

Senate Judiciary Committee
Hearing on
“Somali Fraud in Minnesota – The Tip of the Iceberg”
February 10, 2026
Questions for the Record
Senator Amy Klobuchar

What does GAO recommend states do to strengthen programs to ensure fraud is prevented and detected?

Proactive fraud risk management is meant to facilitate a program’s mission and strategic goals by ensuring that taxpayer dollars and government services serve their intended purposes. GAO’s Fraud Risk Framework includes a comprehensive set of leading practices to use when developing or enhancing efforts to combat fraud in a strategic, risk-based manner.¹ While the Framework is targeted to managers in the U.S. federal government, Office of Management and Budget implementing guidance notes that the extended enterprise—the complex interdependencies with state and local governments, and other recipients of federal funding—impact risk management and give rise to certain additional risks, which need to be considered in risk management. In other words, risks at the state and local level impact federal risk and should be managed. As such, practices and concepts described in the Framework may also be applicable to state, local, and foreign government agencies, as well as nonprofit entities.

The Framework identifies leading practices that could help states:

- **Commit**—Commit to combating fraud by creating an organizational culture and structure conducive to fraud risk management;
- **Assess**—Plan and implement regular fraud risk assessments and use that information to develop a fraud risk profile, a document where entities detail the likelihood and impact of fraud risks, their tolerance for those risks, and the prioritization of fraud risks to address;
- **Design and Implement**—Design and implement a strategy with specific control activities to mitigate assessed fraud risks and collaborate to help ensure effective implementation; and
- **Evaluate and Adapt**—Evaluate outcomes using a risk-based approach and adapt activities to improve fraud risk management.

¹GAO, *A Framework for Managing Fraud Risks in Federal Programs*, [GAO-15-593SP](#) (Washington, D.C.: July 2015).