

GAO Highlights

Highlights of [GAO-23-106686](#), a testimony before the Committee on Oversight and Accountability, House of Representatives

Why GAO Did This Study

The federal government is one of the world's largest and most complex entities. About \$6.3 trillion in outlays in fiscal year 2022 funded a broad array of programs and operations. GAO's High-Risk Series identifies government operations with vulnerabilities to fraud, waste, abuse, and mismanagement, or in need of transformation.

This biennial update describes the status of high-risk areas, outlines actions that are needed to ensure further progress, and identifies new high-risk areas needing attention by the executive branch and Congress.

Lasting solutions to high-risk problems save billions of dollars, improve service to the public, and strengthen government performance and accountability. In the past 17 years, financial benefits totaled \$675 billion.

GAO uses five criteria to assess progress in addressing high-risk areas: (1) leadership commitment; (2) agency capacity; (3) an action plan; (4) monitoring efforts; and (5) demonstrated progress.

What GAO Recommends

Executive branch agencies need to address hundreds of open GAO recommendations to bring about lasting solutions to the 37 remaining high-risk areas. Continued congressional oversight is essential to achieve greater progress and legislation is needed in some cases.

View [GAO-23-106686](#). For more information, contact Michelle Sager at (202) 512-6806 or sagem@gao.gov.

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HIGH-RISK SERIES

Efforts Made to Achieve Progress Need to Be Maintained and Expanded to Fully Address All Areas

What GAO Found

Congress and executive agencies have made substantial progress addressing high-risk issues since the previous [High-Risk List update in 2021](#). Sixteen of 34 high-risk areas improved since 2021. This is the most progress in the 8 years since GAO [started](#) rating high-risk areas. Two of the 16 areas are being removed from the list: Pension Benefit Guaranty Corporation (PBGC) Insurance Programs and the 2020 Decennial Census. Since our last update, there were approximately \$100 billion in financial benefits due to improvements in high-risk areas.

Changes to the High-Risk List Since 2021



Source: GAO analysis of the High-Risk List areas. | GAO-23-106686

The PBGC Insurance Programs area is being removed because Congress provided funding to troubled multiemployer pension plans, which has led to an improved financial position for the PBGC multiemployer insurance program. Additionally, the financial position of the PBGC single-employer insurance program has improved gradually in recent years. PBGC now projects a very low risk of insolvency over the next 15 years for both programs. GAO will continue to monitor the funds.

The 2020 Decennial Census is being removed because the Census Bureau made progress in addressing data quality concerns, chartered a high-level governance group, and implemented priority recommendations. GAO will monitor 2030 Census planning—already underway—for emerging risks and challenges.

GAO is adding one new area to the 2023 High-Risk List: Strengthening Management of the Federal Prison System. This area is being added, in part, due to the Bureau of Prisons' long-standing challenges managing staff and resources, and planning and evaluation programs that help incarcerated people have a successful return to the community.

In 2022, GAO added two other areas to the High-Risk List. The Department of [Health and Human Services' \(HHS\) Leadership and Coordination of Public Health Emergencies](#) was added because, for more than a decade, GAO has found persistent deficiencies in HHS's leadership role preparing for and responding to public health emergencies, including those that result from extreme weather events. GAO added the [Unemployment Insurance System](#) area because administrative and program integrity challenges in the joint federal-state program have affected the system's ability to meet the needs of unemployed workers. These challenges also expose the system to significant financial losses.

GAO's 2023 High-Risk List

High-risk area	Change since 2021
Strengthening the Foundation for Efficiency and Effectiveness	
Strategic Human Capital Management	↑
Managing Federal Real Property	●
Funding the Nation's Surface Transportation System ^{a, b}	n/a
Modernizing the U.S. Financial Regulatory System ^a	●
Resolving the Federal Role in Housing Finance ^a	●
USPS Financial Viability ^a	↑
Management of Federal Oil and Gas Resources	●
Limiting the Federal Government's Fiscal Exposure by Better Managing Climate Change Risks ^a	↑
Improving the Management of IT Acquisitions and Operations	●
Improving Federal Management of Programs that Serve Tribes and Their Members	↑
U.S. Government's Environmental Liability ^a	↑
Emergency Loans for Small Businesses ^c	n/a
Strengthening Management of the Federal Prison System (new) ^b	n/a
Transforming DOD Program Management	
DOD Weapon Systems Acquisition	●
DOD Financial Management	●
DOD Business Systems Modernization	↓
DOD Approach to Business Transformation	↑
Ensuring Public Safety and Security	
Ensuring the Cybersecurity of the Nation ^a	↑
Strengthening Department of Homeland Security IT and Financial Management Functions	●
Ensuring the Effective Protection of Technologies Critical to U.S. National Security Interests	↑
Improving Federal Oversight of Food Safety ^a	●
Protecting Public Health through Enhanced Oversight of Medical Products	●
Transforming EPA's Process for Assessing and Controlling Toxic Chemicals	↑
Government-wide Personnel Security Clearance Process	●
National Efforts to Prevent, Respond to, and Recover from Drug Misuse ^c	n/a
HHS Leadership and Coordination of Public Health Emergencies (new in 2022) ^b	n/a
Managing Federal Contracting More Effectively	
Acquisition and Program Management for DOE's National Nuclear Security Administration and Office of Environmental Management	↑
NASA Acquisition Management	↑
DOD Contract Management	●
VA Acquisition Management	↑
Assessing the Efficiency and Effectiveness of Tax Law Administration	
Enforcement of Tax Laws ^a	●
Modernizing and Safeguarding Insurance and Benefit Programs	
Medicare Program and Improper Payments	●
Strengthening Medicaid Program Integrity ^a	●
Improving and Modernizing Federal Disability Programs	●
National Flood Insurance Program ^a	↑
Managing Risks and Improving VA Health Care	↑
Unemployment Insurance System (new in 2022) ^b	n/a

Legend: ↑ indicates area progressed on one or more criteria since 2021; ↓ indicates area declined on one or more criteria; ● indicates no change; n/a = not applicable

Source: GAO. | GAO-23-106686

^aLegislation is likely to be necessary to effectively address this high-risk area.

^bNot rated because this high-risk area is newly added or primarily involves congressional action.

^cRated for the first time because this high-risk area was newly added in 2021.