



**UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF FINANCE AND OPERATIONS**

January 29, 2021

Jon Rice
Assistant Director, Office of Performance and Budget
Office of National Drug Control Policy
Executive Office of the President
Washington, DC 20503

Dear Mr. Rice:

Enclosed via e-mail attachment please find the Department of Education's Fiscal Year 2020 Accounting of Drug Control Funds and Calendar Year 2020 Budget Formulation Compliance Report, along with the Department of Education Assistant Inspector General's authentication of each, in accordance with ONDCP Circular *National Drug Control Program Agency Compliance Reviews*, dated October 22, 2019.

Please do not hesitate to contact me if you have any questions about this information.

Sincerely,

Larry Kean
Director, Budget Service

www.ed.gov

The Department of Education's mission is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access.



**UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF FINANCE AND OPERATIONS**

January 28, 2021

Ms. Sandra D. Bruce
Acting Inspector General
U.S. Department of Education
400 Maryland Avenue, S.W.
Washington, DC 20202-1510

Dear Ms. Bruce:

This letter constitutes the Department's Budget Formulation Compliance Report for calendar year 2020, in response to section 6 of the Office of National Drug Control Policy (ONDCP) Circular *National Drug Control Program Agency Compliance Reviews*, dated October 22, 2019.

The Circular instructs that this Compliance Report include (1) information on the Department's summer budget formulation (in this case, for fiscal year 2022); and (2) assertions by the Department relating to that summer budget formulation.

More specifically, the ONDCP Circular presupposes the Department engaged in an agency-wide budget formulation process for fiscal year 2022 during the summer of calendar year 2020, and expects the Department, in this Compliance Report, to (1) include a copy of the transmittal letter and resource summary table from the Office of Elementary and Secondary Education's (OESE) fiscal year 2022 budget request for drug control programs submitted to ONDCP this summer; and (2) make assertions to OIG for the purpose of OIG expressing a conclusion about the reliability of those assertions regarding (a) the timeliness of OESE's budget submission to ONDCP, and (b) the funding request in that submission representing the budget submission made by OESE to the Department without alternation or adjustment by any official at the Department.

However, the Department in fact did not carry out an internal budget formulation process for fiscal year 2022 under which OESE developed or submitted a budget request to ONDCP in summer of 2020. Consequently, OESE did not submit such a request to ONDCP and, thus, the assertions required by the ONDCP Circular are not applicable.

Fortunately, ONDCP Circular (in section 6(b)(1)), in tandem with the ONDCP Circular *Budget Formulation* dated October 22, 2019 (in section 9(a)(1)), accommodates the above circumstances. In combination, the two Circulars indicate that for agencies with no budget data applicable for the summer budget submission, the agency (1) notify ONDCP by July 15th that the agency budget formulation process does not include the submission of any agency budget proposal, budget formulation data, or other pre-decisional budget information to the agency for review or adjudication prior to development of the OMB-level fall budget submission; and (2) in this Compliance Report, include an assertion to affirm that is the case.

www.ed.gov

The Department of Education's mission is to promote student achievement and preparation for global competitiveness by fostering educational excellence and ensuring equal access.

Page 2 – Ms. Sandra D. Bruce

The Department notified ONDCP by e-mail on May 13, 2020 (copy enclosed) that for the above reasons ONDCP would not be receiving a summer drug control budget request from the Department for the fiscal year 2022 formulation cycle. And for purposes of this Compliance Report we reaffirm that assertion, inclusive of the assertion that the Department's fiscal year 2022 budget formulation process did not include the submission by OESE of any budget proposal, budget formulation data, or other pre-decisional budget information to the agency for review or adjudication prior to development of the Department's OMB-level fall budget submission.

Please provide me with the conclusion of your review in writing, and I will transmit it to ONDCP along with this Compliance Report. As you know, ONDCP requests these documents by February 1, 2021, if possible. Please do not hesitate to contact me if you have any questions about the enclosed information.

Sincerely,

Larry Kean
Director, Budget Service



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF INSPECTOR GENERAL

AUDIT SERVICES

January 29, 2021

TO: Larry Kean
Deputy Assistant Secretary, Office of Budget Service
Office of Finance and Operations

FROM: Bryon S. Gordon /s/
Assistant Inspector General for Audit

SUBJECT: Office of Inspector General's Independent Report on the U.S. Department of Education's *Budget Formulation Compliance Report for Calendar Year 2020*, dated January 28, 2021

Attached is our authentication of management's assertions contained in the U.S. Department of Education's *Budget Formulation Compliance Report for Calendar Year 2020*, dated January 28, 2021. We performed this review as required by 21 United States Code (U.S.C.) section 1704(d)(1) and as authorized by 21 U.S.C. section 1703(d)(7), and in compliance with the Office of National Drug Control Policy Circular: *National Drug Control Program Agency Compliance Reviews*, dated October 22, 2019.

If you have any questions or wish to discuss the contents of this authentication, please contact Michele Weaver-Dugan, Regional Inspector General for Audit, Internal Operations/Philadelphia Audit Team, at (202) 245-6941.

Attachment



UNITED STATES DEPARTMENT OF EDUCATION
OFFICE OF INSPECTOR GENERAL

AUDIT SERVICES

Office of Inspector General's Independent Report on the U.S. Department of Education's *Budget Formulation Compliance Report for Calendar Year 2020*, dated January 28, 2021

We have reviewed management's assertions contained in the accompanying *Budget Formulation Compliance Report for Calendar Year 2020*, dated January 28, 2021. The U.S. Department of Education's management is responsible for the Budget Formulation Compliance Report and the assertions contained therein.

Our review was conducted in accordance with generally accepted government auditing standards for attestation review engagements. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on management's assertions. Accordingly, we do not express such an opinion.

We reviewed the Department's assertion that its fiscal year 2022 budget formulation process did not include the submission by the Office of Elementary and Secondary Education of any budget proposal, budget formulation data, or other pre-decisional budget information to the agency for review or adjudication prior to development of the Department's Office of Management and Budget-level fall budget submission, and we determined that the Department appropriately notified the Office of National Drug Control Policy of this by the July 15 deadline.

Based on our review, nothing came to our attention that caused us to believe that management's assertion, contained in the accompanying Budget Formulation Compliance Report, is not fairly stated in all material respects, based upon the Office of National Drug Control Policy Circular: *National Drug Control Program Agency Compliance Reviews*, dated October 22, 2019.

Bryon S. Gordon /s/
Assistant Inspector General for Audit