

January 2006

# COMBATING TERRORISM

## Determining and Reporting Federal Funding Data



G A O

Accountability \* Integrity \* Reliability



Highlights of [GAO-06-161](#), a report to congressional requesters

## Why GAO Did This Study

The President's annual budget reports on federal funding dedicated to combating terrorism activities. Identification of such funding is inherently difficult because a significant portion of combating terrorism funding is embedded within appropriation accounts that include funding for other activities as well. In 2002, GAO reported on the difficulties that the executive branch faced in reporting funding for combating terrorism to Congress (see GAO-03-170). This report updates the information contained in the 2002 report by providing information on (1) the methods agencies use to determine the portion of their annual appropriations related to combating terrorism, and (2) the status of recommendations from GAO's 2002 report.

## What GAO Recommends

GAO continues to believe its prior recommendations are still valid and, if implemented, would provide OMB and Congress with additional insights for budget decisions and help them determine whether funding increases for combating terrorism have improved performance results. In commenting on a draft of the report, OMB objected to the use of overseas combating terrorism funding data because they do not review it. Congress should consider requiring OMB to report on overseas combating terrorism funding data. Other agencies commenting on the draft report had no comment, concurred, or provided technical comments. [www.gao.gov/cgi-bin/gettrpt?GAO-06-161](http://www.gao.gov/cgi-bin/gettrpt?GAO-06-161).

To view the full product, including the scope and methodology, click on the link above. For more information, contact Paul L. Jones at (202) 512-8777 or [jonespl@gao.gov](mailto:jonespl@gao.gov).

# COMBATING TERRORISM

## Determining and Reporting Federal Funding Data

### What GAO Found

Seven of 34 agencies that reported receiving funding related to combating terrorism activities to OMB used different methodologies to estimate the portion of their authorized funding that supports such activities. These 7 agencies account for about 90 percent of the total fiscal year 2006 budget request that the 34 agencies estimate relate to combating terrorism. All of these methods involve some level of professional judgment. Agencies stated this process is managed through OMB oversight and supervisory review. OMB staff said they do not review the overseas component of combating terrorism funding data since they are no longer required to report it. As a result, Congress does not receive OMB-reviewed data on the entirety of counterterrorism funding.

Three recommendations from GAO's 2002 report have not been implemented. The first recommendation requests that OMB include agencies' obligation data in its annual reporting of funding data on combating terrorism. OMB staff continue to cite the effort required to produce such data but said they might consider reporting obligation information for a targeted set of accounts. Without obligation data, it is difficult for Congress to know (1) how much funding from prior years is still available to potentially reduce new spending requests, (2) whether the rate of spending for a program is slower than anticipated, or (3) what the size of the program is for a particular year and over time. The second recommendation was for OMB to direct relevant departments to develop or enhance combating terrorism performance goals and measures and include such measures in the governmentwide plan. Three of the seven agencies told us that OMB had not directed them to develop performance measures or enhance such measures for combating terrorism activities. However, four of the seven agencies had developed such measures. OMB staff said they are working with agencies to improve performance measurement of government programs related to combating terrorism. The development of such measures would assist Congress in determining whether funding increases have improved performance results. The third recommendation calls for the inclusion of national-level and federal governmentwide combating terrorism performance measures in supplements to existing strategies and their future revisions. There have been no supplements or revisions to the existing strategies that include governmentwide or national-level combating terrorism measures.



Source: United States Coast Guard.

Coast Guard activities include combating terrorism (at left, Fourth of July security patrol off New York City) and those unrelated to terrorism (at right, an ice tugboat breaks ice to facilitate navigation through waterways).

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# Contents

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<b>Letter</b>		<b>1</b>
	Results in Brief	5
	Background	9
	Seven Agencies Use Different Methodologies to Estimate How Much of the Budget Supports Combating Terrorism Activities	10
	Implementation of Three Recommendations Could Provide Additional Information for Budget Decisions and Understanding of Performance	20
	Conclusions	26
	Matter for Congressional Consideration	26
	Agency Comments	26

---

<b>Appendix I</b>	<b>Patterns and Trends in Funding for Homeland Security and Overseas Combating Terrorism Activities</b>	<b>29</b>
-------------------	---	-----------

---

<b>Appendix II</b>	<b><i>The National Strategy for Homeland Security's Critical Mission Areas</i></b>	<b>67</b>
--------------------	--	-----------

---

<b>Appendix III</b>	<b>Reporting Changes as a Result of the Homeland Security Act of 2002 and Challenges OMB Reports Continuing to Face</b>	<b>68</b>
---------------------	---	-----------

---

<b>Appendix IV</b>	<b>A Summary of Selected Accounts with Combating Terrorism Activities</b>	<b>72</b>
--------------------	---	-----------

---

<b>Appendix V</b>	<b>Scope and Methodology</b>	<b>88</b>
-------------------	------------------------------	-----------

---

<b>Appendix VI</b>	<b>Guidance Agencies Most Commonly Report Using to Identify Activities as Combating Terrorism</b>	<b>92</b>
--------------------	---	-----------

---

<b>Appendix VII</b>	<b>Status of 2002 Recommendations Related to Duplication of Effort and Timely Reporting of Funding Data</b>	94
---------------------	---	----

<b>Appendix VIII</b>	<b>Comments from the Office of Management and Budget</b>	96
----------------------	--	----

<b>Appendix IX</b>	<b>Comments from the General Services Administration</b>	97
--------------------	--	----

<b>Appendix X</b>	<b>GAO Contact and Staff Acknowledgments</b>	98
-------------------	--	----

<b>Related GAO Products</b>		99
-----------------------------	--	----

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## Tables

Table 1: Gross Budget Authority for Homeland Security—by Summarized Agency	32
Table 2: Gross Budget Authority for Homeland Security—by Agency	36
Table 3: Gross Budget Authority for Homeland Security—by Agency, Bureau, and Account	40
Table 4: Gross Budget Authority by Homeland Security Mission Area	55
Table 5: Gross Budget Authority by Agency and Homeland Security Mission Area	56
Table 6: Gross Budget Authority for Overseas Combating Terrorism—by Summarized Agency	64
Table 7: Gross Budget Authority for Overseas Combating Terrorism—by Agency	66

---

## Figures

Figure 1: GSA's Methodology for Estimating the Portion of Budget Authority Associated with Real Property Activities That Relate to Homeland Security	12
Figure 2: U.S. Secret Service Methodology for Estimating the Portion of Budget Authority Associated with Operating Expenses That Relate to Homeland Security	14
Figure 3: Questions APHIS Considers in Determining whether an Activity Relates to Homeland Security	16

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## Abbreviations

APHIS	Animal and Plant Health Inspection Service
ARS	Agricultural Research Service
ATF	Bureau of Alcohol, Tobacco, Firearms and Explosives
CBP	Customs and Border Protection
DHS	Department of Homeland Security
DOD	Department of Defense
DOE	Department of Energy
DOJ	Department of Justice
FBI	Federal Bureau of Investigation
GPRA	Government Performance and Results Act
GSA	General Services Administration
IAIP	Information Analysis and Infrastructure Protection
ICE	Immigration and Customs Enforcement
NDAA	National Defense Authorization Act
NSC	National Security Council
OCT	Overseas Combating Terrorism
OMB	Office of Management and Budget
PART	Program Assessment Rating Tool
SLGCP	Office of State and Local Government Coordination and Preparedness
TSA	Transportation Security Administration
USACE	U.S. Army Corps of Engineers
USCG	U.S. Coast Guard
USDA	U.S. Department of Agriculture
USSS	United States Secret Service

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United States Government Accountability Office  
Washington, DC 20548

January 17, 2006

The Honorable Jon Kyl  
Chairman  
The Honorable Dianne Feinstein  
Ranking Minority Member  
Subcommittee on Terrorism, Technology  
and Homeland Security  
Committee on the Judiciary  
United States Senate

The Honorable F. James Sensenbrenner, Jr.  
Chairman  
The Honorable John Conyers, Jr.  
Ranking Minority Member  
Committee on the Judiciary  
House of Representatives

The Honorable Richard C. Shelby  
United States Senate

Since the terrorist attacks of September 11, 2001, the Administration and Congress have increased funding in support of combating terrorism both at home and abroad. According to the Office of Management and Budget (OMB), combating terrorism includes efforts to secure the homeland (that is, homeland security activities to detect, deter, protect against, and, if needed, respond to terrorist attacks occurring within the United States) and those to combat terrorism overseas (those activities occurring outside the United States and its territories), excluding direct military action.<sup>1</sup> Between fiscal years 2002 and 2005, funding attributed to homeland

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<sup>1</sup>Since combating terrorism activities exclude direct military action, this report does not include those activities associated with the Global War on Terrorism. The Global War on Terrorism includes (1) Operation Noble Eagle—military operations to defend the United States from terrorist attacks, (2) Operation Enduring Freedom—overseas military operations to defend the United States from terrorist attacks that have principally taken place in Afghanistan, and (3) Operation Iraqi Freedom—military operations to change the government in Iraq. For work GAO recently completed on costs associated with the Global War on Terrorism, see GAO, *Global War on Terrorism: DOD Needs to Improve the Reliability of Cost Data and Provide Additional Guidance to Control Costs*, [GAO-05-882](#) (Washington, D.C.: Sept. 21, 2005), and *Global War on Terrorism: DOD Should Consider All Funds Requested for the War when Determining Needs and Covering Expenses*, [GAO-05-767](#) (Washington, D.C.: Sept. 28, 2005).

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security activities increased 39 percent, from \$33 billion in fiscal year 2002 to \$46 billion for fiscal year 2005. For fiscal year 2006, the President requested nearly \$50 billion for activities associated with homeland security. In addition, Congress appropriated funding that agencies also attributed to overseas combating terrorism activities. However, OMB is no longer required to report on overseas combating terrorism funding data.<sup>2</sup>

In response to the September 11 attacks and the resulting emphasis placed on combating terrorism, Congress took legislative action to revise reporting requirements related to federal funding for combating terrorism activities. Under section 889 of the Homeland Security Act of 2002, the President's annual budget is required to include an analysis of homeland security funding.<sup>3</sup> This analysis is to be organized by budget function (i.e., functions that cover 17 areas of the government such as agriculture and health), agency, and initiative area. According to OMB staff responsible for preparing this analysis on behalf of the President, OMB adopted the six critical mission areas captured in the *National Strategy for Homeland Security*—Intelligence and Warning, Border and Transportation Security, Domestic Counterterrorism, Protecting Critical Infrastructure and Key Assets, Defending against Catastrophic Threats, and Emergency Preparedness and Response—to represent initiative areas in its analysis.

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<sup>2</sup>In fiscal years 2002 and 2003, OMB reviewed and reported on what agencies estimated to be the portion of their budget authority that related to both homeland security—\$33 billion and \$43 billion, respectively—and overseas combating terrorism funding—\$11.5 billion and \$12 billion, respectively. While OMB continued to collect data on both homeland security and overseas combating terrorism activities since fiscal year 2003, OMB staff said that they have not reviewed funding data on overseas combating terrorism since OMB is no longer required to report this information. Thus, they said that data on overseas combating terrorism funding are not subject to the same level of scrutiny as funding data on homeland security and may not be as reliable as homeland security funding data. However, we have included the overseas combating terrorism data that agencies continue to report to OMB in appendix I.

<sup>3</sup>Homeland Security Act of 2002, Pub. L. 107-296, section 889, 116 Stat. 2135, 2251 (2002). Section 889 of the Homeland Security Act of 2002 applies only to homeland security activities, not overseas activities related to combating terrorism. In this report, the generic term “combating terrorism” includes both homeland security and overseas combating terrorism activities. Our definitions comport with OMB’s definitions in Circular No. A-11, which agencies use in classifying their funding data. See Circular No. A-11: *Preparation, Submission, and Execution of the Budget*, Executive Office of the President, Office of Management and Budget (Washington, D.C.: June 21, 2005). For additional information on budget functions, see GAO, *A Glossary of Terms Used in the Federal Budget Process*, [GAO-05-734SP](#) (Washington, D.C.: September 2005).



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(See app. II for a detailed description of each critical mission area).<sup>4</sup> This funding analysis appears in the Analytical Perspectives, which accompanies the President's budget and provides information on requested funding levels related to homeland security.<sup>5</sup> Much of the funding for combating terrorism activities is embedded within appropriation accounts that finance programs that are not primarily homeland security or overseas combating terrorism related. This makes it difficult to identify activities and track funding without such an analysis. For example, the U.S. Coast Guard (USCG) receives the majority of its appropriations through its Operating Expenses Account. This funding supports the USCG's operations both for combating terrorism activities such as securing ports, waterways, and the coast and for non-combating terrorism activities such as ice-breaking operations to facilitate navigation through waterways. Because combating terrorism funding is embedded within appropriation accounts, agencies provide OMB with information on the portion of funding that is attributable to combating terrorism activities—both homeland security and overseas combating terrorism. OMB then uses this information to report funding information on homeland security activities in the Analytical Perspectives.

In November 2002, we reported on the difficulty the executive branch faced in identifying and tracking combating terrorism funding and other challenges associated with reporting such data to Congress.<sup>6</sup> Among these other challenges was the difficulty the executive branch faced in measuring the effective use of funds for combating terrorism since clearly defined federal and national performance objectives and measures for

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<sup>4</sup>The President issued the *National Strategy for Homeland Security* in July 2002. The strategy sets forth overall objectives to prevent terrorist attacks within the United States, reduce vulnerability to terrorism, and minimize the damage and assist in the recovery from attacks that may occur.

<sup>5</sup>In general, the Analytical Perspectives contains information that highlights specific subject areas, such as funding data on homeland security, or provides other significant context and perspective for the budget.

<sup>6</sup>See GAO, *Combating Terrorism: Funding Data Reported to Congress Should Be Improved*, [GAO-03-170](#) (Washington, D.C.: Nov. 26, 2002). At the time of this report, which we issued the day after the President signed the Homeland Security Act of 2002, OMB's required report to Congress included both homeland security and overseas combating terrorism activities.

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assessing programs' progress had not been established.<sup>7</sup> This report updates the information contained in our 2002 report by responding to the following questions:

1. How do agencies determine what portion of their annual appropriations relates to combating terrorism?
2. What is the status of the recommendations from our 2002 report?<sup>8</sup>

In addition, we also identified patterns and trends in funding for combating terrorism activities for fiscal years 2002 through 2005 as well as the President's budget request for fiscal year 2006. This information is discussed in appendix I. Further, we examined how section 889 of the Homeland Security Act of 2002 affected the reporting of funding data and the challenges OMB continues to face in tracking activities—specific lines of work—related to combating terrorism and ensuring the transparency of related funding data. The impact of section 889 on the reporting of funding data and the challenges OMB continues to face in tracking activities is discussed in appendix III. Finally, we reviewed combating terrorism activities that were funded through 34 budgetary accounts to determine whether the activities were consistent with OMB's definitions of homeland security and overseas combating terrorism as defined in OMB Circular No. A-11.<sup>9</sup> The information on combating terrorism activities funded through these 34 accounts is included in appendix IV.

To address our objectives, we met with staff from OMB and with officials from 7 agencies that conduct a range of combating terrorism activities—the Departments of Agriculture (USDA), Defense (DOD), Energy (DOE), Homeland Security (DHS), and Justice (DOJ), and the U.S. Army Corps of Engineers (USACE) and the General Services Administration (GSA). To reflect a range of funding levels, we selected these agencies from

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<sup>7</sup>We define "performance objective" as a performance goal that sets a target level of performance over time expressed as a tangible, measurable goal, against which actual achievement can be compared, including a goal expressed as a quantitative standard, value, or rate. It is composed of a performance measure with targets and time frames. Performance measures are a means to quantify an agency's progress toward achieving its objectives.

<sup>8</sup>See [GAO-03-170](#).

<sup>9</sup>Accounts are separate financial reporting units used for budget, management, or accounting purposes. Budget accounts are used to record all budgetary transactions. See [GAO-05-734SP](#).

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33 agencies and the District of Columbia that reported receiving funding related to combating terrorism activities to OMB. The 7 agencies we selected account for about 90 percent of the total fiscal year 2006 budget request that the 33 agencies and the District of Columbia estimate relate to combating terrorism. Because we obtained information from a nonprobability sample of 7 agencies and their directorates and offices with combating terrorism responsibilities, the information we obtained cannot be generalized to all agencies with combating terrorism responsibilities. We reviewed activities in 34 budgetary accounts for the agencies in our review to determine whether the activities were consistent with OMB's definitions of homeland security and overseas combating terrorism as defined in OMB Circular No. A-11. We selected accounts with the most funding for combating terrorism at each agency as well as some accounts with smaller amounts. By reviewing the activities in these 34 accounts, we reviewed at least 70 percent of each agency's estimated gross budget authority related to combating terrorism activities as reported in the President's fiscal year 2006 budget request.<sup>10</sup> Although we initially selected budgetary accounts to review at DOD, we did not review these accounts because neither DOD nor OMB maintains information on activities conducted by DOD to combat terrorism at the account level. For illustrative purposes, we have included a description of some of these accounts as well as the activities funded through each account and the related budget authority in appendix IV. We also analyzed combating terrorism data from the database used to prepare the Budget of the United States for fiscal years 2002 through 2006. To ensure that the database we received was consistent with published sources, we conducted electronic data testing and determined that the data were sufficiently reliable for our purposes.

We conducted our work from January 2005 through November 2005 in accordance with generally accepted government auditing standards. Appendix V contains more detailed information on our scope and methodology.

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## Results in Brief

The seven agencies we contacted developed different methodologies to estimate their portion of the federal budget that relates to combating

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<sup>10</sup>Gross budget authority represents budgetary totals from which offsetting collections have not been deducted. Offsetting collections are collections by government accounts from other government accounts and any collections from the public that are of a business type or market-oriented nature.

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terrorism activities. These methods all involve some level of professional judgment, which is inherent in any estimation process. Although OMB provides guidance to agencies to help them determine the portion of their budget authority that relates to combating terrorism activities, it does not prescribe how agencies should make these determinations. Officials at one agency—DOD—reported that OMB determines how much of DOD’s funding relates to combating terrorism. Officials at five of the other six agencies we contacted that make their own determinations reported being challenged in making such determinations because either (1) their activities have multiple purposes that require them to use their judgment in determining how much of an activity should be attributed to homeland security, overseas combating terrorism, or non-combating terrorism or (2) they must interpret OMB’s combating terrorism definition to identify which of their activities relate to combating terrorism. For example, GSA officials said that they conduct upgrades to GSA-managed buildings’ fire alarm enhancement systems that could be used to alert employees to a fire—a non-combating terrorism activity—and also to alert employees to stay in the building in the event of a terrorist attack—a combating terrorism activity. Consequently, GSA is challenged in categorizing upgrades to GSA-managed fire alarm enhancement systems as a homeland security activity because the application of these upgrades is not exclusively related to homeland security. Agencies also reported having to use professional judgment when interpreting accepted definitions of combating terrorism to identify which of their activities relate to combating terrorism. A DOE official told us that it can be problematic to categorize activities that are associated with the Defense Nuclear Nonproliferation Program. For example, one activity under this program is to assist the Russians in converting surplus plutonium into fuel for commercial reactors. After its conversion, this material is no longer suitable for use in a nuclear weapon. The amount spent in Russia for the conversion to fuel of already well protected materials is not reported as combating terrorism, although the argument could be made that the program’s eventual effect may be to take potential ammunition away from future terrorists. DOE cites this as one example of the fact that the decision of whether an activity is considered combating terrorism or non-combating terrorism is a judgment call based on interpretation of the definition. Agencies report that they manage the process of estimating combating terrorism funding levels through OMB oversight and supervisory review. However, under section 889 of the Homeland Security Act of 2002, OMB is no longer required to report on overseas combating terrorism funding data. As a result, OMB staff said that they do not review or validate estimates of overseas combating terrorism funding that they continue to collect from federal agencies. Therefore, Congress receives

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OMB-reviewed data on only the homeland security portion of combating terrorism funding rather than on both homeland security and overseas combating terrorism funding. Reporting on both would provide more information to the Congress about the full range of combating terrorism funding as currently defined.

Three recommendations from our 2002 report related to providing additional information on spending and performance results have not been implemented.<sup>11</sup> We made two other recommendations in our prior report based on reporting requirements that were subsequently repealed by the Homeland Security Act of 2002, thus rendering these two recommendations moot.<sup>12</sup> In our 2002 report, we recommended that OMB include agencies' obligation data in its annual report on combating terrorism.<sup>13</sup> Without this information, it is difficult for congressional decision makers to know how much funding provided in prior years may be available to help reduce new spending requests; whether agencies are delivering their programs as expected, that is, at the rate of spending that they have claimed in earlier budget requests; or what the level of effort is for a particular year. Although OMB staff continue to be concerned about the effort required to report these data, they said they might consider reporting obligation information for a targeted set of accounts that receive multiyear funding and carry balances for homeland security programs from year to year. We continue to believe that our prior recommendation on this issue is relevant and should be implemented. In our 2002 report, we also recommended that OMB direct relevant departments to develop or enhance combating terrorism performance goals and measures and include such measures in the governmentwide plan to assist in determining whether funding increases have improved performance results. Three of the seven agencies in our review told us that OMB had not directed them to develop performance measures or enhance combating terrorism performance goals and measures specifically for combating terrorism activities. However, four of the seven agencies in our review have developed performance measures for combating terrorism activities. OMB staff said that they are working with agencies through

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<sup>11</sup>See [GAO-03-170](#).

<sup>12</sup>See appendix VII for a detailed discussion of how the Homeland Security Act of 2002 superseded two of the recommendations made in our prior report.

<sup>13</sup>Obligations are amounts of orders placed, contracts awarded, services received, and similar transactions during a given period that will require payments during the same or a future period.

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initiatives such as the Performance Assessment Rating Tool (PART) to improve performance measurement of government programs, including those that relate to homeland security.<sup>14</sup> However, OMB has not yet completed all PART reviews for programs that relate to these activities or done either a crosscutting combating terrorism or homeland security PART review that could address the appropriateness of performance measures in this larger context. Our 2002 report also recommended that national-level as well as federal governmentwide performance measures be included in supplements to existing strategies and in future revisions to strategies for homeland security and the combating of terrorism overseas. OMB staff said that governmentwide performance goals and measures have not been developed because they are focusing their efforts on the development of combating terrorism performance measures at the agency level, primarily with DHS. Thus, supplements or updates to the national strategies that include governmentwide or national level performance measures (i.e., goals and measures to track progress of the numerous efforts by the federal, state, and local governments and private sector to combat terrorism) have not been issued. Without governmentwide goals and measures, the Administration has no effective means of articulating to Congress or the American people the federal government's progress, as a whole, related to combating terrorism. Therefore, we continue to believe that our prior recommendations on this issue have merit and should be implemented.

We provided a draft of this report to OMB, USDA, DOD, DOE, DHS, DOJ, USACE, GSA, and the National Security Council for review and comment. OMB objected to GAO including information on overseas combating terrorism funding data because it has not been reviewed by OMB since fiscal year 2003. In addition, GSA provided formal written comments on a draft of this report and concurred with its contents. Copies of OMB's letter and GSA's letter are presented in appendix VIII and appendix IX, respectively. USDA, DOD, DOE, and USACE had no comments on the report. OMB, DHS, and DOJ provided technical comments that we incorporated as appropriate and the National Security Council did not provide comments.

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<sup>14</sup>PART is a diagnostic tool developed by OMB that is used to rate the effectiveness of federal programs with a particular focus on program results. OMB's goal is to review all federal programs over a 5-year period beginning in fiscal year 2002 using the PART tool.

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## Background

The National Defense Authorization Act for Fiscal Year 1998 (NDAA for FY 1998), as amended by the National Defense Authorization Act for Fiscal Year 1999 (NDAA for FY 1999) required OMB to issue both a classified and an unclassified report<sup>15</sup> on funding to combat terrorism.<sup>16</sup> Under the NDAA reporting requirements, OMB's annual report addressed funding for combating terrorism without differentiating between homeland security and overseas activities.<sup>17</sup> However, in its 2002 unclassified report, OMB, for the first time, explicitly distinguished between overseas combating terrorism activities coordinated by the National Security Council and homeland security activities coordinated by the President's Office of Homeland Security.

Section 889 of the Homeland Security Act of 2002 repealed the NDAA reporting requirements in favor of new reporting requirements. In particular, section 889 required the President's budget to include an analysis of "homeland security funding," which it defined by reference to OMB's 2002 report as activities to detect, deter, protect against, and if needed, respond to terrorist attacks occurring within the United States. OMB's definition of homeland security activities included activities that the agency had not previously treated as combating terrorism.

The 2003 annual report on combating terrorism was the last combating terrorism report issued under the NDAA reporting requirements. OMB's next report to Congress was published as part of the President's fiscal year 2005 budget, which was issued in February 2004 and reflected the changes called for in that act for the first time. In its final 2003 unclassified annual report on combating terrorism, OMB categorized the government's homeland security activities into the six critical mission areas discussed in the *National Strategy for Homeland Security*.

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<sup>15</sup>To satisfy this requirement, OMB provided a classified annex to its unclassified report. The unclassified report provided unclassified information, where possible, on funding for the national security community (i.e., the Department of Defense and the Intelligence Community), while the classified annex provided additional, classified funding details for the national security community.

<sup>16</sup>The National Defense Authorization Act for Fiscal Year 1998 (NDAA for FY 1998), Pub. L. 105-85, 111 Stat. 1629, 1889 (Nov. 18, 1997) as amended by the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999 (NDAA for FY 1999), Pub. L. 105-261, 112 Stat. 1920, 2168 (Oct. 17, 1998).

<sup>17</sup>Prior to 2002, OMB used different classifications to report combating terrorism funding, such as antiterrorism (defensive measures to combat terrorism) and counterterrorism (offensive measures to combat terrorism).

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## Seven Agencies Use Different Methodologies to Estimate How Much of the Budget Supports Combating Terrorism Activities

The seven agencies we contacted use different methods to estimate the portion of their authorized funding that supports combating terrorism activities.<sup>18</sup> Although OMB provides guidance to agencies, it does not prescribe a specific methodology for how agencies should determine the portion of their budget authority that relates to combating terrorism activities. One agency we contacted—DOD—reported that OMB determines how much of DOD’s funding relates to combating terrorism. While OMB staff said that they expect most executive agencies to provide them with funding data related to combating terrorism activities, they said that they make these determinations for DOD. DOD officials said that they enter budget data into OMB’s central database and then OMB staff review the data and extract information that they find consistent with OMB’s definition of combating terrorism.

Six of the other seven agencies we reviewed developed their own methodologies using guidance, such as OMB Circular No. A-11, which includes definitions for combating terrorism activities and instructions for submitting information on funding data related to combating terrorism activities to OMB.<sup>19</sup> Because these methodologies involve estimations, some level of professional judgment is inherent throughout the process. To implement these methodologies, agencies first identify their combating terrorism activities and then estimate their related funding levels. (See app. VI for guidance agencies most commonly use to identify combating terrorism activities.)

Officials from two of these six agencies—GSA and DHS—reported that they used methods involving formulas to determine their funding levels that are related to combating terrorism. Officials from GSA told us that they use a formula-driven methodology for estimating its budget authority for the portion of Real Property Activities within its Federal Buildings

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<sup>18</sup> After OMB approves agency funding levels to be included in the President’s budget request, agencies then determine the portion of their funding levels that are related to combating terrorism activities and report those amounts to OMB.

<sup>19</sup> DOD staff said that they do not report funding levels associated with combating terrorism activities to OMB.



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Fund that relate to homeland security activities.<sup>20</sup> To derive this methodology, GSA officials from its Office of Budget said GSA consulted with OMB and reviewed all activities conducted under the Federal Buildings Fund, looked at historical trends related to homeland security activities associated with the fund, and applied their professional judgment. Figure 1 illustrates GSA's methodology and demonstrates how the agency applied its methodology in estimating its fiscal year 2006 budget authority for the portion of Real Property Activities within its Federal Buildings Fund that relate to homeland security activities.

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<sup>20</sup> GSA is not responsible for overseas combating terrorism activities. Real property activities related to homeland security at GSA include actions taken to enhance building security. The Federal Buildings Fund finances GSA's Public Buildings Service, which provides space and services for federal agencies in a relationship similar to that of landlord and tenant. The Federal Protective Service—authorized, among other things, to enforce laws and regulations aimed at protecting federal property and persons on such property—was originally located within GSA's Public Building Service and a portion of the Federal Protective Service's budget authority was associated with homeland security issues. The Federal Protective Service was moved to the Department of Homeland Security effective March 1, 2003. Therefore, GSA's fiscal year 2006 budget authority for the portion of Real Property Activities within its Federal Buildings Fund that relate to homeland security activities does not include funding levels associated with the Federal Protective Service. For additional information on GSA's real property activities, see appendix IV.

**Figure 1: GSA's Methodology for Estimating the Portion of Budget Authority Associated with Real Property Activities That Relate to Homeland Security**

GSA starts with: total new construction costs <sup>a</sup>		Actual figures from FY 2006 Budget Authority for Real Property Activities/Federal Buildings Fund	\$546,000,000				
then <b>subtracts</b> : adjustments to Judgment Fund <sup>b</sup>			- \$0				
then multiplies that total by: <b>5%</b> <sup>c</sup>			x 5%				
to determine total "A" : new construction costs considered homeland security	A		= \$27,300,000				
<hr/>							
Next, GSA takes: major repair and alteration costs <sup>d</sup>			\$472,000,000				
then multiplies that number by: <b>1%</b> <sup>e</sup>			x 1%				
then <b>adds</b> : glass fragmentation costs <sup>f</sup>			+ \$15,700,000				
to determine total "B" : major repairs and alterations considered homeland security	B		= \$20,420,000				
<hr/>							
Next, GSA takes: minor repair and alteration costs considered homeland security <sup>g</sup>	C		\$6,000,000				
<hr/>							
Then, GSA takes: building operations considered homeland security <sup>h</sup>	D		\$19,200,000				
<hr/>							
Then, GSA adds:							
<div>A</div>	+	<div>B</div>	+	<div>C</div>	+	<div>D</div>	
New construction costs considered homeland security		Major repairs and alterations considered homeland security		Minor repair and alteration costs considered homeland security		Building operations considered homeland security	
to determine the final total: <b>portion of real property activities GSA estimates as homeland security</b>							
							\$27,300,000 + \$20,420,000 + \$6,000,000 + \$19,200,000
							= \$72,920,000 <sup>i</sup>

Source: GSA's Fiscal Year 2006 Congressional Budget Justification and GSA.

<sup>a</sup>New construction costs includes costs associated with GSA's efforts to implement security measures, such as installing perimeter protection measures (such as cameras or fences) to newly constructed buildings.

<sup>b</sup>According to GSA officials, GSA makes budgetary requests for repayments to the Department of the Treasury's (Treasury) Judgment Fund for money that Treasury disbursed on behalf of GSA when a contractor made a claim against GSA and successfully sued the government. Treasury will notify GSA when such a payment took place, and GSA will request budget authority within the next fiscal year to reimburse Treasury's Judgment Fund. Thus, all such requests are included as adjustments to the total new construction costs.

<sup>c</sup>According to GSA officials, GSA determined that 5 percent of its new construction costs was a reasonable estimate related to homeland security activities when they initially developed their methodology. They reported reviewing all activities conducted under the Federal Buildings Fund, looking at historical trends related to homeland security activities associated with the fund, and applying their professional judgment to derive this percentage.

<sup>d</sup>Major repairs and alterations costs include costs GSA incurs in implementing security enhancements to modify federal buildings where the total project is estimated to cost more than \$2.41 million in fiscal year 2006. The \$2.41 million is based on GSA's budget request and may change once Congress appropriates funds to GSA.

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<sup>a</sup>According to GSA officials, GSA determined that 1 percent of its major repair and alternative costs was a reasonable estimate related to homeland security activities when they initially developed their methodology. They reported reviewing all activities conducted under the Federal Buildings Fund, looking at historical trends related to homeland security activities associated with the fund, and applying their professional judgment to derive this percentage.

<sup>i</sup>Glass fragmentation costs are costs GSA incurs in installing window systems in federal buildings designed to mitigate the hazardous effects of flying glass following an explosive event.

<sup>g</sup>Minor repairs and alterations are costs GSA incurs in implementing security enhancements to modify federal buildings where the total project is estimated to cost less than \$2.41 million per project in fiscal year 2006. The \$2.41 million is based on GSA's budget request and may change once Congress appropriates funds to GSA.

<sup>h</sup>Building operations costs associated with homeland security activities are those costs GSA incurs to conduct progressive collapse studies. These studies help determine an appropriate structural design that will mitigate the effects of progressive collapse. For instance, if a terrorist bomb were to cause the local failure of one column and a major collapse within one structural bay, a design mitigating progressive collapse would preclude the additional loss of primary structural members beyond the localized damage zone.

<sup>j</sup>The \$79.2 million does not include an estimate of security costs associated with GSA's leased facilities. In fiscal year 2006, GSA requested \$4 billion for leasing facilities. GSA officials acknowledged that they have not estimated the portion of their leased costs that relate to homeland security efforts, but plan to discuss with OMB the possibility of doing so in future years.

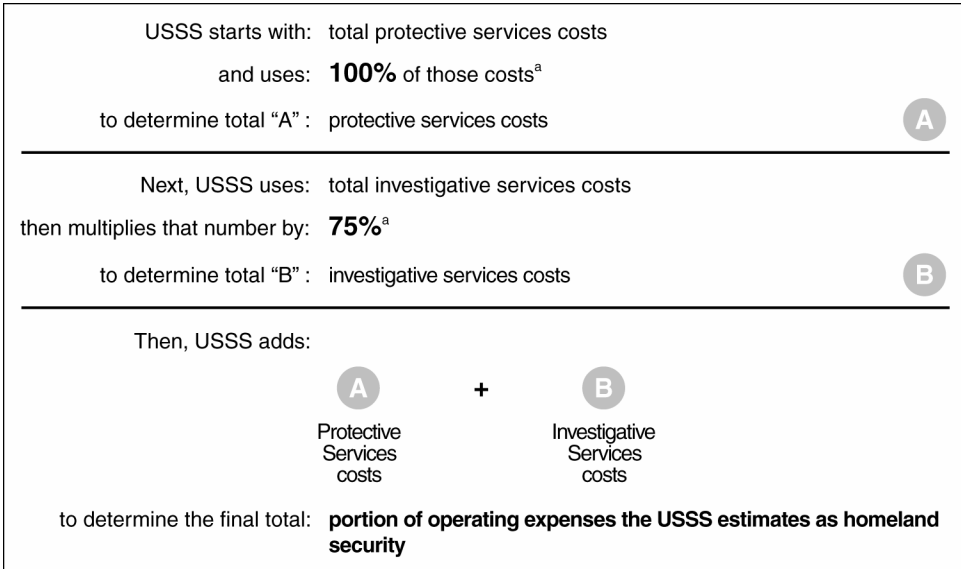
Officials from DHS's component offices with whom we met—Customs and Border Protection, Immigration and Customs Enforcement, the Information Analysis and Infrastructure Protection Directorate, the Office of State and Local Government Coordination and Preparedness (SLGCP), the Transportation Security Administration, USCG, the United States Secret Service (USSS), and the Science and Technology Directorate—told us that they also derived formula-driven methodologies for determining their homeland security funding levels. For example, officials from USSS said that they derived a quantitative methodology for determining the portion of their appropriation for Operating Expenses that relates to homeland security.<sup>21</sup> They said that to develop this methodology, USSS reviewed all of its programs, activities, and related staff hours conducted under its two missions—Protective Services and Investigative Services—

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<sup>21</sup>USSS does not conduct overseas combating terrorism activities.

to determine those activities that related to homeland security.<sup>22</sup> See figure 2 for the USSS methodology.

**Figure 2: U.S. Secret Service Methodology for Estimating the Portion of Budget Authority Associated with Operating Expenses That Relate to Homeland Security**



Source: USSS.

<sup>a</sup>According to USSS officials, USSS determined that 100 percent of its protective services and 75 percent of its investigative services were related to homeland security activities when they initially developed their methodology. They reported reviewing all of USSS's programs, activities, and related staff hours conducted under their two missions—Protective Services and Investigative Services—to determine those activities that related to homeland security and calculated related percentages.

<sup>22</sup>Protective Services provide for the protection of individuals including the President of the United States, immediate family members, the President-elect, the Vice President, or other officer next in order of succession to the Office of the President, and the Vice President-elect and the members of their immediate families, the protection of a visiting head of state and accompanying spouse, or a foreign state or foreign government. Investigative Services provide for investigation of counterfeiting of currency and securities; forgery and altering of government checks and bonds; thefts and frauds relating to Treasury electronic funds transfers; financial access device fraud, telecommunications fraud, computer and telemarketing fraud; fraud relative to federally insured financial institutions; and other criminal and noncriminal cases.

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USSS officials told us that they discussed their methodology with OMB and received OMB's approval to implement it. USSS officials told us that they have been using this methodology to estimate the portion of their operating expenses budget authority related to homeland security since 2003.

The other four agencies—DOE, USDA, USACE, and DOJ—reported having methodologies in place to determine their funding levels for combating terrorism activities that are less formula driven. For example, using the definitions contained in OMB Circular No. A-11, a DOE official told us that DOE personnel review the agency's programs and activities to determine which are related to homeland security or overseas combating terrorism. Then, a DOE official consults with OMB to determine whether OMB would like the agency to make any revisions to the activities it has designated as combating terrorism. Once DOE finalizes its determination that an activity is categorized as a combating terrorism activity, 100 percent of that activity's budget authority is attributed to combating terrorism. Additionally, officials from the component offices in USDA we met with—the Animal and Plant Health Inspection Service (APHIS) and the Agricultural Research Service (ARS)—told us that they used qualitative methods for determining their homeland security funding levels. For example, APHIS officials said that they developed a set of six questions to determine whether their activities relate to homeland security.<sup>23</sup> In reviewing these activities, APHIS officials told us that if any of the questions in figure 3 apply, they will consider the activity related to homeland security, and then 100 percent of that activity's budget authority will be attributed to homeland security.

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<sup>23</sup>The Animal and Plant Health Inspection Service does not conduct overseas combating terrorism activities.

**Figure 3: Questions APHIS Considers in Determining whether an Activity Relates to Homeland Security**

<b>APHIS asks 6 questions:</b>	
	<ul style="list-style-type: none"> <li>• Is this a new activity or program focus as a result of 9/11?</li> <li>• Has the bulk of the program activity changed as a result of 9/11?</li> <li>• Does the activity address intentional pest or disease outbreaks or other acts of agro-bioterrorism?</li> <li>• Was the activity initiated with homeland security supplemental funds?</li> <li>• Did APHIS receive enhanced homeland security funds for the activity?</li> <li>• Is the activity needed in order to comply with one or more Homeland Security Presidential Directives or the Bioterrorism Act of 2002?</li> </ul>
<b>If any of these questions apply</b>	APHIS considers the activity to be related to homeland security.
<b>To determine the portion of budget authority related to homeland security, APHIS adds</b>	100 percent of the funding related to activities considered homeland security based on the six questions.

Source: APHIS.

In addition to estimating funding levels for combating terrorism activities, OMB also requires agencies to align their homeland security activities with the critical mission areas in the *National Strategy for Homeland Security*. Officials at four of the six agencies we visited that estimate their combating terrorism funding levels said that they used their professional judgment to determine which critical mission area best aligns with their homeland security activities by comparing those activities with the definitions of the national strategy's critical mission areas.<sup>24</sup>

As previously discussed, to estimate funding levels, agencies first identify their combating terrorism activities. Officials at two of the six agencies we contacted said that activities with multiple or dual purposes pose a particular challenge to them when determining their combating terrorism activities because they must apply professional judgment to determine

<sup>24</sup>According to USACE officials, they do not align their homeland security activities with the critical mission areas when entering their homeland security data into OMB's Homeland Security and Overseas Combating Terrorism database.

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which purpose to emphasize. As a result, determining funding levels for combating terrorism activities and aligning homeland security activities to critical mission areas cannot be precise. For example, as previously noted, GSA officials told us that they conduct upgrades to buildings' fire alarm enhancement systems that could be used to alert employees to a fire. However, these officials also said the same system could also be used to alert employees to stay in the building in the event of a terrorist attack. Consequently, GSA cannot definitively categorize its fire alarm enhancement systems as a homeland security activity because the efforts within this activity are not exclusively related to homeland security. DHS officials also reported facing similar challenges. For example, SLGCP has multi-use grants that could be used for both combating terrorism and other goals. SLGCP staff cited the fact that the chemical protection suits provided under the Firefighter Assistance Grant program could be used in the field for a fuel spill or for a terrorist incident such as a dirty bomb. Consequently, DHS believes the process of categorizing combating terrorism activities is an estimation exercise, for which the department's staff must apply their professional judgment.

Furthermore, agency officials at three agencies we visited said that an additional challenge in determining whether an activity should be considered a combating terrorism activity involves interpreting OMB's combating terrorism definitions. For example, a DOE official told us that it can be problematic to categorize activities that are associated with the Defense Nuclear Nonproliferation Program such as efforts to assist the Russians in converting surplus plutonium into fuel for commercial reactors. After its conversion, this material is no longer suitable for use in a nuclear weapon. Although the argument could be made that the program's eventual effect may be to take potential ammunition away from future terrorists, the amount spent in Russia for the conversion to fuel of already well protected materials is not reported as combating terrorism. DOE cites this as one example of the fact that the decision of whether an activity is considered combating terrorism or non-combating terrorism is a judgment call based on interpretation of the definition.

Agencies in our review manage the process of estimating funding levels for combating terrorism activities through OMB oversight and supervisory review. According to OMB, the responsibility of ensuring that homeland security activities are properly categorized is a joint effort made by OMB and the agencies involved. For their part, OMB staff perform reviews of activities determined to be related to homeland security to ensure that they are in accordance with the homeland security definition. OMB staff told us that there is no written guidance for such a review. Instead, OMB

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staff rely on the definition in OMB Circular No. A-11 and their judgment to decide if the activity has been reasonably categorized.

OMB staff said that they currently do not review agency estimates of funding data for overseas combating terrorism activities because OMB is no longer required to report on overseas combating terrorism funding data.<sup>25</sup> Section 889 of the Homeland Security Act of 2002 repealed the NDAA reporting requirements in favor of new reporting requirements. The section 889 reporting requirement applies only to homeland security activities, not overseas activities related to combating terrorism.<sup>26</sup> Although OMB still collects overseas combating terrorism funding data, OMB staff said that they have not reviewed or validated this information since fiscal year 2003. As a result, the overseas combating terrorism data for fiscal years 2004–2006 has not received the same level of scrutiny as the homeland security data. Similarly, without any future legislative action, OMB does not plan to review or validate future funding estimates related to overseas combating terrorism activities. As a result, Congress does not receive reports on both the homeland security and overseas combating terrorism portions of combating terrorism funding.

In addition to reviewing homeland security data, OMB also reports taking steps to ensure that agencies have properly aligned their homeland security activities with the six critical mission areas outlined in the *National Strategy for Homeland Security*. OMB staff told us that annually, they examine the activities agencies aligned with each critical mission area to ensure consistency across all federal agencies and determine if the activities have been properly aligned based on the definitions of the critical mission areas in the *National Strategy for Homeland Security*. Such alignments can help inform congressional decision makers about the amount of funding that has been allocated to any one critical mission area.

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<sup>25</sup>Since there is no longer a requirement to report on overseas combating terrorism funding data, OMB staff said that they have not kept the definition of overseas combating terrorism activities in OMB Circular No. A-11 updated.

<sup>26</sup>OMB staff stated that the change in the overseas combating terrorism reporting requirement was not sought by the Administration and OMB was not aware of legislative history explaining Congress's reasons for the change. We were unable to find legislative history explaining why section 889 excluded overseas combating terrorism reporting requirements.



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In addition to undertaking the previously mentioned reviews, each year since 2002, OMB has provided agencies with an opportunity to make changes to the activities they report as homeland security. In fiscal year 2005, OMB formalized this process by asking agencies to complete a form outlining the agency's proposed changes prior to official submission of annual budget requests. OMB staff said that OMB's examiners use the definition for homeland security in its Circular No. A-11 to review each agency's request, and then the examiners discuss the agencies' request with staff from OMB's Homeland Security Branch, as well as the agency to decide if the activity has been reasonably categorized.<sup>27</sup>

Officials at all six of the agencies we contacted who make their own determinations of funding related to combating terrorism reported having controls in place to help ensure that the agency's combating terrorism activities are appropriately identified and categorized as either homeland security or overseas combating terrorism. For example, DHS officials said that DHS budget desk officers within the Chief Financial Officer's Budget Division review activities its components recommend as combating terrorism and check for activities that may have been categorized incorrectly. Then, another budget desk officer, within the same division, reviews the data for unusual fluctuations or trends. If necessary, the budget desk officer and component representatives are to contact OMB to resolve any potential disagreements. After agencies submit information to OMB, OMB program examiners review the data and approve the activities or request the agencies to make revisions according to their instruction.

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<sup>27</sup> Before fiscal year 2005, OMB staff said they conducted informal discussions with agency officials regarding potential changes.

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## Implementation of Three Recommendations Could Provide Additional Information for Budget Decisions and Understanding of Performance

OMB has not implemented three recommendations from our 2002 report that would have and still could provide OMB and Congress with additional information for making budget decisions and help them understand performance results.<sup>28</sup> In our 2002 report, we recommended that OMB require agencies to provide information on obligations in the database used by OMB to produce the President's annual budget request—and that OMB should include obligations as reported in this database in its annual report on combating terrorism. We made this recommendation to help Congress obtain information on spending that supports the President's annual budget request related to combating terrorism activities and to provide decision makers with insights as to whether programs are being run according to plans established by their budget projections.<sup>29</sup> Without including obligation data in the Analytical Perspectives, along with funding levels authorized by Congress for agencies' homeland security activities, it is difficult for decision makers to know (1) how much funding from prior years is still available to potentially reduce new spending requests, (2) whether the rate of spending for a program is slower than anticipated, or (3) what the level of effort (i.e., size of the program) is for a particular year as well as for a program over time.

OMB staff told us that OMB has not substantially changed its position on this recommendation since we published our 2002 report.<sup>30</sup> OMB staff continue to cite the effort required to produce such data. While OMB staff acknowledged that OMB examiners use obligation data in assessing the appropriateness of agency budget requests overall, they have felt that budget authority data provide the most insight into combating terrorism programs and facilitate follow up on areas of concern. OMB staff also said that including obligation information in its funding analysis is not necessary because at the end of the fiscal year, most agencies with homeland security activities have already obligated the majority of their budget authority. However, OMB staff also said that they might consider reporting obligation information for a targeted set of accounts that receive multiyear funding and might carry balances for homeland security programs from year to year, unlike the majority of accounts that receive funding with only 1 year of availability. A conservative analysis suggests that unobligated balances associated with funding for homeland security

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<sup>28</sup>See [GAO-03-170](#).

<sup>29</sup>See [GAO-03-170](#).

<sup>30</sup>See [GAO-03-170](#).

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activities for fiscal years 2002 through 2004 could be between \$2 billion and \$3.4 billion. Although it would be important to understand how agencies plan to use these balances, information on what funding is unobligated—and in which accounts—is potentially useful for congressional deliberations on the President’s budget request.<sup>31</sup> We recognize that collecting these data would create an additional workload for both OMB and agency budget officials, but we continue to believe that such an effort is warranted for congressional oversight because of the high priority placed on combating terrorism. Therefore, we continue to believe that our prior recommendation on this issue from our 2002 report is relevant and should be implemented.

Similarly, implementation of our 2002 recommendation that OMB direct relevant departments to develop or enhance combating terrorism performance goals and measures and include such measures in the governmentwide plan would assist in determining whether funding increases have improved performance results.<sup>32</sup>

Although three of the seven agencies in our review told us that OMB did not direct them to develop performance measures for combating terrorism, OMB staff said that they are working with agencies on the development of combating terrorism performance measures at the agency level, primarily with DHS. OMB staff also said that they have not yet taken

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<sup>31</sup>In an alternative scenario, GAO assumed that the share of unobligated balances was equal to the share of budget authority coded as homeland security. That is, if an account is labeled 80 percent homeland security, then 80 percent of the available balances are also assumed to be related to homeland security. This analysis produced the following results: fiscal year 2002 (\$3.4 billion), fiscal year 2003 (\$5.4 billion), fiscal year 2004 (\$4.6 billion). Our analysis indicated that many of the unobligated balances were in accounts with mainly grant activities or in accounts where the mission was accomplished through contracts.

<sup>32</sup>Under the Government Performance and Results Act of 1993 (GPRA), OMB is required to prepare an annual governmentwide performance plan and to submit it to Congress with the President’s budget beginning in fiscal year 1999: 31 U.S. C. 1105(a)(28). Congress enacted GPRA to promote a government focus on managing by results. Finding that waste and inefficiency in federal programs were undermining confidence in government, Congress sought to hold federal agencies accountable for the results of federal spending through regular and systematic performance planning measurement and reporting. With the implementation of GPRA, federal agencies are required to set goals, measure performance, and report on their accomplishments. The act requires that federal agencies establish long-term goals, as well as annual goals. Agencies must then measure their performance against the goals they set and report publicly on how well they are doing. For a fuller discussion of the framework, see GAO, *Managing for Results: The Statutory Framework for Performance-Based Management and Accountability*, [GAO/GGD/AIMD-98-52](#) (Washington, D.C.: Jan. 28, 1998).

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any action to prepare measures on a governmentwide basis.<sup>33</sup> Additionally, OMB has not yet prepared a governmentwide plan that could include such measures related to combating terrorism. OMB staff said that the Homeland Security Council—which provides advice to the President on homeland security issues—DHS, and OMB are coordinating and planning for the future development of governmentwide performance measures related to combating terrorism.<sup>34</sup> However, OMB staff said that they have not yet established a timeline for developing such measures.

Implementation of our 2002 recommendation to include national-level and federal governmentwide combating terrorism performance measures as a supplement to existing strategies and their future revisions would help to assess and improve preparedness at the federal and national levels. As previously discussed, federal governmentwide performance measures related to combating terrorism have not yet been developed. Moreover, there have been no supplements or revisions to the existing national strategies that include federal governmentwide or national-level

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<sup>33</sup>While governmentwide performance measures have not been developed for combating terrorism, DHS is working to develop such measures for homeland security activities related to critical infrastructure. According to DHS's Interim National Infrastructure Protection Plan, IAIP officials have identified a set of basic metrics that can be used to evaluate performance across the 13 critical infrastructure sectors—agriculture, banking and finance, chemical, defense industrial base, emergency services, energy, food, government, information and telecommunications, postal and shipping, public health, transportation, and water sectors. IAIP is working with agencies responsible for these sectors to develop a supplemental set of measures for each sector. The intent of this process is to provide DHS and the sector-specific agencies with feedback on where and how they should focus their resources to be most effective. According to IAIP officials, IAIP and the sector-specific agencies have not completed the performance measures but some have developed target dates for their completion.

<sup>34</sup>Established by Section 5 of Executive Order 13228 (Oct. 8, 2001), the Homeland Security Council is composed of more than 20 members who are responsible for advising and assisting the President with respect to all aspects of homeland security. The council serves as the mechanism for ensuring coordination of homeland security-related activities of executive departments and agencies and effective development and implementation of homeland security policies.

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combating terrorism performance goals and measures.<sup>35</sup> Without goals and measures from the federal and national levels, it is difficult to organize a coordinated and effective combating terrorism effort. Because numerous agencies are responsible for combating terrorism, federal governmentwide performance planning could better facilitate the integration of federal and national activities to achieve federal goals in that they could provide a cohesive perspective on the goals of the federal government. Furthermore, without governmentwide combating terrorism goals and measures, the Administration does not have an effective means of articulating to Congress or the American people the governmentwide accomplishments related to combating terrorism.

While OMB has not yet developed governmentwide performance goals and measures, OMB established a formal assessment tool for the budget formulation process in fiscal year 2002—the Program Assessment Rating Tool to help measure program performance. However, OMB has not yet completed all PART reviews for programs that relate to combating terrorism activities, or done a crosscutting combating terrorism or homeland security PART review that could address the appropriateness of performance measures in the larger context. In our recommendation from an earlier report, we stated that targeting PART could help focus decision makers’ attention on the most pressing policy and program issues.<sup>36</sup> Furthermore, we recommended that such an approach could facilitate the use of PART assessments to review the relative contributions of similar programs to common or crosscutting goals and outcomes.

It is critical that the federal government, as the steward of the taxpayers’ money, ensure that such funds are managed to maximize results.

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<sup>35</sup>For purposes of this report, we are defining existing strategies as the *National Strategy for Homeland Security*, the *National Security Strategy of the United States*, and the *National Strategy for Combating Terrorism*. The President issued the *National Security Strategy of the United States* in September 2002. It provides a broad framework for strengthening U.S. security in the future and identifies the national security goals of the United States, describes the foreign policy and military capabilities necessary to achieve those goals, evaluates the current status of these capabilities, and explains how national power will be structured to utilize these capabilities. The President issued the *National Strategy for Combating Terrorism* in February 2003 elaborating on the terrorism aspects of the national security strategy by expounding on the need to destroy terrorist organizations, win the “war of ideas,” and strengthen security at home and abroad, focusing on identifying and defusing threats before they reach the borders of the United States.

<sup>36</sup>See GAO, *Performance Budgeting: Observations on the Use of OMB’s Program Assessment Rating Tool for the Fiscal Year 2004 Budget*, [GAO-04-174](#) (Washington, D.C.: Jan. 30, 2004).

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Governmentwide combating terrorism performance measures that support the national strategies would allow the Administration and Congress to more effectively assess the federal government's progress in combating terrorism initiatives, and better determine how effectively the government is using valuable resources. Furthermore, they would provide a more effective means of holding agencies accountable for achieving results.

Notwithstanding a lack of progress in developing governmentwide performance measures, some agencies have performance goals and measures that reflect priorities for combating terrorism. Performance measures can provide information on many things, such as outputs, which provide the number of activities, and outcomes, which demonstrate achievement of intended results. Four of the seven agencies we contacted—DHS, DOE, USDA, and DOJ— developed performance measures for combating terrorism activities as part of their efforts under the Government Performance and Results Act of 1993 (GPRA).<sup>37</sup> An example of a DOE output performance measure, designed to help achieve its goal of protecting National Nuclear Security Administration personnel, facilities, and nuclear weapons is as follows: “Replace, upgrade, re-certify 15 percent of emergency response equipment by 2009.”

To help DHS evaluate its efforts related to preventing entry of unauthorized individuals and those that pose a threat to the nation, DHS created the following performance measure: “Determine the percentage of foreign nationals entering the United States who have biometric and biographic information on file prior to entry, including the foreign nationals who are referred for further inspection actions and with fraudulent documents identified.” This is an output-related performance measure that provides information about the number of foreign nationals who enter the country requiring further inspection.

Under GPRA, virtually every executive agency is required to develop strategic plans covering a period of at least 5 years forward from the fiscal year in which it is submitted and to update those plans at least every 3 years. Under this act, strategic plans are the starting point for agencies to set annual performance goals and to measure program performance in achieving those goals. Although GPRA does not specifically require

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<sup>37</sup> GSA officials told us that they do not have performance goals or measures related to homeland security within the Public Buildings Service section of GSA's 2002 Strategic Plan because they believe the level of homeland security activities the agency conducts does not warrant the development of separate performance goals or measures.

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executive agencies to develop strategic plans related to combating terrorism, DOD has initiated efforts to develop strategic plans that incorporate performance measures for combating terrorism. In response to our previous recommendation that DOD develop a framework for the antiterrorism program that would provide the department with a vehicle to guide resource allocations and measure the results of improvement efforts,<sup>38</sup> DOD developed an Antiterrorism Strategic Plan.<sup>39</sup> This preliminary framework includes, among other things, a collective effort to defend against, respond to, and mitigate terrorist attacks aimed at DOD personnel. According to DOD officials, the strategic goals established in DOD's Antiterrorism Strategic Plan directly align with OMB's definitions of homeland security and overseas combating terrorism. One of DOD's strategic goals is to conduct effective antiterrorism training and execute realistic antiterrorism exercises. DOD officials reported that they intend to collect antiterrorism performance data from all DOD components and plan to issue the first performance report on antiterrorism in the second quarter of fiscal year 2006. While we have not yet fully evaluated the effectiveness of this framework or plan, such efforts represent important steps taken by an agency to develop performance measures and, consequently, a results-oriented management framework specifically related to combating terrorism activities.

Currently, because governmentwide performance measures have not been developed, the executive branch does not have a means to effectively measure and link resources expended and performance achieved related to combating terrorism efforts on a governmentwide basis. Without a clear understanding of this linkage, the executive branch and Congress may be missing opportunities to increase productivity and efficiency to ensure the best use of taxpayer funds. Therefore, we continue to believe that our prior recommendations on this issue from our 2002 report are important and should be implemented.

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<sup>38</sup> According to DOD, the antiterrorism program is a collective, proactive effort to deter, detect, prevent, defend against, respond to, defeat, and mitigate terrorist attacks aimed at DOD personnel and their families, selected DOD contractors, installations, infrastructure, and key assets essential to mission accomplishment. Furthermore, it mitigates the effects of terrorism to sustain essential military operations.

<sup>39</sup> See GAO, *Combating Terrorism: Action Needed to Improve DOD Antiterrorism Program Implementation and Management*, [GAO-01-909](#) (Washington, D.C.: Sept. 19, 2001).

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In our 2002 report, we also made recommendations to OMB concerning an analysis of duplication of effort related to combating terrorism activities and the timely reporting of information to support congressional budget deliberations. Our November 2002 report was issued concurrently with the enactment of the Homeland Security Act of 2002, which repealed OMB's prior reporting requirements, including the duplication analysis, and accelerated the timeline for OMB to report funding data on homeland security activities. The status of these recommendations is discussed further in appendix VII.

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## Conclusions

Given the recent emphasis on and significance of combating terrorism, Congress should have the best available funding information to assist in its oversight role. Since the enactment of the Homeland Security Act of 2002, OMB has not been required to report on overseas combating terrorism data. Moreover, OMB staff said that funding data for overseas combating terrorism activities do not receive the same level of scrutiny as funding data for homeland security activities. Thus, the quality of the overseas combating terrorism data may degrade over time. Reporting such data along with homeland security funding would greatly improve the transparency of funding attributed to combating terrorism activities across the federal government. Although OMB's analysis of homeland security funding in the Analytical Perspectives of the President's budget satisfies the current legal requirements under the Homeland Security Act of 2002, it does not provide a complete accounting of all funds allocated to combating terrorism activities.

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## Matter for Congressional Consideration

If Congress is interested in receiving data on overseas combating terrorism funding as well as data on homeland security funding, then Congress should consider requiring OMB to report on overseas combating terrorism funding data in the Analytical Perspectives of the President's budget along with homeland security funding.

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## Agency Comments

We provided a draft of this report to OMB, USDA, DOD, DOE, DHS, DOJ, USACE, GSA, and the National Security Council for review and comment. OMB provided formal written comments on December 21, 2005, which are presented in appendix VIII. OMB said it appreciates the in-depth analyses in the report and the detailed review of the government's homeland security spending levels, but objected to GAO including information on overseas combating terrorism funding data. OMB questioned the reliability



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of this information because it has not reviewed agency submissions of overseas combating terrorism data since fiscal year 2003. We believe the overseas combating terrorism data are sufficient for the purposes of this report and therefore have included them in appendix I. As discussed in this report, agencies in our review that provide information on combating terrorism activities—including those with overseas combating terrorism responsibilities—use OMB criteria and their own internal monitoring and review processes to categorize funding by activities. These agencies reported that they have designed controls over the estimation process to help ensure the reliability of the data. However, we agree that OMB's review would provide an additional level of assurance, which is why we have made this a matter for congressional consideration.

In addition to OMB's comments, GSA provided formal written comments on a draft of this report on December 2, 2005, which are presented in appendix IX. In commenting on the draft report, GSA noted that it concurred with the contents of the report that discussed GSA. USDA, DOD, DOE, and USACE had no comments on the report. OMB, DHS, and DOJ provided technical and clarifying comments that we incorporated as appropriate. The National Security Council did not provide comments.

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We are sending copies of this report to the Senate Committee on Homeland Security and Governmental Affairs; Senate Committee on the Judiciary, Subcommittee on Terrorism, Technology, and Homeland Security; the House Committee on Government Reform; the House Committee on the Judiciary; the Director of the Office of Management and Budget; the Commanding General and Chief of Engineers of the U.S. Army Corps of Engineers; the Secretary of the Department of Agriculture; the Secretary of the Department of Defense; the Secretary of the Department of Energy; the Attorney General; the Administrator of the General Services Administration; the Secretary of Homeland Security; and other interested parties. We will also make copies available to others on request.

In addition, the report will be available on GAO's Web site at <http://www.gao.gov>. If you or your staff have any questions about this

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report, please contact me at (202) 512-8777 or by e-mail at [jonespl@gao.gov](mailto:jonespl@gao.gov). GAO contacts and staff acknowledgments are listed in appendix X.

A handwritten signature in black ink, reading "Paul L. Jones". The signature is written in a cursive style with a large initial "P" and a long, sweeping underline.

Paul L. Jones  
Director, Homeland Security  
and Justice Issues

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# Appendix I: Patterns and Trends in Funding for Homeland Security and Overseas Combating Terrorism Activities

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In this report, we use fiscal year 2002 as the base year for analyzing trends in funding for combating terrorism for a number of reasons. Although fiscal year 2001 may seem like the logical starting point, fiscal year 2002 was the first full year in which decision making was informed by the terrorist attacks in the United States.<sup>1</sup> Moreover, to make information comparable for the President's fiscal year 2004 budget request, the Office of Management and Budget (OMB) restructured fiscal years 2002 and 2003 budget data to reflect changes that occurred with the creation of the Department of Homeland Security (DHS) in 2003. This made fiscal year 2002 the earliest year that OMB's MAX database<sup>2</sup> captured funding for combating terrorism that is, for the most part, in the current agency, bureau,<sup>3</sup> and account structure. In addition, OMB for the first time required agencies to identify funding for homeland security and overseas combating terrorism separately from other funding in an account. Finally, fiscal year 2002 marked the earliest year in which OMB presented information organized according to the *National Strategy for Homeland Security's* six critical mission areas in its *Annual Report to Congress on Combating Terrorism* (September 2003).

The information for homeland security and overseas combating terrorism (OCT) is shown separately in the following tables. Tables 1 to 3 provide information on homeland security at progressively finer levels of detail. However, none of these tables, or tables 4 and 5 include funding in fiscal years 2004 and 2005 for DHS' Project BioShield. OMB asserts that including this information can distort year-over-year comparisons. The Homeland Security Appropriations Act of 2004 provided \$5.6 billion for this project to develop and procure tools to address public health consequences of terrorism. Pursuant to that act, specific amounts became available in fiscal year 2004 (\$0.9 billion) and in fiscal year 2005 (\$2.5 billion). Tables 4 and 5 display how OMB and agencies characterize funding according to the six critical mission areas for homeland security.

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<sup>1</sup>September 11 coincided with departments' and agencies' submissions to OMB for fiscal year 2003 and occurred 3 weeks before the start of fiscal year 2002. Supplemental funds enacted in fiscal year 2001 (P.L. 107-38) were for the most part not available for agency obligations until fiscal year 2002. In addition, a second supplemental appropriations bill was signed into law on August 2, 2002 (P.L. 107-206).

<sup>2</sup>OMB uses its MAX database to prepare the President's annual budget, and it is the source of data for this appendix.

<sup>3</sup>"Bureau" is defined as the principal subordinate organizational unit of an agency, such as the Transportation Security Administration in DHS or the Agricultural Research Service in the Department of Agriculture.

Unlike the appropriations account structure, which is based in law, mission area categories and activities can be modified to meet changing needs. OMB has stated that “the Administration may refine definitions or mission area estimates over time based on additional analysis or changes in the way specific activities are characterized, aggregated, or disaggregated.” Tables 6 and 7 provide unpublished OMB data on OCT. According to OMB officials, they continue to collect these data from agencies, but do not review agency information since OMB is no longer required to report on overseas combating terrorism funding or activities.

All comparisons or trends are for fiscal years 2002 through 2005. We have included the President’s fiscal year 2006 budget request because it contained the latest data available at the time of this review.

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## Homeland Security

Homeland security activities are funded in over 200 appropriations accounts in 32 agencies, and the District of Columbia. As shown in table 1, the Departments of Homeland Security, Defense (DOD), Health and Human Services (HHS), Justice (DOJ), and Energy (DOE) account for over 90 percent of governmentwide homeland security funding annually since fiscal year 2003.

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**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

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Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities

**Table 1: Gross Budget Authority for Homeland Security—by Summarized Agency**

Dollars in millions

Agency	FY 2002		FY 2003		FY 2004 <sup>a</sup>	
	Gross budget authority	Percent of total	Gross budget authority	Percent of total	Gross budget authority	Percent of total
Department of Homeland Security <sup>b</sup>	17,380	53	23,063	54	22,925	56
Department of Defense	5,159	16	8,442	20	7,025	17
Department of Energy	1,220	4	1,409	3	1,363	3
Department of Health and Human Services	1,913	6	4,144	10	4,060	10
Department of Justice	2,144	7	2,349	6	2,181	5
Other agencies	5,068	15	3,042	7	3,283	8
<b>Total</b>	<b>\$32,884</b>	<b>100</b>	<b>\$42,449</b>	<b>100</b>	<b>\$40,837</b>	<b>100</b>

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

Estimated FY 2005 <sup>a</sup>		Requested FY 2006		
Gross budget authority	Percent of total	Gross budget authority	Percent of total	Average annual change 2002-2005
24,887	54	27,331	55	12.71
8,566	19	9,513	19	18.41
1,562	3	1,664	3	8.59
4,229	9	4,407	9	30.27
2,679	6	3,104	6	7.71
4,092	9	3,923	8	-6.88
<b>\$46,015</b>	<b>100</b>	<b>\$49,942</b>	<b>100</b>	

Source: GAO analysis of OMB data.

Notes: Gross budget authority includes offsetting collections from fee-funded activities.

Percentages may not add to 100 percent because of rounding.

<sup>a</sup>Excludes amounts in fiscal years 2004 (\$0.9 billion) and 2005 (\$2.5 billion) for DHS's Project BioShield.

<sup>b</sup>DHS was not established until fiscal year 2003. Fiscal year 2002 data shown for DHS represents funding for agency programs and activities that eventually were transferred to the new department.

As shown in table 2, DHS has received the largest share of funding for homeland security activities. The department's average annual funding has been \$22.1 billion, or about 54 percent of the total amount available annually from fiscal years 2002 through 2005.<sup>4</sup> For fiscal year 2006, the President proposed \$27.3 billion for DHS's homeland security activities, or 55 percent of total spending.

DOD also received a large share of homeland security funding averaging 18 percent annually over the same period, with \$9.5 billion requested for fiscal year 2006. Most of DOD's homeland security funding is for functions related to security at military installations domestically and for research and development of antiterrorism technologies. Homeland security-related

<sup>4</sup>Although the Department of Homeland Security did not exist in fiscal year 2002, the amounts shown include activities and funding that were subsequently transferred into DHS in fiscal year 2003. The amounts shown under the department were constructed after the fact for data comparability.

funding for DOD is increasing at an annual rate of about 18 percent, over 5 percent more than the rate of increase for DHS.

HHS has had the largest percentage increase since fiscal year 2002, with an average annual rate of about 30 percent. Funding has been provided primarily to improve local response to catastrophic events and for research at the National Institutes of Health to find new ways to detect and combat biological agents.



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**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

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**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

**Table 2: Gross Budget Authority for Homeland Security—by Agency**

Dollars in millions

Agency	FY 2002		FY 2003	
	Gross budget authority	Percent of total	Gross budget authority	Percent of total
Department of Homeland Security <sup>b</sup>	17,380	53	23,063	54
Department of Defense	5,159	16	8,442	20
Department of Agriculture	552	2	411	1
Department of Commerce	118	0	111	0
Department of Education	0	0	6	0
Department of Energy	1,220	4	1,409	3
Department of Health and Human Services	1,913	6	4,144	10
Department of Housing and Urban Development	1	0	2	0
Department of Justice	2,144	7	2,349	6
Department of Labor	78	0	70	0
Department of State	477	1	634	1
Department of Transportation	1,420	4	382	1
Department of Veterans Affairs	49	0	154	0
Department of the Interior	108	0	54	0
Department of the Treasury	116	0	80	0
Corporation for National and Community Service	29	0	17	0
Corps of Engineers-Civil Works	139	0	75	0
District of Columbia	213	1	25	0
Environmental Protection Agency	187	1	134	0
Executive Office of the President	140	0	41	0
Federal Communications Commission	0	0	1	0
General Services Administration	97	0	67	0
Intelligence Community Management Account	0	0	0	0
National Aeronautics and Space Administration	223	1	205	0
National Archives and Records Administration	10	0	10	0

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

FY 2004 <sup>a</sup>		Estimated FY 2005 <sup>a</sup>		Requested FY 2006		Average annual change 2002-2005
Gross budget authority	Percent of total	Gross budget authority	Percent of total	Gross budget authority	Percent of total	
22,925	56	24,887	54	27,331	55	12.71
7,025	17	8,566	19	9,513	19	18.41
411	1	601	1	703	1	2.88
124	0	167	0	184	0	12.27
8	0	25	0	23	0	0
1,363	3	1,562	3	1,664	3	8.59
4,060	10	4,229	9	4,407	9	30.27
2	0	2	0	2	0	25.99
2,181	5	2,679	6	3,104	6	7.71
53	0	56	0	47	0	-10.46
697	2	824	2	938	2	19.99
285	1	182	0	192	0	-49.58
272	1	281	1	300	1	78.99
82	0	65	0	57	0	-15.57
91	0	102	0	111	0	-4.2
23	0	17	0	20	0	-16.31
102	0	89	0	72	0	-13.81
19	0	15	0	15	0	-58.7
131	0	107	0	185	0	-16.98
35	0	30	0	22	0	-40.16
1	0	2	0	4	0	0
79	0	65	0	80	0	-12.49
1	0	72	0	56	0	0
207	1	218	0	205	0	-0.75
16	0	17	0	20	0	19.35

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

Dollars in millions

	FY 2002		FY 2003	
	Gross budget authority	Percent of total	Gross budget authority	Percent of total
National Capital Planning Commission	1	0	0	0
National Science Foundation	259	1	285	1
Nuclear Regulatory Commission	43	0	47	0
Office of Personnel Management	2	0	3	0
Postal Service	587	2	0	0
Securities and Exchange Commission	0	0	5	0
Smithsonian Institution	91	0	83	0
Social Security Administration	121	0	132	0
United States Holocaust Memorial Museum	7	0	8	0
<b>Total</b>	<b>\$32,884</b>	<b>100</b>	<b>\$42,449</b>	<b>100</b>

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

FY 2004		Estimated FY 2005		Requested FY 2006		Average annual change 2002-2005
Gross budget authority	Percent of total	Gross budget authority	Percent of total	Gross budget authority	Percent of total	
0	0	0	0	0	0	-100
340	1	342	1	344	1	9.71
67	0	59	0	61	0	11.12
3	0	3	0	4	0	14.47
0	0	503	1	0	0	-5.02
5	0	5	0	5	0	0
78	0	75	0	87	0	-6.24
143	0	160	0	177	0	9.76
8	0	8	0	9	0	4.55
<b>\$40,837</b>	<b>100</b>	<b>\$46,015</b>	<b>100</b>	<b>\$49,942</b>	<b>100</b>	

Source: GAO analysis of OMB data.

Notes: Gross budget authority includes offsetting collections from fee-funded activities.

Percentages may not add to 100 percent because of rounding.

<sup>a</sup>Excludes amounts in fiscal years 2004 (\$0.9 billion) and 2005 (\$2.5 billion) for DHS's Project BioShield.

<sup>b</sup>DHS was not established until fiscal year 2003. Fiscal year 2002 data shown for DHS represents funding for agency programs and activities that eventually were transferred to the new department.

Table 3 provides homeland security data by agency, bureau, and account.

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

**Table 3: Gross Budget Authority for Homeland Security—by Agency, Bureau, and Account**

Dollars in millions

Agency	Bureau	Account	Gross budget authority				Requested FY 2006
			FY 2002	FY 2003	FY 2004 <sup>a</sup>	Estimated FY 2005 <sup>a</sup>	
Department of Homeland Security <sup>b</sup>	Border and Transportation Security	Acquisition, construction, improvement and related expenses	28	25	25	25	27
		Air and marine interdiction, operations, maintenance, and procurement	0	122	140	173	196
		Automation modernization, Customs and Border Protection	0	217	219	225	229
		Automation modernization, Immigration and Customs Enforcement	0	0	40	40	40
		Aviation security	0	0	3,724	4,577	4,985
		Construction, Customs and Border Protection	0	235	89	92	93
		Construction, Immigration and Customs Enforcement	0	27	27	26	27
		Customs and border protection	5,180	0	0	0	0
		Federal Protective Service	0	418	451	478	487
		Federal air marshals	0	466	622	663	689
		Immigration and Customs Enforcement	2,240	0	0	0	0
		Office for Domestic Preparedness	868	0	0	0	0
		Refunds, transfers, and expenses of operation, Puerto Rico	0	0	85	89	98
		Salaries and expenses	88	95	106	96	116
		Salaries and expenses, Customs and Border Protection	0	4,928	4,569	4,728	4,940

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

Dollars in millions

Agency	Bureau	Account	Gross budget authority					
			FY 2002	FY 2003	FY 2004 <sup>a</sup>	Estimated FY 2005 <sup>a</sup>	Requested FY 2006	
Department of Homeland Security <sup>b</sup>	Border and Transportation Security	Salaries and expenses, Immigration and Customs Enforcement	0	1,560	1,892	2,322	2,759	
		Salaries and expenses, Office of Screening, Coordination and Operations	0	0	0	0	848	
		Surface transportation security	0	0	261	115	32	
		Transportation Security	3,677	5,393	0	0	0	
		Transportation security support	0	0	593	712	545	
		United States visitor and immigrant status indicator technology	0	380	328	340	0	
	Citizenship and Immigration Services	Citizenship and Immigration Services	37	3	0	0	0	
		Departmental Management	40	160	10	8	10	
		Department-wide technology investments	69	47	131	156	213	
		Departmental Operations	72	16	142	176	253	
		Firefighter assistance grants	0	0	0	0	500	
		State and local programs	0	3,466	3,268	3,090	2,895	
		Emergency Preparedness and Response	Administrative and regional operations	0	0	30	48	62
			Operating Expenses	1,257	218	0	0	0
			Preparedness, mitigation, response, and recovery	0	0	0	35	50
			Public health programs	0	0	84	34	34
		Information Analysis and Infrastructure Protection	Operating Expenses	153	185	0	0	0
			Assessments and evaluation	0	0	710	762	669

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

Dollars in millions

Agency	Bureau	Account	Gross budget authority				Requested FY 2006
			FY 2002	FY 2003	FY 2004 <sup>a</sup>	Estimated FY 2005 <sup>a</sup>	
<b>Department of Homeland Security<sup>b</sup></b>	Information Analysis and Infrastructure Protection	Management and administration	0	0	124	132	204
	Science and Technology	Research, development, acquisitions and operations	152	521	874	1,047	1,296
	United States Coast Guard	Operating Expenses	1,878	2,568	2,230	2,460	2,625
		Acquisition, construction, and improvements	0	443	544	555	734
		Capital Acquisitions	387	0	0	0	0
		Research, development, test, and evaluation	0	9	8	5	0
		Reserve training	0	48	44	54	56
		Retired Pay	366	506	493	526	499
	United States Secret Service	Salaries and expenses	885	1,004	1,059	1,095	1,117
		Acquisition, construction, improvements, and related expenses	3	3	3	3	3
<b>Department of Defense</b>	Military Construction	Military construction, Air Force	0	170	31	16	40
		Military construction, Army	0	185	23	0	0
		Military construction, Army National Guard	0	0	3	0	0
		Military construction, Defense-wide	1	6	8	15	31
		Military construction, Navy	54	363	63	58	76
	Military Personnel	Military personnel, Air Force	876	1,017	1,245	1,478	1,540
		Military personnel, Army	558	525	568	637	659
		Military personnel, Marine Corps	378	420	473	553	579
		Military personnel, Navy	238	494	506	514	556
		National Guard personnel, Air Force	135	135	143	101	105



**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

Dollars in millions

			Gross budget authority				
Agency	Bureau	Account	FY 2002	FY 2003	FY 2004 <sup>a</sup>	Estimated FY 2005 <sup>a</sup>	Requested FY 2006
Department of Defense	Military Personnel	National Guard personnel, Army	105	100	526	592	624
		Reserve personnel, Air Force	75	76	42	5	5
		Reserve personnel, Army	370	367	350	377	391
		Reserve personnel, Marine Corps	4	4	3	4	4
		Reserve personnel, Navy	55	79	85	80	92
	Operation and Maintenance	Defense health program	17	18	10	17	16
		Office of the Inspector General	4	4	4	6	6
		Operation and maintenance, Air Force	278	1,064	324	168	151
		Operation and maintenance, Air Force Reserve	0	1	38	51	50
		Operation and maintenance, Air National Guard	45	55	48	49	51
		Operation and maintenance, Army	444	502	575	551	697
		Operation and maintenance, Army National Guard	28	48	83	108	168
		Operation and maintenance, Army Reserve	31	43	42	41	61
		Operation and maintenance, Defense- wide	118	118	131	634	762
		Operation and maintenance, Marine Corps	59	259	68	78	77
		Operation and maintenance, Navy	425	1,001	728	745	797
		Operation and maintenance, Navy Reserve	9	72	28	41	27

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

Dollars in millions

Agency	Bureau	Account	Gross budget authority				Requested FY 2006
			FY 2002	FY 2003	FY 2004 <sup>a</sup>	Estimated FY 2005 <sup>a</sup>	
Department of Defense	Procurement	Aircraft procurement, Army	72	0	0	0	0
		Other procurement, Air Force	231	202	121	395	415
		Other procurement, Army	111	553	105	208	125
		Other procurement, Navy	124	217	191	334	481
		Procurement of ammunition, Navy and Marine Corps	0	32	38	42	74
		Procurement, Defense- wide	10	62	105	168	247
		Procurement, Marine Corps	32	9	5	11	8
	Research, Development, Test, and Evaluation	Weapons procurement, Navy	0	29	45	127	205
		Research, development, test, and evaluation, Air Force	17	7	6	18	18
		Research, development, test, and evaluation, Army	0	42	28	0	0
		Research, development, test, and evaluation, Defense-wide	238	140	185	312	334
		Research, development, test, and evaluation, Navy	14	23	48	32	41
		Revolving and Management Funds	3	0	0	0	0
		National defense stockpile transaction fund					
Department of Agriculture	Agricultural Research Service	Salaries and expenses	60	12	21	30	69
		Buildings and facilities	115	143	10	121	62
	Animal and Plant Health Inspection Service	Salaries and expenses	256	197	303	368	436
		Buildings and facilities	14	0	0	0	0
Department of Agriculture	Cooperative State Research, Education, and Extension Service	Extension activities	0	32	31	31	31
		Integrated activities	0	0	8	9	30

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

Dollars in millions

Agency	Bureau	Account	Gross budget authority				
			FY 2002	FY 2003	FY 2004 <sup>a</sup>	Estimated FY 2005 <sup>a</sup>	Requested FY 2006
		Research and education activities	0	0	0	0	5
	Departmental Administration	Agriculture buildings and facilities	6	8	8	8	14
		Departmental administration	1	1	3	2	2
	Economic Research Service	Economic Research Service	0	0	1	1	1
	Executive Operations	Executive operations	0	0	0	1	1
		Office of the Chief Information Officer	4	9	13	11	13
	Food Safety and Inspection Service	Salaries and expenses	15	9	13	19	39
	Office of the Secretary	Office of the Secretary	81	0	0	0	0
Department of Commerce	Departmental Management	Salaries and expenses	9	11	9	10	10
		Office of the Inspector General	0	0	1	1	1
		Working capital fund	8	9	10	8	9
	Bureau of Industry and Security	Operations and administration	58	64	60	61	70
	International Trade Administration	Operations and administration	1	0	0	0	0
	National Institute of Standards and Technology	Scientific and technical research and services	21	16	17	59	63
	National Oceanic and Atmospheric Administration	Operations, research, and facilities	9	9	6	14	19
		Procurement, acquisition, and construction	10	2	21	14	12

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

Dollars in millions

			Gross budget authority				
Agency	Bureau	Account	FY 2002	FY 2003	FY 2004 <sup>a</sup>	Estimated FY 2005 <sup>a</sup>	Requested FY 2006
Department of Commerce	U.S. Patent and Trademark Office	Salaries and expenses	2	0	0	0	0
Department of Education	Departmental Management	Office of the Inspector General	0	0	0	1	1
		Office for Civil Rights	0	0	1	3	2
		Program administration	0	6	6	15	15
	Student Financial Assistance	Federal direct student loan program account	0	0	0	3	0
		Student aid administration	0	0	1	3	5
Department of Energy	Departmental Administration	Departmental administration	0	31	26	26	35
	Energy Programs	Energy supply	0	0	0	25	12
		Federal Energy Regulatory Commission	2	1	1	1	1
		Science	50	49	47	67	69
	Environmental and Other Defense Activities	Defense environmental restoration and waste management	208	265	0	0	0
		Defense site acceleration completion	54	55	295	263	287
		Other defense activities	107	93	159	136	143
	National Nuclear Security Administration	Defense nuclear nonproliferation	0	84	0	8	63
		Weapons activities	789	819	820	1,020	1,039
	Power Marketing Administration	Bonneville Power Administration fund	7	10	11	11	11
		Construction, rehabilitation, operation and maintenance, Western Area Power Administration	3	2	4	5	4
Department of Health and Human Services	Departmental Management	General departmental management	1,515	2,287	2,114	2,170	2,308
	Administration for Children and Families	Children and families services programs	1	1	1	1	1

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

Dollars in millions

Agency	Bureau	Account	Gross budget authority				
			FY 2002	FY 2003	FY 2004 <sup>a</sup>	Estimated FY 2005 <sup>a</sup>	Requested FY 2006
Department of Health and Human Services	Centers for Disease Control and Prevention	Disease control, research, and training	16	20	20	21	21
	Centers for Medicare and Medicaid Services	Federal hospital insurance trust fund	26	10	11	8	9
	Food and Drug Administration	Salaries and expenses	164	165	183	223	253
	Health Resources and Services Administration	Health resources and services	1	1	1	1	1
	Indian Health Services	Indian Health Services	15	13	13	17	17
	National Institutes of Health	National Institutes of Health	161	1,633	1,703	1,774	1,781
	Program Support Center	HHS service and supply fund	14	14	14	14	16
Department of Housing and Urban Development	Management and Administration	Salaries and expenses	1	2	2	2	2
Department of Justice	Bureau of Alcohol, Tobacco, Firearms and Explosives	Salaries and expenses	365	359	352	351	370
	Drug Enforcement Administration	Salaries and expenses	24	40	22	22	22
	Federal Bureau of Investigation	Salaries and expenses	1,158	1,397	1,253	1,736	2,099
		Construction	0	0	0	3	4
		Foreign terrorist tracking task force	0	62	61	0	0
	Federal Prison System	Salaries and expenses	32	35	37	38	39
	General Administration	Salaries and expenses	18	20	14	25	35
	Administrative review and appeals	5	13	15	15	16	
	Counterterrorism fund	5	21	0	0	0	
		Justice information sharing technology	18	25	24	25	84

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

Dollars in millions

			Gross budget authority					
Agency	Bureau	Account	FY 2002	FY 2003	FY 2004 <sup>a</sup>	Estimated FY 2005 <sup>a</sup>	Requested FY 2006	
Department of Justice	General Administration	Narrowband communications	84	64	102	99	129	
		Office of Inspector General	0	4	3	3	3	
	Legal Activities and U.S. Marshals	Salaries and expenses, General Legal Activities	19	35	35	38	42	
		Salaries and expenses, United States Attorneys	72	78	78	99	86	
		Salaries and expenses, United States Marshals Service	44	72	64	74	85	
	Office of Justice Programs	Community oriented policing services	3	78	88	99	0	
		Justice assistance	46	46	30	39	90	
		State and local law enforcement assistance	251	0	3	13	0	
	Department of Labor	Departmental Management	Salaries and expenses	45	27	13	15	11
			Office of the Inspector General	1	0	0	0	0
		Working capital fund	0	4	15	18	14	
Bureau of Labor Statistics		Salaries and expenses	7	9	8	9	9	
Employee benefits security administration		Salaries and expenses	0	1	1	0	0	
Employment Standards Administration		Salaries and expenses	5	8	6	6	4	
Employment and Training Administration		Program administration	8	3	0	2	2	
Employment and Training Administration		State unemployment insurance and employment service operations	0	8	0	0	0	
Mine Safety and Health Administration		Salaries and expenses	3	2	2	1	1	

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

Dollars in millions

Agency	Bureau	Account	Gross budget authority				
			FY 2002	FY 2003	FY 2004 <sup>a</sup>	Estimated FY 2005 <sup>a</sup>	Requested FY 2006
Department of Labor	Occupational Safety and Health Administration	Salaries and expenses	4	4	5	2	2
	Pension Benefit Guaranty Corporation	Pension benefit guaranty corporation fund	5	4	3	3	4
Department of State	Administration of Foreign Affairs	Capital investment fund	0	0	0	0	3
		Centralized information technology modernization program	0	0	0	3	0
		Diplomatic and consular programs	452	634	682	806	923
		Educational and cultural exchange programs	0	0	0	0	2
	Other	International narcotics control and law enforcement	25	0	15	15	10
Department of Transportation	Office of the Secretary	Salaries and expenses	2	7	13	9	9
	Federal Aviation Administration	Facilities and equipment (Airport and airway trust fund)	393	236	86	60	63
		Grants-in-aid for airports (Airport and airway trust fund)	175	0	0	0	0
		Operations	463	94	145	111	118
		Research, engineering, and development (airport and airway trust fund)	103	0	0	0	0
		Trust fund share of FAA operations	200	0	0	0	0
	Federal Motor Carrier Safety Administration	Border enforcement program	19	0	0	0	0
	Federal Railroad Administration	Safety and operations	6	1	1	1	1
	Federal Transit Administration	Administrative expenses	1	1	1	1	1
	Capital investment grants	1	2	2	0	0	

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

Dollars in millions

Agency	Bureau	Account	Gross budget authority				Requested FY 2006
			FY 2002	FY 2003	FY 2004 <sup>a</sup>	Estimated FY 2005 <sup>a</sup>	
<b>Department of Transportation</b>	Federal Transit Administration	Formula grants	51	34	34	0	0
		Transit planning and research	2	5	1	0	0
	Pipeline and Hazardous Materials Safety Administration	Research and special programs	3	2	2	0	0
	Saint Lawrence Seaway Development Corporation	Operations and maintenance	1	0	0	0	0
<b>Department of Veterans Affairs</b>	Departmental Administration	General administration	2	4	5	7	8
	Benefits Programs	Burial administration	0	1	1	1	1
		Disability compensation administration	0	3	4	4	5
		Disability compensation benefits	1	0	0	0	0
		Education administration	0	0	1	1	1
		Housing program account	0	1	1	2	2
		Pensions administration	0	1	1	1	1
		Vocational rehabilitation and employment administration	0	0	1	1	1
	Medical Programs	Medical administration	0	0	243	243	250
		Medical facilities	0	0	0	4	15
		Medical services	46	144	15	17	16
<b>Department of the Interior</b>	Departmental Management	Salaries and expenses	8	1	0	1	1
	Bureau of Land Management	Management of lands and resources	1	1	0	0	0
	Bureau of Reclamation	Water and related resources	33	25	23	26	18
	National Park Service	Construction and major maintenance	22	6	24	0	0
		Operation of the national park system	14	7	13	14	14



**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

Dollars in millions

Agency	Bureau	Account	Gross budget authority				
			FY 2002	FY 2003	FY 2004 <sup>a</sup>	Estimated FY 2005 <sup>a</sup>	Requested FY 2006
Department of the Interior	National Park Service	United States Park Police	27	13	20	21	22
	United States Fish and Wildlife Service	Resource management	1	0	0	0	0
	United States Geological Survey	Surveys, investigations, and research	2	1	2	3	2
Department of the Treasury	Departmental Offices	Salaries and expenses	10	11	11	13	17
		Departmentwide systems and capital investments programs	4	5	5	5	6
		Treasury Inspector General for Tax Administration	4	3	5	5	5
	Financial Crimes Enforcement Network	Salaries and expenses	4	6	9	15	17
	Financial Management Service	Salaries and expenses	9	9	10	11	12
	Internal Revenue Service	Information systems	29	8	0	0	0
		Processing, assistance, and management	21	15	0	0	0
		Tax administration and operations	35	23	51	53	54
Corporation for National and Community Service	Corporation for National and Community Service	Domestic volunteer service programs, operating expenses	11	8	13	9	7
Corporation for National and Community Service	Corporation for National and Community Service	National and community service programs, operating expenses	18	9	10	8	13
Corps of Engineers-Civil Works	Corps of Engineers-Civil Works	Flood control, Mississippi River and tributaries, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee	0	1	0	0	0

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

Dollars in millions

Agency	Bureau	Account	Gross budget authority				
			FY 2002	FY 2003	FY 2004 <sup>a</sup>	Estimated FY 2005 <sup>a</sup>	Requested FY 2006
<b>Corps of Engineers-Civil Works</b>	Corps of Engineers-Civil Works	Operation and maintenance	139	74	102	89	72
<b>District of Columbia</b>	District of Columbia General and Special Payments	Federal payment for emergency planning and security cost in the District of Columbia	213	15	11	15	15
		Federal support for economic development and management reforms in the District	0	10	8	0	0
<b>Environmental Protection Agency</b>	Environmental Protection Agency	Buildings and facilities	0	11	11	11	12
		Environmental programs and management	42	8	20	21	23
		Hazardous substance superfund	45	89	43	37	51
		Science and technology	95	21	52	33	94
		State and tribal assistance grants	5	5	5	5	5
<b>Executive Office of the President</b>	Executive Office of the President	Office of National Drug Control Policy	0	0	0	0	1
		Office of Science and Technology Policy	0	0	1	1	0
		The White House	140	41	34	29	21
<b>Federal Communications Commission</b>	Federal Communications Commission	Salaries and expenses	0	1	1	2	4
<b>General Services Administration</b>	General Activities	Operating expenses	4	2	2	2	3
		Governmentwide policy	0	4	4	4	4
	Real Property Activities	Federal buildings fund	93	61	73	59	73
<b>Intelligence Community Management Account</b>	Intelligence Community Management Account	Intelligence Community Management Account	0	0	1	72	56

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

Dollars in millions

Agency	Bureau	Account	Gross budget authority				Requested FY 2006
			FY 2002	FY 2003	FY 2004 <sup>a</sup>	Estimated FY 2005 <sup>a</sup>	
<b>National Aeronautics and Space Administration</b>	National Aeronautics and Space Administration	Exploration capabilities	0	0	119	130	113
		Human space flight	150	122	0	0	0
		Science, Aeronautics, and Technology	73	83	0	0	0
		Science, aeronautics, and exploration	0	0	88	88	92
<b>National Archives and Records Administration</b>	National Archives and Records Administration	Operating expenses	9	10	16	17	20
		Repairs and restoration	1	0	0	0	0
<b>National Capital Planning Commission</b>	National Capital Planning Commission	Salaries and expenses	1	0	0	0	0
<b>National Science Foundation</b>	National Science Foundation	Salaries and expenses	0	2	3	2	5
		Education and human resources	30	12	16	14	10
		Research and related activities	229	271	321	326	329
<b>Nuclear Regulatory Commission</b>	Nuclear Regulatory Commission	Salaries and expenses	43	47	67	59	61
<b>Office of Personnel Management</b>	Office of Personnel Management	Salaries and expenses	2	3	3	3	4
<b>Postal Service</b>	Postal Service	Payment to Postal Service fund	587	0	0	503	0
<b>Securities and Exchange Commission</b>	Securities and Exchange Commission	Salaries and expenses	0	5	5	5	5
<b>Smithsonian Institution</b>	Smithsonian Institution	Salaries and expenses	60	61	48	50	52
		Construction, JFK Center for the Performing Arts	5	1	5	1	0
		Facilities capital	2	0	2	0	11

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

Dollars in millions

Agency	Bureau	Account	Gross budget authority				
			FY 2002	FY 2003	FY 2004 <sup>a</sup>	Estimated FY 2005 <sup>a</sup>	Requested FY 2006
Smithsonian Institution	Smithsonian Institution	Operations and maintenance, JFK Center for the Performing Arts	7	3	4	4	4
		Salaries and expenses, National Gallery of Art	17	18	19	20	20
Social Security Administration	Social Security Administration	Office of the Inspector General	0	0	1	4	4
		Limitation on administrative expenses	121	132	142	156	173
United States Holocaust Memorial Museum	United States Holocaust Memorial Museum	Holocaust Memorial Museum	7	8	8	8	9
<b>Total</b>			<b>\$32,884</b>	<b>\$42,449</b>	<b>\$40,837</b>	<b>\$46,015</b>	<b>\$49,942</b>

Source: GAO analysis of OMB data.

Note: Gross budget authority includes offsetting collections from fee-funded activities.

<sup>a</sup>Excludes amounts in fiscal years 2004 (\$0.9 billion) and 2005 (\$2.5 billion) for DHS's Project BioShield.

<sup>b</sup>DHS was not established until fiscal year 2003. Fiscal year 2002 data shown for DHS represents funding for agency programs and activities that eventually were transferred to the new department.

## Trends in the Six Critical Mission Areas of Homeland Security

OMB first started reporting information by the six critical mission areas in its 2003 *Report to Congress on Combating Terrorism*. See appendix I for definitions of each of the critical mission areas laid out in the *National Strategy for Homeland Security*. As shown in table 4, the distribution of funding across the six critical mission areas has been fairly consistent during this period.

Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities

**Table 4: Gross Budget Authority by Homeland Security Mission Area**

Dollars in millions

	FY 2002		FY 2003		FY 2004		Estimated FY 2005		Requested FY 2006	
	Gross budget authority	Percent	Gross budget authority	Percent	Gross budget authority	Percent	Gross budget authority	Percent	Gross budget authority	Percent
Border and Transportation Security	13,576.2	41	17,030.0	40	15,931.5	39	17,566.1	38	19,285.7	39
Protecting Critical Infrastructure and Key Assets	9,944.1	30	13,281.7	31	12,281.7	30	14,940.2	32	15,632.5	31
Emergency Preparedness and Response	4,860.7	15	6,145.4	15	6,003.0	15	5,765.6	13	6,121.9	12
Domestic Counterterrorism	3,557.8	11	3,031.8	7	3,391.7	8	3,944.7	9	4,468.8	9
Defending Against Catastrophic Threats	570.7	2	2,629.5	6	2,974.9	7	3,399.3	7	3,898.3	8
Intelligence and Warning	114.7	0	211.2	0	242.3	1	349.9	1	432.0	1
Other	258.6	1	118.3	0	9.6	0	49.8	0	104.5	0
<b>Total</b>	<b>\$32,882.8</b>	<b>100</b>	<b>\$42,447.9</b>	<b>100</b>	<b>\$40,834.7</b>	<b>100</b>	<b>\$46,015.6</b>	<b>100</b>	<b>\$49,943.7</b>	<b>100</b>

Source: GAO analysis of OMB data.

Notes: Gross budget authority includes offsetting collections from fee funded activities.

Percentages may not add to 100 percent because of rounding.

Table 5 shows which agencies are responsible for activities covered under the six mission areas. According to OMB data, the greatest share of funding between fiscal years 2002 and 2005 has been associated with border and transportation security, followed by funding for protecting critical infrastructure and key assets. According to OMB data shown in table 4, border and transportation security activities’—almost all of which are located in DHS—received between 38 and 41 percent annually of total funding. In fiscal year 2006, the President proposed funding totaling \$19.3 billion for these activities, of which \$18.2 billion is for activities in DHS. Nearly a third of all homeland security spending for this period has been labeled as protecting critical infrastructure and key assets. For fiscal years 2002 through 2005, DOD generally has received 50 percent or more annually for activities in this critical mission area. DHS and HHS activities

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

are the primary recipients of funding for activities associated with emergency preparedness and response.

**Table 5: Gross Budget Authority by Agency and Homeland Security Mission Area**

		Gross budget authority				
Agency	Mission Area	FY 2002	FY 2003	FY 2004 <sup>a</sup>	Estimated FY 2005 <sup>a</sup>	Requested FY 2006
Department of Homeland Security <sup>b</sup>						
	Border and Transportation Security	11,770.0	16,028.2	15,032.4	16,576.4	18,207.2
	Emergency Preparedness and Response	2,099.4	3,256.0	3,049.0	2,655.8	2,725.8
	Protecting Critical Infrastructure and Key Assets	1,163.7	1,990.0	2,128.3	2,585.9	2,820.0
	Domestic Counterterrorism	1,994.4	1,184.3	1,703.7	1,867.0	2,008.8
	Defending Against Catastrophic Threats	147.0	491.0	774.0	936.1	1,212.1
	Intelligence and Warning	102.7	86.4	236.0	226.4	262.4
	Other	103.0	27.6	0.0	39.0	96.0
	<b>Total</b>	<b>\$17,380.2</b>	<b>\$23,063.5</b>	<b>\$22,923.4</b>	<b>\$24,886.6</b>	<b>\$27,332.3</b>
Department of Defense						
	Emergency Preparedness and Response	242.0	213.0	333.5	469.0	651.4
	Protecting Critical Infrastructure and Key Assets	4,784.0	8,124.0	6,543.8	7,916.9	8,700.8
	Defending Against Catastrophic Threats	133.0	105.0	146.8	178.2	158.9
	Other	0.0	0.0	0.0	6.0	2.4
	<b>Total</b>	<b>\$5,159.0</b>	<b>\$8,442.0</b>	<b>\$7,024.1</b>	<b>\$8,570.1</b>	<b>\$9,513.5</b>
Department of Agriculture						
	Border and Transportation Security	92.7	143.2	147.9	163.1	164.2
	Emergency Preparedness and Response	47.0	50.8	57.3	57.2	70.9
	Protecting Critical Infrastructure and Key Assets	412.3	60.5	36.8	150.6	129.3
	Defending Against Catastrophic Threats	0.0	154.6	168.2	222.7	317.1
	Intelligence and Warning	0.6	0.8	0.8	6.3	22.3
	<b>Total</b>	<b>\$552.6</b>	<b>\$409.9</b>	<b>\$411.0</b>	<b>\$599.9</b>	<b>\$703.8</b>

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

		Gross budget authority				
Agency	Mission Area	FY 2002	FY 2003	FY 2004 <sup>a</sup>	Estimated FY 2005 <sup>a</sup>	Requested FY 2006
Department of Commerce						
	Emergency Preparedness and Response	17.5	15.2	32.2	32.5	35.7
	Protecting Critical Infrastructure and Key Assets	40.6	32.5	32.4	60.9	62.9
	Defending Against Catastrophic Threats	57.5	63.9	60.0	73.4	84.7
	Total	\$115.6	\$111.6	\$124.6	\$166.8	\$183.3
Department of Education						
	Emergency Preparedness and Response	0.0	0.7	0.3	0.3	0.6
	Protecting Critical Infrastructure and Key Assets	0.0	5.0	7.7	23.4	22.2
	Total	0.0	\$5.7	\$8.0	\$23.7	\$22.8
Department of Energy						
	Emergency Preparedness and Response	116.3	120.9	107.6	98.4	122.1
	Protecting Critical Infrastructure and Key Assets	1,088.9	1,203.4	1,256.3	1,456.1	1,481.0
	Defending Against Catastrophic Threats	0.0	84.0	0.0	7.5	62.8
	Other	15.0	0.0	0.0	0.0	0.0
	Total	\$1,220.2	\$1,408.3	\$1,363.9	\$1,562.0	\$1,665.9
Department of Health and Human Services						
	Emergency Preparedness and Response	1,515.4	2,297.8	2,145.4	2,160.4	2,264.8
	Protecting Critical Infrastructure and Key Assets	206.9	182.3	162.8	168.4	170.3
	Defending Against Catastrophic Threats	192.4	1,664.4	1,754.1	1,901.9	1,971.5
	Total	\$1,914.7	\$4,144.5	\$4,062.3	\$4,230.7	\$4,406.6
Department of Housing and Urban Development						
	Emergency Preparedness and Response	0.0	0.0	1.7	2.0	1.9
	Protecting Critical Infrastructure and Key Assets	1.0	1.6	0.0	0.0	0.0
	Total	\$1.0	\$1.6	\$1.7	\$2.0	\$1.9

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

		Gross budget authority				
Agency	Mission Area	FY 2002	FY 2003	FY 2004 <sup>a</sup>	Estimated FY 2005 <sup>a</sup>	Requested FY 2006
Department of Justice						
	Border and Transportation Security	14.1	25.4	20.1	34.5	20.8
	Emergency Preparedness and Response	259.2	11.0	97.4	111.0	10.2
	Protecting Critical Infrastructure and Key Assets	337.2	354.8	411.7	455.8	566.1
	Domestic Counterterrorism	1,507.4	1,805.9	1,620.8	1,999.1	2,372.8
	Defending Against Catastrophic Threats	16.1	30.7	28.6	33.5	43.0
	Intelligence and Warning	9.2	121.7	2.0	44.2	90.9
	<b>Total</b>	<b>\$2,143.2</b>	<b>\$2,349.5</b>	<b>\$2,180.6</b>	<b>\$2,678.1</b>	<b>\$3,103.8</b>
Department of Labor						
	Emergency Preparedness and Response	5.4	5.3	6.3	6.9	7.7
	Protecting Critical Infrastructure and Key Assets	71.8	64.3	46.4	49.3	40.4
	<b>Total</b>	<b>\$77.2</b>	<b>\$69.6</b>	<b>\$52.7</b>	<b>\$56.2</b>	<b>\$48.1</b>
Department of State						
	Border and Transportation Security	451.0	591.8	663.9	778.2	878.4
	Emergency Preparedness and Response	1.0	8.0	1.0	6.8	19.6
	Protecting Critical Infrastructure and Key Assets	13.8	34.3	31.6	39.2	40.2
	Defending Against Catastrophic Threats	11.0	0.0	0.0	0.0	0.0
	<b>Total</b>	<b>\$476.8</b>	<b>\$634.1</b>	<b>\$696.5</b>	<b>\$824.2</b>	<b>\$938.2</b>
Department of Transportation						
	Border and Transportation Security	1,240.4	241.4	67.2	13.9	15.1
	Emergency Preparedness and Response	18.7	12.4	15.2	10.8	13.2
	Protecting Critical Infrastructure and Key Assets	136.3	128.1	180.1	137.0	141.2
	Domestic Counterterrorism	19.0	1.0	21.0	20.0	22.0
	Defending Against Catastrophic Threats	4.7	0.0	0.0	0.0	0.0
	<b>Total</b>	<b>\$1,419.1</b>	<b>\$382.9</b>	<b>\$283.5</b>	<b>\$181.7</b>	<b>\$191.5</b>



**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

		Gross budget authority				
Agency	Mission Area	FY 2002	FY 2003	FY 2004 <sup>a</sup>	Estimated FY 2005 <sup>a</sup>	Requested FY 2006
Department of Veterans Affairs						
	Emergency Preparedness and Response	19.2	54.3	32.1	37.6	36.6
	Protecting Critical Infrastructure and Key Assets	29.8	100.0	239.2	242.8	262.3
	Total	\$49.0	\$154.3	\$271.3	\$280.4	\$298.9
Department of the Interior						
	Emergency Preparedness and Response	3.5	3.6	1.6	4.0	4.0
	Protecting Critical Infrastructure and Key Assets	103.7	51.1	81.4	61.1	53.3
	Total	\$107.2	\$54.7	\$83.0	\$65.1	\$57.3
Department of the Treasury						
	Border and Transportation Security	8.0	0.0	0.0	0.0	0.0
	Emergency Preparedness and Response	36.4	15.1	30.7	34.5	37.3
	Protecting Critical Infrastructure and Key Assets	33.1	21.9	12.0	11.5	11.7
	Domestic Counterterrorism	37.0	40.6	45.2	54.9	61.0
	Intelligence and Warning	2.2	2.3	2.5	0.6	0.6
	Total	\$116.7	\$79.9	\$90.4	\$101.5	\$110.6
Corporation for National and Community Service						
	Emergency Preparedness and Response	29.0	16.3	22.8	17.0	20.4
	Total	\$29.0	\$16.3	\$22.8	\$17.0	\$20.4
Corps of Engineers-Civil Works						
	Emergency Preparedness and Response	39.0	0.0	0.0	1.0	1.0
	Protecting Critical Infrastructure and Key Assets	100.0	75.0	101.5	88.0	71.0
	Total	\$139.0	\$75.0	\$101.5	\$89.0	\$72.0
District of Columbia						
	Emergency Preparedness and Response	187.0	25.0	19.0	15.0	15.0
	Protecting Critical Infrastructure and Key Assets	26.0	0.0	0.0	0.0	0.0
	Total	\$213.0	\$25.0	\$19.0	\$15.0	\$15.0

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

		Gross budget authority				
Agency	Mission Area	FY 2002	FY 2003	FY 2004 <sup>a</sup>	Estimated FY 2005 <sup>a</sup>	Requested FY 2006
Environmental Protection Agency						
	Emergency Preparedness and Response	42.5	38.0	41.5	35.6	68.7
	Protecting Critical Infrastructure and Key Assets	144.3	45.3	89.0	70.0	114.0
	Other	0.6	49.7	0.6	1.3	1.7
	Total	\$187.4	\$133.0	\$131.1	\$106.9	\$184.4
Executive Office of the President						
	Emergency Preparedness and Response	0.0	0.0	2.0	2.0	3.2
	Protecting Critical Infrastructure and Key Assets	0.0	0.0	24.0	24.0	14.8
	Other	140.0	41.0	9.0	3.5	4.4
	Total	\$140.0	\$41.0	\$35.0	\$29.5	\$22.4
Federal Communications Commission						
	Emergency Preparedness and Response	0.0	0.0	1.0	1.6	3.5
	Protecting Critical Infrastructure and Key Assets	0.0	1.0	0.0	0.0	0.0
	Total	0.0	\$1.0	\$1.0	\$1.6	\$3.5
General Services Administration						
	Emergency Preparedness and Response	0.9	1.8	2.0	2.4	2.6
	Protecting Critical Infrastructure and Key Assets	96.5	65.3	76.9	62.8	77.1
	Total	\$97.4	\$67.1	\$78.9	\$65.2	\$79.7
Intelligence Community Management Account						
	Intelligence and Warning	0.0	0.0	1.0	72.4	55.8
	Total	0.0	0.0	\$1.0	\$72.4	\$55.8
National Aeronautics and Space Administration						
	Protecting Critical Infrastructure and Key Assets	223.0	205.0	207.0	218.0	205.0
	Total	\$223.0	\$205.0	\$207.0	\$218.0	\$205.0

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

		Gross budget authority				
Agency	Mission Area	FY 2002	FY 2003	FY 2004 <sup>a</sup>	Estimated FY 2005 <sup>a</sup>	Requested FY 2006
National Archives and Records Administration						
	Emergency Preparedness and Response	0.0	0.0	0.0	0.0	1.1
	Protecting Critical Infrastructure and Key Assets	10.0	10.1	16.0	17.1	19.1
	Total	\$10.0	\$10.1	\$16.0	\$17.1	\$20.2
National Capital Planning Commission						
	Protecting Critical Infrastructure and Key Assets	1.0	0.0	0.0	0.0	0.0
	Total	\$1.0	0.0	0.0	0.0	0.0
National Science Foundation						
	Protecting Critical Infrastructure and Key Assets	250.6	257.5	312.9	315.3	317.2
	Defending Against Catastrophic Threats	9.0	27.0	27.0	27.0	27.0
	Total	\$259.6	\$284.5	\$339.9	\$342.3	\$344.2
Nuclear Regulatory Commission						
	Emergency Preparedness and Response	0.0	0.2	0.6	0.6	0.6
	Protecting Critical Infrastructure and Key Assets	42.9	37.9	50.0	39.6	39.2
	Defending Against Catastrophic Threats	0.0	8.9	16.2	19.0	21.2
	Total	\$42.9	\$47.0	\$66.8	\$59.2	\$61.0
Office of Personnel Management						
	Emergency Preparedness and Response	0.8	0.0	2.5	2.5	3.3
	Protecting Critical Infrastructure and Key Assets	1.8	3.0	0.5	0.5	0.5
	Total	\$2.6	\$3.0	\$3.0	\$3.0	\$3.8
Postal Service						
	Emergency Preparedness and Response	180.5	0.0	0.0	0.0	0.0
	Protecting Critical Infrastructure and Key Assets	406.5	0.0	0.0	503.0	0.0
	Total	\$587.0	0.0	0.0	\$503.0	0.0

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

		Gross budget authority				
Agency	Mission Area	FY 2002	FY 2003	FY 2004 <sup>a</sup>	Estimated FY 2005 <sup>a</sup>	Requested FY 2006
Securities and Exchange Commission						
	Protecting Critical Infrastructure and Key Assets	0.0	5.0	5.0	5.0	5.0
	Total	0.0	\$5.0	\$5.0	\$5.0	\$5.0
Smithsonian Institution						
	Protecting Critical Infrastructure and Key Assets	90.4	82.8	78.3	75.0	86.6
	Total	\$90.4	\$82.8	\$78.3	\$75.0	\$86.6
Social Security Administration						
	Emergency Preparedness and Response	0.0	0.0	0.3	0.7	0.7
	Protecting Critical Infrastructure and Key Assets	121.0	132.0	142.1	155.0	172.6
	Domestic Counterterrorism	0.0	0.0	1.0	3.7	4.2
	Total	\$121.0	\$132.0	\$143.4	\$159.4	\$177.5
United States Holocaust Memorial Museum						
	Protecting Critical Infrastructure and Key Assets	7.0	8.0	8.0	8.0	8.7
	Total	\$7.0	\$8.0	\$8.0	\$8.0	\$8.7
Total						
	Border and Transportation Security	13,576.2	17,030.0	15,931.5	17,566.1	19,285.7
	Emergency Preparedness and Response	4,860.7	6,145.4	6,003.0	5,765.6	6,121.9
	Protecting Critical Infrastructure and Key Assets	9,944.1	13,281.7	12,281.7	14,940.2	15,632.5
	Domestic Counterterrorism	3,557.8	3,031.8	3,391.7	3,944.7	4,468.8
	Defending Against Catastrophic Threats	570.7	2,629.5	2,974.9	3,399.3	3,898.3
	Intelligence and Warning	114.7	211.2	242.3	349.9	432.0
	Other	258.6	118.3	9.6	49.8	104.5
	Total	\$32,882.8	\$42,447.9	\$40,834.7	\$46,015.6	\$49,943.7

Source: GAO analysis of OMB data.

Notes: Gross budget authority includes offsetting collections from fee-funded activities.

Percentages may not add to 100 percent because of rounding.

<sup>a</sup>Excludes amounts in fiscal years 2004 (\$0.9 billion) and 2005 (\$2.5 billion) for DHS's Project BioShield.

<sup>b</sup>DHS was not established until fiscal year 2003. Fiscal year 2002 data shown for DHS represents funding for agency programs and activities that eventually were transferred to the new department.

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## Overseas Combating Terrorism

Prior to the September 11 attacks, OMB's annual report to Congress on combating terrorism made no distinction between domestic and overseas combating terrorism. With the development of policies and definitions to support the newer concept of homeland security and the creation of the Department of Homeland Security, "overseas combating terrorism" became the term used to describe those activities associated primarily with securing U.S. embassies and military facilities overseas and some intelligence efforts. Tables 6 and 7 show funding for overseas combating terrorism activities. For fiscal years 2002 and 2003, these amounts reflect estimates of gross budget authority that agencies attributed to overseas combating terrorism activities and reported to OMB. OMB then reviewed and validated these amounts—along with funding associated with homeland security activities—and published them in its annual report on combating terrorism. However, the Homeland Security Act of 2002 required that only funding related to homeland security activities be reported.<sup>5</sup> Thus, while OMB continues to collect information on funding associated with overseas combating terrorism activities, it reported that the overseas combating terrorism data for fiscal years 2004 through 2006 have not been reviewed or validated. As a result, the overseas combating terrorism data for fiscal years 2004–2006 did not receive the same level of scrutiny as the homeland security data. Nevertheless, on the basis of funding data agencies attributed to overseas combating terrorism, most of that funding was provided to DOD.

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<sup>5</sup>Homeland Security Act of 2002, Pub. L. 107-296, section 889, 116 Stat. 2135, 2251 (2002).

Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities

**Table 6: Gross Budget Authority for Overseas Combating Terrorism—by Summarized Agency**

Dollars in millions

	FY 2002		FY 2003		FY 2004	
	Gross budget authority	Percent of total	Gross budget authority	Percent of total	Gross budget authority	Percent of total
Department of Defense	9,012	79	8,628	71	8,255	71
Department of Energy	316	3	253	2	255	2
Other agencies	2,137	19	3,248	27	3,116	27
<b>Total</b>	<b>\$11,465</b>	<b>100</b>	<b>\$12,129</b>	<b>100</b>	<b>\$11,626</b>	<b>100</b>

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

Estimated FY 2005		Requested FY 2006		Average annual percentage change 2002-2005
Gross budget authority	Percent of total	Gross budget authority	Percent of total	
7,358	67	7,861	67	-6.54
330	3	373	3	1.46
3,375	31	3,511	30	16.45
<b>\$11,063</b>	<b>100</b>	<b>\$11,745</b>	<b>100</b>	

Source: GAO analysis of agency data as reported in OMB's MAX database.

Notes: Gross budget authority includes offsetting collections from fee-funded activities.

Percentages may not add to 100 percent because of rounding.

As shown in table 7, funding for the Administration's oversight of the nation's intelligence programs grew at an average annual rate of 68 percent between fiscal years 2002 and 2005, according to agency data as reported in OMB's MAX database. The second fastest growing category was for international assistance programs, with an average annual growth rate of 40 percent for the period under review. The latter primarily supports foreign governments' efforts to combat terrorism and increase law enforcement capability. In contrast to the DOD funding increase for homeland security activities shown in table 1, DOD's funding for activities defined as overseas combating terrorism has declined an average of 7 percent between fiscal years 2002 and 2005.

**Appendix I: Patterns and Trends in Funding  
for Homeland Security and Overseas  
Combating Terrorism Activities**

**Table 7: Gross Budget Authority for Overseas Combating Terrorism—by Agency**

Dollars in millions

	FY 2002		FY 2003		FY 2004		Estimated FY 2005		Requested FY 2006		Average annual percentage change 2002-2005
	Gross budget authority	Percent of total	Gross budget authority	Percent of total	Gross budget authority	Percent of total	Gross budget authority	Percent of total	Gross budget authority	Percent of total	
Department of Defense	9,012	79	8,628	71	8,255	71	7,358	67	7,861	67	-6.54
Department of Energy	316	3	253	2	255	2	330	3	373	3	1.46
Department of State	1,547	13	1,560	13	1,677	14	1,728	16	2,078	18	3.76
Executive Office of the President	0	0	2	0	2	0	2	0	0	0	0
Intelligence Community Management Account	19	0	56	0	18	0	90	1	82	1	67.94
International Assistance Programs	571	5	1,630	13	1,419	12	1,555	14	1,351	12	39.65
<b>Total</b>	<b>\$11,465</b>	<b>100</b>	<b>\$12,129</b>	<b>100</b>	<b>\$11,626</b>	<b>100</b>	<b>\$11,063</b>	<b>100</b>	<b>\$11,745</b>	<b>100</b>	

Source: GAO analysis of agency data as reported in OMB's MAX database.

Notes: Gross budget authority includes offsetting collections from fee-funded activities.

Percentages may not add to 100 percent because of rounding.



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## Appendix II: The *National Strategy for Homeland Security's* Critical Mission Areas

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The *National Strategy for Homeland Security* sets out a plan to improve combating terrorism domestically through the cooperation and partnering of federal, state, local, and private sector organizations on an array of functions. The strategy organizes these functions into six critical mission areas:

- *Intelligence and warning* involves the identification, collection, analysis, and distribution of intelligence information appropriate for preempting or preventing a terrorist attack.
- *Border and transportation security* emphasizes the efficient and reliable flow of people, goods, and material across borders while deterring terrorist activity.
- *Domestic counterterrorism* focuses on law enforcement efforts to identify, halt, prevent, and prosecute terrorists in the United States.
- *Protecting critical infrastructure and key assets* stresses securing the nation's interconnecting sectors and important facilities, sites, and structures.
- *Defending against catastrophic threats* emphasizes the detection, deterrence, and mitigation of terrorist use of weapons of mass destruction.
- *Emergency preparedness and response* highlights damage minimization and recovery from terrorist attacks.

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# Appendix III: Reporting Changes as a Result of the Homeland Security Act of 2002 and Challenges OMB Reports Continuing to Face

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As part of our work, we examined the statutory changes in requirements for reporting combating terrorism activities that occurred as the result of the passage of the Homeland Security Act of 2002.<sup>1</sup> This appendix provides additional background on the act, as well as the challenges OMB continues to face in tracking combating terrorism activities and ensuring the transparency of related funding data.

Enacted on November 25, 2002, the Homeland Security Act of 2002 established the Department of Homeland Security and, among other things, changed OMB's requirements for reporting funding data related to combating terrorism.<sup>2</sup> Section 889 of the Homeland Security Act of 2002 repealed the NDAA reporting requirements in favor of new reporting requirements. In particular, section 889 required the President's budget to include an analysis of "homeland security funding," which it defined by reference to OMB's 2002 report as activities to detect, deter, protect against, and if needed, respond to terrorist attacks occurring within the United States. OMB's definition of homeland security activities included activities that the agency had not previously treated as combating terrorism. Under section 889, OMB is required to report only on funding for homeland security by agency, budget function (i.e., functions that cover 17 areas of the government such as agriculture and health),<sup>3</sup> and initiative areas.<sup>4</sup> OMB staff said that although they do not report on funding related to overseas combating terrorism data, they still collect it as part of the annual budget. Because there is no longer a requirement to report on overseas combating terrorism funding data, OMB staff said that

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<sup>1</sup>Pub. L. 107-296, 116 Stat. 2135 (2002).

<sup>2</sup>Under the Homeland Security Act of 2002, the Department of Homeland Security was established. When the Department of Homeland Security became operational in March 2003, the activities of 22 entities were consolidated and approximately 60 percent of homeland security funding was merged under one department.

<sup>3</sup>There are 17 budget functions for the U.S. government—National Defense; International Affairs; General Science Space and Technology; Energy; Natural Resources and Environment; Agriculture; Commerce and Housing Credit; Transportation; Community and Regional Development; Education, Training, Employment, and Social Services; Health; Medicare; Income Security; Social Security, Veterans Benefits and Services; Administration of Justice; and General Government.

<sup>4</sup>According to OMB staff responsible for preparing this analysis on behalf of the President, OMB has determined the initiative areas to be the six critical mission areas captured in the *National Strategy for Homeland Security*—Intelligence and Warning, Border and Transportation Security, Domestic Counterterrorism, Protecting Critical Infrastructure and Key Assets, Defending against Catastrophic Threats, and Emergency Preparedness and Response. (See app. II for a detailed description of each critical mission area.)

they are not reviewing the information that agencies provide to them.<sup>5</sup> In addition, the definition of overseas combating terrorism activities in OMB Circular No. A-11 has not changed since 2003. As a result, OMB staff said that data on overseas combating terrorism funding data are not necessarily valid and could be misleading.<sup>6</sup>

In response to section 889's changes, OMB began showing homeland security funding data by agency, by budget function, by account, and by each of the six critical mission areas established in the *National Strategy for Homeland Security* in the Analytical Perspectives of the President's fiscal year 2005 budget. OMB also included narrative descriptions of major activities and the administration's priorities in this section of the Analytical Perspectives. To present funding data for homeland security activities by critical mission area, OMB included a table for each critical mission area displaying budget authority for 3 fiscal years (prior year, current year, and budget year request).

Section 889 of the Homeland Security Act also required OMB to include the most recent risk assessment and summary of homeland security needs in each initiative area in the President's annual budget.<sup>7</sup> OMB's prior reporting requirements required that OMB report on the amounts expended by executive agencies on combating terrorism activities, as well as the specific programs and activities for which funds were expended, while section 889 explicitly mandates a risk assessment and summary of resource needs in each initiative area. According to OMB staff, OMB does not have the expertise or the staff to conduct separate risk assessments, and it relies on the risk assessments of each individual agency to determine areas of high risk in order to meet this requirement.

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<sup>5</sup>Circular No. A-11: *Preparation, Submission, and Execution of the Budget*, Executive Office of the President, Office of Management and Budget (Washington, D.C.: June 21, 2005).

<sup>6</sup>OMB staff stated that the change in the overseas combating terrorism reporting requirement was not sought by the Administration and OMB was not aware of legislative history explaining Congress's reasons for the change. We were unable to find legislative history explaining why section 889 excluded overseas combating terrorism reporting requirements.

<sup>7</sup>Assessing risks for specific assets is defined by two conditions: (1) probability—the likelihood, quantitative or qualitative, that an adverse event would occur; and (2) consequences—the damage resulting from the event, should it occur. Thus, the most severe risks are those that have both the greatest probability of occurring and would cause the greatest damage. Actual risk reflects the combination of the two factors. Risks may be managed by reducing the probability, the consequence, or, where possible, both.

In addition, section 889 required that OMB include in the President's annual budget an estimate of the user fees collected by the federal government to help offset expenses related to homeland security activities, such as the Transportation Security Administration's passenger security fees, which are added to airline passengers' ticket costs. To meet this requirement, OMB included a table for users' fees by major cabinet-level department displaying the related budget authority in the Analytical Perspectives that accompanied the President's fiscal years 2005 and 2006 budgets.

Finally, section 889 of the Homeland Security Act of 2002 accelerated the timeline for reporting funding data by requiring OMB to report funding data in the President's budget, which must be submitted to Congress by the first Monday in February.<sup>8</sup> Under its previous reporting requirement, OMB was required to issue a separate stand-alone report on combating terrorism to Congress by March 1 of each year. OMB complied with the new timeline for the fiscal years 2005 and 2006 President's budget.

Despite these changes, OMB staff report still facing challenges in tracking activities related to combating terrorism funding data and ensuring the transparency of related funding data. OMB staff said that the creation of DHS helped minimize the difficulties they face in ensuring the transparency of related funding data and tracking activities related to combating terrorism, since the creation of DHS resulted in approximately 60 percent of homeland security funding being merged into funding for one agency at the time DHS became operational. Although OMB is no longer required to report on funding data related to overseas combating terrorism activities, OMB staff said that many of the difficulties cited in our 2002 report still apply and that they will most likely always face these challenges.<sup>9</sup> For example, OMB staff reported that they are still challenged by the large number of agencies involved in combating terrorism activities. To obtain information needed to fulfill its reporting requirements related to funding data, OMB has to interact with 32 other agencies and the District of Columbia that have responsibilities to combat terrorism in addition to DHS. OMB staff also said that it will always require significant effort to identify funding for combating terrorism activities, since such funding is often subsumed in budget accounts that provide funding for other activities. In addition, OMB staff also stated that they were

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<sup>8</sup>31 U.S.C. 1105 (a).

<sup>9</sup>See [GAO-03-170](#).

challenged in tracking funding related to combating terrorism, given the wide variety of missions represented, including intelligence, law enforcement, health services, and environmental protection, as well as the global nature of missions for combating terrorism. However, OMB staff told us that they have worked diligently to identify homeland security activities by monitoring agency reviews of homeland security spending and developing an annual crosscut review, which identifies projects with common themes across agencies.<sup>10</sup>

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<sup>10</sup> According to OMB's Program Assessment Rating Tool (PART) guidance, a crosscut review is a review that looks at programs across multiple agencies and can identify exemplary goals and practices, common measures of performance, possible trade-offs in management and budget decisions, and opportunities for better coordination among programs. The results of crosscutting analyses can summarize common strengths and opportunities for improvement.

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# Appendix IV: A Summary of Selected Accounts with Combating Terrorism Activities

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Hundreds of budget accounts include activities related to combating terrorism. The following summarizes 15 of the 34 accounts we reviewed. The funding levels shown in these accounts represent the portion of the account that supports combating terrorism efforts by critical mission area as reflected in OMB's Homeland Security and Overseas Combating Terrorism database that supports the President's fiscal year 2006 budget request.<sup>1</sup> Our summaries also include descriptions of the combating terrorism activities within these accounts as well as the agencies' estimates of budget authority that relate to these combating terrorism activities. For purposes of this appendix, we selected one account to display for the Department of Energy, General Services Administration, and the United States Army Corps of Engineers. We also selected to display one account for each component office that we contacted at the Departments of Agriculture, Homeland Security, and Justice—the Animal and Plant Health Inspection Service (APHIS) and the Agricultural Research Service (ARS) within the Department of Agriculture (USDA); Customs and Border Protection (CBP), Immigration and Customs Enforcement (ICE), the Information Analysis and Infrastructure Protection Directorate (IAIP), the Office of State and Local Government Coordination and Preparedness (SLGCP), the Transportation Security Administration (TSA), the United States Coast Guard (USCG), the United States Secret Service (USSS), and the Science and Technology Directorate of DHS; and the Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF), and the Federal Bureau of Investigation (FBI) of the Department of Justice.

The activities included in all 34 of the accounts that we reviewed were consistent with OMB's definitions of homeland security and overseas combating terrorism as defined in OMB Circular No. A-11.<sup>2</sup>

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<sup>1</sup>An account with combating terrorism activities may include funding associated with more than one critical mission area. For example, as part of its fiscal year 2006 budget request, DHS's Information Analysis and Infrastructure Protection Assessment and Evaluation Account (024-90-0911) has funding associated with the following critical mission areas: Intelligence and Warning, Protecting Critical Infrastructure and Key Assets, and Emergency Preparedness and Response.

<sup>2</sup>Circular No. A-11: *Preparation, Submission, and Execution of the Budget*, Executive Office of the President, Office of Management and Budget (Washington, D.C.: June 21, 2005).

**Appendix IV: A Summary of Selected  
Accounts with Combating Terrorism  
Activities**

**Department of Homeland Security: Information Analysis and Infrastructure Protection**

**Critical Mission Area: Intelligence and Warning**

**Assessment and Evaluation Account (024-90-0911)**

The **Assessment and Evaluation account** provides funding for threat analysis associated with collecting and fusing law enforcement, intelligence, and other information to evaluate terrorist threats to the homeland.

**Component activities:**

- *Infrastructure Vulnerability and Risk Assessment* includes efforts to provide analytic tools to promote communication, coordination, collaboration, and cooperation to analyze intelligence information with the Intelligence Community; law enforcement agencies; state, local, and tribal authorities; the private sector; and other critical stakeholders regarding existing threats to the homeland.
- *Homeland Security Operations Center (HSOC)* serves as the nation's center for information sharing and domestic incident management. The HSOC collects and fuses intelligence information from a variety of sources every day to help deter, detect, and prevent terrorist acts. Operating 24 hours a day, 7 days a week, the HSOC is tasked with providing real-time situational awareness and monitoring of the homeland, and coordinates incidents and response activities.
- *Analysis and Studies* includes efforts by IAIP personnel to develop threat databases, participate in exercises and crisis simulations, and prepare products on threats. It also includes funding for an independent evaluation of IAIP's risk assessment methodology.
- *Threat Determination and Assessment* includes efforts by IAIP personnel to develop terrorist threat situational awareness, (i.e., the analytical capability required to develop and integrate timely, actionable, and valuable information based on analysis of terrorist threat intelligence information and infrastructure vulnerability assessments).
- *Biosurveillance* includes efforts by IAIP personnel to integrate biosurveillance data from other federal agencies such as the Centers for Disease Control with threat information. These activities are conducted to help IAIP become better positioned to provide information to decision makers and others to aid in the response to threats and incidents.
- *Other Activities* include fiscal year 2004 activities that were restructured for the fiscal years 2005 and 2006 budget request. For instance, in fiscal year 2004, activities to conduct risk assessments were included under the activity, *risk assessment division*; whereas, for the fiscal year 2006 budget request, these activities are now included in analysis and studies and threat determination and assessment as discussed above.

**Gross budget authority  
(dollars in millions)**

	<b>FY 2004 enacted</b>	<b>FY 2005 estimate</b>	<b>FY 2006 request</b>
IAIP Assessment and Evaluation (024-90-0911)			
Infrastructure Vulnerability and Risk Assessment	0.0	71.1	74.4
Homeland Security Operations Center	0.0	35.0	52.1
Analysis and Studies	0.0	18.4	34.5
Threat Determination and Assessment	0.0	21.9	19.9
Biosurveillance	0.0	11.0	11.2
Other Activities	145.9	0.0	0.0
<b>Total</b>	<b>\$145.9</b>	<b>\$157.4</b>	<b>\$192.1</b>

Source: OMB's Homeland Security and Overseas Combating Terrorism Database.

<sup>a</sup>The funding levels shown in this account represent the portion of the account that supports combating terrorism efforts for the critical mission area Intelligence and Warning.

**Appendix IV: A Summary of Selected  
Accounts with Combating Terrorism  
Activities**

**Department of Homeland Security: Border and Transportation Security**

**Critical Mission Area: Border and Transportation Security**

**Customs and Border Protection, Salaries and Expenses Account (024-50-0530)**

The **Salaries and Expenses account** provides funding for Customs and Border Protection personnel efforts to enforce laws relating to border security, immigration, customs, and agricultural inspections and regulatory activities related to plant and animal imports; acquisition, lease, maintenance and operation of aircraft; purchase and lease of police-type vehicles; and contracting with individuals for personal services abroad.

**Component activities:**

- *Enforcement* funds activities related to CBP personnel's efforts to identify, investigate, apprehend, and remove criminal aliens; maintain and update systems to track criminal and illegal aliens on the border in areas with high apprehensions to deter illegal entry; repair, maintain, and construct border facilities; and collect fines levied against aliens for failure to depart the United States after being ordered to do so.
- *Border Protection* funds activities by CBP personnel to enforce various provisions of law that govern entry and presence in the United States, including detecting and preventing terrorists and terrorists' weapons from entering the United States, seizing illegal drugs and other contraband, determining the admissibility of people and goods, apprehending people who attempt to enter the country illegally, protecting our agricultural interests from harmful pests and diseases, collecting duties and fees, and regulating and facilitating international trade.
- *Small Airport Facilities* includes the collection of user fees by CBP personnel generated from inspection services that are provided to participating small airports, including the airports located at Lebanon, New Hampshire, Pontiac/Oakland, Michigan, and other small airports designated by the Department of Treasury based on the volume or value of business cleared through the airport from which commercial or private aircraft arrive from a place outside the United States.

**Gross budget authority  
(dollars in millions)**

	<b>FY2004 enacted</b>	<b>FY 2005 estimate</b>	<b>FY 2006 request</b>
CBP Salaries and Expenses Account (024-50-0530)			
Enforcement	2,179.0	2,283.0	2,377.0
Border Protection	1,388.0	1,459.0	1,519.0
Small Airports	5.0	5.0	5.0
<b>Total</b>	<b>\$3,572.0</b>	<b>\$3,747.0</b>	<b>\$3,901.0</b>

Source: OMB's Homeland Security and Overseas Combating Terrorism Database.

<sup>a</sup>The funding levels shown in this account represent the discretionary portion of the account that supports combating terrorism efforts for the critical mission area Border and Transportation Security. CBP determined that 67 percent of its discretionary funding relates to combating terrorism efforts.



**Appendix IV: A Summary of Selected  
Accounts with Combating Terrorism  
Activities**

**Department of Homeland Security: Transportation Security Administration**

**Critical Mission Area: Border and Transportation Security**

**Discretionary Fee Funded, Salaries and Expenses Account (024-50-0550)**

**The Discretionary Fee Funded, Salaries and Expenses account** provides funding for TSA personnel's efforts to provide security services for civil aviation. This account is funded through collections from passenger security and air carrier fees (see descriptions below). These fees offset TSA's appropriated funds as the fees are collected, thereby reducing the general fund contribution. TSA received authority to collect such fees under the Aviation and Transportation Security Act.

**Component activities:**

- *Aviation Security* includes collections from passenger security and air carrier fees. The passenger fee is added to each airline passenger's ticket purchase and the air carrier fee is paid directly by air carriers. TSA receives its full aviation security appropriation, and these fees offset the appropriated funds as the fees are collected, thereby reducing the general fund contribution for TSA personnel's efforts to provide security services for civil aviation such as passenger and baggage screening, and establishing Federal air marshals on various commercial flights.
- *Aviation Security Fee Proposal*: In the fiscal year 2006 budget request, the President proposed to increase the air passenger security fee by \$3.00, raising the fee on a typical flight to \$5.50. For passengers traveling multiple legs on a one-way trip, the President proposed a maximum fee of \$8.00. The budget states that such fee increases will allow TSA to almost fully recover the costs of federal airport screening operations, a subset of aviation security activities.

<b>Gross budget authority (dollars in millions)</b>			
	<b>FY 2004 enacted</b>	<b>FY 2005 estimate</b>	<b>FY 2006 request</b>
TSA Discretionary Fee Funded, Salaries and Expenses Account (024-50-0550)			
Aviation Security	1,884.0	2,330.0	2,410.0
Aviation Security Fee Proposal	0.0	0.0	1,479.0
<b>Total</b>	<b>\$1,884.0</b>	<b>\$2,330.0</b>	<b>\$3,889.0</b>

Source: OMB's Homeland Security and Overseas Combating Terrorism Database.

<sup>a</sup>The funding levels shown in this account represent the portion of the account that supports combating terrorism efforts for the critical mission area Border and Transportation Security.

**Appendix IV: A Summary of Selected  
Accounts with Combating Terrorism  
Activities**

**Department of Homeland Security: United States Coast Guard**

**Critical Mission Area: Border and Transportation Security**

**Operating Expenses Account (024-60-0610)<sup>a</sup>**

The Operating Expenses account provides funding for USCG personnel to prevent terrorism by enforcing laws and securing U.S. borders while protecting the public from acts of terrorism.

**Component activities:**

- *Ports, Waterways, and Coastal Security* includes efforts by USCG to conduct harbor patrols, vulnerabilities assessments, and intelligence gathering and analysis to prevent terrorist attacks and minimize the damage from any attacks that could occur. It also includes USCG's efforts to escort and conduct security boardings of any vessel that may pose a substantial security risk to U.S. ports because of the composition of its crew, passengers, or cargo.
- *Drug Interdiction* includes efforts by USCG personnel to interdict illegal drug shipments by apprehending smugglers at sea attempting to import illegal drugs into the United States and halting the destructive influence of drug consumption by disrupting the drug supply and preventing potential funding sources for terrorism.
- *Migrant Interdiction* includes efforts by USCG personnel to maintain a presence in migrant departure, and to prohibit or deter people who attempt to enter the United States illegally via maritime routes.
- *Defense Readiness* includes efforts by USCG personnel to deploy cutters and other boats in and around harbors to protect the Department of Defense during military operations and meet requirements within the national strategy for homeland security and the national security strategy.
- *Other Law Enforcement* protects U.S. fishing grounds, and therefore the nation's economic security, by keeping out those who mean to do harm and ensuring that foreign fisherman do not illegally harvest U.S. fish stocks.

**Gross budget authority  
(dollars in millions)**

	<b>FY 2004 enacted</b>	<b>FY 2005 estimate</b>	<b>FY 2006 request</b>
US Coast Guard Operating Expenses Account (024-60-0610)			
Ports, Waterways, and Coastal Security	1,264.9	1,495.6	1,576.2
Drug Interdiction	586.8	655.7	720.3
Migrant Interdiction	145.7	168.7	181.0
Defense Readiness	166.1	93.6	99.1
Other Law Enforcement	66.0	45.9	48.3
<b>Total</b>	<b>\$2,229.5<sup>b</sup></b>	<b>\$2,459.5<sup>c</sup></b>	<b>\$2,624.9</b>

Source: OMB's Homeland Security and Overseas Combating Terrorism Database.

<sup>a</sup>The funding levels shown in this account represent the portion of the account that supports combating terrorism efforts for the critical mission area Border and Transportation Security.

<sup>b</sup>Sum includes the USCG's fiscal year 2004 supplementals for these activities totaling \$90.6 million.

<sup>c</sup>Sum includes the USCG's fiscal year 2005 supplementals for these activities totaling \$15.8 million.

Appendix IV: A Summary of Selected  
Accounts with Combating Terrorism  
Activities

Department of Homeland Security: Border and Transportation Security

Critical Mission Area: Domestic Counterterrorism

Immigration and Customs Enforcement, Salaries and Expenses Account (024-50-0540)

The Salaries and Expenses account provides funding for Immigration and Customs Enforcement personnel to conduct investigations to ensure enforcement of immigration laws.

Component activities:

- *Investigations:* Immigration and Customs Enforcement personnel conduct investigations to uncover and eliminate vulnerabilities that terrorists and other criminals exploit to harm our nation's citizens, national security, and the economy through an array of investigative processes in the area of smuggling, finance, and national security. Through these investigations, Immigration and Customs Enforcement personnel work to identify the people, materials, and funding essential to sustaining terrorist threats and criminal enterprises, and to disrupt and dismantle those operations.

Gross budget authority  
(dollars in millions)

	FY 2004 enacted	FY 2005 estimate	FY 2006 request
ICE Salaries and Expenses Account (024-50-0540)			
Investigations	868.0	1,146.0	1,236.0
<b>Total</b>	<b>\$868.0</b>	<b>\$1,146.0</b>	<b>\$1,236.0</b>

Source: OMB's Homeland Security and Overseas Combating Terrorism Database.

<sup>a</sup>The funding levels shown in this account represent the portion of the account that supports combating terrorism efforts for the critical mission area Domestic Counterterrorism.

**Appendix IV: A Summary of Selected  
Accounts with Combating Terrorism  
Activities**

**Department of Justice: Bureau of Alcohol, Tobacco, Firearms and Explosives**

**Critical Mission Area: Domestic Counterterrorism**

**Salaries and Expenses Account (011-14-0700)<sup>a</sup>**

The **Salaries and Expenses account** provides funding for the Bureau of Alcohol, Tobacco, Firearms and Explosives' personnel to deter and investigate violations of laws relating to firearms, explosives, arson, and alcohol and tobacco diversion.

**Component activities:**

- *Firearms* includes efforts by ATF personnel to counter firearms violence, including acts of terrorism, through enforcement of the federal firearms laws, regulation of the firearms industry, and participation in outreach efforts to leverage partnerships with federal, state, local, and foreign law enforcement in the fight against terrorism.
- *Arson and Explosives* includes efforts by ATF personnel to enforce federal explosives and arson laws, as well as the regulation of the explosives industry and training through innovation to protect the public from terrorists' use of explosives and acts of arson.
- *Alcohol and Tobacco* includes ongoing efforts by ATF personnel to reduce the rising trend of illegal diversion of tobacco products that may provide financial support to the causes of terrorist groups.
- *Reduce Violent Crime* includes efforts by ATF personnel to deny terrorists access to firearms, explosives, and explosive materials, such as the participation of ATF agents in various terrorism task forces.
- *Protect the Public* includes efforts by ATF personnel to safeguard the public from arson and explosives incidents.

**Gross budget authority  
(dollars in millions)**

	<b>FY 2004 enacted</b>	<b>FY 2005 estimate</b>	<b>FY 2006 request</b>
ATF Salaries and Expenses (011-14-0700)			
Firearms	0.0	266.7	280.5
Arson and Explosives	0.0	72.7	76.5
Alcohol and Tobacco	0.0	6.9	7.3
Reduce Violent Crime	322.5	0.0	0.0
Protect the Public	28.5	0.0	0.0
<b>Total</b>	<b>\$351.0</b>	<b>\$346.3</b>	<b>\$364.3</b>

Source: OMB's Homeland Security and Overseas Combating Terrorism Database.

<sup>a</sup>The funding levels shown in this account represent the portion of the account that supports combating terrorism efforts for the critical mission area Domestic Counterterrorism.

**Appendix IV: A Summary of Selected  
Accounts with Combating Terrorism  
Activities**

**Department of Justice: Federal Bureau of Investigation**

**Critical Mission Area: Domestic Counterterrorism**

**Salaries and Expenses Account (011-10-0200)<sup>a</sup>**

**The Salaries and Expenses account** provides funding for efforts for FBI personnel to detect, investigate, and prosecute crimes by terrorists against the United States.

**Component activities:**

- *Counterterrorism Field Investigations* includes efforts by the FBI to lead investigations in countering the threat of terrorism and preventing violent acts by terrorists.
- *Equipment/Technology* includes efforts by FBI personnel to provide engineering services, technical support, and equipment to FBI field offices; and to conduct research and development to adapt technology for use against criminals and terrorists.
- *Counterterrorism Headquarters Coordination* includes activities by FBI program managers in directing and guiding field investigators by managing investigations and providing training in the latest terrorism investigation techniques and methods.
- *Terrorist Screening Center* funds multi-agency efforts, including components of the Departments of Homeland Security, Justice, and State, to maintain a consolidated watch list of known or suspected terrorists.
- *Miscellaneous Activities* include a range of activities such as those provided under the Critical Incident Response Group (CIRG). CIRG responds to crimes which pose great dangers and require skills that are not routinely available in law enforcement agencies. For example, CIRG provides trained, experienced negotiators, crisis managers, and tactical and aviation personnel to assist law enforcement agencies. A portion of these activities are considered related to counterterrorism investigations.

**Gross budget authority  
(dollars in millions)**

	<b>FY 2004 enacted</b>	<b>FY 2005 estimate</b>	<b>FY 2006 request</b>
FBI Salaries and Expenses (011-10-0200)			
Counter Terrorism Field Investigations	475.3	639.3	813.6
Equipment/Technology	159.7	186.2	185.6
Counter Terrorism Headquarters Coordination	79.2 <sup>b</sup>	153.6	162.9
Terrorist Screening Center	0.0	29.0	104.0
Miscellaneous Activities	288.2	389.9	471.9
<b>Total</b>	<b>\$1,002.4</b>	<b>\$1,398.0</b>	<b>\$1,738.0</b>

Source: OMB's Homeland Security and Overseas Combating Terrorism Database.

<sup>a</sup>The funding levels shown in this account represent the portion of the account that supports combating terrorism efforts for the critical mission area Domestic Counterterrorism.

<sup>b</sup>Sum includes the FBI's fiscal year 2004 supplemental for these activities totaling \$12.3 million.

**Appendix IV: A Summary of Selected  
Accounts with Combating Terrorism  
Activities**

**Department of Homeland Security: United States Secret Service**

**Critical Mission Area: Protecting Critical Infrastructure and Key Assets**

**Operating Expenses Account (024-40-0400)<sup>a</sup>**

The Operating Expenses account provides funding to support efforts of U.S. Secret Service personnel in providing protective services and conducting investigations. Protective Services provide for the protection of the President of the United States, immediate family members, the President-elect, the Vice President, or other officer next in order of succession to the Office of the President, and the Vice President-elect and the members of their immediate families, a visiting head of state and accompanying spouse, of a foreign state or foreign government. Investigative Services provide for investigation of counterfeiting of currency and securities; forgery and altering of government checks and bonds; thefts and frauds relating to Treasury electronic funds transfers; financial access device fraud, telecommunications fraud, computer and telemarketing fraud; fraud relative to federally insured financial institutions; and other criminal and noncriminal cases.

**Component activities:**

- *Domestic Protection of Persons* includes activities conducted by Secret Service officials to protect the President of the United States, the President-elect, the Vice President, or other officer next in order of succession to the Office of the President, and the Vice President-elect and the members of their immediate families, former Presidents, their spouses and children under the age of 16, visiting heads of foreign states or governments; and major presidential, vice presidential candidates and their spouses. It also includes efforts conducted by Secret Service officials to plan, coordinate, and implement security operations at National Special Security Events, such as Republican and Democratic National Conventions.
- *Financial and Infrastructure Investigations* includes activities by Secret Service officials to protect the nation's financial and monetary systems, and critical infrastructure that supports those systems, such as the development of tools to combat cyber terrorism.
- *Domestic Protection of Government Buildings* includes activities conducted by Secret Service officials to protect critical infrastructure and key assets by providing a security perimeter and building security at the White House/Treasury complex, the foreign diplomatic community located within the Washington metropolitan area, and at other Secret Service-secured sites.

**Gross budget authority  
(dollars in millions)**

	<b>FY 2004 enacted</b>	<b>FY 2005 estimate</b>	<b>FY 2006 request</b>
Operating Expenses Account (024-40-0400)			
Domestic Protection of Persons	773.0	792.0	797.2
Financial and Infrastructure Investigations	215.3	232.5	248.0
Domestic Protection of Government Buildings	6.5	6.6	6.7
<b>Total</b>	<b>\$994.8</b>	<b>\$1,031.1</b>	<b>\$1,051.9</b>

Source: OMB's Homeland Security and Overseas Combating Terrorism Database.

<sup>a</sup>The funding levels shown in this account represent the portion of the account that supports combating terrorism efforts for the critical mission area Protecting Critical Infrastructure and Key Assets.

**Appendix IV: A Summary of Selected  
Accounts with Combating Terrorism  
Activities**

**Department of Energy: National Nuclear Security Administration**

**Critical Mission Area: Protecting Critical Infrastructure and Key Assets**

**Weapons Activities Account (019-05-0240)<sup>a</sup>**

The **Weapons Activities account** provide for the maintenance and refurbishment of nuclear weapons to sustain confidence in their safety, reliability, and performance; expansion of scientific, engineering, and manufacturing capabilities to enable certification of the enduring nuclear weapons stockpile; and manufacture of nuclear weapon components under a comprehensive test ban. The weapons activities account also provides for continuous maintenance and investment in DOE's enterprise of nuclear stewardship, including maintaining the capability to return to the design and production of new weapons and to underground nuclear testing, if so directed by the President.

**Component activities:**

- *National Nuclear Security Administration (NNSA) Safeguards and Security* ensures the protection of NNSA personnel, nuclear weapons, information, cyber infrastructure, and other materials at NNSA sites and facilities.
- *NNSA Secure Transportation Asset* provides for the transportation of nuclear weapons, special nuclear material, selected non-nuclear weapons components, limited-life components, and any other DOE materials to and from military locations, between nuclear weapons complex facilities, and to other government locations within the continental United States.
- *NNSA Safety and Security Cybersecurity* provides a foundation to facilitate detection of intrusions (hackers and other forms of attacks), and conduct vulnerability assessments and take corrective action at each NNSA site. It also includes actions to implement the Department of Energy's and NNSA's cybersecurity policies and practices, and continuously improve NNSA's network and computing systems. The costs of these activities also include personnel time and acquisition and maintenance of cybersecurity technology (hardware and software) needed to maintain NNSA's cybersecurity posture while addressing cybersecurity threats.
- *National Nuclear Security Administration Safeguards and Security-HQ Research and Development* aids in the efforts to enhance physical security at NNSA sites.

	<b>Gross budget authority (dollars in millions)</b>		
	<b>FY 2004 enacted</b>	<b>FY 2005 estimate</b>	<b>FY 2006 request</b>
National Nuclear Security Administration Weapons Activities (019-05-0240)			
NNSA Safeguards and Security	472.5	615.5	628.7
NNSA Secure Transportation Asset	159.8	199.7	212.1
NNSA Safety and Security Cybersecurity	80.0	99.3	77.8
NNSA Safeguards and Security-HQ Research and Development	0.0	7.2	2.0
<b>Total</b>	<b>\$712.3</b>	<b>\$921.7</b>	<b>\$920.6</b>

Source: OMB's Homeland Security and Overseas Combating Terrorism Database.

<sup>a</sup>The funding levels shown in this account represent the portion of the account that supports combating terrorism efforts for the critical mission area Protecting Critical Infrastructure and Key Assets.

**Appendix IV: A Summary of Selected  
Accounts with Combating Terrorism  
Activities**

**General Services Administration**

**Critical Mission Area: Protecting Critical Infrastructure and Key Assets**

**Federal Properties Activities/Fee Funded, Federal Buildings Fund Account (023-05-4542)<sup>a</sup>**

**The Real Property Activities account** provides funding for GSA personnel efforts to implement security measures at federal buildings.

**Component activities:**

- *New Construction* includes efforts to implement security enhancements to newly constructed federal buildings such as implementing a structural design to ensure that support columns are sized, reinforced, and protected so that a terrorist event will not cause collapse; perimeter protection measures; and window systems design to mitigate the hazardous effects of flying glass following an explosive event.
- *Major Repairs and Alterations* includes efforts associated with major repairs and alteration projects (that is, requests for repairs and alterations greater than \$2.41 million for fiscal year 2006, \$2.36 million in fiscal year 2005, and \$2.3 million in fiscal year 2004) to implement security measures to modify federal buildings for security enhancements such as installing bollards.
- *Building Operations* includes studies conducted to determine the need for retrofitting federal facilities against threats that will cause building columns or structures to be critically damaged and collapse.
- *Minor Repairs and Alterations* includes efforts associated with minor repair and alteration projects (that is, those requests costing less than \$2.41 million for fiscal year 2006, \$2.36 million in fiscal year 2005, and \$2.3 million in fiscal year 2004) to implement security measures to modify federal buildings for security enhancements such as installing bollards.

**Gross budget authority  
(dollars in millions)**

	<b>FY 2004 enacted</b>	<b>FY 2005 estimate</b>	<b>FY 2006 request</b>
Federal Properties Activities/Fee Funded, Federal Buildings Fund (023-05-4542)			
New Construction	27.0	30.6	26.8
Major Repairs and Alterations	21.1	4.8	20.9
Building Operations	19.2	19.2	19.2
Minor Repairs and Alterations	5.5	4.0	6.0
<b>Total</b>	<b>\$72.8</b>	<b>\$58.6</b>	<b>\$72.9</b>

Source: OMB's Homeland Security and Overseas Combating Terrorism Database.

<sup>a</sup>The funding levels shown in this account represent the portion of the account that supports combating terrorism efforts for the critical mission area Protecting Critical Infrastructure and Key Assets.



**Appendix IV: A Summary of Selected  
Accounts with Combating Terrorism  
Activities**

**United States Army Corps of Engineers Civil Works**

**Critical Mission Area: Protecting Critical Infrastructure and Key Assets**

**Operation and Maintenance Account (202-00-3132)<sup>a</sup>**

**The Civil Works/Operation and Maintenance account** provides funding for U.S. Army Corps of Engineer personnel to prepare for emergencies and secure infrastructure owned and operated by, or on behalf of, the United States Army Corps of Engineers, including administrative buildings, facilities, and labs.

**Component activities:**

- *Continuity of Operations* funds USACE preparedness planning, including exercises related to USACE emergency relocation as a result of either a natural or a man-made disaster.
- *Critical Project Security* provides funds for physical security upgrades such as fences and cameras; guards hired to control access to critical project assets such as hydropower generators; and protection of administrative facilities and laboratories.

**Gross budget authority  
(dollars in millions)**

	<b>FY 2004 enacted</b>	<b>FY 2005 estimate</b>	<b>FY 2006 request</b>
Civil Works/Operation and Maintenance, General (202-00-3132)			
Continuity of Operations	0.0	1.0	1.0
Critical Project Security	101.5	88.0	71.0
<b>Total</b>	<b>\$101.5</b>	<b>\$89.0</b>	<b>\$72.0</b>

Source: OMB's Homeland Security and Overseas Combating Terrorism Database.

<sup>a</sup>The funding levels shown in this account represent the portion of the account that supports combating terrorism efforts for the critical mission area Protecting Critical Infrastructure and Key Assets.

**Appendix IV: A Summary of Selected  
Accounts with Combating Terrorism  
Activities**

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**Department of Agriculture: Agricultural Research Service**

**Critical Mission Area: Defending against Catastrophic Threats**

**Salaries and Expenses Account (005-18-1400)<sup>a</sup>**

**The Salaries and Expenses account** provides funding for Agricultural Research Service personnel to conduct research that helps counter agricultural bioterrorism including research that minimizes the risk of agriculture to contamination (chemical, biological, or genetic), helps ensure the security of the food supply, and allows Agricultural Research Service personnel to provide scientific knowledge and expertise in agriculture to support a response to a bioterrorism attack.

**Component activities:**

*Research* includes research activities conducted by Agricultural Research Service personnel to help protect the nation's animal and plant resources by preventing bioterrorism attacks on crops and animal agriculture or providing rapid responses to thwart such attacks, and developing rapid and accurate techniques to monitor the safety of the food supply.

<b>Gross budget authority (dollars in millions)</b>			
	<b>FY 2004 enacted</b>	<b>FY 2005 estimate</b>	<b>FY 2006 request</b>
Agricultural Research Service, Salaries and Expenses (005-18-1400)			
Research	20.8	30.2	65.6
<b>Total</b>	<b>\$20.8</b>	<b>\$30.2</b>	<b>\$65.6</b>

Source: OMB's Homeland Security and Overseas Combating Terrorism Database.

<sup>a</sup>The funding levels shown in this account represent the portion of the account that supports combating terrorism efforts for the critical mission area Defending against Catastrophic Threats.

**Appendix IV: A Summary of Selected  
Accounts with Combating Terrorism  
Activities**

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**Department of Agriculture: The Animal and Plant Health Inspection Service**

**Critical Mission Area: Defending against Catastrophic Attacks**

**Salaries and Expenses Account (005-32-1600)<sup>a</sup>**

**The Salaries and Expenses account** provides funds for APHIS staff to safeguard U.S. plant and animal resources against the introduction of foreign diseases and pests before they cause significant economic or environmental damage.

**Component activities:**

- *Pest Detection/Animal Health Monitoring* supports efforts by APHIS staff to track plant and animal disease agents that could be used in acts of bioterrorism.
- *Overseas Activities* supports efforts by APHIS staff to collect information on and track foreign pests and animal diseases.

<b>Gross budget authority (dollars in millions)</b>			
	<b>FY 2004 enacted</b>	<b>FY 2005 estimate</b>	<b>FY 2006 request</b>
Salaries and Expenses (005-32-1600)			
Pest Detection/Animal Health Monitoring	139.5	184.62	232.8
Overseas Activities	7.9	7.88	18.8
<b>Total</b>	<b>\$147.4</b>	<b>\$192.5</b>	<b>\$251.6</b>

Source: OMB's Homeland Security and Overseas Combating Terrorism Database.

<sup>a</sup>The funding levels shown in this account represent the portion of the account that supports combating terrorism efforts for the critical mission area Defending against Catastrophic Threats.

**Appendix IV: A Summary of Selected  
Accounts with Combating Terrorism  
Activities**

**Department of Homeland Security: Science and Technology**

**Critical Mission Area: Defending against Catastrophic Attacks**

**Research, Development, Operations, and Acquisitions Account (024-80-0800)<sup>a</sup>**

The Research, Development, Operations, and Acquisitions account provides funds for Science and Technology personnel to conduct and stimulate research, development, test, evaluation, and the timely transition of domestic combating terrorism capabilities to federal, state, and local agencies.

**Component activities:**

- *Biological Countermeasures* includes research activities on early biowarning systems and their future implementation, as well as analysis and countermeasures of biological threats.
- *Radiological and Nuclear Countermeasures* includes activities associated with radiological detection research and implementation, analysis, and countermeasures of nuclear and radiological threats, and the development of systems that will help to coordinate consequence management and recovery.
- *Research and Development Support to Department of Homeland Security Agencies* includes coordination and collaboration research and development activities with the other components of the department to assist and enhance their technical capabilities.
- *Man-Portable Air Defense Systems Countermeasures Special Program* includes activities associated with the development of countermeasures to mitigate threats posed by shoulder-fired missiles directed toward commercial aircraft.
- *Chemical Countermeasures* includes a range of activities to address chemical defense, such as studies to prioritize efforts for mitigating threats among chemical threats and targets, and the development of new chemical detection and forensic technologies.
- *Miscellaneous Activities* includes a range of activities such as enhancing explosive detection equipment for aviation security, providing funding to the academic community to provide support for qualified students and faculty to conduct research and development, and supporting studies and analysis to be conducted by the Homeland Security Institute.

**Gross budget authority  
(dollars in millions)**

	<b>FY 2004 enacted</b>	<b>FY 2005 estimate</b>	<b>FY 2006 request</b>
Science and Technology Research, Development, Operations, and Acquisitions Account (024-80-0800)			
Biological Countermeasures	286.5	397.7	362.3
Radiological and Nuclear Countermeasures	127.0	122.6	246.4
Research and Development Support to DHS Agencies	34.0	54.7	220.1
Man-Portable Air Defense Systems Countermeasures Special Programs	60.0	61.0	110.0
Chemical Countermeasures	52.0	53.0	102.0
Additional Activities with Fiscal Year 2006 requests of less than \$100 million	214.5	247.2	171.3
<b>Total</b>	<b>\$774.0</b>	<b>\$936.2</b>	<b>\$1,212.1</b>

Source: OMB's Homeland Security and Overseas Combating Terrorism Database.

<sup>a</sup>The funding levels shown in this account represent the portion of the account that supports combating terrorism efforts for the critical mission area Defending against Catastrophic Threats.

**Appendix IV: A Summary of Selected  
Accounts with Combating Terrorism  
Activities**

**Department of Homeland Security: State and Local Government Coordination and Preparedness**

**Critical Mission Area: Emergency Preparedness and Response**

**State and Local Programs Account (024-10-0560)<sup>a</sup>**

The State and Local Programs account provides funding for grants, training, exercises, and technical assistance to enhance the terrorism preparedness of first responders, including police, fire, rescue, and emergency response.

**Component activities:**

- *State Homeland Security Grants* provide funding to support grants to states for domestic combating terrorism activities such as training, exercises, support costs, and Citizen Corps. Citizen Corps was created to help coordinate volunteer activities that will make our communities safer, stronger, and better prepared to respond to any emergency situation.
- *High Threat Urban Area Grants* provide funding to support grants to states and localities for terrorism preparedness and infrastructure protection in high threat urban areas.
- *National Exercise Programs* provide funding to support the Top Officials Weapons of Mass Destruction Exercise and other federally administered terrorism exercises.
- *Center for Domestic Preparedness* provides funds to train state and local first responders to operate within a live agent hazardous environment.
- *Miscellaneous Activities* includes funding for a range of activities such as the storage of emergency equipment located at certain National Guard facilities and for emergency preparedness training through the National Domestic Preparedness Consortium (terrorism preparedness training centers).

	<b>Gross budget authority (dollars in millions)</b>		
	<b>FY 2004 enacted</b>	<b>FY 2005 estimate</b>	<b>FY 2006 request</b>
State and Local Programs Account (024-10-0560)			
State Homeland Security Grants	1,729.0	1,115.0	870.0
High Threat Urban Area Grants	721.0	885.0	820.0
National Exercise Programs	46.0	59.0	59.0
Center for Domestic Preparedness	55.0	55.0	50.0
Miscellaneous Activities	220.0	261.0	96.0
<b>Total</b>	<b>\$2,771.0</b>	<b>\$2,375.0</b>	<b>\$1,895.0</b>

Source: OMB's Homeland Security and Overseas Combating Terrorism Database.

<sup>a</sup>The funding levels shown in this account represent the portion of the account that supports combating terrorism efforts for the critical mission area Emergency Preparedness and Response.

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# Appendix V: Scope and Methodology

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To identify the methods agencies use to determine the portion of their annual appropriation that relates to combating terrorism, we met with OMB officials to review OMB's efforts to define, categorize, and track homeland security and overseas combating terrorism funding both prior to and after the enactment of the Homeland Security Act. In addition, we met with 7 agencies, including 12 directorates, offices, or bureaus at those agencies that reported receiving funding for combating terrorism activities. The seven agencies we contacted are the Department of Homeland Security, the Department of Defense, the United States Army Corps of Engineers, the Department of Justice, the Department of Energy, the General Services Administration, and the United States Department of Agriculture.

To reflect a range of funding levels, we selected these agencies from 33 agencies and the District of Columbia that reported receiving funding related to combating terrorism activities to OMB. We selected DHS and DOD because they account for 73 percent of the gross budget authority enacted for homeland security activities for fiscal year 2005, and DOD and DOE because they account for 69 percent of the gross budget authority enacted for overseas combating terrorism activities for fiscal year 2005.<sup>1</sup> We also selected four agencies: two agencies from a list of those with the most fiscal year 2005 budget dollars related to combating terrorism activities—USDA and DOJ—and two agencies from a list of those with the least enacted budget authority related to combating terrorism activities—GSA and USACE—to ensure we included agencies in our review that had a range of combating terrorism funding. Because the selection we used was a nonprobability sample, the information we obtained from these 7 agencies is not generalizable to all agencies with similar funding for combating terrorism activities.<sup>2</sup>

We used a random sample number generator to select USDA, DOJ, GSA, and USACE from the two categories we established, that is, agencies that were moderately funded and those that were minimally funded. We excluded DOD, DHS, and DOE when performing the random number

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<sup>1</sup>Gross budget authority is budgetary totals from which offsetting collections have not been deducted. Offsetting collections are collections by government accounts from other government accounts and any collections from the public that are of a business type or a market-oriented nature.

<sup>2</sup>Results from nonprobability samples cannot be used to make inferences about a population, because in a nonprobability sample some elements of the population being studied have no chance or an unknown chance of being selected as part of the sample.

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generation, since we had already included them in our selection. (We also excluded the Postal Service because it did not estimate receiving any funding to combat terrorism activities in fiscal year 2006 and 10 other agencies that each received less than 0.1 percent of combating terrorism dollars—to ensure that our analysis included the more significant of the minimally funded agencies).<sup>3</sup>

Within the seven agencies, we selected directorates or offices that received the most funding for combating terrorism activities. These included the Animal and Plant Health Inspection Service and the Agricultural Research Service, within USDA; Customs and Border Protection, Immigration and Customs Enforcement, the Information Analysis and Infrastructure Protection Directorate, the Office of State and Local Government Coordination and Preparedness, the Transportation Security Administration, the United States Coast Guard, the United States Secret Service, and the Science and Technology Directorate of DHS; the Bureau of Alcohol, Tobacco, Firearms and Explosives; and the Federal Bureau of Investigation of DOJ.

We also reviewed the activities contained in 34 budgetary accounts—separate financial reporting units for which all transactions within the budget are recorded—for these agencies designated as related to combating terrorism. We selected accounts with the most combating terrorism funding at each agency as well as some accounts with smaller amounts to ensure we covered a range of funding. On the basis of our selection, we reviewed at least 70 percent of each agency's estimated gross budget authority related to combating terrorism activities as reported in the President's fiscal year 2006 budget request. While we initially selected an additional 23 budgetary accounts to review at DOD, we did not review these accounts because DOD does not enter its combating terrorism activities—specific lines of work—into OMB's Homeland Security and Overseas Combating Terrorism database. Although OMB computed the portion of budget authority DOD receives to combat terrorism and aligned DOD's budget authority related to homeland security with the six critical

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<sup>3</sup>In the fiscal year 2005 Analytical Perspective, 9 agencies and the District of Columbia use less than 0.1 percent of homeland security dollars and, together, make up 0.26 percent of total homeland security funding (about \$121 million of the \$46 billion homeland security dollars). These 9 agencies included the Executive Office of the President, Corporation for National and Community Service, National Archives and Records Administration, United States Holocaust Memorial Museum, Department of Education, Securities and Exchange Commission, Office of Personnel Management, Department of Housing and Urban Development, and the Federal Communications Commission.

mission areas, OMB staff said that they did not enter information on activities conducted by DOD to combat terrorism. Thus, we did not have any activity level-information to review for DOD for the accounts we selected.

We interviewed agency officials at the seven agencies included in our review and OMB to determine how they identified, categorized, and tracked homeland security and overseas combating terrorism activities and estimated the portion of their budget authority that relates to such activities. To supplement interviews with agency budget officials, we also reviewed relevant budget documentation from each agency and asked agency budget officials to describe procedures the agency had in place to ensure that their funding levels were developed in accordance with OMB's guidelines and definitions.

To identify the status of recommendations from our November 2002 report, we met with OMB and attempted to meet with National Security Council (NSC) officials to document what actions have been taken to implement our recommendations and the reasons they did or did not implement them.<sup>4</sup> Additionally, we reviewed the *National Strategy for Combating Terrorism*, the *National Strategy for Homeland Security*, and the *National Security Strategy of the United States* and conducted a literature search to determine if any updates or supplements had been written that included governmentwide performance goals and measures. We also interviewed agency officials at the seven agencies included in our review and reviewed their performance plans to determine whether these plans included performance goals and measures that reflected their combating terrorism activities. To determine the status of recommendations made in our 2002 report regarding an analysis of duplication of effort related to combating terrorism activities in annual reporting on funding data associated with such activities and to report this information in a timely manner to support congressional budget decisions, we met with OMB to determine what actions have been taken to implement our recommendations and the reasons it did or did not implement them. We also reviewed the Analytical Perspectives

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<sup>4</sup>National Security Council officials declined to meet with us or to confirm that the Administration had not yet issued any updates or revisions to the *National Strategy for Homeland Security*, the *National Strategy for Combating Terrorism*, and the *National Security Strategy of the United States*. In addition, National Security Council officials declined to provide us with information on the status of any future plans for issuing updates to these strategies.



accompanying the President's fiscal years 2005 and 2006 budgets to determine whether or not OMB included funding data information on combating terrorism and whether this information was issued in a timely manner.

In addition to pursuing our two main objectives, we also identified funding patterns and trends for overseas combating terrorism activities and for homeland security activities between fiscal year 2002 and what is proposed for fiscal year 2006. We extracted, summarized, and analyzed combating terrorism data from the database used to prepare the Budget of the United States for fiscal years 2002 through 2006. To ensure that the database we received was consistent with published sources, we conducted electronic data testing and determined that the data was sufficiently reliable for our purposes.

We also analyzed the effects of the Homeland Security Act of 2002 on reporting requirements for funding data related to combating terrorism activities since our 2002 report<sup>5</sup> by reviewing the act and comparing it with prior reporting requirements under the National Defense Authorization Act for Fiscal Year 1998 as amended by the National Defense Authorization Act for Fiscal Year 1999.<sup>6</sup> To supplement this information, we also reviewed OMB's 2003 *Report to Congress on Combating Terrorism* and the Analytical Perspectives of the President's budget from fiscal years 2005 and 2006.

We conducted our work from January 2005 through November 2005 in accordance with generally accepted government auditing standards.

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<sup>5</sup>See [GAO-03-170](#).

<sup>6</sup>Pub. L. No. 105-85, 111 Stat. 1638, 1889(1997) as amended by Pub. L. 105-261, 112 Stat. 1930, 2168(1998).

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# Appendix VI: Guidance Agencies Most Commonly Report Using to Identify Activities as Combating Terrorism

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Officials at five of the seven agencies<sup>1</sup> we contacted—Department of Homeland Security, the Department of Justice, the Department of Energy, the General Services Administration, and the United States Department of Agriculture—most commonly reported using guidance from OMB, the Homeland Security Act of 2002,<sup>2</sup> and agency-specific guidance to identify their combating terrorism activities. Officials at all five of these agencies said they use OMB Circular No. A-11, which includes definitions for homeland security and overseas combating terrorism activities, and instructions for submitting information on funding data related to homeland security and overseas combating terrorism to OMB.<sup>3</sup> In addition, officials from four of the seven agencies in our review reported that they consulted with OMB to determine which of their agency's activities are related to combating terrorism.

Three of the seven agencies we contacted—DHS, USDA, and the United States Army Corps of Engineers—have developed additional guidance, which provides details specific to each agency to help determine combating terrorism activities. For example, to supplement OMB Circular A-11 guidance, DHS established an internal directive, Planning, Programming, Budgeting and Execution, which helps establish policy, procedures, and responsibilities relative to the planning, programming, budgeting, and execution process at DHS. The objective of the directive is to articulate DHS's goals, objectives, and priorities while guiding the development of the department's budget request and establishing parameters and guidelines for implementing and executing the current budget.

Furthermore, officials in four of DHS's components told us that they refer to information included in the Homeland Security Act of 2002 to determine which of their activities relate to homeland security. For example, section 888 of the Homeland Security Act designated 5 of the U.S. Coast Guard's 11 missions as homeland security and the remaining 6 as non-homeland

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<sup>1</sup>Officials at the Department of Defense reported that OMB determines how much of DOD's funding relates to combating terrorism.

<sup>2</sup>Pub. L. 107-296, 116 Stat. 2135 (2002).

<sup>3</sup>Circular No. A-11: *Preparation, Submission, and Execution of the Budget*, Executive Office of the President, Office of Management and Budget (Washington, D.C.: June 21, 2005).

security.<sup>4</sup> Similarly, Information Analysis and Infrastructure Protection (IAIP) officials at DHS stated that they categorized all of their activities as related to homeland security, since section 201 of the Homeland Security Act of 2002 only authorized IAIP to conduct activities related to homeland security.

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<sup>4</sup>OMB staff said that while the current methodology for computing USCG homeland security funding includes the five missions from section 888 of the Homeland Security Act of 2002, they do not recognize section 888 as the basis for making that determination.

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# Appendix VII: Status of 2002 Recommendations Related to Duplication of Effort and Timely Reporting of Funding Data

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This appendix discusses the status of recommendations made in our 2002 report for the Office of Management and Budget to (1) include an analysis of duplication of effort related to combating terrorism activities in its annual reporting of funding data associated with such activities and (2) report this information in a timely manner to support congressional budget decisions.<sup>1</sup>

To improve the usefulness of OMB's *Annual Report to Congress on Combating Terrorism*, we recommended that OMB include, as required by the National Defense Authorization Act for Fiscal Year 1998, an analysis of areas where overlap in programs could result in unnecessary duplication of effort.<sup>2</sup> We also recommended that OMB publish the report by the required annual March 1 deadline to provide information in time for congressional budget deliberations.

Although OMB has not implemented our recommendation that it include an analysis of unnecessary duplication of effort in its annual combating terrorism report, this requirement no longer exists. Our November 2002 report was issued concurrently with the enactment of the Homeland Security Act of 2002.<sup>3</sup> Section 889 of the Homeland Security Act of 2002 repealed OMB's prior reporting requirements, including the duplication analysis.

OMB staff stated that they did not include an analysis of duplication in any of the agency's prior reports primarily because they perform an analysis of homeland security initiatives and related resource needs across all federal agencies as part of the annual budget preparation process, and that they take action to address duplication prior to the publication of the President's budget. Therefore, OMB staff said that they believe any issue of duplication is addressed in the President's budget, specifically through his recommendations related to funding needs.

Our recommendation that OMB improve the usefulness of its *Annual Report to Congress on Combating Terrorism* by publishing the report by the then-required March 1 annual deadline was also superseded by section 889 of the Homeland Security Act. This section requires that OMB report

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<sup>1</sup>See [GAO-03-170](#).

<sup>2</sup>Pub. L. No. 105-85, 111 Stat. 1629, 1889 (1997).

<sup>3</sup>Pub. L. No. 107-296, 116 Stat. 2135 (2002).

on funding data for homeland security activities in the President's budget. Because the President must submit his budget by the first Monday in February,<sup>4</sup> the Homeland Security Act of 2002 accelerated the timeline for reporting funding data on homeland security activities. OMB complied with this reporting requirement in fiscal years 2005 and 2006.

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<sup>4</sup>31 U.S.C. 1005(a).

# Appendix VIII: Comments from the Office of Management and Budget



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

December 21, 2005

Mr. Paul Jones  
Director, Homeland Security and Justice Division  
Government Accountability Office  
441 G St., NW  
Washington, DC 20548

Dear Mr. Jones:

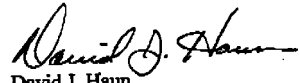
Thank you for the opportunity to comment on GAO's draft report entitled "Methods for Determining Federal Funding Related to Combating Terrorism Activities" (GAO-06-161). The Office of Management and Budget (OMB) appreciates the in-depth analyses provided in the report, and the detailed review of the government's "Homeland Security" spending levels.

Included within the draft report, however, GAO also publishes funding estimates for "Overseas Combating Terrorism" (OCT) activities that were extracted from the MAX budget database maintained by OMB. We are concerned about the accuracy of this data, and recommend that OCT estimates be deleted from the final report.

As OMB staff explained to the GAO authors of this report several times during the research phase of the project, OMB no longer uses the OCT measure as the basis for analysis of funding levels. Since November 2002 the relevant statute has not required reporting on this basis. Therefore, for over three years, OMB has not reviewed for consistency the methodologies used to compile the estimates, nor confirmed the accuracy of the data submitted. As a result, the estimates included in the draft GAO report should not be considered an accurate representation of funding spent on combating terrorism overseas. OMB strongly urges that the final GAO report not include the OCT estimates, and we also recommend that these figures not be used as the basis for any further analysis or decision making, given the outstanding questions about their accuracy.

We appreciate the opportunity to work with GAO on this issue and thank you for the opportunity to review and comment on your draft report on this important issue.

Sincerely,

  
David J. Haun  
Deputy Associate Director  
Transportation, Homeland, Justice  
and Services Division

# Appendix IX: Comments from the General Services Administration



GSA Office of the Chief Financial Officer

DEC - 2 2005

The Honorable David M. Walker  
Comptroller General of the United States  
Government Accountability Office  
Washington, DC 20548

Dear Mr. Walker:

The General Services Administration (GSA) appreciates this opportunity to review and provide comments to the Government Accountability Office's draft report, "COMBATING TERRORISM: Methods for Determining Federal Funding Related to Combating Terrorism Activities", GAO-06-161. We concur with the sections discussing GSA in the draft report.

Questions regarding the draft report may be directed to Mr. David A. Morris, Acting Director, Budget and Performance Integration, at (202) 501-4159 or [davida.morris@gsa.gov](mailto:davida.morris@gsa.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Kathleen M. Turco".

Kathleen M. Turco  
Chief Financial Officer

U.S. General Services Administration  
1800 F Street, NW  
Washington, DC 20405-0002  
[www.gsa.gov](http://www.gsa.gov)

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# Appendix X: GAO Contact and Staff Acknowledgments

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## GAO Contact

Paul L. Jones (202) 512-8777

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## Acknowledgments

In addition to the contact named above, Debra B. Sebastian, Assistant Director, Grace A. Coleman, Christine F. Davis, Gerard DeBie, Denise M. Fantone, Michele Fejfar, Jacob Hauskens, Laura R. Helm, Dawn Locke, Sara R. Margraf, and John W. Mingus, and made key contributions to this report.



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# Related GAO Products

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*Global War on Terrorism: DOD Should Consider All Funds Requested for the War when Determining Needs and Covering Expenses*, [GAO-05-767](#). Washington, D.C.: Sept. 28, 2005.

*Global War on Terrorism: DOD Needs to Improve the Reliability of Cost Data and Provide Additional Guidance to Control Costs*, [GAO-05-882](#). Washington, D.C.: Sept. 21, 2005.

*Managing for Results: Enhancing Agency Use of Performance Information for Management Decision Making*. [GAO-05-927](#). Washington, D.C.: Sept. 9, 2005.

*A Glossary of Terms Used in the Federal Budget Process*, [GAO-05-734SP](#). Washington, D.C.: September 2005.

*Protection of Chemical and Water Infrastructure: Federal Requirements, Actions of Selected Facilities, and Remaining Challenges*. [GAO-05-327](#). Washington, D.C.: Mar. 28, 2005.

*Results-Oriented Government: Improvements to DHS's Planning Process Would Enhance Usefulness and Accountability*. [GAO-05-300](#). Washington, D.C.: Mar. 31, 2005.

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*Coast Guard: Relationship between Resources Used and Results Achieved Needs to Be Clearer.* [GAO-04-432](#). Washington, D.C.: Mar. 22, 2004.

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*Combating Terrorism: Evaluation of Selected Characteristics in National Strategies Related to Terrorism.* [GAO-04-408T](#). Washington, D.C.: Feb. 3, 2004.

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