

Exhibit 5- USA GAO Office Positive Report on ERM

December 2016

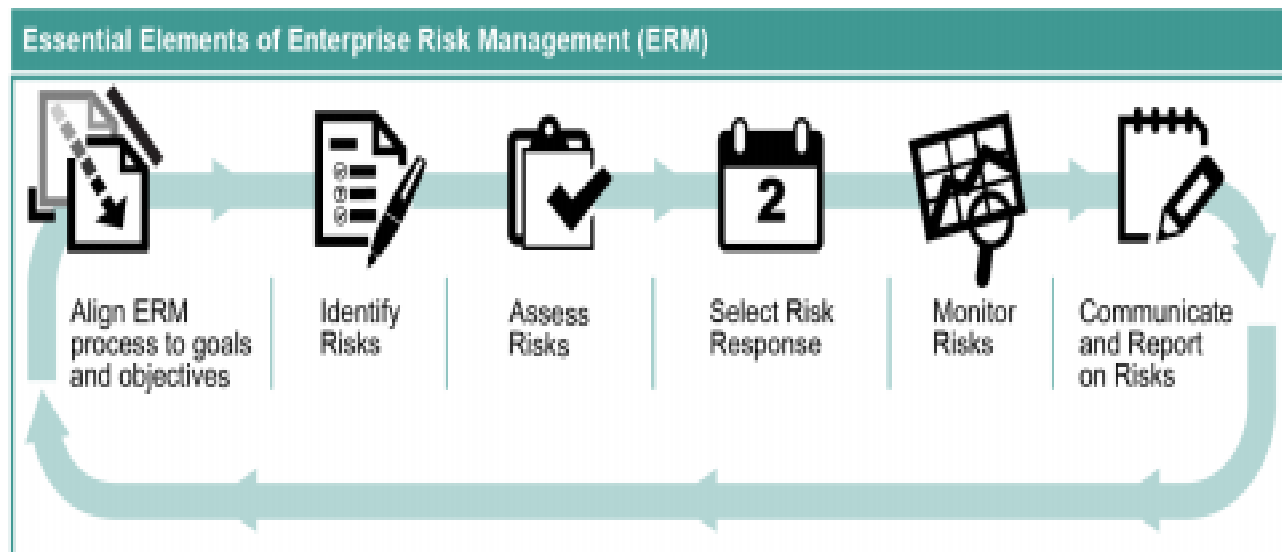
ENTERPRISE RISK MANAGEMENT

Selected Agencies' Experiences Illustrate Good Practices in Managing Risk

<https://www.gao.gov/assets/690/681342.pdf>

What GAO Found

Enterprise Risk Management (ERM) is a forward-looking management approach that allows agencies to assess threats and opportunities that could affect the achievement of its goals. While there are a number of different frameworks for ERM, the figure below lists essential elements for an agency to carry out ERM effectively. GAO reviewed its risk management framework and incorporated changes to better address recent and emerging federal experience with ERM and identify the essential elements of ERM as shown below.



Source: GAO. | GAO-17-63

(Please note: The GAO office is the parallel position to the "Auditor General" position in Canada. –

Please note also the statement "Enterprise Risk Management (ERM) is a forward-looking management approach..." NOT after the damage has occurred! WJP



SOCIAL SECURITY
Office of the Commissioner

October 27, 2016

Mr. J. Christopher Mihm
Managing Director, Strategic Issues
United States Government Accountability Office
441 G. Street, NW
Washington, DC 20548

Dear Mr. Mihm:

Thank you for allowing us to review the draft report, "ENTERPRISE RISK MANAGEMENT: Selected Agencies' Experiences Illustrate Good Practices in Managing Risks" (GAO-17-63). We appreciate your work in identifying essential elements and good practices of Enterprise Risk Management (ERM). The draft report accurately reflects our activities for this engagement and we have no additional comments.

We are adopting many of the best practices outlined in this report as we move forward with implementation of ERM. We recently met with the Office of Management and Budget (OMB) to outline our ERM implementation plans, and OMB has indicated that they are pleased with our overall approach, plans, and progress to date.

If you have any questions, please contact me at (410) 965-4991. Your staff may contact Gary S. Hatcher, Senior Advisor for the Audit Liaison Staff, at (410) 965-0680.

Sincerely,

Frank Cristaudo
Executive Counselor to the Commissioner

Further evidence of successful ERM application in government - WJP