



COMBATING TERRORISM

Funding Data Reported to Congress Should Be Improved

Highlights of GAO-03-170, a report to the Subcommittee on Technology, Terrorism and Government Information, Senate Committee on the Judiciary; the Senate Select Committee on Intelligence; and the House Committee on the Judiciary.

Why GAO Did This Study

Congress responded to the attacks of September 11, 2001, with dramatic funding increases to combat terrorism. Even before these attacks, Congress was concerned about increased funding in this area, and based on findings from a 1997 GAO report, mandated that the Office of Management and Budget (OMB) report annually on funding to combat terrorism. In this review, GAO was asked to analyze such funding trends, describe difficulties in coordinating combating terrorism budgets, assess data reported to Congress, and describe the executive branch's efforts to maximize the effective use of combating terrorism funds.

The review relied on OMB's definition of "combating terrorism" to include both homeland security and overseas combating terrorism missions.

What GAO Recommends

GAO is making recommendations to improve OMB's annual report, including collecting and reporting obligation data. It also recommends improvements to performance measures in strategies and performance plans related to combating terrorism.

In comments on a draft of this report, OMB expressed concern about collecting obligation data. Other agencies either concurred with the recommendations or **made no comment.**

What GAO Found

GAO calculated, on the basis of OMB's data, that there was a 276-percent total increase in funds designated to combat terrorism during fiscal years 2001 and 2002 (as reported in OMB's annual reports to Congress for 2001 and 2002, respectively). This increase includes a 106-percent increase from the post-September 11 redefinition of combating terrorism to include homeland security activities such as aviation and transportation security, and a 170-percent increase due to funding increases.

Difficulties in coordinating budgets to combat terrorism stem from the variety of missions involved and the fact that activities related to combating terrorism are often funded through budget accounts that also provide funding for other activities. Various approaches have been used to address these challenges. The process for preparing the budget for fiscal year 2003 was characterized by collaboration between OMB and the Office of Homeland Security that resulted in the budget priorities included in the President's budget for fiscal 2003.

Crosscutting funding data reported to Congress, however, do not adequately support congressional oversight. An OMB annual report summarizing funding for combating terrorism has had limited utility for decision makers because it was issued late in the congressional decision-making process and did not include data on obligations or on duplication in programs for combating terrorism. OMB plans to analyze areas of duplication as part of the preparation of the budget request for fiscal year 2004. If completed, this analysis will enable OMB to comply with the legislative mandate to include such an analysis in its annual report.

While the executive branch has established some national strategies important to coordinating the effective use of funds for combating terrorism, it faces challenges in measuring its progress. Although the strategies provide an important first step, they provide neither clearly defined federal and national performance goals and measures for assessing progress, nor set clear funding priorities. Lacking such measures and priorities, it is also difficult to assess whether funding increases are being allocated to the highest-priority programs.