



PRESIDENT'S COUNCIL on INTEGRITY & EFFICIENCY

FOREWORD

In December 2000, selected Offices of Inspector General (OIG) shared with key congressional leaders the "Top Management Challenges" faced by their agencies. This is the third consecutive year that the OIGs have identified these agency challenges and discussed how the issues unique to their agency would be addressed.

As has been the case in years past, the President's Council on Integrity and Efficiency has reviewed these reports and compiled information to reveal any management challenge trends facing our government. For the Congress and the rest of the oversight community, this compilation could be useful in identifying possible government-wide projects warranting high-level attention and review.

For this year's review, we have included OIG reports from 27 agencies. Specifically, the agencies included cover 24 departments and agencies subject to the Chief Financial Officers Act, the Internal Revenue Service (since the Service has a separate Inspector General), the Federal Deposit Insurance Corporation, and the United States Postal Service.

When viewed collectively, the Inspectors General have identified eight challenges having applicability across government. They are, in order of most frequently identified, as follows:

- ◆ Information Technology Management and Security
- ◆ GPRA Compliance, Implementation and Accountability
- ◆ Financial Management and CFO Statements
- ◆ Procurement and Grant Management
- ◆ Human Capital and Staffing
- ◆ Service to the Public
- ◆ Public Health and Safety
- ◆ Physical Infrastructure

This year's compilation of the "Top Management Challenges" has some noteworthy changes when compared with last year's report. First, we have consolidated all aspects of information technology, including the security and critical infrastructure issues, into one challenge. Clearly information technology is a significant challenge as all 27 OIGs included in the report list *Information Technology Management and Security* as a challenge facing their agency. Second, the number of agencies citing *Human Capital and Staffing*, which was first introduced last year as a challenge, has more than doubled over the last year. Third, one of the challenges, *Public Health and Safety*, was redefined to capture public health issues. Finally, two new challenges were added to the list. These challenges, which include *Service to the Public* and *Physical Infrastructure*, represent areas where increased attention may be warranted.

The attached report provides a matrix of the "Top Management Challenges," as well the challenges each OIG identified for their agency. Many of the challenges listed in this report are

consistent with the Administration's Government Reform initiatives, as described in the President's "budget blueprint," *A Blueprint for New Beginnings: A Responsible Budget for America's Priorities*. Government reform initiatives, such as ensuring financial accountability and linking budget and management decisions to performance, further illustrate the importance of these management challenges.

Within the Inspector General community, we are continuing to combine forces to more effectively and efficiently confront common challenges. Our 4-phase effort in the critical infrastructure assurance arena is an example of our commitment. We are also seeking opportunities to improve our communications with one another and our agency management as we pursue solutions to the complex issues facing us. We believe this report supports this initiative.

Gaston L. Gianni, Jr.
Vice Chair

March 27, 2001