



Sustaining the Recovery Operations Center's Capabilities

**New England Intergovernmental Audit Forum
Fall Meeting**

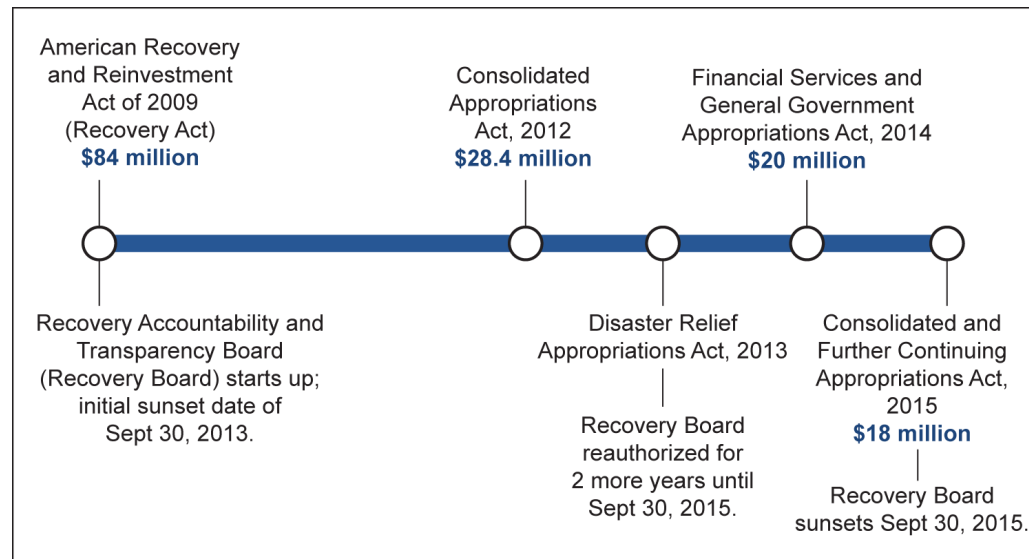
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Recovery Operations Center (ROC) Overview

- The American Recovery and Reinvestment Act of 2009 (Recovery Act) created the Recovery Accountability and Transparency Board (Recovery Board)
 - In October 2009, the Recovery Board established the ROC to analyze the use of Recovery Act funds using data analytics

Figure 1: Timeline of Legislation Authorizing the Recovery Board and Corresponding Appropriations

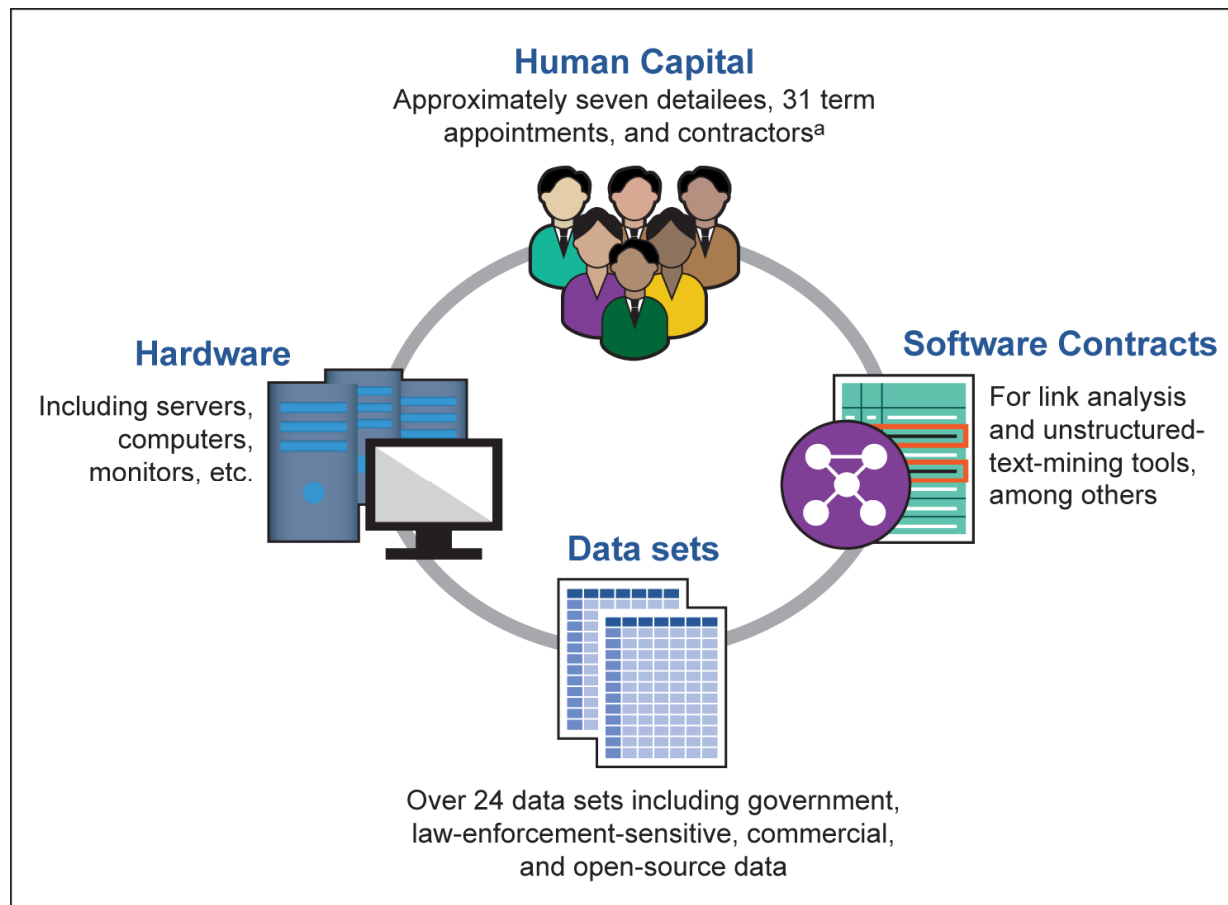


DATA Act Authorizes Treasury to Transfer ROC Assets

- The Digital Accountability and Transparency Act of 2014 (DATA Act) provided discretionary authority to the Department of the Treasury (Treasury) to establish a data-analysis center or expand an existing service to provide data, analytic tools, and data-management techniques to support
 - the prevention and reduction of improper payments by federal agencies, and
 - improving efficiency and transparency in federal spending
- The DATA Act authorized Treasury to transfer to itself all assets that support the operations and activities of the ROC relating to the detection of waste, fraud, and abuse

Recovery Operations Center (ROC) Assets

Figure 2: ROC Assets



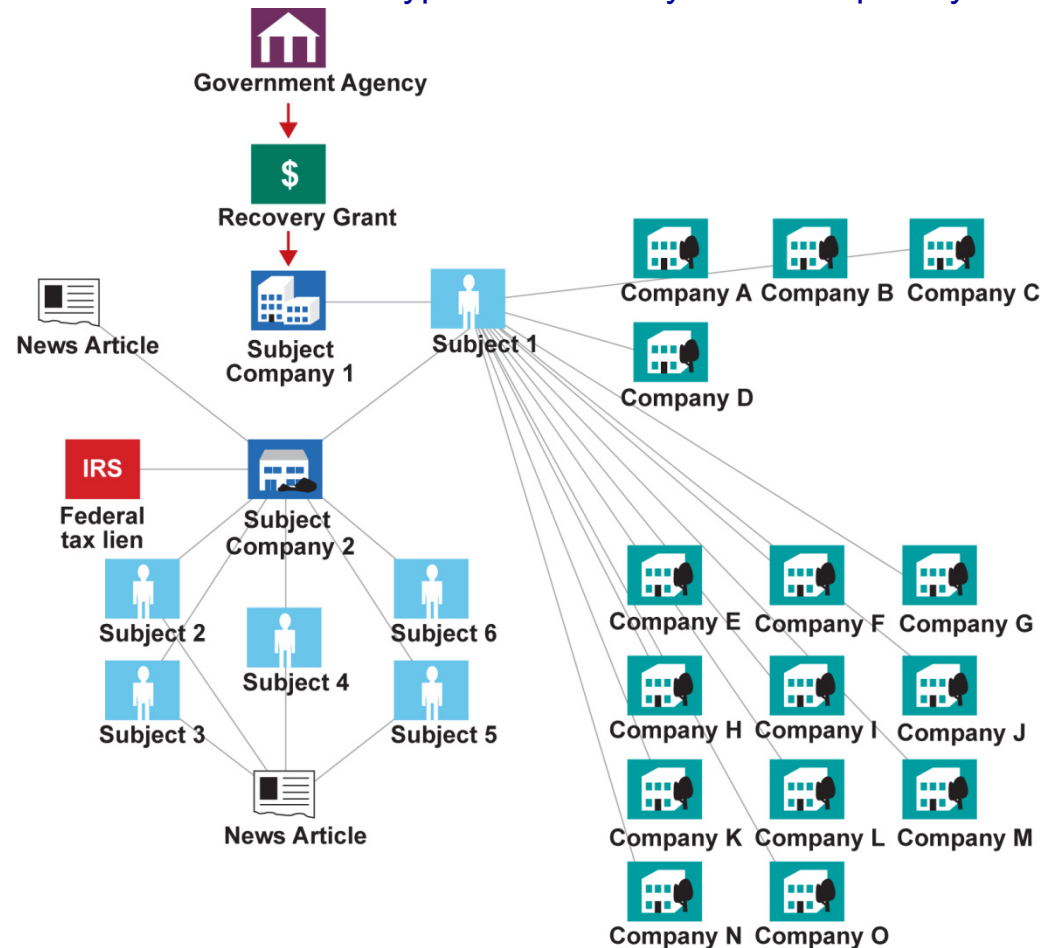
Source: GAO. | GAO-15-814

^a Reflects staffing numbers as of September 2013. Many of these personnel multitasked, in addition to supporting the ROC.

Recovery Operations Center (ROC) Capabilities

Figure 3: Visualization of a Type of Link Analysis Developed by the ROC

- Link analysis makes connections by visually representing investigative findings
- Unstructured text mining tools proactively identify high-risk entities using key words/phrases to rapidly filter through thousands of documents

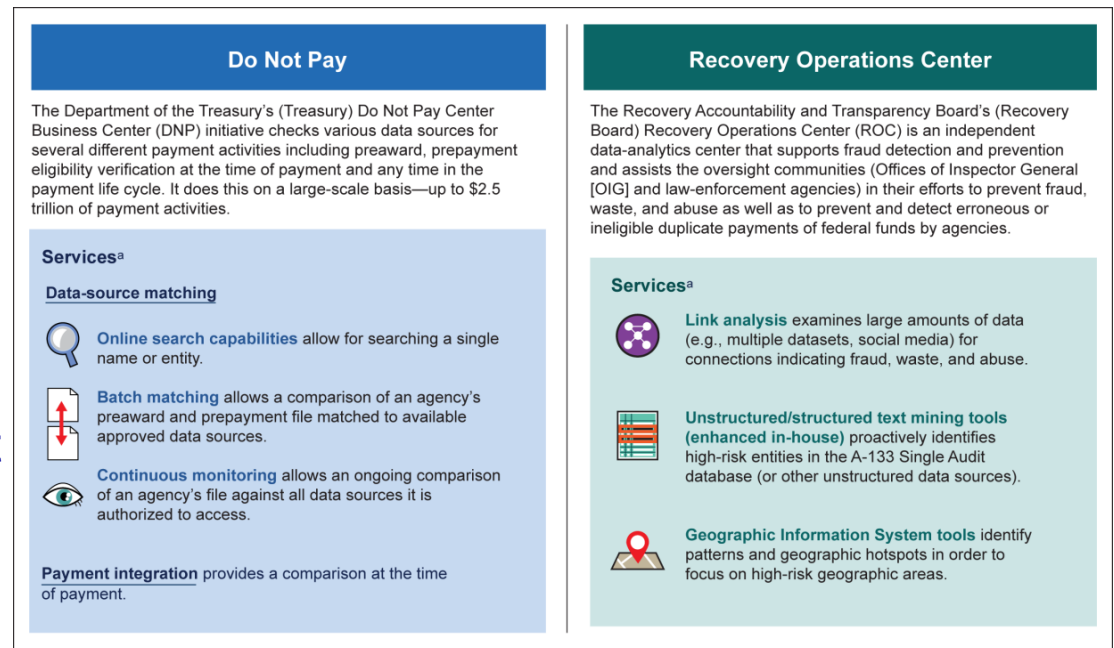


Source: GAO.

Treasury's Plans for Transferring ROC Assets

- Treasury decided not to transfer the ROC's assets, citing cost, lack of investigative authority, and other reasons
- Instead, Treasury sought opportunities to informally leverage the ROC's expertise by sharing knowledge between the ROC and Treasury's Do Not Pay Center Business Center (DNP)

Figure 4: Comparison of ROC and DNP



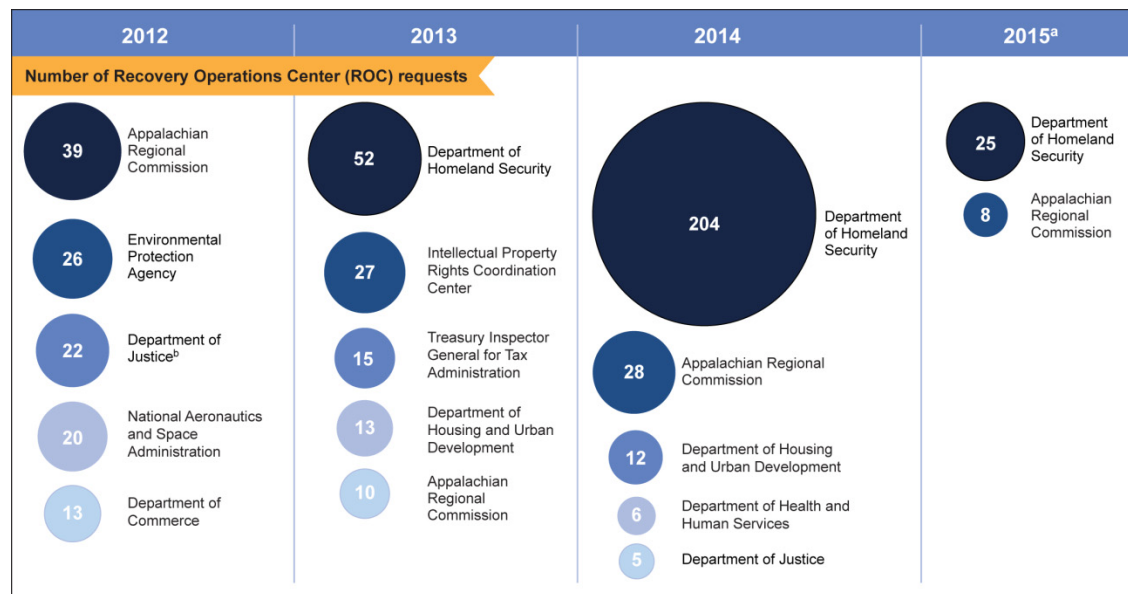
Source: GAO. | GAO-15-814

^a Both Treasury and the ROC may offer additional services—this is an illustrative rather than complete list.

Potential Effect on ROC Users

- ROC users will need to consider alternatives following the ROC's termination
- Some large Offices of Inspector General (OIG) intend to develop independent analytical capabilities, while some small- and medium-sized OIGs do not have the resources to develop such capabilities

Figure 5: Top Five OIGs Submitting Requests for Analysis



Source: GAO. | GAO-15-814

^a Statistics from January 1, 2015, through March 27, 2015. No other OIGs used the ROC more than once during this period.

^b In 2012, the Department of Justice, not the Department of Justice OIG, submitted requests for analysis.

GAO Recommendations

- We recommend that Treasury reconsider whether certain assets—especially information and documentation such as memorandums of understanding (MOU)—could be worth transferring to DNP
 - Treasury agreed to consider additional opportunities for knowledge transfer between the ROC and DNP
- Congress may wish to consider directing the Council of the Inspectors General on Integrity and Efficiency (CIGIE) to develop a legislative proposal to reconstitute the essential capabilities of the ROC to help ensure federal spending accountability
 - Congress expressed concern about the loss of capabilities to prevent and detect fraud
 - CIGIE officials support a centralized data-analytics center to prevent unnecessary duplication and ensure access to analytic resources

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