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STATEMENT OF
ELMER B. STAATS, COMPTROLLER GENERAL
OF THE UNITED STATES
BEFORE THE LEGISLATIVE SUBCOMMITTEE
APPROPRIATIONS COMMITTEE
UNITED STATES SENATE
ON THE [BUDGET ESTIMATES FOR FISCAL YEAR 1980]

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Mr. Chairman and Members of the Subcommittee:

We appear here today seeking your support for urgently needed additional staff for the General Accounting Office to meet a sharply increased workload which has occurred over the past two years. As you know, the GAO received no increase in its budget for fiscal year 1978. For fiscal year 1979, both the House and Senate Appropriations Committees approved a staffing level of 5,264 staff years and an increase in funding for 60 staff years. However, as a result of action taken by the Congress as a whole to reduce the legislative branch appropriations by 5 percent, the GAO suffered reduction of 164 staff years below the approved level of 5,264 staff years. As a result, we have had to impose a freeze on new hiring and have only 5,108 staff on rolls today.

GAO's basic statutes require that it audit and evaluate all programs of the executive branch. To a lesser extent, we must audit the operations of both the legislative and judicial branches as well. As the Federal budget has grown, our workload has automatically grown with it. However, more important from a workload standpoint has been the increasing number of new responsibilities placed upon the GAO during the last two years.



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Sixteen separate statutes were enacted in the second session of the last Congress mandating either continuing new responsibilities or important specific assignments to be undertaken in support of the legislative branch. In addition, requests from committee chairmen and Members have continued to increase. These special assignments and requests now approximate 37 percent of GAO's entire workload. Each of these assignments--large and small--has averaged in cost approximately \$110,000. The Congress' increased interest in the work of the General Accounting Office has also resulted in a sharp increase in the number of requests to present testimony. We testified 164 times in calendar 1978. This is roughly a fourfold increase in the last six years and a 50 percent increase above the preceding year.

These workload increases--those occurring since January 1978 when we appeared here in support of our 1979 request--have been greater than at any time in GAO's history. This new legislation and increases in Committee and Member requests will require us to use between 350 and 400 additional staff years in 1979 and in 1980 above those that we were aware of when we made our budget request for FY 1979. New statutory mandates given us since January 1978 are listed in an attachment to my more detailed statement.

In addition, the growing concern about fraud, abuse, and error in Government has increased and this problem has caused widespread concern in the Congress itself. To meet this concern, GAO has established a special Task Force on

Fraud and Abuse which will require about 57 staff years each in 1979 and 1980.

To meet this additional workload, we have thus far had to simply spread our audit work more thinly and divert staff from other high priority work. We have had to cut sharply our funds for needed travel, training programs and many other activities which, if continued, will weaken our ability to serve the Congress in the longer run.

We have therefore concluded that we should request the Congress to approve a supplemental appropriation of \$12.8 million for the current fiscal year to meet pay increases and to provide 82 additional staff years beyond that which we can finance with the 5 percent reduction. Even with this additional amount, we will need to reprogram some 300 staff years from work that we would otherwise have done under our continuing auditing responsibilities.

With the approval of our FY 1980 request, the GAO's budget would total \$206,763,000 to fund 5,350 staff years. This is an increase of \$17,506,300 over our available and requested fiscal year 1979 obligational authority. A more detailed justification of estimates for 1980 and a statement of justification of requests for our 1979 supplemental appropriation request has been provided to the Committee.

Even with the additional resources that we are requesting, we will have to cut into our coverage of Federal agencies and programs. One hundred staff years of additional workload in FY 1980 will still have to be met by reprogramming from our

self-initiated work. In other words, we will be absorbing what we now estimate will be 100 additional staff years over and above the additional requests which we are presenting here today. All of this additional workload results from new legislation and growth in Federal programs.

Another point about increases to GAO workload needs to be made. As I indicated, we have identified--and asked only partial funding for--the workload increases that we now know will impact on us in FY 1979 and FY 1980. It is quite likely that there will be further increases to our workload. For example, the Congress may well enact legislation to further regulate lobbying. Both House and Senate bills contemplate additional responsibilities for GAO. Undoubtedly, there will be other new legislation that will require GAO to perform particular audits and evaluations. And the enactment of new or expanded programs together with increased Congressional and public interest in oversight of Executive Branch programs will place their own workload demands on us. We cannot reasonably estimate those requirements or what their demands on our resources will be. Consistent with our long standing policy we have not made any provision in our resource request for prospective legislation no matter how likely its passage seems. This means that there will need to be further erosion of coverage under our basic legislation. It underscores the importance that we place on the need for GAO to get the relatively modest increase in resources that we are requesting.

We recognize the need and have made plans to respond fully and promptly to the audit and evaluation requirements mandated by new legislation and by Committee requests. But, we are increasingly anxious that these immediate demands not long be met at the expense of our systematic and continuing coverage of Federal agencies and their programs.

GAO audits and evaluations regularly yield important benefits to the Federal Government and to the American people. During the past 2 years, savings attributable to GAO recommendations have totaled \$8.2 billion. GAO recommendations have also resulted in innumerable other improvements to the economy, efficiency and effectiveness of Federal programs. I might add that \$6.3 billion--or approximately 77 percent--of the savings achieved over the last 2 years and many of the more significant improvements whose benefits cannot be quantified have resulted from work initiated by GAO under our basic charter. The above quantifiable savings alone--over this 2-year period--equal more than \$2 million for each GAO professional staff member.

GAO's self-initiated coverage of agencies and programs is planned to assure that they are audited and evaluated at least at a minimum level consistent with their size and significance. Our self-initiated work is also kept responsive to current Congressional interest and priorities. Staff years to meet changing priorities and concerns are made available by reprogramming.

GAO audits and evaluations--indeed all of its work--yield an excellent return to the Government. Even beyond this, adequate coverage of Federal agencies and programs is essential to promoting sound Government programs effectively directed and prudently managed.

This concludes my opening remarks, my colleagues and I will be glad to answer any questions.

DATE 2/15
TO Mr. Keller

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ASSISTANT TO
COMPTROLLER GENERAL

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