



441 G St. N.W.
Washington, DC 20548

Comptroller General
of the United States

May 23, 2023

The Honorable Shalanda Young
Director
Office of Management and Budget
725 17th Street, NW
Washington, D.C. 20503

Priority Open Recommendations: Office of Management and Budget

Dear Ms. Young:

I appreciate my ongoing meetings with Deputy Director Jason Miller and look forward to continuing a constructive working relationship between our two institutions. As you know, the purpose of this letter is to update you on the overall status of the Office of Management and Budget's (OMB) implementation of our recommendations and to call your continued personal attention to areas where open recommendations should be given high priority.¹ In November 2022, we reported that, government-wide, 77 percent of our recommendations made 4 years ago were implemented.² OMB's recommendation implementation rate for this period was 41 percent.³ As of May 2023, OMB had 160 open recommendations. Fully implementing these open recommendations could significantly improve OMB's operations.

Since our July 2022 letter, OMB has implemented one of our 44 open priority recommendations and we have removed the priority status from six other recommendations.

- We have closed one recommendation related to fraud risk management. OMB issued a Controller Alert in October 2022 that helped clarify the distinction between the Fraud Reduction and Data Analytics Act of 2015 requirements and Enterprise Risk Management to ensure fraud risks are appropriately managed. Clarifying these requirements for fraud risk management is responsive to our recommendation. It will help ensure that agencies are better positioned to improve controls and procedures to

¹Priority recommendations are those that we believe warrant priority attention from heads of key departments or agencies. They are highlighted because, upon implementation, they may significantly improve government operations, for example, by realizing large dollar savings; eliminating mismanagement, fraud, and abuse; or making progress toward addressing a high-risk or duplication issue.

²GAO, *Performance and Accountability Report: Fiscal Year 2022*, [GAO-23-900398](#) (Washington, D.C.: Nov. 15, 2022).

³We previously reported that the recommendation implementation rate for recommendations made to OMB 4 years prior were as follows: 77 percent in 2021, 60 percent in 2020, and 52 percent in 2019.

assess and mitigate fraud risks in federal programs.⁴

- We have also removed the priority designation on five recommendations related to improving the transparency of federal spending data. Among other activities, OMB's ongoing efforts to issue additional guidance, provide technical assistance to agencies on reporting, and clarify the governance structure over established data standards have led to improvements in the quality and usefulness of the spending data displayed on USAspending.gov. We believe that OMB's continued focus on responding to these five recommendations is important and we will continue to monitor its efforts toward full implementation.⁵

Given the critical role OMB plays in providing oversight of vital government-wide performance and management issues, we ask for your continued attention to the remaining 37 priority recommendations. We are also adding three new recommendations related to draft guidance on legacy information technology systems and reporting on information security programs' effectiveness. This brings the total number of priority recommendations to 40. (See Enclosure 1 for the list of recommendations).

The 40 priority recommendations fall into the following nine areas.

Developing a federal program inventory. Implementing 11 priority recommendations would help OMB plan for and create a federal program inventory that provides complete, comparable, and useful information, and better integrate related statutory requirements.⁶ The federal government spends trillions of dollars on federal programs that support the American people and address policy goals, but it does not have an inventory of all programs. In November 2021, OMB issued a plan for implementing the federal program inventory through a series of pilots, with full implementation expected in 2025. OMB expects to implement its first planned pilot in summer 2023. A comprehensive listing of programs, along with related funding and performance information, would help federal decision makers and the public better understand what the government does, what it spends, and what it achieves each year.

Improving government performance. Implementing six priority recommendations would help OMB better meet the information needs of various decision makers. These recommendations involve assessing the performance of tax expenditures, strengthening monitoring and evaluation practices for foreign assistance programs, and developing goals to support child well-being and employment for people with disabilities.

Increasing availability and transparency of government data. Implementing two priority recommendations regarding the availability and transparency of federal government data will

⁴GAO, *Fraud Risk Management: OMB Should Improve Guidelines and Working-Group Efforts to Support Agencies' Implementation of the Fraud Reduction and Data Analytics Act*, [GAO-19-34](#) (Washington, D.C.: Dec. 4, 2018).

⁵We have removed the priority designation from one other recommendation related to providing additional training and guidance to improve the accuracy of information on domestic purchasing waivers. The administration and Congress have already taken steps to address the recommendation. We have ongoing work related to waivers that will allow us the opportunity to continue to engage OMB in this topic.

⁶31 U.S.C. § 1122(a) (federal program inventory). Related statutory requirements include the Digital Accountability and Transparency Act and the Program Management Improvement Accountability Act. Pub. L. No. 113-101, 128 Stat. 1146 (2014); Pub. L. No. 114-264, 130 Stat. 1371 (2016).

require OMB to issue required implementation guidance to agencies on making data open by default and on developing and maintaining comprehensive data inventories.

Improving acquisition management and reducing costs. Implementing nine priority recommendations related to federal acquisitions would help agencies improve the manner in which they procure, track, and manage the hundreds of billions of dollars in goods and services the federal government buys each year. For example, OMB should report cost savings from the category management initiative by agency, and establish a strategic plan to coordinate agencies' responses to government-wide data challenges hindering implementation of the category management initiative. OMB should also instruct agencies to identify legacy information technology systems in need of modernization. In addition, it should ensure that the Federal Chief Information Officer is directly involved in the oversight of these efforts, as appropriate.

Reducing government-wide improper payments. OMB's ongoing efforts to implement the two priority recommendations can help OMB further address improper payments. These recommendations involve (1) developing and implementing monitoring mechanisms to evaluate agency use of the Do Not Pay working system, and (2) incorporating appropriate measures to ensure that single audit guidance is issued timely and is responsive to users' input and needs.

Strengthening cybersecurity. Six priority recommendations are aimed at strengthening cybersecurity. Implementing these recommendations will require OMB to coordinate with the Department of Homeland Security and the National Cyber Director on a government-wide cybersecurity workforce plan, collect data on agencies' use of cloud services, and solicit input from state and federal IT stakeholders to implement an approach that results in more effective coordination of state cybersecurity requirements. OMB should also work with stakeholders to clarify its *Federal Information Security Modernization Act of 2014* metrics guidance for inspectors general and create a more precise overall rating scale.

Establishing controls for disaster relief. Implementing two priority recommendations can help OMB strengthen oversight over disaster relief funding and help ensure agencies are using these funds appropriately. Agencies must deliver disaster relief funding expeditiously. However, the risk of improper payments increases when agencies spend billions of dollars quickly. To address these risks, OMB should develop standard guidance for federal agencies to use in designing internal control plans for disaster relief funding. It should also develop a strategy, in consultation with key stakeholders, for ensuring that agencies communicate sufficient and timely internal control plans for effective oversight of disaster relief funds. These steps could help ensure that agencies have considered the payment integrity risks associated with emergency funding and have developed internal controls to help mitigate those risks, well before disasters occur and funds start flowing.

Improving federal real property asset management. OMB's attention to one priority recommendation related to improving existing information on federal asset management would help the federal government manage its real property assets—such as buildings, warehouses, roads, and dams—more efficiently and cost effectively. Implementing this recommendation could include updating asset management guidance to reflect leading asset management practices and developing a clearinghouse of information on asset management practices and successful agency experiences, such as with using quality data to prioritize investments in facilities.

Improving information management. Implementing one priority recommendation, to establish a framework for OMB to update its policies and procedures on electronic recordkeeping

systems, would help improve the transparency, efficiency, and accountability of federal agency records. The framework should ensure that policies and procedures address required functionalities for recordkeeping systems. These recordkeeping functionalities include systems being able to declare records and assign unique identifiers, capture and organize records, manage their access and retrieval, preserve them, execute their disposition, and maintain their security.

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Key Recommendations in High-Risk Areas and Financial Management

We also urge your attention to other agencies' priority recommendations in critical areas where OMB leadership and oversight could facilitate progress. We issued our biennial update to our High-Risk List, which identifies government operations with greater vulnerabilities to fraud, waste, abuse, and mismanagement or the need for transformation to address economy, efficiency, or effectiveness challenges.⁷

I would like to express my appreciation for the continuing tripartite meetings between ourselves, OMB, and the federal agencies responsible for individual high-risk areas that were convened by Deputy Director Miller to address these important issues. These meetings have been particularly valuable and should help to effectively meet the challenges in our High-Risk List.

Several government-wide high-risk areas have direct implications for OMB and the operations of all federal agencies. These include (1) [ensuring the cybersecurity of the nation](#),⁸ (2) [improving the management of IT acquisitions and operations](#), (3) [strategic human capital management](#), (4) [managing federal real property](#), and (5) [government-wide personnel security clearance process](#).

We also ask that OMB continue its efforts to improve federal financial management, as much work remains. In particular, the processes used to prepare the consolidated financial statements and the Department of Defense's financial management are long-standing impediments that we believe could benefit from additional focus from OMB.

Progress on high-risk and financial management issues has been possible through the concerted actions and efforts of Congress, OMB, and agencies. We urge your continued attention to these critical issues. In March 2022, we issued a report on key practices to successfully address high-risk areas, which can be a helpful resource as your agency continues to make progress to address high-risk issues.⁹

In addition to your continued attention on these issues, Congress plays a key role in providing oversight and maintaining focus on our recommendations to ensure they are implemented and produce their desired results. Legislation enacted in December 2022 includes a provision for

⁷GAO, *High-Risk Series: Efforts Made to Achieve Progress Need to be Maintained and Expanded to Fully Address All Areas*, [GAO-23-106203](#) (Washington, D.C.: April 20, 2023).

⁸With regard to cybersecurity, we also urge you to use foundational information and communications technology supply chain risk management practices set forth in our December 2020 report: *GAO, Information Technology: Federal Agencies Need to Take Urgent Action to Manage Supply Chain Risks*, [GAO-21-171](#) (Washington, D.C.: Dec. 15, 2020).

⁹GAO, *High-Risk Series: Key Practices to Successfully Address High-Risk Areas and Remove Them from the List*, [GAO-22-105184](#) (Washington, D.C.: Mar. 3, 2022).

GAO to identify any additional congressional oversight actions that can help agencies implement priority recommendations and address any underlying issues relating to such implementation.¹⁰

There are various strategies Congress can use in addressing our recommendations, such as incorporating them into legislation. Congress can also use its budget, appropriations, and oversight processes to incentivize executive branch agencies to act on our recommendations and monitor their progress. For example, Congress can hold hearings focused on OMB's progress in implementing GAO's priority recommendations, withhold funds when appropriate, or take other actions to provide incentives for agencies to act. Moreover, Congress could follow up during the appropriations process and request periodic updates. Congress also plays a key role in addressing any underlying issues related to the implementation of these recommendations. For example, Congress could pass legislation providing an agency explicit authority to implement a recommendation or requiring an agency to take certain actions to implement a recommendation.

We are sending you copies of the priority recommendation letters as they are sent to the heads of agencies, and we are publicly releasing them as well.

Copies of this letter are also being sent to appropriate congressional committees. In addition, the report will be available on the GAO website at <http://www.gao.gov>.

I appreciate OMB's continued commitment to these important issues. If you have any questions or would like to discuss any of the issues outlined in this letter, please do not hesitate to contact me or Michelle Sager, Managing Director, Strategic Issues at sagerm@gao.gov or (202) 512-6806. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Our teams will continue to coordinate with your staff on all of the 163 open recommendations, as well as those additional recommendations in the high-risk areas for which OMB has a leading role. Thank you for your attention to these matters.

Sincerely yours,



Gene L. Dodaro
Comptroller General of the United States

Enclosure

cc: The Honorable Jason Miller, Deputy Director for Management
The Honorable Clare Martorana, Federal CIO, OMB
The Honorable Lesley A. Field, Acting Administrator, OFPP, OMB
The Honorable Janet Yellen, Secretary, Treasury
Mr. Timothy Gribben, Commissioner, Bureau of the Fiscal Service, Treasury

¹⁰James M. Inhofe National Defense Authorization Act for Fiscal Year 2023, Pub. L. No. 117-263, § 7211(a)(2), 136 Stat. 2395, 3668 (2022); H.R. Rep. No. 117-389 (2022) (accompanying Legislative Branch Appropriations Act, H.R. 8237, 117th Cong. (2022))

Enclosure 1

Priority Open Recommendations to Office of Management and Budget

Developing a Federal Program Inventory

Government Efficiency and Effectiveness: Inconsistent Definitions and Information Limit the Usefulness of Federal Program Inventories. [GAO-15-83](#). Washington, D.C.: October 31, 2014.

Year Recommendations Made: 2015

Recommendations: To ensure the effective implementation of federal program inventory requirements, make the inventories more useful, and better present a more coherent picture of all federal programs, the Director of the Office of Management and Budget (OMB) should take the following eight actions:

- Revise relevant guidance to direct agencies to collaborate with each other in defining and identifying programs that contribute to common outcomes.
- Revise relevant guidance to provide a time frame for what constitutes “persistent over time” that agencies can use as a decision rule for whether to include short-term efforts as programs.
- Define plans for when additional agencies will be required to develop program inventories.
- Include tax expenditures in the federal program inventory effort by designating tax expenditure as a program type in relevant guidance.
- Develop, in coordination with the Secretary of the Treasury, a tax expenditure inventory that identifies each tax expenditure and provides a description of how the tax expenditure is defined, its purpose, and related performance and budget information.
- Revise relevant guidance to direct agencies to consult with relevant congressional committees and stakeholders on their program definition approach and identified programs when developing or updating their inventories.
- Revise relevant guidance to direct agencies to identify in their inventories the performance goal(s) to which each program contributes.
- Ensure, during OMB reviews of inventories, that agencies consistently identify, as applicable, the strategic goals, strategic objectives, agency priority goals, and cross-agency priority goals each program supports.

Actions needed: OMB agreed with five of the eight recommendations and neither agreed nor disagreed with the fourth, fifth, and seventh recommendations. In November 2021, OMB issued a plan for implementing the federal program inventory through a series of pilots, with full implementation expected in 2025. OMB officials told us in March and April 2023 that they expect to implement the first planned pilot in summer 2023. However, to fully address these recommendations, OMB needs to revise its guidance and develop a federal program inventory to reflect the actions outlined above. These actions would help ensure the resulting inventory provides useful information for decision makers and presents a coherent picture of all federal programs.

Managing Director: Michelle Sager, Strategic Issues

Contact Information: SagerM@gao.gov, (202) 512-6806

DATA Act: Progress Made in Initial Implementation but Challenges Must be Addressed as Efforts Proceed. GAO-15-752T. Washington, D.C.: July 29, 2015.

Year Recommendation Made: 2015

Recommendation: To ensure that federal program spending data are provided to the public in a transparent, useful, and timely manner, the Director of OMB should accelerate efforts to determine how best to merge Digital Accountability and Transparency Act of 2014 (DATA Act) purposes and requirements with the Government Performance and Results Act Modernization Act of 2010 (GPRAMA) requirement to produce a federal program inventory.

Action needed: OMB did not initially comment on this recommendation. OMB has taken steps to implement this recommendation, including issuing a plan in November 2021 for fully implementing an inventory of all federal programs. In March 2022, OMB told us that establishing a complete federal program inventory will require a whole-of-government effort, similar in cost and scope to the government-wide implementation of the DATA Act. To fully address this recommendation, OMB needs to clearly communicate how its plan for implementing a federal program inventory will help achieve the purpose identified in the DATA Act of linking federal contract, loan, and grant spending information to federal programs.¹¹ As of December 2022, OMB has not done this. Taking such actions will enable taxpayers and policy makers to track federal spending more effectively.

Director: Jeff Arkin, Strategic Issues

Contact information: ArkinJ@gao.gov, 202-512-6806

Managing for Results: Further Progress Made in Implementing the GPRM Modernization Act, but Additional Actions Needed to Address Pressing Governance Challenges. [GAO-17-775](#). Washington, D.C.: September 29, 2017.

Year Recommendation Made: 2017

Recommendation: The Director of OMB should revise and publicly issue OMB guidance—through an update to its Circular No. A-11, a memorandum, or other means—to provide time frames and associated milestones for implementing the federal program inventory.

Action needed: OMB agreed with this recommendation. As of April 2022, OMB has taken some actions toward addressing it. In November 2021, OMB issued a plan for implementing the federal program inventory through a series of pilots, with full implementation expected in 2025 to meet statutory requirements. OMB officials told us in March and April 2023 that they expect to implement the first planned pilot in summer 2023. To fully address this recommendation, OMB needs to publicly issue guidance with time frames and milestones for implementing its plan. These actions would help ensure agencies and stakeholders are aware of how and when they will be engaged for inventory implementation.

Managing Director: Michelle Sager, Strategic Issues

Contact Information: SagerM@gao.gov, (202) 512-6806

¹¹Pub. L. No. 113-101, § 2, 128 Stat. 1146 (2014).

Improving Program Management: Key Actions Taken, but Further Efforts Needed to Strengthen Standards, Expand Reviews, and Address High-Risk Areas. [GAO-20-44](#). Washington, D.C.: December 13, 2019.

Year Recommendation Made: 2020

Recommendation: The Deputy Director for Management of OMB should clarify for agencies how the different definitions of a "program" relate to each other in OMB guidance.

Actions needed: OMB neither agreed nor disagreed with the recommendation and stated it would consider the recommendation when making future updates to its program management policies and guidance. As of December 2022, OMB indicated that it does not plan to take action on our recommendation. We continue to believe that OMB needs to clarify in guidance how different definitions of a "program" relate to each other. Clarifying the definitions could help agencies and OMB increase transparency and identify synergies across related laws, such as GPRAMA, the DATA Act, and the Program Management Improvement Accountability Act of 2016.

Director: Yvonne D. Jones, Strategic Issues

Contact information: JonesY@gao.gov, (202) 512-6806

Improving Government Performance

Government Performance and Accountability: Tax Expenditures Represent a Substantial Federal Commitment and Need to Be Reexamined. [GAO-05-690](#). Washington, D.C.: September 23, 2005.

Year Recommendation Made: 2005

Recommendation: To ensure that policymakers and the public have the necessary information to make informed decisions and to improve the progress toward exercising greater scrutiny of tax expenditures, the Director of OMB, in consultation with the Secretary of the Treasury, should develop and implement a framework for conducting performance reviews of tax expenditures. In developing the framework, the Director should

- determine which agencies will have leadership responsibilities to review tax expenditures, how reviews will be coordinated among agencies with related responsibilities, and how to address the lack of credible performance information on tax expenditures;
- set a schedule for conducting tax expenditure evaluations;
- re-establish appropriate methods to test the overall evaluation framework and make improvements as experience is gained; and
- identify any additional resources that may be needed for tax expenditure reviews.

Action needed: At the time of our report, OMB agreed that this recommendation had promise, but as of December 2022 does not plan to address it. We continue to believe that OMB should develop and implement a framework for evaluating the performance of tax expenditures and preliminary performance measures. Although revenue losses from tax expenditures exceed \$1 trillion each year, tax expenditures continue not to receive the same level of scrutiny within federal budget processes as discretionary spending. Periodic reviews also determine how well specific tax expenditures work to achieve their goals, as well as how their benefits and costs compare to those of programs with similar goals.

Director: James R. McTigue, Jr., Strategic Issues

Contact information: MctigueJ@gao.gov, (202) 512-6806

2012 Annual Report: Opportunities to Reduce Duplication, Overlap and Fragmentation, Achieve Savings, and Enhance Revenue. [GAO-12-342SP](#). Washington, D.C.: February 28, 2012.

Year Recommendation Made: 2012

Recommendation: To improve performance through greater coordination among the many federal programs that support employment for people with disabilities, OMB should consider establishing measurable, government-wide goals for employment of people with disabilities. Given the number of federal agencies and approaches involved in supporting employment for people with disabilities, government-wide goals could help spur greater coordination and more efficient and economical service delivery in overlapping program areas. To determine whether these goals are being met, agencies should establish related measures and indicators and collect additional data to inform these measures.

Action needed: OMB neither agreed nor disagreed with this recommendation. OMB has participated in various interagency efforts to enhance coordination across federal agencies, set and tracked goals across some programs, and developed demonstration projects. For example, OMB participates in a Domestic Policy Council interagency subcommittee on employment of people with disabilities. However, in March 2022, the agency reported that it does not plan to establish government-wide goals for employment of people with disabilities, and provided no further information as of December 2022. We continue to believe that OMB should consider establishing such goals, or lead or coordinate an executive branch effort to do so. Government-wide goals could help foster coordination across federal agencies and improve employment outcomes for people with disabilities.

Director: Elizabeth Curda, Education, Workforce, and Income Security

Contact information: CurdaE@gao.gov, (202) 512-7215

Tax Expenditures: Opportunities Exist to Use Budgeting and Agency Performance Processes to Increase Oversight. [GAO-16-622](#). Washington, D.C.: July 7, 2016.

Year Recommendation Made: 2016

Recommendation: To help ensure that the contributions of tax expenditures toward the achievement of agency goals are identified and measured, the Director of OMB, in collaboration with the Secretary of the Treasury, should work with agencies to identify which tax expenditures contribute to their agency goals, as appropriate—that is, they should identify which specific tax expenditures contribute to specific strategic objectives and agency priority goals.

Action needed: OMB generally agreed with this recommendation. Subsequently, OMB stated that although it still agreed, it was not pursuing the effort because of competing priorities, as well as capacity and resource constraints. As of December 2022, OMB does not plan to address this recommendation. We continue to believe that OMB, in collaboration with the Department of the Treasury, needs to assist agencies in identifying tax expenditures that relate to agency goals so that the agencies have a more complete understanding of how a broader range of federal investments contributes to their goals. Without additional OMB assistance, agencies may continue to have difficulty identifying whether or which of the dozens of tax expenditures—

representing an estimated \$1.49 trillion in forgone revenues in fiscal year 2022 —contribute to their goals.

Director: James R. McTigue, Jr., Strategic Issues

Contact information: MctigueJ@gao.gov, (202) 512-6806

Child Well-Being: Key Considerations for Policymakers, Including the Need for a Federal Cross-Agency Priority Goal. [GAO-18-41SP](#). Washington, D.C.: November 9, 2017.

Year Recommendation Made: 2018

Recommendation: GAO recommends that the Director of OMB consider developing a goal that addresses a coordinated federal approach to child well-being among its next set of cross-agency priority (CAP) goals, including working with relevant agencies to ensure their strategic plans include goals and objectives related to the CAP goal.

Action needed: OMB neither agreed nor disagreed with this recommendation. As of December 2022, OMB reported that it does not plan to take further action on this recommendation. We continue to believe that by considering development of a CAP goal related to child well-being, OMB could provide an opportunity across the federal government to better address the needs of children in ways that take into account the interrelatedness of federal actions and policies that aim to improve child well-being.

Director: Kathryn Larin, Education, Workforce, and Income Security

Contact information: LarinK@gao.gov, (202) 512-7215

Foreign Assistance: Federal Monitoring and Evaluation Guidelines Incorporate Most but Not All Leading Practices. [GAO-19-466](#). Washington, D.C.: July 31, 2019.

Year Recommendation Made: 2019

Recommendation: The Director of OMB should update the Foreign Assistance Monitoring and Evaluation Guidelines to include GAO's leading practices of developing monitoring plans that are based on risks, ensuring that monitoring staff have appropriate qualifications, establishing procedures to close-out programs, developing staff skills regarding evaluations, and establishing mechanisms for following up on evaluation recommendations.

Actions Needed: OMB disagreed with the recommendation and suggested it would be more effective to remind agencies that, in addition to the guidelines, they should follow all other relevant OMB guidance affecting monitoring and evaluation. OMB asserted that this guidance contains provisions relevant to our leading practices not included in the Foreign Assistance Monitoring and Evaluation Guidelines. However, we continue to believe it is important for OMB to incorporate this other guidance into the Foreign Assistance Monitoring and Evaluation Guidelines, if only by reference, to emphasize the importance of these practices in the context of monitoring and evaluation of foreign assistance.

As of December 2022, OMB had not addressed this recommendation and has indicated that it does not plan to take any action. We will continue to monitor this issue. Since we made this recommendation to OMB, audits we conducted of monitoring practices at the Department of State and the U.S. Agency for International Development indicate that agencies have continued to face challenges incorporating leading practices, particularly regarding developing monitoring plans based on risks. By ensuring that its guidance includes these leading practices, OMB will

have greater assurance that agencies are well-positioned to address impediments, effectively manage foreign assistance, and achieve their goals.

Director: Chelsa Kenney, International Affairs and Trade

Contact information: KenneyC@gao.gov, (202) 512-2964

Improving Program Management: Key Actions Taken, but Further Efforts Needed to Strengthen Standards, Expand Reviews, and Address High-Risk Areas. [GAO-20-44](#). Washington, D.C.: December 13, 2019.

Year Recommendation Made: 2020

Recommendation: The Deputy Director for Management of OMB should convene trilateral meetings between OMB, relevant agencies, and us for addressing all high-risk areas during each two-year high-risk cycle.

Action needed: OMB neither agreed nor disagreed with the recommendation. In September 2021, OMB restarted the trilateral meetings with agency leaders and us. It has convened 10 meetings on 12 of the 38 high-risk areas between March 2021 and March 2023.¹² However, to fully address this recommendation, OMB needs to establish a cadence for these meetings to address all high-risk areas during each 2 year high-risk cycle. A continued focus on the trilateral meetings will help spur action toward making progress in high-risk areas.

Director: Michelle Sager, Strategic Issues

Contact information: SagerM@gao.gov, (202) 512-6806

Increasing Availability and Transparency of Government Data

Open Data: Agencies Need Guidance to Establish Comprehensive Data Inventories; Information on Their Progress is Limited. [GAO-21-29](#). Washington, D.C.: October 8, 2020.

Year Recommendation Made: 2021

Recommendation: The Director of OMB should comply with its statutory requirement to issue implementation guidance to agencies to develop and maintain comprehensive data inventories.

Action Needed: OMB did not initially comment on this recommendation. In December 2022, OMB told us that it is revising draft guidance based on comments received by agencies. OMB needs to issue guidance to federal agencies to help them develop and maintain comprehensive data inventories. Without this guidance, agencies do not have clarity on timeframes for meeting their requirements under the Open, Public, Electronic, and Necessary (OPEN) Government Data Act or guidance to help prioritize data assets for publication in their data inventories, which could delay their progress in meeting their requirements under the act.

Director: Jeff Arkin, Strategic Issues

Contact information: ArkinJ@gao.gov, (202) 512-6806

¹²There were 37 high-risk areas in our April 2023 high-risk report. See <https://www.gao.gov/high-risk-list> for more information.

Open Data: Additional Action Required for Full Public Access. [GAO-22-104574](#). Washington, D.C.: December 16, 2021.

Year Recommendation Made: 2021

Recommendation: The Director of OMB should comply with its statutory requirement under the OPEN Government Data Act to issue implementation guidance to agencies on making data open by default.

Action Needed: OMB neither agreed nor disagreed with our recommendation. In September 2020, OMB provided draft implementation guidance to federal agencies for comment, but has yet to issue final guidance on making data open by default, as required by statute.¹³ In December 2022, OMB staff confirmed that action to implement this recommendation is still in progress, but they did not provide a time frame for issuing the guidance. To fully implement this recommendation, OMB will need to issue guidance to agencies on making data open by default that takes into account relevant considerations for this guidance laid out in the OPEN Government Data Act. Although agencies are making some progress toward implementing their requirements under the act, without this guidance, they do not have all the information required to address the act's requirements on making data open by default. Furthermore, OMB's delay in issuing the guidance could lead to increased costs for agencies if they are required to revise their approaches to implementation after OMB releases the guidance.

Director: Jeff Arkin, Strategic Issues

Contact information: ArkinJ@gao.gov, (202) 512-6806

Improving Acquisition Management and Reducing Costs

Reverse Auctions: Guidance Is Needed to Maximize Competition and Achieve Cost Savings. [GAO-14-108](#). Washington, D.C.: December 9, 2013.

Year Recommendation Made: 2013

Recommendation: To help mitigate confusion about the use of reverse auctions in federal acquisitions, the Director of OMB should take steps to amend the Federal Acquisition Regulation (FAR) to address agencies' use of reverse auctions.

Action needed: OMB generally agreed with this recommendation. In response, in December 2020, Federal Acquisition Regulatory Council members published a notice of proposed rulemaking to amend the FAR to provide guidance on reverse auctions.¹⁴ The notice requested that interested parties submit comments on the proposed rule by early February 2021. As of December 2022, OMB had received comments and the Director of the Defense Acquisition Regulations Council tasked the Acquisition Strategy team to propose potential revisions. The Defense Acquisition Regulations Council received these proposed revisions as of February 2023, but did not provide a date for when the final rule will be published. To fully implement the recommendation, OMB should finalize the FAR amendment to address agencies' use of reverse auctions. Completing this step could help mitigate confusion among

¹³44 U.S.C. § 3504(b)(6).

¹⁴Federal Acquisition Regulation: Reverse Auction Guidance, 85 Fed. Reg. 78815-(proposed Dec. 7, 2020) (to be codified at 48 C.F.R. pts. 2, 3, 7, 13, 15, 17, and 52).

agencies and vendors about how to use reverse auctions and maximize potential benefits such as competition and savings.

Director: Marie A. Mak, Contracting and National Security Acquisitions

Contact information: MakM@gao.gov, (202) 512-4841

Sole Source Contracting: Defining and Tracking Bridge Contracts Would Help Agencies Manage Their Use. [GAO-16-15](#). Washington, D.C.: October 14, 2015.

Year Recommendations Made: 2015

Recommendations:

- To gain visibility and enable efficient management on the use of bridge contracts in federal agencies, the Administrator of the Office of Federal Procurement Policy (OFPP) should take appropriate steps to develop a standardized definition for bridge contracts and incorporate it as appropriate into relevant FAR sections.
- To gain visibility and enable efficient management on the use of bridge contracts in federal agencies, the Administrator of OFPP should, as an interim measure, until the FAR is amended, provide guidance to agencies on
 - a definition of bridge contracts, with consideration of contract extensions as well as stand-alone bridge contracts; and
 - suggestions for agencies to track and manage their use of these contracts, such as identifying a contract as a bridge in a Justification and Approval (J&A) when it meets the definition, and listing the history of previous extensions and stand-alone bridge contracts back to the predecessor contract in the J&A.

Action needed: OMB stated its intention to explore addressing our first recommendation, and agreed with our second recommendation. OMB staff had previously told us that they had drafted guidance, which included a definition for bridge contracts, and that it was under review. In January 2020, OMB staff stated that they were reviewing the extent to which this guidance is necessary moving forward. As of December 2022, however, OFPP staff stated they have no current plans to address these recommendations. We continue to believe these actions are important to help ensure agencies do not continue to use these noncompetitive contracts frequently or for prolonged periods of time, thereby risking paying more than they should for goods and services.

Director: Marie A. Mak, Contracting and National Security Acquisitions

Contact information: MakM@gao.gov, (202) 512-4841

Information Technology: Federal Agencies Need to Address Aging Legacy Systems. [GAO-16-468](#). Washington, D.C.: May 25, 2016.

Year Recommendation Made: 2016

Recommendation: The Director of OMB should commit to a firm date by which its draft guidance on legacy systems will be issued, and subsequently direct agencies to identify legacy systems and/or investments needing to be modernized or replaced.

Action needed: OMB agreed with our recommendation. In our May 2016 report, we noted that OMB had created draft guidance that would require agencies to identify, prioritize, and develop

modernization plans to guide agencies' efforts to address legacy systems. However, at the time OMB did not commit to a firm time frame for when the policy would be issued, and has not issued the draft guidance since then. In April 2021, OMB stated that agencies were directed to manage the risk to High Value Assets associated with legacy systems in OMB's December 2018 guidance. While OMB's guidance directs agencies to identify, report, assess, and remediate issues associated with High Value Assets, it does not require agencies to identify all legacy systems needing to be modernized. In a December 2022 update, OMB stated that it plans to compare the recommendation with recent actions, guidance and policy memoranda issued since the recommendation was made, to determine if an update to the OMB response is appropriate. To fully implement this recommendation, OMB needs to provide guidance to agencies to identify legacy systems that are in need of modernization. Until OMB requires agencies to do so, the federal government will continue to run the risk of continuing to maintain IT investments that have outlived their effectiveness.

High-risk area: [Improving the Management of Information Technology \(IT\) Acquisitions and Operations](#)

Director: Kevin C. Walsh, Information Technology and Cybersecurity

Contact Information: WalshK@gao.gov, (202) 512-6151

Information Technology: OMB Needs to Report On and Improve Its Oversight of the Highest Priority Programs. [GAO-18-51](#). Washington, D.C.: November 21, 2017.

Year Recommendation Made: 2017

Recommendation: To enhance the oversight of high-priority programs and to improve program outcomes, the Director of OMB should ensure that the Federal Chief Information Officer (CIO) is directly involved in the oversight of high priority programs.

Action needed: OMB neither agreed nor disagreed with this recommendation. In May 2020, OMB told us that its process for identifying high priority programs had evolved and been superseded by a process for identifying and securing high value assets. It also told us that the Federal CIO and Federal Chief Information Security Officer were engaged in overseeing these assets through their involvement on the CIO and Chief Information Security Officer Councils. Further, in March 2022, OMB stated that the Federal CIO and Federal Chief Information Security Officer had been involved in the oversight of the high-priority IT projects identified in our report. We recognize the importance of ensuring the security of high value assets and continuing to oversee the programs identified in our report. However, these programs do not comprise the full range of high priority programs currently under development across the federal government that was intended by our recommendation. In December 2022, OMB stated that it planned to compare the recommendation to recent actions, guidance and policy memoranda to determine if an update to its response was warranted.

To fully implement this recommendation, OMB needs to ensure that the Federal CIO is involved in the full range of high-priority programs. In addition, OMB should provide evidence of its oversight of high-value assets and programs identified in our report to substantiate its claims. As we reported, such oversight would improve accountability and achieve positive results for the federal government's investments.

High-risk area: [Improving the Management of Information Technology \(IT\) Acquisitions and Operations](#)

Director: Dave Hinchman, Information Technology and Cybersecurity

Contact Information: HinchmanD@gao.gov, (214) 777-5719

Federal Buying Power: OMB Can Further Advance Category Management Initiative by Focusing on Requirements, Data, and Training. [GAO-21-40](#). Washington, D.C.: November 30, 2020.

Year Recommendations Made: 2020

Recommendations:

- The Director of OMB should ensure that designated Senior Accountable Officials have the authority necessary to hold personnel accountable for defining requirements for common products and services as well as contracting activities.
- The Director of OMB should report cost savings from the category management initiative by agency.
- The Director of OMB should, in coordination with the Category Management Leadership Council and the Chief Data Officer Council, establish a strategic plan to coordinate agencies' responses to government-wide data challenges hindering implementation of the category management initiative, including challenges involving prices-paid and spending data.

Potential Financial Benefit if Implemented: Billions of dollars over 5 years by implementing these three recommendations.

Actions needed: OMB agreed with the substance of these three recommendations, and provided an update on efforts to address them in December 2022. To address the first two recommendations, OMB should complete actions it plans to take in the coming year, including updating its Key Performance Indicators with new metrics for cost savings and requirements definition. To address the third recommendation, OMB should expand its existing plans by pursuing a strategic plan for addressing government-wide data challenges. OMB can help agencies more effectively implement category management by addressing all of these recommendations, which will result in cost savings for taxpayers.

Recommendation: The Director of OMB should work with the Category Management Leadership Council and the Performance Improvement Council to establish additional performance metrics for the category management initiative that are related to agency requirements.

Actions Needed: OMB agreed with the substance of the recommendation, and provided an update on efforts to address it in December 2022. To address the recommendation, OMB should complete actions it plans to take in the coming year, including assessing any agency that has a Senior Accountable Official at a level below the Deputy Secretary.

Director: William Russell, Contracting and National Security Acquisitions

Contact information: RussellW@gao.gov, (202) 512-6360

Reducing Government-wide Improper Payments

Improper Payments: Strategy and Additional Actions Needed to Help Ensure Agencies Use the Do Not Pay Working System as Intended. [GAO-17-15](#). Washington, D.C.: October 14, 2016.

Year Recommendation Made: 2017

Recommendation: To better monitor agency use of the Do Not Pay (DNP) working system once a strategy has been developed, the Director of OMB should develop and implement monitoring mechanisms—such as goals, benchmarks, and performance measures—to evaluate agency use of the DNP working system.

Action needed: OMB agreed with the concepts of monitoring mechanisms and said it would work with agencies to address this recommendation. OMB previously informed us that Treasury conducts this monitoring and reports quarterly updates to OMB. Treasury provided us examples of reports that it provides to OMB. However, OMB still needs to provide more information on how it uses these reports, as well as documentation related to this monitoring and reporting. OMB also informed us that it will be using the information collected on paymentaccuracy.gov to meet the requirements under 31 U.S.C. § 3354(b)(5), which requires OMB to submit an annual report to Congress on the operation of DNP. In March 2022, OMB informed us that due to policy priorities and limited resources, it is not able to completely implement this recommendation. OMB stated that DNP currently works closely with agencies on usage and will report to OMB as appropriate for assistance if needed. In December 2022, OMB did not indicate any change in its position.

OMB needs to provide more information on monitoring and reporting of agencies' use of DNP, as well as how it plans to meet the requirements under 31 U.S.C. § 3354(b)(5), as applicable. Without monitoring mechanisms and reliable and complete data, OMB will not be able to effectively evaluate agencies' use of the DNP working system or remediate any issues identified.

High-risk areas: [Medicare Program & Improper Payments](#) and [Strengthening Medicaid Program Integrity](#)

Director: M. Hannah Padilla, Financial Management and Assurance

Contact information: PadillaH@gao.gov, (202) 512-5683

COVID-19: Sustained Federal Action Is Crucial as Pandemic Enters Its Second Year. [GAO-21-387](#). Washington, D.C.: March 31, 2021.

Year Recommendation Made: 2021

Recommendation: The Director of OMB should work in consultation with federal agencies and the audit community (e.g., agency Offices of Inspector General; National Association of State Auditors, Comptrollers, and Treasurers; and American Institute of Certified Public Accountants), to the extent practicable, to incorporate appropriate measures in the Office of Management and Budget's process for preparing single audit guidance, including the annual Single Audit Compliance Supplement, to better ensure that such guidance is issued in a timely manner and is responsive to users' input and needs.

Action Needed: OMB neither agreed nor disagreed with this recommendation. As of December 2022, OMB stated that it has worked closely with the federal agencies and the audit communities (e.g., agency Offices of Inspector General; National Association of State Auditors, Comptrollers, and Treasurers; and American Institute of Certified Public Accountants) to complete and publish the 2022 Compliance Supplement on May 12, 2022, the earliest issuance in 15 years. OMB recommended that we close this recommendation.

We acknowledge OMB's efforts to issue more timely guidance in 2022; however, additional actions are still needed to fully address this recommendation. OMB should incorporate appropriate measures, such as establishing formal written policies and procedures, to ensure timely issuance of future Compliance Supplements and other single audit guidance. Auditors

have expressed a need for guidance by no later than April of each year to effectively plan their audits and conduct interim testing for entities with June 30 year-ends. Timely preparing and providing the guidance contained in the annual Compliance Supplement to auditors is essential to help ensure that single audits can be performed timely and enhance the federal government's ability to help safeguard billions of dollars in federal funds, including those provided under COVID-19 relief laws.

Director: Jim Dalkin, Financial Management and Assurance

Contact information: DalkinJ@gao.gov, (202) 512-3133

Strengthening Cybersecurity

Cybersecurity: Selected Federal Agencies Need to Coordinate on Requirements and Assessments of States. [GAO-20-123](#). Washington, D.C.: May 27, 2020

Year Recommendations Made: 2020

Recommendations:

- The Director of OMB should ensure that the Centers for Medicare and Medicaid Services (CMS), Federal Bureau of Investigation (FBI), Internal Revenue Service (IRS), and Social Security Administration (SSA) are collaborating on their cybersecurity requirements pertaining to state agencies to the greatest extent possible and direct further coordination where needed.
- The Director of OMB should take steps to ensure that CMS, FBI, IRS, and SSA coordinate, where feasible, on assessments of state agencies' cybersecurity, which may include steps such as leveraging other agencies' security assessments or conducting assessments jointly.

Action Needed: OMB did not agree or disagree with these recommendations. As of December 2022, OMB stated that it is comparing the recommendations with recent actions, guidance, and policy memoranda issued since the recommendations were made. To fully address the first recommendation, OMB needs to determine and implement an approach that encourages federal agencies to collaborate, or direct agencies to further coordinate. To fully address the second recommendation, OMB needs to determine and implement an approach that encourages agencies to coordinate on assessments of state agencies' cybersecurity where feasible. As of January 2023, OMB has not completed these actions.

Without OMB's involvement and encouragement that federal agencies collaborate to make their cybersecurity requirements for state agencies consistent to the greatest extent possible, federal agencies are less likely to prioritize such efforts, which could lead to greater fragmentation of cybersecurity policies for states. Further, OMB will not have reasonable assurance that federal agencies are leveraging compatible assessments, where practicable, which could lead to fragmented assessments across federal agencies.

Director: David B. Hinchman, Information Technology and Cybersecurity

Contact information: HinchmanD@gao.gov, (214) 777-5719

Cloud Computing Security: Agencies Increased Their Use of the Federal Authorization Program, but Improved Oversight and Implementation Are Needed. [GAO-20-126](#). Washington, D.C.: December 12, 2019.

Year Recommendation Made: 2019

Recommendation: The Director of OMB should establish a process for monitoring and holding agencies accountable for authorizing cloud services through the Federal Risk and Authorization Management Program (FedRAMP).

Action needed: OMB neither agreed nor disagreed with this recommendation, and as of December 2022, had not taken any action to address it. To fully implement this recommendation, OMB needs to collect data on the extent to which federal agencies are using cloud services authorized outside of FedRAMP and oversee agencies' compliance with using the program. Greater OMB oversight through such a process could increase federal agency participation in the FedRAMP program. It also may provide greater assurance that agency information stored in a cloud environment is better protected and aligns with federal security requirements.

High-risk area: [Ensuring the Cybersecurity of the Nation](#)

Director: Jennifer R. Franks, Information Technology and Cybersecurity

Contact Information: FranksJ@gao.gov, (404) 679-1831

Federal Management: Selected Reforms Could Be Strengthened By Following Additional Planning, Communication, and Leadership Practices. [GAO-20-322](#). Washington, D.C.: Apr. 23, 2020.

Year Recommendation Made: 2020

Recommendation: The Director of OMB, working with the Department of Homeland Security, should develop a government-wide workforce plan that assesses the effects of the reform proposal to solve the cybersecurity workforce shortage on the current and future federal workforce.

Action Needed: OMB did not comment on this recommendation. In April 2022, OMB said that it had placed efforts to implement this recommendation on hold because the National Cyber Director is planning to take the lead on cybersecurity workforce issues going forward. To fully implement this recommendation, OMB, working with Department of Homeland Security and the National Cyber Director, will need to develop a government-wide cybersecurity workforce plan to address the cybersecurity workforce shortage. In December 2022, OMB stated it is comparing the recommendation with recent actions, guidance, and policy memoranda issued since the recommendation was made, to determine if an update to its previous response is appropriate.

On March 1, 2023, the White House released a National Cybersecurity Strategy that included an objective to develop a national strategy to strengthen the cyber workforce.¹⁵ Specifically, the national cybersecurity strategy document stated that this workforce strategy will take a comprehensive and coordinated approach to expanding the national cyber workforce, improving its diversity, and increasing access to cyber educational and training pathways. Until this national cybersecurity workforce strategy is completed, OMB will not be able to determine if the government is making progress on this issue.

High-risk area: [Ensuring the Cybersecurity of the Nation](#)

¹⁵The White House, *National Cybersecurity Strategy* (March 1, 2023).

Director: Dawn Locke, Strategic Issues

Contact information: LockeD@gao.gov, (202) 512-6806

Cybersecurity: OMB Should Update Inspector General Reporting Guidance to Increase Rating Consistency and Precision. [GAO-22-104364](#). Washington, D.C.: March 31, 2022.

Year Recommendations Made: 2022

Recommendations

- The Director of the Office of Management and Budget (OMB) should collaborate with its partners in the Department of Homeland Security (DHS) and the Council of the Inspectors General on Integrity and Efficiency (CIGIE) to clarify the inspector general (IG) *Federal Information Security Modernization Act of 2014* (FISMA) metrics guidance to specify when IGs should use OMB's recommended methodology and when they should use another method to determine agencies' overall effectiveness ratings.
- The Director of OMB should collaborate with its partners in DHS and CIGIE to create a more precise overall effectiveness rating scale for IG FISMA reports.

Action needed: At the time of report issuance, OMB disagreed with our recommendations, stating, in part, that it wants to provide IGs with the flexibility to adapt their reviews. Nevertheless, we believe that the recommendations are warranted in order to provide a more consistent and accurate picture of agencies' cybersecurity performance. In December 2022, OMB stated that it is working on these recommendations. However, as of December 2022, we have yet to receive OMB's initial 180-day letter outlining its response to our recommendations or any documentation showing progress against the recommendations. By updating its IG ratings guidance to address our recommendations, OMB could help ensure that future ratings present a more consistent and accurate picture of agencies' cybersecurity performance and could help oversight bodies to better understand the effectiveness of federal agencies' cybersecurity programs.

High-risk area: [Ensuring the Cybersecurity of the Nation](#)

Director: Jennifer R. Franks, Information Technology and Cybersecurity

Contact Information: FranksJ@gao.gov, (404) 679-1831

Establishing Controls for Disaster Relief

Hurricane Sandy Relief: Improved Guidance on Designing Internal Control Plans Could Enhance Oversight of Disaster Funding. [GAO-14-58](#). Washington, D.C.: November 26, 2013.

Year Recommendation Made: 2014

Recommendation: To prepare for oversight of future disaster relief funding, the Director of OMB should develop standard guidance for federal agencies to use in designing internal control plans for disaster relief funding. Such guidance could leverage existing internal control review processes and should include, at a minimum, the following elements: (1) robust criteria for identifying and documenting incremental risks and mitigating controls related to the funding and (2) requirements for documenting the linkage between the incremental risks related to disaster funding and efforts to address known internal control risks.

Action needed: OMB generally agreed with this recommendation. OMB previously stated that it believes it addressed the intent of this recommendation through broader government-wide guidance for enterprise risk management.¹⁶ However, this guidance does not include specific guidance for identifying risks related to disaster funding. OMB provided a statement in December 2022 that OMB now disagrees with this recommendation because OMB believes it has already met the intent of the recommendation, as mentioned above. To fully implement this recommendation, OMB should issue standard guidance for federal agencies to use in designing internal control plans for disaster relief funding, as required by the Bipartisan Budget Act of 2018.¹⁷ Without standard internal control guidance in place prior to future disasters, agencies may not be able to ensure that internal controls for disaster relief funding are effectively designed and implemented to reasonably assure that funds are used appropriately.

Director: M. Hannah Padilla, Financial Management and Assurance

Contact information: PadillaH@gao.gov, (202) 512-5683

2017 Disaster Relief Oversight: Strategy Needed to Ensure Agencies' Internal Control Plans Provide Sufficient Information. [GAO-19-479](#). Washington, D.C.: June 28, 2019.

Year Recommendation Made: 2019

Recommendation: The Director of OMB, after consulting with key stakeholders (e.g., the Chief Financial Officers Council), should develop a strategy for ensuring that agencies communicate sufficient and timely internal control plans for effective oversight of disaster relief funds.

Action needed: OMB disagreed with this recommendation. OMB staff previously stated that it believes that agency management, not OMB, has responsibility for ensuring compliance with applicable laws and regulations. Although agencies are responsible for submitting their internal control plans, federal law placed the responsibility for establishing the criteria for the internal control plans with OMB. In December 2022, OMB did not indicate any change in its position.

To fully implement this recommendation, OMB should develop a strategy for ensuring that agencies communicate sufficient and timely internal control plans for effective oversight of disaster relief funds. Without a clear OMB strategy for preparing for oversight of future disaster relief funding, there is an increased risk that agencies will not appropriately assess risks associated with disaster relief funding. As a result, Congress and others may not receive the necessary information about internal controls, which will affect Congress' and others' ability to provide effective oversight.

Director: M. Hannah Padilla, Financial Management and Assurance

Contact information: PadillaH@gao.gov, (202) 512-5683

Improving Federal Real Property Asset Management

Federal Real Property Asset Management: Agencies Could Benefit from Additional Information on Leading Practices. [GAO-19-57](#). Washington, D.C.: November 5, 2018.

Year Recommendation Made: 2019

¹⁶OMB, *Management's Responsibility for Enterprise Risk Management and Internal Control*, Circular No. A-123 (July 15, 2016).

¹⁷Pub. L. No. 115-123, § 21208(c), 132 Stat. 64, 108 (2018).

Recommendation: The Director of OMB should take steps to improve existing information on federal asset management to reflect leading practices such as those described in International Organization for Standardization (ISO) 55000 and the key characteristics we identified and make it readily available to federal agencies. These steps could include updating asset management guidance and developing a clearinghouse of information on asset management practices and successful agency experiences.

Action needed: OMB neither agreed nor disagreed with this recommendation. In December 2022, OMB stated that it did not plan to take action on our recommendation but that it will continue to engage the Federal Real Property Council to determine whether additional asset management practices are needed. OMB staff previously told us that their November 2019 and March 2020 memoranda provide federal agencies a framework for managing their portfolio of assets.¹⁸ For example, the November 2019 memorandum requires federal agencies to identify and prioritize real property gaps in meeting mission requirements—one of the key characteristics for effective asset management that we identified in our report. However, the 2019 memorandum does not fully address other characteristics, such as collecting, analyzing, and verifying the accuracy of data on assets to inform decision-making. Further, neither the 2019 nor the 2020 memoranda provide agencies with information on leading asset management practices.

We continue to believe that to fully implement our recommendation, OMB needs to develop more comprehensive asset management requirements—such as using quality data—as well as identify leading asset management practices and make them available to federal agencies. Identifying leading asset management practices will help federal agencies more strategically manage their real property portfolios in line with their missions and avoid unnecessary expenditure of resources.

High-risk area: [Managing Federal real Property](#)

Acting Director: David Marroni, Physical Infrastructure

Contact information: MarroniD@gao.gov, (202) 512-2834

Improving Information Management

Information Management: Selected Agencies Need to Fully Address Federal Electronic Recordkeeping Requirements. [GAO-20-59](#). Washington, D.C.: February 27, 2020.

Year Recommendation Made: 2020

Recommendation: The Director of OMB should establish a time frame to update its policies and procedures to include all of the required electronic information system functionalities for recordkeeping systems.

Action needed: OMB agreed with this recommendation. In March 2022, in response to our recommendation, OMB stated that the Executive Office of the President's Office of Administration is responsible for records management for all Executive Office components, which includes OMB, and now has procedures that incorporate electronic information system functionalities. However, OMB did not provide a time frame for when or documentation that demonstrated that its policies and procedures were updated to include all of the required

¹⁸OMB Memorandum M-20-03, *Implementation of Agency-wide Real Property Capital Planning* (Nov. 6, 2019); and OMB Memorandum M-20-10, *Issuance of an Addendum to the National Strategy for the Efficient Use of Real Property* (Mar. 6, 2020).

electronic information system functionalities for recordkeeping systems. As of December 2022, OMB considered the recommendation closed because it believes that it met the intent of the recommendation. However, we continue to believe that OMB will face increased risk of not being able to reliably access and retrieve records needed to conduct agency business.

Director: Marisol Cruz Cain, Information Technology and Cybersecurity

Contact information: CruzCainM@gao.gov, (202) 512-5017

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