



Highlights of [GAO-08-57](#), a report to congressional requesters

Why GAO Did This Study

Twenty-five percent of American students ages 13-17 reported using illicit drugs in 2007. The Drug-Free Communities Support Program provides grants to community coalitions involved in reducing youth substance abuse. The Office of National Drug Control Policy (ONDCP) administers the program. ONDCP selected the Substance Abuse and Mental Health Services Administration (SAMHSA) to operate the grant program in fiscal year 2005. In 2005, ONDCP did not award grants to some coalitions who had previously received grant funds (renewal grantees). GAO was asked to assess (1) the extent to which ONDCP and SAMHSA administered grant-related activities for fiscal years 2005 and 2006 consistent with federal internal control standards, statutory requirements, and other guidance and (2) the steps ONDCP has taken since 2006 regarding its administration of grant-related activities. GAO analyzed and compared program documents and grant activities to established guidance, such as federal internal control standards and statutory requirements, and interviewed key program management officials.

What GAO Recommends

GAO recommends that ONDCP strengthen internal controls, ensure that funded grant applicants satisfy statutory eligibility criteria, and fully define roles and responsibilities. In commenting on a draft of this report, ONDCP described actions taken to address these recommendations.

To view the full product, including the scope and methodology, click on [GAO-08-57](#). For more information, contact Robert Goldenkoff at (202) 512-6806 or goldenkoffr@gao.gov.

DRUG-FREE COMMUNITIES SUPPORT PROGRAM

Stronger Internal Controls and Other Actions Needed to Better Manage the Grant-Making Process

What GAO Found

In fiscal years 2005 and 2006, ONDCP and SAMHSA did not always adhere to applicable federal internal control standards, statutory requirements, and other guidance during the grant-making process. Standards for internal control in the federal government call for agencies to conduct ongoing monitoring of a program's performance, but ONDCP did not conduct such monitoring of SAMHSA or the program overall. Thus, ONDCP increased its risk of not providing reasonable assurance that SAMHSA conducted grant activities, such as eligibility screening. Internal control standards also require that agencies maintain documentation that grant applicants met eligibility requirements each fiscal year. While SAMHSA officials said that they screened all renewal grantees for eligibility in 2005 and ONDCP officials said they screened all initial grantees in 2006, documentation indicating that such screening had occurred was missing from 47 of the 66 grantee files GAO reviewed. ONDCP also lacked a process to ensure that all renewal applicants met statutory eligibility requirements. For example, ONDCP used a separate screening process in fiscal year 2005 that included a criterion that grantees limit funding for direct services, such as enrolling individuals in a drug prevention program. Only renewal grant applicants that met this or one of two other criteria underwent further screening for statutory eligibility. As a result, ONDCP funded about 86 percent of renewal grantees in 2005 without ensuring that they met the statutory eligibility criteria. Leading practices for collaborating agencies call for strategies to ensure common outcomes. However, the inter-agency agreement between ONDCP and SAMHSA did not fully define roles and responsibilities and lacked specific guidance to SAMHSA on eligibility screening. As a result, confusion occurred over issues, such as the eligibility criteria to apply, hampering the two agencies in their efforts to effectively manage the grant-making process.

Since 2006, ONDCP has addressed some of the issues described above, by (1) clarifying its role for the program in its 2007 agreement with SAMHSA, (2) establishing management groups to address monitoring issues, and (3) eliminating its use of the direct services eligibility criterion. However, some internal control and other challenges remain. For example, ONDCP has not yet put a mechanism in place to ensure that documentation confirming eligibility is maintained in the grant files. ONDCP also has not documented its approach to overseeing SAMHSA and the program. Without defined oversight activities for ensuring completion of the work, ONDCP lacks reasonable assurance that required tasks are being performed in accordance with management's directives. Also, roles and responsibilities for key elements of grant administration remain largely undefined in that the agencies have not clarified certain services SAMHSA is to provide related to awarding grants or the role of the program Administrator. Without defining these roles, confusion on the steps to follow in managing the program could continue to occur. Finally, as in 2006, ONDCP officials told GAO that they did not screen renewal grant applicants for eligibility in 2007 because the screening that applicants undergo when they first receive a grant is sufficient.