



441 G St. N.W.  
Washington, DC 20548

Comptroller General  
of the United States

April 20, 2020

The Honorable Wilbur L. Ross, Jr.  
Secretary of Commerce  
Department of Commerce  
Washington, D.C. 20230

**Priority Open Recommendations: Department of Commerce**

Dear Mr. Ross:

The purpose of this letter is to provide an update on the overall status of the U.S. Department of Commerce's (Commerce) implementation of GAO's recommendations and to call your continued personal attention to areas where open recommendations should be given high priority.<sup>1</sup> In November 2019, we reported that, government-wide, 77 percent of our recommendations made 4 years ago were implemented.<sup>2</sup> Commerce's recommendation implementation rate was 80 percent. As of March 2020, Commerce had 99 open recommendations. Fully implementing these open recommendations could significantly improve Commerce's operations.

Since our April 23, 2019, letter, Commerce has implemented 8 of our 21 open priority recommendations. In doing so, Commerce has taken significant steps to improve the training of its field staff on how enumerators alert supervisors and managers to key information about certain field cases. It has also worked to ensure that forthcoming changes and decisions on enumerating populations that are hard-to-count are integrated with other hard-to-count related efforts across the Census Bureau's decentralized operations, and to finalize backup instructions for secure data transmission when the Bureau's contracted mobile carriers are unavailable. As a result of these efforts, Commerce improved its management of the census by better positioning itself to make informed decisions about trade-offs as it finalized its census design and anticipated and mitigated challenges.

Commerce has 13 priority recommendations remaining from those we identified in our 2019 letter. We ask your continued attention on these remaining recommendations. We are adding 4 new recommendations as priorities this year related to the 2020 Decennial Census, and 3 new recommendations as priorities related to risk assessments ensuring the cybersecurity of the nation. This brings the total number of priority recommendations to 20. (See the enclosure for the list of these recommendations.)

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<sup>1</sup>Priority recommendations are those that GAO believes warrant priority attention from heads of key departments or agencies. They are highlighted because, upon implementation, they may significantly improve government operations, for example, by realizing large dollar savings; eliminating mismanagement; or making progress toward addressing a high-risk or fragmentation, overlap, or duplication issue.

<sup>2</sup>GAO, *Performance and Accountability Report: Fiscal Year 2019*, [GAO-20-1SP](#) (Washington, D.C.: Nov. 19, 2019).

The 20 priority recommendations fall into the following six areas.

**2020 Decennial Census.** We have 10 priority recommendations related to the 2020 Decennial Census, one of the highest risks facing the government. In an April 2019 report, we recommended that the Bureau take steps to implement both identified corrective actions for cybersecurity weaknesses and a formal process for tracking and executing corrective actions to remediate cybersecurity weaknesses, helping to reduce risks to a successful census enumeration. We will review the Bureau's progress in addressing the recommendation as part of our ongoing work on the 2020 Census.

In 2019 we recommended that the Census Bureau (Bureau) develop and obtain management approval of mitigation and contingency plans for all risks that require them. Without setting a clear time frame for approving draft mitigation and contingency plans, some risks may not be finalized. As of December 2019, the Bureau's program risk registers included an indicator of the status of the mitigation plans; however, the Bureau's portfolio risk register did not. Consequently, there is not a clear indication of which portfolio risk mitigation plans have been approved by management. Commerce needs to develop and obtain management approval for all risks that require them.

**Ensuring the cybersecurity of the nation.** We had three 2019 priority recommendations related to ensuring the nation's cybersecurity. In a July 2019 report, we recommended that Commerce establish a process for conducting an organization-wide cybersecurity risk assessment. This would allow Commerce to consider the totality of risk derived from the operation and use of its information systems. In February 2020, Commerce officials stated that the department intends to evaluate whether there are any gaps in its cybersecurity policy pertaining to the establishment of an organization-wide cybersecurity risk assessment and will establish a plan to fill in gaps as necessary.

In a March 2019 report, we reviewed Commerce's assigned work roles for positions performing information technology (IT), cybersecurity, or cyber-related functions to analyze and monitor the agency's workforce planning. We found that Commerce human resources and IT officials improperly coded IT management occupational series positions. Consequently, we recommended that Commerce review the assignment of these positions and assign appropriate National Initiative for Cybersecurity Education (NICE) framework role codes. To fully implement this recommendation, Commerce needs to review the assignment of the "000" code to any positions in the department in the 2210 IT management occupational series and assign the appropriate NICE role codes.

In May 2019, we assessed Commerce's actions to ensure effective online identify verification processes and the sufficiency of its direction on identity proofing. We did this to understand Commerce's remote identity proofing practices, especially in light of the 2017 Equifax breach and the potential for fraud. We found that data stolen in recent breaches could be used fraudulently to respond to knowledge-based verification questions. Therefore, we recommended that the National Institute of Standards and Technology (NIST) supplement the agency's 2017 technical direction with additional information to assist federal agencies in determining and implementing alternatives to knowledge-based verification that are most suitable for their applications. To fully implement this recommendation, NIST needs to develop and implement such documents.

**IT management and workforce planning.** We have one priority recommendation aimed at improving Commerce's IT workforce planning practices. In a November 2016 report, we evaluated Commerce's implementation of strategic human capital planning practices recommended by us, the Office of Personnel Management, and the Office of Management and Budget (OMB). We found that Commerce had not yet established a process to guide its IT workforce planning activities and had partially or not implemented several activities to assist the agency with effective workforce planning. Accordingly, we recommended that Commerce address these shortfalls to improve its ability to assess and address gaps in knowledge and skills that are critical to the success of major IT acquisitions. To fully implement this recommendation, Commerce needs to prioritize the completion of its IT workforce planning process and then begin implementing the process in phases based on the availability of resources.

**Entrepreneurial assistance programs.** We have two August 2012 priority recommendations for Commerce to support entrepreneurs, including (1) consistently collecting data on its entrepreneurial assistance programs, and (2) conducting more evaluations of its programs. In March 2019, Commerce provided an update on the department's actions to address these recommendations, including the ongoing implementation of a pilot evaluation framework and related performance measures. Commerce stated it expects to begin collecting information for all Commerce's Economic Development Administration's (EDA) non-infrastructure grantees in fiscal year 2020. Fully implementing the framework would help decision makers better understand which programs are most effective and allocate federal resources accordingly.

**International trade.** We have three priority recommendations related to international trade. Although trade expansion can enhance the economic welfare of all trade partners, many firms and workers experience difficulties adjusting to import competition. Congress has responded to these difficulties with trade adjustment assistance (TAA) programs, including the TAA for Firms program administered by EDA. We recommended in September 2012 that Commerce (1) broaden the program's evaluation approach, for instance, by developing additional quantifiable outcome-oriented performance goals and measures, and (2) develop a data system to consistently collect, maintain, and analyze sufficiently reliable and up-to-date data on program operations and participant firms. According to EDA officials, the agency has efforts underway to improve performance metrics and the system for collecting information on program operations. Commerce needs to continue these efforts to fully implement our recommendations.

Also, in 2013, we recommended that the Secretary of Commerce, as Chair of the Trade Promotion Coordinating Committee (TPCC), report in the TPCC's National Export Strategies on how export promotion resources are allocated by agency and aligned with priorities, as required by the Export Enhancement Act of 1992. While Commerce concurred with the recommendation, officials noted their limited authority over budget reporting and resource allocations and gave examples of some challenges they faced. The TPCC did not issue a National Export Strategy in fiscal years 2014, 2015, or 2017. The TPCC did issue one in 2016; however, the strategy did not include any budget information. In October 2018, Commerce officials told us they were developing a new draft National Export Strategy, which would include budget information, but any plans for issuance were unknown and would depend on administration priorities. As of January 2020, the committee had not issued a new National Export Strategy. Also, the committee reported to us that it has collected budget information for trade promotion activities, but it has not transmitted this information to Congress.

**Conflict mineral rule.** We have one priority recommendation aimed at improving the effectiveness of the conflict minerals disclosure rule. Armed groups in the eastern Democratic Republic of the Congo continue to profit from the exploitation of minerals, such as gold, tin, tantalum, and tungsten, according to the United Nations. Congress included a provision in the 2010 Dodd-Frank Wall Street Reform and Consumer Protection Act to, among other things, require Commerce to produce an annual report, beginning in January 2013, that includes a list of worldwide conflict mineral processing facilities and an assessment of Independent Private Sector Audits (IPSA) filed in conjunction with Securities and Exchange Commission disclosures.

In an August 2016 report, we found that Commerce had not submitted a report that included an assessment of the accuracy of the IPSAs filed by some companies, nor had it developed a plan to do so. We recommended that Commerce submit a plan to the appropriate congressional committees with associated time frames that includes how Commerce assesses the accuracy of IPSAs, develops recommendations for the process used to carry out IPSAs, and acquires the necessary knowledge, skills, and abilities to carry out these responsibilities. As of January 2020, Commerce stated that it is continuing to consider its plans for implementing GAO's recommendation.

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As you know, in March 2019 we issued our biennial update to our high risk program, which identifies government operations with greater vulnerabilities to fraud, waste, abuse, and mismanagement or the need for transformation to address economy, efficiency, or effectiveness challenges.<sup>3</sup> Our high risk program has served to identify and help resolve serious weaknesses in areas that involve substantial resources and provide critical service to the public.

One of our [high risk areas, 2020 Decennial Census](#), centers directly on Commerce. Several other government-wide high risk areas—including (1) [Ensuring the Cybersecurity of the Nation](#), (2) [Improving the Management of IT Acquisitions and Operations](#), (3) [Strategic Human Capital Management](#), (4) [Managing Federal Real Property](#), and (5) [Government-wide Personnel Security Clearance Process](#)—also have direct implications for Commerce and its operation.<sup>4</sup> We urge your attention to these government-wide high risk issues as they relate to Commerce. Progress on high-risk issues has been possible through the concerted actions and efforts of Congress, OMB, and the leadership and staff in agencies, including within Commerce.

Copies of this report are being sent to the Director of the Office of Management and Budget and appropriate congressional committees; the Committees on Appropriations, Budget, and Homeland Security and Governmental Affairs, United States Senate; the Committees on

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<sup>3</sup>GAO, *High-Risk Series: Substantial Efforts Needed to Achieve Greater Progress on High-Risk Areas*, [GAO-19-157SP](#) (Washington, D.C.: Mar 6, 2019).

<sup>4</sup>[GAO-19-157SP](#). See pages 134-138 for 2020 Decennial Census, pages 123-127 for Improving the Management of IT Acquisitions and Operations, pages 178-184 for Ensuring the Cybersecurity of the Nation, pages 123-127 for Improving the Management of IT Acquisitions and Operations, pages 75-77 for Strategic Human Capital Management, pages 78-85 for Managing Federal Real Property, and pages 170-177 for Government-wide Personnel Security Clearance Process.

Appropriations, Budget, and Oversight and Reform, House of Representatives. In addition, the report will be available at no charge on the GAO website at <http://www.gao.gov>.

I appreciate Commerce's continued commitment to these important issues. If you have any questions or would like to discuss any of the issues outlined in this letter, please do not hesitate to contact me or Daniel Garcia-Diaz, Managing Director, Financial Markets and Community Investment at [garciadiazd@gao.gov](mailto:garciadiazd@gao.gov) or 202-512-4529. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Our teams will continue to coordinate with your staff on all of the 99 open recommendations, as well as those additional recommendations in the high-risk areas for which Commerce has a leading role. Thank you for your attention to these matters.

Sincerely yours,



Gene L. Dodaro  
Comptroller General  
of the United States

Enclosure - 1

cc: Karen Dunn Kelley, Deputy Secretary  
Dr. Steven Dillingham, Director of the Census Bureau  
MaryAnn Mausser, GAO Liaison Officer  
Corey J. Kane, DOC/Bureau of the Census  
Amy Egan, NIST OIG/GAO Liaison  
Catherine Fletcher, NIST/DOC

Enclosure

## Department of Commerce (Commerce) Priority Recommendations

### 2020 Decennial Census

*2020 Census: Additional Actions Needed to Manage Risk.* [GAO-19-399](#). Washington, D.C.: May 31, 2019.

**Recommendation:** The Secretary of Commerce should ensure that the Director of the Census Bureau (Bureau) develops and obtains management approval of mitigation and contingency plans for all risks that require them.

**Action Needed:** Commerce agreed with this recommendation. As of December 2019, the Bureau's program risk registers included a clear indication of the status of mitigation plans; however, the Bureau's portfolio risk register did not, without which there is not a clear indication of which portfolio risk mitigation plans have been approved by management. To fully implement this recommendation, Commerce needs to develop and obtain management approval for all risks that require them.

**High Risk Area:** [2020 Decennial Census](#)

**Managing Director:** J. Christopher Mihm, Strategic Issues

**Contact Information:** [mihmj@gao.gov](mailto:mihmj@gao.gov) (202) 512-6806

*2020 Census: Further Actions Needed to Reduce Key Risks to a Successful Enumeration.* [GAO-19-431T](#). Washington, D.C.: April 30, 2019.

**Recommendation:** The Secretary of Commerce should direct the Director of the Census Bureau to direct the Census Bureau's Chief Information Officer (CIO) to take steps to ensure that identified corrective actions for cybersecurity weaknesses are implemented within prescribed time frames.

**Action Needed:** Commerce agreed with our recommendation. It provided an action plan in August 2019. We will review the Bureau's progress in addressing this recommendation as part of our ongoing work on the 2020 Census.

**Recommendation:** The Secretary of Commerce should direct the Director of the Census Bureau to direct the Bureau's CIO to implement a formal process for tracking and executing appropriate corrective actions to remediate cybersecurity weaknesses identified by the Department of Homeland Security, and expeditiously address the identified deficiencies.

**Action Needed:** Commerce agreed with our recommendation. In August 2019, the Bureau stated that it is developing a process for tracking and executing corrective actions identified by governing bodies and external entities. We will review the Bureau's progress in addressing this recommendation as part of our ongoing work on the 2020 Census.

**High Risk Area:** [2020 Decennial Census](#)

**Director:** Nick Marinos, Information Technology and Cybersecurity

**Contact information:** [marinosn@gao.gov](mailto:marinosn@gao.gov) (202) 512-9342

*2020 Census: Additional Steps Needed to Finalize Readiness for Peak Field Operations. GAO-19-140.* Washington, D.C.: December 10, 2018.

**Recommendation:** The Secretary of Commerce should ensure that the Director of the Census Bureau identifies and implements changes to align census field supervisor screening, authorities, and information flows to allow greater use of the census field supervisor position to provide supervisory support to enumerators.

**Action Needed:** Commerce agreed with this recommendation. In its February 2019 action plan, the Bureau indicated that it updated the Census field supervisor hiring assessment to include questions on supervisory experience. In January 2020, we reviewed updated Bureau training documentation on Census field supervisor responsibilities. To fully implement this recommendation, the Bureau's actions will also need to demonstrate how the Census field supervisors will have the information they need to carry out their responsibilities to provide supervisory support to enumerators.

**High Risk Area:** [2020 Decennial Census](#)

**Managing Director:** J. Christopher Mihm, Strategic Issues

**Contact information:** [mihmj@gao.gov](mailto:mihmj@gao.gov) (202) 512-6806

*2020 Census: Census Bureau Needs to Improve Its Life-Cycle Cost Estimating Process. GAO-16-628.* Washington, D.C.: June 30, 2016.

**Recommendation:** To ensure Census Bureau and congressional confidence that the Bureau's budgeted contingencies are at appropriate levels, the Secretary of Commerce and Under Secretary for Economic Affairs should direct the Census Bureau to improve control over how risk and uncertainty are accounted for and communicated with the Bureau's decennial cost estimation process, such as by implementing and institutionalizing processes or methods for doing so with clear guidance.

**Action Needed:** Commerce agreed with this recommendation. In 2018, we found that the Bureau performed uncertainty and sensitivity analysis on its cost estimate process and added funding into the cost estimate to reflect inherent uncertainty and account for specific risks. In order to fully implement this recommendation, however, the Bureau will need to link specific risks to funds set aside in the \$1.2 billion general risk contingency fund.

**High Risk Area:** [2020 Decennial Census](#)

**Managing Director:** J. Christopher Mihm, Strategic Issues

**Contact information:** [mihmj@gao.gov](mailto:mihmj@gao.gov) (202) 512-6806

*2020 Census: Additional Actions Would Help the Bureau Realize Potential Administrative Records Cost Savings. GAO-16-48.* Washington, D.C.: October 20, 2015.

**Recommendation:** To help ensure the Census Bureau focuses its resources on those activities that show promise for substantially reducing enumeration cost, in advance of the 2016 Census Test and later tests, the Secretary of Commerce should direct the Under Secretary of the Economics and Statistics Administration and the Director of the U.S. Census Bureau to ensure systematic capture of information about fieldwork cases that experience problems by including information in enumerator training about where to record the issues, who to contact, what details to include, and the importance of doing so.

**Action Needed:** Commerce agreed with this recommendation. To fully implement this recommendation, the Census Bureau needs to identify what information it finds valuable to have from its enumerators—such as the incidence of specific technical problems with the survey instrument or mobile device—and ensure that enumerators and their first-line supervisors are made aware of the importance of recording such information and how to do so. Commerce last updated us on the status of its actions on this recommendation in March 2019.

**High Risk Area:** [2020 Decennial Census](#)

**Managing Director:** J. Christopher Mihm, Strategic Issues

**Contact information:** [mihmj@gao.gov](mailto:mihmj@gao.gov) (202) 512-6806

*2020 Census: Bureau Needs to Improve Scheduling Practices to Enhance Ability to Meet Address List Development Deadlines.* [GAO-14-59](#). Washington, D.C.: November 21, 2013.

**Recommendation:** To help maintain a more thorough and insightful 2020 Census development schedule to better manage risks to a successful 2020 Census, the Secretary of Commerce and Undersecretary for Economic Affairs should direct the U.S. Census Bureau to improve the credibility of schedules, including conducting a quantitative risk assessment.

**Action Needed:** Commerce agreed with this recommendation. To fully implement this recommendation, the Census Bureau needs to conduct quantitative schedule risk analyses with its master schedule. Commerce last updated us on the status of its actions on this recommendation in March 2019.

**High Risk Area:** [2020 Decennial Census](#)

**Managing Director:** J. Christopher Mihm, Strategic Issues

**Contact information:** [mihmj@gao.gov](mailto:mihmj@gao.gov) (202) 512-6806

*2010 Census: Key Efforts to Include Hard-to-Count Populations Went Generally as Planned; Improvements Could Make the Efforts More Effective for Next Census.* [GAO-11-45](#). Washington, D.C.: December 14, 2010.

**Recommendation:** To help improve the effectiveness of the Bureau's outreach and enumeration efforts, especially for hard-to-count (HTC) populations, should they be used again in the 2020 Census, and improve the Bureau's marketing/outreach efforts, the Secretary of Commerce should require the Under Secretary for Economic Affairs, as well as the Director of the U.S. Census Bureau, to develop mechanisms to increase coordination and communication between the partnership and local census office staff. Possible actions include offering more opportunities for joint training, establishing protocols for coordination, and more



effectively leveraging the partnership contact database to better align partnership outreach activities with local needs.

**Action Needed:** Commerce generally agreed with this recommendation. In 2011, the Bureau reported on the agency's assessment of the Partnership Program. In September 2014, the Bureau's Path to the 2020 Census Design Decision identified the Partnership Program as one of the best methods for communicating the importance of response. In this Decision, the Bureau also stated its intent to map out details about the Partnership Program, and as of March 2018, Bureau officials added they were developing coordination mechanisms between partnership and Area Census Office staff for the 2020 Census. For example, the Bureau updated a form it had used during the 2010 Census to track partnership outreach activities to help facilitate information sharing within the Bureau and said it planned to make additional updates. In March 2019, the Bureau informed us that it was assigning at least one partnership specialist to each census office manager to help address this recommendation. As of December 2019, we have ongoing work on the Bureau's 2020 partnership and outreach activities that will be providing updates to this recommendation. To fully implement this recommendation, the Bureau will need to take the necessary steps to operationalize this decision, such as documenting for partnership specialists and their area census office manager how they are expected to work together and other significant mechanisms that would increase effectiveness of coordination and communication between partnership and local field office staff.

**Recommendation:** To help improve the effectiveness of the Census Bureau's outreach and enumeration efforts, especially for HTC populations, should they be used again in the 2020 Census, and to improve some of the Bureau's key efforts to enumerate HTC populations, the Secretary of Commerce should require the Under Secretary for Economic Affairs as well as the Director of the U.S. Census Bureau to evaluate the extent to which each special enumeration activity improved the count of traditionally hard-to-enumerate groups and use the results to help inform decision making on spending for these programs in 2020.

**Action Needed:** Commerce generally agreed with this recommendation. As of December 2019, we have ongoing work on the Bureau's 2020 partnership program and outreach activities that will be providing updates to this recommendation. To fully implement this recommendation, the Census Bureau needs to demonstrate how it is relying on data about how various special enumeration activities of historically hard-to-enumerate groups contributed to coverage in the 2010 Census to inform its design for the 2020 Census.

**High Risk Area:** [2020 Decennial Census](#)

**Managing Director:** J. Christopher Mihm, Strategic Issues

**Contact information:** [mihmj@gao.gov](mailto:mihmj@gao.gov) (202) 512-6806

*2010 Census: Census Bureau Has Made Progress on Schedule and Operational Control Tools, but Needs to Prioritize Remaining System Requirements.* [GAO-10-59](#). Washington, D.C.: November 13, 2009.

**Recommendation:** To improve the Census Bureau's use of its master schedule to manage the 2020 Decennial Census, the Secretary of Commerce should require the Director of the U.S. Census Bureau to include estimates of the resources, such as labor, materials, and overhead costs, in the 2020 integrated schedule for each activity as the schedule is built, and prepare to

carry out other steps as necessary to conduct systematic schedule risk analyses on the 2020 schedule.

**Action Needed:** Commerce neither agreed nor disagreed with this recommendation. We reviewed actions on this recommendation in July 2018 and noted that the Bureau had begun taking steps to prepare for schedule risk analyses. In order to fully implement this recommendation, the Bureau needs to include estimates of the resources needed to complete specific tasks within its master integrated schedule for the 2020 Census and carry out systematic analysis of the risk to cost and schedule. Commerce last updated us on the status of its actions on this recommendation in March 2019.

**High Risk Area:** [2020 Decennial Census](#)

**Managing Director:** J. Christopher Mihm, Strategic Issues

**Contact information:** [mihmj@gao.gov](mailto:mihmj@gao.gov) (202) 512-6806

**Ensuring the Cybersecurity of the Nation**

*Cybersecurity: Agencies Need to Fully Establish Risk Management Programs and Address Challenges.* [GAO-19-384](#). Washington, D.C.: July 25, 2019.

**Recommendation:** The Secretary of Commerce should establish a process for conducting an organization-wide cybersecurity risk assessment.

**Action Needed:** Commerce neither agreed nor disagreed with our recommendation. In February 2020, Commerce officials stated that the department intends to evaluate whether there are any gaps in its cybersecurity policy pertaining to the establishment of an organization-wide cybersecurity risk assessment and will establish a plan to fill in gaps as necessary. They added that the department plans to implement a tool that can aggregate data into a dashboard for unified visibility across the department. In order to fully implement this recommendation, Commerce needs to establish a process for aggregating information from sources such as system-level risk assessments, continuous monitoring, and any relevant strategic risk considerations that allows it to consider the totality of risk derived from the operation and use of its information systems.

**High Risk Area:** [Ensuring the Cybersecurity of the Nation](#)

**Director:** Nick Marinos, Information Technology and Cybersecurity

**Contact information:** [marinosn@gao.gov](mailto:marinosn@gao.gov) (202) 512-9342

*Data Protection: Federal Agencies Need to Strengthen Online Identity Verification Processes.* [GAO-19-288](#). Washington, D.C.: May 17, 2019.

**Recommendation:** The Director of the National Institute of Standards and Technology (NIST) should supplement the agency's 2017 technical guidance with additional guidance to assist federal agencies in determining and implementing alternatives to knowledge-based verification that are most suitable for their applications.

**Action Needed:** Commerce agreed with our recommendation. To fully implement this recommendation, NIST needs to develop and implement such documents. Commerce last updated us on the status of its actions on this recommendation in August 2019.

**High Risk Area:** [Ensuring the Cybersecurity of the Nation](#)

**Director:** Nick Marinos, Information Technology and Cybersecurity

**Contact information:** [marinosn@gao.gov](mailto:marinosn@gao.gov) (202) 512-9342

*Cybersecurity Workforce: Agencies Need to Accurately Categorize Positions to Effectively Identify Critical Staffing Needs.* [GAO-19-144](#). Washington, D.C.: March 12, 2019.

**Recommendation:** The Secretary of Commerce should take steps to review the assignment of the “000” code to any positions in the department in the 2210 information technology (IT) management occupational series and assign the appropriate National Initiative for Cybersecurity Education framework work role codes.

**Action Needed:** The Department of Commerce concurred with the recommendation, but, as of January 2020, it had not yet provided sufficient evidence that it had implemented the recommendation. We will continue to monitor the situation.

**High Risk Area:** [Ensuring the Cybersecurity of the Nation](#)

**Director:** Carol C. Harris, Information Technology and Cybersecurity

**Contact information:** [harriscc@gao.gov](mailto:harriscc@gao.gov) (202) 512-4456

## **Information Technology Management and Workforce Planning**

*IT Workforce: Key Practices Help Ensure Strong Integrated Program Teams; Selected Departments Need to Assess Skill Gaps.* [GAO-17-8](#). Washington, D.C.: November 30, 2016.

**Recommendation:** To facilitate the analysis of gaps between current skills and future needs, the development of strategies for filling the gaps, and succession planning, the Secretary of Commerce should require the Chief Information Officer, Chief Human Capital Officer, and other senior managers as appropriate to address the shortfalls in IT workforce planning noted in this report, including the following actions: (1) establish and maintain a workforce planning process; (2) develop competency and staffing requirements; (3) assess competency and staffing needs regularly; (4) assess gaps in competencies for all components of the workforce; (5) develop strategies and plans to address gaps in competencies and staffing; (6) implement activities that address gaps, including an IT acquisition cadre, cross-functional training of acquisition and program personnel, a career path for program managers, and special hiring authorities, if justified and cost-effective; (7) monitor the department's progress in addressing IT competency and staffing gaps; and (8) report to department leadership on progress in addressing competency and staffing gaps.

**Action Needed:** Commerce agreed with this recommendation. To fully implement this recommendation, Commerce needs to prioritize the completion of its IT workforce planning process and then begin implementing the process in phases based on the availability of resources. As of February 2020, Commerce has substantially implemented the activity to

develop competency and staffing requirements and has minimally or partially implemented four activities. It has not reported any progress in implementing the remaining three activities comprising this recommendation.

**High Risk Area:** [Improving the Management of IT Acquisitions and Operations](#)

**Director:** Carol C. Harris, Information Technology and Cybersecurity

**Contact information:** [harriscc@gao.gov](mailto:harriscc@gao.gov) (202) 512-4456

**Entrepreneurial Assistance Programs**

*Entrepreneurial Assistance: Opportunities Exist to Improve Programs' Collaboration, Data Tracking, and Performance Management.* [GAO-12-819](#). Washington, D.C.: August 23, 2012.

**Recommendation:** The Secretary of Commerce should consistently collect information that would enable it to track the specific type of assistance programs provide and the entrepreneurs they serve and use this information to help administer its programs.

**Action Needed:** Commerce neither agreed nor disagreed with this recommendation. To fully implement this recommendation, Commerce needs to continue its efforts to collect data on activities funded and the direct impacts that result from the activities for the eight pilot grantees representing the Economic Development Administration's (EDA) non-infrastructure programs. In March 2019, Commerce stated that it expected to begin collecting this information for all of EDA's non-infrastructure grantees starting in fiscal year 2020. It needs to collect this information to fully implement the recommendation.

**Recommendation:** The Secretary of Commerce should conduct more program evaluations to better understand why programs have not met performance goals and their overall effectiveness.

**Action Needed:** Commerce neither agreed nor disagreed with this recommendation. To fully implement this recommendation, Commerce needs to continue its ongoing efforts to fully implement its pilot evaluation framework and new performance measures. Commerce last updated us on the status of its actions on this recommendation in March 2019.

**High Risk Area:** Entrepreneurial Assistance Programs

**Director:** William B. Shear, Financial Markets and Community Investment

**Contact information:** [shearw@gao.gov](mailto:shearw@gao.gov) (202) 512-8678

**International Trade**

*Trade Adjustment Assistance: Commerce Program Has Helped Manufacturing and Services Firms, but Measures, Data, and Funding Formula Could Improve.* [GAO-12-930](#). Washington, D.C.: September 13, 2012.

**Recommendation:** To ensure that the performance measures used to evaluate the Trade Adjustment Assistance (TAA) for Firms program demonstrate program results and to help ensure that the EDA can comprehensively evaluate the effectiveness of the program, the

Secretary of Commerce should broaden the program's evaluation approach. For instance, this could be done by developing additional, quantifiable, outcome-oriented performance goals and measures for key program areas and conducting further analysis of the data to isolate the impact of the TAA for Firms program from other influences, such as economic trends.

**Action Needed:** Commerce agreed with this recommendation. As of June 2019, EDA was taking actions to fulfill our recommendation by implementing a new evaluation system and metrics. To fully implement this recommendation, EDA needs to continue its ongoing efforts to develop and implement additional performance metrics for this program.

**Recommendation:** To improve the data available to manage and evaluate the TAA for Firms program, the Secretary of Commerce should develop a data system to consistently collect, maintain, and analyze sufficiently reliable and up-to-date data on program operations and participant firms.

**Action Needed:** Commerce agreed with this recommendation. As of June 2019, EDA was taking actions to fulfill our recommendation by implementing business process improvements. To fully implement this recommendation, EDA needs to continue its efforts to evaluate the effects of its agency-wide data system and alternative systems for collecting data on program operations and transition to a new data system for the TAA for Firms program.

**High Risk Area:** Entrepreneurial Assistance Programs

**Director:** Kimberly M. Gianopoulos, International Affairs Trade

**Contact information:** [gianopoulosk@gao.gov](mailto:gianopoulosk@gao.gov) (202) 512-8612

*Export Promotion: Better Information Needed about Federal Resources.* [GAO-13-644](#). Washington, D.C.: July 17, 2013.

**Recommendation:** To improve the consistency, comprehensiveness, and transparency of information provided to Congress and policymakers on the federal investment in export promotion programs, the Secretary of Commerce, as chair of the Trade Promotion Coordinating Committee, should report in its National Export Strategies how resources are allocated by agency and aligned with priorities.

**Action Needed:** Commerce agreed with this recommendation in 2013. To implement this recommendation, Commerce needs to work with the other agencies that are members of the committee, including the Office of Management and Budget, to compile export promotion budget information they have previously identified and publish it in the National Export Strategy transmitted annually to designated Congressional committees pursuant to the Export Enhancement Act.<sup>5</sup> As of January 2020, the committee has not issued a new National Export Strategy. Also, the committee reported to us that it has collected budget information for trade promotion activities, but it has not transmitted this information to Congress.

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<sup>5</sup>15 U.S.C. § 4727.

**High Risk Area:** Entrepreneurial Assistance Programs

**Director:** Kimberly M. Gianopoulos, International Affairs Trade

**Contact information:** [gianopoulosk@gao.gov](mailto:gianopoulosk@gao.gov) (202) 512-8612

**Conflict Minerals Rule**

*SEC Conflict Minerals Rule: Companies Face Continuing Challenges in Determining Whether Their Conflict Minerals Benefit Armed Groups.* [GAO-16-805](#). Washington, D.C.: August 25, 2016.

**Recommendation:** To improve the effectiveness of the Securities and Exchange Commission's conflict minerals disclosure rule, the Secretary of Commerce should submit to the appropriate congressional committees a plan outlining steps that Commerce will take, with associated timeframes, to (1) assess the accuracy of the independent private sector audits (IPSA) and other due diligence processes described under section 13(p) of the Securities Exchange Act of 1934; (2) develop recommendations for the process used to carry out such audits, including ways to improve the accuracy of the audits and establish standards of best practices for such audits; and (3) acquire the necessary knowledge, skills, and abilities to carry out these responsibilities.

**Action Needed:** Commerce agreed with this recommendation. To fully implement this recommendation, Commerce needs to submit a plan to the appropriate congressional committees with associated time frames that include how Commerce will improve the accuracy of the audits and establish standards of best practices for such audits, develop recommendations for the process used to carry out such audits, and acquire the necessary knowledge, skills, and abilities to carry out these responsibilities. Commerce last updated us on the status of its actions on this recommendation in January 2020.

**High Risk Area:** Conflict Minerals Rule

**Director:** Kimberly M. Gianopoulos, International Affairs and Trade

**Contact information:** [gianopoulosk@gao.gov](mailto:gianopoulosk@gao.gov) (202) 512-8612

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