

# Federal Fiscal Risks

Fiscal exposures are programs and activities that may expose the government to future spending.

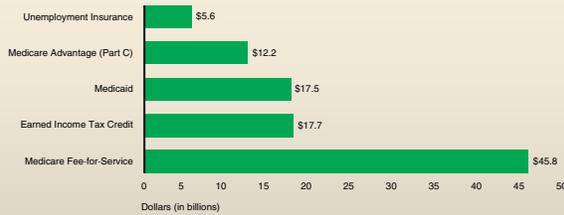
## AN OVERVIEW



### GOVERNMENT OPERATIONS

Implementation risks in federal operations may lead to inefficient or improper spending or foregone revenues.

Programs with the Highest Reported Amounts of Improper Payments in Fiscal Year 2014



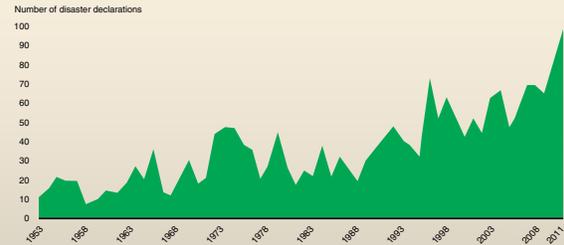
Source: GAO summary of agency data.



### ENVIRONMENT & DISASTERS

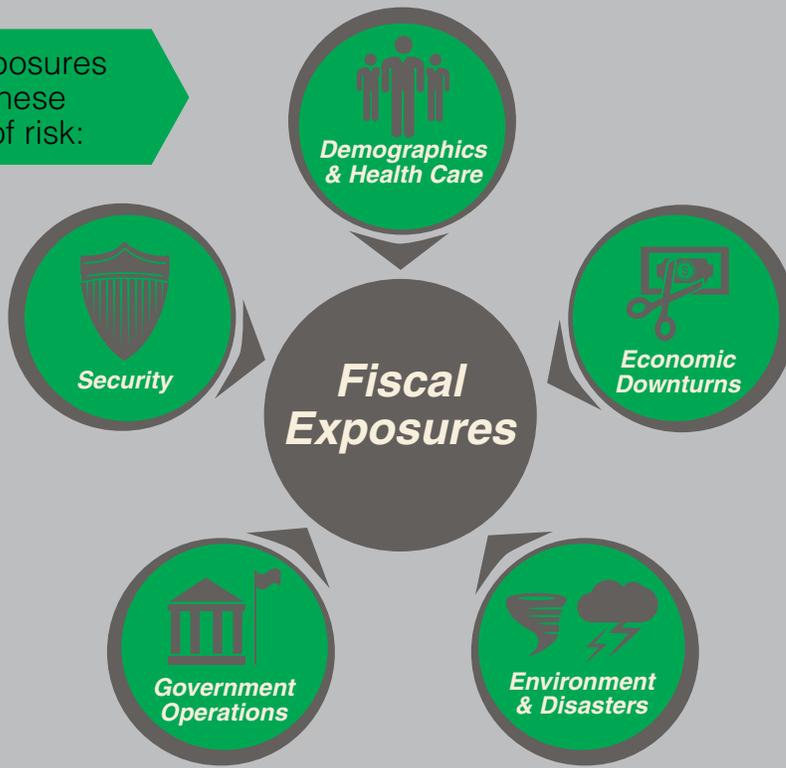
Extreme weather events and other disasters have cost hundreds of billions of dollars over the past decade.

Number of Disaster Declarations during Fiscal Years 1953 through 2011



Source: GAO analysis of Federal Emergency Management Agency data as issued in GAO-12-838.

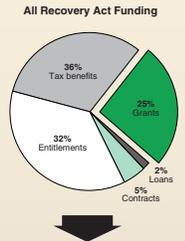
Many fiscal exposures come from these five sources of risk:



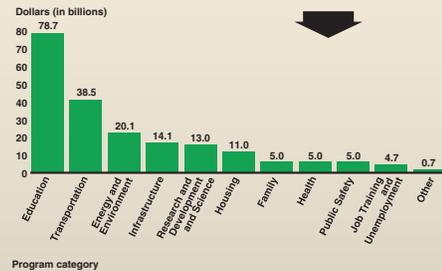
### ECONOMIC DOWNTURNS

The federal government's response to the financial crisis that began in 2008 demonstrated the role of federal assistance in supporting the U.S. economy in a downturn.

Overview of Recovery Act Spending by Program and Category



Grant programs by category\*

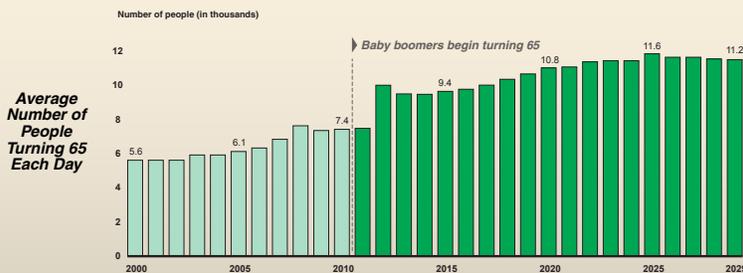


Source: GAO analysis of Recovery.gov, U.S. Treasury Federal Agency Financial and Activity Reports, and Recovery Act recipient reporting data. | Excerpted from GAO-14-219.  
Note: Data presented as of October 31, 2013. Medicaid is included in the entitlement category of the pie chart and not reflected in the bar chart.



### DEMOGRAPHICS & HEALTH CARE

Trends such as the aging population and rising health care costs drive spending for major health and retirement programs.



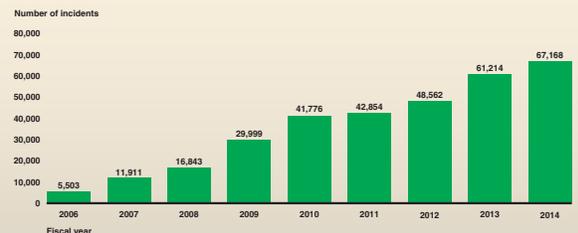
Source: GAO analysis of U.S. Census Bureau data. | Excerpted from GAO-15-246CG.



### SECURITY

A complex, uncertain national security environment can increase the costs of addressing challenges such as regional instability, weapons proliferation, and cyber attacks.

Number of Cyber Incidents Reported



Source: GAO analysis of U.S. Computer Emergency Readiness Team data for fiscal years 2006-2014. | Excerpted from GAO-15-290.  
Note: Data presented are the number of incidents reported to the US-CERT during this period.

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