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2026 Top Management Challenges for the U.S. Government Publishing Office
January 23, 2026

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RESULTS IN BRIEF

The Purpose of This Report

The Reports Consolidation Act of 2000 requires the Executive Branch Inspectors General to identify and report annually on the top management challenges facing their agencies. The U.S. Government Publishing Office (GPO), Office of the Inspector General (OIG), also adopted this requirement as a best practice. Top management challenges provide a forward-looking assessment of the coming year to help GPO focus on the most serious management issues.

What We Considered

We examined ongoing and past audits, inspections, and investigative work to identify top management challenges. We analyzed new programs and activities that could pose significant challenges. We also examined GPO's Annual Reports, Budget Justification Reports, and Strategic Plans for issues facing the agency. Finally, we assessed and acknowledged GPO's progress in addressing challenges identified in the previous year. For FY 2025, we identified four top management challenges.

2026 Top Management Challenges:

Challenge 1: Human Capital. Challenges in recruitment and retention, time-to-hire efficiencies, and succession planning were first identified as management challenges in 2019. Since then, GPO has developed the *FY 2023-2027 Human Capital Strategic Plan*, the *Strategic Recruitment Plan, 2023-2029,* and leveraged innovative recruitment strategies to propel the GPO workforce forward. GPO must continue to improve and refine these initiatives, aligning Human Capital efforts with current and future GPO workforce needs. Legislative efforts to transition GPO's Human Capital governance from Executive Branch to Legislative Branch policies and procedures would provide GPO with greater flexibility and control over its workforce needs.

Challenge 2: Acquisition Fraud. GPO needs a strategic approach to managing fraud risks and developing effective anti-fraud controls. Consistent with the Government Accountability Office's (GAO) April 2023 recommendations for federal agencies, GPO should take proactive steps to mitigate fraud risk, including designating an entity to lead overall organizational fraud risk management that incorporates all aspects of fraud risk, including supply chain risk management (SCRM). As no such entity currently exists within the agency, GPO should develop a Fraud Risk Management Program to demonstrate senior management's expectations for the integrity of GPO and its employees. While GPO has taken steps to help minimize fraud risk, such as the planned update to the Materials Management Acquisition Regulation and the creation of a Supply Chain Risk Management and Intelligence Branch, additional proactive measures should be taken to further reduce the risk of fraud to GPO.

Challenge 3: Aging Physical Plant. This management challenge originated in FY 2023. The GPO Washington D.C. complex consists of four buildings that house various printing presses, passport production lines, administrative office space, and tenant agencies. These buildings show that time, usage, weather, and multiple short-range adjustments have taken their toll on the physical plant. This raises productivity and safety concerns.

Challenge 4: Financial Viability. GPO needs a strategy to mitigate increased costs impacting its supply chain and decreased demand for print products. GPO faces several financial challenges, including tariffs, wage increases, inflation-driven increases in material costs, and decreased demand. Lapses in appropriations during government shutdowns also put financial strain on GPO and its customers. GPO's supply chain includes items purchased from other countries when they are not available in the United States, many of which are impacted by new tariffs. According to GPO's 2025 financial statements, GPO paid over $2.5 million in tariffs during the year, none of which was planned for when initially budgeted because the tariffs were not in place at that time. GPO management has also noted a decrease in demand for products produced by Government Integrated Print Services and Government Publishing and Print Procurement.

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Changes from the Previous Report

We considered the following to update this report: (1) demonstrated leadership commitment in addressing the issue; (2) ability to address the problem; (3) plans for how corrective measures will be implemented; (4) programs for monitoring the corrective action; and (5) demonstrated progress in the implementation of the corrective measures.

We removed the FY 25 challenge of planning for and assessing the impact of artificial intelligence technologies, which was added to the FY 25 report, due to the agency's current directive.[1]

For 2026, with the rise of and focus on Financial Viability and the impact of new increased costs, we introduced a new challenge that addresses GPO's current efforts and potential progress.

We commend GPO for addressing these challenges and for the progress made on the remaining challenges.

[1] GPO Directive 705.36, Artificial Intelligence Policy, October 25, 2023

Challenge 1: Human Capital.

Overview: GPO has made progress in improving human capital processes amid ongoing challenges in recruitment, retention, hiring efficiency, and succession planning, but continued efforts are essential to support its mission.

Why this is a Challenge: As Director Hugh Halpern testified to Congress in 2024, the GPO faces the challenge of attracting and retaining a qualified workforce, as 50% of agency employees will be eligible to retire within the next 3 years.[2] As of January 2026, that number is closer to thirty-three percent, a testament to GPO's improvement efforts.[3] GPO has previously leveraged the Recent Graduate and Apprenticeship Programs and used targeted outreach to develop the current workforce. Unfortunately, the Recent Graduate Program has been suspended until further notice.

The Human Capital (HC) office needs to ensure its policies and procedures keep pace. Outdated policies and a lack of standard operating procedures impede GPO's ability to maximize its recruitment efforts, efficiently hire and onboard new personnel, and retain existing staff. Previously, HC has experienced delays in the validation of a hiring need to the tentative offer. These delays affected employee confidence in HC processes and highlight inefficiencies in recruitment and onboarding.

GPO also faces significant challenges in workforce and succession planning. As a small agency, workforce changes—such as the retirement of key personnel—can significantly impact GPO operations. With a significant percentage of the workforce still eligible to retire in the next three years, the completion of GPO's Strategic Workforce Plan should play a critical role in meeting workforce needs for the future.

GPO progress: The *FY 2023-2027 Human Capital Strategic Plan* outlined four goals and 19 key efforts. HC is making progress and is on track, with 12 of those key efforts completed or in progress in strategic alignment, talent management, performance culture, and evaluation. HC has made significant progress on workforce management by hiring a dedicated Strategic Workforce planner. HC has also made progress in talent management, leveraging the Recent Graduate program to hire approximately 80 early-career professionals, and offering apprenticeship programs in Bindery, Press, and Pre-Press operations. HC has also begun targeted outreach to staff key, hard-to-fill positions, such as proofreaders and engineers.

HC is updating older/outdated policies. Several policies have been updated, such as those governing Recent Graduate, Administrative Grievance, Leave, and Telework. Modified Work Schedule (MWS), Alternate Work Schedule (AWS), and Time Off Awards are nearing completion and implementation. An update to the 1979 Occupational Health policy is also ongoing.

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[2] Statement of The Honorable Hugh Nathanial Halpern Before the Subcommittee on Legislative Branch FY 2025 Appropriations Request of the Government Publishing Office (May 08, 2024).

[3] According to GPO's Chief Human Capital Officer as reported 1/13/2026 Executive Staff Meeting.

HC has reviewed and reorganized its operations to improve efficiency in recruitment and onboarding. HC is working on a HC Dashboard data cleanup, allowing staff to provide more real-time data on time to hire in FY26, resulting in better analytics to support ongoing improvements in hiring times. In January 2026, we started an inspection into GPO's recruitment and staffing operations.

Lastly, HC has focused extensively on developing the workforce. HC's Workforce Development, Education and Training (WDET) branch has launched several leadership development programs to include a new supervisory training series, manager tools, effective manager training, increased offerings of Leadership Evaluation and Development (LEAD) class, and is preparing to launch a brand-new mid-career leadership development program called Supervisory to Manager Excellence Training (SUMET). HC provided the following statistical data regarding its leadership development offerings through WDET over the past two years:

Fiscal Year	Program Name	Participants
2024	New Manager Orientation Program	27
2024	GPO LEAD Program	39
2025	New Manager Orientation Program	19
2025	GPO LEAD Program	65
2025	New Supervisor Training Program	51
2025	Supervisor Refresher Training	63
2025	Effective Manager Training	51

HC noted that WDET launched the New Supervisor Training Program, Supervisor Refresher Training, and Effective Manager Training programs in 2025, so data from previous years were unavailable. All programs listed will be offered again in 2026.

Challenge 2: Acquisition Fraud. GPO needs a strategic approach to managing fraud risks and developing effective anti-fraud controls.

Overview: GPO has two Business Units (BU) that are actively involved in procurement. The Government Publishing and Print Procurement (PPP) BU contracts vendors to produce and distribute information, products, and services for all three branches of the Federal Government. The Agency Acquisitions (AA) BU provides GPO with internal acquisitions and contracting support.

In 2015, the GAO issued a report entitled "A Framework for Managing Fraud Risks in Federal Programs" to serve as a guide for agency managers.[4] The report outlines four components for managing fraud risks:

1. creating an organizational culture to combat fraud at all levels of the agency;
2. conducting regular fraud risk assessments tailored to particular programs to identify and assess associated risks;
3. designing and implementing a strategy with specific controls to mitigate assessed fraud risks and collaborating to help ensure effective implementation; and
4. evaluating outcomes using a risk-based approach to adapt controls to improve fraud risk management.

The GAO has issued numerous recommendations since 2015 to help federal agencies manage their fraud risks, many of which have not been fully implemented. In April 2023, GAO issued a follow-up report entitled "Fraud Risk Management."[5] The report identifies five areas in which federal agencies need to take additional actions to help ensure they are effectively managing fraud risks. Specifically, agencies need to take additional actions related to:

1. designating an entity to lead fraud risk management,
2. assessing fraud risks,
3. designing and implementing an anti-fraud strategy,
4. using data analytics to manage fraud risks, and
5. managing fraud risks in emergencies.

In GPO Directive 1215.1B *Program to Eliminate Fraud, Waste, and Abuse in GPO Programs and Operations,* the OIG is made a key part of the Agency's antifraud program. This is contrary to GAO's best practice guidance. GAO emphasized that "it is critical that the antifraud entity be located within the agency and not the OIG, so the OIG can retain independence to serve its oversight role." Managers of GPO programs maintain the primary responsibility for enhancing program integrity and administering their programs to prevent fraud, waste, and abuse.

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[4] GAO, *A Framework for Managing Fraud Risks in Federal Programs*, GAO-15-593SP (Washington, DC: July 28, 2015)
[5] GAO, *Fraud Risk Management: Key Areas for Federal Agency and Congressional Action*, GAO-23-106567 (Washington, DC: April 13, 2023)

Why this is a Challenge: GPO does not currently have a centralized program to address fraud risk. GPO could establish a Fraud Risk Management Program (Program) that aligns with senior management's expectations and demonstrates a commitment to managing fraud risks. The Program should have defined responsibilities and a direct reporting line to senior-level managers within the GPO. While managers of federal programs may perceive a conflict between fulfilling the program's mission and safeguarding taxpayer dollars from improper use, proactively managing fraud risks can ensure that taxpayer dollars and government services serve their intended purposes.

We have previously identified fraud risks in GPO operations. Specific examples include GPO not taking steps to ensure that contracted services were met; GPO not requiring final invoice certification (under penalty of perjury); GPO not certifying that vendors or contractors have complied with material conditions to obtain payment and have not independently verified that conditions were met prior to payment; and GPO contracts not including a right to audit clause. The establishment of a Fraud Risk Management Program will enable the GPO to strategically mitigate previously identified fraud risks and to identify and mitigate existing and future fraud risks.[6]

GPO Progress: Agency Acquisitions (AA) is developing a supplement to the Materials Management Acquisition Regulation (MMAR), last updated in 2003. It is anticipated that an updated MMAR will provide greater clarity to GPO personnel involved in the contracting process, including reviewing documents and performance, and reporting potential fraud. The MMAR was added to GPO's Priority Programs and Projects List (PPP) in 2024 and is on the list in 2025.

The Agency's Contracting Officer Representatives (CORs) are the primary watchdogs for evidence of contract fraud, waste, and abuse. The CORs monitor individual contractor performance on a contract, ensuring deliverables meet requirements, by acting as a technical liaison, inspecting work, documenting performance, and reporting to the Contracting Officer. The CORs are obligated to report potential perceived fraud, waste, or abuse related to government contracts. Discrepancies are reported to the Contracting Officer, in accordance with GPO Directive 1215.1B, *Program to Eliminate Fraud, Waste, and Abuse in GPO Programs and Operations*, issued September 15, 2021.

AA provides support and guidance to the CORs, and uses internal controls to prevent potential fraud, including yearly contract compliance reviews, a robust COR program, and ethics and fraud awareness training.

During Fiscal Year 2026 Quarter 1, GPO plans to establish a Fraud Risk Management Panel to manage the prevention, discovery, awareness, education, and response to fraud risk across GPO. The panel will be comprised of senior leaders from four BUs. Until that panel is established and active, GPO remains at a higher risk of fraud.

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[6] GPO OIG Report Number 24-01, Fiscal Year 2024 Top Management Challenges for the U.S. Government Publishing Office, October 30, 2023

Challenge 3: GPO must contend with an aging physical plant.

Overview: The GPO Washington, D.C. Physical Plant is made up of four buildings. The buildings house various printing equipment, passport production lines, administrative offices, and tenant agencies, including the U.S. Capitol Police. The four buildings were constructed between 1903 and 1938, and GPO's total building floor space is 33 acres. As stated in a 2017 historical picture-archive publication about GPO's buildings, "Although they were planned as industrial buildings, their appearance in the context of neighboring houses, commercial structures, and Government buildings is, on the one hand, commanding (due to their size) and at the same time not overwhelming. Visitors over many decades reported surprise that "those big red buildings" were, in fact, a large working factory inside." Today, the buildings house close to 1,000 employees, and the various production equipment necessary for full printing plant operations.

Why this is a Challenge: The maintenance backlog at the GPO in Washington, D.C., has led many building systems to reach or exceed their expected lifespans. The restoration projects must compete with modernization efforts for the same limited resources to improve operational efficiency and support the agency's mission. Additionally, while infrastructure restoration projects inherently increase safety, it is crucial that the Top 10 Safety Hazards are incorporated into the agency's project portfolio to ensure that life, health, and safety issues receive the necessary attention.

GPO progress: GPO conducted an assessment in 2024 and a review in 2025. The 2024 assessment calculated the plant's building replacement value at that time to be $1,090,442,300.

In FY 2023, we identified four of GPO's major facilities as priority projects that were to be completed by May 2023.[7] In FY 2025, three out of four projects were ongoing, having the following status:

1. Garage and Basement Concrete Repair
    a. The agency is now working on phase 2, basement and sidewalk repair. Facilities Management requested and received approval of $1.5M of supplemental funding during the FY2025 Strategic Investment Committee (SIC) to complete phase 2. The project will be completed in accordance with the agency's project prioritization results.
2. Government Secure and Intelligent Documents (GSID) loading dock
    a. The first phase of the GSID loading dock project has been completed.

[7] GPO OIG, GPO's Top Management Challenges for Fiscal Year 2023, FY 2023 Top Management Challenges, October 25, 2022

b. Phase 2 Construction will be completed in accordance with priorities outlined in the agency's project prioritization results. Phase 2 will be initiated upon completion of the Smart Manufacturing project, projected for March 2028.

3. IT Data Center:

   a. Status remains the same as our FY 25 report. The initial design has been completed; however, a contract modification was required due to a design change. The change was necessitated because of structural steel concerns. The design contractor expressed concerns about the chillers' weight and requested additional funding to complete a design modification. The project will be completed in accordance with the agency's prioritization process.

Challenge 4: Financial Viability. GPO needs a strategy to mitigate increased costs impacting its supply chain and decreased demand for print products

Overview: In 2025, GPO faced several cost increases and saw a decrease in customers across the Federal Government. Moreover, government customers are increasingly cost-sensitive, with funding reductions and this year's 6-week funding lapse creating greater uncertainty for many Federal agencies in 2026.

The United States Government increased tariffs on imported goods from most countries through a series of executive orders, such as Executive Order 14257, "Regulating Imports With a Reciprocal Tariff To Rectify Trade Practices That Contribute to Large and Persistent Annual United States Goods Trade Deficits" (April 2, 2025).[8] GPO's supply chain includes items purchased from other countries—with tariffs ranging from 10 to 34 percent—when they are not available in the United States, including raw paper material (Asia), offset printing presses (Germany and Japan), and other essential equipment, such as bindery machinery, lamination equipment, and inspection devices (European Union). Additionally, some specialized secure materials used to produce secure government documents are imported from the European Union and the United Kingdom. According to GPO's 2025 financial statements, GPO paid over $2.5 million in tariffs during the year, none of which was planned for when initially budgeted because the tariffs were not in place at that time.

Additionally, GPO Director Halpern noted during town hall meetings in September and December 2025 that net income declined this year due to higher wages, rising material costs (including tariffs), and reduced demand. According to the Director, the Government Integrated Print Services (GIPS) Business Unit saw revenue decrease in 2025 for producing the Congressional Record (8 percent), Federal Register (19 percent), and the Code of Federal Regulations (16 percent) when compared to 2024. Overall, GIPS revenues decreased by 18 percent between fiscal years 2024 and 2025. At the same time, pressure from GPO customers to keep costs low has also been increasing. For example, according to the Director, GPO is under pressure to reduce the costs of producing the Federal Register.

Finally, the funding uncertainties at many Federal agencies due to budget cuts and the 6-week lapse in appropriations at the start of Fiscal Year 2026 could result in decreased revenues for GPO this year. According to a GPO management report, the lapse in appropriations at the start of FY 2026 had significant financial implications for GPO, including lost revenues, delinquent vendor payments, and increased overtime to recover from the shutdown once appropriations were approved. For example, during the lapse in appropriations, the Government Publishing and Print Procurement (GP3) Business Unit processed approximately 600 procurements, term contract print orders, and task order

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[8] Executive Order 14257, "Regulating Imports With a Reciprocal Tariff To Rectify Trade Practices That Contribute to Large and Persistent Annual United States Goods Trade Deficits," April 2, 2025, https://www.whitehouse.gov/presidential-actions/2025/04/regulating-imports-with-a-reciprocal-tariff-to-rectify-trade-practices-that-contribute-to-large-and-persistent-annual-united-states-goods-trade-deficits/

invoices, worth approximately $5.7 million. Compared with the same period in the prior year, this represents approximately 4,300 fewer jobs and over $29 million less in gross revenue. GPO also missed out on approximately $97,000 in prompt payment discounts during the shutdown period due to late invoice payments. Some vendors halted shipments of needed supplies due to unpaid invoices, highlighting a supply-chain risk that could halt production of items such as U.S. passports and smart cards if stockpiles run out.

Why this is a Challenge: Since a significant portion of GPO's operating budget comes from fees charged to other federal agencies for print procurement work, GPO may not receive as much revenue as expected if costs increase and those increases are not reflected in quoted prices. Furthermore, lapses in appropriations are becoming more common and longer-lasting, resulting in significant financial implications for GPO.

GPO progress: In July 2025, GPO established a monthly report of tariff expenditures, which is provided to the Joint Committee on Printing (JCP) in lieu of GPO seeking JCP approval for each tariff-related expense. GPO has also continued to implement new technologies to decrease costs through improved efficiency.