



Highlights of [GAO-05-420](#), a report to congressional requesters

ELECTRONIC GOVERNMENT

Funding of the Office of Management and Budget's Initiatives

Why GAO Did This Study

In accordance with the President's Management Agenda, the Office of Management and Budget (OMB) has sponsored initiatives to promote electronic government—the use of information technology, such as Web-based Internet applications, to enhance government services. Generally, these “e-gov” initiatives do not have direct appropriations but depend on a variety of funding sources, including monetary contributions from participating agencies. GAO was asked to review the funding of e-gov initiatives that relied on such contributions: specifically, to determine, for fiscal years 2003 and 2004, whether agencies made contributions in the amounts planned and to determine the timing of these contributions.

What GAO Recommends

In order to avoid errors and to better assist managing partner agencies in obtaining funds to execute e-gov initiatives, GAO recommends that OMB ensure that it correctly reflects the funding plans of each initiative in its budget guidance to partner agencies.

In commenting on a draft of this report, officials from OMB's Office of Electronic Government generally agreed with its content and the recommendation.

www.gao.gov/cgi-bin/getrpt?GAO-05-420.

To view the full product, including the scope and methodology, click on the link above. For more information, contact Linda Koontz at (202) 512-6240 or koontzl@gao.gov.

What GAO Found

As shown below, most federal agencies contributed funds as originally planned by the managing partners of the 10 initiatives that relied on such contributions in fiscal years 2003 and 2004. Nevertheless, 6 of the 10 initiatives experienced shortfalls from their funding plans in fiscal year 2003 and 9 in 2004. The rationale provided by agencies for contributions that were less than planned included: (1) substitution of in-kind resources in lieu of funds, (2) lack of budget guidance from OMB reflecting planned funding amounts, (3) inability to obtain permission to reprogram funds from other accounts, and (4) organizational realignments associated with creation of the Department of Homeland Security in fiscal year 2003. For example, the e-Rulemaking initiative (managed by the Environmental Protection Agency) received only 51 percent of its planned fiscal year 2004 contributions. Although the initiative's funding plan called for adding new funding partners in that year, OMB did not reflect this expansion when it issued its annual budget guidance to agencies. As a result, the newly added agencies generally did not contribute. According to E-Rulemaking officials, the resulting shortfall in funds, along with delays in receiving funds from other agencies, required them to significantly scale back their plans.

In most cases, fiscal year 2003 and 2004 contributions from partner agencies were made in the third and fourth quarters of the fiscal year. Agency officials identified the administrative burden associated with drafting, negotiating, and signing interagency agreements, as well as the delayed enactment of the fiscal year 2003–2004 appropriations bills, as contributing to this timing of contributions. However, according to officials from several agencies, although the administrative burden is still high, agencies have become more accustomed to funding strategies based on partner agency contributions.

Numbers of Contributing Partner Agencies by Initiative

Initiative	Fiscal year 2003		Fiscal year 2004	
	# of funding partners	# contributing as planned	# of funding partners	# contributing as planned
Disaster Management	9	5	8	6
e-Authentication	14	8	15	13
e-Loans	5	4	5	4
e-Rulemaking	9	7	35	9
Geospatial One-Stop	8	7	8	6
GovBenefits	10	10	10	9
Grants.gov	11	11	12	11
Integrated Acquisition Environment	31	19	24	21
Project SAFECOM	9	4	7	6
Recreation One-Stop	4	4	4	4
Total	110	79	128	89

Source: GAO analysis of agency-provided data.