

OMB and Selected Agencies Need to Fully Address New Requirements

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A report to congressional committees

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What GAO Found

The Federal Agency Performance Act of 2024 (FAPA) amends statutory requirements for the Office of Management and Budget (OMB) and federal agencies to manage performance and address crosscutting issues, such as improving food safety and ensuring cybersecurity. For example, OMB is now required to achieve crosscutting goals within a presidential term and agencies are required to conduct strategic reviews to assess whether relevant organizations, programs, and activities are contributing as planned to progress on agency goals.

OMB has made limited progress in implementing new requirements. For example, OMB established new crosscutting goals in December 2025—within the first year of the administration as required. However, OMB’s August 2025 guidance to agencies does not address all statutory requirements for strategic reviews. For example, the guidance does not fully address four requirements related to involving agency leaders and stakeholders. Without guidance that accurately communicates each requirement, agencies risk conducting ineffective strategic reviews, limiting the usefulness of the information decision-makers have to improve performance and ensure that crosscutting issues are addressed.

The Departments of Homeland Security (DHS) and the Treasury had policies, procedures, and guidance for their strategic review processes that addressed most, but not all requirements. The Department of State and the General Services Administration (GSA) have not developed such documents. Further, none of the four agencies GAO selected had fully implemented new requirements for strategic reviews. Without documents that fully reflect requirements, the four agencies risk conducting strategic reviews that do not sufficiently assess progress toward their goals nor provide agency leaders with the information they need to identify risks and improve performance.

Extent to Which Strategic Review Documents Address Requirements

Requirements	GAO Assessment of the...		
	Office of Management and Budget	Department of Homeland Security	Department of the Treasury
Leaders & Stakeholders (6 requirements)	●●●○●○	●●●●●●	●●●●●●
Review Process (5 requirements)	●●●●●	●●●●●	●●●●●
Evidence (2 requirements)	●●	●●	●●
Planning & Reporting (2 requirements)	●●	●●	●●

● Addressed requirement ● Partially addressed ○ Not addressed

Source: GAO analysis of statutory requirements (31 U.S.C. §§ 1116(c)(8), 1121(c)) and relevant agency documents. | GAO-26-108516

DHS, Treasury, and GSA have plans to implement strategic reviews in 2026—the first year after OMB issued guidance—but State would not confirm plans to do so. Without conducting annual reviews, State leadership is missing a critical opportunity to assess performance to learn what worked well and what did not and identify actions to improve results moving forward.

Why GAO Did This Study

To effectively address crosscutting issues such as delivering disaster relief, the federal government needs to coordinate efforts across organizational boundaries. GAO’s work continues to identify challenges the federal government faces in effectively managing its activities and addressing crosscutting issues.

FAPA includes provisions for GAO to review its implementation. This report assesses the extent to which (1) OMB implemented FAPA’s new government-wide requirements, and (2) selected agencies addressed FAPA’s strategic review requirements.

To do so, GAO reviewed information on Performance.gov and OMB’s 2025 annual update to guidance. GAO also reviewed policies, procedures, and guidance and interviewed relevant officials at the four selected agencies about their strategic review processes and coordination with OMB. GAO selected four agencies from a population of 13 that were included in its past work on strategic reviews. The four selected agencies ranged in size (i.e., number of full-time equivalent employees) and varied in types of missions, programs, and activities.

What GAO Recommends

GAO recommends that OMB revise its guidance and the four selected agencies develop process documentation to fully address statutory requirements for strategic reviews. GAO also recommends that State conduct a strategic review in 2026.

DHS, GSA, State, and Treasury agreed with the recommendations and described planned actions to address relevant statutory requirements. OMB did not provide comments.