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Subject: Office of National Drug Control Policy: Agencies View the Budget Process as Useful for Identifying Priorities, but Challenges Exist

Illicit drug use endangers public health and safety and depletes financial resources. According to the Office of National Drug Control Policy (ONDCP), each day in this country, an estimated 8,000 Americans illegally consume a drug for the first time and the risks posed by their drug use—like that of the estimated 20 million individuals that already use illicit drugs—will radiate to their families and the communities in which they live. Efforts to combat drug abuse and its consequences also represent a considerable financial investment. ONDCP, which is responsible for overseeing and coordinating the implementation of the national drug policy, reported that, for fiscal year 2010, about \$22 billion was allocated for drug control programs and other related drug control activities across 49 federal agencies, departments, components, or programs.

ONDCP was established by the Anti-Drug Abuse Act of 1988 to enhance national drug control planning and assist Congress in overseeing that effort.¹ In this role, ONDCP provides advice and governmentwide oversight of drug programs and coordinates the development of the *National Drug Control Strategy (Strategy)*. By statute, the Director of ONDCP is to annually (1) develop a *National Drug Control Strategy* which sets forth a comprehensive plan, for the year, to reduce illicit drug use and its consequences in the

¹ONDCP was created and authorized through January 21, 1994, by the National Narcotics Leadership Act of 1988 (codified at 21 U.S.C. 1501 et seq.), in title I of the Anti-Drug Abuse Act of 1988, Pub. L. No. 100-690, 102 Stat. 4181. The National Narcotics Leadership Act Amendments, in subtitle B of title IX of the Violent Crime Control and Law Enforcement Act of 1994, Pub. L. No. 103-322, 108 Stat. 1796, 1990-96, reauthorized ONDCP through fiscal year 1997. These provisions were repealed as of September 30, 1997. Congress approved ONDCP funding for fiscal year 1998 in the Treasury and General Government Appropriations Act, 1998, Pub. L. No. 105-61, 111 Stat. 1272, signed into law on October 10, 1997. ONDCP was reauthorized by the Office of National Drug Control Policy Reauthorization Act of 1998, Div. C. of title VII of Pub. L. No. 105-277, 112 Stat. 2681-670, through September 30, 2003. Under the Office of National Drug Control Policy Reauthorization Act of 2006, Pub. L. No. 109-469, 120 Stat. 3502, ONDCP was reauthorized through fiscal year 2010. Pursuant to 21 U.S.C. § 1712, the provisions relating to ONDCP found at Title 21, chapter 22 (21 U.S.C. §§ 1701-1711), were “repealed” effective September 30, 2010. However, ONDCP continues to operate pursuant to the Department of Defense and Full-Year Continuing Appropriations Act, 2011, Pub. L. No. 112-10, 125 Stat. 38, which provides continued funding.

United States by limiting the availability of, and reducing the demand for, illegal drugs;² (2) develop a consolidated National Drug Control Program budget proposal designed to implement the *Strategy*;³ and (3) coordinate and oversee the implementation by the National Drug Control Program agencies of the policies, goals, objectives, and priorities established for the National Drug Control Program and the fulfillment of the responsibilities of such agencies under the *Strategy*.⁴ Agencies submit to ONDCP the portion of their budget requests dedicated to drug control, which they prepare as part of their overall budget submission for the Office of Management and Budget (OMB), and these requests are to be included in the President's budget request. In February 2011, ONDCP released the Fiscal Year 2012 Funding Highlights for the Drug Control Budget, which reflected a restructuring of the prior year's Drug Control Budget.⁵ This restructuring resulted in a total of 39 departments and their components and independent agencies with drug control responsibilities and a total budget request of about \$26 billion. (Enclosure I shows the 39 federal components, agencies, and programs in the fiscal year 2012 Drug Control Budget). The Office of National Drug Control Policy Reauthorization Act of 2006 mandates that we annually conduct an audit relating to the programs and operations of ONDCP.⁶ Thus, this year, we examined ONDCP's efforts to develop and monitor the Drug Control Budget, particularly in light of potential efforts to consider reauthorization of ONDCP beyond fiscal year 2010. Specifically, we (1) examined ONDCP's process for developing and monitoring the Drug Control Budget and (2) obtained selected drug control agencies' views on the benefits and challenges of developing and implementing the Drug Control Budget.

To address these objectives, we analyzed applicable laws; available ONDCP documents such as circulars and guidance; and reports on ONDCP, the National Drug Control Strategies for 2005 to 2010, and the Drug Control Budget for fiscal years 2007 to 2012. To better understand how ONDCP's budget development process operates, we analyzed portions of ONDCP's funding guidance to the Departments of Justice (DOJ) and Health and Human Services (HHS) for fiscal years 2005 through 2010.⁷ We reviewed funding

²21 U.S.C. §§ 1703(b)(2) and 1705(a)(1).

³21 U.S.C. § 1703(c)(2)(A). ONDCP prepares a budget proposal it refers to as the National Drug Control Budget Summary. For purposes of this report, we refer to this proposal as the Drug Control Budget.

⁴21 U.S.C. § 1703(b)(3). Also, under 21 U.S.C. § 1701(7), the term National Drug Control agency means any agency that is responsible for implementing any aspect of the National Drug Control Strategy, including any agency that receives federal funds to implement any aspect of the National Drug Control Strategy, subject to certain exceptions regarding intelligence agencies.

⁵In 2008, the National Academy of Public Administration's report entitled *Building the Capacity to Address the Nation's Drug Problem* recommended that ONDCP develop a comprehensive budget to ensure that policymakers and the public have a full understanding of federal drug control expenditures. In response to this recommendation, ONDCP undertook a review of the National Drug Control Budget to determine which agencies and programs should constitute the National Drug Control Budget. As a result, it decided to restructure the budget.

⁶Pub. L. No. 109-469, § 203(b), 120 Stat. 3502, 3518 (2006)(codified at 21 U.S.C. § 1708a(b)).

⁷By July 1 of each year, the Director of ONDCP is to provide budget recommendations, including requests for specific initiatives that are consistent with the priorities of the President under the National Drug Control Strategy, to the heads of departments and agencies with responsibilities under the National Drug Control Program. This annual guidance is intended to ensure that each agency's budget submission is adequate to implement the objectives of the National Drug Control Strategy.

guidance for DOJ and HHS because these two agencies represent a large proportion of drug control funding. For example, in fiscal year 2010, DOJ and HHS programs comprised 49 percent of the Drug Control Budget. In addition, we interviewed senior ONDCP officials about how they work with agencies during the process for developing and executing the Drug Control Budget and how they address any challenges agencies reported they face.

We also conducted interviews with officials from a nonprobability sample of 6 of the 49 departments and their component agencies, independent agencies, or programs with drug control responsibilities that were included in ONDCP's Drug Control Budget for the most recent year for which funding was enacted, fiscal year 2010. We selected 4 of these agencies because they had the largest drug control budgets for fiscal year 2010 among the 23 agencies and programs listed in the Drug Control Budget. These agencies—the Department of Defense (DOD), the Drug Enforcement Administration (DEA), Customs and Border Protection (CBP), and Substance Abuse and Mental Health Services Administration (SAMHSA)—collectively represent 57 percent of the Drug Control Budget. We selected 2 additional agencies—Bureau of Prisons (BOP) and Administrative Office of the United States Courts (AOUSC)—that have the largest drug control budgets among the 26 agencies listed in the Drug Control Budget as Other Related Drug Control agencies for fiscal year 2010.⁸ BOP and AOUSC collectively represent about 62 percent of the fiscal year 2010 drug control funding for Other Related Drug Control agencies. (Enclosure II shows the 23 federal components, agencies, and programs in the fiscal year 2010 Drug Control Budget and the 26 federal agencies designated as Other Related Drug Control Program agencies by ONDCP for fiscal year 2010). We analyzed the results of our interviews and then used these results to develop a questionnaire, which we sent to the 6 agencies to obtain a set of more structured responses on ONDCP's process for developing and monitoring the execution of the Drug Control Budget. All 6 agencies completed our questionnaire and we then conducted follow-up interviews with officials from the agencies regarding their questionnaire responses. The results of our interviews are not generalizable, but provided insights into the development of the Drug Control Budget.

We conducted this performance audit from June 2010 to April 2011 in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for findings and conclusions based on our audit objectives.

⁸Prior to the restructuring of the 2012 Drug Control Budget, Other Related Drug Control agencies were those that had drug control responsibilities, but their primary mission did not include drug control nor did they have readily identifiable drug control line items in the President's budget. For example, the primary mission of AOUSC is to serve the federal judiciary in carrying out its mission to provide equal justice under the law, but AOUSC was considered an Other Related Drug Control Program agency prior to the restructuring of the Drug Control Budget because it reported the costs of the federal judiciary's drug-related court and probation cases.

Results in Brief

National Drug Control Program agencies are required to follow a detailed process in developing their annual budget submissions for inclusion in the Drug Control Budget. ONDCP outlines its process in circulars that it sends to agencies which provide detailed reporting instructions on how to properly prepare their drug budget submissions. By statute, the Director of ONDCP is required to provide, by July 1 of each year, budget recommendations to the heads of departments and agencies with responsibilities under the National Drug Control Program.⁹ According to ONDCP, these budget recommendations are intended to specifically delineate what priorities each agency is expected to fund in the coming budget submission. By statute, the head of each department, agency, or program of the federal government with responsibilities under the *Strategy* is required to transmit to the Director of ONDCP a copy of their proposed drug control budget request at the same time as the budget request is submitted to their superiors (and before submission to OMB).¹⁰ ONDCP refers to this request as the summer budget submission. The ONDCP Director is required to review each summer budget submission and transmit a written summary of its review to each agency stating whether the budget submission is adequate to implement the agency's responsibilities towards the objectives of the *Strategy*.

With regard to the benefits and challenges of the budget process, officials from at least four of the six agencies we contacted reported that ONDCP's process for developing the Drug Control Budget is somewhat or very effective in (1) identifying Drug Control Budget priorities, (2) ensuring sufficiency of resources to implement the *Strategy*, or (3) providing a record of national drug control expenditures. The most pervasive challenges agencies we contacted identified were related to the timing of ONDCP's annual funding guidance and written reviews of agencies' budget submissions. Some agencies noted that these documents were too late to impact their initial budget formulation efforts, but ONDCP plans to issue funding guidance and written reviews earlier in future fiscal years that should address these concerns.

In commenting on a draft of this report, ONDCP noted that the report provides a thoughtful review of ONDCP's process for developing programs and policies in support of the *National Drug Control Strategy* and highlights the various interactions it has with other federal drug control agencies. ONDCP stated that the feedback provided by the report will help ONDCP build stronger and more communicative relationships with these agencies and enable ONDCP to improve its budgetary process.

ONDCP Has an Iterative Process for Developing and Monitoring the Drug Control Budget

Pursuant to statute and ONDCP circulars, National Drug Control Program agencies are required to follow a detailed process in developing their annual budget submissions for

⁹21 U.S.C. § 1703(b)(8).

¹⁰21 U.S.C. § 1703(c)(1).

inclusion in the Drug Control Budget, which provides information on the government's funding requested for drug control to implement the *Strategy*. The Director of ONDCP is responsible for promulgating this *Strategy*,¹¹ which is to include, among other things, comprehensive, research-based, long-range, quantifiable goals for reducing illicit drug use in the United States, as well as annual quantifiable and measurable objectives and specific targets to accomplish the goals the Director determines may be achievable during each year; a review of international, state, local, and private sector drug control activities to ensure that the United States pursues coordinated and effective drug control at all levels of government; and an assessment of current illicit drug use and availability.¹² In 2010, ONDCP changed its approach and moved from publishing a 1-year *Strategy* to publishing a 5-year *Strategy*, which is to be updated annually.

ONDCP outlines its budget process in circulars that it sends to agencies which provide detailed reporting instructions on how to properly prepare their drug budget submissions and discuss topics such as budget formulation, budget execution, accounting for drug control expenditures, and policy coordination.¹³ In addition, by statute, the Director of ONDCP is required to provide, by July 1 of each year, budget recommendations—which apply to the next budget year scheduled for formulation and each of the 4 subsequent fiscal years and address funding priorities developed in the *Strategy*—to the heads of departments and agencies with responsibilities under the National Drug Control Program.¹⁴ ONDCP refers to these budget recommendations as funding guidance. According to ONDCP, its funding guidance is intended to specifically delineate what priorities each agency is expected to fund in the coming budget submission. ONDCP officials explained that the funding guidance is derived from the *Strategy*. For example, the funding guidance to HHS for fiscal year 2009 discussed ONDCP's support for specific HHS initiatives that were also included in the corresponding *Strategy*—such as the Access to Recovery Initiative which is intended to provide vouchers for community-based services for individuals seeking alcohol or drug treatment.¹⁵ Similarly, ONDCP's funding guidance to DOJ for fiscal year 2009 provided further detail on initiatives that were included in the *Strategy* such as targeting money laundering operations. According to ONDCP, the funding guidance allows ONDCP to outline its priorities early in the budget development process, and ONDCP must rely upon the agencies to include ONDCP's priorities in their budget submissions to ensure that the *Strategy* is adequately resourced.

¹¹21 U.S.C. § 1703(b)(2).

¹²21 U.S.C. § 1705(a)(2)(A).

¹³ONDCP issues these circulars to the agencies, which are updated periodically to reflect changes to the budget process. ONDCP's last update occurred in 2007.

¹⁴21 U.S.C. § 1703(b)(8).

¹⁵During fiscal year 2010, ONDCP issued funding guidance, as required by law, but agencies were instructed by OMB to develop their budgets based on fiscal year 2010 budget levels. According to ONDCP guidance, this approach was intended to enable the next administration to develop its fiscal year 2010 budget proposals. Given these circumstances, we selected fiscal year 2009 to compare the funding guidance to the National Drug Control Strategy.

Pursuant to law, for each fiscal year, the head of each department, agency, or program in the federal government with responsibilities under the *Strategy* is required to transmit to the Director of ONDCP a copy of their proposed drug control budget request at the same time as the budget request is submitted to their superiors (and before they submit it to OMB).¹⁶ This proposed drug control budget request is referred to as the summer drug budget submission by ONDCP. ONDCP officials said that ONDCP uses the funding guidance and agencies' progress towards meeting performance measures the agencies have developed for their drug control programs to assess the adequacy of the agencies' budget submissions and evaluate how closely the budget submissions correspond to the priorities in the *Strategy*. In addition, the ONDCP Director is required to review each summer budget submission and transmit a written summary of its review to each agency stating whether the budget submission is adequate to implement the agency's responsibilities towards the objectives of the *Strategy*. When the ONDCP Director concludes that an agency's summer submission is adequate to implement the objectives of the *Strategy*, the Director submits to the head of the applicable agency a written statement confirming its adequacy. In contrast, if the Director concludes that a submission is not adequate, the Director shall submit to the head of the applicable agency a written description of funding levels and specific initiatives that would, in the determination of the Director, make the submission adequate.

Following the summer budget review process, agencies are required to submit a fall budget submission to ONDCP incorporating the results of its summer review.¹⁷ Agencies are required to submit the fall budget submission to ONDCP at the same time they submit their fall budget request to OMB (in preparation for inclusion in the President's budget request). Similar to the summer drug budget submission, ONDCP assesses whether it is adequate to implement the *Strategy* and addresses enhancements identified in ONDCP's written results of its review of an agency's summer budget submission. ONDCP relies primarily on its summer review, agencies' performance, and funding guidance to assess the adequacy of the agencies' budget submission. If ONDCP determines that an agency's fall budget submission is adequate to implement the *Strategy*, ONDCP issues a written notice stating that the agency's drug budget is certified. If ONDCP determines that an agency's fall budget submission is inadequate, ONDCP issues a written notice stating that the agency's drug budget is decertified and ONDCP provides a copy of this decertification to the Senate and the House of Representatives, and the appropriate congressional committees. After ONDCP's certification process, ONDCP provides input to various parties, including OMB. For example, ONDCP may appeal to OMB on behalf of an agency if OMB suggests revisions to an agency's drug control budget. According to ONDCP officials, throughout the history of ONDCP, it has decertified only one agency's budget submission: DOD in fiscal

¹⁶21 U.S.C. § 1703(c)(1).

¹⁷21 U.S.C. § 1703(c)(3)(E).

year 1999.¹⁸ Nevertheless, ONDCP officials stated that the ability to decertify is important because it gives ONDCP valuable leverage in its budget negotiations that is key to accomplishing ONDCP's objectives.

On February 14, 2011, ONDCP announced that it had changed the structure of the Drug Control Budget in connection with language in the Office of National Drug Control Policy Reauthorization Act of 2006 that the federal drug control budget should represent the full range of federal spending, including costs associated with the consequences of drug use.¹⁹ ONDCP officials said ONDCP made this change based on a review of federal programs with a drug control nexus, considering whether the program had an acceptable methodology for estimating its drug control budget based on empirical data. These data included determining which portion of an agency's funding is for drug-control programs or activities versus non-drug control programs. In so doing, ONDCP added 18 agencies or programs to the drug control budget and eliminated the "Other Related Drug Control Program Agencies" appendix found in prior drug control budget documents. These agencies' drug control budgets are now to be subject to increased ONDCP oversight through requirements such as the budget review and certification process. ONDCP stated that over the next year, it would also review a number of programs that it identified as having a drug control nexus but, according to ONDCP, did not have an acceptable budget estimation methodology.

ONDCP officials also said that they intend to revise performance measures in 2011 which they use to review and assess agencies' budget submissions. Examples of indicators of performance for prevention programs range from perception of harm from drug use, to attitudes towards drug use, to actual drug use. ONDCP officials stated that ONDCP intends to establish a Performance Reporting System (PRS) that is expected to include updated performance measures, aligned with the *Strategy's* measurable goals, to provide timely and accurate feedback on how agencies' efforts are contributing to the *Strategy*. By statute, not later than February 1 of each year, the Director of ONDCP is required to submit to Congress as part of the *Strategy*, a description of a national drug control performance measurement system that, among other things, evaluates the contribution of demand reduction and supply reduction activities implemented by each National Drug Control Program agency in support of the *Strategy*.²⁰ ONDCP officials stated that it plans to report on progress towards these goals in subsequent *Strategies* and also added that the PRS report would be released in calendar year 2011.

¹⁸DOD's fall budget was not certified because DOD did not address ONDCP's recommended program increases. The Emergency Supplemental Appropriations for fiscal year 1999 provided significant supplemental funding for the national drug control budget, particularly in areas in which ONDCP had recommended increases during the budget certification process. For example, DOD received an additional \$42 million in counterdrug funding. When added to its regular counterdrug appropriation of \$895 million, DOD's total counterdrug funding for fiscal year 1999 (\$937 million) was nearly equal to what ONDCP had originally recommended (\$950 million).

¹⁹Pub. L. No. 109-469, 120 Stat. 3502 (2006).

²⁰21 U.S.C. § 1705(c)(4).

ONDCP also is responsible for overseeing and monitoring the execution of drug control programs.²¹ Specifically, ONDCP's authority extends to agencies' appropriated funds, whereby ONDCP, among other things, must approve certain reprogramming or transfer requests related to drug control activities from National Drug Control Program agencies.²² By statute, the Director of ONDCP must require the National Drug Control Program agencies to submit to the Director no later than February 1 of each year, a detailed accounting of all funds expended by the agencies for National Drug Control Program activities during the previous fiscal year, and require such accounting to be authenticated by the Inspector General (IG) for each agency prior to submission to the Director.²³ ONDCP also requires a performance summary report which is to include, among other things, performance measures, prior years' performance targets and results, and current year performance targets. According to ONDCP's circular regarding the annual accounting and authentication of drug control funds and related performance, the detailed accounting submission and the performance summary report are to be provided to the agency's IG for the purpose of expressing a conclusion about the reliability of each assertion made in the report in the form of an IG authentication.²⁴

Selected Agencies Generally Report ONDCP's Budget Process Is Effective in Prioritizing, Allocating, and Documenting Resources; ONDCP Plans to Accelerate Issuing Guidance in Response to Agencies' Concerns

Officials from at least four of the six agencies we contacted reported that ONDCP's process for developing the Drug Control Budget is somewhat or very effective in (1) identifying Drug Control Budget priorities; (2) ensuring sufficiency of resources to implement the *Strategy* (that is, helping to ensure resources are authorized and allocated); and (3) providing a record of national drug expenditures (see table 1). With regard to priorities, officials representing five of the six agencies generally stated that agencies' budget submissions aligned with ONDCP's priorities. Moreover, an official at one of the five agencies stated that ONDCP's cross-cutting agency perspective and overarching guidance provides a unified national counternarcotics strategy. Nonetheless, officials from five of the six agencies stated that ONDCP's funding guidance is not the only factor in determining the agencies' budget priorities, in most cases because either OMB or their departments make priority decisions—a factor that can reflect the inherent

²¹The Director of ONDCP has the responsibility to make such recommendations to the President as the Director determines are appropriate regarding changes in the organization, management, and budgets of National Drug Control Program agencies, and changes in the allocation of personnel to and within those departments and agencies, to implement the policies, goals, priorities, and objectives established by the President for the National Drug Control Program and the National Drug Control Strategy.

²²Agencies finance higher priority needs by moving funds within appropriations. Transfers occur when agencies move budgetary resources from one account to another. Reprogrammings occur when budgetary resources are moved from one activity to another within the same account.

²³21 U.S.C. § 1704(d)(7).

²⁴Attestation engagements concern examining, reviewing, or performing agreed-upon procedures on a subject matter or an assertion about a subject matter and reporting on the results. An assertion is any declaration or set of declarations made by management about whether the subject matter is based on or in conformity with the criteria selected. *Government Auditing Standards: 2007 Revision*, [GAO-07-731G](#) (July 2007).

tension associated with making decisions about competing priorities within the context of diminished resources.²⁵ With regard to ensuring sufficiency of resources to implement the *Strategy*, one agency official stated that resources in the drug control budget were linked to the priorities outlined in the *Strategy*, and another stated that resources in the budget were sufficient to meet the goals outlined in the *Strategy*. Finally, officials from four of the six agencies reported that the process for developing the Drug Control Budget is somewhat or very effective in providing a record of national drug control expenditures. Specifically, a senior official from one of these agencies stated that the process provides an accurate depiction of their drug control expenditures. For information on the additional benefits agencies identified, although less frequently, see enclosure III.

Table 1: Most Commonly Reported Benefits Associated with ONDCP’s Drug Control Process Identified by Selected Agencies

Benefits	Agency responses by category				
	Very effective	Somewhat effective	Not effective	Not applicable	Total
Please indicate how effectively each of the following aspects of the National Drug Control Budget development process is working for your agency.					
Identification of National Drug Control Budget priorities	2	3	1	0	6
Sufficiency of resources to implement the <i>National Drug Control Strategy</i>	2	3	0	1	6
Record of national drug control expenditures	3	1	0	2	6

Source: GAO analysis of questionnaire responses.

Despite reporting that the budget process is generally effective in identifying priorities, among other things, officials at the six agencies identified a total of 14 different challenges they encountered while preparing their Drug Control Budget submissions or authenticating drug control expenditures and their associated activities; however, none of the challenges were pervasive across all six agencies and officials’ views of the challenges were mixed. Some of the officials characterized their experiences addressing these issues as challenging or very challenging, whereas others said that they did not encounter challenges or the issue was not applicable to their agency.²⁶ Table 2 reflects the 4 most commonly reported challenges the six agencies identified with ONDCP’s drug control budget process. For additional details on the challenges cited less frequently by the agencies we contacted, see enclosure III.

²⁵For example, whereas ONDCP may be an advocate for agencies increasing funding for drug control programs, OMB may be an advocate for agencies finding ways to leverage scarce resources in an era of budgetary constraint, such as OMB’s efforts in 2010 to freeze domestic non-security spending. In an effort to demonstrate agreement among the Executive Office of the President, in June 2010, ONDCP, OMB, and the Domestic Policy Council (DPC) issued a joint memorandum which was intended to help agencies make budgetary decisions by weighing competing priorities and diminished resources (for additional details on this memorandum, see encl. III). The DPC coordinates the domestic policymaking process in the White House and, according to ONDCP officials, the DPC works with ONDCP regarding mutual drug control interests, such as student drug testing programs.

²⁶In only one instance did more than one agency characterize any particular issue as very challenging.

Table 2: Most Commonly Reported Challenges Associated with ONDCP’s Drug Control Process Identified by Selected Agencies

Challenges	Agency responses by category					Total
	Very challenging	Somewhat challenging	Not challenging	Not applicable		
Please indicate how challenging each of the following aspects of the National Drug Control Budget development process is for your agency.						
Timing of ONDCP’s annual funding guidance	1	3	1	1		6
Timing of ONDCP’s written review of summer budget submissions	2	2	1	1		6
ONDCP’s December 31st deadline for components to submit reports to the Inspector General for attestation review	0	4	1	1		6
Incorporation of budget constraints into Interagency Working Group recommendations ^a	1	3	0	2		6

Source: GAO analysis of questionnaire responses.

^aIn April 2009, ONDCP convened a Demand Reduction Interagency Working Group (IWG), comprised of subject matter experts representing various drug control agencies, to increase the nation’s focus on preventing and treating substance abuse.

Challenges related to the timing of ONDCP’s annual funding guidance and written reviews of agencies’ summer budget submissions were most pervasive among agencies we contacted. Specifically, four of the six agencies reported that the timing of ONDCP’s funding guidance was somewhat or very challenging. As previously discussed, ONDCP is required to issue funding guidance to agencies by July 1 of each year to identify specific programs and priorities each agency is expected to fund to support the *Strategy*. Officials representing three agencies said that they received ONDCP’s funding guidance after their agencies’ internal budget formulation processes were completed. For example, for 3 of the last 5 fiscal years, two of these agencies were required to submit their initial budget formulations to their departments before ONDCP issued funding guidance and thus, they could not incorporate ONDCP’s guidance into their departmental submission.

ONDCP officials explained that because the funding guidance provides more detail than the *Strategy*, ONDCP does not issue the funding guidance until after ONDCP releases the *Strategy* in early February. Thus, for fiscal year 2012, ONDCP issued the *Strategy* late, in May 2010—3 months after the deadline established by statute. One month later, in June 2010, ONDCP issued funding guidance which was viewed as too late for three of the six agencies. Similarly, during the prior year, ONDCP issued the fiscal year 2011 funding guidance in June 2009, which was viewed as too late for two of the six agencies. According to ONDCP officials, the 2009 guidance was not issued until June 2009 because the new ONDCP Director had not been confirmed until 1 month earlier, in May 2009 and ONDCP delayed issuance in order to determine whether the guidance accurately reflected the policy and program priorities of the new Director. Officials at three of the six agencies stated that they would prefer that ONDCP issue the funding guidance in February or March. ONDCP officials stated that they intend to issue the funding guidance earlier in future fiscal years to address agency concerns about the timing of the guidance. In addition, four of the six agencies we contacted reported that the timing of ONDCP’s written review of summer budget submissions can be somewhat or very challenging. ONDCP officials stated that they would like to give agencies adequate time

for a departmental review of ONDCP funding guidance before they provide their summer budget submissions to their Departments and ONDCP. They explained that this is intended to assist agencies in accommodating the ONDCP funding guidance before their departmental and ONDCP reviews. ONDCP officials also stated that they plan to issue written reviews earlier for future fiscal years to address agency concerns about the timing of the reviews.

As discussed earlier, National Drug Control Program agencies are to submit to ONDCP, not later than February 1 of each year, a detailed accounting of all funds expended by the agencies for drug control program activities during the previous fiscal year, which are to be authenticated by the IG of the relevant agency via an attestation report. Officials with four agencies we contacted reported that ONDCP's December 31st deadline for components to submit reports to the IG for attestation review could be somewhat challenging. One senior official explained that agencies can encounter difficulty preparing the reports at the end of the calendar year, when staff are not always available because of holidays and annual leave and the components have the competing task of preparing the budget for the upcoming fiscal year. ONDCP officials acknowledged that the challenge for agencies may be related to the statutorily required February 1st deadline for submission of the attestation reports, but noted that the deadline was agreed upon by the IGs when ONDCP developed the applicable circular and the deadline is consistent with the deadline for preparing financial documents under the Chief Financial Officers (CFO) Act.²⁷ Given the deadline for submitting these reports, agencies have a 1-month time frame for completing the data and completing the reports from the end of the calendar year to February 1.

Finally, officials from four of the six agencies reported that one of the challenges they encountered was that ONDCP's Demand Reduction Interagency Working Group (IWG) did not incorporate budget constraints.²⁸ For example, a senior official from one agency said that IWG discussions about agencies' drug budgets could be somewhat challenging because, at the time of these discussions, funding levels are not yet known and the priorities discussed by the IWG may potentially affect the funds available for other programs. Likewise, three of these four agencies said it could be somewhat challenging to develop the budget because, according to officials at these agencies, ONDCP priorities may not be accompanied by recommended budgetary offsets. A senior official from one of these agencies commented that when the agency is developing a budget with reduction goals, there should be corresponding budgetary offsets to fund initiatives. ONDCP officials said the incorporation of budget constraints is an inherent challenge in any budget process and that they try to consider budget constraints when formulating

²⁷The CFO Act of 1990, Pub. L. No. 101-576, 104 Stat. 2858, as amended by the Government Management Reform Act of 1994, Pub. L. No. 103-356, 108 Stat. 3410, requires the major 24 agencies of the federal government to prepare and submit audited financial statements.

²⁸In April 2009, ONDCP convened the IWG, comprised of subject matter experts representing various drug control agencies, to increase the nation's focus on preventing and treating substance abuse with a particular emphasis on informing the development of the *National Drug Control Strategy* and providing input into the budget guidance process for demand reduction programs. ONDCP's Office of Demand Reduction focuses on promoting drug prevention and drug treatment programs, as well as the focus on programs for individuals in recovery from addiction.

priorities. Moreover, among other things, ONDCP, OMB, and the Domestic Policy Council's June 2010 memorandum placed responsibility for identifying and recommending offsetting reductions for proposed drug program increases on drug control agencies. ONDCP officials said that this focus on funding offsets was intended to recognize that there are competing priorities when developing budgets and to clarify how agencies were to manage such priorities (see encl. III for further details on this memorandum). They also said that ONDCP requests that agencies submit recommended budget offsets with their summer drug budget submission so that ONDCP can ensure the offsets are consistent with ONDCP's priorities.

Agency Comments and Our Evaluation

We requested comments on a draft of this report from the Director of the Office of National Drug Control Policy. ONDCP provided written comments on April 27, 2011 which are summarized below and reprinted in Enclosure IV.

In its comments, ONDCP noted that the report provides a thoughtful review of ONDCP's process for developing programs and policies in support of the *National Drug Control Strategy*. ONDCP stated that the report demonstrated a comprehensive understanding of ONDCP's role in the budget process and provided feedback that highlights the various interactions it has with other federal drug control agencies. ONDCP further stated that this feedback will help it build stronger and more communicative relationships with other drug control agencies and enable ONDCP to improve its budgetary process.

We are sending copies of this report to the Director of the Office of National Drug Control Policy, the Director of the Office of Management and Budget, appropriate congressional committees, and other interested parties. In addition, this report will be available at no charge on the GAO Web site at <http://www.gao.gov>. If you have any further questions about this report, please contact me at (202) 512-8777 or larencee@gao.gov. Contact points for our Offices of Congressional Relations and Public Affairs may be found on the last page of this report. Key contributors to this report are listed in enclosure V.



Eileen Regan Larence
Director, Homeland Security & Justice Issues

Enclosures (5)

List of Committees

The Honorable Patrick J. Leahy
Chairman
Committee on the Judiciary
United States Senate

The Honorable Richard Durbin
Chairman
The Honorable Jerry Moran
Ranking Member
Subcommittee on Financial Services and General Government
Committee on Appropriations
United States Senate

The Honorable Dianne Feinstein
Chairman
Caucus on International Narcotics Control
United States Senate

The Honorable Charles E. Grassley
Ranking Member
Committee on the Judiciary
Co-Chairman
Caucus on International Narcotics Control
United States Senate

The Honorable Lamar Smith
Chairman
The Honorable John Conyers, Jr.
Ranking Member
Committee on the Judiciary
House of Representatives

The Honorable Jo Ann Emerson
Chairwoman
The Honorable José E. Serrano
Ranking Member
Subcommittee on Financial Services and General Government
Committee on Appropriations
House of Representatives

The Honorable Trey Gowdy
Chairman
The Honorable Danny Davis
Ranking Member
Subcommittee on Health Care, District of Columbia, Census and the National Archives
Committee on Oversight and Government Reform
House of Representatives

Enclosure I: Federal Components, Agencies and Programs Included in the Fiscal Year 2012 Drug Control Budget

The following is a list of the federal components, agencies and programs included in the Fiscal Year 2012 Drug Control Budget.

Department of Agriculture

- U.S. Forest Service

Court Services and Offender Supervision Agency for the District of Columbia Department of Defense

- Drug Interdiction and Counterdrug Activities
- Counterdrug OPTEMPO²⁹

Department of Education

Federal Judiciary

Department of Health and Human Services

- Centers for Medicare and Medicaid Services
- Health Resources and Services Administration
- Indian Health Service
- National Institute on Alcohol Abuse and Alcoholism
- National Institute on Drug Abuse
- Substance Abuse and Mental Health Services Administration

Department of Homeland Security

- Customs and Border Protection
- Federal Emergency Management Agency
- Federal Law Enforcement Training Center
- Immigration and Customs Enforcement
- United States Coast Guard
- Office of Counternarcotics Enforcement

Department of the Interior

- Bureau of Indian Affairs
- Bureau of Land Management
- National Park Service

²⁹According to ONDCP, OPTEMPO refers to the costs associated with the operation of aircraft and ships, based upon the number of flight hours or steaming days. Counternarcotics OPTEMPO is that portion of the DOD OPTEMPO costs *estimated* to be in support of counternarcotics activities.

Department of Justice

- Assets Forfeiture Fund
- Bureau of Prisons
- Criminal Division
- Drug Enforcement Administration
- Organized Crime Drug Enforcement Task Force Program
- Office of Federal Detention Trustee
- Office of Justice Programs
- National Drug Intelligence Center
- U.S. Attorneys
- U.S. Marshals Service

Office of National Drug Control Policy

Small Business Administration

Department of State

- Bureau of International Narcotics and Law Enforcement Affairs
- United States Agency for International Development

Department of Transportation

- Federal Aviation Administration
- National Highway Traffic Safety Administration

Department of the Treasury

- Internal Revenue Service

Department of Veterans Affairs

- Veterans Health Administration

Enclosure II: Federal Departments, Components, Agencies, and Programs Included in the Fiscal Year 2010 Drug Control Budget and Those Designated as Other Related Drug Control Program Agencies

The following are the 23 federal components, agencies, and programs included in the Fiscal Year 2010 Drug Control Budget

Department of Defense

Department of Education

Department of Health and Human Services

- Centers for Medicare and Medicaid Services
- National Institute of Health – National Institute on Drug Abuse
- Substance Abuse and Mental Health Services Administration
- Indian Health Services

Department of Homeland Security

- Customs and Border Protection
- Immigration and Customs Enforcement
- United States Coast Guard
- Office of Counternarcotics Enforcement

Department of the Interior

- Bureau of Indian Affairs

Department of Justice

- Bureau of Prisons
- Drug Enforcement Administration
- Organized Crime Drug Enforcement Task Force Program
- Office of Justice Programs
- National Drug Intelligence Center

Executive Office of the President

- Office of National Drug Control Policy

Department of State

- Bureau of International Narcotics and Law Enforcement Affairs
- United States Agency for International Development

Department of Transportation

- National Highway Traffic Safety Administration

Department of the Treasury

- Internal Revenue Service

Department of Veterans Affairs

- Veterans Health Administration

Small Business Administration

The following are 26 agencies and programs in the Fiscal Year 2010 Drug Control Budget reflected as Other Related Drug Control Program Agencies.

Department of Agriculture

- U.S. Forest Service
- Food and Nutrition Service

Corporation for National and Community Service

DC Court Services and Offender Supervision Agency

Department of Health and Human Services

- Administration for Children and Families
- Centers for Disease Control and Prevention
- National Institute on Alcohol Abuse and Alcoholism

Department of Homeland Security

- U.S. Secret Service
- Federal Law Enforcement Training Center

Department of the Interior

- Bureau of Land Management
- National Park Service
- Indian Police Academy

The Federal Judiciary

- Administrative Office of the United States Courts

Department of Justice

- Assets Forfeiture Fund
- Bureau of Alcohol, Tobacco, Firearms, and Explosives
- U.S. Attorneys
- Bureau of Prisons³⁰
- Community Oriented Policing Services
- Criminal Division
- Federal Bureau of Investigation
- Office of Federal Detention Trustee
- INTERPOL
- U.S. Marshals Service

Department of Labor

- Internal Drug-Free Workplace
- Job Corps

Department of Transportation

- Federal Aviation Administration

³⁰For fiscal year 2010, Bureau of Prisons (BOP) funds reflected in Other Related Drug Control Program Agencies were for the consequences-related costs of corrections and BOP funds included in the Drug Control Budget were those funds dedicated to residential substance abuse treatment for all eligible inmates. As a part of the fiscal year 2012 request, all of these costs were included in the Drug Control Budget.

Enclosure III: Summary of Benefits and Challenges Associated with the Drug Control Budget Development Process That the Six Selected Agencies Reported on a Less Frequent Basis

This enclosure describes the additional benefits and challenges regarding the process for developing the National Drug Control Budget that were reported less frequently by agency officials at the six agencies we contacted. Specifically, table 3 lists two benefits less frequently reported by these six agencies.

Table 3: Benefits Associated with the Office of National Drug Control Program’s (ONDCP) Drug Control Budget Process Identified on a Less Frequent Basis by Six Selected Agencies

Benefits	Agency responses by category				
	Very effective	Somewhat effective	Not effective	Not applicable	Total
Please indicate how effectively each of the following aspects of the National Drug Control Budget development process is working for your agency.					
Collaboration, communication, and information sharing among drug control agencies	0	3	1	2	6
Agency input into the <i>National Drug Control Strategy</i> and/or ONDCP priorities through the Interagency Working Group	1	1	1	3	6

Source: GAO analysis of questionnaire responses.

Officials representing three of the six agencies said that the ONDCP process is somewhat effective in increasing collaboration, communication, and information sharing among drug control agencies. For instance, a senior official at one of these agencies stated that an Interagency Working Group initiated by ONDCP to address demand reduction issues led to greater collaboration and cooperation among drug control agencies than in previous years. Similarly, of the six agencies reported that agency input into either or both the *Strategy* and ONDCP priorities through the Interagency Working Group was somewhat or very effective. For example, a senior official at one of these agencies stated that in prior years, his agency had little or no input into the *Strategy*, but, by participating in the Interagency Working Group, his agency worked with ONDCP to create the *2010 Strategy* and corresponding funding guidance. A senior official from the other agency stated that his agency’s review of and comments on the *Strategy* are reflected in it as are the agency’s drug control efforts. ONDCP officials stated that the *2010 Strategy* reflected much more agency input than in past years and the *Strategy* was vetted by the drug control Cabinet Secretaries and through an interagency clearance process. Table 4 lists 10 challenges associated with ONDCP’s process for developing and monitoring the Drug Control Budget less frequently reported by the six agencies in our review.

Table 4: Challenges Associated with ONDCP’s Process for Developing and Monitoring the Drug Control Budget Less Frequently Reported by Six Selected Agencies

Challenges	Agency responses by category				
	Very challenging	Somewhat challenging	Not challenging	Not applicable	Total
Please indicate how challenging each of the following aspects of the National Drug Control Budget development process is for your agency.					
Different priorities from each of the Executive Offices of the President	1	2	1	2	6
Absence of recommended budget offsets accompanying ONDCP’s priorities	0	3	1	2	6
ONDCP priorities may not take into account pending requests in Congress	1	2	1	2	6
ONDCP’s dual role: policy oversight and program management	1	2	1	2	6
Frequency of communication between drug control agencies and ONDCP	1	2	3	0	6
Type of staff involved (i.e., budget, policy, program, department) in the communication between drug control agencies and ONDCP	0	3	3	0	6
Workload of IG attestation reports	1	2	2	1	6
ONDCP’s recommended changes in budget formulation methodology	1	2	0	3	6
Different budget formats of ONDCP (single-year) and OMB (multiyear)	1	2	1	2	6
Timing of ONDCP’s fall certification letter	0	2	3	1	6

Source: GAO analysis of questionnaire responses.

Incorporation of ONDCP’s Priorities. Officials from half of the six agencies we contacted identified challenges related to competing priorities and incorporating ONDCP’s priorities into their budgets. Specifically, these agencies cited challenges associated with developing their drug control-related budgets for ONDCP including (1) different priorities from the Executive Offices of the President, (2) the absence of recommended offsets accompanying ONDCP’s priorities, (3) ONDCP priorities not taking into account pending requests made in a prior fiscal year, and (4) ONDCP’s dual policy and program management role.

Officials from three agencies reported that different priorities from the Executive Office of the President—such as balancing ONDCP’s drug control advocacy role with OMB’s role of promoting spending constraints—is somewhat or very challenging. For example, whereas ONDCP may be an advocate for agencies increasing funding for drug control programs, OMB may be an advocate for agencies finding ways to leverage scarce resources in an era of budgetary constraint, such as the Office of Management and Budget’s (OMB) efforts in 2010 to freeze domestic nonsecurity spending. In an effort to demonstrate agreement among the Executive Office of the President, as previously discussed, in June 2010, ONDCP, OMB, and the Domestic Policy Council (DPC) issued a

joint memorandum to provide guidance to departments and agencies for the development of proposals for the fiscal year 2012 budget intended to advance and support the *Strategy*.³¹ Among other things, the memorandum stated that:

“Agencies are urged to leverage, align, and/or target well performing, evidence-based programs to attain the goals outlined in the Strategy. In keeping with the Administration’s 3-year freeze on domestic non-security discretionary spending, agencies are advised to identify and recommend offsetting reductions for any proposed drug program increases.

Most agencies receiving this guidance have primary missions not directly tied to drug control but nonetheless have critical responsibilities in implementing the Strategy. Therefore, we ask that all budget decisions be carefully weighed against their impact on achieving the Administration’s drug control goals, as well as other Administration priorities.”

ONDCP officials said that the joint memorandum was intended as a policy statement of the administration’s and ONDCP’s priorities while ONDCP’s funding guidance provided greater detail about ONDCP’s priorities than the joint memorandum.

Likewise, officials at three agencies said it could be somewhat challenging to develop the budget because ONDCP priorities may not be accompanied by recommended budgetary offsets. A senior official from one of these agencies commented that when the agency is developing a budget with reduction goals, there should be corresponding budgetary offsets to funding initiatives. Additionally, similar to the memo’s directives, a senior official at another of these agencies explained that offsets should be determined internally by the agency and in collaboration with ONDCP and OMB. In addition, officials at three of the agencies said that ONDCP priorities may not take into consideration funding requests that agencies have already made in prior year budgets. For example, ONDCP’s guidance may direct an agency to request funding for a program for the next fiscal year while Congress is considering whether to fund a request for the same program as part of budget deliberations submitted in the prior fiscal year. ONDCP officials stated that due to ONDCP’s role of integrating and coordinating federal drug control efforts, at times ONDCP’s priorities may be at odds with those of individual departments, and recognized the inherent challenges agencies can face in balancing these competing priorities. ONDCP officials explained that they are an advocate for drug control policy and are to ensure the priorities of the administration are funded.

Additionally, three of the agencies we contacted reported that ONDCP’s dual policy oversight and program management role was somewhat or very challenging.³² A senior

³¹The Domestic Policy Council (DPC) coordinates the domestic policymaking process in the White House and, according to ONDCP officials, the DPC works with ONDCP regarding mutual drug control interests, such as student drug testing programs.

official at one of the agencies explained that ONDCP may not be a neutral advocate for funding the best drug control programs because ONDCP manages its own drug control programs. A senior official from another agency noted that ONDCP's dual policy and oversight roles are limited. ONDCP officials stated that the drug control programs managed by ONDCP are relatively small and they believe these programs do not compete for funding with other federal drug control programs. Thus, they disagreed that there is a conflict between ONDCP's policy oversight and program management roles.

Frequency of Communication and Type of Staff Participating. Three agencies also identified challenges related to communication with ONDCP in the Drug Control Budget development process.³³ These agencies reported that frequency of communication with ONDCP could be somewhat or very challenging. By contrast, officials from the three remaining agencies reported that frequency of communication was not a challenge. Of the three agencies identifying communication challenges, a senior official stated that communication with ONDCP is infrequent, as ONDCP primarily contacts the agency when it has specific questions about the agency's budget submission, such as when the summer or fall drug budget submissions are due. Additionally, agency officials commented that the role of the agency staff (e.g., staff having budget, policy, or program responsibility) involved in communication with ONDCP could be somewhat challenging because ONDCP may not be communicating with knowledgeable staff on a particular issue. For example, a senior official at another agency stated that ONDCP frequently has technical clarification questions, which could be resolved more quickly if ONDCP contacted the officials with knowledge about these areas rather than senior departmental staff. ONDCP officials stated that they consistently and frequently communicate with drug control agencies and that the agency's departmental budget staff requested that ONDCP coordinate through their staff instead of dealing directly with the bureaus. ONDCP agreed to this arrangement with the understanding that information would be provided from the bureaus without modification and in a timely manner.

Budget Formulation and Format. Officials in the agencies we contacted also reported additional challenges associated with budget formulation. For example, three agencies reported challenges related to ONDCP's budget development requirements, including ONDCP's budget formulation methodology and the challenge associated with determining the portion of an agency's costs that can relate to various activities—such as costs associated with technology or transportation. Determining the portion of an agency's costs that relate to various activities include considering those that are associated with its drug control mission (i.e., costs that are within ONDCP's jurisdiction) and those that are not (i.e., costs that are not related to the agency's drug control

³²In addition to overseeing and coordinating the nation's drug control efforts, ONDCP is responsible for managing programs such as the High Intensity Drug Trafficking Areas Program (HIDTA), the National Youth Anti-Drug Media Campaign, and the Drug-Free Communities (DFC) Support Program. Specifically, the Director of ONDCP, in consultation with others, may designate HIDTAs and provide overall policy guidance and oversight for the award and management of federal resources to HIDTAs. As part of its Media Campaign, ONDCP is to help prevent youth drug use through messages to youth and their parents and mentors. Through DFC, ONDCP provides grants to community antidrug coalitions to reduce substance abuse among youth.

³³Three of the six agencies reported that the frequency of communication and the type of staff involved in communication is not challenging. For example, an agency official stated that the communication between his agency and ONDCP occurs on an ad hoc basis, but is not challenging.

mission). Thus, according to officials at one agency, ONDCP might request agencies to include additional costs such as equipment usage that it deems drug control related. A senior agency official stated that it can be challenging when ONDCP changes the methodology because the agency has to rework its calculations. ONDCP officials responded that the agencies have different perspectives regarding which costs are specific to drug control. In 2010, ONDCP explained that it was difficult to fully determine what activities are drug control related because of the multifaceted nature of each department and the complex structure of the federal budget. As discussed earlier, in February 2011, ONDCP announced that it had restructured the Drug Control Budget to develop an accurate and reliable accounting of federal resources that are being spent on the drug control mission. ONDCP said that it plans to continue to follow this approach. In addition, three agencies reported that the different budget formats between ONDCP and OMB are somewhat or very challenging. For example, ONDCP requires agencies to present budget information by drug control function, such as prevention or treatment, and OMB requires agencies to present budget information by budget account. ONDCP staff responded that they are currently considering implementing a new budget formulation system intended to lessen the burden on agencies when formatting and submitting data to ONDCP.

Attestation Workload. Three agencies reported that the workload of Inspector General (IG) attestation reports could be somewhat or very challenging. In response, ONDCP officials said that generally, IG attestation reports are to ensure the accuracy of drug control agencies' methodology. ONDCP officials explained that it is important to know that there is a proper accounting of dollars spent on drug control. They also stated that the IG attestation reports are important because they have identified numerous deficiencies. For example, according to ONDCP, one report alerted ONDCP to major accounting deficiencies within one drug control agency that lacked a mechanism to properly track and monitor reprogramming and transfer requests. ONDCP officials stated that the problem was resolved. Similarly, another attestation report identified weaknesses in a drug control agency's financial reporting, and the integrity of the agency's financial data submitted to ONDCP. In another instance, an attestation report conducted by one IG alerted ONDCP to performance measures that did not encompass all of the agency's significant drug control activities. ONDCP officials said they are working with one agency to resolve issues that were raised in one of the reports. In addition, officials with the other agency stated that ONDCP had worked with them toward resolving issues arising out of the other report..

Timing of Fall Certification Letters. Two agencies reported that the timing of ONDCP's fall certification letter could be somewhat or very challenging. A senior agency official stated that in regard to ONDCP's funding guidance, summer review letter, and fall certification letter, the agency has pivotal internal budget formulation time lines and the sooner the agency receives the documents from ONDCP, the better. The official explained that the more lead time the agency has to make its decisions, the more helpful it is for policymakers to consider ONDCP's feedback when the agency is finalizing its submissions. As discussed earlier, ONDCP plans to issue funding guidance and its written reviews earlier in future fiscal years that should help address these concerns.

Enclosure IV: Agency Comments



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF NATIONAL DRUG CONTROL POLICY
Washington, D.C. 20503

April 27, 2011

Eileen R. Larence
Director, Homeland Security and Justice
Government Accountability Office
441 G Street, NW
Washington, DC 20548

RE: *Office of National Drug Control Policy: Agencies View the Budget Process as Useful for Identifying Priorities, But Challenges Exist.*

Dear Ms. Larence:

The Government Accountability Office (GAO) provides a thoughtful review of the Office of National Drug Control Policy's (ONDCP) process for developing programs and policies in support of the President's *National Drug Control Strategy*. ONDCP oversees and coordinates the Federal drug control efforts and establishes policies and priorities for National Drug Control Program agencies to implement the goals and objectives of the *National Drug Control Strategy*.

The above-referenced report demonstrates a comprehensive understanding of ONDCP's important role in the budgetary process. We commend your staff for highlighting our various interactions with the other Federal drug control agencies and for providing feedback. The feedback will help us build even stronger and more communicative relationships.

I appreciate the significant time and effort your staff dedicated to this important endeavor, and thank you for presenting feedback in a manner that enables ONDCP to improve its budgetary process.

Sincerely,

A handwritten signature in cursive script that reads "R. Gil Kerlikowske".

R. Gil Kerlikowske
Director

Enclosure V: GAO Contact and Staff Acknowledgments

GAO Contact

Eileen Larence, (202) 512-6510 or larencee@gao.gov

Staff Acknowledgments

In addition to the contact named above, John Mortin, Assistant Director, and Keira Dembowski, analyst-in-charge, managed this review. Margaret Childs, Willie Commons III, James Lawson, and Kevin Nicholas made significant contributions to the work.

(440878)

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