



## **Managing Risk in Times of Crisis Accountability and Control Considerations for Recovery Act Programs**

Governments at all levels face a significant challenge to effectively manage the risks associated with the accelerated obligation and use of resources provided in the American Recovery and Reinvestment Act (Recovery Act). Facilitating the communication and understanding of effective practices and lessons learned from relevant past experiences is a role AGA can play as an independent organization outside of government. The objective of this research project is to understand and share agency approaches to managing the risks associated with implementing Recovery Act programs.

The research will provide information and insights to government managers, legislators, and other accountability professionals on how internal controls and risk management processes are being implemented to achieve transparency and accountability objectives at various levels of government. The research will focus on how federal agencies are implementing risk management frameworks to effectively monitor the award, performance and post-performance processes associated with Recovery Act funds.

A key element of the research will be to re-visit past situations where similar risks may have been present to identify lessons learned and effective approaches to risk management and internal control. An emphasis will be placed on highlighting proactive non-traditional approaches that have been or can be used to identify or detect implementation risks or improper payments early.

The research will identify:

- ❑ the type of funding and how this affects risk and internal controls;
- ❑ how detailed reporting provisions are being supported and how the integrity of financial reports is being maintained;
- ❑ lessons learned from previous similar experiences - what worked ,what didn't and why;
- ❑ risk assessment strategies and leading indicators;
- ❑ monitoring strategies and methodology;
- ❑ training, communication and resource management strategies;
- ❑ integration and leveraging opportunities (OMB Circulars A-123, Improper Payments Information Act, Government Performance and Results Act, OMB Circular A-133, etc.);
- ❑ coordination between management and oversight organizations;
- ❑ recommendations for effective risk management and internal control to achieve transparency and accountability objectives.