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Congressional Committees

GAO Audits Involving DOD: Status of DOD’s Efforts to Schedule and Hold Timely Entrance Conferences

GAO’s agency protocols govern GAO’s relationships with audited entities. These protocols, coordinated with federal agencies including the Department of Defense (DOD), assist GAO in scheduling an entrance conference within 14 calendar days of receiving notice of a new audit.¹ Entrance conferences provide GAO an opportunity to communicate its audit objectives and enable agencies to assign key points of contact to support its work. In past years, DOD has experienced difficulty meeting the protocol target for the timely facilitation of entrance conferences.

In Senate Report 116-48 accompanying a bill for the National Defense Authorization Act for Fiscal Year 2020, the Senate Armed Services Committee included a provision for GAO to review DOD’s timely scheduling and holding of entrance conferences. This report evaluates the extent to which DOD scheduled entrance conferences within 14 days, consistent with GAO protocols, and also held those conferences within 30 days. This is the second of four reports that we will produce on this topic for fiscal year 2020.²

To address our objective, we collected and analyzed data on GAO audits involving DOD that were initiated in the second quarter of fiscal year 2020, January 1, 2020, through March 31, 2020. Specifically, we determined the number of notification letters requesting entrance conferences that GAO sent to DOD during that time period. We also reviewed data collected by DOD on entrance conference requests to ensure data consistency. We defined the date an entrance conference was scheduled as the date the relevant GAO team received a communication, such as an email, appointment, or phone call from DOD, stating that an entrance conference had been scheduled. We then analyzed the data to determine the number of days between when DOD received the notification letter for each new audit and when DOD scheduled the entrance conference and assessed whether DOD scheduled entrance conferences within 14 days of notification, which is the time frame identified in GAO’s protocols. We also determined the date that each requested entrance conference was held (i.e., actually occurred) by collecting this information from the relevant GAO team for each engagement and assessed whether DOD held entrance conferences for new engagements within 30 days of notification, which was the time frame identified in the mandate for this review.

¹GAO, *GAO’s Agency Protocols*, GAO-19-55G (Washington, D.C.: Jan. 23, 2019).

²We issued the first quarterly report earlier this year. See GAO, *GAO Audits Involving DOD: Status of DOD’s Efforts to Schedule and Hold Timely Entrance Conferences*, GAO-20-391R (Washington, D.C.: Feb. 12, 2020).

We conducted this performance audit from January 2020 to May 2020 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Background

The Audit Management Division (AMD) within DOD's Washington Headquarters Services (WHS) facilitates the scheduling of entrance conferences with DOD. WHS is a DOD

Field Activity, reporting to DOD's Chief Management Officer (CMO), who serves as the principal advisor to the Secretary and Deputy Secretary on establishing policies for, and directing the business enterprise operations of the department, including among other things planning and processes, performance measurement and management, and business information technology management and improvement activities and programs. DOD established AMD on April 1, 2019, to improve DOD's management oversight and facilitation for GAO audit engagements and assist the DOD Inspector General with the follow-up of recommendations.

The CMO serves as DOD's central liaison with GAO teams on all matters concerning GAO's engagements, reports, and activities. AMD officials assign an audit liaison to each new GAO engagement upon receipt of a notification letter requesting an entrance conference. Scheduling entrance conferences requires the coordination and availability of key officials within the AMD, from various DOD offices, and GAO. Specifically, the AMD designates a primary action officer from the appropriate office or component within the department that will be responsible for facilitating access and availability of DOD officials and documents as required by the audit and coordinating DOD's official response to the audit. The AMD also designates appropriate collateral action offices to facilitate GAO's ability to meet with DOD officials to obtain the required information to address the audit objectives outlined in the notification letter.

An entrance conference is a meeting that GAO holds with agency officials at the start of an engagement. As noted earlier, GAO expects that an agency will arrange for an entrance conference to be scheduled no later than 14 calendar days after receiving a request for a meeting. At the entrance conference, GAO discusses (1) the source of the work; (2) the roles and responsibilities of the GAO staff; (3) information needs (e.g., data and access to agency officials); (4) key objectives (i.e., research questions); (5) sites where GAO expects to conduct its work, when known; and (6) the need for any precautions to protect the data and information, such as security clearances. To the extent possible, GAO also provides the agency with an estimate of how long the work will take.³

DOD and GAO can, in certain circumstances, mutually agree that an entrance conference for a specific engagement is not required. For example, GAO's protocols state that an entrance conference may not be required in instances when GAO is (1) responding to congressional requests for testimony based on ongoing or recently completed work, (2) performing work that is to be completed within a short time frame and is closely related to ongoing work, (3) updating the implementation status of recommendations made in issued products, or (4) collecting descriptive information from or about agencies as part of a government-wide review.

DOD guidance describes the policies and responsibilities for responding to GAO requests related to conducting surveys, reviews, and other audit activities within DOD, as well as the

³GAO-19-55G.

policies and responsibilities for providing DOD responses to GAO’s draft and final reports and other documents.⁴

DOD Generally Scheduled Entrance Conferences within 14 Days and Held the Conferences within 30 Days of Notification

GAO began 49 new audits for which it requested an entrance conference with DOD during the second quarter of fiscal year 2020.⁵ We found that DOD generally scheduled entrance conferences within 14 days and held those conferences within 30 days of notification. As shown in table 1, during the second quarter of fiscal year 2020, of the 49 requested entrance conferences, DOD scheduled 45 entrance conferences within 14 days of notification and held 48 entrance conferences within 30 days of notification.

Table 1: Department of Defense (DOD) Entrance Conferences Scheduled and Held within Certain Time Frames, Second Quarter of Fiscal Year 2020

	Total number of GAO requests for entrance conferences	Scheduled within 14 days	Scheduled after 14 days	Held within 30 days	Held after 30 days
Number of audits	49	45	4	48	1

Source: GAO analysis of GAO and DOD information. | GAO-20-547R.

Of the four entrance conferences scheduled more than 14 days after notification, DOD officials stated that two of the four conferences were scheduled late due to difficulties in identifying a primary action officer or aligning the schedules of DOD and GAO officials. A third was not scheduled because DOD and GAO mutually agreed to postpone the audit due to the COVID-19 pandemic limiting access to classified resources needed for this audit’s work. Finally, GAO requested a pause in scheduling the fourth upon learning that the DOD Office of Inspector General had similar work underway.

For the one entrance conference that was held beyond 30 days of notification, DOD officials stated that it was held late due to difficulties in coordinating schedules. In addition, DOD officials stated that DOD and GAO mutually agreed to postpone an additional entrance conference until after this quarter since much of this audit work would be classified and, therefore, delayed due to the COVID-19 pandemic. Table 2 shows the average number of days, as well as the range of days, DOD took to schedule and hold entrance conferences.

⁴DOD Instruction 7650.02, *Engaging with the Government Accountability Office (GAO) on GAO Audits*. (Jan. 24, 2020)(reissuing DOD Instruction 7650.02, *Government Accountability Office (GAO) Reviews and Reports*, (Nov. 20, 2006, Incorporating Change 1).

⁵GAO made a total of 57 requests for entrance conferences to DOD during the reporting period. GAO and DOD officials mutually agreed that an entrance conference was not required for eight engagements.

Table 2: Average, Minimum, and Maximum Number of Days That the Department of Defense (DOD) Took to Schedule and Hold GAO Entrance Conferences

Entrance conference	Average	Minimum	Maximum
Scheduled	10	0	34
Held	19	7	31

Source: GAO analysis of GAO and DOD information. | GAO-20-547R

During this quarter, AMD officials also began electronically copying the relevant GAO officials on internal departmental communication that identifies the DOD primary action officer responsible for the audit, the date the entrance conference was scheduled, and the date the entrance conference is to be held. As a result, GAO teams are generally informed of entrance conferences several days earlier than they were in the past.

Agency Comments

We provided a draft of this report to DOD for review. DOD did not provide formal comments on this report, but offered technical comments, which we incorporated as appropriate.

We are sending copies of this report to the appropriate congressional committees and the Secretary of Defense. In addition, the report is available at no charge on the GAO website at <http://www.gao.gov>.

If you or your staff have any questions about this report, please contact me at (202) 512-2775 or Fielde1@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. GAO staff who made key contributions to this report were Suzanne Perkins, Assistant Director; Nicole Harris, Analyst in Charge; Laura Anderson; Juliee Conde-Medina; Suzanne Kaasa; Ronald La Due Lake; Felicia Lopez; and Ophelia Robinson.



Elizabeth Field
Director, Defense Capabilities and Management
Enclosure – 1

List of Committees

The Honorable James M. Inhofe
Chairman

The Honorable Jack Reed
Ranking Member
Committee on Armed Services
United States Senate

The Honorable Richard C. Shelby
Chairman

The Honorable Dick Durbin
Ranking Member
Subcommittee on Defense
Committee on Appropriations
United States Senate

The Honorable Adam Smith
Chairman

The Honorable Mac Thornberry
Ranking Member
Committee on Armed Services
House of Representatives

The Honorable Pete Visclosky
Chairman

The Honorable Ken Calvert
Ranking Member
Subcommittee on Defense
Committee on Appropriations
House of Representatives

Enclosure 1 - List of GAO Audits for Which DOD Did Not Schedule or Hold Timely Entrance Conferences

Table 3 identifies the unique identifier (GAO job code) for each audit for which an entrance conference was not scheduled within 14 calendar days or not held within 30 days of the Department of Defense's (DOD) being notified of GAO's request for an entrance conference.

Table 3: Days Needed to Schedule and Hold Delayed Entrance Conferences with the Department of Defense (DOD), by GAO's Unique Identifiers (Job Codes)

Unique identifier (job code)	Days needed to schedule entrance conference ^a	Days needed to hold entrance conference
104028	22	31
104015	16	under 30 days
104070	18	under 30 days
104082	34 ^b	not held due to COVID-19

Source: GAO analysis of GAO and DOD information. | GAO-20-547R

Note: An "entrance conference" is an initial meeting between agency officials and GAO staff, which allows GAO to communicate its audit objectives and enables agencies to assign key personnel to support the work.

^aGAO's protocols that govern GAO's relationships with audited agencies assist GAO in scheduling an entrance conference with key agency officials within 14 calendar days of receiving notice of a new audit.

^bAccording to DOD officials, the notification letter for 104082 was sent to DOD on March 10, 2020, and GAO and DOD both began maximum telework due to COVID-19 on March 13, 2020. The lack of access to secure facilities and the classified nature of this review contributed to scheduling delays. (Job Code 104124)