

GAO Highlights

Highlights of [GAO-19-575T](#), a testimony before the Subcommittee on Government Operations, Committee on Oversight and Reform, House of Representatives

Why GAO Did This Study

In June 2018, the administration proposed reorganizing OPM by devolving its responsibilities to other agencies and entities including GSA and the EOP; see the figure for details. OMB's role is to coordinate and oversee the reorganization proposal, with support from OPM and GSA. In June 2018, GAO reported on key practices to assess agency reform efforts.

This testimony focuses on preliminary observations from GAO's ongoing work related to the transfer of functions from OPM to GSA and the EOP. Specifically, we evaluated (1) the extent to which OMB, OPM, and GSA have addressed key practices for effective reforms and reorganizations; (2) legal authorities that may affect the reorganization of OPM, and (3) key capacities important for effective strategic human capital management, which need to be in place regardless of how the leadership over federal human capital is organized.

For the information in this testimony, as of May 17, 2019, GAO met with OMB staff, GSA officials, OPM's and GSA's Inspectors General staff, and analyzed documentation provided by GSA. GAO also reviewed its prior related work.

View [GAO-19-575T](#). For more information, contact Triana McNeil at (202) 512-6806 or McNeilT@gao.gov.

May 21, 2019

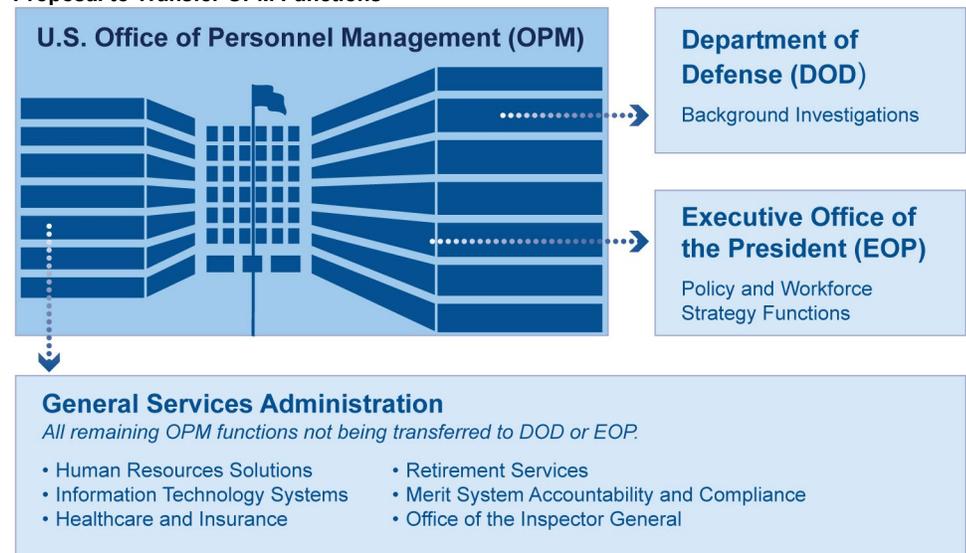
GOVERNMENT REORGANIZATION

Issues to Consider in the Proposed Reorganization of the Office of Personnel Management

What GAO Found

The Office of Management and Budget (OMB), Office of Personnel Management (OPM), and General Services Administration (GSA) have generally not addressed key practices for agency reform efforts as they have moved forward with their proposal to reorganize OPM. They have not established outcome-oriented goals, developed a cost-benefit analysis or implementation plans, and have not fully involved or communicated their efforts with the Congress, employees, and other key stakeholders. OPM and GSA also have not shown how they will address management challenges that may affect their ability to successfully reorganize the government's central human capital functions.

Proposal to Transfer OPM Functions



Source: GAO analysis of OMB's documents. | GAO-19-575T

OMB, OPM and GSA have not identified specific actions, as of May 17, 2019, that can be taken administratively versus those that will require legislative action to reorganize OPM. The administration has acknowledged the need for additional statutory authority to execute certain transfers of functions from OPM to GSA and the Executive Offices of the President (EOP), but has also stated that it will rely on existing authority to move certain functions administratively. Without additional information from OMB and agencies, GAO cannot assess the legal authorities the administration is relying on to implement the reorganization.

As the Congress and administration consider whether or how to restructure OPM, it will be important to retain the capacity to execute certain government-wide, strategic human capital functions, regardless of the decision made about the organizational arrangement. These capacities include an ability to identify future workforce trends and to effectively collaborate with stakeholders—for the purpose of creating, executing, and overseeing human capital policies and programs, and enforcing civil service laws and regulations. This is particularly important because GAO continues to designate strategic human capital management as a high-risk area.