Leveraging the U.S. Government Accountability Office’s Nonpartisan Oversight

An Analysis of 21 Years of Annual Performance and Accountability Reports

Dan Lips
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Cover photo: General Accounting Office Building (15 January 2017). Retrieved from https://commons.wikimedia.org/wiki/File:General_Accounting_Office_Building.jpg. This photograph is licensed under the Creative Commons Attribution-Share Alike 4.0 International license.
EXECUTIVE SUMMARY

Since 1999, the U.S. Government Accountability Office (GAO) has issued annual “Performance and Accountability” reports. These reports estimate the congressional watchdog’s accomplishments in terms of financial and other benefits to government and return on investment (ROI). According to these estimates, GAO’s work over the course of these 21 years has resulted in more than $1.1 trillion in financial benefits to the federal government and more than 25,000 other improvements.\(^1\)

The lowest annual ROI during this span of time was $57 in financial benefits for each dollar in funding for GAO. Since 2012, the Office’s estimated ROI has met or exceeded $100 to $1 each year. These accomplishments occurred during a period when GAO’s staffing levels were roughly two-thirds their prior size. At the beginning of the 1990s, before Rep. Newt Gingrich led the successful drive to slash spending on the legislative branch, the Office had more than 5,000 employees.\(^2\)

This paper reviews GAO’s Performance and Accountability reports and analyzes the Office’s annual estimates of financial and other benefits to government and ROI. This analysis is timely as Congress considers ways to increase its capacity for oversight, particularly of science and technology matters, and the Comptroller General plans new ways to modernize GAO’s approach to oversight.

The report presents the following findings:

- In its annual Performance and Accountability reports, GAO does not document all of the financial benefits achieved; however, the Office does include examples of work that yielded major financial benefits in each report. (The reports detail approximately $640 billion of the more than $1.1 trillion saved during the period.)

- Analyzing examples of savings included in the Performance and Accountability reports

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shows that work related to the Department of Defense (DOD) and Department of Health and Human Services (HHS) yielded the most financial benefits ($275 billion and $128 billion, respectively). Much of these savings are due to large defense acquisition programs and curbing improper payments.

- Since 2011, GAO’s congressionally mandated annual reports examining duplication across federal programs have yielded a total of $429 billion in savings.

- GAO reports that the four-year implementation rate of its recommendations was 77% as of 2019, which is generally consistent with prior years. (For recommendations made in FY 2015, GAO reports that its implementation rate was 21% after year one, 40% after year two, 56% after year three, and 77% by year four.) The cost to government of unimplemented or slowly implemented recommendations is unknown.

- GAO reports that survey data shows that its customers believe its products are delivered in a timely manner; however, GAO does not provide estimates for how long reports take to prepare.

Based on these findings:

- Congress and the Comptroller General should improve the transparency of GAO’s annual Performance and Accountability reports by requiring detailed descriptions of all financial benefits and ROI estimates. GAO could also create new metrics to evaluate its timeliness—expanding its current approach (which is based on customer surveys) to include estimates of the time required to complete projects and factors that caused delays, such as agency responsiveness. Moreover, the Comptroller General should report to Congress an annual estimate of the cost of unimplemented GAO recommendations.

- Congress should increase appropriations for GAO, including to strengthen the Comptroller General’s ability to conduct oversight of science, technology, and acquisition programs and to prevent improper payments, both of which have proven to be drivers of major cost savings. As GAO improves the transparency of its annual reporting on financial benefits to government and taxpayer savings, Congress could consider providing a percentage of saved funding directly to GAO to increase its capacity and ability to support Congress.
• Congress should leverage GAO by mandating annual reporting on more topics, building on the major savings yielded by GAO’s work on government duplication. For example, Congress should require GAO to conduct regular reporting on government-wide improper payments, which the Office has identified as a $170 billion annual problem.

The taxpayer dollars Congress spends on the Government Accountability Office yield a high return on investment in terms of savings and other benefits to government. In 2020, the House Appropriations Committee approved legislation to increase funding for GAO to $664 million, an increase of $34 million over current-year funding. The House Subcommittee on the Legislative Branch wrote that the funds would in part be used to support GAO’s new Science, Technology Assessment, and Analytics team. The legislation partly answers the Comptroller General’s budget request of $706 million for FY 2021. Increasing GAO’s resources, reforming its reporting to increase agency compliance, improving its science and technology capacity, and further leveraging its work to address major national challenges have the potential to yield hundreds of billions of dollars in savings and an enormous number of other improvements in government operations.


4 Ibid.

INTRODUCTION

On March 12, 2020, Comptroller General Gene Dodaro testified before the Senate Budget Committee about the nation’s fiscal health. Calling the federal government’s fiscal condition “unsustainable,” Dodaro explained that “publicly held debt rose to 79% of [Gross Domestic Product].” 6 In other words, the United States government had its highest debt since the World War II era.

It was a sobering message and one that lawmakers have unfortunately become accustomed to hearing from the congressional watchdog. But that morning, Congress and people across the country were more worried about the nation’s actual health. A day earlier, the World Health Organization had declared that the COVID-19 outbreak was a pandemic.7

“As we convene this discussion today,” the Comptroller General told Congress, our country is confronting a pandemic that is threatening the health, safety, and economic well-being of our citizens, our businesses, and our economy. And I make that point because it is relevant to our message today of why it is important to put the federal government on a more long-term sustainable fiscal path. Because the federal government needs to have the budgetary flexibility to marshal resources to deal with emergency situations.8

The Government Accountability Office is not alone in offering dire warnings about the nation’s fiscal challenges. In January, the nonpartisan Congressional Budget Office (CBO) presented a bleak budget outlook for the decade: “In CBO’s projections, the federal budget deficit is $1.0 trillion in 2020 and averages $1.3 trillion between 2021 and 2030. Projected deficits rise from 4.6 percent of gross domestic product (GDP) in 2020 to 5.4 percent in 2030.” 9

CBO issued this projection when there were only a handful of reported COVID-19 cases in the United States. On March 27, 2020, President Trump signed into law the CARES Act, which the CBO estimated to increase federal deficits by $1.7 trillion over ten years.

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<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Reported Savings (billions of $)</th>
<th>Other Government Benefits</th>
<th>Estimated Annual ROI ($)</th>
<th>Savings in Constant FY 2019 dollars (billions of $)</th>
<th>GAO Staffing (FTEs)</th>
<th>GAO Appropriations Received as Reported in P&amp;A Reports (millions of $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>20.1</td>
<td>607</td>
<td>57</td>
<td>30.94</td>
<td>3,200</td>
<td>354.3</td>
</tr>
<tr>
<td>2000</td>
<td>23.2</td>
<td>788</td>
<td>61</td>
<td>34.45</td>
<td>3,192</td>
<td>377.6</td>
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<tr>
<td>2001</td>
<td>26.4</td>
<td>799</td>
<td>69</td>
<td>38.16</td>
<td>3,110</td>
<td>384</td>
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<tr>
<td>2002</td>
<td>37.7</td>
<td>906</td>
<td>88</td>
<td>53.71</td>
<td>3,210</td>
<td>421.8</td>
</tr>
<tr>
<td>2003</td>
<td>35.4</td>
<td>1,043</td>
<td>78</td>
<td>49.39</td>
<td>3,269</td>
<td>453.1</td>
</tr>
<tr>
<td>2004</td>
<td>44</td>
<td>1,197</td>
<td>95</td>
<td>59.6</td>
<td>3,224</td>
<td>457.6</td>
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<tr>
<td>2005</td>
<td>39.6</td>
<td>1,409</td>
<td>83</td>
<td>52</td>
<td>3,189</td>
<td>467.2</td>
</tr>
<tr>
<td>2006</td>
<td>51</td>
<td>1,342</td>
<td>105</td>
<td>64.3</td>
<td>3,194</td>
<td>482.4</td>
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<tr>
<td>2007</td>
<td>45.9</td>
<td>1,354</td>
<td>94</td>
<td>56.54</td>
<td>3,152</td>
<td>507.3</td>
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<tr>
<td>2008</td>
<td>58.1</td>
<td>1,398</td>
<td>114</td>
<td>67.77</td>
<td>3,081</td>
<td>501</td>
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<tr>
<td>2009</td>
<td>43</td>
<td>1,315</td>
<td>80</td>
<td>51.23</td>
<td>3,204</td>
<td>556.8</td>
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<tr>
<td>2010</td>
<td>49.9</td>
<td>1,361</td>
<td>87</td>
<td>58.73</td>
<td>3,347</td>
<td>557.8</td>
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<tr>
<td>2011</td>
<td>45.7</td>
<td>1,318</td>
<td>81</td>
<td>51.90</td>
<td>3,212</td>
<td>547.3</td>
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<tr>
<td>2012</td>
<td>55.8</td>
<td>1,440</td>
<td>105</td>
<td>62.49</td>
<td>2,997</td>
<td>511.3</td>
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<tr>
<td>2013</td>
<td>51.5</td>
<td>1,314</td>
<td>100</td>
<td>56.57</td>
<td>2,849</td>
<td>506.3</td>
</tr>
<tr>
<td>2014</td>
<td>54.4</td>
<td>1,288</td>
<td>100</td>
<td>58.58</td>
<td>2,891</td>
<td>505.4</td>
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<tr>
<td>2015</td>
<td>74.7</td>
<td>1,286</td>
<td>134</td>
<td>80.31</td>
<td>2,989</td>
<td>522</td>
</tr>
<tr>
<td>2016</td>
<td>63.4</td>
<td>1,234</td>
<td>112</td>
<td>67.60</td>
<td>2,983</td>
<td>531</td>
</tr>
<tr>
<td>2017</td>
<td>73.9</td>
<td>1,280</td>
<td>128</td>
<td>77.46</td>
<td>2,994</td>
<td>544.5</td>
</tr>
<tr>
<td>2018</td>
<td>75.1</td>
<td>1,294</td>
<td>124</td>
<td>76.46</td>
<td>3,015</td>
<td>592.9</td>
</tr>
<tr>
<td>2019</td>
<td>214.7</td>
<td>1,418</td>
<td>338</td>
<td>214.7</td>
<td>3,161</td>
<td>599.8</td>
</tr>
<tr>
<td>Totals</td>
<td>1,183.5</td>
<td>25,391</td>
<td>1,362.89</td>
<td></td>
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<td></td>
</tr>
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</table>

While working to address the COVID-19 pandemic and related effects, Congress also has a responsibility to recognize the nation's long-term fiscal challenges. This includes improving the efficiency and effectiveness of government programs and operations. The U.S. Government Accountability Office's nonpartisan oversight is a reasonable starting point.

II. GAO'S ANNUAL PERFORMANCE AND ACCOUNTABILITY REPORTS AND ESTIMATED RETURN ON INVESTMENT OVER THE PAST 21 YEARS

Congress funds the Government Accountability Office (GAO) through its appropriations for the legislative branch. GAO (which from its founding in 1921 until 2004 was known as the General Accounting Office) works as an independent, nonpartisan agency with a mission to examine “how taxpayer dollars are spent and [to provide] Congress and federal agencies with objective, reliable information to help the government save money and work more efficiently.”

GAO's FY 2021 budget request includes funding 3,250 full-time equivalents (FTEs), an increase of 50 positions. To put this into historical context, GAO had more than 5,000 employees 30 years ago. GAO’s workforce size has fallen by 1,800 employees since that time and is now two-thirds its staffing level in 1991.

Before 1999, GAO periodically provided estimates of how its work provided financial and other benefits to the government. According to GAO, the first known estimate was made in the Comptroller General’s annual report in 1967. That year, GAO estimated that its work yielded $167 million in savings for the government. During the latter half of the 1990s, the Comptroller General's annual reports included these estimates; however, few details were provided.

In 1999, GAO issued its first annual Performance and Accountability report, replacing its earlier

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TABLE 2. GAO’S ITEMIZED MAJOR FINANCIAL BENEFITS, TOTAL BY AGENCY (FY 1999–FY 2019)

<table>
<thead>
<tr>
<th>Department or Agency</th>
<th>Total Savings Itemized (billions of $)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defense</td>
<td>275.594</td>
</tr>
<tr>
<td>Health and Human Services</td>
<td>127.962</td>
</tr>
<tr>
<td>Federal Communications Commission</td>
<td>46.2</td>
</tr>
<tr>
<td>Housing and Urban Development</td>
<td>39.304</td>
</tr>
<tr>
<td>Treasury</td>
<td>25.61</td>
</tr>
<tr>
<td>Education</td>
<td>24.88</td>
</tr>
<tr>
<td>Agriculture</td>
<td>18.3</td>
</tr>
<tr>
<td>Labor</td>
<td>14.274</td>
</tr>
<tr>
<td>NASA</td>
<td>12.8</td>
</tr>
<tr>
<td>Energy</td>
<td>12.65</td>
</tr>
<tr>
<td>Federal Trade Commission</td>
<td>8.6</td>
</tr>
<tr>
<td>U.S. Postal Service</td>
<td>7.6</td>
</tr>
<tr>
<td>General Services Administration</td>
<td>5.27</td>
</tr>
<tr>
<td>Veterans Affairs</td>
<td>4.166</td>
</tr>
<tr>
<td>State</td>
<td>3.76</td>
</tr>
<tr>
<td>Justice</td>
<td>3.3</td>
</tr>
<tr>
<td>Millennium Challenge Corporation</td>
<td>2.4</td>
</tr>
<tr>
<td>Homeland Security</td>
<td>2.1</td>
</tr>
<tr>
<td>Social Security Administration</td>
<td>2.09</td>
</tr>
<tr>
<td>Tennessee Valley Authority</td>
<td>1.8</td>
</tr>
<tr>
<td>EPA</td>
<td>.115</td>
</tr>
<tr>
<td>Government-wide</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>639.775</strong></td>
</tr>
</tbody>
</table>

Source: Author calculations based on data presented in appendix of year-by-year itemized major financial benefits, from GAO’s annual Performance and Accountability reports. The author made a judgment of the main department or agency based on GAO’s description of the savings.
annual reports. Comptroller General David Walker wrote at the time: “The shift to an Accountability Report is part of GAO’s overall effort, consistent with the Government Performance and Results Act (GPRA), to strengthen its performance and to hold itself accountable.” The purpose of GPRA was to improve government management and performance by requiring additional planning, reporting, and evaluation.

When I approached GAO about this analysis, they recommended starting in FY 1999.

A review of GAO’s self-reported annual estimates of savings, government improvements, and return on investment (ROI) reported in annual Performance and Accountability reports since 1999 shows that GAO’s work has resulted in more than $1.1 trillion in taxpayer savings and more than 25,000 other improvements. In constant 2019 dollars, this total savings amount is more than $1.3 trillion. The average annual savings was approximately $65 billion in current dollars.

GAO’s annual ROI has been at least $100 in savings for each taxpayer dollar invested in the agency every year since 2012. Moreover, GAO’s average annual ROI between 2011 and 2018 was $111, compared to an average of $84 between 1999 and 2010. (The former average does not include GAO’s estimated $338 ROI reported for 2019, which was significantly higher than past years. GAO stated that these historic savings were due to $136 billion in savings related to a DOD weapons system procurement and a $24.2 billion reduction in student loan costs.)

A CLOSER LOOK AT HOW GAO COUNTS SAVINGS ACHIEVED AND KEY TRENDS OVER 21 YEARS

As one might expect from an agency led and staffed by auditors, GAO states that it has a methodical approach for calculating its savings achieved and ROI. The office explained in its FY 2019 report:

> The financial benefits that we report in our performance measures are net benefits—that is, estimates of financial benefits that have been reduced by the estimated costs of taking

14 E-mail from GAO staff to the author, June 11, 2020.
15 This analysis expands upon the author’s written and spoken testimony before the U.S. House of Representatives Appropriations Committee, Legislative Branch Subcommittee, on March 4, 2020. Some of the ideas and language presented in this paper are drawn from that statement, which is available at https://docs.house.gov/meetings/AP/AP24/20200304/110517/HHRG-116-AP24-Wstate-LipsD-20200304.pdf.
the action that we recommended. We convert all estimates involving past and future years to their net present value and use actual dollars to represent estimates involving only the current year. Financial benefit amounts vary depending on the nature of the benefit, and we can claim financial benefits over multiple years based on a single agency or congressional action.16

Some of GAO's work in a given year yields multiyear savings; however, the Office reported that "we limit the period over which benefits from an accomplishment can accrue to no more than 5 years."17 GAO also reported that it generally relies on external sources to develop estimates of financial benefits, including the agency, congressional committees, or the Congressional Budget Office.18 In its annual Performance and Accountability reports, GAO provides a detailed overview of its process for verifying and validating these estimates, including multiple layers of review.19

But this process is not fully transparent. For example, the reports do not include detailed tables summarizing and presenting each item of savings that results in the overall savings and ROI estimates.20 Instead, the Comptroller General presents examples of “new financial benefits” achieved or “major financial benefits,” some of which may carry forward for five years.21 See the appendix for the “major” or “new” financial benefits listed or itemized in each annual report since FY 1999.

When GAO’s estimated major or new financial benefits over the 21-year period are categorized by agency, we see that the Department of Defense was the focus of the largest share, with the Department of Health and Human Services following second. That these departments were the

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17 Ibid., p. 29.
18 Ibid., p. 29.
19 Ibid. For example, in the FY 2019 report, GAO explained (p. 120): “For each of the financial accomplishment reports, an economist reviews and approves the methodology for calculating the proposed financial benefit. The assessment results are documented in the accomplishment’s supporting documentation and provided to the second reviewers. The team’s managing director is authorized to approve financial accomplishment reports with benefits of less than $100 million. The team forwards the report to APQA [Audit Policy and Quality Assurance], which reviews all accomplishment reports and approves accomplishment reports claiming benefits of $100 million or more. In fiscal year 2019, APQA approved accomplishment reports covering over 99 percent of the dollar value of financial benefits we reported. In fiscal year 2019, accomplishments of $500 million or more were also reviewed by independent second and third reviewers (reemployed GAO annuitants), who have substantial experience and knowledge of our accomplishment reporting policies and procedures. Our total fiscal year 2019 reported financial benefits reflect the views of the independent reviewers.”
20 E-mail from GAO staff to the author, June 11, 2020: “In short, the detailed accomplishment reports that support the overall savings are considered internal documents that are not shared with external entities. We go through the same rigorous fact checking and documentation support process for our performance and accountability reports that we use for our audits, technology assessments and other products—but these records are generally not publicly available. We provide summary data in our performance reports to ensure that the data are comparable across years. Although each annual report only highlights examples of our financial savings, these examples generally are the largest dollar amounts and make up most of the total savings in a given year.”
21 In some cases, GAO’s Performance and Accountability reports discuss examples of other savings. However, my analysis focuses on the “major” or “new” savings in order to identify trends and make consistent comparisons over time.
focus of the most savings is perhaps not surprising, given that DOD and major HHS programs, including Medicare and Medicaid, account for a significant share of overall federal spending.

Table 3 presents the largest itemized financial benefit to government identified in each annual report. This gives us further insight into the savings associated with DOD and HHS, along with other agencies.

One key trend is that evaluations of large DOD acquisition programs contributed to large savings, including a majority of DOD’s savings. For example, GAO’s estimated financial benefits in 2019 and 2017 focused on its oversight and congressional reforms of DOD weapons system acquisition management, which altogether yielded more than $170 billion in savings. In fact, over $200 billion of GAO’s estimated savings since 2010 involve DOD acquisitions.

The large share of itemized savings resulting from GAO’s oversight of Medicare and Medicaid is also a notable trend. More than $50 billion in savings has resulted from GAO’s oversight of Medicare improper payments and state Medicaid demonstration programs just since 2016, as shown in Table 3.

Reviewing the largest itemized financial benefit reported each year since 1999 reveals that in all but seven years, oversight of DOD and HHS programs yielded the largest savings.

IMPROVING THE TRANSPARENCY OF GAO’S ESTIMATED FINANCIAL BENEFITS

Reviewing 21 years of GAO financial-benefit estimates highlights the need for greater transparency, including reporting the benefits that are not itemized in these reports. Over the past two decades, however, GAO has made strides in improving transparency.

In 2009, the GAO Office of Inspector General, which conducts oversight of GAO, issued a report examining the financial-benefit estimates included in the Performance and Accountability reports. The Inspector General concluded:

*Financial benefits are one of the key measures of GAO’s performance. We determined that GAO had a reasonable basis to claim financial benefits of $24.95 billion for its large...*
<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Federal Agency</th>
<th>Description</th>
<th>Financial Benefits</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>Housing and Urban Development (HUD) Department</td>
<td>GAO recommendations decreased HUD’s future budget authority for community and economic development programs, specifically by aligning and improving HUD estimates of Section 8 housing assistance needs.</td>
<td>5.3 billion</td>
</tr>
<tr>
<td>2000</td>
<td>Health and Human Services (HHS) Department</td>
<td>GAO recommendations to prevent fraud and abuse in Medicare led Congress to pass the Health Insurance Portability and Accountability Act of 1996, which resulted in net saving of $3 billion in FY 2000.</td>
<td>$3 billion</td>
</tr>
<tr>
<td>2001</td>
<td>Department of Defense (DOD)</td>
<td>GAO recommendations related to base closures and realignment and the DOD acquisitions workforce drove savings.</td>
<td>$9.3 billion</td>
</tr>
<tr>
<td>2002</td>
<td>HHS</td>
<td>GAO recommendations led to HHS actions to better safeguard Medicare from abuse and fraud.</td>
<td>$8.1 billion</td>
</tr>
<tr>
<td>2003</td>
<td>Department of Labor</td>
<td>GAO recommended that the Bureau of Labor Statistics regularly update the Consumer Price Index to make it consistent with consumer expenditures. BLS agreed to biennial updates. The adjustments led to savings in programs like Social Security.</td>
<td>$9.2 billion</td>
</tr>
<tr>
<td>Fiscal Year</td>
<td>Federal Agency</td>
<td>Description</td>
<td>Financial Benefits</td>
</tr>
<tr>
<td>-------------</td>
<td>-------------------------</td>
<td>-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>--------------------</td>
</tr>
<tr>
<td>2004</td>
<td>HHS</td>
<td>GAO identified a loophole in Medicaid that allowed states to receive federal matching dollars by paying local government-owned nursing homes, which were then returned to the state.</td>
<td>$10.1 billion</td>
</tr>
<tr>
<td>2005</td>
<td>DOD</td>
<td>GAO recommendations for oversight and acquisition management led the Missile Defense Agency within DOD to scale back its Kinetic Energy Interceptor program.</td>
<td>$4.7 billion</td>
</tr>
<tr>
<td>2006</td>
<td>Federal</td>
<td>GAO recommended extending the FCC’s spectrum auction authority, which Congress passed legislation to provide through 2010.</td>
<td>$6.1 billion</td>
</tr>
<tr>
<td>2007</td>
<td>U.S. Postal Service</td>
<td>GAO identified long-term unfunded liabilities associated with the USPS’s retirement health-care benefits. Congress passed a law requiring USPS to make prefunding payments to address this long-term liability.</td>
<td>$5.4 billion</td>
</tr>
<tr>
<td>2008</td>
<td>Federal Trade Commission</td>
<td>GAO recommended that Congress extend the FTC’s authority to auction spectrum licenses for mobile telecommunications services.</td>
<td>$8.6 billion</td>
</tr>
<tr>
<td>2009</td>
<td>General Services</td>
<td>GAO recommended increased use of its pre-award audits to leverage and reduce costs for the procurement of common goods and services. GSA and the GSA Inspector General increased staffing and prioritized these audits, which resulted in avoided costs.</td>
<td>$3.97 billion</td>
</tr>
<tr>
<td>Fiscal Year</td>
<td>Federal Agency</td>
<td>Description</td>
<td>Financial Benefits</td>
</tr>
<tr>
<td>-------------</td>
<td>----------------</td>
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<td>--------------------</td>
</tr>
<tr>
<td>2010</td>
<td>DOD</td>
<td>GAO identified concerns with the manned ground vehicle portion of the Army's Future Combat Systems, and encouraged DOD to consider alternatives. The Defense Secretary cancelled the program in 2009.</td>
<td>$3.7 billion</td>
</tr>
<tr>
<td>2011</td>
<td>DOD</td>
<td>GAO's top estimated savings included the Future Combat Systems work cited above as well as GAO's recommendations warning about challenges in DOD's Transformational Satellite Communications System dating back to 2003. The President's budget proposed terminating the latter program in 2010. Together, this work contributed to significant financial benefits.</td>
<td>$16.5 billion</td>
</tr>
<tr>
<td>2012</td>
<td>HHS</td>
<td>GAO identified higher costs associated with the Medicare Advantage plans, which led to Congress reducing payments for them.</td>
<td>$12.4 billion</td>
</tr>
<tr>
<td>2013</td>
<td>DOD</td>
<td>GAO recommended reductions in the DOD's acquisitions of the F-35 Joint Strike Fighter. As a result, DOD reduced the planned procurement of these aircraft by 103 planes.</td>
<td>$8.7 billion</td>
</tr>
<tr>
<td>2014</td>
<td>HHS</td>
<td>GAO's recommendations and oversight aimed at curbing improper payments in Medicaid led to the passage of the Improper Payments Act and subsequent reductions in improper payments in Medicaid.</td>
<td>$6.5 billion</td>
</tr>
<tr>
<td>Fiscal Year</td>
<td>Federal Agency</td>
<td>Description</td>
<td>Financial Benefits</td>
</tr>
<tr>
<td>-------------</td>
<td>----------------</td>
<td>-------------</td>
<td>--------------------</td>
</tr>
<tr>
<td>2015</td>
<td>FCC</td>
<td>GAO recommended that Congress extend the FCC’s authority to auction spectrum licenses. Congress passed and the President signed legislation to extend the authority for three years.</td>
<td>$32.8 billion</td>
</tr>
<tr>
<td>2016</td>
<td>HHS</td>
<td>GAO’s longstanding oversight of government-wide improper payments led HHS to increase oversight and prevent Medicare Advantage improper payments, which resulted in $21.4 billion in savings between 2010 and 2014.</td>
<td>$21.4 billion</td>
</tr>
<tr>
<td>2017</td>
<td>DOD</td>
<td>GAO’s consistent oversight of DOD’s approach to developing and acquiring weapons systems led Congress to pass legislation in 2009: the Weapon Systems Acquisition Reform Act. Based on a follow-up analysis of DOD spending after the legislation’s passage, GAO estimated reductions in cost growth and significant savings.</td>
<td>$36 billion</td>
</tr>
<tr>
<td>2018</td>
<td>HHS</td>
<td>GAO had reported since 2002 that state government Medicaid “demonstration” projects were not budget neutral as required under HHS policy. HHS established new spending limits in 2016.</td>
<td>$36.8 billion</td>
</tr>
<tr>
<td>2019</td>
<td>DOD</td>
<td>GAO again calculated that its oversight of DOD weapons system acquisition programs and influence on congressional reforms had led to considerable savings in terms of reduced growth in DOD spending.</td>
<td>$136.1 billion</td>
</tr>
</tbody>
</table>

Sources: GAO’s annual Performance and Accountability reports; see appendix for additional details and sourcing
dollar value accomplishment reports for fiscal year 2009. We also identified opportunities for GAO to strengthen its accomplishment report process, for example, by establishing a greater role for GAO’s Center for Economics in reviewing estimates of financial benefits. To its credit, GAO has already taken action to create a review process that includes GAO’s Center for Economics. Moreover, we believe GAO may be able to develop a more effective and efficient system of internal controls over large dollar value accomplishment reports by focusing more attention on the mission teams in their development of large dollar value accomplishment reports.22

Beginning in 2010, the Performance and Accountability reports included additional information about how the financial benefits were estimated. Nevertheless, additional details about all of the work that contributed would further improve transparency. The Comptroller General should publish more detailed data itemizing all financial benefits historically as well as moving forward to help Congress better understand the value and impact of GAO's work.

EXAMPLES OF OTHER OR NON-FINANCIAL FEDERAL GOVERNMENT BENEFITS

GAO’s annual reports also include estimates of the total number of “other” or “non-financial” benefits to government that occurred due to the Office’s work. In all, GAO reports more than 25,000 of these benefits since 1999. In each annual report, GAO presents examples of these kinds of benefits. For example, in its FY 2019 report, GAO highlighted a range of other benefits, from preventing lead in schools’ drinking water to identifying cybersecurity weaknesses in Defense Department weapons systems.23 Table 4 presents examples of other or non-financial benefits reported in GAO’s annual reports since 1999. These reported benefits highlight how GAO’s work provides additional benefits beyond financial savings, including leading agencies or Congress to protect vulnerable populations, improve access to health care and other government benefits, and address security vulnerabilities.


### TABLE 4. EXAMPLES OF MAJOR NON-FINANCIAL BENEFITS TO GOVERNMENT REPORTED BY GAO IN ANNUAL REPORTS (FY 1999 TO FY 2019)

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Agency</th>
<th>Benefit and Work Summary</th>
</tr>
</thead>
<tbody>
<tr>
<td>1999</td>
<td>Terrorism</td>
<td>“GAO reported that federal programs to combat terrorism lacked a government wide focus needed to establish effective spending requirements and priorities. Because funds have not been applied based on threat and risk assessments, the government could not be sure that the highest-priority requirements were being met. Neither could it assure that terrorism-related activities and capabilities were not being duplicated or that funding gaps did not occur. In response, the Executive Branch improved its coordination of terrorism-related programs and priorities.”</td>
</tr>
<tr>
<td>2000</td>
<td>Health Care Financing</td>
<td>“The Health Care Financing Administration (HCFA) and several states—including California, Maryland, and Michigan—improved their oversight and enforcement of nursing homes’ quality of care standards in response to GAO’s recommendations highlighting weaknesses in existing processes.”</td>
</tr>
<tr>
<td>2001</td>
<td>Information security and financial management</td>
<td>“Our work on information technology issues and on financial management and accountability issues, in particular, has generated a number of recommendations in the past that are now paying off for the American people in better information security and more effective financial controls, among other improvements.”</td>
</tr>
<tr>
<td>2002</td>
<td>Education</td>
<td>GAO “help[ed] ensure accountability for educating children in the public schools,” by auditing compliance with the Elementary and Secondary Education Act and recommending greater focus on student testing, which was a focus of the No Child Left Behind Act of 2002.</td>
</tr>
<tr>
<td>Fiscal Year</td>
<td>Agency</td>
<td>Benefit and Work Summary</td>
</tr>
<tr>
<td>------------</td>
<td>--------</td>
<td>--------------------------</td>
</tr>
<tr>
<td>2003</td>
<td>Central Intelligence Agency</td>
<td>“GAO recommended that the Director of Central Intelligence report annually on foreign entities that may be using U.S. capital markets to finance the proliferation of weapons, including weapons of mass destruction, and [the Intelligence Authorization Act of FY 2003] instituted a requirement to produce this report.”</td>
</tr>
<tr>
<td>2004</td>
<td>Federal Aviation</td>
<td>“We worked closely with the Congress to draft language that was included in [Vision 100—Century of Aviation Reauthorization Act] related to curriculum and certification requirements for aviation mechanics. The language, which was based on recommendations we had made, included a requirement that the Federal Aviation Administration update and revise curriculum standards for aviation mechanics.”</td>
</tr>
<tr>
<td>2005</td>
<td>Transportation Security</td>
<td>“We reported on the need to identify how biometrics will be used to improve aviation security prior to making a decision to design, develop, and implement biometrics. Using information from our statement, the House introduced a bill on July 22, 2004, directing the Transportation Security Administration (TSA) to establish system requirements and performance standards for using biometrics,” which subsequently became law.</td>
</tr>
<tr>
<td>2006</td>
<td>Department of Labor</td>
<td>“Labor implemented several recommendations [GAO] made to enhance youth programs under the Workforce Investment Act.”</td>
</tr>
<tr>
<td>2007</td>
<td>Federal Emergency Management Agency</td>
<td>“We recommended four actions to improve reporting by FEMA to the appropriations committees on the status of governmentwide hurricane relief and recovery,” which became law.</td>
</tr>
<tr>
<td>2008</td>
<td>Government contracting</td>
<td>Recommendations to prohibit “tax debtors from receiving large federal contracts” became law in an appropriations act.</td>
</tr>
<tr>
<td>Fiscal Year</td>
<td>Agency</td>
<td>Benefit and Work Summary</td>
</tr>
<tr>
<td>------------</td>
<td>--------------------------------------------</td>
<td>--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>2009</td>
<td>Domestic worker abuse prevention</td>
<td>GAO’s recommendations influenced legislative language in the William Wilberforce Trafficking Victims Protection Reauthorization Act of 2008 that &quot;strengthened the process for investigating alleged household worker abuse by foreign diplomats.&quot;</td>
</tr>
<tr>
<td>2010</td>
<td>Department of Labor</td>
<td>GAO’s findings and recommendations led to language included in the Affordable Care Act to ensure swift access to DOL’s Black Lung Benefits Program, which &quot;provides medical and income assistance to miners who suffer disability or death from disease caused by coal dust, and their survivors.&quot;</td>
</tr>
<tr>
<td>2011</td>
<td>Department of Health and Human Services</td>
<td>GAO recommended that the Centers for Medicare &amp; Medicaid Services add quality information, including reported sanctions against nursing homes, in public information reported in Nursing Home Compare based on a March 2007 report. CMS began doing this in July 2011.</td>
</tr>
<tr>
<td>2012</td>
<td>Aviation security and</td>
<td>GAO issued recommendations to improve watchlisting following the attempted December 2009 airline bombing, which GAO reports improved congressional oversight.</td>
</tr>
<tr>
<td>2013</td>
<td>Department of Defense and Social Security</td>
<td>GAO recommended improved information sharing between DOD and SSA to streamline and improve applications for wounded warriors for disability benefits.</td>
</tr>
<tr>
<td>2014</td>
<td>Department of Veterans Affairs</td>
<td>GAO’s work identifying weaknesses in the VA Department’s Non-VA Medical Care Program resulted in reforms to improve access to health care for veterans.</td>
</tr>
<tr>
<td>2015</td>
<td>State Department</td>
<td>GAO’s work “led the State Department to take action to enhance security and mitigate against threats to diplomatic residences, U.S. employees, and other soft targets overseas.”</td>
</tr>
<tr>
<td>Fiscal Year</td>
<td>Agency</td>
<td>Benefit and Work Summary</td>
</tr>
<tr>
<td>------------</td>
<td>--------------------------------</td>
<td>------------------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>2016</td>
<td>Customs and Border Protection</td>
<td>GAO’s work “led U.S. Customs and Border Protection to require officers to maintain complete, automated records on the care of unaccompanied alien children in its custody.”</td>
</tr>
<tr>
<td>2017</td>
<td>Nuclear Regulatory Commission</td>
<td>GAO’s work caused “the Nuclear Regulatory Commission to tighten its controls on licensing for possession of radioactive materials when, in one of our tests, investigators secured agreements to buy devices that, together, contained a dangerous quantity of material.”</td>
</tr>
<tr>
<td>2018</td>
<td>Indian Health Service</td>
<td>GAO’s work “prompted the Indian Health Service to publish wait-time standards for primary care and urgent care visits to help it monitor patient access to care.”</td>
</tr>
<tr>
<td>2019</td>
<td>Department of Defense</td>
<td>GAO “spurred awareness and wide-ranging discussions on weapon system cybersecurity vulnerabilities,” finding that “(1) DOD’s major weapon systems in development routinely had mission-critical cybersecurity vulnerabilities, and (2) DOD testers took control of them using relatively simple tools and techniques.”</td>
</tr>
</tbody>
</table>

Sources: GAO’s annual Performance and Accountability reports; see appendix for additional details and sourcing.

**GAO’S ANNUAL DUPLICATION REPORTS**

One reason for the increased financial benefits and higher ROI over the past decade has been GAO’s increasing focus on auditing and reporting on duplication and fragmentation across government programs. In 2010, former Oklahoma Senator Tom Coburn passed an amendment to the debt-limit increase to require GAO’s annual duplication reports. As of May 2020, GAO estimated that its annual reports on government duplication have yielded $429 billion in savings since 2011.

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24 Full disclosure: the author worked for former Senator Tom Coburn from 2011 to 2015.

This shows how Congress’s strategic direction can leverage GAO’s impact through legislatively mandated work over time.

**ADDRESSING NATIONAL CHALLENGES—THE HIGH-RISK LIST**

Beyond identifying duplications and finding opportunities for efficiency, GAO’s work also guides Congress’s oversight of major challenges facing the federal government and nation. Every two years, the Comptroller General issues a “high-risk” report, which “identifies government operations with vulnerabilities to fraud, waste, abuse, and mismanagement, or in need of transformation to address economy, efficiency, or effectiveness challenges.”26 Some examples of items on the 2019 high-risk list are national cybersecurity, the federal security clearance process, DOD financial management and weapons system acquisition, the Medicare program and improper payments, and Veterans Affairs health care.27

**GAO’S RECOMMENDATION IMPLEMENTATION RATE**

In 2019, GAO reported that its four-year implementation rate was 77% for its 2015 recommendations, which is similar to prior years. Further, GAO reported that its cumulative implementation rate for FY 2015 recommendations was 21% after year one, 40% after year two, 56% after year three, and 77% by year four.28 This four-year implementation rate is significant because GAO reports that “our experience indicates that recommendations remaining open after a four-year period are generally not implemented in subsequent years.” For 2019, GAO had set a goal of an 80% implementation rate,29 which suggests that Congress and the Comptroller General should be considering ways to improve agencies’ responsiveness.

In 2015, Deloitte researchers analyzed 26 years of GAO reports and recommendations, including agencies’ responsiveness. They offered recommendations to encourage faster implementation:

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27 Ibid.


29 Ibid.
GAO could address this issue by setting target completion dates for implementing each recommendation and then making real-time data available to the public showing how long it is taking each agency to implement GAO recommendations. This could motivate agencies to more quickly address GAO recommendations and realize the benefits they deliver to the public.\textsuperscript{30}

Deloitte also recommended other reforms to prioritize recommendations and encourage implementation:

\textit{In addition to setting specific deadlines, GAO could further motivate agencies by classifying both noncompliance and extreme tardiness as failures. If this is not done, it is easy to lose a sense of urgency, and recommendations can languish. Also, GAO could consider giving recommendations a “criticality” score that allows its analysts to sort out whether an agency is struggling with major items or just “nice-to-have” items. The lack of such a score for assessing the importance of an individual recommendation is a weakness in GAO’s methodology, and the agency would likely benefit from adopting one.}

GAO currently has 4,958 open recommendations, including 422 “priority recommendations.” According to GAO’s 2019 report on duplication, “billions of additional dollars could be saved” if Congress and executive agencies implement open recommendations identified within that report alone.\textsuperscript{31}

\section*{ANALYZING THE TIMELINESS OF GAO REPORTS}

One factor that affects agencies’ and Congress’s responsiveness to GAO’s recommendations is the time that it takes to prepare an audit. In general, based on my experience working on congressional committee staff, most GAO audits take at least a year from the time of the request to the report being provided to Congress. Often, the process takes considerably longer. There is limited data pertaining to this in GAO’s annual Performance and Accountability reports. GAO evaluates its timeliness based on customer surveys provided to congressional offices. GAO re-


ports that customers regularly report higher than 90% satisfaction. For example, the FY 2019 report showed that 95% of customers who responded to the survey reported that GAO’s products were provided on time; however, the response rate was only 18%.32

III. GAO AND CONGRESSIONAL CAPACITY FOR SCIENCE AND TECHNOLOGY OVERSIGHT

In his FY 2021 budget request, the Comptroller General testified that additional funding will be used in part to grow the Science, Technology Assessment, and Analytics (STAA) team. He stated that current and new appropriations will be used to increase the STAA team from its current level of 100 positions to 140 positions in FY 2021. Further, he stated that the STAA would focus on several priorities, including conducting technology assessments and providing other scientific and technical assistance to Congress; improving oversight of acquisitions and science and technology programs; and advancing GAO’s use of data science and analytics in its auditing. All of these priorities will yield significant value for Congress, particularly as the nation faces a pandemic and related economic impacts.

GAO’S ROLE IN IMPROVING CONGRESSIONAL SCIENCE AND TECHNOLOGY CAPACITY

Enhancing Congress’s science and technology (S&T) capacity is a recognized issue of bipartisan concern. The congressionally mandated National Academy of Public Administration report issued in November 2019 recommended developing GAO’s STAA team as part of the solution to enhance congressional capacity for S&T. The House Select Committee on the Modernization of the Congress’s bipartisan recommendations include “reestablishing and restructuring an improved Office of Technology Assessment.” In a report for Harvard University’s Ash Center for Democratic Governance and Innovation, Lincoln Network’s Zach Graves and Demand Progress’s Daniel Schuman recommend a hybrid approach to improve congressional S&T capacity—including re-establishing OTA while developing GAO’s capacities and specializations. “GAO’s STAA unit has shown significant competence in building its technology assessment capacity,” Graves and

Schuman write. “It should continue to take on a significant portion of OTA's original mission.”

As Congress considers whether to re-establish OTA, the STAA is well positioned to play a lead role in enhancing Congress's S&T capacity. The STAA will help Congress understand, analyze, and forecast major issues involving science and technology (such as risks related to cybersecurity threats and global pandemics), as well as develop legislation and conduct oversight to address these challenges with greater independence. The STAA will also provide valuable technical assistance evaluating federal research and development investments.

**IMPROVING OVERSIGHT OF FEDERAL ACQUISITIONS AND SCIENCE AND TECHNOLOGY PROGRAMS**

Strengthening GAO and the legislative branch's ability to oversee acquisitions and S&T programs will improve government performance and national security. For example, GAO has identified federal information security and cybersecurity as a high-risk issue since 1997. GAO has warned that the Department of Defense's $1.6 trillion acquisition program is a high-risk issue. A 2019 GAO report identifying DOD's supply-chain risk management as a high-risk area served as a catalyst for reform within DOD. GAO's past oversight of major Department of Homeland Security S&T programs has helped end or reform ineffective programs and acquisitions. GAO's work has also informed Congress and the executive branch about the need to rethink the nation's approach to managing risk. Monitoring agencies' acquisition programs presents a significant challenge for Congress, particularly when those programs involve science and technology. Growing the capacity within GAO to oversee technology, acquisitions, and science will help Congress better fulfill its Article I responsibilities, strengthen national security, and improve Congress's ability to foresee major risks like the current pandemic.

**INCREASING OVERSIGHT OF IMPROPER PAYMENTS THROUGH DATA ANALYTICS**

The STAA team's plan to apply data science and advanced analytics to enhance GAO's traditional auditing work will modernize and improve GAO's role in congressional oversight in significant

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ways. GAO’s Chief Data Scientist, Taka Ariga, recently explained to me how the STAA plans to use data analytics: “The nexus of scalable computational power and innovative data science techniques enables analyses based on 100% of the data instead of a more traditional, sample-based approach. In turn, we can accelerate the speed and depth at which we identify, consume, and act on patterns, behaviors, correlations, and anomalies.”

Applying data science has the potential to revolutionize oversight. For example, the federal government could use similar kinds of analytics to those that banks use to monitor consumers’ credit-card transactions. GAO estimates that government-wide improper payments have totaled $1.7 trillion since 2003, when Congress required agencies to begin reporting them. GAO reports that federal entities estimated about $175 billion in improper payments in FY 2019. Potential savings from using data analytics and continuous oversight to monitor and prevent improper payments could exceed tens of billions of dollars per year.

Beyond achieving savings and eliminating waste, fraud, and abuse, applying data science and advanced analytics to government oversight could help Congress address other issues of bipartisan concern, such as identifying root causes of the opioid overdose epidemic and human trafficking, by analyzing multiple data sets and identifying patterns across government programs.

IV. FINDINGS AND RECOMMENDATIONS

Reviewing GAO’s annual Performance and Accountability reports reveals several key findings:

- GAO estimates that its work has resulted in over $1.1 trillion in financial benefits and more than 25,000 other benefits since FY 1999. GAO’s work, including its high-risk list, has also provided leadership educating Congress and the nation about the fundamental challenges facing the United States.

- GAO has achieved these considerable accomplishments despite operating with a workforce that is two-thirds of its staffing level before the budget cuts of the 1990s.

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36 As noted above, this is more than $1.3 trillion in constant 2019 dollars.
• Since 2012, GAO has reported an average annual ROI of at least $100 in financial benefits achieved for each dollar invested in GAO by Congress.

• GAO does not document all of the government benefits achieved in its annual Performance and Accountability reports; however, the Office does include examples of work that yielded major financial benefits in each report. (The reports detail approximately $640 billion of the more than $1.1 trillion saved during the period by providing examples of GAO work that resulted in major savings.)

• Analyzing all of the main examples provided shows that work related to the Department of Defense ($275 billion) and Department of Health and Human Services ($128 billion) yielded the most financial benefits.

• Since 2011, GAO’s congressionally mandated annual reports examining duplication across federal programs have yielded $429 billion in savings, according to the Office’s estimates.

• Reviewing examples of GAO’s work that yielded major financial benefits highlights the value of GAO’s science and technology related work, including oversight of major acquisition programs.

• GAO reports that the four-year implementation rate of its recommendations was 77% as of 2019, which is generally consistent with prior years. (For recommendations made in FY 2015, GAO reports that its implementation rate was 21% after year one, 40% after year two, 56% after year three, and 77% by year four.) The cost to government of unimplemented or slowly implemented recommendations is unknown.

GAO’s track record highlights the important value of nonpartisan oversight. Looking forward, Congress and the Comptroller General should consider opportunities to increase GAO’s impact and return on investment in the future. For example, the Comptroller General has proposed increasing resources for its Science, Technology Assessment, and Analytics team, which is intended to increase congressional science and technology capacity, strengthen GAO’s oversight of S&T programs, and use data analytics to enhance traditional auditing.

Based on these findings, I recommend the following:
• Congress and the Comptroller General should improve the transparency about GAO’s annual Performance and Accountability reports by requiring detailed descriptions of all financial benefits and ROI estimates. GAO could also create new metrics to evaluate its timeliness—expanding its current approach (which is based on customer surveys) to include estimates of the time required to complete projects and factors that caused delays, such as agency responsiveness. Moreover, the Comptroller General should report to Congress an annual estimate of the cost of unimplemented recommendations.

• Congress should increase appropriations for GAO, including to strengthen the Comptroller General’s ability to conduct oversight of science and technology programs and acquisitions, which have been a source of major savings identified by GAO’s oversight. As GAO improves the transparency of its annual reporting on financial benefits to government and taxpayer savings, Congress could consider providing a percentage of saved funding directly to GAO to increase its capacity and ability to support Congress.

Congress should leverage GAO by mandating annual reporting on focused areas of work, building on the major savings yielded by GAO’s work on government duplication. For example, Congress should require GAO to conduct regular and ongoing reporting on government-wide improper payments, which the Office has identified as a $175 billion annual problem.

V. CONCLUSION

The United States is facing a grave public-health emergency and major economic challenges in 2020. The Government Accountability Office provides significant value to Congress and the nation by conducting nonpartisan and independent oversight of federal agencies on behalf of the legislative branch. Reviewing 21 years of the Comptroller General’s estimated financial benefits highlights GAO’s impressive return on investment. Congress and the Comptroller General should strengthen GAO and leverage its work and unique capabilities to achieve even greater savings and benefits to the government in the coming decades.
APPENDIX: YEAR-BY-YEAR OVERVIEW OF GAO’S REPORTED FINANCIAL BENEFITS

GAO reports its annual estimated savings, other program improvements, and return on investment (ROI) in its annual Performance and Accountability reports. Table 1 (see page 6) presents a summary of this data from GAO’s annual reports from FY 1999 to FY 2019. Below is a year-by-year overview of major savings reported in each fiscal year. The focus of each year’s listing is the “new” or “major” financial benefits achieved, since GAO reports that some of its savings or benefits achieved can carry forward for five years.

Performance and Accountability Report Fiscal Year 2019

- GAO Appropriations Received: $599,750,000
- GAO FTEs: 3,161
- Financial Benefits: $214.7 billion
- Other Benefits: 1,418
- ROI per $1 invested in GAO: $338

Examples of New Financial Benefits Reported (billions of dollars):
- “Reducing Procurement Costs for Weapon Systems Acquisitions” 136.1
- “Better Estimating Student Loan Costs” 24.2
- “Helping Implement Shared Services for the Defense Health Agency” 0.92
- “Helping Prevent IRS from Issuing Invalid Tax Refunds” 0.90

Performance and Accountability Report Fiscal Year 2018

- GAO Appropriations Received: $592,917,000
- GAO FTEs: 3,015
- Financial Benefits: $75.1 billion
- Other Benefits: 1,294
- ROI per $1 invested in GAO: $124

Examples of New Financial Benefits Reported (billions of dollars):
- “Ensuring that Medicaid Demonstrations are Budget Neutral” 36.8
- “Achieving and Measuring Fraud Prevention at CMS” 1.3
- “Reducing Military Personnel Budget Due to Excess Balances” 0.85
- “Reducing Fragmentation and Overlap in Teacher Quality Programs” 0.68

Performance and Accountability Report Fiscal Year 2017

GAO Appropriations Received: $544,506,000
GAO FTEs: 2,994
Financial Benefits: $73.9 billion
Other Benefits: 1,280
ROI per $1 invested in GAO: $128

Examples of New Financial Benefits Reported (billions of dollars):
- “Cost Reductions in Weapon Systems Acquisitions” 36.0
- “Expanding the FCC’s Auction Authority” 7.3
- “Reducing TRICARE Payments for Compounded Drugs” 1.9
- “Aligning Agricultural Quarantine Inspection User Fees / Program Costs” 0.6

Performance and Accountability Report Fiscal Year 2016

GAO Appropriations Received: $531,000,000
GAO FTEs: 2,983
Financial Benefits: $63.4 billion
Other Benefits: 1,234
ROI per $1 invested in GAO: $112

Examples of New Financial Benefits Reported (billions of dollars):
- “Reducing Medicare Advantage Improper Payments” 21.4

• “Increasing Use of Strategic Sourcing by the [VA]” 3.6
• “(Treasury) Reduced [Prog.] Balances for the Making Homes Affordable [Prog.]” 2.0
• “Improving Management of DOD’s Funds for Combatting Terrorism” 1.6

Performance and Accountability Report Fiscal Year 2015 41

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<table>
<thead>
<tr>
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<tbody>
<tr>
<td>GAO Appropriations Received:</td>
<td>$522,000,000</td>
</tr>
<tr>
<td>GAO FTEs:</td>
<td>2,989</td>
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<tr>
<td>Financial Benefits:</td>
<td>$74.7 billion</td>
</tr>
<tr>
<td>Other Benefits:</td>
<td>1,286</td>
</tr>
<tr>
<td>ROI per $1 invested in GAO:</td>
<td>$134</td>
</tr>
</tbody>
</table>

Examples of New Financial Benefits Reported (billions of dollars):

- “Federal Communications Commission Auction Proceeds” 32.8
- “Elimination of Direct Payments to Farmers” 4.9
- “HHS Reduces Improper Payments” 3.3
- “Cancellation of BioWatch Generation-3 Acquisition” 2.1
- “Standard Missile Block IIB Program Cancelled” 1.7

Performance and Accountability Report Fiscal Year 2014 42

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<tr>
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<tr>
<td>GAO Appropriations Received:</td>
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<td>$54.4 billion</td>
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<td>Other Benefits:</td>
<td>1,288</td>
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<tr>
<td>ROI per $1 invested in GAO:</td>
<td>$100</td>
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</tbody>
</table>

Examples of New Financial Benefits Reported (billions of dollars):

- “Reducing Improper Overpayments by Medicaid” 6.5
- “Reducing Funding for New Camouflage Uniforms for the Army” 4.2
- “Overseeing the State Department’s Fiscal Year 2014 Budget Request” 2.1

- “Overseeing the Agriculture Department’s Unobligated Balances” 1.8
- “Consolidating Federal Data Centers” 1.0

**Performance and Accountability Report Fiscal Year 2013** 43

<table>
<thead>
<tr>
<th>Category</th>
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<td>Financial Benefits</td>
<td>$51.5 billion</td>
</tr>
<tr>
<td>Other Benefits</td>
<td>1,314</td>
</tr>
<tr>
<td>ROI per $1 invested in GAO</td>
<td>$100</td>
</tr>
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</table>

**Selected Major Financial Benefits Reported (billions of dollars):**
- “Reduction in Procurement Quantities of Joint Strike Fighter” 8.7
- “Treasury Reduced TARP Obligation to FHA Short Refinance Program for Foreclosure Mitigation” 7.1
- “Revised Approach for the Navy’s Next Generation Enterprise Network (NGEN) Acquisition” 2.6
- “Elimination of Seller-funded Payment Assistance for FHA-insured Mortgages” 2.5
- “Consolidation of U.S. Forces Stationed in Europe” 2.5
- “Reductions in Unobligated Balances for State Department Operations in Iraq” 1.1

**Performance and Accountability Report Fiscal Year 2012** 44

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
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<tbody>
<tr>
<td>GAO Appropriations Received</td>
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<td>GAO FTEs</td>
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<tr>
<td>Financial Benefits</td>
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<td>Other Benefits</td>
<td>1,440</td>
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<tr>
<td>ROI per $1 invested in GAO</td>
<td>$105</td>
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</tbody>
</table>

**Selected Major Financial Benefits Reported (billions of dollars):**
- “Reductions in Payments to Medicare Advantage (MA) Plans” 12.4

“NASA Cancellation of Constellation/Ares 1 Project” 8.0
“Elimination of Ethanol Excise Tax Credit for Corn” 4.5
“Tour Normalization for Forces in South Korea” 3.1

Performance and Accountability Report Fiscal Year 2011 45

GAO Appropriations Received: $547,349,000
GAO FTEs: 3,212
Financial Benefits: $45.7 billion
Other Benefits: 1,318
ROI per $1 invested in GAO: $81

Selected Major Financial Benefits Reported (billions of dollars):
- “Termination of Future Combat System (FCS) Manned Ground Vehicle” 11.2
- DOD “Transformational Satellite (TSAT) Communications System Termination” 5.3
- “Reductions in Payments to Medicare Advantage (MA) Plans” 3.6
- “DOD Terminates Multiple Kill Vehicle (MKV) Program” 2.7
- “Congress Transfers Funds into ‘Cash for Clunkers’ Program” 2.05
- “Pakistani Reimbursement Claims” 1.1

Performance and Accountability Report Fiscal Year 2010 46

GAO Appropriations Received: $557,849,000
GAO FTEs: 3,347
Financial Benefits: $49.9 billion
Other Benefits: 1,361
ROI per $1 invested in GAO: $87

Selected Major Financial Benefits Reported (billions of dollars):
- “Canceling Manned Ground Vehicle Portion of the Army’s [FCS]” 3.7

• “Eliminating Seller-Funded Assistance for FHA Mortgages” 3.5
• “Enhancing Tax Compliance Involving Foreign Accounts” 3.0
• “Reducing Compensation for Federal Crop Insurance Providers” 2.8
• “Improving Accountability Over U.S. Assistance to Pakistan” 0.7

Performance and Accountability Report Fiscal Year 2009 47
GAO Appropriations Received: $556,800,000
GAO FTEs: 3,204
Financial Benefits: $43 billion
Other Benefits: 1,315
ROI per $1 invested in GAO: $80

Selected Major Financial Benefits Reported (billions of dollars):
• Increasing GSA Multiple Award Schedules pre-award audits 3.97
• FHA risk mitigation reforms with seller-funded down payment assistance 2.89
• CMS reforms to Medicare financial management oversight (improper payments) 1.27
• State Department overseas real estate property disposal 0.56

Performance and Accountability Report Fiscal Year 2008 48
GAO Appropriations Received: $501,000,000
GAO FTEs: 3,081
Financial Benefits: $58.1 billion
Other Benefits: 1,398
ROI per $1 invested in GAO: $114

Selected Major Financial Benefits Reported (billions of dollars):
• “Improved spectrum management by extending auction authority” 8.6
• “Encouraging the DOD to examine cost estimates for a new military concept” 2.0

47 U.S. Government Accountability Office, GAO-10-235SP, Performance and Accountability Report Fiscal Year 2009 (January 2010), https://www.gao.gov/assets/210/203983.pdf. GAO’s report for this year did not include subject headings describing the selected financial benefits; the summaries here are mine.

• “Realized savings from suspending the royalty-in-kind oil program” 1.9
• “Encouraged DOD to scale back a costly satellite program” 1.5
• “Analyzed the FY 2008 appropriations for the Millennium Challenge [Corp.]” 1.4

Performance and Accountability Report Fiscal Year 2007 49
GAO Appropriations Received: $507,300,000
GAO FTEs: 3,152
Financial Benefits: $45.9 billion
Other Benefits: 1,354
ROI per $1 invested in GAO: $94

Selected Major Financial Benefits Reported (billions of dollars):
• “Helped to ensure funding for [USPS] retirement-related health care benefits” 5.4
• “Improved the [IRS’s] methodology for pursuing delinquent taxes” 4.2
• “Encouraged [NASA’s] decision to terminate the space launch initiative” 3.7
• “Helped to reduce food stamp fraud and abuse” 3.4
• “Recommended that [HUD] track and reallocate unspent housing funds” 2.19
• “Helped to increase collections of civil debt” 1.70
• “Recommended that the Congress reduce the [DOD’s FY 2007 O&M budget]” 1.46
• “Identified an opportunity for DOD to reallocate funds to cover new initiatives” 1.2

Performance and Accountability Report Fiscal Year 2006 50
GAO Appropriations Received: $482,395,000
GAO FTEs: 3,194
Financial Benefits: $51 billion
Other Benefits: 1,342
ROI per $1 invested in GAO: $105

Selected Major Financial Benefits Reported (billions of dollars):

- “Ensured continued monetary benefits from federal spectrum auctions” 6.1
- “Encouraged DOD to identify and reduce unobligated funds in [O&M] budget” 3.9
- “Recommended payment methods that cut Medicare costs for durable medical equipment, orthotics, and prosthetics” 2.9
- “Helped to ensure that certain USPS retirement-related benefits would be funded” 2.2
- “Identified recoverable costs for the Tennessee Valley Authority” 1.8
- “Helped to increase collection of civil debt” 1.6
- “Encouraged [HUD] to take actions to reduce improper payments” 1.4
- “Supported the [DOE's] efforts to reduce its carryover funds” 1.2

Performance and Accountability Report Fiscal Year 2005

GAO Appropriations Received: $467,205,000
GAO FTEs: 3,189
Financial Benefits: $39.6 billion
Other Benefits: 1,409
ROI per $1 invested in GAO: $83

Selected Major Financial Benefits Reported (billions of dollars):

- “Reduced funding for a missile defense system” 4.7
- “Avoided higher costs associated with a nuclear waste disposal process” 4.5
- “Improved the Army’s force structure” 3.4
- “Reduced the cost of federally subsidized housing projects” 2.7
- “Avoided costs associated with higher payment rates at nursing homes” 2.0
- “Increased tax revenues” 1.8
- “Ensuring continued investment in the GSA's online purchasing system” 1.3
- “Reduced Navy and Air Force appropriations” 1.3
- “Eliminated [NASA’s] Prometheus 1 project” 1.1
- “Reduced the budget request for a new foreign assistance program” 1.0

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Performance and Accountability Report Fiscal Year 2004

GAO Appropriations Received: $457,606,000
GAO FTEs: 3,224
Financial Benefits: $44 billion
Other Benefits: 1,197
ROI per $1 invested in GAO: $95

Selected Major Financial Benefits Reported (billions of dollars):
- “Eliminated Medicaid’s upper payment limit loophole” 10.073
- “Updated the Consumer Price Index (CPI)” (DOL) 5.074
- “Reduced costs associated with Medicare spending on home health care” 4.661
- “Reduced the cost of federal housing programs” 3.638
- “Improved the use of the Iraqi Freedom Fund” 3.490
- “Reduced costs associated with preparing the [DOD's] financial statements” 2.057
- “Modified the focus of funding for DOD’s V-22 Osprey aircraft program” 1.618
- “Eliminated unnecessary military funding from the budget” 1.353
- “Improved DOD’s contracting and acquisition practices” .868

Performance and Accountability Report Fiscal Year 2003

GAO Appropriations Received: $453,051,000
GAO FTEs: 3,269
Financial Benefits: $35.4 billion
Other Benefits: 1,043
ROI per $1 invested in GAO: $78

Selected Major Financial Benefits Reported (billions of dollars):
- “Updated the Consumer Price Index” (DOL) 9.200
- “Eliminated Medicaid’s Upper Payment Limit Loophole” 5.900
- “Made Funds Available for Lighter-Weight Weapons Systems” 3.900


53 GAO explains how updating the DOL consumer price index would affect how other government agencies use the CPI and lead to related cost savings. For example, the Social Security Administration uses CPI to distribute benefits and the IRS uses CPI to determine tax obligations.

“Reduced the Cost of Federal Housing Programs” 3.400
“Reduced the Cost of the DOD’s Service Acquisition Process” 1.700
“Avoided Costs Associated with [Increase in] Skilled Nursing Facilities Rates” 1.000
“Recovered Supplemental Security Income Overpayments” .990
“Reduced DOD’s Implementation Risks and Purchase Costs” .780
“Ensured Defense Emergency Response Funds are Better Targeted” .517

Performance and Accountability Report Fiscal Year 2002 55

GAO Appropriations Received: $421,844,000
GAO FTEs: 3,210
Financial Benefits: $37.7 billion
Other Benefits: 906
ROI per $1 invested in GAO: $88

Selected Major Financial Benefits Reported (billions of dollars): 56

- “Safeguarding Medicare from fraud and abuse” 8.1
- “Improving [HUD’s] budget practices” 4.9
- “Reducing losses from farm loans” 4.8
- “Improving [DOD] budgeting for contingencies” 1.5
- “Reducing the cost of cleaning up hazardous waste at [DOE’s] Hanford facility” 1.5
- “Preserving an inability-to-work test as a qualification for Disability Insurance payments” 1.1

Performance and Accountability Report Fiscal Year 2001 57

GAO Appropriations Received: $384,020,000
GAO FTEs: 3,110
Financial Benefits: $26.4 billion
Other Benefits: 799


56 In its FY 2002 report, GAO explained that it was modifying its procedure for reporting fiscal benefits to show the net present value: “GAO began in fiscal 2002 to calculate financial benefits in net present value terms. Because $1 next year is worth less than $1 today, we utilize present value accounting to convert future and past values into current values for accurate comparison.”

ROI per $1 invested in GAO: $69

Select Major Financial Benefits Reported (billions of dollars):

- “Contributing to the Military Base Closure and Realignment Process” 6.0
- “Cutting the Cost of Defense’s Acquisition Infrastructure” 3.32
- “Recapturing Unexpended Balances in a Federal [HUD] Program” 3.0

Performance and Accountability Report Fiscal Year 2000 58

| GAO Appropriations Received: | $377,561,000 |
| GAO FTEs:                       | 3,192 59     |
| Financial Benefits:            | $23.2 billion |
| Other Benefits:                | 788          |
| ROI per $1 invested in GAO:    | $61          |

Selected Major Financial Benefits Reported (billions of dollars):

- “Helping to prevent fraud and abuse in Medicare” 3.0
- “Cutting costs of the F-22 aircraft program” .552
- “Recapturing excess HUD funding” 2.95

Performance and Accountability Report Fiscal Year 1999 60

| GAO Appropriations Received: | $354,300,000 |
| GAO FTEs:                     | 3,200 61     |
| Financial Benefits:          | $20.1 billion |
| Other Benefits:              | 607          |
| ROI per $1 invested in GAO:  | $57          |

59 The FTE amount was not reported in the FY 2000 report. This figure is drawn from the FY 2001 report, which included prior-year FTEs.
60 U.S. General Accounting Office, Accountability Report, 1999 (March 2000). https://www.gao.gov/assets/210/200094.pdf. GAO’s report for this year did not include subject headings describing the selected financial benefits; the summaries here are mine.
61 GAO did not provide a precise FTE estimate in this report; however, it described having “approximately 3,200 employees.”
Selected Major Financial Benefits Reported (billions of dollars):

- Greater financial returns on federal assets by the Energy Department 1.5
- Greater financial returns on federal assets by the Treasury Department .810
- Efficiency at VA hospitals .566
- Health care/Medicare fraud 2.2
- Medicare adjustment 1.5
- Health Care Financing Administration .058
- HUD Community and Economic Development .936
- IRS ("Improving the Tax System") 1.3
- HUD avoided costs, rescissions, and other savings 5.3
- Environmental Protection .115
- Military Personnel Budget Reduction .609
DAN LIPS

DAN LIPS is the Director of Cyber and National Security Policy at the Lincoln Network. Prior to Lincoln, Lips served as Assistant Vice President for Policy and Government Affairs at the Internet Security Alliance. Previously, from 2011-2019, Lips worked on the staff of the U.S. Senate Homeland Security and Governmental Affairs Committee, including serving as the majority staff’s homeland security policy director. His legislative accomplishments include bipartisan legislation to modernize federal information security management and to authorize the Department of Homeland Security’s cybersecurity programs. He was the lead staff author of former Sen. Tom Coburn’s final oversight report: A Review of the Department of Homeland Security’s Missions and Performance.

Before working on Capitol Hill, Lips served as an analyst with the Federal Bureau of Investigation, focusing on cybersecurity and intelligence. From 2000 to 2010, he worked for federal and state think tanks, concentrating primarily on education policy, including serving as a senior policy analyst with the Heritage Foundation. He earned a bachelor’s in politics from Princeton University, and a master’s degree in Statecraft and National Security Affairs from the Institute of World Politics.