PERMANENT FUNDING AUTHORITIES

Some Selected Entities Should Review Financial Management, Oversight, and Transparency Policies

What GAO Found

Permanent authorities to collect and obligate fees, fines, penalties and other funds without further congressional action vary in the degree to which Congress retains control over collections and obligations or delegates control to the entities that administer them. For the purposes of this report, GAO refers to these legal authorities as permanent funding authorities. GAO examined five case studies that illustrate the variation in permanent funding authorities: the Department of Agriculture’s Animal and Plant Health Inspection Service (APHIS); the Consumer Financial Protection Bureau (CFPB); the Department of Justice’s (DOJ) Crime Victims Fund (CVF); the Gulf Coast Restoration Trust Fund (Trust Fund); and the Public Company Accounting Oversight Board (PCAOB), overseen by the Securities and Exchange Commission (SEC).

Permanent funding authorities vary on three key dimensions: control over the amount of collections, control over use of collections, and autonomy over budget. For example, in some cases entities with these authorities, such as APHIS, control the amount of collections, while in other cases, such as the CVF, another entity, such as the courts, controls collections. There may also be statutory timing, amount, or purpose limitations on the use of collections. Moreover, under varying administrative structures, the entity may have the autonomy to formulate and execute its own budget, or its budget may be subject to review by external entities such as the Office of Management and Budget (OMB). Because government-wide data sources were not designed to inventory or analyze statutory authorities, they do not provide comprehensive information on permanent funding authorities.

All entities GAO examined have policies and procedures to manage funds and report information that facilitates oversight. For example, in some cases entities with these authorities, such as APHIS, control the amount of collections, while in other cases, such as the CVF, another entity, such as the courts, controls collections. There may also be statutory timing, amount, or purpose limitations on the use of collections. Moreover, under varying administrative structures, the entity may have the autonomy to formulate and execute its own budget, or its budget may be subject to review by external entities such as the Office of Management and Budget (OMB). Because government-wide data sources were not designed to inventory or analyze statutory authorities, they do not provide comprehensive information on permanent funding authorities.

What GAO Recommends

To ensure efficient resource use, APHIS, CFPB, and SEC—in its oversight of PCAOB—should review reserve targets. To facilitate oversight, SEC should establish time frames for PCAOB’s annual report. The Department of Agriculture, CFPB, PCAOB, and SEC agreed with GAO’s recommendations.

View GAO-17-59. For more information, contact Susan Irving, Director for Federal Budget Analysis at (202) 512-6806 or irvings@gao.gov.