect on additional taxes collected by improving return selection models for audits because of the challenges in isolating the revenue effect from other variables that affect revenue collection.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to IRS for review and comment. IRS provided technical comments, which GAO incorporated as appropriate.

GAO Product: *Tax Compliance: Opportunities Exist to Improve IRS High-Income/High-Wealth Audits.* [GAO-24-106112](#). Washington, D.C.: Jan.11, 2024.



MISSION AREA
General government

Source: PhotoDisc. | GAO-24-106915

37. IRS Audits of Large Partnerships

IRS should improve its efforts to audit large, complex partnerships, which could enhance federal government revenue by potentially **millions of dollars** over several years.

Implementing Entity

Internal Revenue Service

Recommendations and Matters

Two recommendations for IRS

Related GAO Product

[GAO-23-106020](#)

Contact Information

James R. McTigue, Jr. at (202) 512-6806 or mctiguej@gao.gov

In recent decades, American businesses have made dramatic shifts in the way they organize and pay taxes. Businesses have shifted toward organizing as legal structures known as pass-through entities, such as partnerships, and away from organizing as C corporations, which are subject to the corporate income tax. Partnerships generally do not pay income taxes. Rather, they pass their income and losses through to their partners who report them on their individual income tax returns and make any associated tax payments.

In July 2023, [GAO found](#) that the number of partnerships with \$100 million or more in assets and 100 or more partners increased by nearly 600 percent from tax year 2002 to 2019 (the most recent data available). GAO also found that the IRS audits few large partnerships compared to large corporations—54 that filed tax returns in 2019—and the audit rate has declined since 2007.

GAO also found that IRS audits of large partnerships found tax noncompliance less often than audits of large corporations. More than 80 percent of the audits resulted in no change to the return on average from tax years 2010 to 2018, double the rate of large corporate audits. The relatively low rate at which IRS audits large partnerships raises concerns about IRS's ability to ensure tax compliance among these businesses. In addition, the high no change rate for large partnership audits is concerning as IRS spends substantial resources auditing taxpayers that ultimately are found to be tax compliant. The high no change rate could indicate that IRS does not have the skills or capability to uncover noncompliance.

Congress established new procedures that became effective in 2018 intended to make it easier for IRS examiners to audit large partnerships (section 1101 of Public Law 114-74). The Inflation Reduction Act of 2022 provided IRS with \$45.6 billion through fiscal year 2031 to increase tax enforcement activities, such as hiring more examiners to audit partnerships as well as other types of taxpayers (section 10301 of Public Law 117-169). In April 2023, IRS released its *IRS Inflation Reduction Act Strategic Operating Plan*. One of the key priorities outlined in the plan is to increase enforcement activities over large partnerships.

However, GAO found that IRS has not defined nor developed guidance on what a large, complex partnership is, nor has it developed measures to ensure additional audits focus on such partnerships. *Standards for Internal Control in the Federal Government* states that management should define objectives in specific and measurable terms.

GAO also found that IRS's audit tracking system could be refined to better target its audits of large partnerships. IRS uses activity codes to set goals for the number of returns to audit and to track audit results and resources used. Currently, IRS uses three codes to differentiate among the 3.8 million partnerships that

filed a tax return in tax year 2019. They include the following three categories: 10 or fewer partners and gross receipts under \$100,000; 10 or fewer partners and gross receipts of \$100,000 and over; and 11 or more partners.

All large partnerships are classified in this third category because they have 100 or more partners. Grouping all large partnerships in such a broad category is not helpful for focusing IRS audit resources because there were more than 20,000 in tax year 2019. Further, large partnerships can have complex structures such as individuals, corporations, or another partnership owning portions of a large partnership. IRS examiners may need analytical tools to help trace the movement of income and business expenses from a large partnership to the many potential partners. Without more precise data capturing the complexity of these partnerships to inform audit decisions, IRS lacks key information for decision making and planning the use of audit resources.

The *IRS Inflation Reduction Act Strategic Operating Plan* notes the importance of harnessing data and analytics to drive operations and decision-making. The plan states that data should inform every aspect of IRS's operations and decision-making, such as allowing IRS to focus more enforcement resources on taxpayers most likely to owe large amounts of taxes.

In July 2023, GAO recommended that IRS develop guidance defining large, complex partnerships and the characteristics of those entities. GAO also recommended that IRS identify and implement measures for tracking progress toward agency objectives that reflect the definitions and guidance for large, complex partnerships. IRS agreed with both recommendations and stated it will conduct additional research and analysis to better understand the characteristics of partnerships, define them, and consider the best method to measure the results of its compliance efforts. In October 2023, IRS officials reported moving forward with audits of 75 large partnerships and sending letters to other large partnerships informing them of potential tax noncompliance discrepancies.

As of January 2024, IRS said it is working to understand the partnership population and identify more specific segments. IRS also said that while tracking progress toward agency objectives is important, IRS did not believe creating additional activity codes was necessary. However, GAO's review of the audit data suggests that IRS would benefit from capturing additional data on partnerships. Such data would help IRS identify large, complex partnerships and achieve its stated objective to increase enforcement activities over these entities.

Developing a definition and more specific metrics for large, complex partnerships would help IRS measure progress toward its goals and track audit results and costs. In doing so, as IRS plans to increase the number of large partnership audits, these changes would help ensure it is auditing the riskiest large partnerships. It is not possible to precisely estimate the potential effect on tax revenue for two reasons: (1) data limitations, and (2) uncertainty over when and how IRS would implement the recommendations. Taking these limitations into consideration, GAO estimates that even a modest improvement could result in potentially millions of dollars of revenue enhancement for the federal government over several years.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to IRS for review and comment. IRS stated that it did not have comments on this report section.

GAO Product: *Tax Enforcement: IRS Audit Processes Can Be Strengthened to Address a Growing Number of Large, Complex Partnerships.* [GAO-23-106020](#). Washington, D.C.: July 27, 2023.



MISSION AREA
General government

Source: PhotoDisc. | GAO-24-106915

38. Sole Proprietor Tax Compliance

Congress and the Internal Revenue Service should take action to improve sole proprietor tax compliance which could increase revenue by **hundreds of millions of dollars per year**.

Implementing Entity

Congress and the Internal Revenue Service

Recommendations and Matters

Two matters for congressional consideration and three recommendations for IRS

Related GAO Product

[GAO-24-105281](#)

Contact Information

James R. McTigue, Jr. at (202) 512-6806 or mctiguej@gao.gov

The Internal Revenue Service's (IRS) most recent estimate of the annual gross tax gap—the difference between federal taxes owed and the amount paid—is about \$496 billion on average each year for tax years 2014 to 2016. According to IRS sole proprietors—individuals who own an unincorporated business by themselves—are one of the largest contributors to the tax gap. IRS attributes approximately \$80 billion each year in unpaid individual income taxes to nonfarm sole proprietors underreporting their income, which is 16 percent of the total tax gap. Sole proprietors include skilled trades and professions such as plumbers, gig workers, and social media influencers, among many others. Noncompliance among sole proprietors has been a challenge because IRS receives little income and expense information about sole proprietors from third parties, such as businesses and financial institutions.

In October 2023, [GAO found](#) that the Department of the Treasury and IRS have not taken sufficient steps to consider the compliance and outreach needs of sole proprietors separately from other small businesses. Sole proprietors have a higher noncompliance rate than other small businesses. In addition, because no legal action is required to establish these businesses, some taxpayers may not even realize that they are a sole proprietor. Nevertheless, IRS said that there is no consistent set of attributes that apply to all sole proprietors to address these taxpayers separately from other small business taxpayers. IRS did not provide data to support its assertion that compliance behavior of sole proprietors is the same as other taxpayer types.

Tax gap strategy. Treasury and IRS have not developed an overall tax gap strategy that includes specific approaches to address sole proprietor noncompliance, as [GAO recommended](#) in July 2007. In October 2023, GAO identified 17 options to improve sole proprietor tax compliance which could help inform this effort. The options involve tradeoffs and would best be considered as part of an overall tax gap strategy. IRS's *Inflation Reduction Act Strategic Operating Plan* outlines its priorities for the coming years, but neither this plan nor other IRS documents provide an approach to specifically improve sole proprietor compliance. Having an up-to-date strategy to decrease the tax gap in general—and sole proprietor compliance in particular—can help IRS and Treasury reduce the tax gap.

Voluntary tax withholding. Treasury and IRS have also not taken steps to allow for voluntary tax withholding on service payments to platform workers and independent contractors who may choose to participate, as [GAO recommended](#) in May 2020. Without voluntary withholding, these workers may find making quarterly tax payments burdensome, which may reduce compliance.

Risk assessment. While IRS has some methods to assess noncompliance risk, they are not complete or specific to sole proprietors. A risk assessment would allow IRS to make strategic decisions related to enforcement and outreach priorities to help it reduce sole proprietors' share of the tax gap.

Form 1099-K data. Because of a 2021 tax law change, IRS could receive millions more Forms 1099-K Payment Card and Third-Party Network Transactions. This would include information on some payments made to sole proprietors such as through credit or debit cards or online marketplaces. However, IRS does not have plans to analyze the higher volume of Form 1099-K data to gain insight into sole proprietor noncompliance. Without such an assessment, IRS and policy makers will not have potentially key insights into the effect of the change on taxpayer burden and tax compliance.

Communications plan. IRS has a communications plan for platform workers, who are one type of sole proprietor. However, it does not have a coordinated communications plan focused on informing the wide variety of sole proprietors about their tax and reporting responsibilities. Such a plan would help sole proprietors meet their tax obligations and navigate tax law changes. According to stakeholders, such as the Center for Taxpayer Rights, the Coalition for 1099-K Fairness, and Low-Income Taxpayer Clinics, that GAO spoke with, some sole proprietors are unaware of their tax obligations on income earned through online platforms. Stakeholders also told GAO that they found the existing guidance overly technical and difficult to understand.

In October 2023, GAO recommended that Congress consider requiring (1) Treasury to ensure the tax gap strategy includes efforts to improve sole proprietor compliance, and (2) IRS to implement voluntary withholding when both companies and sole proprietors would like to participate. GAO also made three recommendations to IRS to (1) assess the risks of noncompliance for sole proprietors separately from other business types, (2) strategically analyze the 1099-K data, and (3) develop a communications plan for all sole proprietors.

IRS agreed with the recommendation to strategically analyze Form 1099-K data, stating that it would use both past and future analyses of 1099-K data to identify compliance opportunities. IRS disagreed with the other two recommendations saying there is no consistent set of attributes that apply to all sole proprietors which would make it useful to address these taxpayers separately from other small business taxpayers. GAO maintains that sole proprietors are different from other business types and warrant separate risk assessments and outreach.

GAO cannot precisely estimate the future revenue enhancement resulting from these five recommendations due to the potential variation in how they are implemented. For example, the effect of voluntary withholding would vary depending on uptake. However, with a strategy focused on improving sole proprietor compliance, IRS could help close the tax gap. For example, a 1 percent decrease in the \$80 billion annual tax gap for sole proprietors could increase revenue by hundreds of millions of dollars.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to the Department of the Treasury and IRS for review and comment. IRS provided technical comments, which GAO incorporated as appropriate. Treasury stated that it did not have comments on this report section.

GAO Product: *Sole Proprietor Compliance: Treasury and IRS Have Opportunities to Reduce the Tax Gap.* [GAO-24-105281](#). Washington, D.C.: October 19, 2023.



MISSION AREA
**Homeland security, law
enforcement or both**

Source: PhotoDisc. | GAO-24-106915

39. Coast Guard Housing

The Coast Guard should assess the potential benefits of certain housing authorities and develop a legislative proposal, if appropriate, to better manage its housing program costs.

Implementing Entity

U.S. Coast Guard

Recommendations and Matters

One recommendation for the Coast Guard

Related GAO Product

[GAO-24-106388](#)

Contact Information

Heather MacLeod at (202) 512-8777 or
macleodh@gao.gov

The U.S. Coast Guard, within the Department of Homeland Security (DHS), managed and maintained a \$4.6 billion government-owned housing portfolio as of September 2022, with approximately 2,529 family housing units and 317 unaccompanied personnel housing facilities as of April 2023. Around 41 percent of Coast Guard units are in remote areas or high vacation rental areas with associated housing challenges, and military personnel generally rotate every 3 to 4 years. The Coast Guard spends about \$10 million per fiscal year on preventative maintenance projects for housing it manages and has awarded about \$23 million in major maintenance projects for housing since 2018.

In February 2024, [GAO found](#) that the Coast Guard had not fully assessed whether additional statutory housing authorities, specifically those available to the Department of Defense (DOD), could help it reduce maintenance costs and provide other benefits to its housing program. As a military service, Coast Guard shares similarities with DOD, including some, but not all, housing authorities.

GAO identified ten DOD statutory housing authorities that Coast Guard officials stated could potentially benefit the service. For example, DOD has the authority to enter into utility service contracts for periods up to 10 years. Also, the Departments of the Army, Navy, and Air Force have authority to enter into multiyear energy or fuel contracts for military installations. Such longer-term contracts can have lower average annual costs than the short-term contracts that the Coast Guard currently uses.

In February 2024, GAO recommended that the Commandant of the Coast Guard assess the extent to which ten DOD statutory housing authorities could be beneficial to the service and develop a legislative proposal, as appropriate. In its management response to GAO's report, the Coast Guard agreed with this recommendation and provided GAO with plans for further evaluation by July 2024. As of March 2024, DHS and the Coast Guard stated that they have plans for further evaluation in 2024 and an estimated completion date by July 2025.

Coast Guard officials told GAO that having similar statutory authorities might be beneficial and may result in cost savings to the service. Given the Coast Guard's \$4.6 billion portfolio of government-owned housing and the millions it spends on annual maintenance projects, it is important for it to identify and assess opportunities to achieve cost savings. Assessing the extent of benefits from the ten DOD authorities and developing a legislative proposal to obtain certain statutory authorities, as appropriate, could better position the Coast Guard to manage its housing program and save federal funds, as well as support its service members and dependents.

If the Coast Guard could achieve cost savings through obtaining these statutory authorities, it would be beneficial for the service to do so. For example, it is not clear the extent to which any such proposals could impact preventative maintenance or major maintenance projects, but if the Coast Guard were to achieve a one

percent savings per year in these areas through new authorities, it could amount to millions of dollars in savings over ten years. However, GAO cannot precisely estimate the future savings resulting from this recommendation. The amount would depend on the Coast Guard's analysis of certain statutory authorities, the result of its legislative proposal to obtain such authorities, and its implementation of any new authorities.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to the Coast Guard through DHS for review and comment. DHS and the Coast Guard provided comments, which GAO incorporated as appropriate.

GAO Product: *Coast Guard: Better Feedback Collection and Information Could Enhance Housing Program.* [GAO-24-106388](#). Washington, D.C.: February 5, 2024.



40. Cloud Computing Security

The Office of Management and Budget should take action to improve the tracking and reporting of data associated with authorizing cloud computing services to potentially reduce the costs of cloud services.

Implementing Entity

Office of Management and Budget

Recommendations and Matters

One recommendation for OMB

Related GAO Product

[GAO-24-106591](#)

Contact Information

David B. Hinchman at (214) 777-5719
or hinchmand@gao.gov

To facilitate the adoption and use of cloud computing services, the Office of Management and Budget (OMB) established the Federal Risk and Authorization Management Program (FedRAMP) in 2011. The program is intended to provide a standardized approach for selecting and authorizing the use of cloud service offerings that meet federal security requirements. Managed by the General Services Administration, the program aims to ensure that cloud services have adequate information security, while also increasing cost efficiencies for agencies as they authorize cloud services.

In October 2023, OMB published proposed guidance for public comment to modernize the FedRAMP program, as required by the FedRAMP Authorization Act (44 U.S.C. § 3607–3616). The proposed guidance calls for the FedRAMP program management office and the FedRAMP board to seek feedback from industry on how to reduce the burden and cost of the FedRAMP authorization process for both federal agencies and cloud service providers.

In a report issued in January 2024, [GAO found](#) that selected agencies reported estimated costs incurred when sponsoring cloud service providers' FedRAMP authorizations, as they had not fully tracked the actual costs. The estimated costs varied widely. GAO determined that this was due, in part, to the agencies using varying methods to determine what costs to include. The varying methods were allowed because OMB had not provided agencies with guidance on what costs should be tracked and reported for pursuing authorizations. Specifically, OMB requested that agencies report aggregated cloud security costs but did not ask agencies to separately track and report the specific costs for sponsoring the authorizations or provide them with guidance on how to track these costs. As a result, OMB did not know the actual costs for sponsoring authorizations.

In January 2024, GAO recommended that the Director of OMB, in collaboration with the FedRAMP program management office, issue guidance to agencies to ensure that they consistently track and report the costs of sponsoring a FedRAMP authorization of cloud services. In March 2024, OMB stated that it will respond to this recommendation in summer 2024.

Until OMB provides guidance to agencies on accurately tracking costs for sponsoring FedRAMP authorizations, OMB and other FedRAMP stakeholders may lack the information required to understand whether the program is operating efficiently. GAO cannot precisely estimate the future savings resulting from this recommendation because the current data on the actual costs for pursuing FedRAMP authorizations are limited. However, by improving the tracking and reporting of these costs, the FedRAMP program would be better positioned to increase efficiencies in the federal authorization process.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to OMB for review and comment. OMB stated that it did not have comments on this report section.

GAO Product: *Cloud Security: Federal Authorization Program Usage Increasing, but Challenges Need to Be Fully Addressed.* [GAO-24-106591](#). Washington, D.C: January 18, 2024.



MISSION AREA
International affairs

Source: Creatas. | GAO-24-106915

41. Grants Management in Freely Associated States

The Departments of Health and Human Services and the Interior should issue timely grant management decisions related to Federated States of Micronesia, Republic of the Marshall Islands, and Republic of Palau that could result in cost savings.

Implementing Entity

The Department of Health and Human Services and the Department of the Interior

Recommendations and Matters

One recommendation each for HHS and Interior

Related GAO Product

[GAO-23-106160](#)

Contact Information

Latesha Love-Grayer at (202) 512-4409 or lovegrayerl@gao.gov

The United States has maintained compacts with the Federated States of Micronesia (FSM) and the Republic of the Marshall Islands (RMI) since 1986 and with the Republic of Palau since 1994. These compacts have provided the U.S. government with exclusive military use rights in the three countries and enabled it to maintain critical access in the Asia-Pacific region. FSM, RMI, and Palau annually receive millions of dollars of U.S. assistance. U.S. agencies have provided some of this assistance through grant awards under the U.S. compacts of free association and other agreements with the three countries.

As nonfederal entities with expenditures of \$750,000 of federal grant funds in a single year, each country is required to obtain an annual single audit. Audit report findings, including any questioned costs found by the independent certified public accountant, must be submitted to the Federal Audit Clearinghouse. Federal regulation requires the awarding agency to issue a management decision for each audit finding and follow up on the audit findings to ensure timely corrective action. If agencies do not issue decisions and conduct follow-up within 2 years, the country may assert that follow-up of audit findings and questioned costs is no longer warranted.

In September 2023, [GAO found](#) that both HHS and Interior failed to issue timely management decisions. GAO reviewed 35 single audit reports for 2015 through 2019, and more than 95 percent of the identified questioned costs were related to grants awarded by HHS and Interior. As of April 2024, HHS had not yet resolved almost \$600,000 in questioned costs and Interior was unable to provide information showing the resolution of more than \$650,000 in questioned costs. HHS has taken steps in recent years to follow up on unresolved questioned costs related to its awards but has done so with varying frequency.

While HHS has standard operating procedures governing such monitoring activities, the procedures do not specify expected time frames. More-specific guidance on how frequently monitoring of corrective actions should take place would help HHS resolve outstanding questioned costs in a timelier fashion and reduce the risk that costs will remain unresolved and debts to the federal government uncollected for many years.

Further, Interior lacked information showing the resolution of questioned costs identified as unresolved in 2019 single audit reports. Without such information, Interior cannot track the results of its efforts to resolve questioned costs and therefore is unable to assess the effectiveness of its follow-up activities over time, as federal regulation requires. In 2019, the Freely Associated States expended Department of the Interior grants totaling approximately \$135.5 million. \$1.2 million was reported as questioned costs during their annual single audits, leaving \$134.3 million as unquestioned.

GAO made one recommendation each to HHS and Interior that they should take appropriate action, such as dedicating adequate staffing resources, to ensure that the management decisions for questioned costs identified in single audits for FSM, RMI, and Palau are issued within the required timeframe. HHS and Interior agreed with their respective recommendation. As of April 2024, the recommendations have not been implemented.

The amount of future questioned costs and the effect of more timely management decisions are uncertain. However, while the exact recovery of questioned costs is unknown, corrective action could help realize cost savings.

Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to HHS and Interior for review and comment. HHS stated that it did not have comments on this report section. Interior did not provide comments.

GAO Product: *Freely Associated States: Agencies Should Enhance Procedures to Address Millions of Dollars in Questionable Spending.* [GAO-23-106160](#). Washington, D.C.: September 27, 2023.



MISSION AREA
International affairs

Source: Creatas. | GAO-24-106915

42. Steel and Aluminum Tariffs

The Department of Homeland Security should take steps, as appropriate, to prevent invalid use of tariff exclusions and to recover unpaid duties because of invalid use, which could result in **millions of dollars** in savings.

Implementing Entity

Department of Homeland Security's
Customs and Border Protection

Related GAO Product

[GAO-23-105148](#)

Recommendations and Matters

Two recommendations for CBP

Contact Information

Kimberly Gianopoulos at (202) 512-8612 or gianopoulosk@gao.gov

In March 2018, citing national security concerns, the President placed tariffs of 25 percent on some imported steel and 10 percent on some imported aluminum products, under Section 232 of the Trade Expansion Act of 1962 (19 U.S.C. § 1862). The presidential proclamations initiating the Section 232 tariffs stated that the tariffs would help ensure domestic producers could supply the aluminum and steel needed for national defense. The Department of Homeland Security's U.S. Customs and Border Protection (CBP) reported that it had assessed a total of about \$11 billion in Section 232 tariffs during the first 3½ years of the tariffs.

The President also authorized the Department of Commerce to provide relief, or exclusion, from these tariffs in certain circumstances, such as when the product is not available domestically. Commerce transmits data about the specific parameters of approved exclusions—including the quantity and type of product that can be excluded from the tariffs—to CBP. CBP determines if an importer may use an exclusion to import steel or aluminum products without paying Section 232 tariffs. The use of these exclusions resulted in an estimated \$2.6 billion in tariff savings for steel and aluminum importers during the first 3½ years of the tariffs, but also foregone revenue for the U.S. government.

In July 2023, [GAO found](#) that importers generally used tariff exclusions—and therefore did not pay Section 232 duties—in a manner consistent with the parameters set by Commerce for the approved exclusion. GAO identified an estimated \$32 million in unpaid duties, as of November 2021, resulting from the use of an exclusion in a manner inconsistent with Commerce-approved parameters. GAO also found that CBP lacks effective automated and manual controls to prevent importers from overclaiming Section 232 exclusions with respect to the approved quantity.

Because of the lack of automated controls, CBP staff monitor exclusion use and manually deactivate exclusions that have reached the approved quantity. However, the lag time between when an exclusion has reached the approved quantity and when it is deactivated creates an opportunity for importers to overclaim exclusions and not pay duties on the overage.

In July 2023, GAO made two recommendations for CBP to (1) prevent importers from exceeding the approved quantities of their Section 232 exclusions and (2) recover the duties owed by importers as a result of invalid use of Section 232 exclusions, as appropriate. CBP agreed with the recommendations. According to CBP officials, as of January 2024, CBP had drafted internal guidance on the appropriate steps to recover duties owed when an importer exceeds approved quantities of Section 232 exclusions or makes any other invalid use of Section 232 exclusions. CBP expects this guidance to be finalized no later than June 28, 2024.

While GAO cannot precisely estimate the amount of revenue that could be collected, taking steps to prevent importers from overclaiming exclusions or to recover duties owed would better position CBP to ensure that

millions of dollars in revenue is protected. If even 10 percent of the \$32 million in unpaid duties was recovered, CBP could protect millions of dollars in revenue.

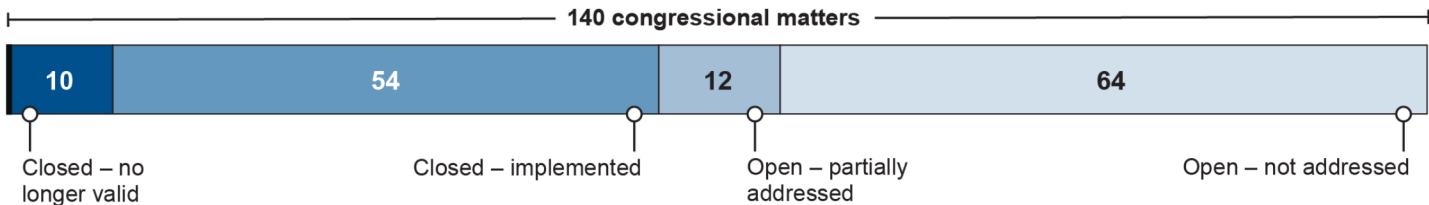
Agency Comments and GAO's Evaluation: GAO provided a draft of this report section to CBP for review and comment. CBP provided technical comments that were incorporated as appropriate. Additionally, CBP stated that the enforcement of Section 232 duties is a priority and CBP remains committed to ensuring that the duties are appropriately assessed on entries claiming exclusions.

GAO Product: *Steel and Aluminum Tariffs: Agencies Should Ensure Section 232 Exclusion Requests Are Needed and Duties Are Paid.* [GAO-23-105148](#). Washington, D.C.: July 20, 2023.

Appendix IV: Open Congressional Matters, by Mission

In our 2011 to 2024 annual reports, we directed 140 matters to Congress, of which 76 remain open. Fifty-four matters have been implemented and 10 were closed as no longer valid due to changing circumstances. Of the 76 open matters, 12 are partially addressed and 64 are not addressed, as of March 2024 (see figure 13). Legislation was introduced in the 117th or 118th Congress to address 31 (about 41 percent) of the open matters. As of March 2024, legislation had not been enacted, and those matters remain open.

Figure 13: Status of Duplication and Cost Savings Congressional Matters, as of March 2024




Source: GAO. | GAO-24-106915

Notes: These data include matters related to our prior annual reports, from our prior reports not previously tracked in this body of work but that have potential financial benefits, and those newly identified in this annual report.

The tables below have more information on the 76 open congressional matters. Our [Duplication and Cost Savings website](#), containing the downloadable spreadsheet (available in XLSX or CSV formats), has information on all matters and recommendations in our Duplication and Cost Savings body of work.

Table 7: Open Congressional Matters in the Agriculture Mission Area

<div>  <div>Mission Area: Agriculture</div> </div>	
Topic	Matter summary, underlying report, potential financial benefit, and related legislation as applicable
Agricultural Quarantine Inspection Fees	<p>Congress should consider allowing the Department of Agriculture (USDA) to set Agricultural Quarantine Inspection (AQI) fees to recover the aggregate estimated costs of AQI services--thereby allowing the Secretary of Agriculture to set fee rates to recover the full costs of the AQI program. (GAO-13-268)</p> <p>Potential Financial Benefit: Tens of millions of dollars</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p> <hr/> <p>Congress should consider amending USDA's authorization to assess AQI fees on bus companies, private vessels, and private aircraft and include in those fees the costs of AQI services for the passengers on those buses, private vessels, and private aircraft. (GAO-13-268)</p> <p>Potential Financial Benefit: Millions of dollars</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
Crop Insurance	<p>Congress should consider repealing the 2014 Farm Bill requirement that any revision to the standard reinsurance agreement not reduce insurance companies' expected underwriting gains, and directing the Risk Management Agency to, during the next renegotiation of the agreement, (1) adjust the participating insurance companies' target rate of return to reflect market conditions and (2) assess the portion of premiums that participating insurance companies retain and, if warranted, adjust it. (GAO-17-501)</p> <p>Potential Financial Benefit: Billions of dollars</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: H.R. 5698, sections 8(2), 10</p> <p>117th Congress: None identified</p>

Appendix IV: Open Congressional Matters, by
Mission

Congress may wish to consider limiting the subsidy for premiums that an individual farmer can receive each year or reducing the subsidy for all farmers participating in the program, or both limiting and reducing these subsidies. ([GAO-12-256](#))

Potential Financial Benefit: Hundreds of millions of dollars

Related Legislation that would partially or fully address open matter:

118th Congress: H.R. 5698, section 3(2)(C)

117th Congress: None identified

Congress should consider reducing the level of federal premium subsidies for revenue crop insurance policies. In doing so, Congress should consider whether to make the full amount of this reduction in an initial year, or to phase in the full amount of this reduction over several years. In addition, Congress should consider directing the Secretary of Agriculture to monitor and report on the impact, if any, of the reduction on farmer participation in the crop insurance program. ([GAO-14-700](#))

Potential Financial Benefit: Hundreds of millions of dollars

Related Legislation that would partially or fully address open matter:

118th Congress: None identified

117th Congress: None identified

Congress should consider reducing premium subsidies for the highest income participants. ([GAO-15-356](#))

Potential Financial Benefit: Tens of millions of dollars

Related Legislation that would partially or fully address open matter:

118th Congress: H.R. 5698, section 3(2)(B)

117th Congress: None identified

Food Safety

Congress should consider commissioning the National Academy of Sciences or a blue ribbon panel to conduct a detailed analysis of alternative organizational food safety structures and report the results of such an analysis to Congress. ([GAO-02-47T](#))

Potential Financial Benefit: None identified

Related Legislation that would partially or fully address open matter:

118th Congress: None identified

117th Congress: None identified

Congress should consider directing the Office of Management and Budget to develop a government-wide performance plan for food safety that includes results-oriented goals and performance measures and a discussion of strategies and resources. ([GAO-15-180](#))

Potential Financial Benefit: None identified

Related Legislation that would partially or fully address open matter:

118th Congress: None identified

117th Congress: None identified

Congress should consider formalizing the Food Safety Working Group through statute to help ensure sustained leadership across food safety agencies over time. ([GAO-15-180](#))

Potential Financial Benefit: None identified

Related Legislation that would partially or fully address open matter:

118th Congress: None identified

117th Congress: None identified

Source: GAO; Photo: USDA and PhotoDisc. | GAO-24-106915

Table 8: Open Congressional Matters in the Defense Mission Area



Mission Area: Defense

Topic	Matter summary, underlying report, potential financial benefit, and related legislation as applicable
Armed Forces Retirement Home	<p>Congress should consider taking action to address AFRH's financial shortfalls. This could include consideration of some level of continued General Fund transfers and the following proposals by AFRH management (GAO-24-106171):</p> <ul style="list-style-type: none"> Amending 37 U.S.C. § 1007(i) to require (1) an increase in the amount of the payroll deductions from eligible service members and (2) that such deductions be adjusted for inflation on a recurring basis. Passing legislation to authorize withholding from National Guard and Reserve members eligible for residence at AFRH, similar to withholding currently authorized from armed forces on active duty. Passing legislation to authorize AFRH to receive reimbursement from appropriate sources for relevant health and medical care services provided to AFRH's residents. <p>Potential Financial Benefit: One hundred million dollars or more</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
F-35 Lightning II Sustainment	<p>Congress should consider requiring the Under Secretary of Defense for Acquisition and Sustainment, in consultation with the services and the F-35 Joint Program Office, to report annually on progress in achieving the services' affordability constraints, including the actions taken and planned to reduce sustainment costs. (GAO-21-439)</p> <p>Potential Financial Benefit: May contribute to hundreds of millions of dollars^a</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
Foreign Military Sales Administrative Account	<p>Congress should consider redefining what can be considered an allowable expense to be charged from the administrative account. (GAO-18-401)</p> <p>Potential Financial Benefit: Tens of millions of dollars</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>

Personnel Vetting	<p>Congress should consider requiring the Secretary of Defense to direct the National Background Investigation Services (NBIS) Program Management Office to develop a reliable program schedule and cost estimate for NBIS as defined in our <i>Schedule Assessment Guide</i>, <i>Cost Estimating and Assessment Guide</i>, and <i>Agile Assessment Guide</i>. (GAO-23-105670)</p> <p>Potential Financial Benefit: Identified but no estimate</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
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Source: GAO; Photo: Department of Defense/Helene C. Stikkel. | GAO-24-106915

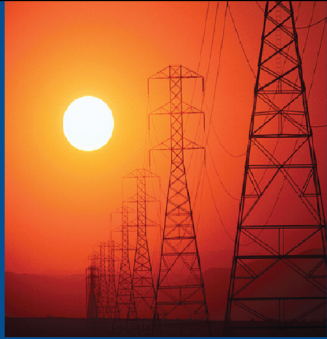
^aThis potential financial benefit is not attributable to this matter for congressional consideration alone but could result from the combined effect of implementing this matter and other matters or recommendations.

Table 9: Open Congressional Matters in the Economic Development Mission Area

<div></div> <div>Mission Area: Economic Development</div>	
Topic	Matter summary, underlying report, potential financial benefit, and related legislation as applicable
Treasury’s Foreclosure Prevention Efforts	<p>Congress should consider rescinding any excess Making Home Affordable balances that the Department of the Treasury deobligates and does not move into the Housing Finance Agency Innovation Fund for the Hardest Hit Housing Markets. (GAO-16-351)</p> <p>Potential Financial Benefit: None identified</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>

Source: GAO; Photo: PhotoDisc. | GAO-24-106915

Table 10: Open Congressional Matters in the Energy Mission Area


	Mission Area: Energy
Topic	Matter summary, underlying report, potential financial benefit, and related legislation as applicable
DOE's Treatment of Hanford's Low-Activity Waste	<p>Congress should consider clarifying, in a manner that does not impair the regulatory authorities of the Environmental Protection Agency (EPA) and any state, the Department of Energy's (DOE) authority to determine, in consultation with the Nuclear Regulatory Commission (NRC), whether portions of the tank waste that can be managed as a waste type other than high-level waste and can be disposed of outside the state of Washington. (GAO-22-104365)</p> <p>Potential Financial Benefit: May contribute to tens of billions of dollars^a</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: S. 4765</p> <hr/> <p>Congress should consider (i) authorizing the DOE to classify the volumes of waste corresponding to the second phase of the Test Bed Initiative for out-of-state disposal as something other than high-level waste and (ii) specifying that the Resource Conservation and Recovery Act's high-level waste vitrification standard does not apply to this volume of waste. (GAO-22-104365)</p> <p>Potential Financial Benefit: May contribute to tens of billions of dollars^a</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: S. 4765</p> <hr/> <p>Congress should consider clarifying, in a manner that does not impair the regulatory authorities of EPA and the state of Washington, DOE's authority at Hanford to determine, in consultation with NRC, whether portions of the supplemental Low-Activity Waste can be managed as a waste type other than high-level waste. (GAO-17-306)</p> <p>Potential Financial Benefit: None identified</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: S. 4765</p>

Strategic Petroleum Reserve	<p>Congress should consider setting a long-range target for the size and configuration of the Strategic Petroleum Reserve (SPR) that takes into account projections for future oil production, oil consumption, the efficacy of the existing SPR to respond to domestic supply disruptions, and international obligations. (GAO-18-477)</p> <p>Potential Financial Benefit: Identified but no estimate</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: S. 2782</p>
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Source: GAO; Photo: @Corbis. | GAO-24-106915

^aThis potential financial benefit is not attributable to this matter for congressional consideration alone but could result from the combined effect of implementing this matter and other matters or recommendations.

Table 11: Open Congressional Matters in the General Government Mission Area

<div><div>Mission Area: General Government</div></div>	
Topic	Matter summary, underlying report, potential financial benefit, and related legislation as applicable
Blockchain in Finance	<p>Congress should consider legislation that designates a federal regulator to provide for comprehensive regulatory oversight of spot markets for nonsecurity crypto assets, including requirements intended to protect investors from fraud and market manipulation and to promote market integrity. (GAO-23-105346)</p> <p>Potential Financial Benefit: None identified</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: H.R. 4763; H.R. 5745; S. 2281</p> <p>117th Congress: H.R. 4356; H.R. 7614; S. 4741</p>

	<p>Congress should consider legislation providing for consistent and comprehensive oversight of stablecoin arrangements. Such legislation might include provisions identifying which institutions are eligible to issue such stablecoins; establishing minimum requirements for the composition of reserve assets and requirements for regular audits of and public disclosures of reserve assets and audit results; establishing prudential standards; and establishing redemption rights. (GAO-23-105346)</p> <p>Potential Financial Benefit: None identified</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: H.R. 4766; H.R. 5745; S. 2281</p> <p>117th Congress: H.R. 7328; H.R. 8498; S. 3970; S. 4356; S. 5340</p>
Consumer Product Safety Oversight	<p>Congress should consider establishing a formal comprehensive oversight mechanism for consumer product safety agencies to address crosscutting issues as well as inefficiencies related to fragmentation and overlap such as communication and coordination challenges and jurisdictional questions between agencies. Different types of formal mechanisms could include, for example, creating a memorandum of understanding to formalize relationships and agreements or establishing a task force or interagency work group. As a starting point, Congress may wish to obtain agency input on options for establishing more formal coordination. (GAO-15-52)</p> <p>Potential Financial Benefit: None identified</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
Emergency Relief Funds Accountability	<p>Congress should pass legislation requiring the Office of Management and Budget (OMB) to provide guidance for agencies to develop plans for internal control that would then immediately be ready for use in, or adaptation for, future emergencies or crises and requiring agencies to report these internal control plans to OMB and Congress. (GAO-22-105715)</p> <p>Potential Financial Benefit: Identified but no estimate</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None Identified</p> <p>117th Congress: None identified</p> <hr/> <p>Congress should amend the Payment Integrity Information Act of 2019 to designate all new federal programs making more than \$100 million in payments in any one fiscal year as “susceptible to significant improper payments” for their initial years of operation. (GAO-22-105715)</p> <p>Potential Financial Benefit: Identified but no estimate</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: H.R. 877; S. 2924</p> <p>117th Congress: H.R. 8322; H.R. 9613</p> <hr/> <p>Congress should establish a permanent analytics center of excellence to aid the oversight community in identifying improper payments and fraud. (GAO-22-105715)</p> <p>Potential Financial Benefit: One billion dollars or more</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: H.R. 8009; S. 4036</p> <p>117th Congress: None identified</p>

	<p>Congress should clarify that (1) chief financial officers (CFO) at CFO Act agencies have oversight responsibility for internal controls over financial reporting and key financial management information that includes spending data and improper payment information; and (2) executive agency internal control assessment, reporting, and audit requirements for key financial management information, discussed in an existing matter for congressional consideration in our August 2020 report, include internal controls over spending data and improper payment information. (GAO-22-105715)</p> <p>Potential Financial Benefit: Identified but no estimate</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: H.R. 7164</p>
Financial Regulatory Structure	<p>Congress should consider whether additional changes to the financial regulatory structure are needed to improve (1) the efficiency and effectiveness of oversight; (2) the consistency of consumer and investor protections; and (3) the consistency of financial oversight for similar institutions, products, risks, and services. (GAO-16-175)^a</p> <p>Potential Financial Benefit: None identified</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: H.R. 7440</p> <p>117th Congress: H.R. 4502</p> <p>Congress should consider whether legislative changes are necessary to align the Financial Stability Oversight Council's (FSOC) authorities with its mission to respond to systemic risks. (GAO-16-175)</p> <p>Potential Financial Benefit: Identified but no estimate</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: S. 3554</p> <p>117th Congress: None identified</p>
Foreign Asset Reporting	<p>Congress should consider amending the Internal Revenue Code, Bank Secrecy Act of 1970, and other statutes, as needed, to address overlap in foreign financial asset reporting requirements for the purposes of tax compliance and detection and prevention of financial crimes, such as by aligning the types of assets to be reported and asset reporting thresholds and ensuring appropriate access to the reported information. (GAO-19-180)</p> <p>Potential Financial Benefit: Identified but no estimate</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: H.R. 5799</p>
Ginnie Mae's Mortgage-Backed Securities Program	<p>Congress should consider requiring Ginnie Mae to evaluate the adequacy of its current guaranty fee for single-family, mortgage-backed securities and report to Congress with recommendations, if any, on revising the fee, such as by adopting standards under which the fee should be determined. (GAO-19-191)</p> <p>Potential Financial Benefit: None identified</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: S. 2782, section 401(b)</p>

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Governmental Bonds	<p>Congress should consider whether facilities, including hotels and golf courses, that are privately used should be financed with tax-exempt governmental bonds. (GAO-08-364)</p> <p>Potential Financial Benefit: Billions of dollars</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
Internal Revenue Service (IRS) Enforcement Efforts	<p>Congress may wish to require payers to report service payments to corporations, thereby reducing payers' burden to determine which payments require reporting. (GAO-09-238)</p> <p>Potential Financial Benefit: Billions of dollars</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p> <p>Congress may wish to make owners of rental real estate subject to the same payment reporting requirements regardless of whether they engaged in a trade or business under current law. (GAO-08-956)</p> <p>Potential Financial Benefit: One billion dollars or more</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
IRS Authority to Correct Returns with Ineligible IRA Contributions	<p>Congress may wish to provide the IRS with the authority to use math error checks to identify and correct returns with ineligible (1) Individual Retirement Account (IRA) "catch-up" contributions, and (2) contributions to traditional IRAs from taxpayers over age 70-1/2. (GAO-09-146)</p> <p>Potential Financial Benefit: Identified but no estimate</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
New Markets Tax Credit	<p>Congress should consider offering grants in lieu of credits to Community Development Entities (CDE) if it extends the program again. If it does so, Congress should require the Department of the Treasury to gather appropriate data to assess whether and to what extent the grant program increases the amount of federal subsidy provided to low-income community businesses compared to the New Markets Tax Credit; how costs for administering the program incurred by the Community Development Financial Institutions Fund, CDEs, and investors would change; and whether the grant program otherwise affects the success of efforts to assist low-income communities. One option would be for Congress to set aside a portion of funds to be used as grants and a portion to be used as tax credit allocation authority under the current structure of the program to facilitate comparison of the two program structures. (GAO-10-334)</p> <p>Potential Financial Benefit: Identified but no estimate</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
Paid Tax Return Preparers	<p>If Congress agrees that significant paid preparer errors exist, it should consider legislation granting IRS the authority to regulate paid tax preparers. (GAO-14-467T)</p> <p>Potential Financial Benefit: Hundreds of millions of dollars</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: H.R. 2702; S. 1209</p> <p>117th Congress: H.R. 3737; H.R. 3738, section 401; H.R. 4184; H.R. 5375; H.R. 7341; S. 2856</p>

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Research Tax Credit	<p>Congress could eliminate the regular credit and add a minimum base amount (equal to 50 percent of a taxpayer's current spending) to the method for computing the alternative simplified credit. (GAO-10-136)</p> <p>Potential Financial Benefit: Identified but no estimate</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
S Corporations	<p>Congress could require S corporations to use information already available to them to calculate shareholders' basis as completely as possible and report it to shareholders and IRS. (GAO-10-195)</p> <p>Potential Financial Benefit: Hundreds of millions of dollars</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
Simple Tax Return Errors	<p>Congress may want to consider granting IRS broader math error authority (MEA), with appropriate safeguards against misuse of that authority, to correct errors during tax return processing. (GAO-10-349)^a</p> <p>Potential Financial Benefit: Identified but no estimate</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
Sole Proprietor Compliance	<p>Congress should consider legislation requiring the Secretary of the Treasury to ensure the tax gap strategy includes (1) a segment on improving sole proprietor compliance that is coordinated with broader tax gap reduction efforts, and (2) a specific, integrated plan that could include options we identified, as we recommended in July 2007. (GAO-24-105281)</p> <p>Potential Financial Benefit: May contribute to hundreds of millions of dollars^b</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p> <p>Congress should consider requiring the Commissioner of Internal Revenue to work with the Secretary of the Treasury to implement tax withholding that is voluntary for companies facilitating payments for services provided by sole proprietors for those taxpayers who choose to participate, as we recommended in May 2020. (GAO-24-105281)</p> <p>Potential Financial Benefit: May contribute to hundreds of millions of dollars^b</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
Tax Filing	<p>Congress may wish to consider providing IRS with MEA to use tax return information from previous years to ensure that taxpayers do not improperly claim credits or deductions in excess of lifetime limits where applicable. (GAO-11-481)</p> <p>Potential Financial Benefit: Identified but no estimate</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>

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**Tax Fraud and
Noncompliance**

Congress should consider legislation to require that returns prepared electronically but filed on paper include a scannable code printed on the return. ([GAO-18-544](#))

Potential Financial Benefit: May contribute to hundreds of millions of dollars^b

Related Legislation that would partially or fully address open matter:

118th Congress: H.R. 2688

117th Congress: H.R. 7428, section 2; S. 2782, section 502

**Tax Policies and
Enforcement**

Congress should consider revisiting the use of IRAs to accumulate large balances and considering ways to improve the equity of the existing tax expenditure on IRAs. Options could include limits on (1) the types of assets permitted in IRAs, (2) the minimum valuation for an asset purchased in an IRA, or (3) the amount of assets that can be accumulated in IRAs and employer-sponsored plans that get preferential tax treatment. ([GAO-15-16](#))^a

Potential Financial Benefit: Ten billion dollars or more

Related Legislation that would partially or fully address open matter:

118th Congress: None identified

117th Congress: H.R. 5376

U.S. Currency

Congress should consider amending the law to provide the Secretary of the Treasury with the authority to alter the metal composition of coins if the new metal compositions reduce the cost of coin production and do not affect the size, weight, appearance, or electromagnetic signature of the coins. ([GAO-19-300](#))

Potential Financial Benefit: Millions of dollars

Related Legislation that would partially or fully address open matter:

118th Congress: H.R. 2817; S. 1228


117th Congress: H.R. 1789; S. 672

Source: GAO; Photo: PhotoDisc. | GAO-24-106915

^aAs of March 2024, the status of these matters was open – partially addressed.

^bThis potential financial benefit is not attributable to this matter for congressional consideration alone but could result from the combined effect of implementing this matter and other matters or recommendations.

Table 12: Open Congressional Matters in the Health Mission Area

<div>  <div>Mission Area: Health</div> </div>	
Topic	Matter summary, underlying report, potential financial benefit, and related legislation as applicable
Critical Incidents in Medicare Skilled Nursing Facilities	<p>Congress should consider directing the Secretary of the Department of Health and Human Services (HHS) to implement additional reductions in payments to Skilled Nursing Facilities (SNF) that generate Medicare spending on potentially preventable critical incidents—hospital readmissions and emergency room visits that occur within 30 days of the SNF admissions—either through the SNF Value-Based Purchasing program or some other vehicle, including, as needed, making any appropriate modifications to enable HHS to take action. (GAO-21-408)</p> <p>Potential Financial Benefit: Hundreds of millions of dollars</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
Diet-Related Chronic Health Conditions	<p>Congress should consider identifying and directing a federal entity to lead the development and implementation of a federal strategy to coordinate diet-related efforts that aim to reduce Americans' risk of chronic health conditions. The strategy could incorporate elements from the 2011 National Prevention Strategy and should address outcomes and accountability, resources, and leadership. (GAO-21-593)^a</p> <p>Potential Financial Benefit: None identified</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: S. 4765</p>
DOD U.S. Family Health Plan	<p>Congress should terminate the Secretary of Defense's authority to contract with U.S. Family Health Plan (USFHP) designated providers in a manner consistent with a reasonable transition of affected USFHP enrollees into TRICARE's regional managed care program or other health care programs, as appropriate. (GAO-14-684)</p> <p>Potential Financial Benefit: Identified but no estimate</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>

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Medicaid Demonstration Waivers	<p>Congress could consider requiring HHS to improve the Medicaid demonstration review process, through steps such as improving the review criteria, better ensuring that valid methods are used to demonstrate budget neutrality, and documenting and clarifying the basis for the approved limits. We had previously recommended that HHS take these actions. (GAO-08-87)^a</p> <p>Potential Financial Benefit: Tens of billions of dollars</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
Medicaid Supplemental Payments	<p>Congress should consider requiring the Administrator of the Centers for Medicare & Medicaid Services to require states to submit an annual independent certified audit verifying state compliance with permissible methods for calculating non-Disproportionate Share Hospital (DSH) supplemental payments. (GAO-13-48)^a</p> <p>Potential Financial Benefit: Ten million dollars or more</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
Medicare Payments by Place of Service	<p>Congress should consider directing the Secretary of HHS to equalize payment rates between settings for evaluation and management office visits and other services that the Secretary deems appropriate and return the associated savings to the Medicare program. (GAO-16-189)^a</p> <p>Potential Financial Benefit: \$141 billion</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: H.R. 2863; H.R. 3129; H.R. 3281; H.R. 4473; H.R. 4822; H.R. 5378, S. 1869</p> <p>117th Congress: None identified</p>
Medicare Payments to Certain Cancer Hospitals	<p>Congress should consider requiring Medicare to pay these prospective payment system (PPS)-exempt cancer hospitals (PCH) as it pays PPS teaching hospitals for both inpatient and outpatient services, or provide the Secretary of HHS with the authority to otherwise modify how Medicare pays PCHs, and provide that all forgone outpatient payment adjustment amounts be returned to the Supplementary Medical Insurance Trust Fund. (GAO-15-199)</p> <p>Potential Financial Benefit: Hundreds of millions of dollars</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
Medicare's Health Care Payments	<p>Congress could exempt from the budget neutrality requirement savings attributable to policies that reflect efficiencies occurring when services are furnished together. (GAO-09-647)^a</p> <p>Potential Financial Benefit: Identified but no estimate</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>

Source: GAO; Photo: ronstik/stock.adobe.com. | GAO-24-106915

^aAs of March 2024, the status of these matters was open – partially addressed.

Table 13: Open Congressional Matters in the Homeland Security, Law Enforcement, or both Mission Area



Mission Area: Homeland Security, Law Enforcement, or both

Topic	Matter summary, underlying report, potential financial benefit, and related legislation as applicable
Alternative Technologies for Radioactive Materials	<p>If Congress agrees that replacing technologies that use high-risk radioactive materials with alternative technologies is a priority to achieve permanent risk reduction, then it should consider establishing this goal in statute, and then take the steps necessary to establish—including directing an appropriate interagency entity to develop—a national strategy to achieve this goal. The strategy should include all the desirable characteristics of national strategies that we have previously identified, including specific goals and performance measures, clear roles, and proposals to provide relevant authorities to execute these roles, as necessary. (GAO-22-104113)</p> <p>Potential Financial Benefit: May contribute to potential financial benefits but no estimate^a</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: S. 4765</p> <hr/> <p>If Congress believes that actions included in a national strategy for replacing technologies that use high-risk radioactive materials with alternative technologies should be implemented, then Congress should consider directing the relevant agencies to implement the strategy in accordance with the goals and timelines identified in the strategy. To facilitate agencies' implementation, Congress should provide authority to agencies to implement any aspects of the strategy not currently within their authorities. (GAO-22-104113)</p> <p>Potential Financial Benefit: May contribute to potential financial benefits but no estimate^a</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: S. 4765</p> <hr/> <p>Congress should consider directing and authorizing, as necessary, the Nuclear Regulatory Commission (NRC) to incorporate the consideration of alternative technologies into its licensing process. Options could include directing NRC to: (1) implement a justification process, or (2) require applicants for new radioactive materials to consult with other agencies (such as National Nuclear Security Administration or Food Drug Administration) about alternatives before NRC will consider an application. (GAO-22-104113)</p> <p>Potential Financial Benefit: May contribute to potential financial benefits but no estimate^a</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: S. 4765</p>

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Federal Disaster Recovery Programs	<p>Congress should consider establishing an independent commission to recommend reforms to the federal government's approach to disaster recovery. (GAO-23-104956)</p> <p>Potential Financial Benefit: None identified</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
Flood Insurance	<p>As Congress considers reauthorizing the National Flood Insurance Program (NFIP), it should consider comprehensive reform to improve the program's solvency and enhance the nation's resilience to flood risk, which could include actions in six areas: (1) addressing the current debt, (2) removing existing legislative barriers to the Federal Emergency Management Agency's (FEMA) revising premium rates to reflect the full risk of loss, (3) addressing affordability, (4) increasing consumer participation, (5) removing barriers to private-sector involvement, and (6) protecting NFIP flood resilience efforts. In implementing these reforms, Congress should consider the sequence of the actions and their interaction with each other. (GAO-17-425)</p> <p>Potential Financial Benefit: Identified but no estimate</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: H.R. 4349, S.2142</p> <p>117th Congress: H.R. 5802, S. 3128</p>
Homeland Security Grants	<p>Congress may want to consider requiring the Department of Homeland Security (DHS) to report on the results of FEMA's efforts to identify and prevent unnecessary duplication within and across its preparedness grant programs, and consider these results when making future funding decisions for these programs. (GAO-12-342SP)</p> <p>Potential Financial Benefit: None identified</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p> <p>Congress may wish to consider limiting the use of federal preparedness grant programs to fund only projects to fill identified, validated, and documented capability gaps that may (or may not) include maintaining existing capabilities developed. (GAO-12-342SP)^b</p> <p>Potential Financial Benefit: None identified</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
Immigration Inspection Fee	<p>Congress may wish to require the Secretary of DHS to adjust the air passenger immigration inspection fee as needed so that collections are aligned with total inspection costs if it is determined that total immigration fee collections do not cover total immigration inspection costs. (GAO-12-342SP)^b</p> <p>Potential Financial Benefit: Hundreds of millions of dollars</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: H.R. 998; H.R. 1643; H.R. 2851; H.R. 3194; H.R. 3599; S. 819; S. 883; S. 2122; S. 2363</p> <p>117th Congress: H.R. 1177; H.R. 1308; H.R. 2255; H.R. 4431; H.R. 4521; H.R. 5319; H.R. 5961; H.R. 6637; S. 348; S. 433; S. 1024; S. 1638; S. 4659</p>

Source: GAO; Photo: PhotoDisc. | GAO-24-106915

^aThis potential financial benefit is not attributable to this matter for congressional consideration alone but could result from the combined effect of implementing this matter and other matters or recommendations.


^bAs of March 2024, the status of these matters was open – partially addressed.

Table 14: Open Congressional Matters in the Income Security Mission Area

	<h2>Mission Area: Income Security</h2>	
Topic	Matter summary, underlying report, potential financial benefit, and related legislation as applicable	
Disability and Unemployment Benefits	<p>Congress should consider passing legislation to require the Social Security Administration (SSA) to offset Disability Insurance benefits for any Unemployment Insurance benefits received in the same period. (GAO-14-343SP)</p> <p>Potential Financial Benefit: \$2.188 billion</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: H.R. 6427; S. 3316</p> <p>117th Congress: H.R. 3971; H.R. 6870; S. 3707</p>	
Federal Employees' Compensation and Unemployment Benefits	<p>Congress should consider granting the Department of Labor the additional authority to access wage data. (GAO-13-386)</p> <p>Potential Financial Benefit: Identified but no estimate</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>	
Railroad Retirement Board Continuing Disability Reviews	<p>Congress should consider granting the board access to the Department of Health and Human Services' quarterly earnings information from the National Directory of New Hires database. (GAO-18-287)</p> <p>Potential Financial Benefit: Millions of dollars</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>	
Social Security Offsets	<p>Congress could consider giving the Internal Revenue Service the authority to collect the information that SSA needs on government pension income to administer the Government Pension Offset and the Windfall Elimination Provision accurately and fairly. (GAO-11-318SP)</p> <p>Potential Financial Benefit: Billions of dollars</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>	

Source: GAO; Photo: PhotoDisc. | GAO-24-106915

Table 15: Open Congressional Matters in the Information Technology Mission Area

<div>  <div>Mission Area: Information Technology</div> </div>	
Topic	Matter summary, underlying report, potential financial benefit, and related legislation as applicable
Dissemination of Technical Research Reports	<p>Congress should consider examining the appropriateness and viability of the fee-based model under which the National Technical Information Service currently operates for disseminating technical information to determine whether the use of this model should be continued. (GAO-13-99)^a</p> <p>Potential Financial Benefit: None identified</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
Geospatial Investments	<p>Congress should consider assessing the impact of the disclosure restrictions of Section 9 of Title 13 and Section 412 of Title 39 of the U.S. Code in moving toward a national geospatial address database. If warranted, Congress should consider revising those statutes to authorize the limited release of addresses, without any personally identifiable information, specifically for geospatial purposes. Such a change, if deemed appropriate, could potentially result in significant savings across federal, state, and local governments. (GAO-15-193)</p> <p>Potential Financial Benefit: Millions of dollars</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
Interoperable Radio Communications Systems	<p>Congress should consider requiring the Departments of Homeland Security, Justice, and the Treasury to collaborate on the development and implementation of a joint radio communications solution that specifically requires the departments to establish an effective governance structure that includes a formal process for making decisions and resolving disputes, define and articulate a common outcome for this joint effort, and develop a joint strategy for improving radio communications. (GAO-09-133)^a</p> <p>Potential Financial Benefit: Identified but no estimate</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>

Public-Safety Broadband Network	<p>Congress should consider reauthorizing FirstNet, including different options for its placement, and provide it with authority to (GAO-22-104915):</p> <ul style="list-style-type: none">• hold the single spectrum license for Band 14 for public-safety use,• administer and oversee the network contract,• manage network updates and fee revenue reinvestments, and• maintain a public-safety advisory committee to conduct public-safety outreach and consultation. <p>Potential Financial Benefit: \$15 billion over 15 years</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: H.R. 3366</p> <p>117th Congress: H.R. 6768</p>
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Source: GAO; Photo: PhotoDisc. | GAO-24-106915

^aAs of March 2024, the status of these matters was open – partially addressed.


Table 16: Open Congressional Matters in the International Affairs Mission Area

 <div>Mission Area: International Affairs</div>	
Topic	Matter summary, underlying report, potential financial benefit, and related legislation as applicable
Cargo Preference for Food Aid	<p>Congress should consider clarifying cargo preference legislation regarding the definition of “geographic area” to ensure that agencies can fully use the flexibility Congress granted to them when it lowered the cargo preference for food aid requirements. (GAO-15-666)</p> <p>Potential Financial Benefit: Millions of dollars</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>

Overseas Administrative Services	<p>Congress may wish to consider requiring agencies to participate in International Cooperative Administrative Support Services (ICASS) unless they provide a business case to show that they can obtain these services outside of ICASS without increasing overall costs to the U.S. government or that their mission cannot be achieved within ICASS. (GAO-12-317)</p> <p>Potential Financial Benefit: Identified but no estimate</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
Tobacco Taxes	<p>Congress may wish to consider modifying tobacco tax rates to eliminate significant tax differentials between similar products. Specifically, Congress may wish to consider equalizing tax rates on roll-your-own and pipe tobacco and, in consultation with the Department of the Treasury, also consider options for reducing tax avoidance due to tax differentials between small and large cigars. (GAO-12-475)</p> <p>Potential Financial Benefit: One billion dollars or more</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>


Source: GAO; Photo: Creatas. | GAO-24-106915

Table 17: Open Congressional Matters in the Science and the Environment Mission Area

	Mission Area: Science and the Environment
Topic	Matter summary, underlying report, potential financial benefit, and related legislation as applicable
Alaska Native Villages	<p>Congress should consider establishing an interagency and intergovernmental coordinating entity and requiring the relevant agencies to participate and engage in sustained coordination to strategically target federal investments to Alaska Native villages facing significant environmental threats. Congress should also consider directing the coordinating entity and its participating agencies to identify opportunities to streamline program delivery across federal agencies; assess the statutory program characteristics we identified that pose obstacles to Alaska Native villages' obtaining assistance, and identify any others; and submit a report to Congress with any recommendations for statutory changes to streamline program delivery and to address such obstacles. (GAO-22-104241)</p> <p>Potential Financial Benefit: None identified</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
Nuclear Waste Cleanup	<p>Congress should consider enacting legislation to clarify the Department of Energy's authority to sell depleted uranium, including any conditions connected to such sales. (GAO-22-105471)</p> <p>Potential Financial Benefit: Hundreds of millions of dollars</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>
Research on Air Travel and Communicable Diseases	<p>Congress should consider directing the Federal Aviation Administration to develop and implement a strategy to identify and advance needed research on communicable diseases in air travel, in coordination with appropriate federal agencies—such as the Departments of Homeland Security and Health and Human Services—and external partners. In alignment with leading practices for interagency collaboration, this strategy should, at a minimum, clearly identify the roles and responsibilities for participating agencies, determine the resources needed, and document any relevant agreements. (GAO-22-104579)</p> <p>Potential Financial Benefit: None identified</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: H.R. 3679</p> <p>117th Congress: None identified</p>


Source: GAO; Photo: Brand X Pictures. | GAO-24-106915

Table 18: Open Congressional Matters in the Social Services Mission Area

<div></div> <div>Mission Area: Social Services</div>	
Topic	Matter summary, underlying report, potential financial benefit, and related legislation as applicable
Housing Assistance	<p>Congress may wish to consider requiring the Departments of Agriculture (USDA) and Housing and Urban Development (HUD) to examine the benefits and costs of merging those programs that serve similar markets and provide similar products. As a first step, Congress could consider requiring USDA and HUD to explore merging their respective single-family insured lending and multifamily portfolio management programs, taking advantage of the best practices of each and ensuring that targeted populations are not adversely affected. (GAO-12-342SP)</p> <p>Potential Financial Benefit: Identified but no estimate</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: None identified</p>

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Table 19: Open Congressional Matters in the Training, Employment, and Education Mission Area

		Mission Area: Training, Employment, and Education	
Topic		Matter summary, underlying report, potential financial benefit, and related legislation as applicable	
Federal Student Loan Default Rates		<p>Congress should consider strengthening schools' accountability for student loan defaults, for example, by (1) revising the cohort default rate (CDR) calculation to account for the effect of borrowers spending long periods of time in forbearance during the 3-year CDR period, (2) specifying additional accountability measures to complement the CDR, for example, a repayment rate, or (3) replacing the CDR with a different accountability measure. (GAO-18-163)</p> <p>Potential Financial Benefit: Identified but no estimate</p> <p>Related Legislation that would partially or fully address open matter:</p> <p>118th Congress: None identified</p> <p>117th Congress: H.R. 7727; S. 2782; S. 5065</p>	

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