

CHAPTER NINETEEN



U.S. Government Accountability Office

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U.S. GOVERNMENT ACCOUNTABILITY OFFICE

By David M. Walker

There is one very important and nonpartisan federal agency with a major government-wide impact that will not be directly affected by the transition to a new presidential administration in 2017: the U.S. Government Accountability Office (GAO). The head of the GAO is the Comptroller General of the United States.

You may have some initial apprehension regarding GAO. After all, GAO is the “Watchdog for Congress.” As such, GAO has a critically important role in helping Congress oversee the executive branch. In addition to GAO’s well-known oversight work, the agency is also in the insight and foresight business.

Specifically, GAO has insights on what federal government programs, policies, functions, and activities work and which ones don’t. GAO is exposed to “best practices” and “lessons learned” across the federal government and from its counterpart audit organizations around the world. GAO also employs foresight by identifying key trends and challenges that affect the United States and its position in the world. These can help government address current and emerging challenges before they reach crisis proportions, while also capitalizing on related opportunities.

Furthermore, in an effort to lead by example, GAO engaged in a widely acclaimed transformation starting in the late 1990s. GAO’s transformation offers valuable information and insights to other agency leaders who want to achieve major transformational change in their own agencies. Given these facts, GAO can be a valuable source of professional and objective information for new administration officials.

GAO’s Role

GAO is in the legislative branch. Its primary mission is to support Congress “in meeting its constitutional responsibilities to help improve the performance and ensure the accountability of the federal government for the benefit of the American people.” GAO is comprised of about 3,000 professionals with a broad range of credentials and experience. It is, in effect, a diversified professional services firm that is a wholly owned subsidiary of the federal government. GAO staff perform a broad range of services, including financial statement audits, performance audits, program evaluations, policy analyses, research studies, best practices guides, auditing standards, legal opinions, and bid protest decisions. Contrary to the perceptions of some, only about 15 percent of GAO’s activities relate to traditional financial statement audits.

GAO seeks to fight fraud, waste, abuse, and mismanagement while also working to improve the economy, efficiency, and effectiveness of the federal government. GAO's activities span the vast reach and scope of federal government programs and activities. They can include a broad range of financial, operational, technological, and other matters that can affect such areas as financial integrity, cybersecurity, individual safety, personal privacy, public health, citizen confidence, and key sustainability issues (e.g., fiscal, social insurance programs, infrastructure, environment).

GAO has broad audit and investigatory authority throughout the federal government, including in connection with classified matters. Its scope, authorities, and rights have expanded over time. GAO's only significant scope limitation relates to reviewing how the Federal Reserve Board sets monetary policy.

GAO's Major Products, Policies, and Protocols

GAO issues a range of products that can be helpful to executive branch officials during both their transition period and term in office. For example, each year GAO issues hundreds of reports spanning a broad range of subject matters. Some of these reports may relate to your new role and responsibilities. Typically, about two-thirds of GAO's reports contain recommendations and 80 percent of GAO's recommendations are implemented within a reasonable period of time. The financial and non-financial benefits resulting from adopting GAO recommendations are the primary outcome-based results that GAO uses to assess its own performance.

While the frequency varies, GAO can testify before Congress hundreds of times each year on its reports, as well as on other current and emerging issues of concern to Congress. Some of these testimonies may also relate to your new role and responsibilities. In order to promote transparency and accountability, all of GAO's non-classified reports and publications are publicly available and posted on its website.

Every two years at the beginning of each Congress (i.e., the beginning of odd numbered calendar years), GAO issues a High Risk Series Report that outlines a range of federal programs, functions, and activities that are at higher risk of fraud, waste, abuse, mismanagement, or otherwise not achieving their intended mission. The latest report was issued in 2015 and contained 32 items. Some of the items are department- or agency-specific and some are government-wide in nature. Importantly, GAO's High Risk List is a major input factor when each administration determines what its management agenda should be. In addition, items on GAO's High Risk List receive a high degree of attention from Congress and the press. As a result, new executive branch officials should pay special attention to any issues related to their roles and responsibilities that are on GAO's High Risk List.

In order to promote transparency, consistency, equity, and accountability, GAO also publishes written protocols regarding its dealings with Congress and

executive branch agencies. These protocols outline the rights, responsibilities, and limitations relating to Congress, executive branch agencies, and the GAO. They can be found on GAO's website and should be studied to ensure that all parties meet their respective obligations, take advantage of their related rights, and hold each other accountable.

In more recent years, GAO has issued Presidential Transition Series Reports in various forms that address a range of management and other challenges facing the federal government. GAO plans to update the "key issues" section of its website for the 2016-17 presidential transition. In doing so, it plans to place greater emphasis on outstanding key recommendations. This information can be invaluable to new administration officials in transition planning and preparing for Senate confirmation hearings, as applicable. GAO's past and pending work can also be of great value to new administration officials during their tenure in office, especially in connection with recurring congressional appropriations, authorizations, and oversight hearings.

GAO Engagement Acceptance and Review Processes

GAO has an extensive engagement acceptance process that it uses to decide what work to perform. This process includes considering a variety of factors. Importantly, GAO is required to undertake engagements that are mandated by Congress via statute or are requested by a congressional committee with jurisdiction over the matter in question.

As a matter of policy, GAO honors appropriate requests from committee and subcommittee chairs, and it treats requests by ranking minority members with the same priority status as committee and subcommittee chairs. GAO will consider requests from other committee members and non-committee members, but they are much less likely to be accepted because there is a significant supply and demand imbalance for GAO to do work.

GAO can also consider requests from agency heads or other parties, although these are rare. In addition, the Comptroller General has the statutory authority to initiate any engagements that he/she deems appropriate. During the past 20 years, a vast majority of GAO's engagements have been mandated by statute or requested by Congress. The balance of GAO's engagements have been initiated based on the Comptroller General's statutory authority and are typically associated with key issues identified in GAO's strategic plan.

The Comptroller General has the authority to issue "demand letters" and to file suit in federal court to obtain access to needed information, if necessary. Fortunately, demand letters are rare and GAO has only filed a records access suit once in its history. It is in the interest of the department/agency, GAO, Congress, and the American people to avoid such conflicts if at all possible.

Dealing with GAO

Every major department and agency should have a GAO Liaison who is aware of all GAO-related engagement activities within his/her respective federal entity. When GAO starts a new engagement, its assigned personnel will request a meeting with appropriate department or agency officials to discuss the nature, scope, and proposed methodology for the engagement. This activity is intended to minimize any “expectation gaps” and help to facilitate a “constructive engagement” approach between all department/agency and GAO officials.

During the conduct of GAO engagements, GAO personnel will periodically brief appropriate department/agency personnel on the status of the review, including any outstanding records or interview requests, preliminary findings, and possible recommendations. Take care to avoid unreasonable delays in GAO obtaining access to needed records or personnel. Unreasonable delays can result in congressional intervention, demand letters, adverse attention from the press, and even litigation. At the same time, department/agency personnel should advise GAO of any actions taken in response to GAO’s preliminary findings and possible recommendations. These can result in modifications to the title of or the content within a GAO report in a manner that is more favorable to the department/agency.

At the completion of a GAO engagement, GAO personnel will conduct an exit conference with applicable department/agency personnel. These conferences provide applicable agency personnel an opportunity to influence the draft GAO report before it has been issued. Once GAO issues a draft report, the department/agency will have a reasonable opportunity to comment on it. Any written department/agency comments will be included in the final report. However, GAO has the sole and independent right to decide what, if any, modifications to make to the report based on any department/agency comments.

Recommendations

Recommendation One: Review and consider the transition information under the “key issues” section of GAO’s website that relates to your role and responsibilities, as applicable.

Recommendation Two: Review other recent GAO publications that relate to your role and responsibilities (e.g., GAO Strategic Plan, High Risk List, major reports, and congressional testimonies).

Recommendation Three: Determine who your GAO Liaison is and the current state of your department/agency relationship with GAO, the status of pending engagements and related requests, as well as the status of any major outstanding GAO recommendations relating to your role and responsibilities.

Recommendation Four: Consider whether GAO's own transformation experience may provide valuable information to help guide any of your own planned initiatives.

Recommendation Five: Develop and maintain a constructive working relationship with GAO. Draw upon its extensive knowledge and recognize that GAO can be helpful in building internal and external support for needed reforms.

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