

GAO's Work on Fragmentation, Overlap, and Duplication

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Jessica Lucas-Judy
Director, Strategic Issues
U.S. Government Accountability Office

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Agenda

- ▶ Mandate
- ▶ Methodology: Applying GAO's Evaluation Guide
- ▶ Results: Financial and Other Benefits

Background: GAO's Reporting Mandate

- ▶ In 2010, GAO was mandated to report annually on “duplication in the federal government and recommend ways to reduce or eliminate it.”
- ▶ GAO reports on federal programs, agencies, offices, and initiatives—either within departments or government-wide—that have duplicative, overlapping, or fragmented goals or activities. GAO also identifies opportunities to achieve cost savings and enhanced revenue collection.



Fragmentation, Overlap, and Duplication:

**An Evaluation and
Management Guide**

Evaluation Guide

Step 1: Identify fragmentation, overlap, and
duplication



Possible approaches to identify programs include focusing on...

- ▶ Goals and outcomes
- ▶ Beneficiaries, customers, or other target population
- ▶ Key benefits, services, or products
- ▶ Administering agencies or agency organizational structure
- ▶ Appropriations or budget structure

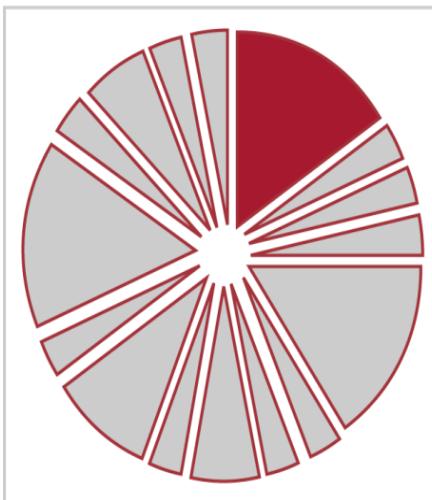


Information sources for identifying programs include...

- ▶ Legal sources
- ▶ Agency sources
- ▶ Program inventories, catalogs, or databases
- ▶ Nonagency sources
- ▶ Media sources

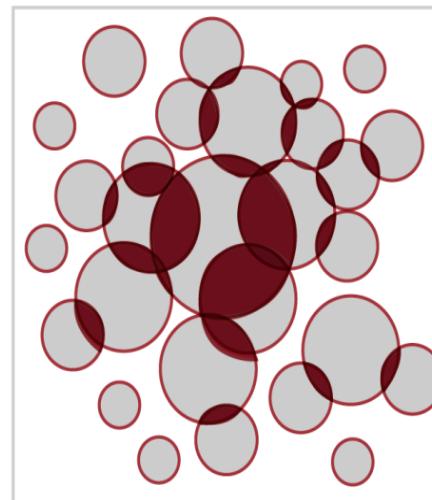
Definitions of fragmentation, overlap, and duplication

Fragmentation refers to those circumstances in which more than one federal agency (or more than one organization within an agency) is involved in the same broad area of national need and opportunities exist to improve service delivery.

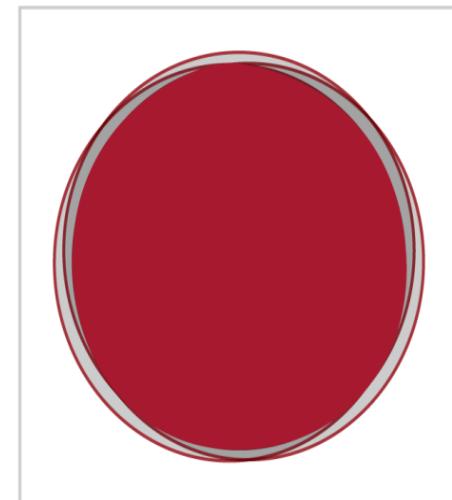


Source: GAO. | GAO-15-404SP

Overlap occurs when multiple agencies or programs have similar goals, engage in similar activities or strategies to achieve them, or target similar beneficiaries.



Duplication occurs when two or more agencies or programs are engaged in the same activities or provide the same services to the same beneficiaries.



Evaluation Guide

Step 2: Identify potential effects

Questions to help identify potential effects

- ▶ Is there evidence that...
 - Programs and agencies work together to provide logical and coordinated benefits, services, or products?
 - Roles and responsibilities are clear?
 - Related programs and outcomes are complementary?
 - Those who are eligible for benefits, services, or products are receiving them?
 - The collective provision of benefits, services, or products is economical and efficient?

Example of positive effect

- ▶ In 2010, GAO found that the availability of multiple food and nutrition assistance programs provided at different locations within a community can increase the likelihood that eligible individuals seeking benefits from one program will be referred to other appropriate programs.

Example of negative effect

- ▶ GAO found that program overlap can create the potential for unnecessary duplication of efforts for administering agencies, local providers, and individuals seeking assistance. Such duplication can waste administrative resources and confuse those seeking services.

Evaluation Guide

Step 3: Validate effects and assess and compare programs

Identify any existing program evaluations from...

- ▶ a program office or a policy or evaluation office within the administering agency;
- ▶ an oversight-related agency, such as an agency's inspector general;
- ▶ a research or oversight agency;
- ▶ an independent consulting firm or research institute; or
- ▶ an academic institution.

Conduct a new evaluation if needed

- ▶ Designing an evaluation involves selecting appropriate measures and comparisons that will permit drawing valid conclusions about the programs.
- ▶ Consider further assessing the positive and negative effects of fragmentation, overlap, or duplication identified in Step 2, in addition to program performance and cost-effectiveness.

Validate actual effects

- ▶ To evaluate coordination among agencies overseeing consumer product safety, GAO designed and administered a questionnaire to the identified agencies.
- ▶ GAO also interviewed agency officials and industry groups about the extent of fragmentation and overlap and their positive and negative effects and about the extent of coordination.

Assess and compare programs

- ▶ **Assess a single program:** How effectively and efficiently is the program performing? Does it have the desired effect on the target population?
- ▶ **Compare two or more programs:** How do the performance and cost-effectiveness of programs compare?
- ▶ **Assess a group of programs:** How efficiently and effectively do these programs provide services, individually and collectively? Are there foregone benefits that could be achieved through integration or better coordination?
- ▶ **Evaluate relationships between programs:** Are relationships necessary, strong, and effective? Do they lead to better outcomes?

Evaluation Guide

Step 4: Identify options to increase efficiency or better manage fragmentation, overlap, and duplication

Options to improve efficiency

- ▶ Restructuring outmoded government organizations and operations
- ▶ Improving processes and technology
- ▶ Implementing a strategic approach to spending



Key practices used in efficiency initiatives

- ▶ Using change management practices to implement and sustain efficiency initiatives
- ▶ Targeting both short- and long-term efficiency initiatives
- ▶ Building capacity for improving efficiency

Options to manage fragmentation, overlap, and duplication

- ▶ Improving coordination and collaboration within and across agencies
- ▶ Engaging in performance management activities
- ▶ Changing statutes, regulations, or guidance to revise or explicitly define the roles and responsibilities of agencies and program administrators
- ▶ Consolidating or streamlining programs
- ▶ Eliminating programs

Results

Why Do This?

GAO's results to date

- ▶ Including the 2017 report, GAO has identified well over 700 recommended actions for Congress or executive agencies.
- ▶ This has resulted in roughly **\$75 billion** in financial benefits from fiscal years 2010 through 2016, with at least an additional **\$61 billion** in estimated benefits projected to be accrued through 2025.

Status of 2011 to 2016 recommended actions (March 2017)

Status	Congress number of actions (percentage)	Executive branch number of actions (percentage)	Total number of actions (percentage)
Addressed	36 (38%)	293 (53%)	329 (51%)
Partially addressed	9 (9%)	192 (35%)	201 (31%)
Not addressed	50 (53%)	65 (12%)	115 (18%)
Total	95 (100%)	550 (100%)	645 (100%)

Documenting financial benefits from GAO's work

- ▶ Legislative changes estimated by the Congressional Budget Office (CBO)
- ▶ Tax changes estimated by the congressional Joint Committee on Taxation (JCT)
- ▶ GAO's estimates of programmatic changes
- ▶ The benefits are net of any costs associated with implementing the changes
- ▶ Estimated benefits have inherent uncertainty
- ▶ Not all “financial benefits” are direct savings; some entail shifting funds from lower- to higher-performing programs

Examples of implemented recommended actions

- ▶ Increased collaboration among the military services to develop and acquire uniforms better protects service members and yields about **\$4.2 billion over 5 years** in cost avoidance, of which \$2.5 billion has accrued since 2014.
- ▶ In 2012, the Department of Education identified 44 teacher quality programs in 9 federal agencies and coordinated with these agencies to develop a framework for sharing information on teacher quality activities and to work on barriers to program alignment. This effort was intended to assist federal agencies, states, and local providers in achieving more efficient service delivery across teacher quality programs.

Examples of implemented recommended actions (continued)

- ▶ Federal agencies will close over 6,000 data centers by the end of fiscal year 2019. Agencies reported **almost \$3 billion** in cost savings from their data center consolidation efforts from 2012 through 2016.
- ▶ Better coordination among 45 programs in nine federal agencies that support employment for people with disabilities is needed. In response, agencies took steps toward establishing measurable goals for employment of people with disabilities. For example, the Departments of Education and Labor defined common performance measures to be used by the core job training programs.

Open Recommendations from 2017

- ▶ The Army and Air Force could save **tens of millions of dollars** by better managing and overseeing their virtual training programs to avoid fragmentation.
- ▶ Requiring reviews for duplicative or overlapping awards would help ensure federal grants are efficiently administered. Eliminating unnecessary duplication and overlap could save public dollars and allow grant funds to be used more effectively.

Open Recommendations from 2017 (continued)

- ▶ Better aligning federal payments for hospitals' uncompensated care—services provided to uninsured and low-income patients for which hospitals are not fully compensated—with hospitals' costs could help the Centers for Medicare & Medicaid Service save **over a billion dollars annually**.
- ▶ By managing its commissaries more efficiently, the Department of Defense could position itself to better achieve its cost savings target of \$2 billion.

Resources

- ▶ 2017 Annual Report: Additional Opportunities to Reduce Fragmentation, Overlap, and Duplication and Achieve Other Financial Benefits
(<http://www.gao.gov/products/GAO-17-491SP>)
- ▶ Fragmentation, Overlap, and Duplication: An Evaluation and Management Guide
(<http://www.gao.gov/products/GAO-15-49SP>)
- ▶ <http://www.gao.gov/duplication/overview>
- ▶ http://www.gao.gov/duplication/action_tracker/all_areas
- ▶ Jessica Lucas-Judy, (202) 512-9110, lucasjudyj@gao.gov