

2012 Update to
GAO Strategic Plan
2010-2015



G A O

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United States Government Accountability Office



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2012 UPDATE TO
GAO STRATEGIC PLAN
2010-2015

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LETTER FROM THE COMPTROLLER GENERAL

February 2012

I am pleased to present this interim update to GAO's 2010-2015 strategic plan for serving the Congress. We are issuing this update in response to the Government Performance and Results Modernization Act of 2010 (the Modernization Act).¹ The Modernization Act requires agencies to adjust their strategic plans as necessary in February 2012 to make them consistent with the act's requirements. Although as a legislative branch agency we are exempt from many laws that apply to executive branch agencies, we hold ourselves to the spirit of many of these laws, including the Modernization Act.

After reviewing our existing strategic plan for serving the Congress, we have determined the plan conforms to the relevant requirements for strategic plan content as defined by the Modernization Act. We issued our current strategic plan in July 2010 after extensive research and consultation with the Congress.² Fundamentally our plan remains sound. It was crafted to be comprehensive, yet flexible enough to accommodate change. Although at this time our strategic goals and objectives remain largely unaltered, we may need to revise them as we continue our ongoing outreach and consultation with our congressional clients to ensure the plan remains in tune with congressional priorities.

GAO is changing its strategic planning cycle to be consistent with the Modernization Act's requirement for agencies to update their strategic plans every 4 years rather than at least every 3 years. Therefore, the current [GAO Strategic Plan for 2010-2015](#) will remain in effect, with some minor changes, through our plan's next issuance in February 2014. The [Appendix](#) provides further details on the slight adjustments we have made to our plan and planning cycle. It also highlights some of the specific work we plan to conduct under our strategic goals and objectives to serve the needs of the Congress.

As identified in our 2010-2015 strategic plan, the cross-cutting trends likely to affect the federal government and GAO's work are still relevant today: evolving threats to U.S. national security interests, fiscal sustainability and debt challenges, a focus on economic recovery and renewed job growth, changing dynamics of global interdependence and shifts in power, transformative developments in science and technology, rapid expansion of collaborative networks, changes in government and

¹Pub. L. No. 111-352, 124 Stat. 3866 (Jan 4, 2011). The Modernization Act amends the Government Performance and Results Act of 1993 (GPRA), Pub. L. No. 103-62, 107 Stat. 285 (Aug. 3, 1993).

²*GAO Strategic Plan: Serving the Congress and the Nation 2010-2015*, [GAO-10-559SP](#) (Washington, D.C.: July 1, 2010).

governance, and demographic and societal changes affecting young and old. We expect the trends will continue to have far-reaching effects on government programs and operations, as well as the work the Congress asks GAO to conduct.

GAO will continue to provide high-quality and independent support to the Congress in ways that generate material benefits to the nation. As the Congress and the administration debate ways to address the federal government's unsustainable long-term fiscal path, our mission becomes ever more critical to help identify billions of dollars in cost-saving opportunities to tighten federal budgets and identify revenue-enhancement opportunities needed to maintain vital government services. Through our ongoing strategic planning efforts, we remain committed to providing accurate, objective, nonpartisan, and constructive information to help the Congress conduct effective oversight and fulfill its constitutional responsibilities.

GAO's strategic plan for serving the Congress and the nation highlights the broad scope of our efforts to help the institution of the Congress respond to domestic and international challenges. These efforts include current and emerging challenges to the well-being and financial security of the American people; responding to changing security threats and the challenges of global interdependence; helping transform the federal government to address national challenges; and maximizing the value of GAO by enabling quality, timely service to the Congress and being a leading practices federal agency.

GAO's work enhances accountability and can help build confidence in the ability of the federal government to serve its citizens. GAO's audit and evaluation capacity supports the Congress through original research and analysis of complex government programs. As government and society experience a period of transformation, we will continue to advise the Congress and heads of executive branch agencies about ways to make the government more efficient, effective, equitable, and responsive.

The transformative trends outlined in our strategic plan to serve the Congress are also relevant to how GAO approaches its own work and manages its internal operations. GAO has undertaken a business process re-engineering initiative to streamline our engagement process and make our reports more compatible with electronic distribution. To improve the ability of the Congress, federal agencies, and the public to access our work, GAO has expanded distribution by leveraging mobile technology, multimedia content, and social media. To extend our resources further and maintain a broad perspective on issues affecting our profession, GAO continues to strengthen its collaborative networks with the federal, state, and local audit and accountability community, as well as with our counterparts internationally and with academia.

The nation faces formidable challenges to meet the complex demands on the federal government, sustain economic recovery, and address the long-term fiscal outlook. GAO's Strategic Plan 2010-2015 provides the framework to respond effectively to the

needs of the Congress as it seeks to address these interlinked challenges. The slight adjustments we are making with this update in response to the Modernization Act, as well as the specific work we plan to pursue, will help GAO contribute to informed debate and workable solutions. We will continue to conduct outreach with the Congress to ensure both our strategic plan and our work remain responsive to any changes in external factors and congressional priorities.

A handwritten signature in black ink that reads "Gene L. Dodaro". The signature is written in a cursive style with a large, prominent "D" and a long horizontal flourish extending to the right.

Gene L. Dodaro
Comptroller General
of the United States

APPENDIX

BACKGROUND

The Government Performance and Results Act of 1993, or GPRA,³ was amended with the enactment in 2011 of the GPRA Modernization Act of 2010 (the Modernization Act).⁴ This act offers opportunities to focus sustained attention on improving the efficiency and effectiveness of federal programs and operations. The federal government, with an estimated \$3.8 trillion in outlays in fiscal 2012, is one of the world's largest and most complex entities. As we have previously reported, the Modernization Act can help address government challenges by

- instituting a more coordinated and cross-cutting approach to achieving results,
- focusing on addressing weaknesses in major management functions,
- ensuring performance information is both useful and used,
- sustaining leadership commitment and accountability, and
- engaging the Congress in identifying management and performance issues to address.⁵

GAO has been given a role in reviewing implementation of the act at several junctures, including a report due by June 2013 on initial implementation of the act's planning and reporting requirements at both the governmentwide and agency levels.⁶ GAO is also issuing several products to support the Congress's role in influencing and providing oversight of executive branch results.⁷

Further, the Modernization Act requires the Office of Management and Budget (OMB) and agencies to develop governmentwide priority goals, including goals focusing on improvements to five key management functions: financial, human capital, information technology, procurement and acquisition, and real property management. GAO's work has highlighted opportunities for improvements in each of these areas and aspects of several of them are on the GAO high-risk list due to their vulnerability to fraud, waste, abuse, and mismanagement or the need for broad-based transformation. GAO will be updating GAO's high-risk website in 2012 to reflect our most recent work related to these management areas, as well as leading practices for collaboration, strategic planning, and organizational transformation.

³Pub. L. No. 103-62, 107 Stat. 285 (Aug. 3, 1993).

⁴Pub. L. No. 111-352, 124 Stat. 3866 (Jan. 4, 2011).

⁵GAO, *Managing for Results: GPRA Modernization Act Implementation Provides Important Opportunities to Address Government Challenges*, [GAO-11-617T](#) (Washington, D.C.: May 10, 2011).

⁶[GAO-11-617T](#), p.16.

⁷GAO, *Managing for Results: Opportunities for Congress to Address Government Performance Issues*, [GAO-12-215R](#) (Washington, D.C.: Dec. 9, 2011).

MODERNIZATION ACT-RELATED CHANGES FOR GAO'S STRATEGIC PLANNING AND PERFORMANCE REPORTING PROCESS

Although we are not subject to the requirements of the Modernization Act, we intend to implement the spirit of the law as a matter of policy. Among its requirements, the Modernization Act makes both process and content changes for agency strategic plans. In terms of process, the strategic planning cycle has changed. Previously, GPRA called for agencies to update plans at least every 3 years and to cover at least a 5-year period. Now, agency plans are to be issued every 4 years and to cover at least a 4-year period. Further, agencies are to consult with the Congress every 2 years about the plan. The Modernization Act also calls for agencies to prepare an interim strategic plan update in February 2012 to make their plans consistent with the requirements of the act.

GAO will change its strategic planning cycle to that required by the Modernization Act and associated OMB Guidance; GAO is moving from a 3-year to a 4-year cycle. The current GAO Strategic Plan 2010-2015 will remain in effect through the next plan's issuance in February 2014. We have reviewed our existing strategic plan, and we broadly follow the Modernization Act's requirements for strategic plan content, with minor adjustments appropriate to our context as a legislative branch agency.

GAO is making other changes to its strategic planning and performance and accountability process to conform to the Modernization Act's requirements and implementing guidance.⁸ We have identified financial and nonfinancial benefits as our priority measures and developed a new presentation of nonfinancial benefits to provide readers with more information on the program and operational areas in which these benefits are achieved. These areas include public insurance and benefits; public safety and security; acquisition and contract management; tax administration; program efficiency and effectiveness; and business processes and management. We also updated our website on strategic planning, performance, and accountability to include data on our priority performance measures.⁹ Further, the Comptroller General designated the Chief Operating Officer as the Performance Improvement Officer for mission areas and the Chief Administrative Officer/Chief Financial Officer as the Performance Improvement Officer for internal operations.

⁸GAO will also extend the period for evaluating performance versus GAO's strategic objectives and performance goals from 3 years to 4 years—i.e., through fiscal year 2013 (vs. fiscal year 2012).

⁹See <http://www.gao.gov/about/perfmeasures.html>.

OVERVIEW OF GAO'S STRATEGIC PLAN FOR SERVING THE CONGRESS

STRATEGIC OBJECTIVES AND PLANNED WORK

As seen through our Strategic Goals and Objectives ([table 1](#)), GAO seeks not only to help position the government to better manage risks that could compromise the nation's security, health, and solvency, but also to identify opportunities for managing government programs and resources wisely for a more sustainable future. We reviewed the extent to which there had been major developments that significantly affected the focus of our work or that would require a change in our strategic objectives or performance goals. We found that our plan's strategic objectives and performance goals still reflect our likely work for the Congress. However, we are making minor adjustments to one strategic objective and two performance goals, as explained in the next section (see [page 11](#)).

Table 1: GAO's Strategic Goals and Objectives for 2010-2015

Goal 1: Help the Congress Address Current and Emerging Challenges to the Well-Being and Financial Security of the American People	
1.1	Financing and Programs to Serve the Health Needs of an Aging and Diverse Population
1.2	Lifelong Learning to Enhance U.S. Competitiveness
1.3	Benefits and Protections for Workers, Families, and Children
1.4	Financial Security for an Aging Population
1.5	A Responsive, Fair, and Effective System of Justice
1.6	Viable Communities
1.7	A Stable Financial System and Consumer Protection
1.8	Responsible Stewardship of Natural Resources and the Environment
1.9	A Viable, Efficient, Safe, and Accessible National Infrastructure
Goal 2: Help the Congress Respond to Changing Security Threats and the Challenges of Global Interdependence	
2.1	Protect and Secure the Homeland from Threats and Disasters
2.2	Ensure Military Capabilities and Readiness
2.3	Advance and Protect U.S. Foreign Policy Interests
2.4	Respond to the Impact of Global Market Forces on U.S. Economic and Security Interests

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

- 3.1 Analyze the Government’s Fiscal Position and Opportunities to Strengthen Approaches to Address the Current and Projected Fiscal Gap
- 3.2 Improve Financial Management and Internal Controls to Prevent Fraud, Waste and Abuse
- 3.3 Support Congressional Oversight of Major Management Challenges and Program Risks

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

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

Source: GAO Strategic Plan 2010-2015.

As detailed in the GAO 2010-2015 strategic plan, our strategic goals and objectives reflect the wide array of national and international issues that we cover in our mission to support the Congress and, in the case of goal 4, our efforts to ensure our internal operations support that mission efficiently and effectively. GAO serves all standing congressional committees and about 70 percent of subcommittees. GAO issues hundreds of products annually in response to congressional requests and mandates. Our 2010-2015 strategic plan addressed mandates to do major bodies of work in several areas. While other legislation with GAO mandates has been enacted since GAO’s 2010-2015 strategic plan was issued, this work generally aligns with our existing strategic objectives and performance goals. The scope of our work is broad-based, which allows us to respond to requests from the Congress that cover the full range of issues of interest to our clients. [Table 2](#) provides examples of the work GAO plans to conduct for the Congress under these strategic goals in fiscal years 2012 and 2013.

Table 2: Examples of GAO’s Planned Work by Strategic Goal

Examples of Planned Work under Goal 1	
<ul style="list-style-type: none"> ■ Evaluate efforts to address improper payments in Medicare and Medicaid ■ Assess challenges to ensuring the public’s health, such as addressing shortages of pharmaceuticals 	<ul style="list-style-type: none"> ■ Assess implementation of the Patient Protection and Affordable Care Act ■ Assess the health care provided to veterans and military families

- Assess the condition of public pension funding
- Evaluate the recession's impact on older workers' employment and retirement
- Identify challenges in veterans' employment and training
- Regularly report on GAO's findings from oversight of the Troubled Asset Relief Program (TARP)
- Conduct studies required by the Dodd-Frank Wall Street Reform Act on topics such as investor protection, Securities and Exchange Commission operations, and other reforms
- Evaluate consumer protections for financial services and products
- Assess federal efforts to mitigate foreclosures
- Evaluate management of rental housing assistance programs
- Review federal efforts to develop renewable energy and energy-efficient technologies
- Assess Environmental Protection Agency efforts to restore and maintain the nation's waters and ensure compliance with clean air requirements
- Assess implementation of the Sex Offender Registration and Notification Act
- Review federal efforts to counter domestic methamphetamine production
- Assess U.S. Postal Service plans for restructuring to address its financial outlook and condition
- Review federal efforts to promote affordable, effective telecommunications services
- Assess alternative methods for financing federal surface transportation infrastructure

Examples of Planned Work under Goal 2

- Assess the soundness and efficiency of the Department of Defense's (DOD) highest-cost weapon acquisition programs
- Evaluate the effect of recent weapon system acquisition reforms and policy changes
- Assess logistics and contractor support for the drawdown in Afghanistan
- Monitor the transition from a military-led to a civilian-led presence in postconflict areas
- Assess the implications of proposed adjustments in strategy and force structure for readiness (training, equipping, and staffing), costs and funding, and DOD's overseas presence
- Assess DOD's rationale for budget cuts
- Analyze military health care costs
- Assess the economy and efficiency of the State Department, USAID and the foreign operations of other U.S. government agencies, as well as multilateral organizations and non-governmental actors receiving U.S. support to deliver humanitarian and development assistance
- Evaluate governmentwide and agency-specific information security efforts and programs, as well as national cyber critical infrastructure protection

- Assess the Department of Homeland Security's (DHS) efforts to integrate and transform its management functions
- Assess federal efforts to share and leverage intelligence and law enforcement information to strengthen homeland security
- Evaluate the implementation of the federal Disaster Declaration Process
- Assess efforts to strengthen automated targeting of high-risk cargo transported by sea
- Assess DHS's efforts to enhance the resiliency of critical national assets, networks, and systems
- Review the coordination of federal strategies, resources, and results for enforcing U.S. immigration laws
- Assess lessons learned from DOD's 2005 Base Closure and Realignment process
- Evaluate coordination among U.S. government agencies that provide export promotion services to small businesses

Examples of Planned Work under Goal 3

- Review DOD financial management improvement efforts
- Assess federal agencies' reliance on contractors and their ability to provide effective oversight
- Identify ways to improve NASA's acquisition of major space flight projects
- Identify critical skills gaps and related human capital issues in agencies and across the federal government
- Identify actions needed to reduce duplication, overlap, and fragmentation; achieve cost savings; and enhance revenues for the federal government
- Conduct annual financial audits of the Consumer Financial Protection Bureau, Federal Deposit Insurance Corporation, Federal Housing Finance Agency, Internal Revenue Service, Securities and Exchange Commission, TARP, and the Bureau of the Public Debt, as well as a consolidated financial audit of the federal government
- Assess the implementation of the GPRM Modernization Act of 2010
- Conduct audits of federal internal controls needed to ensure accountability over resources and payments, including improper payment controls
- Assess Department of Energy's priorities for scientific investment
- Review federal management and effectiveness in carrying out IT acquisition, development, and integration efforts
- Monitor and update GAO's high-risk list of programs vulnerable to waste, fraud, abuse, and mismanagement
- Evaluate government efforts to reduce the gap between taxes owed and taxes collected
- Review issues related to financing the federal government's growing debt
- Conduct bimonthly reviews of how recipients such as state-level agencies use the Recovery Act's funds
- Continue work on technology assessments, as deemed necessary by the Congress, potentially including homeland security, information technology, nanotechnology, synthetic biology, and hypersonic aviation

Examples of Planned Work under Goal 4

- Complete an end-to-end analysis of our engagement process and implement actions to significantly improve efficiency while maintaining quality
- Improve staff utilization to enhance our agility and responsiveness
- Pursue alternative methods for communicating the results of our work to significantly improve our ability to quickly provide important content in easy-to-use formats
- Continue to pursue operational efficiencies in administrative support areas
- Conduct a pilot of expanded telework, explore office sharing, and examine ways to reduce infrastructure costs and enhance employee flexibility

Source: GAO.

As identified in our 2010-2015 strategic plan, the cross-cutting trends likely to affect the federal government and GAO's work are still relevant to the work we expect to do during this planning period. For example, in our 2010-2015 strategic plan, issued in July 2010, we had noted the urgency surrounding the nation's debt and long-term fiscal challenges, as well as the challenges associated with recovery from the worst economic downturn since the Great Depression in an environment of high joblessness and weak housing and commercial real estate markets. Concerns about Europe's sovereign debt and possible spillover effects were also growing. Rising poverty had joined with aging to test our nation's social safety net.

A scan of developments since that time shows these challenges persist. Notably, passage of the Budget Control Act of 2011¹⁰ has improved the nation's fiscal outlook by enacting measures that the Congressional Budget Office has estimated will reduce the deficit by \$2.1 trillion over the period of fiscal years 2012 to 2021. But even with the act, GAO's simulations show that reaching a sustainable path over the long term will require steps to address the major drivers of the federal budget—an aging population, rising health care costs, and revenues. Further, GAO's report on the 10th anniversary of September 11 found real progress in protecting the country from terrorist attacks. Yet we found that shortcomings persist in border security and visa overstays, airline screening, and emergency preparedness. GAO's work also evolved to reflect changing societal and technological trends. For example, our recent report on distance education recommended improvements in the Department of Education's data collection and oversight to better assure academic quality over the growing number of programs serving diverse student populations.¹¹

¹⁰Pub. L. No. 112-25, 125 Stat. 240 (Aug. 2, 2011).

¹¹GAO, *Higher Education: Use of New Data Could Help Improve Oversight of Distance Education*, GAO-12-39 (Washington, D.C.: Nov. 17, 2011).

ADJUSTMENTS TO CERTAIN STRATEGIC OBJECTIVES

Our 2010-2015 strategic plan notes that as the Congress focuses on known challenges facing the nation and responds to unforeseen events, the mix of work we are asked to undertake may change, necessitating that we adjust our priorities as appropriate or focus or modify the resources allocated for some strategic objectives and performance goals.

MINOR CHANGES TO GAO'S STRATEGIC OBJECTIVES FOR HEALTH CARE AND FINANCIAL MANAGEMENT

Health care is a major driver of the federal budget and an important concern for all Americans. Our 2010-2015 strategic plan factored in the prospect of passage of far-reaching reform that included mandates for GAO, but the focus of our planned work has become clearer based on ongoing consultations with the Congress as well as experience with enacted law. As a result, we made some slight changes to several performance goals under Strategic Objective 1.1, *Financing and Programs to Serve the Health Needs of an Aging and Diverse Population*, to more fully reflect our efforts on Medicare and Medicaid.

We are also retitling Strategic Objective 3.2 to *Improve Financial Management and Internal Controls to Prevent Fraud, Waste, and Abuse*. This better reflects the full spectrum of work being done for the Congress under that objective, notably GAO's sustained efforts directed at establishing a sound foundation for federal financial management, including in such high-risk areas as defense financial management. Our work includes audits directed at improving federal accountability for assets and operations and identifying governmentwide opportunities to improve controls to prevent improper payments and deter fraud, waste, and abuse.

NEW DEVELOPMENTS AFFECT THE EMPHASIS OF GAO'S WORK ON HEALTH CARE

We will continue to contribute to congressional oversight of implementation of health insurance reforms included in the Patient Protection and Affordable Care Act (PPACA), as amended, through work on health insurance and aspects of the Medicaid program significant to its expansion. In fiscal year 2011, GAO contributed 20 products in this area. More work is continuing this year, and includes

- the transition from the health coverage tax credit to PPACA premium subsidies,
- estimates of the number of adults with pre-existing conditions, and
- employers' anticipated responses to PPACA.

GAO is also reviewing

- access to care for Medicaid recipients,
- states' efforts to implement the Medicaid expansions under PPACA,

- children's access to health insurance coverage under PPACA,
- states' plans to implement PPACA options for increasing home and community-based services in Medicaid, and
- Centers for Medicare & Medicaid Services (CMS) and state efforts to reduce improper payments in the Medicaid program.

Health care-related work is continuing on other high-priority issues, such as implementation of strategies to help address improper payments in the Medicare program and efforts to improve quality of care, such as our just-issued products on shortages of medicine.¹² Our work has intensified under Performance Goal 1.1.6, *Assessing Actions and Options for Improving Department of Veterans Affairs (VA) and DOD Health Care Services*. With more servicemembers transitioning to VA with the winding down of the wars in Iraq and Afghanistan, there will likely be more demand on VA, which could affect access. As a result, we have done work to help ensure that VA's budget planning is adequate for the growing care needs, as well as examined health care for women servicemembers and veterans. Coordination of care for servicemembers leaving active duty is also a concern. A current GAO engagement is evaluating the transition of servicemembers from DOD to VA in terms of drug needs—in particular, psychiatric and pain medications.

NEW DEVELOPMENTS AFFECT THE EMPHASIS OF GAO'S WORK ON NATURAL RESOURCES AND DEFENSE

New developments since our issuance of our strategic plan are also having an impact on the particular engagements GAO is being asked by the Congress to conduct. For example, in connection with our Strategic Objective 1.8, *Responsible Stewardship of Natural Resources and the Environment*, work has increased in

- federal oversight of offshore oil and gas operations and oil spill prevention and response, as a result of the Macondo oil spill in 2010;
- nuclear reactor and nuclear fuel safety and security, as a result of the 2011 tsunami in Japan;
- environmental impacts of hydraulic fracturing, as a result of concerns about increased oil and gas development;
- environmental regulatory issues, as a result of the national debate around the impact of regulation on jobs;
- flood control, as a result of serious floods in the Midwest during 2011; and
- agricultural spending, particularly in the area of farm subsidies, as a result of national interest in budgetary savings.

The focus of our planned work on defense may also somewhat shift going forward. Our plan for defense-related work already reflected budgetary pressures on the military, issues associated with reducing the U.S. presence in Afghanistan, and

¹²See [GAO-12-116](#) and [GAO-12-315T](#).

efforts to counter Iran and North Korea's nuclear ambitions, as well as emerging concerns over security of supplies and natural resources in the face of widespread outsourcing and competition with China. However, our ongoing consultations with the Congress suggest that the administration's new strategic guidance may change the focus of that work. Issued in January 2012, the guidance states that the United States will continue to meet its global responsibilities, but in a manner more aligned with current and emergent requirements and constrained budgets. The administration proposes rebalancing U.S. global priorities toward the Asia-Pacific region; reducing "protracted, large scale operations"; and reducing infrastructure by seeking congressional authority to begin another base-closure process. Although the full impact of budgetary pressures on defense is unknown, our work will likely increasingly focus on how DOD plans to achieve greater efficiencies in its operations and balance planned investments in personnel, weapon systems, and training.

ACTIONS GAO HAS TAKEN TO CONSTRAIN COSTS AND IMPROVE EFFICIENCY

Our 2010-2015 strategic plan also noted that several external factors could affect the achievement of our performance goals, including the resources we receive. Since fiscal year 2010, GAO has significantly reduced spending throughout the agency. Our fiscal year 2012 appropriation is \$45 million, or 8.1 percent, below fiscal year 2010. We streamlined costs and are operating at a reduced level through staffing reductions, voluntary retirements, voluntary separation incentives, and extremely limited hiring to only replace critical vacancies; reducing staff retention programs, such as student loan repayments and incentive awards; and reducing or deferring operational costs and investments in information technology (IT), facilities, and other support services. Since fiscal year 2010, we have reduced engagement support costs, such as travel and external specialized expertise, by over 20 percent and reduced infrastructure support costs, such as IT and administrative support services, by over 18 percent.

In addition, we are continuing to explore other opportunities to enhance workforce and budget flexibilities to help reduce our infrastructure costs, provide staff more flexibility and increase our effectiveness and efficiency, such as streamlining our engagement-management process; expanding our telework policies; reducing our physical footprint both in headquarters and in our field offices; exploring office-sharing; expanding our video-conference capability; and attracting an additional tenant in GAO's headquarters building to increase revenue.

GAO updated the management challenges facing the agency to include a new challenge related to improving efficiency in its mission work. This intensifies and expands on some of the efforts already included in the GAO Strategic Plan 2010-2015 and involves such steps as

- an end-to-end analysis of our engagement management process to identify ways to improve efficiency while maintaining adherence to essential quality standards;
- better capitalizing on our employees' flexibility and agility when assigning work, such as through multitasking of staff across multiple engagements and enlisting expertise where needed; and
- building on GAO's progress in tailoring and presenting information to be more web-friendly, repurposing valuable content in existing reports, and leveraging in-house expertise to inform decision making on key issues.¹³

GAO is continuing its effort to network with federal, state, and local officials with similar or complementary missions to enhance GAO's knowledge, agility, and response time. These collaborations have been instrumental in facilitating GAO's audit work, creating efficiencies, avoiding duplication of effort, and sharing best practices.

We are also consulting continuously with congressional committees to assure that our work is focused on their highest priorities. Additionally, we continue to work with committees to amend or repeal statutory mandates for GAO studies that have outlived their usefulness or do not represent the best use of GAO's resources given current congressional priorities.

GAO'S STRATEGIC PLAN HELPS GAO RESPOND TO A DYNAMIC ENVIRONMENT

Fiscal year 2011 was an active and challenging time for GAO. We succeeded at performing our mission, responding to mandates, and accomplishing many of our goals while managing budget constraints. Fiscal years 2012 and 2013 bring more challenges with responsibilities to further assess and report on government programs and financial regulatory reform efforts, among many other pressing issues. GAO will continue to place a priority on providing quality products in a timely fashion that identify opportunities for eliminating waste and enhancing revenue across the federal government.

The current and emerging challenges facing the federal government and the seriousness of its fiscal outlook will require close attention in the coming years. GAO's Strategic Plan for 2010-2015 provides a framework to help understand and address these challenges. The slight adjustments to our planning cycle and strategic objectives we are making with this update, as well as the specific work we plan to pursue, will help GAO continue to be prepared to serve the Congress today and in the future.

¹³GAO, *Fiscal 2011 Performance and Accountability Report*, [GAO-12-4SP](#) (Washington, D.C., Nov. 15, 2011), 60-61.

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