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Written Testimony for U.S. Senate, Committee on Appropriations
Subcommittee on the Legislative Branch
U.S. Government Accountability Office Appropriations

Chairman Reed, Ranking Member Braun, and Members of the Subcommittee:

My name is Dan Lips. I am head of policy at Lincoln Network. I respectfully urge the subcommittee to fully fund the Comptroller General's budget request of \$810 million for the U.S. Government Accountability Office (GAO) for FY2023 (an increase of \$91 million or 12.7 percent).¹ Fully funding this request would allow the Comptroller General to increase GAO's staffing by 100 FTEs. In addition to providing funding, I respectfully urge the subcommittee to consider ways to increase GAO's return-on-investment through several reporting requirements aimed to leverage its nonpartisan oversight to achieve taxpayer savings and other government improvements.

The Comptroller General estimates that GAO's annual return-on-investment has been \$158 to \$1 over the past five years. During that period, GAO's work resulted in more than 1,300 program and operational improvements. Overall, GAO's work has resulted in more than \$1.2 trillion in financial benefits since 2002.²

But these positive financial contributions for the federal government are only the tip of the iceberg of what GAO could accomplish if the nonpartisan watchdog agency had additional resources and its recommendations were implemented in a timelier manner. For example, GAO states that there are 4,681 open recommendations as of May 27, 2022, including 416 priority recommendations. The latter recommendations could "save large amounts of money" according to GAO.³

How much could be saved if GAO had more resources and agencies acted upon its recommendations in a timely manner? The answer is likely tens if not hundreds of billions of dollars. For example, my review of nonpublic data showing GAO's financial accomplishments

¹ U.S. Government Accountability Office, GAO-22-900396, Fiscal Year 2023 Budget Request (2021), <https://www.gao.gov/assets/gao-22-900396.pdf>.

² U.S. Government Accountability Office, GAO-22-4SP, Performance and Accountability Report Fiscal Year 2021 (2021), <https://www.gao.gov/assets/720/717654.pdf>.

³ U.S. Government Accountability Office, GAO-21-591PR, Priority Open Recommendations: Department of Transportation (2021), <https://www.gao.gov/products/gao-21-591pr>

from 2002 to 2019 found that more than 200 of GAO’s recommendations have resulted in more than \$1 billion in financial benefits during that period.⁴

Fully funding the Comptroller General’s FY2023 budget request will increase GAO’s capacity to conduct nonpartisan oversight and improve government operations for Congress and American taxpayers. In addition, Congress should explore other ways to increase GAO’s return on investment. In the report accompanying the FY2023 funding bill, the subcommittee should include reporting requirements to identify how Congress could achieve taxpayer savings and other government improvements by leveraging GAO’s nonpartisan oversight.

First, the Committee should direct the Comptroller General to report to Congress about the feasibility of setting deadlines for federal agencies to implement open recommendations. According to GAO’s 2021 performance and accountability report, GAO’s 4-year implementation rate for recommendations made in FY2017 was 76 percent.⁵ That is below GAO’s target of 80 percent. Moreover, only 45 percent of GAO’s recommendations made in FY2019 were implemented within two years.⁶ Improving the timeliness of this implementation rate and helping GAO to achieve its goal of 80 percent implementation within four years would drive significant taxpayer savings and government improvements.

In 2015, Deloitte published an analysis of past GAO reports and examined the issue of the timeliness of implementation. Authors Daniel Byler, Steve Berman, and William D. Eggers explained that,

“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.”⁷

Congress should require the Comptroller General to study and report on the feasibility of establishing target completion dates for open recommendations and publicly tracking the status of agencies’ implementation to improve transparency and government accountability.

Second, the Committee should instruct the Comptroller General to report to Congress recommendations for curbing improper payments by establishing a “permanent analytics center of excellence” within the oversight community. In March 2022 testimony, Comptroller

⁴ Dan Lips, “Reviewing the Data: How GAO Saves Taxpayer Dollars,” Lincoln Network, September 2021, <https://lincolnpolicy.org/2021/how-gao-saves-taxpayer-dollars/>.

⁵ GAO, Performance and Accountability Report Fiscal Year 2021, op. cit.

⁶ Ibid.

⁷ Daniel Byler, Steve Berman, and William D. Eggers, “Accountability quantified: What 26 years of GAO reports can teach us about government management,” Deloitte Insights, February 2015, <https://www2.deloitte.com/us/en/insights/topics/analytics/text-analytics-and-gao-reports.html>.

General Gene Dodaro explained that federal agencies reported making \$281 billion in improper payments in FY2021.⁸ This was an increase of \$75 billion in improper payments made compared to the prior fiscal year.

GAO has issued several recommendations for how Congress and federal agencies could curb improper payments. In addition, GAO's Science, Technology Assessment, and Analytics team has been developing technology solutions to improve payment integrity. The Comptroller General recently described "10 ways to improve oversight of emergency relief funds and future federal spending."⁹ He recommended that Congress establish "a permanent analytics center of excellence to help the oversight community better identify improper payments and fraud." To help address the annual \$271 billion and growing problem of improper payments, the Committee should require the Comptroller General to provide a report to Congress with specific recommendations to curb improper payments including by establishing a permanent analytic center of excellence within the oversight community.

Third, the Committee should ask the Comptroller General to provide a report to Congress with a blueprint for how the Government Accountability Office could use a more substantial funding increase to expand its oversight, enhance GAO's technical capabilities and create additional taxpayer savings and other government benefits. While the Committee and Congress have provided GAO with funding increases in recent years, the Government Accountability Office continues to operate below its historic funding and staffing levels. Specifically, budget reductions in the 1990s resulted in significant staffing and budget cuts to GAO's operations. If GAO was funded at the same percentage of discretionary spending as it was in the early 1990s, its budget would be more than \$1 billion today.

In 2022 and beyond, additional funding for GAO could be used to enhance the agency's information technology systems and capabilities. Such investments could serve as a force multiplier for the entire organization's work by improving productivity, expanding the work of GAO's Innovation Lab, and protecting sensitive information.

Since GAO routinely returns more than \$150 in financial benefits to taxpayers for each dollar that it is provided, Congress should recognize the substantial taxpayer savings and other government improvements that could be made if GAO fully recovered from the 1990s era budget and staffing reductions. In its FY2023 report, the subcommittee should require the Comptroller General to describe how GAO would expand its staffing and operations if its budget was

⁸ U.S. Government Accountability Office, EMERGENCY RELIEF FUNDS Significant Improvements Are Needed to Ensure Transparency and Accountability for COVID-19 and Beyond (2022), <https://www.gao.gov/assets/gao-22-105715.pdf>.

⁹ U.S. Government Accountability Office, "GAO Urges Action: 10 Ways to Improve Oversight of Emergency Relief Funds and Future Federal Spending," March 2022, "<https://www.gao.gov/press-release/gao-urges-action-10-ways-improve-oversight-emergency-relief-funds-and-future-federal-spending>."

increased to more than \$1 billion, or more. Specifically, it should explain what it could accomplish and its estimated return on investment should its funding be increased by \$100 million, \$200 million, \$300 million, or more, and the annual rate at which it could absorb such an increase. This report should include a description of how a larger GAO could improve oversight and governance, achieve taxpayer savings, and deepen its responsiveness to members of Congress. GAO should also explore whether there are alternative funding models that might be appropriate to support its work.

Conclusion

The funds that Congress appropriates to the Government Accountability Office are among the best tax dollars that the government spends on behalf of the American people. GAO regularly reports a return-on-investment of more than \$150 to \$1. In FY2023, the Committee should fully fund the Comptroller General's budget request and require the Comptroller General to report to Congress on new ways that the Legislative Branch can leverage GAO's nonpartisan oversight to make the federal government work more efficiently for taxpayers.